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Raise retirement age to 60, says MTUC

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PETALING JAYA, Sun. - Malaysian Trades Union Congress president Senator Zainal Rampak today urged the Government to increase the retirement age for civil servants to 60 years.

However, he said the Government should continue to allow civil servants to opt for early retirement.

He said the present limit of 55 years was introduced by the British back in the 1950s and was now obsolete.

Zainal said even the British government had extended the retirement age to 65 years.

He said there was a need to increase the retirement age as life expectancy among Malaysians had also increased.

Citing an example, Zainal said even the Singapore Government has increased the retirement age for their workers to 62 years from 60 years early this year.

The United States government has also increased the retirement age to 62, India (58), Thailand (60) and Scandinavian countries (67).

"Civil servants working in local authorities, uniformed bodies and in the support groups receive a meagre pension upon retirement.

"The amount, after deducting their housing loans and other commitment, is not sufficient for their other monthly expenditure.

"It is very difficult for them to make ends meets," he said.

Zainal said if these workers were allowed to work for another five years they would be able to settle their loans and their children would already be employed.

He said some of these workers would even find it difficult to get better paying jobs as they were not skilled.

Zainal said on a recent trip to Sabah, he was told by a few retired police and armed forces personnel that they only earned a basic salary of about RM300 a month working as security guards/officers.

"Just imagine, how is a family man with schoolgoing children going to survive with such a salary," he said.

Zainal said if the Government increased the retirement age to 60 years, employers in the private sector would also follow suit.

Zainal also criticised Human Resources Minister Datuk Lim Ah Lek for saying that the Government was not ready to implement a minimum wage scheme.

Speaking to reporters in Penang last week, Lim had said that Malaysia was not ready to impose minimum wage for its workers as such a move could drive away foreign investors and hamper economic recovery efforts.

Lim had said the setting of a minimum wage as proposed by the MTUC recently would pose a financial burden on employers, especially those operating small businesses.

Zainal said even Prime Minister Datuk Seri Dr Mahathir Mohamad had promised the MTUC in a meeting last August that Malaysia would implement a minimum wage of RM1,200 when the economy recovered.

"Why would foreign investors oppose the scheme when it has already been implemented in their countries," he said adding that foreigners would not simply move operations as not all developing countries had excellent infrastructure and other facilities like Malaysia.

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