

A BILL

i n t i t u l e d

An Act to amend the Employees' Social Security Act 1969.

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ENACTED by the Parliament of Malaysia as follows:

Short title and commencement

1. (1) This Act may be cited as the Employees' Social Security (Amendment) Act 2022.

(2) This Act comes into operation on a date to be appointed by the Minister by notification in the *Gazette*.

Amendment of section 5

2. The Employees' Social Security Act 1969 [*Act 4*], which is referred to as the "principal Act" in this Act, is amended in subsection 5(2) by substituting for the words "four thousand ringgit" wherever appearing the words "five thousand ringgit".

Amendment of Third Schedule

3. The Third Schedule to the principal Act is amended—

(a) in paragraph 2—

(i) by substituting for item 44 the following item:

	<i>Monthly Wages</i>	<i>Employer's Contribution</i>	<i>Employee's Contribution</i>	<i>Total</i>
“44. When wages exceed RM3,900 but not RM4,000	RM69.15	RM19.75	RM88.90”;	

(ii) by substituting for item 45 the following item:

	<i>Monthly Wages</i>	<i>Employer's Contribution</i>	<i>Employee's Contribution</i>	<i>Total</i>
“45. When wages exceed RM4,000 but not RM4,100	RM70.85	RM20.25	RM91.10”;	and

(iii) by inserting after item 45 the following items:

	<i>Monthly Wages</i>	<i>Employer's Contribution</i>	<i>Employee's Contribution</i>	<i>Total</i>
“46. When wages exceed RM4,100 but not RM4,200	RM72.65	RM20.75	RM93.40	
47. When wages exceed RM4,200 but not RM4,300	RM74.35	RM21.25	RM95.60	

	<i>Monthly Wages</i>	<i>Employer's Contribution</i>	<i>Employee's Contribution</i>	<i>Total</i>
48.	When wages exceed RM4,300 but not RM4,400	RM76.15	RM21.75	RM97.90
49.	When wages exceed RM4,400 but not RM4,500	RM77.85	RM22.25	RM100.10
50.	When wages exceed RM4,500 but not RM4,600	RM79.65	RM22.75	RM102.40
51.	When wages exceed RM4,600 but not RM4,700	RM81.35	RM23.25	RM104.60
52.	When wages exceed RM4,700 but not RM4,800	RM83.15	RM23.75	RM106.90
53.	When wages exceed RM4,800 but not RM4,900	RM84.85	RM24.25	RM109.10
54.	When wages exceed RM4,900 but not RM5,000	RM86.65	RM24.75	RM111.40
55.	When wages exceed RM5,000	RM86.65	RM24.75	RM111.40"; and

(b) in paragraph 4—

(i) by substituting for item 45 the following item:

	<i>Monthly Wages</i>	<i>Employer's Contribution</i>
“45.	When wages exceed RM4,000 but not RM4,100	RM50.60”;

(ii) by inserting after item 45 the following items:

	<i>Monthly Wages</i>	<i>Employer's Contribution</i>
“46.	When wages exceed RM4,100 but not RM4,200	RM51.90
47.	When wages exceed RM4,200 but not RM4,300	RM53.10
48.	When wages exceed RM4,300 but not RM4,400	RM54.40
49.	When wages exceed RM4,400 but not RM4,500	RM55.60
50.	When wages exceed RM4,500 but not RM4,600	RM56.90
51.	When wages exceed RM4,600 but not RM4,700	RM58.10
52.	When wages exceed RM4,700 but not RM4,800	RM59.40
53.	When wages exceed RM4,800 but not RM4,900	RM60.60
54.	When wages exceed RM4,900 but not RM5,000	RM61.90
55.	When wages exceed RM5,000	RM61.90”.

Amendment of Fourth Schedule

4. The Fourth Schedule to the principal Act is amended in paragraph 4—

(a) in item 35, in the column of “*First Category*”, by substituting for the words “RM68.40” the words “RM68.60”;

(b) in item 44, in the column of “*First Category*”, by substituting for the words “RM88.80” the words “RM88.90”;

(c) by substituting for item 45 the following item:

<i>Actual monthly wage of the month</i>	<i>First Category</i>	<i>Second Category</i>	<i>Corresponding assumed monthly wage for the month</i>
“45. When wages exceed RM4,000 but not RM4,100	RM91.10	RM50.60	RM4,050”; and

(d) by inserting after item 45 the following items:

<i>Actual monthly wage of the month</i>	<i>First Category</i>	<i>Second Category</i>	<i>Corresponding assumed monthly wage for the month</i>
“46. When wages exceed RM4,100 but not RM4,200	RM93.40	RM51.90	RM4,150
47. When wages exceed RM4,200 but not RM4,300	RM95.60	RM53.10	RM4,250
48. When wages exceed RM4,300 but not RM4,400	RM97.90	RM54.40	RM4,350
49. When wages exceed RM4,400 but not RM4,500	RM100.10	RM55.60	RM4,450
50. When wages exceed RM4,500 but not RM4,600	RM102.40	RM56.90	RM4,550
51. When wages exceed RM4,600 but not RM4,700	RM104.60	RM58.10	RM4,650

<i>Actual monthly wage of the month</i>	<i>First Category</i>	<i>Second Category</i>	<i>Corresponding assumed monthly wage for the month</i>
52. When wages exceed RM4,700 but not RM4,800	RM106.90	RM59.40	RM4,750
53. When wages exceed RM4,800 but not RM4,900	RM109.10	RM60.60	RM4,850
54. When wages exceed RM4,900 but not RM5,000	RM111.40	RM61.90	RM4,950
55. When wages exceed RM5,000	RM111.40	RM61.90	RM4,950".

EXPLANATORY STATEMENT

This Bill seeks to amend the Employees' Social Security Act 1969 ("Act 4"). The proposed amendments seek to improve social security coverage that will increase certain benefits received by the employees.

2. *Clause 1* contains the short title and the provision on the commencement of the proposed Act.

3. *Clause 2* seeks to amend section 5 of Act 4 to increase the maximum limit of the insurability amount of wages of an employee under Act 4 from four thousand ringgit a month to five thousand ringgit a month.

4. *Clause 3* seeks to amend the Third Schedule to Act 4 to introduce new contribution rates for Part I and Part III for Contribution of the First Category for Invalidity and Employment Injury and Contribution of the Second Category for Employment Injury when wages of an employee exceed four thousand ringgit and five thousand ringgit respectively.

5. *Clause 4* seeks to amend the Fourth Schedule to Act 4 to introduce new contribution rates and corresponding assumed monthly wage for the month when wages of an employee exceed four thousand ringgit and five thousand ringgit respectively. Apart from that, this *clause* seeks to rectify the contribution rate for the First Category for employee whose wages exceed RM3,000.00 but not RM3,100.00.

FINANCIAL IMPLICATIONS

This Bill will involve the Government in extra financial expenditure the amount of which cannot at present be ascertained.

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