

'Picket won't solve problem'

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It's up to MTUC to decide, says PM

**By Zubaidah Abu Bakar,
Sarban Singh
and K. Bala**

news@nstp.com.my

LANGKAWI, Sun. — The Prime Minister said today the proposed nationwide picket by the Malaysian Trades Union Congress to protest against the Employees' Provident Fund's decision to reduce employee contribution is not the way to solve problems.

However, Datuk Seri Dr Mahathir Mohamad said it was up to MTUC to decide whether to go ahead with the picket.

It was reported that MTUC's working committee decided last night to picket all EPF offices on May 12 to protest against the decision to reduce workers' contribution to the EPF from 11 to nine per cent a year.

Dr Mahathir said they could resort to picketing if no payment was made or as a form of retaliation.

"But, who stands to gain (by such picketing)? We already have many problems and they should not create additional worries," he said after attending a briefing on the progress of the construction of the Tanjung Lembang wharf here.

Asked whether he would want to meet MTUC leaders, Dr Mahathir said:

"They have not asked to meet me, they made the announcement (on the proposed picket) through the newspapers... it is difficult to meet."

In Kuala Lumpur, Human Resources Minister Datuk Dr Fong Chan Onn appealed to the MTUC not to stage the proposed nation-

wide picket.

He said the ministry was willing to discuss the issue with the congress.

"The move to reduce workers' contribution is to give them more money to spend.

"It is a sincere effort by the Government to stimulate the economy and address the slowdown in the United States economy to ensure we are not badly affected," he said when contacted.

Last Tuesday, when announcing measures to boost the economy Dr Mahathir said workers' contributions to the EPF would be reduced from 11 to nine per cent a year.

This he said was to boost public spending.

However, several quarters have objected to the move saying it would affect workers' savings.

Dr Mahathir said the Government was also willing to review the directive if that was what the majority of the people wanted.

Fong said there was no need for the MTUC to stage a picket as Dr Mahathir had indicated the Government's willingness to discuss the issue.

MTUC last organised a nationwide picket in 1987 to protest against high toll rates.

Asked to elaborate on the planned picket, MTUC secretary-general G. Rajasekaran said the congress was disappointed with the Government for not consulting the unions before deciding the matter.

"The Government's decision to reduce workers' contribution shows a complete disregard for the existence of the EPF Board.

"The MTUC's and contributors' protests were also completely ig-

nored," he said.

Rajasekaran said all 230 affiliates representing some 550,000 members would be invited to join in the picket.

He said the congress would also launch a campaign to ask workers to increase their contribution to the EPF.

This way, he said, those unhappy with the Government's decision to reduce contribution to the EPF would have an option to increase their retirement savings.

"As the EPF Act allows one to do so, we feel workers who want to save more for their retirement should take the opportunity to increase their contribution," he added.

Rajasekaran said as the EPF Act allowed workers to increase their contribution up to 15 per cent, they could opt to contribute more than the minimum statutory requirement of 11 per cent.

He said the congress was also, among others, unhappy with the EPF's annuity scheme, reduction in EPF's death and incapacitation benefits from RM30,000 to RM2,000 since July last year and the use of EPF logo by some insurance schemes to promote their annuity schemes.

Meanwhile, Metal Industry Employees Union president Kamarulzaman Mansor said the union would hold a meeting on Wednesday to discuss the issue.

Some 200 representatives from 110 factories would attend the meeting.

"We will tell our members to ask the EPF to deduct 12 per cent from workers' salaries as contribution to the fund," he said.