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STAR - 5 MAY 2001

Plan to let civil servants work up to the age of 60

By SA'ODAH ELIAS

KUALA LUMPUR: The Government plans to extend the retirement age of civil servants to between 58 and 60 years but this will be done gradually over several years.

"Due to our longer life expectancy, we find that it is a waste for able workers to retire at the age of 55 simply because it is the statutory requirement.

"So, we want to increase the retirement age to between 58 and 60 years," Prime Minister Datuk Seri Dr Mahathir Mohamad said yesterday.

"Due to the financial implication, we will try to implement this gradually."

At the moment, the Government was committed to increasing the retirement age from 55 to 56 years, he said in response to questions at

a dialogue with Tenaga Nasional Bhd staff during a half-day visit to the headquarters of the utility company here.

The staff had also asked him to clarify whether any decision on the matter would be applicable to workers in the private sector.

The Congress of Union of Employees in the Public and Civil Services (Cuepacs) had been calling on the Government to increase the retirement age from the present 55 to 60 years.

Speaking to reporters later, Dr Mahathir said he had been informed by the Public Services Department (PSD) that for the time being, the plan could not be implemented.

He said if all civil servants who were due for retirement were retained a few more years, the Government would not be able to pay

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their wages.

"But it can be done gradually so that the increase in cost can be adjusted with the need for new intakes from among school leavers and university graduates," he said.

On calls for the civil service to have a five-day week, Dr Mahathir said the progress in

the country had not reached the level where workers could afford to take so many days off.

However, he said this was not impossible in future if it could be justified by an increase in professionalism and productivity.

Dr Mahathir also said the call to workers to help stimulate the local retail industry by spending more was only a

temporary measure to counter the negative effect of a slowdown in the United States — Malaysia's biggest trading partner.

"But there is no pressure on people to adopt this measure. They can choose to do what they wish, including not taking advantage of the 2% cut in their statutory contribution to the Employees Provident Fund," he added.

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