

payment method, vesting and withdrawal of benefits derived from voluntary contributions.

Q.14 I am required to provide a remittance statement when I pay mandatory contributions to my scheme trustee. What should be included in the remittance statement?

A.14 The remittance statement should include the following information in respect of each employee:

- the employee's relevant income for the contribution period;
- the employer's mandatory contribution;
- the employee's mandatory contribution;
- the employer's voluntary contribution, if any; and
- the employee's voluntary contribution, if any.

Q.15 What happens if I fail to settle the payment of mandatory contributions for my employees?

A.15 An employer who fails to make mandatory contributions for his employees on time is liable to:

- a surcharge calculated at 5% of the amount of default contributions; and/or
- a financial penalty of \$5,000 or 10% of the amount of default contributions (whichever is greater).

Defaulting employers may also be prosecuted with a maximum penalty of four years' imprisonment and a fine of \$450,000.

Industry Schemes

Q.16 I am the owner of a construction company. Some of my employees are construction workers who are employed on a short-term basis while the rest are permanent clerical and managerial staff. I intend to enrol the short-term employees in an Industry Scheme. To save the trouble of having to make MPF contributions to an Industry Scheme and a Master Trust Scheme for the short-term employees and the permanent staff respectively, can I enrol my permanent employees in an Industry Scheme as well?

A.16 Yes, employers in the construction and catering industries can enrol both casual employees and regular employees, such as clerical and managerial staff, in an Industry Scheme.

Alternatively, they can enrol both casual and regular employees in a Master Trust Scheme. Employers should note that the method for calculating casual employees' contributions under a Master Trust Scheme differs from the method used in an Industry Scheme.