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Mahathir-Insurance

INSURE YOURSELF FOR NATION'S BENEFIT, SAYS PM

LANGKAWI, Aug 8 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today saving through life insurance can benefit the savers upon retirement as well as helping the government to revive the country's economy.

He said that although the government provides a pension scheme for its civil servants and encourage all workers to save through the Employees Provident Fund (EPF) as their retirement benefit, they were still inadequate.

"It is important for them to insure themselves so that they can get benefit upon retirement," he said when opening the Second Worldwide Chinese Life Insurance Congress at the Mahsuri International Exhibition Centre, here.

He said that saving through the life insurance was better than the fixed deposit because it encourages people to save for a long-term period.

The government on its part, he said, was giving tax incentives for people to purchase life insurance policies.

He said that although the government may lose some tax, the saving could be used to finance development projects and generate more money in the country which would enable the government to collect tax later.

Dr Mahathir said all countries in Asia except China were affected by the current economic problems and they need a lot of money for their economic recovery.

"During this time, saving is important," he said.

Malaysia has a high saving rate such as 38 per cent of the Gross National Product (GNP), he said.

In the souvenir book, Dr Mahathir said one of many measures taken by the government to revive the economy was to encourage the people to save so that more funds were available for development and inflation could be controlled to the minimum level.

He said by encouraging more people to invest their money in life insurance, insurance agents were helping the country to achieve an earlier recovery of its economy.

About 5,000 insurance agents from China, Taiwan, Hong Kong, Singapore, Brunei and Malaysia are attending the three-day congress.

-- BERNAMA

JM/NH RM