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\$5b for provident fund authority start-up

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The Government announced it would inject \$5 billion into setting up the Mandatory Provident Fund Authority.

A spokesman said the timing of the grant was uncertain

as it depended on progress on establishing the authority and enacting legislation.

Pamela Tan Kam Mi-wah, director of the fund's office to oversee the scheme's establishment, said the one-off grant would be used for hiring

staff, vetting trustees, registering schemes and undertaking initial regulatory work.

Interest earned from the money, plus fees earned from registering schemes, would be used to meet its costs.

Mrs Tan said: "It is de-

signed to sustain the authority for many, many years to come."

The defined contribution scheme is intended to provide minimum pension cover for the territory's three million employees.

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