

24/05/2003

2pc EPF cut will give workers more spending power

Balan Moses

THE economic stimulus package announced by Prime Minister Datuk Seri Dr Mahathir Mohamad earlier this week saw a vigorous debate in the Tamil Press with editorials examining the details at length.

Malaysia Nanban said that Malaysians should view the policy in its entirety.

It said the most outstanding feature of the package was the two per cent cut in workers' contributions to the Employees' Provident Fund, which would see an increase in liquidity.

It urged the Malaysian Trades Union Congress to see the positive aspects of the move, which would afford workers greater purchasing power to spur economic growth dampened by the invasion of Iraq and the Severe Acute Respiratory Syndrome.

It felt that the MTUC should emulate major firms nationwide, which had supported the package and, thereby, lend credibility to the measures instituted to kick-start the economy.

Tamil Nesan had on Thursday carried an immediate response from MTUC president Senator Zainal Rampak, who questioned the rationale behind the cut in workers' contributions.

He had stated that the RM10 that workers would on the average have extra in their pay packet was negligible and would not have a discernible effect on the economy.

Tamil Nesan, in an editorial on Thursday, felt that the half-month bonus promised to civil servants would also go a long way in spurring economic activity nationwide.

On another front, Malaysia Nanban ran a story on the water woes of workers at the Naga Lilai Estate near Padang Serai, who had to depend on untreated water for their domestic needs.