

'Don't raise EPF age limit, start investment scheme'

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Instead of raising withdrawal age to 60, the Employees Provident Fund Board should introduce a special investment scheme for retirees so that they will continue to keep their money in EPF, Sarawak PAS said.

This comes after EPF proposed raising the minimum age for full withdrawal from 55 to 60, out of concern that retirees will not have enough to sustain themselves in their old age.

Sarawak PAS Deputy Commissioner II Jofri Jaraiee said by having a special investment scheme for retirees, EPF can not only discourage withdrawals but also help retirees grow their savings at a faster rate.

Jofri said retired EPF members can then choose to earn dividends from the investments, while at the same time have the option to withdraw some or all of the contributions made upon reaching 55.

Raising the minimum withdrawal age to 60 will be a burden for those who retire at 55 and who do not have savings outside of EPF, he said.

"There are those in dire need of their EPF money for daily expenditures [...] medical purposes, and the like after they retire at 55," he said.

EPF had cited an internal study that showed that most of those who withdraw fully their savings from EPF spend all the money within six months to 10 years of withdrawal, which is a cause for concern.

For this, EPF received brickbats from members who say it is not EPF's business to tell them what they should do with their money after retiring.

EPF said it will conduct public consultation before deciding on the minimum age for a full withdrawal.

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