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A boon for civil servants

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1.6 million permanent and contract staff set to benefit from new scheme. >4

A boon for civil servants

Vehicle insurance plan will help M'sians save millions in interest fees

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PUTRAJAYA: Civil servants will save almost RM200mil in annual interest payments when renewing their motor insurance through the Keluarga Malaysia Vehicle Insurance Financing programme, it was revealed.

Datuk Seri Ismail Sabri Yaakob said the implementation of the programme will initially cover some 1.6 million permanent and contract civil servants before being expanded to the private sector by year end.

"I announced the implementation of the Keluarga Malaysia Vehicle Insurance Financing programme insurance for civil servants on May 1 in conjunction with Labour Day. What was promised, the government has made a reality.

"I am glad to announce that the programme will be expanded to also cover government contract employees.

"We have also agreed to expand the programme to include government-linked companies (GLCs), government-linked investment companies and the private sector in the near future," he said when launching the programme yesterday.

The syariah-compliant programme was implemented through RM100mil in funding by the Social Security Organisation in partnership with MyAngkasa Amanah Bhd (MAAB) and A Tech Insure Sdn Bhd (ATech).

Civil servants can renew or buy vehicle insurance online through MyezyCover.com which allows up to 10 months of interest-free instalment payments.

Civil servants who purchase the insurance can opt to have their monthly salary deducted as payment.



Much-needed aid: Ismail Sabri launching the Keluarga Malaysia Vehicle Insurance Financing programme in Putrajaya. With him are (from left) MAAB president Datuk Dr Abdul Fattah Abdullah and ATech chairman Tan Sri Abu Kassim Mohamed. — Bernama

Ismail Sabri said that the programme was mooted last year as a means to help ease the people's hardship due to the Covid-19 pandemic, mainly among civil servants in the B40 group.

He noted that the current global uncertainties, climate change and the Ukraine-Russia conflict had also impacted the lives of civil servants.

"These realities have also affected civil servants, particularly those in support services, who have long supported the government's aspirations, remaining firm as the nation's backbone in every situation or challenge," he said.

As such, he lauded the "win-win" approach taken by the government

and private sector in implementing a programme that directly benefited civil servants.

Human Resources Minister Datuk Seri M. Saravanan said there were civil servants who delayed or resorted to borrowing to renew their vehicle insurance.

"There are some who will only renew their motor insurance at the end of the month when their salaries come in or months later. And there are those who borrow from ah long or take a loan from the cooperative to pay for the insurance.

"This results in losses incurred by civil servants through interest payments of about RM200mil a year," he said.

Later, he told reporters that the Prime Minister's announcement to expand the insurance programme to cover GLCs and the private sector "caught me by surprise".

He said initial discussions were for the programme to be implemented for civil servants.

Welcoming Ismail Sabri's proposal to widen the programme, Saravanan said it would be expanded to larger GLCs first such as Tenaga Nasional Bhd and Telekom Malaysia.

He said the motor insurance programme for civil servants was easier to monitor as payments were made by way of monthly salary deductions.