

Don't increase retirement age, raise wages instead, suggests Cuepacs

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Cuepacs president Adnan Mat said it was best for the retirement age not to be raised for the next three to five years until the economy improved. (Bernama pic)

PETALING JAYA: The Congress of Unions of Employees in the Public and Civil Services (Cuepacs), which represents the nation's one million civil servants, opposes the recommendation by the World Bank for the government to raise the retirement age.

Instead, it has urged the government to raise the minimum wage for all working Malaysians in order to improve their livelihood.

Cuepacs president Adnan Mat, in a press statement, said: "Since the government intends to increase the average household income to RM10,000 per month, it is wise for the current minimum wage rate of RM1,200 to be increased.

"With the increase, Malaysians will be able to better cope with the current cost of living as well as enhance their retirement savings."



Adnan Mat.

Adnan also said that there should not be any proposal by anyone for Malaysia to increase its retirement age under the present circumstances, given the the country's difficult economic conditions which was also unlike developed countries.

"Malaysia is facing financial constraints as it has to spend more to assist its people who are badly affected by the pandemic as well as to revitalise and grow the economy.

"In addition, many Malaysians are unemployed and underemployed.

"If we raise the retirement age, it will not benefit hundreds of thousands of young graduates who are struggling to obtain suitable good jobs that match their qualifications.

"Therefore, it is recommended that we do not raise the retirement age for the next three to five years until our economy improves," added Adnan.

Two days ago, Utusan Malaysia reported that the Public Service Department (JPA) intended to study the proposal to raise the retirement age, as recommended by the World Bank.

JPA director-general Mohd Khairul Adib Abd Rahman said a comprehensive study was needed as they needed to consider other aspects such as the half-a-million graduates who entered the workforce annually.

The retirement age for government employees was increased from 55 to 56 in 2001. This was extended to 58 in 2008 and to 60 in 2012.