

23 MAY 2001

MTUC-Annuity

PARTIES OUT TO CONFUSE WORKERS WHO SIGNED UP FOR EPF'S ANNUITY SCHEME

KUALA LUMPUR, May 23 (Bernama) -- Workers who had signed up for the Employees Provident Fund's (EPF) annuity scheme have been urged not to be confused by the Malaysian Trades Union Congress' (MTUC) stand on the issue.

MTUC president Zainal Rampak said workers who had signed up for the scheme should know that the private sector umbrella union did not oppose the scheme but opposed it being run by insurance companies.

"We are not against the scheme but we are against it being run by insurance companies," he said, adding that if insurance companies administered the scheme the overhead cost would be high, resulting in lower returns for the workers.

"They (insurance companies) would have to pay commission to their agents as well as other unnecessary costs which would be taken from what is due to the workers but if the scheme is run by the EPF then the workers stand to gain more returns," he said.

He said this when asked to comment on the decision yesterday by some 500 workers, who had already signed up for the scheme, urging the government to reinstate the scheme.

The scheme was deferred by the government after the MTUC kicked up a fuss that the scheme run by insurance companies would result in less profit for the workers.

The MTUC, which has over half-a-million members, wanted to picket at all EPF branches nationwide on May 12 to object to the scheme run by insurance companies but called it off after Prime Minister Datuk Seri Dr Mahathir Mohamad intervened at the 11th hour.

Zainal said some workers who had signed up for the scheme were being instigated by certain quarters "to make noise for the reinstallation of the scheme."

"I know who organised it (the meeting of 500 Annuity Scheme subscribers) and who is behind it but we do hope they do not confuse the workers just for their selfish gains," he said, declining to reveal the "instigators".

He said the MTUC was discussing the matter with the EPF and would hold a meeting with the consultants appointed by the EPF tomorrow to study the scheme.

"In tomorrow's meeting we will be giving our input based on our study and we will take it from there," he added.

-- BERNAMA

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