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MTUC-Dole

GOVT ASKED TO RECONSIDER "NO" TO PAYING DOLE

KUALA LUMPUR, June 11 (Bernama) -- The Malaysian Trades Union Congress (MTUC) has asked the government to reconsider its decision to reject an MTUC proposal to pay dole or unemployment benefits to the people.

MTUC secretary-general G. Rajasekaran said the announcement of the rejection to the proposal by Prime Minister Datuk Seri Dr Mahathir Mohamad on Wednesday was "rather shocking".

"During our meeting, the prime minister appeared sympathetic and supportive of our proposal. Two months ago, it was reported that the Cabinet has accepted our proposal and the Social Security Department has been requested to carry out a detailed study. What then is the basis for this sudden reversal," he said in a statement issued here today.

Dr Mahathir said on Wednesday that Malaysia believes in a "social security net" but not in the form of paying dole or providing unemployment benefits.

"We do not believe in paying dole or unemployment benefits because when we do that, people will not want to work. When people do not go to work, the country's economy gets bad and at that time, you have to pay more dole," he said.

Rajasekaran said the MTUC agreed that job creation should be a priority but job creation was not a substitute for a holistic social safety net scheme.

Such a scheme should guarantee that workers receive minimum statutory retrenchment benefits, guarantee Employees Provident Fund (EPF) contributions and provide some relief in situations of extended unemployment.

He said that at present, workers fail to receive their minimum statutory retrenchment benefit when a company goes bankrupt while workers also lose out on their EPF contributions if employers fail to make the statutory contributions.

"To date, the EPF has not revealed just how much of workers funds remain uncollected and lost," he said.

Rajasekaran said the government had to address these issues by guaranteeing these contributions and set up mechanisms to strengthen social security.

He said that so far, in Asia, only countries like Japan and South Korea had been paying dole while Taiwan recently also introduced payment of unemployment compensation.

"No one claims that these contries have gone backward and our prime minister has often quoted these countries as examples of dynamic and progressive nations," he said.

-- BERNAMA

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