

20 JUL 1987

A history stretching back 16 1/2 years

- 1966—a first study was made by a working party into the possibility of setting up a central provident fund in Hongkong but the idea was eventually rejected.
- 1975—another working group was formed to re-examine the subject. It was shot down again.
- August 1977—a further report drawn up by the previous working group, which was reconstituted with broader representation and undertook a more detailed study, was submitted to the Executive Council. It concluded that the balance of economic, social and political arguments did not favour the establishment of a central provident fund.
- November 1984—the Secretary for Education and Manpower promised at the Legislative Council's policy debate that in response to the renewed periodic calls, further study into the scheme would be carried out.
- October 1986—a CPF consultative paper was released by the Government seeking the views of five concerned bodies, including the Labour Advisory Board, the Social Welfare Advisory Board, the Life Insurance Council, the Hongkong Association of Banks and the Discussion Group on Hongkong Economics.
- March 1987—the Executive Council was briefed on the results of the limited consultation, which found that most people were against having a compulsory central provident fund. Meanwhile, the Government had also set up two working groups—one under the Education and Manpower Branch and the other under the Health and Welfare Branch—to study steps to encourage the development of private provident funds and to improve the existing framework of the social security provision. A third working group was set up later under the Monetary Affairs Branch to examine the question of supervision of retirement schemes.
- May 1987—Legislative Council held an adjournment debate on the subject. The councillors who were against a central provident fund greatly outnumbered those in support.
- September 1987—a comprehensive report on the overall opinions gathered on the CPF, together with the findings of the two working groups, are expected to be submitted to the Executive Council.