

RM50 bil EPF contributions in 2013

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The Employees Provident Fund (EPF) announced a total annual contributions of RM50.58 billion during a tabling of its annual report 2013 in Parliament, it said in a media statement.

“The total annual contributions for last year exceeded the total amount withdrawn of RM35.35 billion resulting in net inflows of RM15.23 billion as at December 2013,” EPF said.

EPF chairman Samsudin Osman said EPF’s ultimate objective is for its members to have sufficient savings upon retirement.

“To ensure that members get the most out of their retirement savings, the full contribution rates of 11% and 12% have been maintained for ages between 55 and 60 as opposed to half contribution rates prior to 2013,” Samsudin said.

EPF’s 2013 annual report also states that withdrawals at age 55 topped other types of withdrawals at RM13.23 billion, an 8.5% increase from RM12.19 billion the previous year. Withdrawal for investment under the EPF’s Members Investment Scheme (EPF-MIS) was second highest at RM7.85 billion.

Other types of withdrawals that also showed an increase from 2012 were Housing Withdrawal at RM4.95 billion, Age 50 (RM3.84 billion), Education (RM338.14 million) and Health (RM43.13 million).

EPF also declared 6.35% dividend for the financial year ending Dec 31, 2013 representing the biggest ever dividend payout of RM31.20 billion to its members, up 13.66% over the RM27.45 billion paid in 2012.

The year also saw a 2.48% increase in membership to 13,922,194 from 13,585,007 the previous year, while the number of employers jumped from 502,863 in 2012 to 517,062.

“EPF recognises that the economic landscape would continue to present new challenges. We are confident that our policy of prudent risk management and investment allocation strategies would help to maintain capital preservation while ensuring optimal return over a long term horizon,” said Samsudin.

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