

Subsidy Scheme for  
Abolition of MPF  
Offsetting Arrangement –

# **Application for Subsidy for Shortfall in Aggregate Benefits of Employees**



取消強積金「對沖」安排  
資助計劃

Subsidy Scheme for Abolition of  
MPF Offsetting Arrangement



勞工處

Labour Department



After the abolition of the mandatory provident fund (MPF) offsetting arrangement on 1 May 2025, most employees' aggregate benefits to be received after the abolition would be higher than what they would have received if the offsetting arrangement had not been abolished.

However, due to the change in calculation of the severance payment (SP) / long service payment (LSP) entitlement after the abolition, some employees may receive less aggregate benefits than what they would have received if the offsetting arrangement had not been abolished (hereafter referred as “worse-off” employees). These “worse-off” employees can apply to the Labour Department (LD) for subsidy to make up for the shortfall in their aggregate benefits.

This guide sets out the salient points and application procedures for “worse-off” employees on applying for subsidy for shortfall in aggregate benefits.

## What is an employee's aggregate benefits?



SP/LSP receivable from the employer



An employee's  
aggregate  
benefits



After offsetting with the SP/LSP, the remaining of:

- the accrued benefits of the employer's MPF contributions (mandatory and voluntary);
- the vested employer-funded occupational retirement scheme (ORS) benefits; and
- the contractual gratuities based on the years of service.

# How do I know whether I am eligible for making an application for subsidy for shortfall or not



Whether there is any shortfall in an employee's aggregate benefits depends on the amount of the employee's SP/LSP entitlement, the accrued benefits of his/her employer's MPF contributions or vested employer-funded ORS benefits, and the contractual gratuities based on the years of service (if any). You may conduct a preliminary assessment by answering the following questions.

Did your employment commence **before** 1 May 2025?

Yes

Was your employment terminated **on or after** 1 May 2025?

Yes

Were the monthly wages in above question **less than** your monthly wages immediately preceding the termination of employment?

Yes

Were your monthly wages immediately preceding 1 May 2025 **less than** **\$22,500**?

Yes

Had you received SP/LSP from your employer?

Yes

During your employment –

was your employer obliged to enrol you in **an MPF scheme** and make mandatory contributions to your MPF account?

Or

were you covered by **a statutory pension or provident fund scheme** and your employer had made contributions to the scheme for you?

Or

were you a member of an ORS which has been granted MPF exemption certificate under the Mandatory Provident Fund Schemes Ordinance and your employer had made contributions to the scheme for you?

If your answers to the above questions are all "yes", you may further use LD's online calculating tool "EasyCal" to preliminarily calculate whether the aggregate benefits after the abolition of offsetting arrangement are less than those if the offsetting arrangement had not been abolished.



For details on SP/LSP entitlements, please refer to "A Concise Guide to the Employment Ordinance" at <https://www.labour.gov.hk/eng/public/ConciseGuide.htm>. EO remains the sole authority for the provisions of the law explained.

# How to apply

**From 1 May 2025**, “worse-off” employees may submit a completed application form\* with a copy of relevant supporting documents<sup>#</sup> (e.g. identity document, specified bank account in Hong Kong for receiving the subsidy to make up for the shortfall, employment contract and proof of termination of employment contract, proof of SP/LSP paid by the employer, proof of the wages, proof of the accrued benefits of employer’s MPF contributions or vested employer-funded ORS benefits) to the Service Centre for Subsidy Scheme for Abolition of MPF Offsetting Arrangement (Abolition of Offsetting Subsidy Service Centre) through the following channels:

- ▶ Email: [enquiry@ssasc.hk](mailto:enquiry@ssasc.hk);
- ▶ Fax: 2989 1012;
- ▶ Post or submit in person to the Abolition of Offsetting Subsidy Service Centre; or
- ▶ Submit to the drop box for the Subsidy Scheme
  - Address: 22/F, Prince’s Building, Central, Hong Kong
  - Service hours: Mondays to Fridays (excluding public holidays) from 8:00 am to 7:00 pm



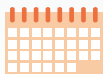
\* Application form can be downloaded from the TransitionEase Portal (<https://www.offsettingssubsidy.gov.hk>) or obtained from the Abolition of Offsetting Subsidy Service Centre.

<sup>#</sup> Applicants may be requested to provide supplementary information during application processing where necessary.

After receipt of the subsidy application, the Abolition of Offsetting Subsidy Service Centre will further assess whether there is any shortfall in the aggregate benefits and whether the applicant is eligible for subsidy to make up for the shortfall in aggregate benefits.

## Application deadline

Applicants should submit applications **within six months** from the date of receipt of SP/LSP payment. Late applications will not be entertained.



## Notification of application results

- ▶ Applicants will receive the Notification of Application Result via post.
- ▶ Upon approval, the subsidy will be paid into the applicant’s bank account specified in the application form.
- ▶ In general, applicants will be notified of the application results within 30 working days after we receive all necessary information and documents pertaining to their applications.

## To learn more



### Visit the TransitionEase Portal

@ <https://www.offsettingssubsidy.gov.hk>

### Call the hotline during the office hours of the Service Centre

☎ 2989 1001

### Email

✉ [enquiry@ssasc.hk](mailto:enquiry@ssasc.hk)

### Visit the Abolition of Offsetting Subsidy Service Centre

📍 18/F, Tower A, Manulife Financial Centre, 223 Wai Yip Street, Kwun Tong, Kowloon

🕒 Office hours:  
Mondays to Fridays (excluding public holidays) from 10:00 am to 1:00 pm and 2:00 pm to 7:00 pm