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EPF-TIGHT

GOVT TO TIGHTEN UP EPF ACT AND ADMINISTRATION

PETALING JAYA, March 13 (Bernama) -- The government will tighten up the Act and administration in relation to the Employees Provident Fund (EPF) in a bid to bolster public confidence over the agency.

Deputy Finance Minister, Datuk Dr Chan Kong Choy said although the illegal withdrawal cases were not "serious", the government was still looking into the loopholes of the Act and administration aspects of EPF.

"Now we are looking into all the loopholes. We are tightening up the Act and administration but overall EPF is still very well-managed," he said.

"If we need to amend the law, we will," he added.

Chan was met by reporters after presenting the award to Public Bank which was voted the best commercial bank in Malaysia for 2002 by The Asset magazine, an international financial publication based in Hong Kong.

Yesterday, EPF's chairman, Tan Sri Abdul Halim Ali said that a detailed report on fraudulent withdrawals from the EPF would be submitted to the Prime Minister, Datuk Seri Dr Mahathir Mohamad and Deputy Prime Minister, Datuk Seri Abdullah Ahmad Badawi.

On Sunday, Abdullah had directed EPF to investigate thoroughly the fraudulent withdrawals from the fund and there should be no compromise in bringing the culprits to book.

In a scam detected last month, a woman using a fake identity card tried to withdraw RM90,000 in cash and another RM60,000 through a bank draft from the account of the beneficiary of an EPF member.

Earlier in his speech, Chan called on banking institutions to accord high priority in meeting the financial needs of the small and medium enterprises (SMEs).

He said in addition to providing loans, the banks could also provide additional services as well as conducting training and workshops for the SMEs.

"The SMEs, with extensive linkages to various segments of the economy, have an important task in sustaining the momentum of economic growth," he said.

In 2002, applications from SMEs amounted RM47.2 billion, of which a total of RM29.8 billion or 63 percent were approved by the banking systems.

Chan also said despite the possibility of war looming in Iraq, Malaysia's gross domestic product (GDP) growth would be sustained at least at last year's level.

Malaysia registered a robust 4.2 percent GDP growth last year. --

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