



**Mandatory Provident Fund Schemes Authority**

**Statistical Analysis of Accrued  
Benefits Held by Scheme Members of  
Mandatory Provident Fund Schemes  
(as at December 2015)**

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## **I. Introduction**

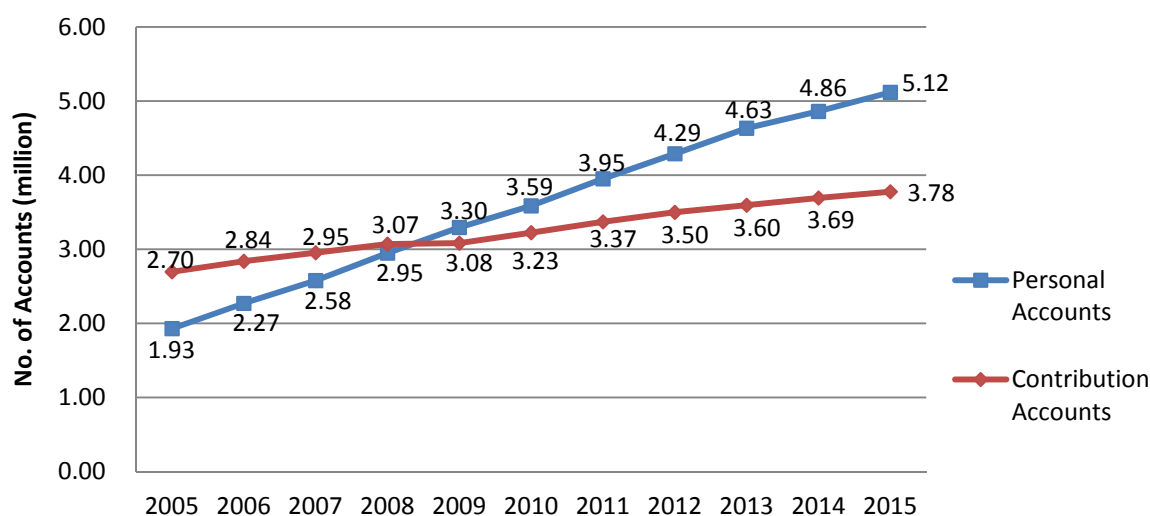
1. The Mandatory Provident Fund (“MPF”) System is an individual savings account arrangement. Under the MPF System, contributions paid by, or on behalf of, scheme members are used to purchase units of MPF funds, which are accumulated in the scheme member’s account, as are any returns generated by these MPF funds. Therefore, the amount of accrued benefits accumulated in the scheme member’s account depends on the amount contributed to the scheme and the investment return thereon. This report provides an analysis of the accrued benefits held in the accounts of scheme members of MPF schemes as of December 2015.

## **II. Types of MPF Accounts, Scheme Members and Contributions**

### **A. Types of MPF Accounts**

2. Under the MPF System, MPF accounts are categorized into two types: a contribution account (“CA”) or a personal account (“PA”). A CA receives MPF contributions mainly related to a scheme member’s current employment or self-employment for investment. A PA primarily receives accrued benefits attributable to a scheme member’s former employment or former self-employment transferred from other MPF accounts, and also accrued benefits attributable to a scheme member’s current employment transferred from a CA for investment.
3. Over the past 10 years, there was a substantial increase in the number of both CAs and PAs, particularly the latter. On average, the number of CAs and PAs grew by 3.4 and 10.2%, respectively, per year from December 2005 to December 2015. As of December 2015, there were 3.78 million CAs and 5.12 million PAs.

**Chart 1 Total Number of Contribution Accounts and Personal Accounts**



## B. Types of Scheme Members

4. CAs and PAs are held by scheme members. There are generally three types of scheme members in the MPF System: employees, self-employed persons (“SEPs”) and PA holders.
5. A scheme member may have multiple identities under the MPF System; an employee can hold a CA and a PA at the same time, for example. And a scheme member may hold more than one CA or PA.
6. As of December 2015, the 3.78 million CAs were held by 3.05 million employee and SEP members.<sup>1</sup> If the 1.05 million participants who held only PAs are included, there were in total 4.10 million individuals participating in the MPF System.

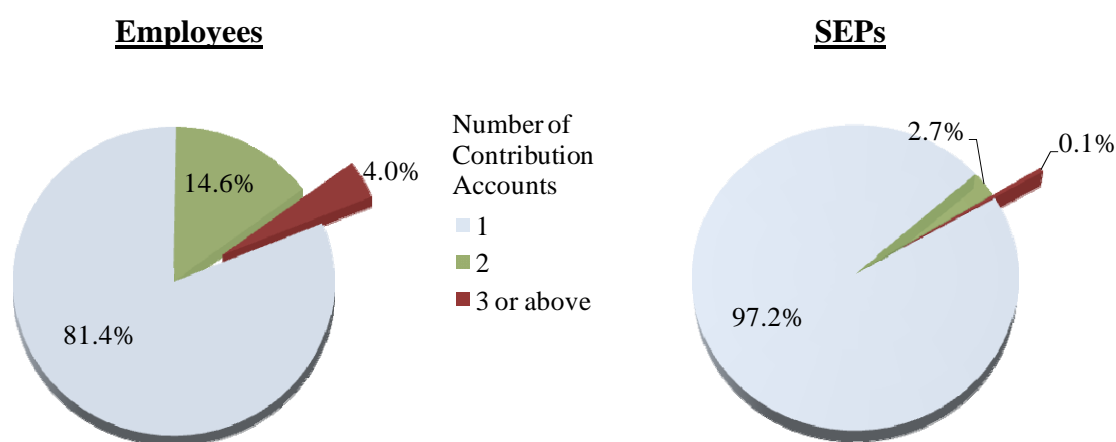
<sup>1</sup> The total number of 3.05 million participating members covers inactive contribution accounts (e.g. accounts pending cessation and accounts no longer receiving contributions). This figure is therefore higher than the enrolment figures of employees and SEPs published by the Authority, which covers active members only.

**Table 1 Number of MPF Scheme Members (as of December 2015)**

Type of Members	Number
Members Holding Contribution Accounts	3 049 600
Members Holding Personal Accounts Only	1 050 400
<b>Total</b>	<b>4 100 000</b>

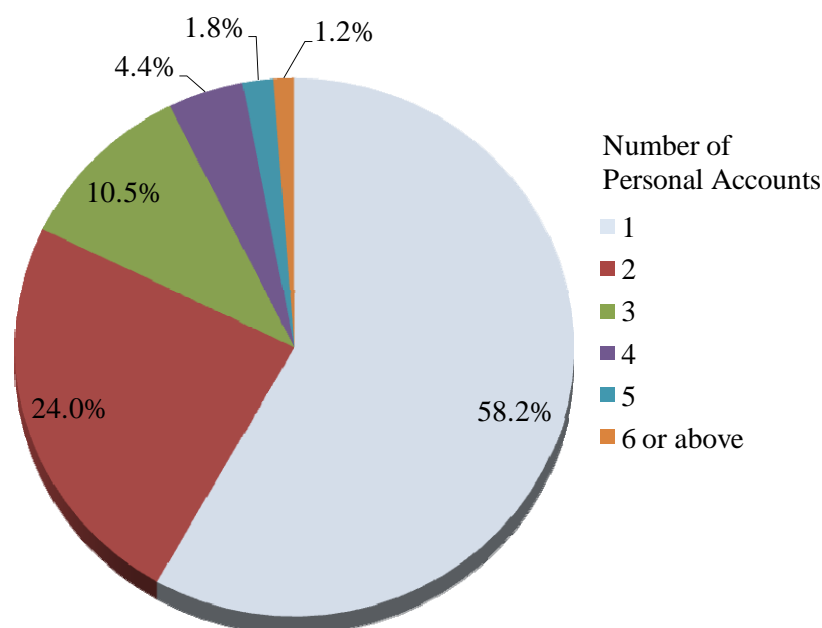
7. Scheme members, particularly employees, may have more than one CA. For example, employees who have two jobs concurrently will have two CAs, one for each job. On average, each employee member had 1.23 CAs as of December 2015. Among employee members, 81.4% had one CA, 14.6% had two CAs, and 4.0% had three or more CAs. It is less likely for SEP members to have more than one CA. On average, each SEP member had 1.03 CAs. Among SEP members, 97.2% had only one CA; only 2.8% of them had two or more CAs.

**Chart 2 Number of Contribution Accounts Maintained by Employee and SEP Members**



8. The 5.12 million PAs were held by 2.98 million PA holders, many of which had more than one PA. On average, each PA holder had 1.72 PAs; 58.2% had only one PA, 24.0% had two, 10.5% had three, and 7.3% had four or more.

**Chart 3 Number of Personal Account Maintained by PA Holders**



C. Types of Contributions

*Mandatory Contributions (“MCs”)*

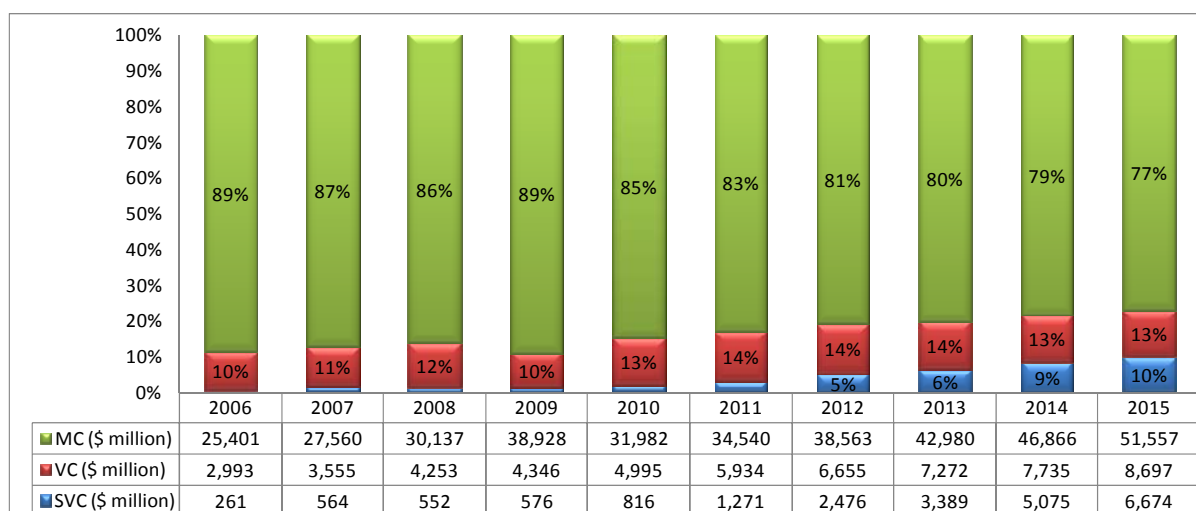
9. Relevant employees in Hong Kong are required to join an MPF scheme and to make regular MPF contributions. Subject to a cap of \$3,000 per month, an amount which is equal to 10% of the employee’s relevant income (5% payable by employers from their own funds and 5% payable by employees by deduction from their relevant income) has to be made into an MPF scheme as MCs. Employees earning less than \$7,100 per month need not contribute themselves, but their employers still need to contribute 5% of the employees’ relevant income. SEPs have to contribute 5% to an MPF scheme, subject to a cap of \$1,500 per month. They are not required to contribute if they earn less than \$7,100 per month.

*Voluntary Contributions (“VCs”) and Special Voluntary Contributions (“SVCs”)*

10. Employers, employees or SEPs can also make VCs to an MPF scheme, in addition to the amount of MCs required under the MPF legislation. Contributions unrelated to employment made directly by employees to the trustee of an MPF scheme without the involvement of their employers are called SVCs.

11. Over the past 10 years, there has been rapid growth in the amount of VCs and SVCs made to MPF schemes. From 2006 to 2015, the total amount of VCs almost tripled, rising from \$2,993 million to \$8,697 million. The SVCs in 2015 amounted to \$6,674 million, 25.6 times the amount (\$261 million) in 2006. As a percentage of total contributions, VCs and SVCs taken together rose from 11% to 23% during this period.

**Chart 4 Amount of Mandatory Contributions, Voluntary Contributions and Special Voluntary Contributions over the Past 10 Years**



*Note: The mandatory contributions in 2009 and 2010 include the Government's injection of special contributions into the accounts of eligible scheme members.*

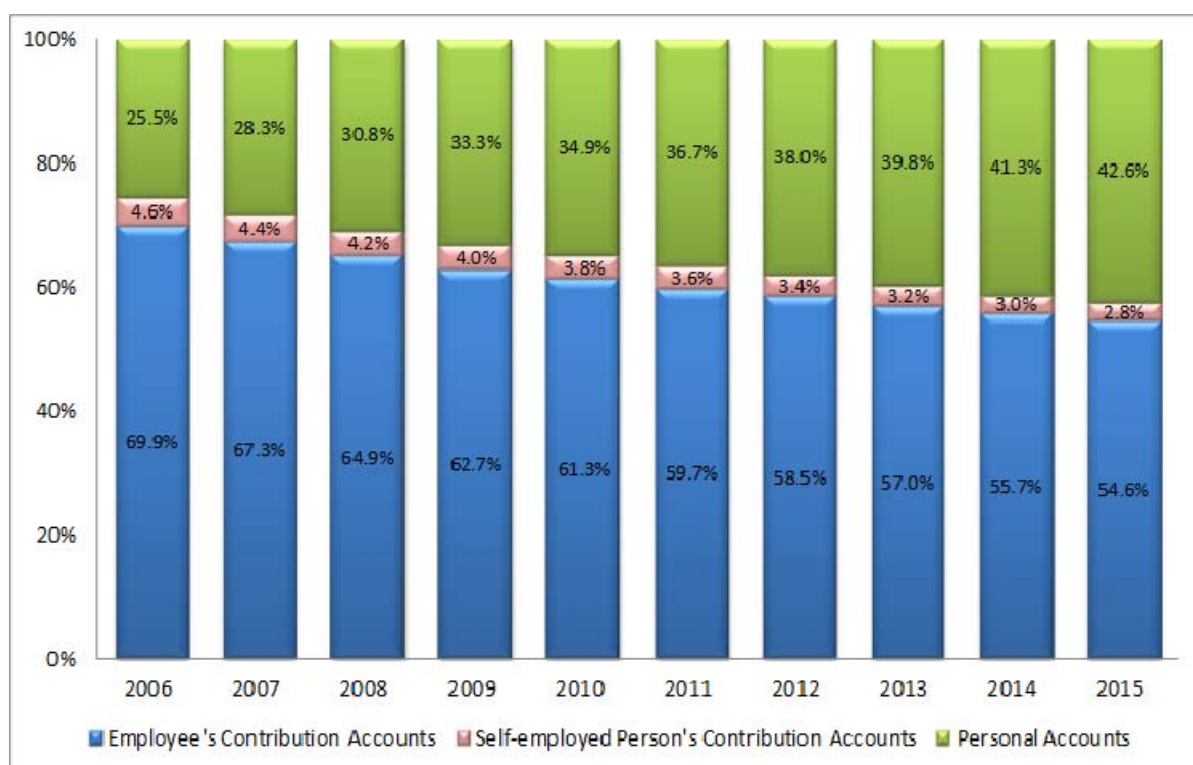
### III. Accrued Benefits of Scheme Members

#### A. By Account Type

12. For the MPF System as a whole, the aggregate accrued benefits of scheme members amounted to \$591 billion as of December of 2015. Scheme members' accrued benefits are held under CAs and/or PAs. In terms of account type, 57.4% of scheme member's accrued benefits were held in CAs (about \$339 billion), while 42.6% (about \$252 billion) were held in PAs as of December 2015.



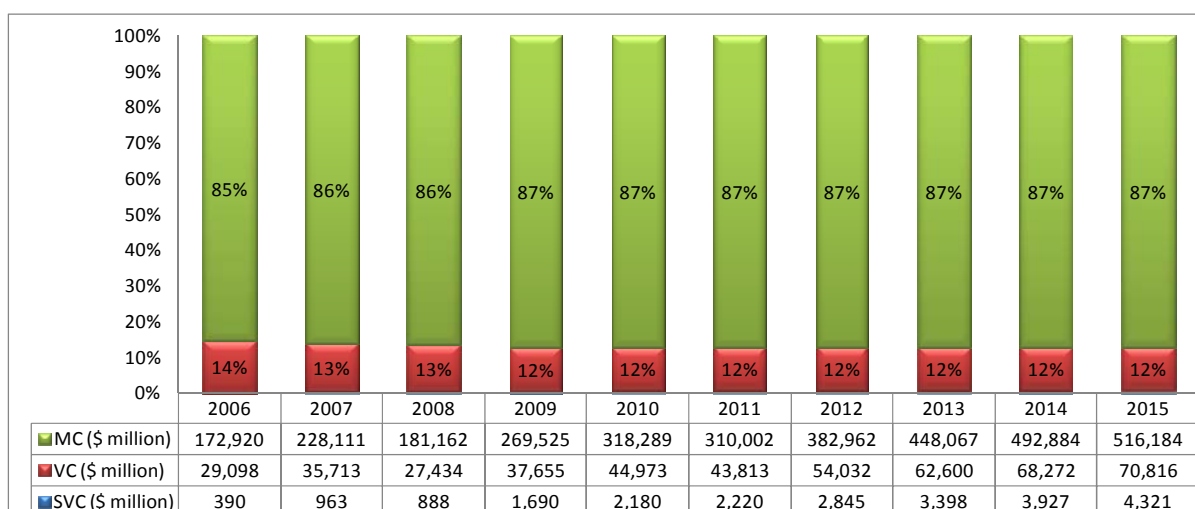
**Chart 5 Accrued Benefits by Account Type over the Past 10 Years**



**B. By Contribution Type**

13. Scheme members' accrued benefits are derived from MCs, VCs and SVCs. In terms of contribution type, 87% of scheme members' accrued benefits came from MCs, while the remaining 13% came from VCs or SVCs as of December 2015.
  
14. While VCs and SVCs as a proportion of total contributions have continued to rise in the past 10 years, the accrued benefits derived from them as a proportion of total accrued benefits remained largely stable during the same period. This can be attributed, at least in part, to the observation that there was also a rise in the amount of benefits derived from VCs and SVCs that were withdrawn from the MPF System over the period.

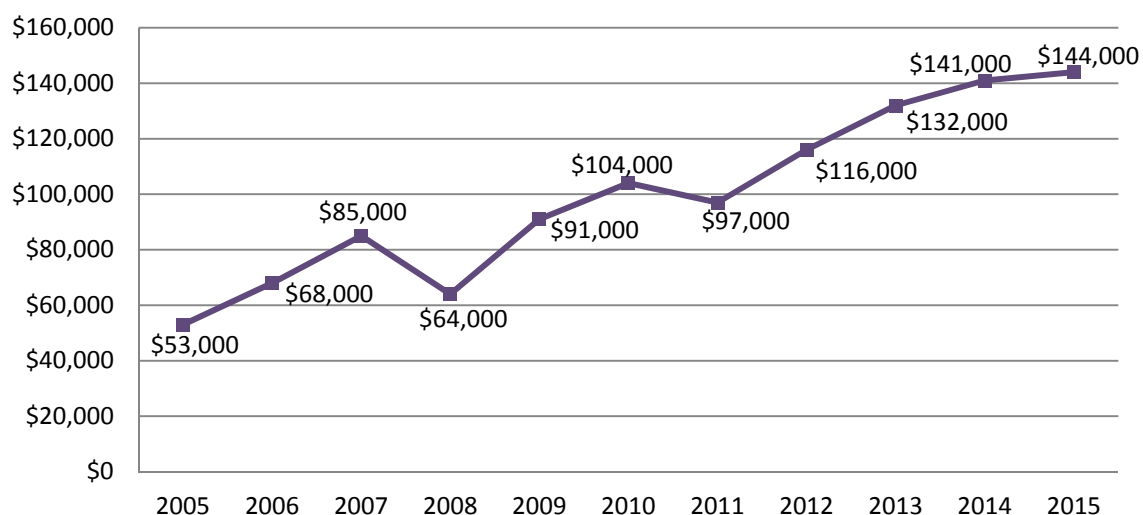
**Chart 6 Accrued Benefits by Contribution Type over the Past 10 Years**



**C. Average MPF Accrued Benefits of Scheme Members**

15. As of December 2015, total MPF assets amounted to \$591 billion, held by around 4.10 million scheme members participating in the MPF System (including employees, SEPs and PA holders) as accrued benefits. On average, each scheme member had accumulated \$144,000 in his/her accounts as of December 2015.

**Chart 7 Growth in Average Accrued Benefits Held by Scheme Members**



Note: Figures are rounded to the nearest thousand.

16. Over the past 10 years, the average accrued benefits held by scheme members have more than doubled, from an average of \$53,000 as of December 2005 to \$144,000 as of December 2015. This represents cumulative growth of 170% in the past 10 years.

17. In terms of account type, the average accrued benefits of employees, SEPs and PA holders were about \$112,000, \$70,000 and \$84,000, respectively, in December 2015. The average accrued benefits of \$144,000 held by scheme members are higher than the average accrued benefits of any other account type, because scheme members may participate in MPF schemes in more than one capacity (e.g. as an employee holding one or more CAs and a PA at the same time). For example, if a scheme member is both an employee and a PA holder, this scheme member has \$197,000<sup>2</sup> of accrued benefits (\$112,000 + \$84,000).

**Table 2 Average Accrued Benefits Held in Different Account Types as of December 2015**

Account Type	Average Accrued Benefits of Scheme Members
<b>Employee’s Contribution Account</b>	\$112,000
<b>Self-employed Person’s Contribution Account</b>	\$70,000
<b>Personal Account</b>	\$84,000

*Note: Figures are rounded to the nearest thousand.*

18. Scheme members of different age groups and gender have a different average amount of accrued benefits. Information on the average accrued benefits of scheme members by age group and gender as of December 2015 is shown in Table 3.

<sup>2</sup> Total figure is calculated based on unrounded figures and may not equal to the sum of individual rounded items.

**Table 3 Average Amount of Accrued Benefits Held by Scheme Members by Age Group and Gender as of December 2015**

Age Group	Gender		Total (\$)	Ratio Female : Male
	Female (\$)	Male (\$)		
<b>&lt;=24</b>	15,000	16,000	<b>15,000</b>	1 : 1.09
<b>25-29</b>	70,000	69,000	<b>69,000</b>	1 : 0.98
<b>30-34</b>	138,000	141,000	<b>139,000</b>	1 : 1.02
<b>35-39</b>	180,000	196,000	<b>188,000</b>	1 : 1.09
<b>40-44</b>	179,000	215,000	<b>196,000</b>	1 : 1.20
<b>45-49</b>	173,000	218,000	<b>194,000</b>	1 : 1.27
<b>50-54</b>	158,000	217,000	<b>188,000</b>	1 : 1.37
<b>55-59</b>	127,000	193,000	<b>163,000</b>	1 : 1.52
<b>60-64</b>	97,000	162,000	<b>135,000</b>	1 : 1.67
<b>&gt;=65</b>	51,000	85,000	<b>73,000</b>	1 : 1.66
<b>Total</b>	<b>130,000</b>	<b>158,000</b>	<b>144,000</b>	<b>1 : 1.22</b>

Note: Figures on accrued benefits are rounded to the nearest thousand, while the ratios are calculated based on unrounded figures.

19. Those members aged between 35 and 54 tended to have greater amounts of accrued benefits than other age groups. Those aged 24 and below as well as those aged 60 or above had accrued benefits lower than the average. According to the statistics released by the Census & Statistics Department,<sup>3</sup> the median monthly employment earnings of employed persons aged 15-24 and those of employed persons aged 60 or above were about 70% and 75% respectively of the median monthly employment earnings of all employed persons in the fourth quarter of 2015.
20. The average accrued benefits of male members (\$158,000) were 22% higher than those of female members (\$130,000). It is interesting to note that the accrued benefits of female members aged 25-29 were slightly higher than those of male members in the same age group. Starting from the age group 30-34, however, the accrued benefits of male members were consistently higher than those of female members, and the differences tended to increase with age.

<sup>3</sup> Census and Statistics Department (February 2016). *Quarterly Report on General Household Survey (October to December 2015, p.74)*. Retrieved from <http://www.statistics.gov.hk/pub/B10500012015QQ04B0100.pdf>