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Fong confident study will end MTUC-EPF rift

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HUMAN Resources Minister Datuk Dr Fong Chan Onn is confident that the Malaysian Trades Union Congress' (MTUC) dispute with the Employees Provident Fund (EPF) will be resolved once the study on the annuity scheme and incapacitation/death benefit is finalised.

He said the MTUC should accept the outcome of the study as the union would be fully consulted and their views taken into consideration during the study.

"This study should be completed within three months' time.

"I hope the MTUC will give cooperation to the two study teams so that they can explain it to their members later," Fong told a news conference on the sidelines of the Asean Labour Ministers Meeting (ALMM) in Kuala Lumpur yesterday.

The MTUC on Wednesday decided to call off the picket planned for tomorrow following an assurance given by Prime Minister Datuk Seri Dr Mahathir Mohamad to consider some of its demands on EPF, including suspending the annuity scheme, restoring the death and incapacitation benefit to RM30,000 and ensuring the running of the pension fund without creating doubts.

The decision to defer the picket for three months was unanimously taken by more than 180 MTUC General Council members who attended an emergency meeting, prompted by Dr Mahathir's letter to MTUC president Senator Zainal Rampak.

The 500,000-strong MTUC had planned to picket at EPF offices nationwide on May 12, which is also the day set for a Labour Day rally in Bukit Jalil.

Asked whether the Government was under pressure to conduct the study by the union's demands, Fong said: "No. The agreement to undertake the study was made much earlier as the EPF had also encountered some difficulties in the implementation of the annuity scheme, such as problems with the agents or the insurance companies."

That is why, he said, the EPF decided to appoint a consultant to study the scheme so as to improve the whole process.

He said the Government does not take sides and that it has always been responsive to the needs of the people and the workers.

"We are concerned if there are strong grievances from the workers," he added.

Earlier, Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi said he was glad that MTUC had called off its nationwide picket.

"I believe they have been convinced over measures which can be taken by the Government to assist in resolving the various issues," he told a news conference after opening the ALMM in the morning.

Asked whether there would be any changes made to the EPF later, Abdullah said, "Whatever the issue, we (the Government) have given the assurance to look into it."

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