



For Media Release
27th August 2024

PRESS RELEASE

ISSA TECHNICAL SEMINAR 2024: A CATALYST FOR BRIDGING DISPARITIES IN THE LABOUR MARKET

KUALA LUMPUR – International dialogue is set to act as a catalyst, consolidating initiatives across continents and paving the way for a comprehensive, future-proof policy that benefits gig workers, says Dato' Seri Dr Ahmad Zahid Hamidi.

The Deputy Prime Minister stated that this vision will not only help cultivate a more just, equitable, and sustainable gig economy but also bridge the disparity between the formal and informal sectors of the current labour market.

Given the significant strides in formalising the gig economy, he explained that Malaysia's current strategy includes establishing clear legal protections and rights for gig workers through the formation of the Malaysian Gig Economy Commission (SEGiM).

“Essentially, the country is also making significant progress towards establishing the Gig Worker's Act focusing on p-hailing and e-hailing. This new act, led by KESUMA is a groundbreaking move that positions Malaysia as one of the earliest countries in the world to introduce an act to provide certain benefits to safeguard the interests of gig workers.

“This new act is expected to be tabled before the cabinet within the next two months, which underscores Malaysia's commitment to protecting gig workers' rights by highlighting on definition on gig workers, earning, grievance mechanism and social protection.

“Moreover, gig workers will be provided with affordable healthcare and insurance options through a comprehensive social security scheme managed by the Social Security Organisation (PERKESO), which also covers the extension of invalidity benefits and unemployment arising from loss of income.

“We also aim to promote financial literacy, retirement savings, and offer continuous skills development and training programmes that foster sustainable growth, ensure equality in the gig economy, and provide gig workers with essential protections and opportunities for personal and professional development,” he said in his opening address at the International Social Security Association (ISSA) Technical Seminar 2024 earlier today.

Also in attendance were Human Resources Minister Steven Sim Chee Keong; Human Resources Ministry (KESUMA), Deputy Minister of KESUMA, Dato’ Sri Abdul Rahman Mohamad, Secretary-General of KESUMA, Dato’ Sri Khairul Dzaimie Daud; and ISSA President, Dato’ Sri Dr Mohammed Azman Aziz Mohammed.

Hosted by PERKESO, the ISSA Technical Seminar 2024, which commenced today at the World Trade Centre, Kuala Lumpur, will run for two days, beginning on 27 August. The seminar promises productive discussions and transformative insights aimed at contributing to a more inclusive and secure future for all workers in the evolving global economy.

With the theme ‘Social Security for the Self-Employed and Platform Workers’, the international dialogue aims to achieve several key objectives, including raising awareness of initiatives undertaken by PERKESO and other social security partners in extending protections to the self-employed; informing participants of the latest developments and future trends in the gig economy; and identifying deficiencies in existing social security protections while proposing cross-cutting solutions.

The Deputy Prime Minister said data as of August revealed that 25.1 per cent (3.15 million out of 12.56 million) of Malaysia’s workforce are self-employed, including approximately 1.5 million freelancers.

“Yet, only 21.58 per cent (679,830) of self-employed individuals have active PERKESO coverage. Among these, 32.78 per cent (222,876) are gig workers.

“These figures underscore the significant gap in social protection for a large portion of our evolving workforce, highlighting the urgent need for expanded coverage and tailored solutions for the gig economy,” he added.

Therefore, Ahmad Zahid said that the multi-faceted efforts from the ISSA Technical Seminar will not mark the end, but rather a significant event in social security, as Kuala Lumpur is set to become the world capital for the upcoming World Social Security Forum (WSSF) in 2025.

“We are truly honoured to collaborate with the esteemed ISSA in welcoming you back to Malaysia next year,” he said.

ENDS

###

About ISSA

The International Social Security Association (ISSA) was founded in 1927 under the auspices of the International Labour Organization, and today has over 320 member institutions from over 160 countries. ISSA is the world’s leading international organization for social security institutions, government departments and agencies. ISSA promotes dynamic social security systems and policies worldwide, supporting its members in the design and implementation of effective social security solutions.

About PERKESO

PERKESO is a government agency that provides social protection to private-sector employees, statutory bodies/government employees, self-employed individuals, and housewives, along with their dependents, against unforeseen circumstances such as accidents, disability, illness, death, and unemployment. This protection is based on the concept of social insurance with the principles of 'Prihatin' and 'leaves no one behind'. PERKESO operates through 54 offices, 5 Rehabilitation Centers, and 293 MYFutureJobs One Stop Centres across Malaysia. Visit www.perkeso.gov.my or contact the Customer Service Center at 1300 22 8000 for more information.

Produced by:

Communications and Corporate Affairs Division

PERKESO

27th August 2024

Any media inquiries contact:

Iklil Fatihah

+6019-7107479

fatihah.redzuan@perkeso.gov.my