

Govt wants retirement age raised

Subramaniam: Private sector should tap the experience of old employees

PUTRAJAYA: The Government is in discussions with stakeholders in the private sector to increase the retirement age of workers to 58, in line with the civil service, Human Resource Minister Datuk Dr S. Subramaniam said.

"We are having discussions with the stakeholders. The objective of increasing the retirement age from the current limit of 55 is because people in this age group still have

much to offer in terms of productivity," he said here yesterday.

The Malaysian Trades Union Congress (MTUC) had earlier urged the Government to extend the retirement age of the private sector to 60 as a means of retaining human capital and increasing productivity.

Dr Subramaniam also said that the Government was studying the prospect of expanding the social security services to protect workers

who were retrenched or lost their jobs when companies folded up.

Meanwhile, Bernama quoted Dr Subramaniam as saying that the Labour Day celebrations this year would be held at Bukit Jalil on May 7 and attended by Deputy Prime Minister Tan Sri Muhyiddin Yassin.

In an immediate response, the Malaysian Employers Federation (MEF) called on the Government to look into additional benefits for both

employers and employees if the retirement age of private sector workers was increased.

Its executive director Shamsudin Bardan suggested that private sector workers above the age of 55 be given tax relief if they continued working until the age of 58.

"Employers should also be given incentives for hiring workers above the age of 55," he said.

Shamsuddin added that the Gov-

ernment had to ensure that the workforce was prepared for the increase in retirement age.

He said a healthier lifestyle was important to ensure that the older group of workers were not at a higher health risk.

MTUC secretary-general Abdul Halim Mansor said: "It is definitely a positive step by the Government and it would be a huge advantage to private sector workers."