

Retirement benchmark feels like distant goal for most M'sians

PETALING JAYA: The Employees Provident Fund's (EPF) revised benchmark of RM1.3mil in order to enjoy a comfortable retirement has raised concerns as to whether most Malaysians can achieve adequate savings.

For operations manager, Samantha Khor, 47, the higher target feels like a wake-up call rather than a shock.

"At my age, you start looking seriously at your EPF balance and realising how fast time moves.

"I'm more than halfway there, but RM1.3mil still feels like a stretch, especially with children's education, housing loan and daily expenses," she said.

She believes those in their 40s can still catch up, but only with discipline and realistic planning.

"I've started making voluntary EPF contributions and cutting back on non-essential spending. I also don't expect to fully retire at 60. I plan to keep working in some form as long as my health allows," she said.

Khor is also worried that the new benchmark may not be the



Challenging goal: Many are voicing concerns over the new raised benchmark of RM1.3mil in EPF retirement savings.— MUHAMAD SHAHRIL ROSLI/The Star

final one.

"With inflation and medical costs, I won't be surprised if this number goes up again. RM1mil used to sound like a lot.

"EPF is not 'extra money'. It's survival money for later in life,"

Khor said.

She added that clearer retirement planning tools and stronger financial education are crucial, especially for younger Malaysians.

"People in their 20s and 30s

need to understand that starting late makes everything harder. The earlier you save, the less painful it is later," she said.

Senior accountant Alex Mok, 43, echoed similar concerns, saying the jump from RM1mil to RM1.3mil feels like the goalposts have moved at a time when expenses are at their peak.

"I'm earning more than when I was younger, but I also have more commitments – housing loan, children's education and caring for ageing parents. When you hear RM1.3mil, it sounds very far away," he said.

While he believes catching up is still possible, Mok said it would require tough choices.

"I've started increasing my voluntary EPF contributions and cutting back on non-essential spending. It's not easy, but doing nothing is worse."

He also expects the retirement target to keep changing.

"With prices going up every year, RM1.3mil today may not be enough in 20 years. EPF will probably have to revise it again, and

that's worrying for people my age," he said.

For retirees like Zai Xing, 66, the revised benchmark confirms what many had already felt on the ground.

"When I retired, RM1mil sounded like a lot. But after daily expenses, medical bills and helping my children when needed, the money goes faster than expected," he said.

Zai noted that retirees have little room to recover financially once they stopped working.

"At this age, you can't suddenly earn more or save more. You just have to be very careful with spending and hope there are no major medical emergencies," he said.

He believes the higher RM1.3mil figure underscores the need for stronger support beyond EPF alone.

"Not everyone can reach that amount. There needs to be more help for retirees, especially with healthcare. Otherwise, many will struggle as they live longer," he said.