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Panel on Financial Affairs

Special Meeting

April 20, 2011

Review of the minimum and maximum relevant income levels for Mandatory Provident Fund contributions

Dear Honourable Chairman,

The recent revelations among members of the public and media make it clear that people are better at investing their own money and planning for their savings than the government.

Our fast-ageing population and shrinking projections of working taxpayers are serious challenges to Hong Kong's well-being and prosperity.

It's time to remove the mandatory in the MPF so that it can retract back to an investment vehicle which actually competes with others to improve individuals' finances. Once reverted, the funds or account is open to fund managers, who are welcome to get aggressive in competing with each other and thus, lowering fees plus greater incentives to perform.

It's truly ironic that the current discussion now centers on regulations to protect account holders with measures to prevent mis-selling while the MPF in itself is a scheme which has helped fund managers and their job creation and wealth only.

The public doesn't want to choose from a list provided by the MPF Schemes Authority, or have contributions defined. The public wants to move and invest their own savings, the way one trusts is best, and choosing their own fund managers and firms, AND all the while, none being mandatory.

The government should not be involved in any future investment and savings vehicle on behalf of the public given the absolute wreck and wastage of residence salaries.

Yours Sincerely,

HK Noise

HK Noise is a Hong Kong based group of young professionals and students devoted to Hong Kong's future.