

# PM CALLS FOR EPF, LABOUR POLICY REFORMS

Pg. 2

'As people live longer, focus must shift from lump-sum savings to sustainable retirement income'

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**P**RIME Minister Datuk Seri Anwar Ibrahim said it is essential that there be reforms to the Employees Provident Fund (EPF) and broader labour policies.

This, he said, was to ensure Malaysians did not grow old in fear of poverty, abandonment or irrelevance.

Speaking at the launch of the International Social Wellbeing Conference 2025, he described the extension of EPF coverage to migrant workers as a significant step forward in strengthening social protection.

In this respect, he praised the fund's efforts to explore new approaches to enhance retirement adequacy.

"As people live longer, the focus must shift from lump-sum savings to sustainable retirement income.

"Older Malaysians today are healthier, more educated and more capable than ever.

"With the right support, many of them can continue contribut-

ing through work, mentorship or community service."

Anwar cited as examples the various labour policies in action, such as the Madani Economy framework, which aims to raise labour's share of income to 45 per cent of the gross domestic product, the 13 per cent increase to the minimum wage and the Progressive Wage Policy.

He also mentioned the GEAR-uP initiatives by government-linked investments companies, which will see a collective RM120 billion in domestic direct investments over five years.

Anwar said fair wages alone were not enough and social protections must be strengthened.

"We must begin thinking about how to build a system that reflects greater solidarity, particularly for those with limited lifetime earnings."

He said the shift in EPF and labour reforms came at a time when the workforce was undergoing structural change, reshaped by micro-entrepreneurs, gig workers and the self-employed.

"Under the Madani Economy, we are committed to raising the ceiling by investing in digitalisation, inclusive innovation and SME (small and medium enterprise) growth."

Anwar said initiatives such as the SME Digitalisation Grant, National Industry ESG Framework and targeted support through the National Entrepreneurial Group Economic Fund (Tekun) and Bank Simpanan Nasional helped advance digitalisation, inclusive

innovation and SME growth.

He said globally, countries were adjusting retirement policies in response to increased life expectancy and changing work preferences.

"Many nations have begun adjusting retirement ages, balancing fiscal sustainability with individuals' desires for continued engagement."

He said these reforms came with increased workplace flexibility and efforts to foster age-inclusive environments.

On another matter, Anwar called for healthcare reform, citing a growing health gap that could undermine the country's wellbeing.

He said Malaysians live to 76 on average, but spend only 67 of those years in good health, leaving nearly a decade of poor health or disability.

"This gap has not improved over the past two decades. In fact, it has widened from 8.6 years in 2000. This means that living longer does not guarantee that we are living better.

"This is a wake-up call to make us place a heavier emphasis on investing in our health, particularly in preventive care, public health education and community-based support systems.

"We must shift from a system that treats disease to one that promotes lifelong wellness."

Anwar said as lifespans lengthen, Malaysians must rethink how to sustain their personal wellbeing, plan their economy and preserve the fabric of a cohesive, caring society.