



**FREQUENTLY ASKED QUESTIONS (FAQ)  
EXTENSION OF THE INVALIDITY SCHEME TO FOREIGN WORKERS UNDER  
THE EMPLOYEES' SOCIAL SECURITY ACT 1969 [ACT 4]**

**1. Who is categorised as a foreign worker under Act 4?**

- A non-Malaysian citizen who possess a valid travel document and work pass or permit issued by the Director General of Immigration for the purpose of working in Malaysia such as the Visitor's Pass (Temporary Employment) or other types of passes.

**2. When does the Invalidity Scheme for foreign workers begin?**

- The Invalidity Scheme for foreign workers starts on 1 July 2024.

**3. When does the contribution payment start for the Invalidity Scheme for foreign workers?**

- All foreign workers employed by employers shall contribute to PERKESO under the Invalidity Scheme effective 1 July 2024.
- For new foreign workers, employers shall register the foreign workers and pay contribution for both the Employment Injury Scheme and Invalidity Scheme starting from 1 July 2024, refer to question 4.
- For existing foreign workers, employers are only required to pay contribution for both the Employment Injury Scheme and Invalidity Scheme starting from 1 July 2024, refer to question 4.

**4. What is the rate of contribution to be paid by the employer and foreign worker under the Employees' Social Security Act 1969 (Act 4)?**

- With the coming into force of the Invalidity Scheme for foreign workers, employers shall pay the contribution based on the contribution rates for the employer share and foreign worker share as follows (<https://www.perkeso.gov.my/en/our-services/employer-employee/kadar-caruman.html>):

*a) First Category Contribution (Employment Injury Scheme and Invalidity Scheme)*

- For foreign workers who first enter the PERKESO scheme or contribute for the first time under the age of 55 years old.

*b) Second Category Contribution (Employment Injury Scheme only)*

- Foreign workers who have reached 55 years old when they first enter the PERKESO scheme; or
- Foreign workers who have reached 60 years old and are still working.

**5. Does the deduction of the employer's and foreign worker's share of the contribution must be stated in the payslip of the foreign worker?**

- Yes. The employer must ensure that the deduction of the employer's and foreign worker's share of the contribution are stated in the payslip and must be given to the foreign worker.

**6. When must the monthly contribution be paid to PERKESO?**

- Contribution for any month shall be paid no later than the 15<sup>th</sup> day of each succeeding month to PERKESO.
- For example, contribution for the month of July 2024 must be paid no later than 15 August 2024.

**7. What are the contribution payment methods available?**

- Employers can pay the contribution through the following channels:
  - a) Payment through ASSIST Portal (FPX)
  - b) Internet Banking

**8. Are there any changes on the contribution rate for foreign workers with the implementation of the Invalidity Scheme for foreign workers?**

- Yes. Please refer to the Third Schedule, First Category for the contribution rate on the PERKESO official website [www.perkeso.gov.my](http://www.perkeso.gov.my).

**9. How can employers obtain information on the contribution rates?**

- Employers can obtain more information on the contribution rates on the PERKESO official website <https://www.perkeso.gov.my/en/>.

**10. Will there be a transition period for employers to comply with the new contribution rates?**

- Employers shall pay the new contribution rates starting the contribution month of July 2024. For late payment of the new contribution rates, employers may be exempted from Interest on Late Payment of Contributions for a period of 6 months until December 2024, subjected to a submission of an appeal for the Interest on Late Payment of Contributions to PERKESO.

**11. If the employer fails to pay the new contribution rates after the transition period, what action will be imposed on the employer?**

- Employers who fail to pay the new contribution rates within the specified period will be charged Interest on Late Payment of Contributions and legal action may be taken under Act 4 whereby if convicted in court for committing the offence, can be fined up to RM10,000.00 or face up to two years imprisonment or both.

**For further enquiries, please contact PERKESO Customer Service at 1300-22-8000 or visit PERKESO's official website at [www.perkeso.gov.my](http://www.perkeso.gov.my) or email to [perkeso@perkeso.gov.my](mailto:perkeso@perkeso.gov.my) .**

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