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MTUC-Scheme

NATIONAL RETRENCHMENT SCHEME NOT AN UNEMPLOYMENT SCHEME, SAYS MTUC

KUALA LUMPUR, Aug 9 (Bernama) -- The MTUC-mooted National Retrenchment Scheme to help workers laid off without being paid any compensation by their employers is not an unemployment scheme which would make workers lazy.

Malaysian Trades Union Congress (MTUC) president Zainal Rampak said the scheme was not like the unemployment insurance scheme implemented in developed countries but was to provide a long-term guarantee to workers retrenched during the current economic slowdown.

"There is nothing to worry about this scheme as it will not lead to workers to become lazy," he told reporters at his office here today.

Under the scheme, employers and employees will contribute RM1 each a month to a special fund to help retrenched workers.

Zainal said MTUC had asked the Social Security Organisation (Socso) to manage the fund. Some RM10 million is expected to be collected a month from five million workers in the country.

Zainal said he explained the scheme to Prime Minister Datuk Seri Dr Mahathir Mohamad in a recent meeting with him.

He, however, said the scheme could not be implemented given the lean times now as it need to be negotiated with the government and employers.

Zainal also said he was upset with the National Union of Bank Employees (NUBE) for opposing the scheme.

-- BERNAMA

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