

During the last few months, the HKRSA has host two events. Below is an overview on the events. Further details to and summary of the events shall be available for members within the **to be launched** “members only login section” of the HKRSA website. Watch out for further communication!

Post Forum Roundtable of the 8th Cross Straits Pension Forum 2016



On 20th February 2017, a Post Forum Roundtable of the 8th Cross Straits Pension Forum 2016 event was held with attendance of representatives from the Government, the regulator, the Associations and the industry practitioners.

The participants generally agreed that pension withdrawal is an area which calls for support from the industry in order to build better retirement protection for HK citizens. It was observed that there is currently limited incentives from the Government to support development of annuity products. Coupled with the lack of long-term bond market locally, it makes it hard for such products to exist by nature. There needs to be an economic environment to facilitate the annuity market to exist in Hong Kong. It was also raised that public perception towards such initiative needs to be taken into account.

The participants also generally agreed that stream of income offer better protection during retirement. However it does not necessarily comes from annuity products but possibly from its substitute as well. Ultimately, diversification to retirement portfolio is important.



Seminar: MPF & Retirement Protection System in Hong Kong



On 21st March 2017, HKRSA hosted a Seminar on the MPF & Retirement Protection System in Hong Kong. Darren McShane, Chief Regulation & Policy Officer and Executive Director, MPFA gave a personal view. He officially leaves the MPFA on 24th March 2017 after 15 years, so this was a farewell presentation from him, followed by a panel discussion.

Some key takeaways from the seminar were that most of the aspects of the system ticked key boxes in the possible parameters being; compliance with the World Bank multi-pillar model, coverage, contributions, sustainability, supervision and Governance and outcomes, satisfaction and buy-in, with MPF fitting within Pillar 2 of the multi-pillar model.



- On coverage of Private Pension Schemes of employed persons, Hong Kong is very high by international standards at 85%, second only to Australia at 91%.
- The Mandatory Contribution Rate of 10% is comparable to and in many cases above other mandatory systems.
- MPFA state that there is an increasing trend of voluntary contributions, as a percentage of total contributions, from 10% in 2005 to 23% in 2016.
- On a pension sustainability index for Asia with a Scale from 1 – 10 where a jurisdiction with an overall score of 1 represents the greatest need for reform and 10 represents the least need for reform, Hong Kong rates number 7, the highest amongst the select group.

In summary, Darren believes that the MPF system does well on most objective measures and is well regarded internationally.

Retirement Protection Developments and News in Hong Kong

Default Investment Strategy (DIS)

Each MPF scheme has to offer a Default Investment Strategy ("DIS") starting from 1 April 2017. The DIS represents a major reform of the Mandatory Provident Fund System.

For details of the DIS, visit the MPFA website:

<http://www.mpfa.org.hk/engm/main/DIS/index.jsp> or contact your Trustee.

2017-18 budget on retirement protection and elderly care

Firstly, the Government will not introduce a universal pension system, but instead add another tier and higher payout to the Old Age Living Allowance. The asset limit for the allowance will also be raised.

Secondly, the age of eligibility for the elderly's Comprehensive Social Security Assistance scheme will be raised from 60 to 65 to align with policy efforts to extend the retirement age.

Finally, the Government is to progressively abolish offsetting of SP (Severance Payments) or LSP (Long Service Payments) with MPF contributions with three key elements; (1) no retrospective effect (2) adjust SP/LSP payable for post-implementation employment period from "2/3 of wages" to "1/2 of wages" and (3) Government subsidy in the 10 years after implementation. The Government is consulting stakeholders, including MPF trustees and target to take the proposals to the Executive Council by end-Jun 2017.

For details, visit the Government website: <http://www.budget.gov.hk/2017/eng/budget07.html>.

Upcoming HKRSA event

HKRSA Annual Dinner 2017
22 June 2017 at Aberdeen Marina Club

Other events you may be interested

(1) HKSI In-Town Guest Series: Product Development in Asset Management and the BREXIT Impact
25 Apr 2017

(2) HKSI Fintech Series: Disruptive Emerging Technology - Blockchain and AI
8 May 2017

Members who are interested in the external events can register with the respective organisers.
More details to the above events can be found in HKRSA's website.

在過去數月，香港退休計劃協會舉辦了兩項活動。以下是有關活動的簡述。至於活動的詳細內容及總結，將於協會網站**即將推出**的「只限會員」區為會員刊登。請繼續留意我們進一步的通知！

2016年第八屆兩岸四地養老保險研討會會後圓桌論壇



在2017年2月20日，本會舉行了2016年第八屆兩岸四地養老保險研討會會後圓桌論壇，邀得政府、監管機構和從業員代表出席。

與會者普遍同意，為改善香港市民的退休保障，業界極需在提取退休金方面提供支持。他們亦指現時政府為支持開發年金產品提供的誘因不足，加上本地缺乏長債市場，年金產品的本質使其難以生存。故此，香港的經濟環境必需配合，才能為年金產品創造市場。此外，論壇亦提出，我們需考慮公眾對此類產品的看法。

與會者亦普遍認同，如有穩定收入，退休會更有保障。然而，收入不必來自年金產品，其他產品亦可帶來收入。歸根結底，我們應使退休投資組合更多元化。



研討會：強積金和香港退休保障制度



在 2017 年 3 月 21 日，本會舉辦了一場強積金和香港退休保障制度研討會，會上積金局規管及政策總監及執行董事馬誠信先生（Mr. Darren McShane）發表個人意見。馬先生於積金局任職十五載，在 2017 年 3 月 24 日正式離任，這次是他離任前的告別演說。演說結束後，我們還進行了小組討論。

研討會帶出多項訊息，其中最重要的是本港退休金制度於多個層面達到評估要求，例如符合世界銀行多根支柱模式、涵蓋面、供款、可持續能力、監管、管治及成效、滿意

度及支持，而強積金則擔當多根支柱模式內的第二支柱。

- 以國際標準計，香港私營退休金計劃涵蓋的受僱者高達 85%，僅次於澳洲的 91%。
- 強制性供款率達 10%，與其他強制供款制度相若，甚至猶有過之。
- 積金局稱，自願性供款率有上升趨勢，佔總供款額比重自 2005 年的 10% 升至 2016 年的 23%。
- 以亞洲退休金可持續指數（整體等級分一至十，一代表改革的需要最大，十代表改革的需要最少）論，香港屬第七級，是小組內最高。

簡而言之，馬先生認為本港的強積金制度以多項客觀標準來看均表現優秀，亦有良好的國際聲譽。



預設投資策略 (「預設投資」)

由2017年4月1日起，每個強積金計劃都必須各自提供一個「預設投資」。「預設投資」是強積金制度的一項重要改革。

有關「預設投資」詳情，請瀏覽積金局網站：

<http://www.mpfa.org.hk/tchm/main/DIS/index.jsp> 或聯絡您的受託人。

2017-18 年預算案退休保障及長者照顧報告重點

首先，政府將不會推出全民退休金制度，而是為「長者生活津貼」加設一層高額津貼，以增加援助金額。申領津貼的資產上限亦會提高。

其次，綜合社會保障援助計劃內長者的申領年齡將由60歲增至65歲，以配合延遲退休年齡的政策。

最後，政府將逐步取消強積金與遣散費或長期服務金的對沖，當中有三大元素：(1) 不具追溯力；(2) 將實施後受僱期所引致的遣散費或長期服務金由工資的三分之二下調至一半；及(3) 實施後十年內政府會向企業補貼有關開支。政府現正諮詢利益相關者（包括強積金受託人），並將於2017年6月底前向行政會議提交建議。

詳情請瀏覽政府網站：<http://www.budget.gov.hk/2017/chi/budget07.html>。詳情請瀏覽政府網站：<http://www.budget.gov.hk/2017/chi/budget07.html>。

即將舉行的香港退休計劃協會活動

香港退休計劃協會 2017 年年度晚宴

2017 年 6 月 22 日 - 深灣遊艇會

即將舉行的其他外部活動

(1) 香港證券及投資學會外地嘉賓系列

2017 年 4 月 25 日

(2) 香港證券及投資學會金融科技系列

2017 年 5 月 8 日

會員如欲參與，可向各主辦人登記。上述活動詳情可於本會網站找到。