

MANDATORY PROVIDENT FUND SCHEMES AUTHORITY

IV.8 Guidelines on Enrolment and Contribution Arrangements for Relevant Employees Other Than Casual Employees

INTRODUCTION

Sections 7, 7A and 7AA of the Mandatory Provident Fund Schemes Ordinance (“the Ordinance”), section 122 of the Mandatory Provident Fund Schemes (General) Regulation, and section 1 of the Mandatory Provident Fund Schemes (Specification of Permitted Periods) Notice provide for the enrolment of relevant employees in registered schemes and the making of mandatory contributions.

2. Section 47A of the Ordinance empowers the Mandatory Provident Fund Schemes Authority (“the Authority”) to specify or approve the form and contents of documents required for the purposes of the Ordinance.

3. Section 6H of the Ordinance provides that the Authority may issue guidelines for the guidance of approved trustees, service providers, participating employers and their employees, self-employed persons, regulated persons and other persons concerned with the Ordinance.

4. The Authority hereby issues guidelines setting out the enrolment and contribution arrangements in relation to relevant employees other than casual employees (“Non-casual Employees”) who participate in registered schemes.

EFFECTIVE DATE

5. These revised Guidelines (Version 10 – June 2015) shall become effective on the date of commencement of operation of sections 4, 21(1), 32 and 54 of the Mandatory Provident Fund Schemes (Amendment) Ordinance 2015 (i.e. 1 August 2015) (“the Date of Operation”). The previous version of these Guidelines (Version 9 – October 2013) shall be superseded on that day.

ENROLMENT AND CONTRIBUTION ARRANGEMENTS

6. The enrolment and contribution arrangements for Non-casual Employees are specified below. Examples which illustrate the arrangements are set out in the Annex.

Enrolment Arrangements for a Non-Casual Employee

7. An employer has to enrol an employee, who is employed by the employer for not less than 60 days, into a registered scheme within a period, that is, the first 60 days of his employment (“permitted period”). If the 60th day of employment of an employee is –

- (i) a Saturday;
- (ii) a public holiday; or
- (iii) a gale warning day or black rainstorm warning day as defined by section 71(2) of the Interpretation and General Clauses Ordinance (Cap.1) (“G/BR warning day”),

the permitted period is extended to end on the next following day which is not a Saturday, a public holiday, or a G/BR warning day. For an employee employed before the Date of Operation, if the 60th day of employment of the employee is a public holiday or a G/BR warning day, the permitted period is extended to end on the next following day which is not a public holiday or a G/BR warning day.

8. In enrolling an employee into a registered scheme, an employer is required to confirm the accuracy and completeness of the enrolment information by signing in such area(s) as designated in the enrolment form or in such manner or form as the approved trustee may reasonably require. If an employer is not an individual, the enrolment form has to be signed by a duly authorized signatory.

9. An enrolment form is not properly completed for the purpose of section 47A of the Ordinance if it is not completed in accordance with paragraph 8. In such circumstances, the approved trustee should follow up with the employer on the application for enrolment of the concerned employee.

Contribution Arrangements for a Non-Casual Employee

10. If an employee remains in the same employment for not less than 60 days, the employer must ensure that contributions required to be made in respect of the employee are paid to the approved trustee of the registered scheme (of which the employee is a member) on or before the contribution day of each contribution period. The contribution day means the 10th day after the last day of:

- (i) a calendar month within which the relevant contribution period ends;
 - or
 - (ii) the month during which the 60-day permitted period ends,
- whichever is the later.

In computing a period of time for the definition of permitted period for the purpose of paragraph 10(ii), the permitted period ends on the 60th day of employment even if it is a Saturday, a public holiday, or a G/BR warning day. If the contribution day falls on a Saturday, a public holiday, or a G/BR warning day, the contribution day is extended to the next following day which is not a Saturday, a public holiday, or a G/BR warning day.

11. An employer may enrol an employee before the end of the 60-day permitted period. Mandatory contributions may also be made before the end of the 60-day permitted period provided that the amounts have been ascertained. In the event that the employee ceases employment before the 60th day of his employment, both the employer and the employee would be exempted from making mandatory contributions.

VOLUNTARY CONTRIBUTIONS

12. For the avoidance of doubt, subject to the governing rules of the scheme concerned, an employer may make voluntary contributions for and on behalf of a relevant employee during the 60-day permitted period.

DEFINITION OF TERMS

13. Where a term used in the Guidelines is defined in the Ordinance or the subsidiary legislation then, except where specified in the Guidelines, that term carries the meaning as defined in the Ordinance or the subsidiary legislation.

**Illustrations: Enrolment and Contribution Arrangements
for a Non-casual Employee**

I. Monthly Payroll which runs from the first day to the last day of the month

Commencement date of employment	:	2 September 2015
30 th day of employment	:	1 October 2015
60 th day of employment	:	31 October 2015 (Saturday)
Commencement date of employer's mandatory contribution ("ERMC")	:	2 September 2015
Commencement date of employee's mandatory contribution ("EEMC")	:	1 November 2015
Deadline for performing enrolment by employer	:	2 November 2015
Deadline for remittance of first payment of ERMC	:	10 November 2015
Contribution periods covered by the first payment of ERMC	:	2 September 2015 – 30 September 2015 AND 1 October 2015 – 31 October 2015
Deadline for remittance of second payment of ERMC and first payment of EEMC	:	10 December 2015
Contribution period covered by the second payment of ERMC and first payment of EEMC	:	1 November 2015 – 30 November 2015

**Illustrations: Enrolment and Contribution Arrangements
for a Non-casual Employee**

II. Monthly Payroll which runs from the 15th day of the month to the 14th day of the following month

Commencement date of employment	:	2 September 2015
30 th day of employment	:	1 October 2015
60 th day of employment	:	31 October 2015 (Saturday)
Commencement date of ERMC	:	2 September 2015
Commencement date of EEMC	:	15 October 2015
Deadline for performing enrolment by employer	:	2 November 2015
Deadline for remittance of first payment of ERMC	:	10 November 2015
Contribution periods covered by the first payment of ERMC	:	2 September 2015 – 14 September 2015 AND 15 September 2015 – 14 October 2015
Deadline for remittance of second payment of ERMC and first payment of EEMC	:	10 December 2015
Contribution period covered by the second payment of ERMC and first payment of EEMC	:	15 October 2015 – 14 November 2015

**Illustrations: Enrolment and Contribution Arrangements
for a Non-casual Employee**

III. Twice a month payroll which runs from the 1st day to the 15th day of the month and then 16th day to the last day of the same month

Commencement date of employment	:	2 September 2015
30 th day of employment	:	1 October 2015
60 th day of employment	:	31 October 2015 (Saturday)
Commencement date of ERMC	:	2 September 2015
Commencement date of EEMC	:	16 October 2015
Deadline for performing enrolment by employer	:	2 November 2015
Deadline for remittance of first payment of ERMC & EEMC	:	10 November 2015
Contribution periods covered by the first payment of ERMC	:	2 September 2015 – 15 September 2015 AND 16 September 2015 – 30 September 2015 AND 1 October 2015 – 15 October 2015 AND 16 October 2015 – 31 October 2015
Contribution period covered by the first payment of EEMC	:	16 October 2015 – 31 October 2015