

Lower-earning EPF members to get a 1pc bump in employers' contribution
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KUALA LUMPUR, Dec 27 — Majority of Employees Provident Fund (EPF) members earning RM5,000 and below monthly will as planned receive a 1 per cent increase in employers' statutory contribution beginning January 2012.

The exception will be for those 55 and above, who will only have a 0.5 per cent increase from their present 6 per cent contribution from their employers, Bernama Online reported.

The employees' contribution rate remains at 11 per cent for those 55 and below, and 5.5 per cent for those above that age bracket.

This will result in overall employers' contribution to become 13 per cent rather than 12 per cent for 5.3 million Malaysians or 92 per cent of the fund's active members said EPF Public Relations general manager Nik Affendi Jaafar.

In a released statement, Nik Affendi said that this was to follow through what was promised in Prime Minister Datuk Seri Najib Razak's 2012 Budget Speech earlier this year.

EPF studies show that up to 70 per cent of retirees exhaust their savings within 10 years of leaving the job market.

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