

(Translation)

**Motion on  
“Abolishing the Mandatory Provident Fund offsetting mechanism”  
moved by Hon WONG Kwok-kin  
at the Council meetings of 9 and 16 November 2016**

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.