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MTUC-Fund

MTUC PROPOSES FUND FOR WORKERS THROWN OUT AFTER COMPANY CLOSURE

KUALA LUMPUR, Jan 31 (Bernama) -- The Malaysian Trades Union Congress (MTUC) today proposed that employers make a monthly contribution of RM1 per employee to a fund which can be managed by the Social Security Organisation (Socso) for the benefit of workers thrown out of jobs due to sudden company closure.

MTUC President Zainal Rampak said some RM40 million could be collected and could help workers who become unemployed when companies suddenly close down due to bankruptcy and other reasons.

"The RM1 is not a big sum to employers. The money can be kept with Socso and in fact can strengthen Socso...and need not be kept with any insurance company as this will only enrich such companies," he said.

The proposal to set up the fund would be tabled at the National Labour Advisory Council (NLAC) meeting and the NLAC could determine the amount of payment for the affected workers.

He said the MTUC also welcomed Prime Minister Datuk Seri Dr Mahathir Mohamad's expression of deep concern over the plight of retrenched workers.

-- BERNAMA

AR PR AAM