



# **LAWS OF MALAYSIA**

**Act A1508**

**EMPLOYEES' SOCIAL SECURITY  
(AMENDMENT) ACT 2016**

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**LAWS OF MALAYSIA**

**Act A1508**

**EMPLOYEES' SOCIAL SECURITY  
(AMENDMENT) ACT 2016**

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

[ ]

**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 2016.

(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 section 5—

(a) by renumbering the existing section as subsection (1);

(b) in subsection (1) as renumbered, by inserting after the word "applies" the words "irrespective of the amount of wages"; and

(c) by inserting after subsection (1) as renumbered the following subsection:

“(2) Notwithstanding subsection (1), if the wages of an employee at any time exceed four thousand ringgit a month, his wages shall for the purposes of this Act be deemed to be four thousand ringgit a month.”.

### **Amendment of section 58**

3. Section 58 of the principal Act is amended by inserting after subsection (1) the following subsection:

“(1A) The Organization may administer any other social security scheme if the administration of such scheme is conferred upon the Organization by any written law.”.

### **Amendment of section 71**

4. Section 71 of the principal Act is amended by inserting after subparagraph (ii) the following subparagraph:

“(iia) establishment or taking over of a company under section 74A and its maintenance;”.

### **Amendment of section 72A**

5. Section 72A of the principal Act is amended—

(a) in the shoulder note, by inserting after the word “**loans**” the words “**or other financing facilities**”; and

(b) by inserting after the words “for granting loans” the words “or other financing facilities”.

**New section 74A**

6. The principal Act is amended by inserting after section 74 the following section:

**“Power of the Organization to establish or take over companies**

**74A.** (1) The Organization may, with the approval of the Minister and the Minister of Finance, establish or take over any company under the Companies Act 1965 [*Act 125*] to carry out, administer, conduct and manage any project, joint venture, privatization programme, scheme, enterprise or any other matter which has been planned or undertaken by the Organization for the purposes of the Scheme of Social Security under this Act.

(2) The Organization may give instructions to the company referred to in subsection (1) on matters relating to the administration, finance and operation of the company which are consistent with the provisions of this Act, and such company shall give effect to the instructions.”.

**Amendment of section 75A**

7. Subsection 75A(2) of the principal Act is amended—

(a) in paragraph (d), by inserting the word “and” at the end of the paragraph;

(b) by deleting paragraph (e); and

(c) in paragraph (f), by substituting for the words “two other members” the words “three other members”.

**Amendment of section 95A**

8. Subsection 95A(1) of the principal Act is amended by inserting after the words “any officer authorized in writing by the Director General may” the words “, with the consent in writing of the Public Prosecutor,”.

### Amendment of section 105

9. Subsection 105(2) of the principal Act is amended by substituting for paragraph (xxa) the following paragraph:

“(xxa) the offences under this Act or any subsidiary legislation made under this Act which may be compounded, and the criteria, method and procedure for compounding such compoundable offences;”.

### Amendment of First Schedule

10. The First Schedule to the principal Act is amended by deleting paragraph (1).

### Amendment of Third Schedule

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

(a) in paragraph 2—

(i) in item 34, in the column of “*Monthly Wages*”, by substituting for the words “When wages exceed RM2,900” the words “When wages exceed RM2,900 but not RM3,000”; and

(ii) by inserting after item 34 the following items:

	<i>Monthly Wages</i>	<i>Employer's Contribution</i>	<i>Employee's Contribution</i>	<i>Total</i>
“35.	When wages exceed RM3,000 but not RM3,100	RM53.35	RM15.25	RM68.60
36.	When wages exceed RM3,100 but not RM3,200	RM55.15	RM15.75	RM70.90
37.	When wages exceed RM3,200 but not RM3,300	RM56.85	RM16.25	RM73.10
38.	When wages exceed RM3,300 but not RM3,400	RM58.65	RM16.75	RM75.40

	<i>Monthly Wages</i>	<i>Employer's Contribution</i>	<i>Employee's Contribution</i>	<i>Total</i>
39.	When wages exceed RM3,400 but not RM3,500	RM60.35	RM17.25	RM77.60
40.	When wages exceed RM3,500 but not RM3,600	RM62.15	RM17.75	RM79.90
41.	When wages exceed RM3,600 but not RM3,700	RM63.85	RM18.25	RM82.10
42.	When wages exceed RM3,700 but not RM3,800	RM65.65	RM18.75	RM84.40
43.	When wages exceed RM3,800 but not RM3,900	RM67.35	RM19.25	RM86.60
44.	When wages exceed RM3,900 but not RM4,000	RM69.05	RM19.75	RM88.80
45.	When wages exceed RM4,000	RM69.05	RM19.75	RM88.80"; and

(b) in paragraph 4—

(i) in item 34, in the column of “*Monthly Wages*”, by substituting for the words “When wages exceed RM2,900” the words “When wages exceed RM2,900 but not RM3,000”; and

(ii) by inserting after item 34 the following items:

	<i>Monthly Wages</i>	<i>Employer's Contribution</i>
“35.	When wages exceed RM3,000 but not RM3,100	RM38.10
36.	When wages exceed RM3,100 but not RM3,200	RM39.40
37.	When wages exceed RM3,200 but not RM3,300	RM40.60
38.	When wages exceed RM3,300 but not RM3,400	RM41.90
39.	When wages exceed RM3,400 but not RM3,500	RM43.10
40.	When wages exceed RM3,500 but not RM3,600	RM44.40
41.	When wages exceed RM3,600 but not RM3,700	RM45.60
42.	When wages exceed RM3,700 but not RM3,800	RM46.90

	<i>Monthly Wages</i>	<i>Employer's Contribution</i>
43.	When wages exceed RM3,800 but not RM3,900	RM48.10
44.	When wages exceed RM3,900 but not RM4,000	RM49.40
45.	When wages exceed RM4,000	RM49.40".

### Amendment of Fourth Schedule

12. Paragraph 4 of the Fourth Schedule to the principal Act is amended—

(a) in item 34, in the column of “*Monthly Wages*”, by substituting for the words “When wages exceed RM2,900” the words “When wages exceed RM2,900 but not RM3,000”; and

(b) by inserting after item 34 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>
“35.	When wages exceed RM3,000 but not RM3,100	RM68.40	RM38.10	RM3,050
36.	When wages exceed RM3,100 but not RM3,200	RM70.90	RM39.40	RM3,150
37.	When wages exceed RM3,200 but not RM3,300	RM73.10	RM40.60	RM3,250
38.	When wages exceed RM3,300 but not RM3,400	RM75.40	RM41.90	RM3,350
39.	When wages exceed RM3,400 but not RM3,500	RM77.60	RM43.10	RM3,450
40.	When wages exceed RM3,500 but not RM3,600	RM79.90	RM44.40	RM3,550
41.	When wages exceed RM3,600 but not RM3,700	RM82.10	RM45.60	RM3,650
42.	When wages exceed RM3,700 but not RM3,800	RM84.40	RM46.90	RM3,750
43.	When wages exceed RM3,800 but not RM3,900	RM86.60	RM48.10	RM3,850

	<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>
44.	When wages exceed RM3,900 but not RM4,000	RM88.80	RM49.40	RM3,950
45.	When wages exceed RM4,000	RM88.80	RM49.40	RM3,950".