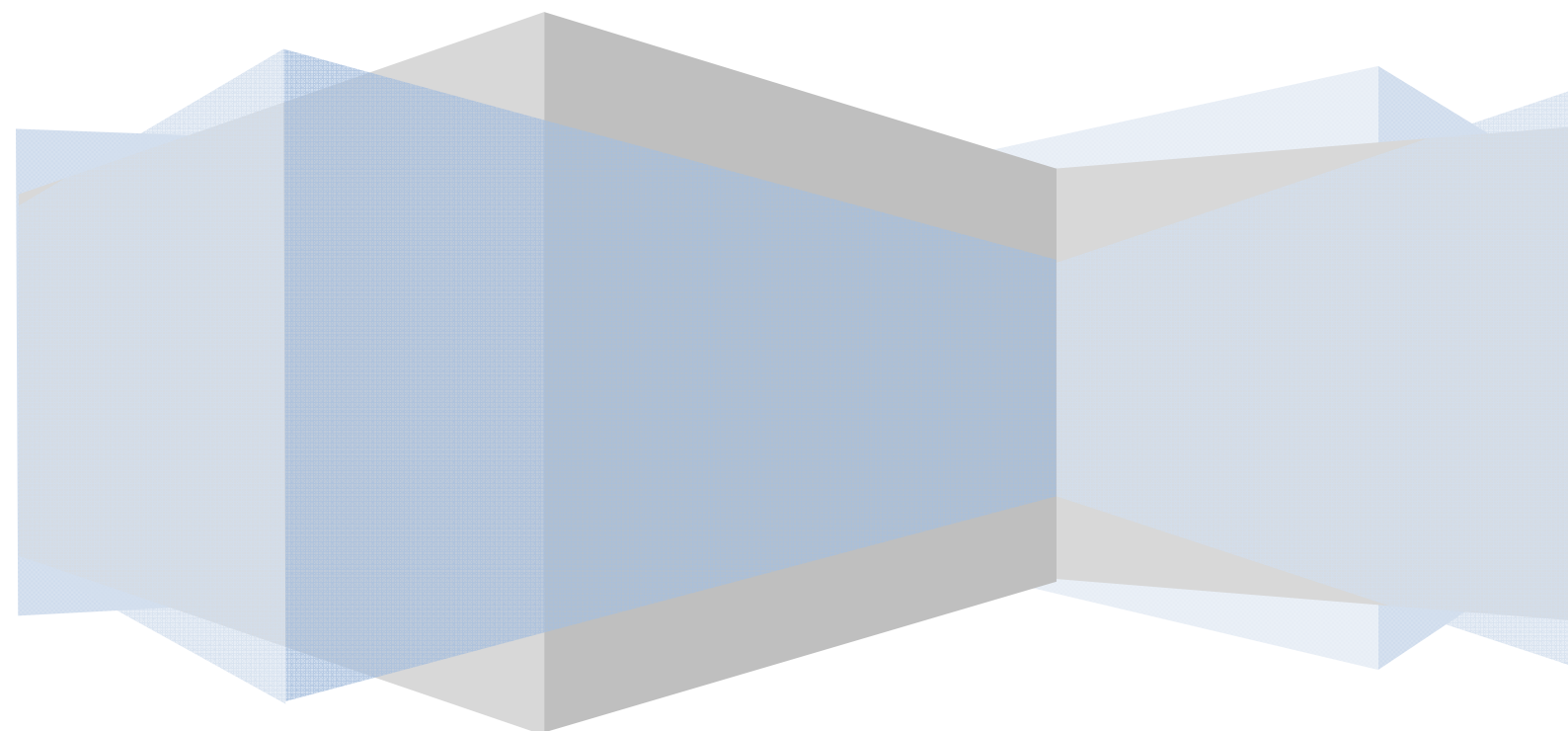




Statistical Report on Claims for Offsetting Severance Payment and Long Service Payment against MPF Accrued Benefits

(1 January 2016 – 31 December 2016)



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HIGHLIGHTS

- In 2016, a total of 50 500 Severance Payment (“SP”)/Long Service Payment (“LSP”) offsetting claims were processed by trustees, an increase of 3 100 claims (or 7%) from 2015. SP offsetting claims accounted for 67% of the total number of claims and LSP offsetting claims accounted for 33% of the total. These claims involved a total of 14 900 unique employers and 49 300 unique employees.
- In 2016, the total amount of SP/LSP offsetting claims was \$3,855 million, an increase of \$501 million (or 15%) from 2015. SP accounted for 53% of the total and LSP for 47%. From July 2001 to December 2016, the accumulated amount of SP/LSP offsetting claims was \$32 billion.
- Around 88% of the total SP/LSP offsetting amount came from benefits derived from mandatory contributions and around 12% of the offsetting amount came from those derived from voluntary contributions.
- SP/LSP offsetting amount accounted for 23.5% of the total benefit withdrawal from the Mandatory Provident Fund (“MPF”) System in 2016. To put this in perspective, that is equivalent to 6.1% of the total amount of contributions received in the year and 0.6% of the total net asset value of MPF schemes as at 31 December 2016.
- The average amount of SP/LSP offsetting claims per employee was \$78,300, higher than the average amount of \$74,100 in 2015 by 6%. The average amount of LSP offsetting claims per employee (\$110,300) was substantially higher than that of SP (\$62,100). The average amount of SP/LSP offsetting claims per employer was \$258,200 in 2016, increasing 11% from the average amount of \$233,000 in 2015.
- On average, the amount of SP/LSP offsetting claims, regardless of the type of claim, accounted for 52% of the involved employees’ account balance, increasing from 51% in 2015. However, SP/LSP can be offset only against those benefits in employees’ accounts that are derived from employer contributions, but not those benefits derived from employee contributions. In this regard, the amount of SP/LSP offsetting claims, on average, accounted for 94% of employer’s portion of the involved employees’ account balance in 2016, increasing from 93% in 2015.
- More than three quarters of the total SP/LSP offsetting claims in 2016 were related to employees aged 40 years and above. The average age of employees involved in SP/LSP offsetting claims was 49 years. Relatively speaking, employees involved in LSP offsetting claims were older (an average of 53 years) than those involved in SP offsetting claims (an average of 47 years). The above age profile of employees involved in SP/LSP offsetting claims was the same as that in 2015.

- On average, employees involved in SP/LSP offsetting claims had eight years' of service in 2016. The median service year was six years. Employees involved in LSP offsetting claims had a longer service period (an average of 12 years) than those involved in SP offsetting claims (an average of six years). The above profile of the service years of employees involved in SP/LSP offsetting claims was the same as that in 2015.
- The top five industry types of employers involved in SP/LSP offsetting claims were wholesale/retail/import & export trades, catering, construction, community/social/personal services and manufacturing. These five industry types were also the top five industry types of employers involved in SP/LSP offsetting claim in 2015.
- In 2016, 55.1% of total claims were related to employers with 50 employees or less, compared to 55.0% in 2015. Some larger employers, such as those with more than 1 000 employees, accounted for 14.4% of total claims which was slightly less than that in 2015 (i.e. 16.1%).

I. BACKGROUND

1. Before the Mandatory Provident Fund (“MPF”) System came into operation in December 2000, the Employment Ordinance (Cap.57) (“EO”) already allowed employers to use provident fund payment to offset severance payment (“SP”) and long service payment (“LSP”). Under the EO, employers are required to make SP and LSP upon cessation of employment of employees in specified situations. An employee will only receive either SP or LSP, but not both. This long-established offsetting arrangement was extended to cover MPF schemes with the introduction of the MPF System.
2. Under the EO, if an employee becomes entitled to SP/LSP, and accrued benefits derived from employer’s contributions (“ER accrued benefits”) are held in an MPF scheme in respect of the employee, or has been paid to the employee, the SP/LSP can be offset against ER accrued benefits to the extent that they relate to the employee’s years of service for which the SP/LSP is payable. The Mandatory Provident Fund Schemes Ordinance sets out operational details of the SP/LSP offsetting arrangements.
3. Since the implementation of the MPF System in December 2000, there have been strong views expressed by different stakeholders on the issue of whether employers should be entitled to use provident fund payment to offset SP and LSP. Today, this remains an issue of debate. Data provided in this report is provided to facilitate informed discussion and debate of the topic.
4. In the coming section, the report analyzes various aspects of SP/LSP offsetting claim in 2016. Section A sets out the number of SP/LSP offsetting claims and the number of employees and employers involved in SP/LSP offsetting claims. Section B gives an account of the amount of SP/LSP offsetting claims. Section C analyzes the offsetting claim amount as a percentage of the involved employees’ account balance. A review of the profile of employees involved in SP/LSP offsetting claims are provided in Section D (by the age of employees) and Section E (by the number of years of service of employees). The report then looks at the profile of employers involved in SP/LSP offsetting claims in Section F (by industry type) and Section G (by the size of employers).

II. SUMMARY OF CLAIMS FOR SP & LSP OFFSETTING (1 JANUARY 2016 – 31 DECEMBER 2016)

5. The statistics contained in this report are based on the SP/LSP offsetting claims processed by MPF trustees in 2016 and other relevant years. All statistics were provided by MPF trustees to the MPFA in accordance with relevant MPF guidelines.

A. Number of Claims

6. In 2016, a total of 50 500 SP/LSP offsetting claims were processed by trustees, an increase of 3 100 claims (or 7%) from 2015.¹ These claims involved a total of 14 900 unique employers and 49 300 unique employees.

7. SP offsetting claims accounted for 67% of the total number of claims and LSP offsetting claims accounted for 33% of the total.

Table 1 Number of Claims, Number of Unique Employers and Employees Involved

Type of Claim	Number of Claims ⁽¹⁾			Number of Unique Employers Involved ⁽²⁾			Number of Unique Employees Involved ⁽²⁾		
	2014	2015	2016	2014	2015	2016	2014	2015	2016
SP	30 900	31 500	33 600	9 100	8 200	8 900	29 700	30 400	32 800
LSP	14 500	15 800	16 900	7 200	6 900	7 600	13 800	14 900	16 500
Overall	45 400	47 300	50 500	15 600	14 400	14 900	43 500	45 300	49 300

Notes:

- (1) Since a claim case may involve more than one claimant (e.g. both the employer and the employee can make claims with trustee(s) for the same claim case), the number of claims refers to the number of claims made by the claimants but not the unique number of claim cases in the year.
- (2) The information on the number of unique employers involved and the number of unique employees involved is provided by trustees for each individual scheme. The number of unique employers involved and the number of unique employees involved in the table are only the aggregate of relevant figures of all schemes without taking into account any multiple claims involving the same employer/employee made in different schemes in the year. In addition, there may be duplications arising from the multiple claims involving the same employer/employee made in different types of claims (i.e. SP/LSP) or different quarters.

¹ The number of SP/LSP offsetting claims is affected by a number of factors, such as economic environment, labour market conditions and demographic trends. Regarding the distribution and changes of the number of SP/LSP offsetting claims by the industry type of employers in 2016, please refer to Table 11 on Page 13 for details.

B. Amount of Claims

8. In 2016, the total amount of SP/LSP offsetting claims was \$3,855 million, an increase of \$501 million (or 15%) from 2015.² SP accounted for 53% of the total and LSP for 47%. From July 2001 to December 2016, the accumulated amount of SP/LSP offsetting claims was \$32 billion.

Table 2 Total Offsetting Amount by Type of Claim

(\$ million)

Year	SP	LSP	Overall
2014	1,656	1,351	3,006
2015	1,780	1,575	3,354
2016	2,038	1,817	3,855

Note:

- (1) Figures do not sum up to the overall figure due to rounding.

9. Under the SP/LSP offsetting arrangements, both ER accrued benefits derived from mandatory contributions and those derived from voluntary contributions can be used to offset against any amount the employer has paid for SP/LSP.
10. In 2016, around 88% of the total SP/LSP offsetting amount came from benefits derived from mandatory contributions and around 12% of the SP/LSP offsetting amount came from those derived from voluntary contributions. In 2015, those benefits derived from mandatory contributions and those derived from voluntary contributions accounted for 90% and 10% of total SP/LSP offsetting amount respectively.

Table 3 Offsetting Amount by Type of Contribution and Type of Claim

Type of Contribution	Type of Claim				Overall	
	SP		LSP			
	Offsetting Amount (\$ million)	%	Offsetting Amount (\$ million)	%	Offsetting Amount (\$ million)	%
Mandatory Contributions	1,856	91.1%	1,556	85.6%	3,411	88.5%
Voluntary Contributions	182	8.9%	262	14.4%	444	11.5%
Total	2,038	100.0%	1,817	100.0%	3,855	100.0%

Note:

- (1) Figures or percentages may not sum up to the corresponding total or 100.0% due to rounding. Percentage figures are derived from unrounded figures.

² The SP/LSP offsetting amount is affected by a number of factors, such as economic environment, labour market conditions and demographic trends. Regarding the distribution and changes of the offsetting claim amount by the industry type of employers, please refer to Table 11 on Page 13 for details.

11. SP/LSP offsetting was a major withdrawal ground of MPF benefits.³ SP/LSP offsetting amount accounted for 23.5% of the total benefit withdrawal from the MPF System in 2016. To put this in perspective, that is equivalent to 6.1% of the total amount of contributions received in the year and 0.6% of the total net asset value of MPF schemes as at 31 December 2016.

Table 4 Offsetting Amount as a Percentage of Benefits Paid, Contributions Received and Net Asset Value of MPF Schemes

Year	Offsetting Amount as a Percentage of Total Amount of Benefits Paid ⁽¹⁾	Offsetting Amount as a Percentage of Total Amount of Contributions Received ⁽²⁾	Offsetting Amount as a Percentage of Total Net Asset Value of MPF Schemes ⁽³⁾
2014	21.6%	5.5%	0.5%
2015	22.0%	5.6%	0.6%
2016	23.5%	6.1%	0.6%

Notes:

- (1) The amount of benefits paid includes the amount of benefits paid derived from mandatory contributions and/or voluntary contributions but excludes the amount of benefits paid derived from special voluntary contributions. Special voluntary contributions refer to voluntary contributions paid directly by a relevant employee to the trustee. Unlike general voluntary contributions, these contributions are non-employment related, i.e. contributions do not go through the employer, and withdrawal of accrued benefits is neither tied to employment nor subject to preservation requirements.
- (2) The amount of contributions received includes the amount of mandatory contributions received and the amount of voluntary contributions received but excludes the amount of special voluntary contributions received.
- (3) The total net asset value of MPF schemes as at end of the year.

³ Other major withdrawal grounds of MPF benefits are as follows: retirement (29.2% of total benefits withdrawn), permanent departure from Hong Kong (20.3%), and early retirement (11.4%).

12. The average amount of SP/LSP offsetting claims was \$76,400 in 2016, showing an increase of about 8% as compared to \$70,900 in 2015. Relatively speaking, the average amount of LSP offsetting claims (\$107,700) was substantially higher than that of SP (\$60,700). In 2015, the average amount of LSP offsetting claims was \$99,800, while that of SP was \$56,400. Almost half (48.4%) of SP/LSP offsetting claims in 2016 were less than \$50,000, lower than the proportion in 2015 (51.9%).

Table 5 Number, Percentage and Average Amount of Claims

Type of Claim	Offsetting Amount	Number of Claims ⁽¹⁾	%	Average Offsetting Amount Per Claim ⁽³⁾ (\$)
SP	<\$50,000	20 600	61.2%	60,700
	\$50,000 - <\$100,000	7 200	21.3%	
	\$100,000 - <\$200,000	4 200	12.5%	
	\$200,000 - <\$300,000	1 400	4.1%	
	\$300,000 - <\$390,000	200	0.6%	
	\$390,000 ⁽²⁾	100	0.2%	
	Sub-Total	33 600	100.0%	
LSP	<\$50,000	3 800	22.7%	107,700
	\$50,000 - <\$100,000	5 900	35.2%	
	\$100,000 - <\$200,000	5 000	29.8%	
	\$200,000 - <\$300,000	1 600	9.4%	
	\$300,000 - <\$390,000	300	1.6%	
	\$390,000 ⁽²⁾	200	1.4%	
	Sub-Total	16 900	100.0%	
Overall	<\$50,000	24 400	48.4%	76,400
	\$50,000 - <\$100,000	13 100	26.0%	
	\$100,000 - <\$200,000	9 200	18.3%	
	\$200,000 - <\$300,000	2 900	5.8%	
	\$300,000 - <\$390,000	500	0.9%	
	\$390,000 ⁽²⁾	300	0.6%	
	Total	50 500	100.0%	

Notes:

- (1) Since a claim case may involve more than one claimant (e.g. both the employer and the employee can make claims with trustee(s) for the same claim case), the number of claims refers to the number of claims made by the claimants but not the unique number of claim cases in the year.
- (2) Under the Employment Ordinance, the maximum amount of SP/LSP to which an employee is entitled is \$390,000.
- (3) The average offsetting amount is compiled on the basis of the total number of claims by the claimants but not the unique number of claim cases in the year.
- (4) Figures or percentages may not sum up to the corresponding total or 100.0% due to rounding. Percentage figures are derived from unrounded figures.

13. According to the information submitted by trustees, an employee might be involved in more than one offsetting claim in the year.⁴ As shown in Table 6, the average amount of SP/LSP offsetting claims per employee was \$78,300, higher than the average amount of \$74,100 in 2015 by 6%. Relatively speaking, the average amount of LSP offsetting claims per employee (\$110,300) was substantially higher than that of SP (\$62,100). In 2015, the average amount of LSP offsetting claims per employee (\$105,600) was also higher than that of SP (\$58,600).
14. The average amount of SP/LSP offsetting claims per employer was \$258,200, increasing 11% from the average amount of \$233,000 in 2015. The overall figure is higher than the average amount of SP or LSP offsetting claim as the same employers may be involved in both SP and LSP claim cases during the year.

Table 6 Average Amount of Claims Per Employer and Per Employee

Type of Claim	Average Offsetting Amount Per Employer ⁽¹⁾ (\$)			Average Offsetting Amount Per Employee ⁽²⁾ (\$)		
	2014	2015	2016	2014	2015	2016
SP	182,100	216,100	229,600	55,800	58,600	62,100
LSP	187,500	227,500	238,200	98,000	105,600	110,300
Overall	192,800	233,000	258,200	69,200	74,100	78,300

Notes:

(1) The number of employers is based on the unique number of employers in Table 1.

(2) The number of employees is based on the unique number of employees in Table 1.

⁴ An employee might be involved in more than one offsetting claim during the year, for example, under the following two circumstances:

- a. Both the employer and the employee made offsetting claims for the same claim case to the same scheme during the period. In this scenario, the trustee would need to process two claims for one case. Since only one employee was actually involved, the trustee would report the number of unique employees involved as one.
- b. In some cases, an employee might be involved in two claim cases in the same scheme (e.g. claiming LSP offsetting on reaching age 65 and resigning on ground of old age in respect of two employments with both employers participating in the same scheme). As long as these claim cases were related to the same employee, the trustee would report the number of unique employee involved as one.

C. Claim Amount as a Percentage of the Involved Employees' Account Balance

15. On average, the amount of SP/LSP offsetting claims, regardless of the type of claim, accounted for 52% of the involved employees' account balance,⁵ increasing from 51% in 2015. It should be noted that these figures only relate to those employees who were involved in SP/LSP offsetting claims in that year.

Table 7 Percentage of the Involved Employees' Account Balance Withdrawn for Offsetting

Type of Claim	Percentage of the Involved Employees' Account Balance Withdrawn for Offsetting	Number of Claims ⁽¹⁾	%	Average Percentage of the Involved Employees' Account Balance Withdrawn for Offsetting
SP	<20%	1 000	2.9%	52%
	20% - <40%	1 300	3.7%	
	40% - <60%	27 200	81.1%	
	60% - <80%	1 600	4.6%	
	80% - <100%	2 000	5.8%	
	100%	600	1.8%	
	Sub-Total	33 600	100.0%	
LSP	<20%	700	3.9%	52%
	20% - <40%	1 000	5.7%	
	40% - <60%	13 000	77.3%	
	60% - <80%	700	4.1%	
	80% - <100%	1 100	6.6%	
	100%	400	2.4%	
	Sub-Total	16 900	100.0%	
Overall	<20%	1 600	3.2%	52%
	20% - <40%	2 200	4.4%	
	40% - <60%	40 300	79.9%	
	60% - <80%	2 300	4.5%	
	80% - <100%	3 100	6.1%	
	100%	1 000	2.0%	
	Total	50 500	100.0%	

Notes:

- (1) Since a claim case may involve more than one claimant (e.g. both the employer and the employee can make claims with trustee(s) for the same claim case), the number of claim refers to the number of claims made by the claimants but not the unique number of claim cases in the year.
- (2) Figures or percentages may not sum up to the corresponding total or 100.0% due to rounding. Percentage figures are derived from unrounded figures.

⁵ The "employees' account balance" refers to the balance accrued in four sub-accounts of MPF contribution accounts of employees, namely, (i) the sub-account holding the benefits derived from employer mandatory contributions in respect of the employee's current employment, (ii) the sub-account holding the benefits derived from employer voluntary contributions in respect of the employee's current employment, (iii) the sub-account holding the benefits derived from employee mandatory contributions in respect of the employee's current employment and (iv) the sub-account holding the benefits derived from employee voluntary contributions in respect of the employee's current employment. The percentage of an employee's account balance withdrawn for offsetting may exceed 50%, for example, where the employee was not required to make mandatory contributions or the employer made voluntary contributions that exceeded the amount of voluntary contributions made by the employee. However, it should be noted that SP/LSP can be offset only against benefits derived from employer contributions (i.e. accrued benefits in sub-accounts (i) and (ii) above), but not those benefits derived from employee contributions (i.e. accrued benefits in sub-accounts (iii) and (iv) above).

16. On average, the amount of SP/LSP offsetting claims accounted for 94% of employer’s portion of the involved employees’ account balance,⁶ increasing from 93% in 2015. In 2016, SP offsetting claims had a slightly higher percentage than those of LSP (95% vs. 93%). In 2015, SP offsetting claims also had higher percentage than those of LSP (94% vs. 92%). It should be noted that these statistics only relate to those employees who were involved in SP/LSP offsetting claims in that year.

Table 8 Percentage of the Employer Portion of the Involved Employees' Account Balance Withdrawn for Offsetting

Type of Claim	Percentage of the Employer Portion of the Involved Employees' Account Balance Withdrawn for Offsetting	Number of Claims ⁽¹⁾	%	Average Percentage of the Employer Portion of the Involved Employees' Account Balance Withdrawn for Offsetting
SP	<20%	600	1.9%	95%
	20% - <40%	300	0.8%	
	40% - <60%	400	1.3%	
	60% - <80%	900	2.6%	
	80% - <100%	6 300	18.8%	
	100%	25 000	74.5%	
	Sub-Total	33 600	100.0%	
LSP	<20%	400	2.3%	93%
	20% - <40%	300	1.9%	
	40% - <60%	400	2.3%	
	60% - <80%	700	4.1%	
	80% - <100%	2 800	16.6%	
	100%	12 300	72.7%	
	Sub-Total	16 900	100.0%	
Overall	<20%	1 000	2.0%	94%
	20% - <40%	600	1.2%	
	40% - <60%	800	1.6%	
	60% - <80%	1 600	3.1%	
	80% - <100%	9 100	18.1%	
	100%	37 300	73.9%	
	Total	50 500	100.0%	

Notes:

- (1) Since a claim case may involve more than one claimant (e.g. both the employer and the employee can make claims with trustee(s) for the same claim case), the number of claims refers to the number of claims made by the claimants but not the unique number of claim cases in the year.
- (2) Figures or percentages may not sum up to the corresponding total or 100.0% due to rounding. Percentage figures are derived from unrounded figures.

⁶ The “Employer Portion of the Involved Employees’ Account Balance” refers to the balance accrued in two sub-accounts of MPF contribution accounts of employees, namely (i) the sub-account holding the benefits derived from employer mandatory contributions in respect of the employee’s current employment and (ii) the sub-account holding the benefits derived from employer voluntary contributions in respect of the employee’s current employment.

D. Age of Employees

17. More than three quarters of the total SP/LSP offsetting claims in 2016 were related to employees aged 40 years and above. The average age of employees involved in SP/LSP offsetting claims was 49 years. Relatively speaking, employees involved in LSP offsetting claims were older (an average of 53 years) than those involved in SP offsetting claims (an average of 47 years). The above age profile of employees involved in SP/LSP offsetting claims was the same as that in 2015.

Table 9 Number and Percentage of Claims and Average/Median Age of Employees

Type of Claim	Age Group	Number of Claims ⁽¹⁾	%	Average Age	Median Age
SP	18-29	2 400	7.2%	47	48
	30-39	6 700	19.8%		
	40-49	9 100	27.2%		
	50-59	10 800	32.1%		
	60-64	4 000	12.0%		
	>64	500	1.6%		
	Sub-Total	33 600	100.0%		
LSP	18-29	300	1.8%	53	55
	30-39	2 100	12.2%		
	40-49	3 400	20.1%		
	50-59	4 400	26.1%		
	60-64	4 000	24.0%		
	>64	2 700	15.8%		
	Sub-Total	16 900	100.0%		
Overall	18-29	2 700	5.4%	49	50
	30-39	8 700	17.3%		
	40-49	12 500	24.8%		
	50-59	15 200	30.1%		
	60-64	8 100	16.0%		
	>64	3 200	6.4%		
	Total	50 500	100.0%		

Notes:

- (1) Since a claim case may involve more than one claimant (e.g. both the employer and the employee can make claims with trustee(s) for the same claim case), the number of claims refers to the number of claims made by the claimants but not the unique number of claim cases in the year.
- (2) Figures or percentages may not sum up to the corresponding total or 100.0% due to rounding. Percentage figures are derived from unrounded figures.

E. Years of Service of Employees

18. On average, employees involved in SP/LSP offsetting claims had eight years' of service in 2016. The median service year was six years. Employees involved in LSP offsetting claims had a longer service period (an average of 12 years) than those involved in SP offsetting claims (an average of six years). The above profile of the service years of employees involved in SP/LSP offsetting claims was the same as that in 2015.

Table 10 Number and Percentage of Claims by Year of Service of Employees and Average/Median Service Year of Employees

Type of Claim	Year of Service	Number of Claims ⁽²⁾	%	Average Service Year	Median Service Year
SP	2	8 500	25.7%	6	4
	3-5	12 400	37.4%		
	6-8	4 200	12.7%		
	9-11	2 800	8.3%		
	12-14	1 500	4.6%		
	15-17	1 500	4.4%		
	18-20	900	2.6%		
	>20	1 400	4.2%		
	Sub-Total	33 200	100.0%		
	Not Available ⁽¹⁾	400	NA		
	Total	33 600	NA		
LSP	5	2 200	12.8%	12	10
	6-8	4 200	24.9%		
	9-11	3 300	19.3%		
	12-14	2 200	12.8%		
	15-17	1 900	11.5%		
	18-20	1 100	6.6%		
	>20	2 000	12.0%		
	Sub-Total	16 800	100.0%		
	Not Available ⁽¹⁾	#	NA		
	Total	16 900	NA		
Overall	2	8 500	17.1%	8	6
	3-5	14 600	29.1%		
	6-8	8 400	16.8%		
	9-11	6 000	12.0%		
	12-14	3 700	7.4%		
	15-17	3 400	6.8%		
	18-20	2 000	4.0%		
	>20	3 400	6.8%		
	Sub-Total	50 000	100.0%		
	Not Available ⁽¹⁾	400	NA		
	Total	50 500	NA		

Notes:

- (1) The information on employees who are casual employees in industry schemes is not available.
- (2) Since a claim case may involve more than one claimant (e.g. both the employer and the employee can make claims with trustee(s) for the same claim case), the number of claims refers to the number of claims made by the claimants but not the unique number of claim cases in the year.
- (3) NA denotes not applicable.
- (4) # denotes less than 50.
- (5) Figures or percentages may not sum up to the corresponding total or 100.0% due to rounding. Percentage figures are derived from unrounded figures.

F. Industry Type of Employers

19. According to the available information, the top five industry types of employers involved in SP/LSP offsetting claims were wholesale/retail/import & export trades, catering, construction, community/social/personal services and manufacturing. These five industry types were also the top five industry types of employers involved in SP/LSP offsetting claim in 2015.

Table 11 Number and Percentage of Claims and Offsetting Amount by Industry Type of Employer

Industry Type of Employer ⁽¹⁾	Type of Claim						Overall		
	SP			LSP			Number of Claims ⁽²⁾ (change from 2015)	%	Offsetting Amount (\$ million) (change from 2015)
	Number of Claims ⁽²⁾	%	Offsetting Amount (\$ million)	Number of Claims ⁽²⁾	%	Offsetting Amount (\$ million)			
Wholesale/Retail/Import & Export Trades	5 200	20.0%	380	2 600	23.0%	286	7 700 (+500)	20.9%	667 (+83)
Catering	3 300	12.6%	117	1 000	9.0%	73	4 300 (#)	11.5%	190 (+18)
Construction	3 400	13.1%	152	600	5.7%	64	4 000 (+100)	10.9%	216 (+17)
Community/Social/ Personal Services	2 800	10.8%	96	1 200	10.3%	119	3 900 (+1100)	10.6%	214 (+52)
Manufacturing	2 400	9.2%	198	1 500	13.2%	179	3 800 (-300)	10.4%	378 (-49)
Financing/Insurance/Real Estate/Business Services	1 500	5.6%	62	800	7.3%	87	2 300 (+200)	6.1%	149 (+19)
Transport	1 500	5.7%	104	800	7.0%	90	2 300 (+400)	6.1%	194 (+36)
Cleaning	500	1.7%	6	#	0.4%	2	500 (+200)	1.3%	8 (+1)
Security Guard	100	0.6%	3	200	2.1%	15	400 (-500)	1.0%	19 (-8)
Hairdressing and Beauty	#	§	##	#	0.1%	##	# (#)	§	1 (##)
Others	5 300	20.7%	341	2 500	22.0%	262	7 800 (+600)	21.1%	603 (+93)
Sub-Total	25 900	100.0%	1,459	11 200	100.0%	1,178	37 000 (+2 200)	100.0%	2,637 (+261)
Unknown	7 700	NA	579	5 700	NA	639	13 400 (+900)	NA	1,218 (+239)
Total	33 600	NA	2,038	16 900	NA	1,817	50 500 (+3 100)	NA	3,855 (+501)

Notes:

- (1) The information on the industry type of employers is based on the information provided to trustees by employers largely at the time of enrolling in schemes. A standardized industry type for classification of employers was provided to trustees by MPFA in April 2007 and has been in use since then. The industry type of "Others" refers to the industries other than the 10 standard industries listed in the table. The industry type of "Unknown" applies to some employers enrolled before April 2007, the industry type of which was not known to trustees. The industry type of "Unknown" also includes those offsetting claims in which adjustments to the offsetting claim amount were reported by trustees in 2016.
- (2) Since a claim case may involve more than one claimant (e.g. both the employer and the employee can make claims with trustee(s) for the same claim case), the number of claims refers to the number of claims made by the claimants but not the unique number of claim cases in the year.
- (3) NA denotes not applicable.
- (4) # denotes less than 50. # in brackets denotes within +/- 50.
- (5) § denotes less than 0.5%.
- (6) ## denotes less than \$ 0.5 million. ## in brackets denotes within +/- \$ 0.5 million.
- (7) Figures or percentages may not sum up to the corresponding total or 100.0% due to rounding. Percentage figures are derived from unrounded figures.

20. However, compared with those figures in 2015, relatively speaking, the following five industries recorded greater changes in the number of SP/LSP offsetting claims and offsetting amount in 2016:

- Community/Social/Personal Services (an increase of 1 100 claims and \$52 million offsetting amount);
- Wholesale/Retail/Import & Export Trades (an increase of 500 claims and \$83 million offsetting amount);
- Transport (an increase of 400 claims and \$36 million offsetting amount);
- Security Guard (a decrease of 500 claims and \$8 million offsetting amount); and
- Manufacturing (a decrease of 300 claims and \$49 million offsetting amount).

G. Size of Employers

21. In 2016, 55.1% of total claims were related to employers with 50 employees or less, compared to 55.0% in 2015. Some larger employers, such as those with more than 1 000 employees, accounted for 14.4% of total claims which was slightly less than that in 2015 (i.e. 16.1%).

Table 12 Number and Percentage of Claims by Number of Employees Employed by the Employers Involved

Number of Employees of Employers ⁽¹⁾	Type of Claim				Overall	
	SP		LSP			
	Number of Claims ⁽²⁾	%	Number of Claims ⁽²⁾	%	Number of Claims ⁽²⁾	%
1-50	18 800	56.7%	8 700	51.9%	27 600	55.1%
51-100	2 800	8.5%	1 500	9.1%	4 400	8.7%
101-200	2 700	8.0%	1 300	7.7%	3 900	7.9%
201-500	2 900	8.7%	1 300	7.9%	4 200	8.5%
501-1 000	1 900	5.6%	800	4.9%	2 700	5.4%
>1 000	4 100	12.4%	3 100	18.4%	7 200	14.4%
Sub-Total	33 200	100.0%	16 800	100.0%	50 000	100.0%
Casual Employees ⁽³⁾	400	NA	#	NA	400	NA
Total	33 600	NA	16 900	NA	50 500	NA

Notes:

- (1) Including the account holders whose MPF accrued benefits were used for offsetting SP/LSP.
- (2) Since a claim case may involve more than one claimant (e.g. both the employer and the employee can make claims with trustee(s) for the same claim case), the number of claims refers to the number of claims made by the claimants but not the unique number of claim cases in the year.
- (3) The information on the casual employees in industry schemes is not available.
- (4) NA denotes not applicable.
- (5) # denotes less than 50.
- (6) Figures or percentages may not sum up to the corresponding total or 100.0% due to rounding. Percentage figures are derived from unrounded figures.