

02/07/1998

CPF: Cabinet request to Singapore

Sarban Singh

KUALA LUMPUR, Wed. - The Cabinet today urged the Singapore Government to allow Malaysians from the peninsula who no longer work in the republic or are retrenched to withdraw their savings from the Central Provident Fund.

Human Resources Minister Datuk Lim Ah Lek said he raised the matter at the weekly Cabinet meeting today after appeals from the affected people.

"I will be writing to my counterpart in Singapore to officially convey the Cabinet's request.

"We can't understand why only workers from Peninsular Malaysia are subjected to the ruling," he told reporters after the weekly Cabinet meeting.

Lim said he had unofficially informed Singapore Manpower Minister Lee Boon Yang of Malaysia's stand during the Asean Labour Ministers' meeting in Hanoi in April.

Following this, Prime Minister Datuk Seri Dr Mahathir Mohamad also discussed the matter with his Singapore counterpart Goh Chok Tong in late May.

Malaysians from the peninsula who no longer work in the republic have savings of some RM2.4 billion in the CPF. Under its guidelines, Malaysians from the peninsula are only allowed to withdraw their CPF savings in full upon reaching 55.

They can also withdraw the savings at the age of 50 if they have not worked in Singapore for two years prior to making the application. Workers from Sabah and Sarawak or any other country can withdraw their savings if they no longer work in the republic.

New Straits Times group editor Datuk A. Kadir Jasin in his Other Thots column last month said the Singapore Government should not treat those from the peninsula differently.

He said it was understandable for Singapore to practise the policy in the early days of its separation from Malaysia in 1965. But for it to retain the policy after three decades, especially in the current unfavourable economic conditions, brought its motive into question.

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