

**Bills Committee on Mandatory Provident Fund Schemes
(Amendment) Bill 2008**

1st meeting on 27 June 2008

List of follow-up actions

1. In relation to the concerns raised by members of the Bills Committee about the proposed one-off injection of \$6,000 into the Mandatory Provident Fund (MPF) and MPF-exempted occupational retirement scheme (ORSO) accounts of employees and self-employed persons earning not more than \$10,000 a month (hereinafter referred to as the special contribution), the Administration/the Mandatory Provident Fund Schemes Authority (MPFA) were requested to consider/respond to the following views and suggestions:
 - (a) allowing eligible MPF/ORSO scheme members to withdraw the special contribution at any time prior to attaining the age of 65, such as by making the special contribution as a voluntary contribution not subject to the preservation requirement;
 - (b) the feasibility of using the average monthly income over the 12 months from 1 March 2007 to 29 February 2008 to assess whether an MPF/ORSO scheme member could fulfil the income eligibility; and
 - (c) for the purpose of determining the income eligibility, the feasibility of collecting information on the monthly income of MPF/ORSO scheme members for the period from 1 March 2007 to 29 February 2008, instead of just the month of the anchored income and the two immediately preceding months.

2. The Administration/the MPFA were requested to confirm/advise whether and how persons under the following scenarios would be eligible for receiving the special contribution :
 - (a) persons (retired or still in employment) aged between 60 and 65 and persons over 65 years of age;
 - (b) an employee who passed away on or after 1 March 2008;
 - (c) those employees whose employers had not duly enrolled them to an MPF scheme on or before 29 February 2008;
 - (d) a person who was unemployed throughout the one-year period from 1 March 2007 to 29 February 2008; and

- (e) a person who earned more than \$10,000 during the first half of the one-year period in question but who became unemployed during the latter half of the one-year period.
3. The Administration/the MPFA were requested to provide the following information :
- (a) a breakdown of the number of MPF/ORSO scheme members earning between \$10,000 - \$10,999 and \$11,000 - \$11,999 and the tax rebate to which they were entitled as a result of the one-off tax reduction announced in the 2008-09 Budget;
 - (b) how MPFA's decisions on eligible cases would be disseminated for reference by the public;
 - (c) if a person was aggrieved by MPFA's decision that he was not eligible for the special contribution, the channel or mechanism, if any, for the person to lodge a complaint or an appeal against MPFA's decision; and
 - (d) details of the scenarios or hypothetical cases drawn up by MPFA for the purpose of studying the eligibility of certain persons.