

EPF mulls staggered withdrawals from 55

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KINIBIZ The Employees Provident Fund (EPF) today announced it will begin a consultation exercise for its members aimed at enhancing the current EPF scheme, bearing in mind that many of its members have inadequate savings at retirement.

According to the EPF, 78 percent of EPF active members at the age of 54 have not achieved the basic savings of RM196,800 and 68 percent of EPF members at age 54 have savings lower than RM50,000.

The consultation exercise follows the EPF's earlier announcement that it was mulling increasing the full EPF withdrawal age from 55 to 60, which drew criticism from members of the public as well as non-governmental and industry organisations.

"There is a misconception that we are going to align the withdrawal age to 60 immediately.

"We are still gathering public feedback on our proposal and the final decision will only be made based on that feedback.

"I urge all our members to give us their feedback by participating in our survey online at the EPF's website," EPF chief executive officer Shahril Ridza Ridzuan told media in a briefing on the public consultation exercise today.

"On the current issue concerning alignment of the retirement age and withdrawal age, members will be asked to consider two proposals.

"The first option is to extend the full withdrawal age from 55 to 60 years on a staggered basis over 15 years.

"This staggered option has been practised elsewhere which faced a similar situation," Shahril said.

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