

Give workers a choice on age limit, Cuepacs tells EPF

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The Congress of Unions of Employees in the Public and Civil Services (Cuepacs) has proposed that the Employees Provident Fund (EPF) considers giving a choice to workers on the age limit to withdraw their savings.

Its president Azih Muda said workers should be given a choice of withdrawing their savings from aged 55 years till 60 years.

“EPF should not consider only the importance of the money it handles but also the future of workers in the country,” he said when contacted by Bernama in Kuala Lumpur today.

Commenting on the proposal by EPF to consider changing the permissible age for members to withdraw their savings from 55 years at present to the retirement age of 60, he hoped the current age limit is maintained for workers in the public and private sectors.

He said there were several factors such as health, lifestyle and job types which caused a worker to retire earlier than 60 years of age.

“EPF has no right to stop a retiree from withdrawing their savings much earlier and if it (savings) is withdrawn at 60 years, many retirees will find it difficult to cover their daily expenditure and other miscellaneous costs.

Meanwhile, the Terengganu Youth Council (MBNT) chairperson Zaidi Muda, who strongly disagreed with the proposal, said the current 55 years age limit was reasonable.

“This money can be used for their families and certainly financial management education can help retirees to plan well for their retirement.

“EPF cannot give excuses to prevent withdrawals at the age of 55 because the it is their hard-earned money,” he said.

Zaidi said the EPF was among the oldest and largest retirement savings funds, with RM636.53 billion of investment assets.

“The number of members is increasing every year and now it has 14.192 million members with 6.659 million active members. EPF also received high contributions reaching RM4.76 billion per month or a total of RM57.17 billion last year,” he said.

‘Maintain existing withdrawal limit’

Union Network International-Malaysia Labour Centre (UNI-MLC) president Mohamed Shafie BP Mammal in a statement said that they wanted the EPF to maintain the existing withdrawal limit.

He said the matter would be raised at the UNI-MLC delegates meeting on April 25 and a memorandum would be sent to Prime Minister Najib Abdul Razak.

“The current economic situation and higher cost of living require the people to manage their finances better and to plan for their future before retirement.

“The proposed withdrawal age seems too long and irrelevant because most of the employees at that age need funds for various purposes like medical, housing loans, children’s education and to accommodate the cost of living.

He said the EPF returns to members were still low (six percent) compared to other institutions like Amanah Saham Nasional (ASN), Lembaga Tabung Haji and Felda.

- Bernama

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