

A BILL

*i n t i t u l e d*

An Act to amend the Employment Insurance System Act 2017.

[ ]

**ENACTED** by the Parliament of Malaysia as follows:

**Short title and commencement**

**1.** (1) This Act may be cited as the Employment Insurance System (Amendment) Act 2024.

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

**Amendment of section 16**

**2.** The Employment Insurance System Act 2017 [*Act 800*], which is referred to as the “principal Act” in this Act, is amended in subsection 16(2) by substituting for the words “five thousand ringgit” wherever appearing the words “six thousand ringgit”.

**Amendment of Second Schedule**

3. The Second Schedule to the principal Act is amended in paragraph 2—

(a) by substituting for item 55 the following item:

<i>Monthly Wages</i>	<i>Employer's Contribution</i>	<i>Employee's Contribution</i>	<i>Total</i>
“55. When wages exceed RM5,000 but not exceed RM5,100	RM10.10	RM10.10	RM20.20”;

(b) by inserting after item 55 the following items:

<i>Monthly Wages</i>	<i>Employer's Contribution</i>	<i>Employee's Contribution</i>	<i>Total</i>
“56. When wages exceed RM5,100 but not exceed RM5,200	RM10.30	RM10.30	RM20.60
57. When wages exceed RM5,200 but not exceed RM5,300	RM10.50	RM10.50	RM21.00
58. When wages exceed RM5,300 but not exceed RM5,400	RM10.70	RM10.70	RM21.40
59. When wages exceed RM5,400 but not exceed RM5,500	RM10.90	RM10.90	RM21.80
60. When wages exceed RM5,500 but not exceed RM5,600	RM11.10	RM11.10	RM22.20
61. When wages exceed RM5,600 but not exceed RM5,700	RM11.30	RM11.30	RM22.60
62. When wages exceed RM5,700 but not exceed RM5,800	RM11.50	RM11.50	RM23.00
63. When wages exceed RM5,800 but not exceed RM5,900	RM11.70	RM11.70	RM23.40

<i>Monthly Wages</i>	<i>Employer's Contribution</i>	<i>Employee's Contribution</i>	<i>Total</i>
64. When wages exceed RM5,900 but not exceed RM6,000	RM11.90	RM11.90	RM23.80
65. When wages exceed RM6,000	RM11.90	RM11.90	RM23.80”.

**Amendment of Third Schedule**

**4.** The Third Schedule to the principal Act is amended in paragraph 8—

(a) by substituting for item 55 the following item:

<i>Actual monthly wages of the month</i>	<i>Total contribution</i>	<i>Corresponding assumed monthly wages for the month</i>
“55. When wages exceed RM5,000 but not exceed RM5,100	RM20.20	RM5,050”;

(b) by inserting after item 55 the following items:

<i>Actual monthly wages of the month</i>	<i>Total contribution</i>	<i>Corresponding assumed monthly wages for the month</i>
“56. When wages exceed RM5,100 but not exceed RM5,200	RM20.60	RM5,150
57. When wages exceed RM5,200 but not exceed RM5,300	RM21.00	RM5,250
58. When wages exceed RM5,300 but not exceed RM5,400	RM21.40	RM5,350
59. When wages exceed RM5,400 but not exceed RM5,500	RM21.80	RM5,450

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<i>Actual monthly wages of the month</i>	<i>Total contribution</i>	<i>Corresponding assumed monthly wages for the month</i>
60. When wages exceed RM5,500 but not exceed RM5,600	RM22.20	RM5,550
61. When wages exceed RM5,600 but not exceed RM5,700	RM22.60	RM5,650
62. When wages exceed RM5,700 but not exceed RM5,800	RM23.00	RM5,750
63. When wages exceed RM5,800 but not exceed RM5,900	RM23.40	RM5,850
64. When wages exceed RM5,900 but not exceed RM6,000	RM23.80	RM5,950
65. When wages exceed RM6,000	RM23.80	RM5,950”.

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 EXPLANATORY STATEMENT

This Bill seeks to amend the Employment Insurance System Act 2017 (“Act 800”). The proposed amendments seek to improve social security coverage under the Employment Insurance System that will give benefit to 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 16 of Act 800 to increase the maximum limit of the insurability amount of wages of an employee under Act 800 from five thousand ringgit a month to six thousand ringgit a month.

4. *Clause 3* seeks to amend the Second Schedule to Act 800 to introduce new contribution rates payable by the employer and employee in the Second Schedule when the wages of an employee exceed five thousand ringgit and six thousand ringgit.

5. *Clause 4* seeks to amend the Third Schedule to Act 800 to introduce new total contribution rates and corresponding assumed monthly wages for the month when the wages of an employee exceed five thousand ringgit and six thousand ringgit.

*FINANCIAL IMPLICATIONS*

This Bill will not involve the Government in any financial expenditure.

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