

Transcript of SFST's remarks

Wednesday, October 24, 2012

Following is a transcript of remarks by the Secretary for Financial Services and the Treasury, Professor K C Chan, at a media session after attending the Legislative Council meeting today (October 24):

Reporter: (Question on MPF investment)

Secretary for Financial Services and the Treasury: A lot of progress has been made. If you look at the Fund Expense Ratio, the ratio of expenses recorded continue to decline. With the ECA (Employee Choice Arrangement) promoting competition in the market, we should see more improvement on the fee side. However, I think there is a lot of room for improvement in the fees and for streamlining the costs of administration of the MPF system. The Mandatory Provident Fund Schemes Authority is undertaking a study and will propose some measures to the Government for consultation with the public. We are waiting for the report.

The Government is very keen to seek further enhancement and improvement in the MPF Scheme because the scheme is important for the long-term retirement protection of Hong Kong citizens. So we are very keen to look at all measures to improve the availability and the provision of fund products, as well as controlling and lowering the cost of fund expenses.

(Please also refer to the Chinese portion of the transcript.)

Ends