

CIRCULAR NO: 116/2020

DATE: 15 June 2020

WAGE SUBSIDY PROGRAMME - EMPLOYMENT INSURANCE SCHEME

Reference is made to the [FREQUENTLY ASKED QUESTIONS REGARDING THE WAGE SUBSIDY PROGRAMME - EMPLOYMENT INSURANCE SCHEME DATED 9 JUNE 2020](#). Following are highlights.

The Wage Subsidy Program (WSP) is a financial assistance paid to the employer of each company for each local employee earning RM4,000 and below.

On 5 June 2020, the WSP was extended for another three months - six months in total, beginning 1 April 2020 or the month the application was submitted. The last date of application is 30 September 2020.

Size of Company	75 workers and below	76 to 200 workers	Above 201 workers
Limit on the Number of Employees for Claims Purposes	75 workers	200 workers	200 workers
Payment Rate (Months 1, 2, 3)	RM1,200 per month per worker	RM800 per month per worker	RM600 per month per worker
Criteria	None	50% or more of total sales or revenue compared to January 2020 or the following months	50% or more of total sales or revenue compared to January 2020 or the following months
Criteria	<ul style="list-style-type: none"> - Employers and employees must be registered/are contributors to SOCSO by 1 April 2020. - Employers are registered with the Companies Commission of Malaysia (SSM) or the Local Authority (PBT) before 1 January 2020. - Employers must start operating before 1 January 2020 		
	Employees are paid RM4,000 and below,		

EXPANSION OF THE WSP			
Payment Rate and Period	RM600 per month per worker for three months	RM600 per month per worker for three months	RM600 per month per worker for three months
Criteria	<ol style="list-style-type: none"> Employers and employees must be registered/are contributors to SOCSO by 1 April 2020. Employers are registered with the Companies Commission of Malaysia (SSM) or the Local Authority (PBT) before 1 January 2020. Employers must start operating before 1 January 2020 		
	Employees are paid RM4,000 and below.		
	For employers who choose to receive this assistance, they are required to retain all their employees earning RM4,000 and below. Employers are allowed to reduce working hours or reduce wages after consulting with employees.		
Date of Enforcement	1 April 2020		
Application	Employers to make the Application via prihatin.perkeso.gov.my .		
Last Date of Application	30 September 2020 or subject to the remaining funds or any decision by the Government.		

Beginning 15 June 2020, the Employment Retention Programme (ERP) will be incorporated under the WSP. The expansion of the WSP covers employees in the tourism sector or sectors that are involved in economic activities that are still prohibited during the Recovery Movement Control Order (RMCO) period - who have been ordered to take unpaid leave. The employer may apply for the WSP provided that the employee receives direct subsidy payments.

Employers who have withdrawn from the WSP before 15 June 2020 can activate their application via email aduansip@perkeso.gov.my.

Eligible employers do not need to submit a new application for the extended WSP. Employers are required to update the information change upon receipt of the claim for the following months, in the event of any change to the business activity status or number of eligible employees through the system. Failure to report such changes may result in legal action.

Employers must declare the total number of workers employed including foreign workers.

Employers/business owners are to be excluded when determining the size of the company.

On status of the WSP application, employer will receive a reference number once the application has been completed via the PRIHATIN Portal at perkeso.gov.my. Employers can check the status of the application with the reference number provided. The list of approved employers' including the number of approved employees under the WSP can be referenced via <https://eiscentre.perkeso.gov.my>.

Companies are advised to refer to the **FAQ** for the relevant documents for application purposes.

Employees can refer to the Department of Labor (JTK) via +603 8890 3404/8886 2409 or email jtksm@mohr.gov.my on employment issues.

For further inquiries, please contact SOCSO's Customer Service at +603 4264 5555/1-300-22-8000 or email perkeso@perkeso.gov.my.

Yours sincerely,

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Executive Director

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