

立法會
Legislative Council

LC Paper No. CB(3) 32/16-17

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Date : 17 October 2016

From : Clerk to the Legislative Council

To : All Members of the Legislative Council

Council meeting of 19 October 2016

**Amendments to motion on
“Abolishing the Mandatory Provident Fund offsetting mechanism”**

Further to LC Paper No. CB(3) 23/16-17 issued on 13 October 2016, six Members (Hon Jimmy NG, Dr Hon CHIANG Lai-wan, Hon Andrew WAN, Dr Hon Fernando CHEUNG, Hon LAU Siu-lai and Hon Michael TIEN) have respectively given notice of their intention to move separate amendments to Hon WONG Kwok-kin’s motion on “Abolishing the Mandatory Provident Fund offsetting mechanism” scheduled for the Council meeting of 19 October 2016. As directed by the President, the respective amendments will be printed in the terms in which they were handed in on the Agenda of the Council.

2. The President will order a joint debate on the above motion and the six amendments. To assist Members in debating the motion and the amendments, I set out below the procedure to be followed during the debate:

- (a) the President calls upon Hon WONG Kwok-kin to speak and move his motion;
- (b) the President proposes the question on Hon WONG Kwok-kin’s motion;
- (c) the President calls upon the six Members who wish to move amendments to speak in the following order, but no amendment is to be moved at this stage:
 - (i) Hon Jimmy NG;
 - (ii) Dr Hon CHIANG Lai-wan;

- (iii) Hon Andrew WAN;
 - (iv) Dr Hon Fernando CHEUNG;
 - (v) Hon LAU Siu-lai; and
 - (vi) Hon Michael TIEN;
- (d) the President calls upon the public officer(s) to speak;
 - (e) the President invites other Members to speak;
 - (f) the President gives leave to Hon WONG Kwok-kin to speak for the second time on the amendments;
 - (g) the President calls upon the public officer(s) to speak again;
 - (h) in accordance with Rule 34(5) of the Rules of Procedure, the President has decided that he will call upon the six Members to move their respective amendments in the order set out in paragraph (c) above. The President invites Hon Jimmy NG to move his amendment to the motion, and forthwith proposes and puts to vote the question on Hon Jimmy NG's amendment;
 - (i) after Hon Jimmy NG's amendment has been voted upon, the President deals with the other five amendments; and
 - (j) after all amendments have been dealt with, the President calls upon Hon WONG Kwok-kin to reply. Thereafter, the President puts to vote the question on Hon WONG Kwok-kin's motion, or his motion as amended, as the case may be.

3. For Members' reference, the terms of the original motion and of the motion, if amended, are set out in the **Appendix**.

(Dora WAI)
for Clerk to the Legislative Council

Encl.

(Translation)

**Motion debate on
“Abolishing the Mandatory Provident Fund offsetting mechanism”
to be held at the Council meeting of 19 October 2016**

1. Hon WONG Kwok-kin’s original motion

That, since the implementation of the Mandatory Provident Fund (‘MPF’) scheme in 2000, its effectiveness has been questioned by society, and the MPF offsetting mechanism (i.e. the use of the accrued benefits derived from employers’ MPF contributions to offset severance payments and long service payments) has all along been criticized by society; as at the first quarter of 2016, over \$29.2 billion under the MPF scheme was offset, which seriously eroded the hard-earned money of wage earners and directly affected their retirement protection; in this connection, this Council urges the Government to expeditiously abolish the MPF offsetting mechanism and comprehensively review the MPF scheme, so as to ensure that employees’ rights and interests will not be undermined and their retirement life be better protected.

2. Motion as amended by Hon Jimmy NG

That, ~~since the implementation of~~ *as the offsetting mechanism under* the Mandatory Provident Fund (‘MPF’) scheme ~~in 2000, its effectiveness has been questioned by society, and the MPF offsetting mechanism~~ (i.e. the use of the accrued benefits derived from employers’ MPF contributions to offset severance payments and long service payments) has all along been ~~criticized by society; as at the first quarter of 2016, over \$29.2 billion under the MPF scheme was offset, which seriously eroded the hard-earned money of wage earners and directly affected their retirement protection~~ *functioning effectively, the industrial and commercial sectors resolutely oppose abolishing the offsetting mechanism*; in this connection, this Council urges the Government to ~~expeditiously abolish the MPF offsetting mechanism and,~~ *on the premise of ensuring that Hong Kong’s business environment and employment market will not be challenged and social resources will be fairly utilized, not only* comprehensively review the MPF scheme, ~~so as to ensure~~ *but also review various social security systems, so* that employees’ rights and interests ~~will not be undermined and their retirement life~~ *will* be better protected.

Note: Hon Jimmy NG’s amendment is marked in *bold and italic type* or with deletion line.

3. Motion as amended by Dr Hon CHIANG Lai-wan

That, since the implementation of the Mandatory Provident Fund ('MPF') scheme *as an important pillar of people's retirement protection* in 2000, its effectiveness has been questioned by society, and the MPF offsetting mechanism (i.e. the use of the accrued benefits derived from employers' MPF contributions to offset severance payments and long service payments) has all along been criticized by society; as at the first quarter of 2016, over \$29.2 billion under the MPF scheme was offset, which seriously eroded the hard-earned money of wage earners and directly affected their retirement protection; in this connection, this Council urges the Government to expeditiously abolish the MPF offsetting mechanism *and make a certain financial commitment for such an arrangement*, and comprehensively review the MPF scheme, so as to ensure that employees' rights and interests will not be undermined and their retirement life be better protected.

Note: Dr Hon CHIANG Lai-wan's amendment is marked in *bold and italic type*.

4. Motion as amended by Hon Andrew WAN

That, ~~since the implementation of~~ the Mandatory Provident Fund ('MPF') scheme *was proposed by the Government in 1995, and since its implementation* in 2000, its effectiveness has been questioned by society, and the MPF offsetting mechanism (i.e. the use of the accrued benefits derived from employers' MPF contributions to offset severance payments and long service payments) has all along been criticized by society; *although the Chief Executive stated in his Manifesto for the Chief Executive Election released in 2012 that he will 'adopt measures to progressively reduce the proportion of accrued benefits attributed to employer's contribution in the MPF account that can be applied by the employer to offset long-service or severance payments', he has failed to honour the election pledge over the past four years or so*; as at the first quarter of 2016, over \$29.2 billion under the MPF scheme was offset, which seriously eroded the hard-earned money of wage earners and directly affected their retirement protection *as the current offsetting mechanism is linked to retirement protection*; in this connection, this Council urges the Government to expeditiously abolish the MPF offsetting mechanism and comprehensively review the MPF scheme, so as to ensure that employees' rights and interests will not be undermined and their retirement life be better protected.

Note: Hon Andrew WAN's amendment is marked in *bold and italic type* or with deletion line.

5. Motion as amended by Dr Hon Fernando CHEUNG

That, since the implementation of the Mandatory Provident Fund ('MPF') scheme in 2000, its effectiveness has been questioned by society, and the MPF offsetting mechanism (i.e. the use of the accrued benefits derived from employers' MPF contributions to offset severance payments and long service payments) has all along been criticized by society; as at the first quarter of 2016, over \$29.2 billion under the MPF scheme was offset, which seriously eroded the hard-earned money of wage earners and directly affected their retirement protection; *as the Chief Executive has failed to honour his pledge to 'adopt measures to progressively reduce the proportion of accrued benefits attributed to employer's contribution in the MPF account that can be applied by the employer to offset long-service or severance payments' as made in his Manifesto for the Chief Executive Election in 2012, this Council strongly condemns the Chief Executive for failing to honour his promise and disregarding employees' rights*; in this connection, this Council urges the Government to, *on the premise of retaining severance payments and long service payments that provide protection for employees*, expeditiously abolish the MPF offsetting mechanism and comprehensively review the MPF scheme, so as to ensure that employees' rights and interests will not be undermined and their retirement life be better protected.

Note: Dr Hon Fernando CHEUNG's amendment is marked in *bold and italic type*.

6. Motion as amended by Hon LAU Siu-lai

That, since the implementation of the Mandatory Provident Fund ('MPF') scheme in 2000, its effectiveness has been questioned by society, and the MPF offsetting mechanism (i.e. the use of the accrued benefits derived from employers' MPF contributions to offset severance payments and long service payments) has all along been criticized by society; as at the first quarter of 2016, over \$29.2 billion under the MPF scheme was offset, which seriously eroded the hard-earned money of wage earners and directly affected their retirement protection; in this connection, this Council urges the Government to, *on the premise of ensuring the severance payments and long service payments that provide protection for employees not be abolished*, expeditiously abolish the MPF offsetting mechanism and comprehensively review the MPF scheme, so as to ensure that employees' rights and interests will not be undermined and their retirement life be better protected.

Note: Hon LAU Siu-lai's amendment is marked in *bold and italic type*.

7. Motion as amended by Hon Michael TIEN

That, since the implementation of the Mandatory Provident Fund ('MPF') scheme in 2000, its effectiveness has been questioned by society, and the MPF offsetting mechanism (i.e. the use of the accrued benefits derived from employers' MPF contributions to offset severance payments and long service payments) has all along been criticized by society; as at the first quarter of 2016, over \$29.2 billion under the MPF scheme was offset, which seriously eroded the hard-earned money of wage earners and directly affected their retirement protection; in this connection, this Council urges the Government to expeditiously abolish *the arrangement of offsetting severance payments with MPF contributions under* the MPF offsetting mechanism *but retain the arrangement of offsetting long service payments with MPF contributions*, and comprehensively review the MPF scheme, so as to ensure that employees' rights and interests will not be undermined and their retirement life be better protected.

Note: Hon Michael TIEN's amendment is marked in *bold and italic type*.