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# PM: EPF withdrawal stays at 55

**A FAIR DEAL:** Any change in rule to only affect those who work past 55

KUALA LUMPUR

**E**MPLOYEES Provident Fund (EPF) members will retain their right to withdraw their money at the age of 55, Datuk Seri Najib Razak announced yesterday.

In a decision that would appease millions of EPF members, the prime minister said any new EPF measures would only apply to new contributions if they decide to work beyond 55.

He said this would strike a fair balance between the rakyat's expectations to their hard-earned money at the age of 55 while protecting them if they retire at 60.

In an immediate response, the Malaysian Trades Union Congress cheered Najib's announcement and said employers should also help by boosting wages to help improve their workers' retirement savings.

Najib said the government always listened to the views of the public and that he was aware of public concerns over future changes to the EPF.

"It is clear that the vast majority of EPF members, while understanding the importance of retirement savings at the age of 60, want the right to use their retirement funds at the age of 55," he said when opening Invest Malaysia 2015, the annual conference organised by Bursa Malaysia, here yesterday.

Najib said in just two days of the online consultation process set up



Prime Minister **Datuk Seri Najib Razak** with CIMB group chairman **Datuk Seri Nazir Razak** and Bursa Malaysia chairman **Tan Sri Amirsham Abdul Aziz** (left) at the Invest Malaysia 2015 in Kuala Lumpur yesterday. Pic by Aizuddin Saad → See also Page B2-B5

recently to seek members' feedback on the proposed enhancements by the pension fund, more than 50,000 people had given their Views. It is the largest ever public consultation carried out, he added.

EPF chief executive officer Datuk Shahril Ridza Ridzuan said Najib's statement was in line with the preference of the majority of its members.

"What the PM announced is quite clear on his preference, which is also the preference of the majority of our members," Shahril

told reporters. He said there was an overwhelming response for the proposal to retain the withdrawal age at 55 and to create another withdrawal option at 60 years for new contributions after the age of 55. Shahril said that public consultation would go on for two weeks, and hoped it would attract up to 200,000 respondents.

Najib also announced that EPF would offer a syariah-compliant investment option for its members in 2017. This will create the largest syariah fund of its kind in the world and strengthen Malaysia's position

as a leading Islamic financial centre. He also said the Economic Planning Unit would establish an advisory body that would look into how the country's social security system would be able to meet challenges in years to come.

"We are strengthening the Senior Citizen Plan to ensure that age does not sideline a community that will still have so much to offer and whose wisdom and experience will be invaluable for the younger generations," said Najib.

The EPF had on Monday, proposed four initiatives to protect those earn-

ing less than RM1,000 a month while at the same time, address inadequacies in retirement savings among its members. The initiatives, apart from pushing the withdrawal age to 60, also included allowing members to continue enjoying annual dividends from the current age of 75, to 100 years; factoring in gross salary into EPF contributions; and having a syariah-compliant retirement savings option.

EPF said it was seeking feedback from members and stakeholders via a survey on its website for two weeks, beginning Tuesday.