

**SUN 28 MAR 2001**

## **MTUC opposes move to reduce EPF contribution**

**PETALING JAYA** Tues The Malaysian Trades Union Congress (MTUC) has described the temporary reduction of contribution by employees to the Employees Provident Fund (EPF) as a dangerous move

The temporary reduction in EPF contribution by 2 from 11% to 9% for one year from April 1 was announced today by Prime Minister Datuk Seri Dr Mahathir Mohamad to promote con

sumption in the wake of the anticipated moderation in export growth as a result of the US economic slowdown

MTUC secretary general G Rajasekaran said the move is a dangerous precedent and should not be encouraged

The MTUC does not support this move to increase local consumption as it will give the wrong signal to consumers he said

He said various bodies and institutions have been mak

ing efforts to discourage uncontrolled consumer spending but now we are doing just the opposite

We will confuse the people and may even reap the non ethical effects of promoting consumption and even change consumer behaviour especially among the young he said

Rajasekaran said the current move to promote consumption among the population as strange