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MTUC-Picket

MTUC DEFERS PICKET AFTER GOVT AGREES TO CONSIDER DEMANDS

SUBANG JAYA, May 9 (Bernama) -- The Malaysian Trades Union Congress (MTUC) today decided to postpone by three months the picket it planned to stage on Saturday after the government agreed to consider some of its demands concerning the Employees Provident Fund (EPF).

MTUC president Senator Zainal Rampak said the government's position was conveyed to him by Prime Minister Datuk Seri Dr Mahathir Mohamad in a letter dated yesterday.

He said Dr Mahathir agreed that the EPF annuity scheme managed by insurance companies be deferred until a study was carried out by a consultant.

The prime minister also agreed to consider raising the EPF death and incapacitation benefits to the previous amounts, he said.

Dr Mahathir would also see to it that EPF funds were managed in a manner that did not create any doubts.

"We have therefore decided to postpone the picket by three months," Zainal told reporters after an emergency meeting of MTUC committee members at the congress headquarters here.

The MTUC had planned to stage a picket at EPF offices nationwide on Saturday in protest against, among others, the annuity scheme and the drastic reduction of the death and incapacitation benefit from RM30,000 to RM2,000.

The congress is also unhappy that EPF money had been used to "rescue" certain companies facing financial problems and that the dividend declared to EPF contributors had dropped.

Zainal said the three-month postponement, effective today, was to enable the EPF panel of consultants to carry out a study on the annuity scheme which the MTUC feels should be scrapped because the participants were not getting a good deal.

In KUALA LUMPUR, Human Resources Minister Datuk Dr Fong Chan Onn told Bernama that he informed Zainal of the government's decision after today's Cabinet meeting.

Dr Fong said the government had taken an accommodating stand in dealing with MTUC's demands and the congress should therefore call off its picket.

The MTUC had before this attended several discussions with the EPF management and Dr Fong over the matters concerning the EPF, but was not satisfied with the explanation given and decided to go ahead with its picket.

Meanwhile, Zainal said the MTUC would press for more workers' representatives to be included in the EPF board of directors.

The MTUC would also form a watchdog committee comprising those familiar with accounting procedures to monitor EPF accounts, he said.

"We want to monitor whether there is any inappropriate use of EPF money and ensure that nobody could borrow money from the EPF as they like," he said.

Asked what would happen to those who had signed up for the annuity scheme, he said: "They can withdraw from the scheme by paying a processing fee of RM50 and their money will be returned to EPF."

Zainal said a decision on what the MTUC would do at the end of the three-month deferment period would be made at the appropriate time.

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