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BRIEF FOR LEGISLATIVE COUNCIL

MANDATORY PROVIDENT FUND SCHEMES ORDINANCE
(CHAPTER 485)

MANDATORY PROVIDENT FUND SCHEMES (AMENDMENT) BILL 2008

INTRODUCTION

At the meeting of the Executive Council on 10 June 2008, the Council ADVISED and the Chief Executive ORDERED that the Mandatory Provident Fund Schemes (Amendment) Bill 2008 ("the Bill"), at Annex A, should be introduced into the Legislative Council.

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JUSTIFICATIONS

Budget Proposal

2. To demonstrate the Government's commitment to enhancing retirement protection for the lower-income working people, the Financial Secretary announced in the 2008-09 Budget and subsequently during the Budget Concluding Speech on 23 April 2008 that a one-off injection of $6,000 would be made to the accounts of the following categories of persons if they meet the monthly income threshold requirement of earning not more than $10,000[1] a month -

(i) holders of an MPF contribution account[2] on 29 February 2008;

[1] $10,000 is the median monthly employment earnings for the whole year of 2007.

[2] There are two types of accounts under the MPF System – contribution accounts and preserved accounts. Contribution accounts are for employers, employees and self-employed persons ("SEPs") to make contributions thereto during the period of employment. Upon cessation or change of employment, the MPF benefits accumulated in a contribution account will be transferred to a preserved account of the employee or SEP concerned. Preserved accounts are for the employees and SEPs to keep their MPF benefits derived from their former employment / self-employment respectively.

(ii) holders of an MPF preserved account on 29 February 2008 who last contributed to an MPF account or was an ORSO scheme member during the one-year period before announcement of the Budget (i.e. between 1 March 2007 and 29 February 2008);

(iii) members of MPF-exempted ORSO [3] defined contribution schemes ("ORSO DC schemes") on 29 February 2008; and

(iv) members of MPF-exempted ORSO defined benefit schemes ("ORSO DB schemes") on 29 February 2008.

3. Under this proposal, all members of MPF schemes and ORSO schemes (including both DC and DB schemes) who were employed or self-employed as at 29 February 2008 with a monthly income not exceeding $10,000, as well as those members who have been in employment or self employment at any time during the one-year period from 1 March 2007 to 29 February 2008 and with a monthly income not exceeding $10,000 in respect of their last employment / self employment during that period[4] would be eligible to receive the injection. As at end February 2008 when the Budget was announced, there were about 2.4 million members of MPF schemes and 440,000 members of ORSO schemes. Based on the information available, the MPFA estimated that about 1.7 million people would be eligible, comprising about 1.6 million MPF scheme members and about 130,000 ORSO scheme members.

Framework for Implementation

4. The government injection will be made via the MPFA. The Government will sign a written agreement with the MPFA which will set out the eligibility criteria to receive the injection as described in paragraph 2 above, the duties and obligations of the Government and the MPFA respectively as well as other related arrangements between the two parties in the injection exercise. After obtaining funding approval from the LegCo

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[3] ORSO schemes which are voluntary retirement schemes operated by some employers before commencement of the MPF System in 2000 are allowed to continue operation after December 2000 by obtaining exemption from the requirements of the MPFSO.

[4] During that one-year period, the relevant person must have made contributions to an MPF account in respect of his employment / self employment concerned or was an ORSO scheme member.

Finance Committee, the Government will transfer the necessary funds to the MPFA which will interface with the trustees and employers (as well as individual employees and self-employed persons ("SEPs") if necessary) for implementation.

5. Both MPF schemes and ORSO schemes are privately managed by the trustees. The MPFA has regulatory oversight over the operation of these schemes in accordance with the MPFSO but it does not maintain a central database on the account-holders. To implement the budget proposal, the MPFA would need to compile a list of eligible recipients and their MPF / ORSO accounts. The MPFA would collect information on about 5 million accounts from 19 MPF trustees, over 100 ORSO trustees and around 7,000 ORSO employers, and conduct a central-matching exercise to identify multiple account-holders and aggregate their monthly income to ascertain their income eligibility. The methodology and procedural steps which the MPFA will adopt to assess one's income eligibility and to effect the injection
B are explained in Annex B.

6. In order that the injection for ORSO scheme members would be subject to the same preservation requirements as mandatory MPF contributions (i.e. no withdrawal until age 65 except in specified circumstances such as early retirement, total incapacity or permanent departure from Hong Kong, etc.), the injection for those eligible ORSO scheme members who do not have any MPF account would be made into an MPF preserved account to be opened for each of them to receive the funds.

Legislative Proposals

7. To enable the MPFA to implement the injection exercise, we propose to amend the MPFSO and the General Regulation to provide the MPFA with the necessary powers and to stipulate the obligations of trustees and employers, with the attendant provisions for financial penalty to sanction against non-compliance. The scope of the Bill does not cover the eligibility criteria or the amount of contribution made to each account in this injection exercise. Major legislative proposals are set out in the following paragraphs.

(a) Empowering the MPFA to pay special contribution into accounts of MPF scheme members

8. Amendments to the MPFSO and the General Regulation are necessary as they currently only provide for contributions to be made to MPF accounts by employers, employees and SEPs. The MPFA will be empowered to direct trustees to deposit special contribution (i.e. $6,000 in this case) into the relevant MPF accounts and to notify the individual members concerned of the payment after it has been made. The special contribution will be subject to the same preservation rule and other legislative provisions that apply to employee mandatory contributions in existing MPF accounts, viz. a member may withdraw his MPF benefits only upon reaching the age of 65 or under specified circumstances prescribed in the MPFSO.

(b) Empowering the MPFA to require information for paying special contribution

9. For the purpose of compiling a list of eligible recipients / accounts and making payment to individual accounts, the MPFA will be empowered to require the trustees, employers and other persons whom the MPFA reasonably believes to be in possession of the information[5] to provide relevant personal data and information of their members / employees (including their name, HKID number, date of birth, income and contact information).

(c) Empowering the MPFA to recover special contribution paid to ineligible accounts

10. In the unlikely event that a special contribution was made to an MPF account of a scheme member who is not eligible, the MPFA will be empowered to direct the trustee of the scheme to withdraw the amount of the special contribution or the accrued benefits derived from the special contribution, whichever is lower (in case of investment loss), from the member's MPF account, return it to the MPFA, and notify the member of the withdrawal. In the interest of finality, such direction may only be given by the MPFA within six months after the payment of the special contribution is

[5] They may cover, e.g. administrators of ORSO schemes.

made.

(d) Stipulating financial penalties for non-compliance

11. Non-compliance with a direction of the MPFA will be liable to a financial penalty of $10,000.

(e) Expanding the definition of MPF preserved accounts and providing for opening of preserved accounts for injection purpose

12. The MPFA will be empowered to require an approved trustee to open preserved accounts for eligible persons who do not have any MPF accounts to facilitate implementation of the injection exercise. Since an MPF preserved account as defined under the General Regulation is limited to hold only the accrued benefits in respect of the member's former employment or former self-employment as well as the member's benefits transferred from an ORSO scheme, this definition will be amended and expanded to cover the special contribution.

(f) New statutory provisions to prevail over any instruments applicable to registered schemes

13. At present, the trust deeds do not allow for contributions from any parties other than the employers and employees. Therefore there are provisions in the Bill to stipulate that in case there is any inconsistency between the new statutory provisions and any provisions in the various documents relating to the MPF schemes including the governing rules of the scheme, the participation agreement, any articles or memorandum, those provisions in the documents concerned shall not apply to that scheme.

THE BILL

14. The main provisions of the Bill are set out below:

(a) Clause 2 amends section 6M(2) of the MPFSO to stipulate that the MPFA shall not deposit any money it receives for the purpose of the injection exercise in its Administration Account;

(b) Clause 4 adds a new Part IIIA to the MPFSO to enable the MPFA to (i) pay a special contribution into a specified account of a member of a registered scheme; (ii) require and to be given information necessary for the payment of the special contribution; (iii) require an approved trustee of a registered scheme to take any action that the MPFA considers necessary for the payment of the special contribution, including establishing a preserved account for a person; and (iv) recover any special contribution that should not have been paid. It also provides that the new Part IIIA prevails over any conflicting or inconsistent provisions in any instrument applicable to a registered scheme;

(c) Clause 7 amends section 2 of the General Regulation to provide new definitions of "contribution account", "preserved account" and "special contribution";

(d) Clause 8 amends section 78(6)(c), (7)(b) and (8)(a) of the General Regulation to provide that the special contributions are to be paid into the relevant sub-accounts of the account-holders; and

(e) Clause 9 amends Schedule 4 to the General Regulation to provide for certain financial penalties that may be imposed for failure to perform or comply with certain duties or requirements under the new Part IIIA of the MPFSO in relation to the injection exercise.

LEGISLATIVE TIMETABLE

15. The legislative timetable will be:

Publication in the Gazette	13 June 2008
First Reading and commencement of the Second Reading Debate	18 June 2008

Resumption of Second Reading debate, committee stage and Third Reading	to be notified

16. We will seek funding approval from the LegCo Finance Committee and the MPFA will conduct data collection, consolidation and verification for compiling a list of eligible recipients / accounts after enactment of the Bill. We strive to commence injection of funds to the relevant accounts within 2008-09.

IMPLICATIONS OF THE PROPOSAL

17. The budget proposal to inject $6,000 into accounts of eligible MPF scheme members and ORSO scheme members demonstrates the Government's commitment to enhancing retirement protection and relieving the pressure on social welfare expenditure in the long run. It will also help raise the public awareness of the importance of retirement planning. It will require funding of about $11.5 billion[6]. The financial arrangement between the Government and the MPFA for the transfer of funds necessary for the injection into individual MPF accounts will be set out in a written agreement between the two parties.

18. The Bill is in conformity with the Basic Law, including the provisions concerning human rights. The Bill will not affect the current binding effect of the MPFSO. The Bill itself has no financial, civil service, economic, productivity, environmental or sustainability implications.

PUBLIC CONSULTATION

19. We consulted the LegCo Financial Affairs Panel on the scope of the injection exercise and related legislative proposals for implementing the budget proposal at its meeting on 5 May 2008. Members generally supported the proposal.

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[6] This estimate has included a 10% buffer to cater for possible variations when actual data are collected by the MPFA to work out a list of eligible recipients.

PUBLICITY

20. A press release will be issued and a spokesman will be available to answer media and public enquiries.

ENQUIRIES

21. Enquiries in relation to this Brief should be directed to Ms Jenny Chan, Principal Assistant Secretary for Financial Services and the Treasury (Financial Services)3, at 2527 3909.

Financial Services and the Treasury Bureau
10 June 2008

Annex A

MANDATORY PROVIDENT FUND SCHEMES (AMENDMENT) BILL 2008

CONTENTS

A BILL

To

Amend the Mandatory Provident Fund Schemes Ordinance to enable the Mandatory Provident Fund Schemes Authority to pay a special contribution into an account of a member of a provident fund scheme registered under the Ordinance (without specifying the amount of the special contribution or the criteria of eligibility for the payment of the special contribution), and to provide for matters ancillary to that purpose.

Enacted by the Legislative Council.

1. Short title

This Ordinance may be cited as the Mandatory Provident Fund Schemes (Amendment) Ordinance 2008.

2. MPFA Administration Account

Section 6M(2) of the Mandatory Provident Fund Schemes Ordinance (Cap. 485) is amended by adding "paid to or" before "recovered".

3. Part heading amended

The heading of Part III is amended by adding "MANDATORY CONTRIBUTIONS AND VOLUNTARY" before "CONTRIBUTIONS".

4. Part IIIA added

The following is added –

"PART IIIA

SPECIAL CONTRIBUTIONS

19B. Authority may pay special contributions into accounts of scheme members

(1) The Authority may pay a contribution (referred to in this Part as a "special contribution") into an account of a member of a registered scheme.

(2) To effect the payment under subsection (1), the Authority may pay the special contribution to an approved trustee of the scheme, and by a notice in writing direct the approved trustee to –

(a) pay the special contribution into a sub-account of the member's contribution account or preserved account specified in the notice; and

(b) notify the member of the payment.

(3) Only a sub-account referred to in section 78(6)(c), (7)(b) or (8)(a) of the Mandatory Provident Fund Schemes (General) Regulation (Cap. 485 sub. leg. A) may be specified in the notice.

(4) The Authority may specify in the notice –

(a) a period that is reasonable in the circumstances within which the approved trustee must pay the special contribution into the specified sub-account; and

(b) a period that is reasonable in the circumstances within which the approved trustee must notify the member of the payment.

(5) The approved trustee must –

(a) after receiving the special contribution and the Authority's notice, pay the special contribution into the specified sub-account within the period specified under subsection (4)(a); and

(b) after paying the special contribution into the specified sub-account, by a notice in writing notify the member of the payment within the period specified under subsection (4)(b).

19C. Authority may require information or documents necessary for paying special contributions

(1) The Authority may, for the purpose of paying special contributions, by a notice in writing –

(a) require an approved trustee of a registered scheme to give to the Authority any information or document specified in the notice relating to the members of the scheme;

(b) require a trustee of a relevant scheme to give to the Authority any information or document specified in the notice relating to the members of the scheme;

(c) require an employer of a member of a registered scheme or relevant scheme to give to the Authority any information or document specified in the notice relating to the member; and

(d) require any other person whom the Authority reasonably believes to have in his possession, or under his control, any information or document relating to a member of a registered scheme or relevant scheme to give to the Authority any information or document specified in the notice relating to the member.

(2) Only information or documents that the Authority reasonably considers to be necessary for the purpose of paying special contributions may be specified in the notice and they may include (but are not limited to) the following particulars of a member of a registered scheme or relevant scheme –

(a) the member's name;

(b) the member's date of birth;

(c) the member's Hong Kong Identity Card number or travel document number;

(d) the member's income; and

(e) the member's correspondence address, telephone number and electronic mail address.

(3) The Authority may specify in the notice –

(a) a manner in which the specified information or document must be given to the Authority; and

(b) a period that is reasonable in the circumstances within which the specified information or document must be given to the Authority.

(4) Where –

(a) a person is given a notice in writing under subsection (1); and

(b) the information or document specified in the notice is in the possession, or under the control, of that person, that person must give the specified information or document to the Authority in the specified manner within the specified period.

(5) In this section –

"member" (成員), in relation to a registered scheme or relevant scheme, includes a former member of the scheme;

"relevant scheme" (有關計劃) has the same meaning as in Schedule 2 to the Mandatory Provident Fund Schemes (Exemption) Regulation (Cap. 485 sub. leg. B).

19D. Authority may require approved trustees to take actions necessary for paying special contributions

(1) The Authority may by a notice in writing require an approved trustee of a registered scheme to take any action, specified in the notice, that the Authority reasonably considers to be necessary for the purpose of paying special contributions.

(2) The Authority may specify in the notice –

(a) a manner in which the approved trustee must take the specified action; and

(b) a period that is reasonable in the circumstances within which the approved trustee must take the specified action.

(3) The action specified in the notice may include (but is not limited to) registering a person specified in the notice as a member of the scheme and opening a preserved account for that person.

(4) The approved trustee must, after receiving the Authority's notice, take the specified action in the specified manner within the specified period.

(5) Where –

(a) the action specified in a notice in writing given to an approved trustee of a registered scheme under subsection (1) is to register a person specified in the notice as a member of the scheme and to open a preserved account for that person; and

(b) the approved trustee takes the specified action in compliance with the requirements under subsection (4),

that person is deemed to have agreed in writing to comply with the governing rules of the scheme.

19E. Authority may recover special contributions that should not have been paid

(1) If the Authority reasonably believes that a special contribution should not have been paid into an account of a member of a registered scheme, the Authority may by a notice in writing specify that account and direct an approved trustee of the scheme to –

(a) withdraw from the specified account a sum equal to the special contribution or the accrued benefits derived from the special contribution, whichever is the less, and pay it to the Authority, in the manner specified in the notice; and

(b) notify the member of the withdrawal.

(2) If the accrued benefits derived from the special contribution have been transferred to another account in the scheme or to an account in another registered scheme, the Authority may by a notice in writing specify that account and direct an

approved trustee of the scheme or that other scheme to –

(a) withdraw from the specified account a sum equal to the special contribution or the accrued benefits, whichever is the less, and pay it to the Authority, in the manner specified in the notice; and

(b) notify the member of the withdrawal.

(3) The Authority may specify in the notice –

(a) a period that is reasonable in the circumstances within which the approved trustee must withdraw the sum from the specified account and pay it to the Authority; and

(b) a period that is reasonable in the circumstances within which the approved trustee must notify the member of the withdrawal.

(4) The approved trustee must –

(a) after receiving the Authority's notice, withdraw the sum from the specified account, and pay it to the Authority, in the specified manner within the period specified under subsection (3)(a); and

(b) after withdrawing the sum from the specified account, by a notice in writing notify the member of the withdrawal within the period specified under subsection (3)(b).

(5) A direction under subsection (1) or (2) may only be given in respect of a special contribution within 6 months after the special contribution is paid into an account of a member of a registered scheme.

19F. Vesting of special contributions

Subject to section 19E –

(a) a special contribution paid by the Authority in respect of a member of a registered scheme vests in the member as accrued benefits as soon as it is paid to an approved trustee of the scheme; and

(b) the provisions of this Ordinance apply to accrued benefits derived from a special contribution in the same way they apply to accrued benefits derived from a mandatory contribution paid under section 7A(1)(b) or (2)(b) or 7C.

19G. Liability to pay other contributions

(1) A special contribution paid under this Part does not extinguish or reduce the liability of any person to pay any other contributions under –

(a) this Ordinance;

(b) the governing rules of a registered scheme; or

(c) the instrument (however described) that governs a relevant scheme.

(2) In this section –

"relevant scheme" (有關計劃) has the same meaning as in Schedule 2 to the Mandatory Provident Fund Schemes (Exemption) Regulation (Cap. 485 sub. leg. B).

19H. Part IIIA prevails over any instruments applicable to registered schemes

(1) If there is any conflict or inconsistency between the provisions of this Part and the provisions of a specified instrument applicable to a registered scheme, the provisions of this Part prevail over the provisions of the instrument to the extent of the conflict or inconsistency.

(2) In this section –

"specified instrument" (指明文書) means –

(a) any governing rules;

(b) any participation agreement within the meaning of the Mandatory Provident Fund Schemes (General) Regulation (Cap. 485 sub. leg. A); or

(c) any articles, or memorandum, within the meaning of the Companies Ordinance (Cap. 32).".

5. Regulations with respect to registered schemes

Section 21C(2)(b) is amended by repealing "and voluntary contributions" and substituting ", voluntary contributions and special contributions under Part IIIA".

6. Application and interpretation of sections 45B and 45C

(1) Section 45(1)(b) is amended by repealing "and".

(2) Section 45(1)(c) is amended by repealing the full stop and substituting "; and".

(3) Section 45(1) is amended by adding –

"(d) persons required to give information or documents under section 19C.".

Mandatory Provident Fund Schemes (General) Regulation

7. Interpretation

(1) Section 2 of the Mandatory Provident Fund Schemes (General) Regulation (Cap. 485 sub. leg. A) is amended by repealing the definition of "contribution account" and substituting –

""contribution account" (供款帳戶), in relation to a member of a registered scheme, means an account with the scheme into which –

(a) mandatory contributions and voluntary contributions (if any) are paid in respect of any current employment or current self-employment of the member; and

(b) special contributions (if any) are paid in respect of the member;".

(2) Section 2 is amended by repealing the definition of "preserved account" and substituting –

""preserved account" (保留帳戶), in relation to a member of a master trust scheme or an industry scheme, means an account with the scheme (other than a contribution account) –

(a) into which special contributions (if any) are paid in respect of the member;

(b) in which the accrued benefits (if any) in respect of any former employment or former self-employment of the member are held; and

(c) in which the member's benefits (if any) transferred to the scheme from an ORSO exempted scheme or an ORSO registered scheme are held,

and includes a former contribution account (if any) of the member in which accrued benefits retained under section 147(6) are held;".

(3) Section 2 is amended by adding –

""special contribution" (特別供款) means a contribution paid by the Authority under Part IIIA of the Ordinance;".

8. Separate accounts for each scheme member

(1) Section 78(6)(c) is amended by adding –

"(iv) the special contributions (if any) paid in respect of the member and the income or profits arising from any investments of those contributions, but taking into account any losses in respect thereof;".

(2) Section 78(7)(b) is amended by adding –

"(iv) the special contributions (if any) paid in respect of the member and the income or profits arising from any investments of those contributions, but taking into account any losses in respect thereof;".

(3) Section 78(8)(a) is amended by adding –

"(iv) the special contributions (if any) paid in respect of the member and the income or profits arising from any investments of those contributions, but taking into account any losses in respect thereof;".

9. Financial Penalties

Schedule 4 is amended, in Part I, by adding –

"2B	19B(5)(a)	Approved trustee to pay special contributions into specified sub-accounts	10,000	10,000	10,000
2C	19B(5)(b)	Approved trustee to notify scheme members of payment of special contributions	10,000	10,000	10,000
2D	19C(4)	Requirements with respect to giving of information or documents to Authority	10,000	10,000	10,000
2E	19D(4)	Approved trustee to take actions required by Authority	10,000	10,000	10,000

2F	19E(4)(a)	Approved trustee to withdraw sums from specified accounts and pay them to Authority	10,000	10,000	10,000
2G	19E(4)(b)	Approved trustee to notify scheme members of withdrawal of sums from their accounts	10,000	10,000	10,000".

Explanatory Memorandum

This Bill amends the Mandatory Provident Fund Schemes Ordinance (Cap. 485) ("the Ordinance") for the limited purpose of enabling the Mandatory Provident Fund Schemes Authority ("the Authority") to pay a special contribution into an account of a member of a provident fund scheme registered under the Ordinance ("a registered scheme"), without specifying the amount of the special contribution or the criteria of eligibility for the payment of the special contribution.

2. The Bill also contains ancillary provisions such as the power of the Authority to require information and documents for the payment of the special contribution, the power of the Authority to require an approved trustee of a registered scheme to take any action necessary for the payment of the special contribution, the power of the Authority to recover any special contribution that should not have been paid, and the vesting of the special contribution.

3. Clause 1 sets out the short title to the Bill when enacted.

4. Clause 2 amends section 6M(2) of the Ordinance to clarify that any money received by the Authority for the purpose of the payment of special contributions is not to be deposited into the MPFA Administration Account.

5. Clause 3 amends the heading of Part III of the Ordinance to make it clear that that Part relates to mandatory contributions and voluntary contributions.

6. Clause 4 adds the new Part IIIA (new sections 19B to 19H) of the Ordinance. In particular –

(a) the new section 19B enables the Authority to pay a special contribution into a specified account of a member of a registered scheme;

(b) the new section 19C enables the Authority to require and to be given information and documents necessary for the payment of the special contribution;

(c) the new section 19D enables the Authority to require an approved trustee of a registered scheme to take any action that the Authority considers necessary for the payment of the special contribution (including registering a person as a member of the scheme and opening a preserved account for the person);

(d) the new section 19E enables the Authority to recover any special contribution that should not have been paid;

(e) the new section 19F provides for the vesting of the special contribution;

(f) the new section 19G provides that the special contribution does not extinguish or reduce the liability of any person to pay any other contributions under the Ordinance, under any registered scheme, or under any occupational retirement scheme exempted under the Ordinance; and

(g) the new section 19H provides that the new Part IIIA prevails over any conflicting or inconsistent provisions in any instrument applicable to a registered scheme.

7. Clause 5 amends section 21C(2)(b) of the Ordinance to make the regulations made under the Ordinance applicable to special contributions.

8. Clause 6 amends section 45(1) of the Ordinance to make sections 45B and 45C of the Ordinance (on payment and recovery of financial penalties) applicable to persons who are required to give information or documents under the new section 19C of the Ordinance.

9. Clause 7 amends section 2 of the Mandatory Provident Fund Schemes (General) Regulation (Cap. 485 sub. leg. A) ("the Regulation") to provide new definitions of "contribution account", "preserved account" and "special contribution".

10. Clause 8 amends section 78(6)(c), (7)(b) and (8)(a) of the Regulation to provide that the Authority's special contributions are to be paid into the sub-accounts referred to in that section.

11. Clause 9 amends Schedule 4 to the Regulation to provide for certain financial penalties that may be imposed for failure to perform or comply with certain duties or requirements under the new Part IIIA of the Ordinance.

Annex B

Methodology and Procedural Steps on Eligibility Assessment and Injection

The MPFA will assess an individual's income eligibility by adopting the following procedures –

(i) identify the last available monthly income ("anchored income") of the account-holder within the 12-month period between 1 March 2007 and 29 February 2008;

(ii) identify the lowest monthly income in the three consecutive months from (and including) the month of the anchored income, i.e. the anchored income and the monthly income in the two immediately preceding months; if the lowest monthly income identified does not exceed $10,000, then that person will be eligible for the injection; and

(iii) for a person who holds multiple MPF/ORSO accounts, follow step (ii) and aggregate the monthly income of that person for each of the respective months; if the lowest aggregate monthly income in the three months does not exceed $10,000, then that person will be eligible for the injection.

2. For casual employees under the MPF industry schemes viz. workers in the construction and catering industries, in view of the sporadic nature of their employment, the MPFA will determine their monthly income using their average monthly income over the 12-month period between 1 March 2007 and 29 February 2008. If the average monthly income does not exceed $10,000, then the casual employee concerned will be eligible for the injection.

3. After identifying a list of eligible recipients / accounts, the MPFA will give instructions to the trustees to inject $6,000 into the relevant MPF accounts[1].

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[1] The injection will be made to the MPF account of the highest balance as at 29 February 2008 if the recipient has more than one MPF account.

4. The MPFA will require the trustees to give written notification to the recipients after the injection has been made. Clear guidelines will be provided to the trustees. Those individuals who do not receive the notification but consider themselves eligible for the injection may enquire or lodge complaints with the MPFA within a specified period. The MPFA will set up administrative arrangements to deal with those complaints.