

立法會
Legislative Council

LC Paper No. CB(1)1661/99-00

Ref : CB1/SS/3/99

**Paper for the House Committee meeting
on 26 May 2000**

**First report of the Subcommittee on subsidiary legislation
relating to Mandatory Provident Fund Schemes**

Purpose

This is the first report of the Subcommittee on subsidiary legislation relating to Mandatory Provident Fund Schemes, which summarizes the Subcommittee's deliberations on the following three Commencement Notices:

- (a) Mandatory Provident Fund Schemes Ordinance (80 of 1995) (Commencement) Notice 2000;
- (b) Provident Fund Schemes Legislation (Amendment) Ordinance 1998 (4 of 1998) (Commencement) Notice 2000; and
- (c) Mandatory Provident Fund Schemes (General) Regulation (Cap. 485 Sub. Leg.) (Commencement) Notice 2000.

The Commencement Notices

2. The three Commencement Notices were laid on the table of the Legislative Council (LegCo) on 3 May 2000, appointing 1 December 2000 as the date on which those provisions of the Mandatory Provident Fund Schemes Ordinance (80 of 1995), Provident Fund Schemes Legislation (Amendment) Ordinance 1998 (4 of 1998) and Mandatory Provident Fund Schemes (General) Regulation (Cap. 485 Sub. Leg.) that have not yet come into operation shall come into operation. The three Notices will enable the full implementation of the Mandatory Provident Fund (MPF) system, and in particular, mandatory contributions will become payable, on 1 December 2000.

The Subcommittee

3. The House Committee agreed at its meeting on 31 March 2000 to form a Subcommittee to study two subsidiary legislation relating to MPF Schemes. The House Committee further agreed at its meeting on 5 May 2000 that the three Commencement Notices should be studied by the same Subcommittee.

4. The Subcommittee is chaired by Hon Ronald ARCULLI. The membership list of the Subcommittee is in the **Appendix**.

Deliberations of the Subcommittee

5. The Subcommittee considers that as the MPF system is new to Hong Kong and it imposes new contributory obligations on both employers and employees, it is imperative that the public should be fully aware of their duties and obligations under the MPF system before its full implementation, and that the industry and the Mandatory Provident Fund Schemes Authority (MPFA) should be fully ready for the launch of the system. The Subcommittee notes that the MPFA has commenced a public education and publicity campaign in January 2000 to enhance public awareness and understanding of the MPF system, and in particular, to disseminate the message that the system is for the long-term benefit of the public. In this connection, an "investor's guide" has been issued to facilitate employers and employees to choose among the various MPF service providers. To facilitate the work of the service providers, detailed guidelines on the operation of the MPF system have been issued and amendments are being made to the MPF legislation to address certain operational difficulties. The Administration's assessment is that the community, the industry and the MPFA are all ready for the full implementation of the MPF system in December 2000.

6. The Subcommittee however is concerned about the slippage of the Information Management System (IMS) project of the MPFA. Given the large volume of data in respect of schemes and scheme members that will flow into the MPFA, the Subcommittee is of the view that an effective and reliable IMS is crucial for the MPFA to perform its regulatory and enforcement functions efficiently. The Administration advises that the contractor has devoted additional effort to recover the slippage and that it seems possible that the IMS Core System can be delivered in September 2000. As a contingency measure and to prepare for the unlikely event that the project cannot be completed in time, standalone standby systems are being developed by the MPFA to handle critical functions. The Administration assures the Subcommittee that with the development of the standby systems, the MPFA is ready for the full implementation of the MPF system on 1 December 2000 even if the IMS Core System is not ready for use by that date. In the light of the Administration's assurance, the Subcommittee accepts that 1 December 2000 be appointed as the day on which the MPF system will be fully implemented.

7. At the request of the Subcommittee, the Administration has agreed to provide the LegCo Panel on Financial Affairs with a progress report on the IMS project and the development of the standby systems by the end of June 2000.

Recommendation

8. The Subcommittee supports the specified date in the three Commencement Notices.

Advice sought

9. Hon Ronald ARCULLI, Chairman of the Subcommittee, reported the deliberations and recommendation of the Subcommittee to the House Committee on 19 May 2000. Members are invited to note this written report of the Subcommittee.

Way forward

10. The Subcommittee has just completed scrutiny of other three pieces of subsidiary legislation relating to MPF Schemes and will report its deliberations to the House Committee on 2 June 2000.

Council Business Division 1
Legislative Council Secretariat
24 May 2000

與強制性公積金計劃有關的附屬法例
小組委員會
Subcommittee on subsidiary legislation
relating to Mandatory Provident Fund Schemes

委員名單
Membership list

夏佳理議員(主席)	Hon Ronald ARCULLI, JP (Chairman)
何世柱議員	Hon HO Sai-chu, SBS, JP
李卓人議員	Hon LEE Cheuk-yan
吳亮星議員	Hon NG Leung-sing
陳婉嫻議員	Hon CHAN Yuen-han
陳智思議員	Hon Bernard CHAN
陳鑑林議員	Hon CHAN Kam-lam
單仲偕議員	Hon SIN Chung-kai
劉漢銓議員	Hon Ambrose LAU Hon-chuen, JP
鄭家富議員	Hon Andrew CHENG Kar-foo
馮志堅議員	Hon FUNG Chi-kin

合共：11 位議員
Total: 11 Members

日期：2000 年 4 月 12 日
Date: 12 April 2000