

SUN 1.1 MAY 2001

## Study will determine way EPF annuity scheme is to be run

**PETALING JAYA, Thurs:** The study on the Employees Provident Fund (EPF) annuity scheme will determine whether the scheme should be implemented internally or by approved insurance firms.

The scheme has been deferred pending the completion of the study.

This means the processing of annuity scheme applications has been put on hold.

"Should the EPF receive new applications for the annuity scheme during this period, it will record but not process them," EPF public relations manager Nik Affendi Jaafar said in a statement today.

Prime Minister Datuk Seri Dr Mahathir Mohamad, in a letter dated Tuesday to MTUC president Zainal Rampak, agreed to act on three grievances involving EPE.

They are:

- The EPF annuity scheme be deferred pending a study by a consultant;
- ▶ He will consider restoring the death and incapacitation benefits (these were reduced

from a maximum RM30,000 to a flat rate of RM2,000); and

▶ He will ensure that money in the pension fund is managed without raising doubts.

Affendi said the EPF is also reviewing payments with respect to the death and incapacitation benefits currently fixed at RM2,000.

"A few options with regard to the quantum of these payments are being looked at.

"The results of the study will be discussed at the next EPF board meeting," he said.

If a decision is reached, the payments will be backdated to July 1 last year.

As a result of Mahathir's intervention, the MTUC general council meeting yesterday unanimously agreed to put off its nationwide picket, scheduled for Saturday, over several EPF issues by three months.

Human Resources Minister Datuk Dr Fong Chan Onn said the MTUC's views will be sought by the consultant reviewing the annuity scheme.