

## EMPLOYMENT INSURANCE SYSTEM (EIS) / SISTEM INSURANS PEKERJAAN (SIP)

We wish to advise that EIS/SIP will be implemented wef January 2018.

### WHAT IS EIS/SIP?

EIS/SIP is a social security network, managed by PERKESO, set-up to help workers who have lost their jobs by providing them with:

- (a) financial assistance; and
- (b) job search, career counselling and job suitability support services.

Contributions from both employers and employees towards EIS/SIP shall be mandatory wef January 2018.

### SALIENT POINTS

<b>EMPLOYERS</b>	All private sector employers having one or more employees must register and contribute to this new scheme.
<b>EMPLOYEES</b>	All employees aged <b>between 18 years to 60 years old</b> must contribute to this scheme, except for the following categories of employees: <ul style="list-style-type: none"> <li>(a) Employees aged 57 years and above and no contributions has been paid before reaching 57 years.</li> <li>(b) Members of the public service of the Federation and the States</li> <li>(c) Employees of local authorities or statutory bodies</li> <li>(d) Civil servants and Domestic servants</li> <li>(e) Self-employed</li> </ul>
<b>REGISTRATION (by completing the relevant SIP forms *)</b>	<ol style="list-style-type: none"> <li>1. <b>New Employers</b> (New employers are <b>NOT</b> SOCSO-registered) <ul style="list-style-type: none"> <li>(a) SIP 1 Form – Employer’s registration form</li> <li>(b) SIP 2 Form – Employee’s registration form</li> </ul> </li> <li>2. <b>Existing Employers</b> (Employers who are <b>already</b> SOCSO-registered) <ul style="list-style-type: none"> <li>(a) SIP 1A Form – Employer’s notification form</li> <li>(b) SIP 2A Form – Employee’s notification form</li> </ul> </li> </ol> <p><i>* SIP Forms can be obtained from PERKESO website (<a href="https://www.perkeso.gov.my/index.php/en/employment-insurance-system-eis">https://www.perkeso.gov.my/index.php/en/employment-insurance-system-eis</a>)</i></p>

**SALIENT POINTS (CONT’D)**

<b>CONTRIBUTION RATE</b>	<ol style="list-style-type: none"> <li>The contribution rate for SIP is 0.4% of the employee’s monthly salary as follows: <ul style="list-style-type: none"> <li>Employer - 0.2%</li> <li>Employee - 0.2%</li> </ul> </li> <li>The <b>Contribution Table</b> (Second Schedule of Section 18) is attached (<i>Refer Attachment 2.2</i>)</li> <li>The contributions to the fund is capped at a salary level of RM4,000 a month</li> </ol>
<b>SIP SUBMISSION &amp; PAYMENT</b>	<ol style="list-style-type: none"> <li>Submissions and payments of SIP are due on or before <b>15th of every month</b></li> <li>The 1<sup>st</sup> SIP contribution shall commence <b>wef the January 2018 salary (i.e. due 15 Feb 18)</b></li> <li>Fines not exceeding RM10,000 or a imprisonment term of 2 years may be imposed for non-compliance with the SIP rules.</li> </ol> <p><u>Note:</u> SIP and normal SOCSO contributions are to be submitted <b>separately</b>.</p>

**MODE OF SIP PAYMENT**

The SIP payment can be made as follows:

1.	OTC PERKESO (Over the Counter)	<ul style="list-style-type: none"> <li>Cheque</li> <li>Postal order</li> <li>Money order</li> </ul>
2.	ONLINE PORTAL ASSIST (FPX – Financial Process Exchange)	<ul style="list-style-type: none"> <li>B2C - maybank2U</li> <li>B2B - maybank2e</li> <li>CIMBClicks</li> <li>CIMBBiz Channel</li> <li>RHBNow</li> <li>RHBReflex</li> </ul>
3.	OTC COLLECTOR AGENT (Ejen Pemungut)	<ul style="list-style-type: none"> <li>Bring along the ACR – Acknowledgement Contribution Received (pengesahan terimaan caruman)</li> </ul>
4.	ELECTRONIC FUND TRANSFER (EFT)	<ul style="list-style-type: none"> <li>Employers need to made payment through Bank Portal first, then update the payment details in the Assist Portal.</li> </ul>
5.	INTERNET BANKING	<ul style="list-style-type: none"> <li>Payment online</li> </ul>

**BENEFIT, QUALIFICATION & PROCESS OF CLAIMING OF SIP**

Please refer to <https://www.perkeso.gov.my/sip/> for more information.

**1 January 2018**