

 Thu, October 22, 2009 - ACTION has been taken on nearly all the 9,000 employers who defaulted in contributing to the Employees Provident Fund (EPF).

EPF public relations general manager Nik Affendi Jaafar said the figure of 9,000 employers that was stated in the Auditor-General's report on Monday was accumulated over the years.

The report attributed the high number of defaulting employers to the shortage of EPF staff with one inspector having to conduct checks on more than 1,200 employers.

Nik Affendi said EPF had successfully reduced the number of defaulters over the years by employing more stringent enforcement and improving its IT system.

He stated that enforcement actions were focused on employers with large numbers of employees and those with high amount of contributions.

As of last month, the number of defaulting employers dropped to 1.7% compared to 2.05% in December 2008. This is a significant improvement compared to 2000 when the percentage stood at 5.65%.

Based on this performance, we believe that the number of our inspectors at present is sufficient and optimal, he said.

In some cases, he added, the EPF did not take action because there were insufficient supporting documents or the company had closed down before the complaint was made.