

(Translation)

**Dr Hon Junius HO's motion on  
“Revitalizing the Mandatory Provident Fund”**

**Wording of the Motion**

That the fundamental concept of the Mandatory Provident Fund (‘MPF’) schemes is to enable working persons to make personal savings through contributions from both employees and employers and receive returns derived from investment of the funds, so as to assist members of the public in coping with life after retirement; it has been reported that since the beginning of 2022, the MPF system has recorded a huge cumulative loss of an alarming \$140.6 billion, which is the largest loss since the establishment of MPF in December 2000; according to a market report in April 2022, calculated on the basis of MPF’s overall performance, it is estimated that the average loss of each scheme member in April will exceed \$14,000, and the cumulative loss for the whole year will even exceed \$30,600, which is equivalent to a wage earner’s savings in two years going down the drain; from December 2000 to the end of March 2022, although the total MPF assets have exceeded about \$1.121 trillion, the MPF assets have in fact been eroded by inflation, and the return rates have invariably been far from satisfactory over the years, rendering MPF’s real purchasing power being almost exhausted after several decades, which is a worrying situation; in this connection, this Council urges the Government to revitalize MPF by allowing scheme members more flexibility and autonomy in using MPF to take out medical insurance at an earlier time, so that when they fall ill, besides seeking medical treatment under the public healthcare system, they may also choose to go to private healthcare institutions to seek medical consultation, so as to obtain greater health protection, which can also relieve the pressure on the public healthcare system.