

27/05/2001

Signature campaign to save annuity scheme

JOHOR BARU, Sat. - Representatives of the "Save Annuity Task Force" - a group made up of policy-holders seeking to reactivate the now-suspended Employees' Provident Fund annuity scheme - will be handing over a petition bearing 100,000 signatures to the Prime Minister's office on Tuesday.

"Datuk Seri Dr Mahathir Mohamed is a people-oriented Prime Minister. We believe he will hear our views on this matter before making any final decision on the fate of the scheme," task force chairman Gunaraj George said.

Speaking after a "My money, my choice" programme organised by the task force here today, George said the EPF itself had acknowledged that some 345,000 out of a total of nine million EPF contributors are currently policy-holders or had applied to join the scheme.

This, he said, was positive proof that the scheme offered immense benefits to its policy-holders.

The annuity scheme is a retirement programme, where a portion of a worker's contribution, upon their consent, is managed by private insurance companies.

Upon their retirement, the money is distributed back to them in the form of monthly, pension-like payments.

The annuity scheme was privatised by EPF last July to eight insurance companies, which had been appointed by Bank Negara to manage the scheme.

However, the Malaysian Trades Union Congress has opposed scheme, claiming that the insurance companies involved would eventually exploit contributors by skimming a bigger portion of the profits for themselves.

George said he heard the MTUC had lately proposed a debate between its representatives and that of insurance companies to discuss the merits of the scheme.

He added he welcomed the move.

(END)