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**“CIVIL SERVANTS CHOOSE PENSION SCHEME
RATHER THAN EPF SCHEME: A STUDY AT MAJLIS
PERBANDARAN ALOR GAJAH (MPAG),MELAKA”.**

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Abstract

According to the International Labor Organization, social security is a “Protection which society provides for its members through a series of public measures against the economic and social distress that otherwise would be accused by the stoppage or substantial reduction of earning resulting from sickness, maternity, employment injury, unemployment, invalidity, old age and death, the provision of medical care and the provision of subsidies for families with children”.

Our Prime Minister, Datuk Seri Abdullah Ahmad Badawi stated in Parliament that Federal State Public Services, Statutory Bodies or Local Authority employees joining the Public Sector Service after 12 April 1991 could opt for the Employees Provident Fund (EPF) scheme if they wanted to. This study will look at “Civil Servants Choose Pension Scheme rather Than EPF Scheme: A Study at Majlis Perbandaran Alor Gajah (MPAG)”. Our research objective are to identify the factors that contributes or encourages civil servants to select pension scheme rather than EPF scheme and also to identify the benefits provided for civil servants whom select pension scheme. Besides that, our research questions are why some of the civil servants still choose to contribute to pension scheme even though the government have give an option for them to contribute in EPF scheme and what are the benefits provided under pension scheme.

The findings showed that most of the civil servants at Majlis Perbandaran Alor Gajah choose pension scheme rather than EPF scheme. Other than that, in this study we

also found the factors that influence or encourage the civil servant to choose their contribution scheme either EPF or pension scheme. From the data that we get the implications of the research and suggestions are discussed.

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