

**CORPORATED
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Civil servants can contribute to EPF

WE refer to the letter "Let civil servants enjoy EPF as well" (*The Star*, Sept 19).

We would like to inform the writer that public sector employees who opt for the Government's pension scheme can still contribute to the EPF voluntarily.

Voluntary contributors can contribute as little as RM50 a month up to a maximum of RM60,000 a year.

In regard to basic savings, we would like to reiterate that it is not a new ruling as it was introduced in 2008 and the amount was set according to age.

With Malaysians now being blessed, having a longer life span

as well as inflation and escalating living costs, the EPF has revised upwards the basic savings quantum of its members to RM196,800 at the age of 55 effective from January 2014.

The new quantum is equivalent to RM820 a month for 20 years from age 55 to 75.

It is benchmarked against the minimum pension for the public sector which is currently at RM820 per month, so that member's monthly retirement income does not fall below the poverty level.

On the writer's concern over that the basic savings quantum would affect the amount that young

members can invest, we wish to emphasise that the EPF's concern is adequacy of savings for members' retirement.

The basic savings quantum is to ensure that members have sufficient savings in the EPF to finance their basic retirement needs before they can opt for other investment options.

In addition, other investment options may involve higher risks compared to leaving their money with the EPF which has been providing consistent returns throughout the years.

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