

LCQ14: Withdrawal of benefits by Mandatory Provident Fund scheme members

Following is a question by the Hon Chan Kin-por and a written reply by the Secretary for Financial Services and the Treasury, Mr James Lau, in the Legislative Council today (May 9):

Question:

At present, Mandatory Provident Fund (MPF) scheme members may opt to withdraw their MPF accrued benefits (benefits) in their MPF accounts by instalments or in a lump sum upon their retirement or early retirement. Among those MPF scheme members who withdrew their benefits in 2016 and 2017 on grounds of retirement or early retirement, a vast majority (99 per cent) opted to withdraw their benefits in a lump sum (192 874 cases involving a total sum of \$15,884 million), and only 1 per cent opted to withdraw their benefits by instalments (2 169 cases involving a total sum of \$285 million). In this connection, will the Government inform this Council:

(1) whether it knows, among the MPF scheme members who reached the age of 65 in each of the past two years, the number and percentage of those who have not withdrawn any benefits so far;

(2) whether it knows, among the MPF scheme members who withdrew their benefits in a lump sum in the past three years, the number of those whose benefits received were less than the sum of the contributions made over the years by themselves and their employers; and

(3) given that upon retirement at the age of 65, MPF scheme members generally still have years of post-retirement living, whether the Government will consider introducing measures to encourage soon-to-retire people to retain in their MPF accounts a portion of benefits which is not needed for immediate purpose, so that the retained portion of benefits can grow in value through investment, with a view to providing more ample funds to meet their needs in twilight years, thereby achieving the original purpose of establishing MPF System?

Reply:

President,

The replies to the questions raised by the Hon Chan are as follows:

(1) As at the end of December 2015 and December 2016 (Note), the numbers of accounts held by Mandatory Provident Fund (MPF) scheme members who are aged 65 or above were approximately 128 000 and 151 000 respectively. The balances of accrued benefits in these accounts were about \$7.47 billion and \$8.87 billion respectively.

The above figures include accounts of those scheme members who have reached the age of 65 but have never withdrawn their MPF accrued benefits and those who have made partial withdrawals. The Mandatory Provident Fund Schemes Authority (MPFA) does not have information on the number and percentage of eligible scheme members to withdraw their MPF accrued benefits who have reached age 65 but have never done so.

(2) The MPFA does not have information on the amount of contributions, investment return and balance of accrued benefits in respect of a MPF scheme member.

The MPF System is mandatory in nature. Employers and employees are required to make monthly contributions. Generally speaking, with the compounding effect of MPF returns, the longer the investment period, the more assets will be accumulated, and the accrued benefits of scheme members should increase gradually over time. Of course, the actual situation of each individual member is subject to the investment decisions made by the member throughout the accumulation period.

In fact, the total assets of the MPF System grew extensively by more than 22 times from about \$36 billion as at the end December 2001 (i.e. one year after the implementation of the System) to \$843.5 billion as at the end of December 2017 (i.e. 17 years after the implementation of the System), of which about \$267.4 billion is net investment return after deducting charges and expenses, representing about one-third of the total assets. The annualised return for the period from December 2000 to December 2017 was 4.8 per cent, which was higher than the 1.8 per cent inflation rate over the same period.

(3) To provide more flexibility in withdrawal options to facilitate scheme members to better plan and manage their MPF accrued benefits to meet their needs after retirement, we have implemented phased withdrawal of MPF benefits in 2016. When scheme members retire or early retire, apart from withdrawing their MPF benefits in a lump sum, they can also choose to withdraw them by instalments. The accrued benefits retained in MPF schemes will continue to be invested.

The MPFA reminds scheme members from time to time that they may consider retaining their MPF accrued benefits in their personal accounts for rollover and continuous investment if there is no urgent need to withdraw them upon retirement for use. They may withdraw their benefits thereafter as needs arise.

Scheme members should consider whether or not to withdraw their MPF benefits by instalments, the number of withdrawals as well as the amount of MPF accrued benefits to be withdrawn each time in light of their personal needs and circumstances.

Note: Information as at the end of December 2017 is not yet available.

Red flag hoisted at Clear Water Bay First Beach

Attention TV/radio announcers:

Please broadcast the following as soon as possible:

Here is an item of interest to swimmers.

The Leisure and Cultural Services Department announced today (May 9) that due to big waves, red flag has been hoisted at Clear Water Bay First Beach in Sai Kung District. Beach-goers are advised not to swim at the beach.

LCQ7: Curbing the prevalence of youth gambling

Following is a question by the Hon Vincent Cheng and a written reply by the Secretary for Home Affairs, Mr Lau Kong-wah, in the Legislative Council today (May 9):

Question:

As incidents in which young people committed suicide in an attempt to dodge the huge debts built up by gambling have been heard from time to time in recent years, some concern groups have all along been requesting, over the years, the Government to raise the legal gambling age from 18 to 21. On the other hand, the Government established the Ping Wo Fund (the Fund) in 2003 to sponsor preventive and remedial measures for gambling-related problems. To enhance the promotion of anti-gambling messages among young people and in the community, the Fund introduced the Ping Wo Fund Sponsorship Scheme and the Ping Wo Fund School Project Grants (the two sponsorship schemes) to sponsor non-governmental organisations and schools respectively for organising anti-gambling publicity and education activities. In connection with curbing the prevalence of youth gambling, will the Government inform this Council:

(1) whether it knows, in each of the 2015-2016 and 2016-2017 financial years, (i) the betting turnover received by the Hong Kong Jockey Club (HKJC) in respect of each type of betting activities and the respective percentage of each of such betting turnover in the total betting turnover (set out in a table), and among such betting turnover, (ii) the year-on-year growth rate of

football betting turnover and the percentage of football bets which were placed online;

(2) whether it knows, in each of the past five years, the number and percentage of HKJC betting account holders who were aged below 21; whether the authorities will examine afresh the proposal to raise the legal gambling age to 21; if so, of the details; if not, the reasons for that;

(3) given that HKJC has in recent years upgraded its mobile betting services (such as placing bets via mobile applications) and introduced different betting types, whether the authorities will study if such practices have resulted in the prevalence of youth gambling; if so, of the details; if not, the reasons for that;

(4) whether the authorities have assessed the effectiveness of the Fund; if so, of the details; if not, the reasons for that; given the upcoming World Cup which is a widely attention-grabbing sports event among young people, whether the authorities have conducted targeted public education and publicity work to curb the prevalence of youth gambling; if so, of the details; if not, the reasons for that;

(5) of the respective numbers of applications received and approved, and the total amounts of grants allocated, by the two sponsorship schemes in each of the past five years (set out in a table);

(6) whether it knows the numbers of requests for assistance received by the gambling counselling hotlines operated by various community organisations, and the attendances of the services provided by the four counselling and treatment centres financed by the Fund, in each of the past five years (set out in a table); and

(7) of the respective numbers of persons prosecuted and convicted for participating in illegal football betting activities in each of the past five years, and the total betting turnover involved; whether the authorities have reviewed the effectiveness of the related law enforcement operations; if so, of the details; if not, the reasons for that?

Reply:

President,

It is the Government's policy not to encourage gambling as gambling addiction may cause harm to individuals and to society. However, we understand that there is a certain demand for gambling in society and it is a pragmatic approach to allow a limited number of authorised gambling channels. Attaching great importance to prevention and alleviation of problems arising from gambling, the Home Affairs Bureau (HAB) has adopted a multi-pronged strategy including regulation over gambling activities through legislation, law enforcement against illegal gambling, public education and publicity on harm of gambling addiction, and provision of counselling and support services to people in need.

To finance preventive and remedial measures for problems arising from

gambling, the Government established the Ping Wo Fund (the Fund) in 2003 which provides sponsorship for: (1) researches of gambling-related issues and problems; (2) public education and other measures to prevent and alleviate gambling-related problems; and (3) counselling, treatment and other support services for people with gambling disorder and those affected by them.

The reply to the question raised by the Hon Vincent Cheng is as follows:

For 2015-16 and 2016-17 financial years (Note 1), the Hong Kong Jockey Club (HKJC) recorded respectively total betting turnovers of \$202.7 billion and \$216.5 billion from various betting activities, among which about 60 per cent were bets placed online. A breakdown of betting turnover by betting activity is tabulated below:

Betting turnover (\$)	2015-16 financial year (% in total betting turnover)	2016-17 financial year (% in total betting turnover) / [year-on-year change]
Horse racing	107.4 billion (53.0%)	115.8 billion (53.5%) / [+7.8%]
Football	86.8 billion (42.8%)	92.7 billion (42.8%) / [+6.8%]
Mark Six Lottery	8.5 billion (4.2%)	8 billion (3.7%) / [-5.9%]

Note 1: The HKJC's financial year runs from July 1 to the following June 30.

(2) According to the HKJC, the percentage of betting account holders aged below 21 remained at around 1.3 per cent to 1.7 per cent in all account holders over the past five years.

The age of 18 is generally regarded as the indicator of adulthood in Hong Kong, and it is also the statutory age for legal gambling. As revealed by the Hong Kong Polytechnic University's study on Hong Kong people's participation in gambling activities, commissioned by the Fund and completed in 2017, over 60 per cent of the respondents considered it appropriate to set the legal gambling age at 18.

We note that certain countries and places have their legal gambling ages set at 21. Nevertheless, given that these overseas places do not share the same background and objective factors with Hong Kong, their approaches may not be directly applicable here. In fact, restrictions on the gambling age differ around the world and there is no standardised practice. For example, in the United Kingdom, people can enter casinos when they are aged 18 but the minimum age for buying lottery tickets is only 16; in Singapore, the statutory age for entering casinos is 21 but that for participating in betting on horse racing or sports and buying lottery tickets remains at 18; and in Macao, people aged below 21 are prohibited from entering casinos but the age for legal participation in betting on horse racing, football, basketball, etc. remains at 18.

Regarding any proposal to raise the legal gambling age in Hong Kong, the Government has to examine prudently and consider if it will, on the contrary, increase the risk of young people aged between 18 and 21 participating in illegal gambling and developing gambling behavioural problems. Raising the legal gambling age may not necessarily be the most effective way to tackle the gambling-related problems (in particular, illegal online gambling) of youth.

(3) to (6) The Government attaches great importance to prevention of problems arising from gambling, especially those among young people. At present, a number of conditions have been imposed under the licences of betting on horse racing, Mark Six Lottery and football issued to the HKJC requiring the licensee to adopt measures to minimise the negative impact of gambling on the public, especially young people (e.g. the licensee shall not permit juveniles to enter its betting centres, shall display notices to remind the public of the gravity of excessive gambling and provide relevant information, shall not target juveniles in its advertising or promotional activities, shall not exaggerate the likelihood of winning or imply that betting is a means of increasing income, etc.).

The Fund currently finances four counselling and treatment centres to provide people with gambling disorder and those affected by them with various services, including telephone counselling, face-to-face counselling and mutual help groups as well as psychiatric treatment in serious cases. These four centres are the Tung Wah Group of Hospitals Even Centre, the Zion Social Service Yuk Lai Hin Counselling Centre, the Caritas Addicted Gamblers Counselling Centre and the Sunshine Lutheran Centre of the Hong Kong Lutheran Social Service. People with gambling disorder and their family members may call the gambling counselling hotline (183 4633) to receive preliminary counselling services immediately. Information on other community organisations providing such services is not available.

The number of enquiries received by the four counselling and treatment centres via the Fund's hotline and the number of beneficiaries receiving their counselling and treating services in the past five years are tabulated below:

	Number of enquiries received via Fund's hotline	Number of beneficiaries receiving counselling and treatment services
2013	9 064	1 989
2014	8 975	1 913
2015	8 429	1 933
2016	8 818	1 927
2017	9 636	2 229

Public education and prevention of gambling-related problems are also key areas of work of the Fund. The Fund implements ongoing public education on prevention of gambling-related problems to enhance promotion of anti-

gambling messages among the public (especially young people). The Fund introduced the Ping Wo Fund Sponsorship Scheme and the Ping Wo Fund School Project Grants in 2009 and 2010 respectively to sponsor non-governmental organisations and schools for organising anti-gambling publicity and education activities. The number of applications received by and sponsorship granted under the two schemes in the past five years are tabulated below:

Ping Wo Fund Sponsorship Scheme

	Number of applications received	Number of applications approved	Amount of sponsorship granted (\$)
2013	24	12	3,370,000
2014	26	14	3,940,000
2015	23	21	7,560,000
2016	44	24	8,460,000
2017	29	17	4,260,000

Ping Wo Fund School Project Grants

	Number of applications received	Number of applications approved	Amount of sponsorship granted (\$)
2013	47	44	110,000
2014	39	36	110,000
2015	52	50	150,000
2016	65	65	230,000
2017	53	52	180,000

As indicated in the report of the Hong Kong Polytechnic University's study mentioned in my reply to part (2), there was a decreasing trend in the prevalence rate of gambling among Hong Kong people (especially young people). The prevalence rate of gambling among secondary students dropped from 33.5 per cent in 2012 to 21.8 per cent in 2016. The drop was significant as compared to the rate of 54.0 per cent recorded in 2001. On football betting, the prevalence rate of gambling among secondary students decreased significantly from 4.7 per cent in 2012 to 1.2 per cent in 2016, and this was far lower than 6.8 per cent in 2005. The report also pointed out that such continuous improvement might be resulted from publicity and education efforts jointly made by the Government and the Ping Wo Fund Advisory Committee as well as other remedial measures.

The 2018 World Cup will be held from June to July 2018. In this connection, the Fund and the HAB have started since March 2018 and will continue until September 2018 a large-scale territory-wide "Enjoy the Game, Say No to Gambling" publicity campaign, under which a series of activities and publicity events will be held across the territory and at district level. We will also step up online publicity to raise public awareness of

gambling disorder and promote the messages against excessive gambling. The campaign comprises a series of district and territory-wide activities, such as the launch of a publicity truck, a carnival, a game to break the Guinness World Records and football matches, for members of the public to participate free-of-charge. Separately, the HAB has produced a new Announcement in the Public Interest for television and radio broadcast to discourage excessive gambling among the public and encourage people with gambling disorder and those affected by them to call the gambling counselling hotline for help. During the World Cup period, the four counselling and treatment centres financed by the Fund will specifically enhance support for the gambling counselling hotline.

(7) In the past five years (i.e. from 2013 to 2017), the Police arrested a total of 397 persons in law enforcement operations against bookmaking in at least 250 cases involving football betting and mixed betting (i.e. a mix of horse-racing, football, Mark Six, etc.). The betting slips or cash seized in these operations amounted to around HK\$1.8 billion. The Police do not maintain relevant prosecution and conviction figures.

The Police strive to combat illegal football gambling through a four-pronged approach of prevention, education, intelligence-gathering and enhanced law enforcement, and evaluate the effectiveness from time to time. The Police's Organized Crime and Triad Bureau will, in collaboration with various police districts, closely monitor the illegal gambling activities which may take place during the 2018 World Cup, proactively gather intelligence, and plan for law enforcement operations in light of the circumstances in order to combat such crimes.

[Speech by CE at HK Fire Services Department 150th anniversary grand parade \(with photos/video\)](#)

Following is the speech by the Chief Executive, Mrs Carrie Lam, at the Hong Kong Fire Services Department 150th anniversary grand parade held at the Fire and Ambulance Services Academy today (May 9):

It is a great pleasure to be here, an honour to serve as Reviewing Officer for the Hong Kong Fire Services Department's 150th anniversary grand parade.

I was pleased to be here just over two years ago at the formal opening of the Fire and Ambulance Services Academy, another milestone in the long, proud history of the Department, which began life as the Hong Kong Fire Brigade on this very day in 1868. From a brigade of some 100 personnel to today's elite force of more than 10 000 professionals is a compelling

statement of the Fire Services Department and its unwavering vision – that has always been to serve Hong Kong, to make our city, our community, a safe place in which to live and work.

In pursuit of that goal, the Department has over the years established a number of specialist teams. They work to enhance operational safety and efficiency, while promoting fire safety and ensuring quality ambulance services. Those efforts received a rousing boost with the opening of this state-of-the-art Academy, with its specialised training facilities and more than 500 residential training places. The Academy, I should add, welcomes our Mainland and overseas counterparts for fire and ambulance training. Here, they can also exchange professional views and insight on different areas, from firefighting and safety to rescue and paramedic ambulance services. Apart from enhancing professional standards, the Academy's work will help strengthen the ties between Hong Kong and other places. I encourage the Academy to continue its efforts.

The 150th anniversary of the Fire Services Department features a year-long parade of special events – for the public as well as industry professionals. That includes the three-day Fire Asia Conference, right here at the Academy. The Conference has attracted fire brigades and industry experts from all over the world. For our guests from overseas, I wish you all the best of business at the conference and a very memorable stay in Hong Kong.

Once again, let me say how grateful I am to the Hong Kong Fire Services Department, proudly serving Hong Kong now for 150 years. Thank you very much.





[LCQ10: Territory-wide identity card replacement exercise](#)

Following is a question by the Hon Chan Han-pan and a written reply by the Secretary for Security, Mr John Lee, in the Legislative Council today (May 9):

Question:

The Immigration Department (ImmD) will launch at the end of this year a territory-wide identity card (ID card) replacement exercise for Hong Kong residents, which will involve an estimated number of 8.8 million ID cards. ImmD will adopt a number of facilitation measures to enhance public convenience, including the arrangement for its staff to visit residential care homes to provide on-site ID card replacement service directly for elderly persons and persons with disabilities. In this connection, will the Government inform this Council:

(1) given that section 25(e) of the Registration of Persons Regulations (Cap 177 sub leg A) provides that the aged, the blind or the infirm may apply for a Certificate of Exemption (the Certificate) with the Commissioner of Registration (i.e. the Director of Immigration) either on their own or through their representatives for the purpose of seeking exemption from

applying for the issue or renewal of ID cards, of the criteria for vetting and approval of the applications for the Certificates; if it has looked into whether those persons who did not apply for replacement of their ID cards during the last replacement exercise but hold the Certificates have experienced inconvenience in their daily lives; if they have, of the details; and

(2) as some New Territories residents have indicated that some remote districts, such as the rural areas and the outlying islands, have a large number of residents and inconvenient external transport, whether the Government will consider deploying staff to provide on-site ID card replacement service for the elderly persons, persons with impaired mobility and other residents in the aforesaid districts, as well as setting up ID card replacement centres or installing self-service registration and ID card collection machines in such districts?

Reply:

The Immigration Department (ImmD) is in the process of developing the Next Generation Smart Identity Card System, and intends to launch a one-off territory-wide identity card replacement exercise by the end of 2018. All smart identity card holders will be invited in phases to have their existing Hong Kong identity cards replaced in an orderly manner. ImmD plans to set up nine smart identity card replacement centres across the territory to replace smart identity cards for the public. Subject to actual progress, the exercise is expected to last until 2022.

Our reply to the questions raised by Hon Chan Han-pan is set out below.

(1) Under section 25(e) of the Registration of Persons Regulations (Cap 177A) (ROPR), the aged, the blind or the infirm who satisfy a registration officer that their personal attendance for registration of identity cards will injure their health or the health of others are not required to register or apply for the issue or renewal of an identity card. They can instead apply for a Certificate of Exemption, which is issued free of charge, from the Commissioner of Registration (i.e. the Director of Immigration).

Applicants may apply for a Certificate of Exemption by themselves or through authorised representatives (such as a family member, relative, social worker or supervisor of elderly homes, etc) by including relevant information such as the name of the applicant, the reason for application and health condition, etc, in writing. Samples of the related application forms can be found on the website of ImmD.

The Certificate of Exemption provides the aged, the blind or the infirm with an additional choice, obviating the need for them to apply for identity cards. When the health conditions of the persons issued with Certificates of Exemption so permit, they may at any time apply for a smart identity card, free of charge, at any Registration of Persons Office of ImmD. The Certificate of Exemption arrangement has worked well for years with no report of holders experiencing inconvenience in their daily lives.

(2) To provide facilitation to needy groups such as elderly persons and persons with disabilities (PWDs), ImmD will adopt various facilitation measures in the territory-wide identity card replacement exercise, including the provision of on-site identity card replacement services for elderly persons and PWDs residing in residential care homes (RCHs) as mentioned in the question. The measure will benefit over 1 000 RCHs across Hong Kong, including those located in remote districts and rural areas in the New Territories, and those in outlying islands.

As for other elderly persons and PWDs living in the community (including remote and rural areas in the New Territories), ImmD will adopt other facilitation measures, such as allowing persons under the age of 65, when they proceed to card replacement centres for replacing their smart identity cards, to bring along persons aged 65 or above in the same trip, so that these elderly persons need not proceed to card replacement centres separately to have their identity cards replaced when their respective age-groups are called up for identity card replacement. In addition, ImmD will work with the Social Welfare Department and non-governmental organisations (NGOs) in arranging special time slots for group visits organised by NGOs, during which elderly persons and PWDs will have their identity cards replaced at card replacement centres when their respective age groups are called up for identity card replacement. All card replacement centres will be equipped with barrier-free access and facilities to provide facilitation for the convenience of elderly persons and PWDs.

Sufficient self-service collection kiosks will also be made available in card replacement centres to allow applicants to collect their identity cards with ease. Meanwhile, applicants (including elderly persons and PWDs) will continue to be allowed to authorise their relatives, friends or other persons to have their identity cards collected on their behalf, saving their need to collect their identity cards in person at card replacement centres.

In addition, the existing arrangement for issuing Certificate of Exemption pursuant to regulation 25(e) of the ROPR to those who are unable to replace their identity cards in person remains unchanged.