

Transcript of remarks by SFST at media session

Thursday, May 26, 2016

Following is the transcript of remarks by the Secretary for Financial Services and the Treasury, Professor K C Chan, on the passage of the Mandatory Provident Fund Schemes (Amendment) Bill 2015 today (May 26):

Reporter: Do you think the 0.2 per cent cap on the out-of-pocket expenses is reasonable?

Secretary for Financial Services and the Treasury: When I listened to the LegCo (Legislative Council) members discussing this issue, I thought they were reasonable. They come from a very reasonable stance, saying that they understand there are certain out-of-pocket expenses in the whole scheme. But they would like to give assurance that these out-of-pocket expenses would not exceed certain level. So what they are saying is that they would like a certainty that there is a cap out there. I think these out-of-pocket expenses perhaps on average can be met within a cap. There may be some individual cases where they are not. But I think the most important message is that the LegCo members are saying that they understand the industry does have some out-of-pocket expenses, but they would like to make it certain what the number is. I think the industry and the Government would definitely work towards that goal.

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

Ends