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16 May 2002

The Hon Selina Chow Liang Shuk-yee, JP Chairman of the House Committee Legislative Council Building 8 Jackson Road Hong Kong

Proposed Priority in the Scrutiny of Bills by Members

I am writing to suggest that priority be accorded by Members to the scrutiny of the Mandatory Provident Fund Schemes (Amendment) Bill 2002, which was introduced into the Legislative Council on 24 April 2002.

The Amendment Bill aims to implement a number of recommendations of the Mandatory Provident Fund Schemes Authority, including the adjustment of the minimum level of "relevant income" for MPF contributions, from the existing \$4,000 per month to \$5,000 per month. The Amendment Bill also proposes other improvement measures seeking to enhance protection to scheme members and streamline scheme administration.

With the implementation of the proposed new threshold for "relevant income", about 56,800 low-income employees will be exempt from MPF contributions. The rest of improvement measures, if implemented, will also benefit about two million employers, employees,

self-employed persons as well as service providers. It will be in the interest of the community for the Bill to be enacted as soon as possible. I am therefore writing to suggest that priority be accorded by Members to the scrutiny of the Amendment Bill.

I should be grateful if you would put forward our above suggestion for Members' consideration at the coming House Committee meeting on 17 May 2002.

(Andrew H Y Wong) Director of Administration