



RESPONSE BY MINISTER OF HUMAN RESOURCES TO QUERY BY THE STAR ON APPLICATIONS FOR WAGE SUBSIDY

PUTRAJAYA, 12 APRIL 2020 – The Wage Subsidy Programme, which was implemented on 1 April 2020, was announced by the Government as part of its economic stimulus package (Economic Stimulus Package Prihatin Rakyat) to cushion the economic impact arising from the COVID-19 pandemic. Its objective is to enable employers to continue operations without taking drastic measures such as laying off their workers, particularly those in the B40 group. Following feedback from various parties particularly the SMEs, YAB Prime Minister had unveiled PRIHATIN PLUS Economic Stimulus Package on 6 April 2020, which include enhancements to the Wage Subsidy Programme.

The Wage Subsidy Programme, administered by the Social Security Organisation (SOCSCO), an agency under the Ministry of Human Resources, now allocates different amount of wage subsidy for employers according to the size of their workforce. The subsidy per worker ranges from RM1,200 (for employers with 75 and fewer workers), RM800 (employers with 76 to 200 workers) and RM600 (201 and more workers). The wage subsidy is only applicable for local workers (up to a maximum of 200 workers per employer) who earn RM4,000 a month or less. One of the conditions for employers who receive the Wage Subsidy is they must retain their employees for at least 6 months, which includes 3 months during the subsidy period and 3 months thereafter.

SOCSCO Employment Insurance System (EIS) received an overwhelming applications from employers since the enhanced Wage Subsidy Programme was opened on Wednesday, 9 April 2020. By **10 April 2020**, the EIS received **a cumulative of 31,324 applications from employers, involving 299,858 employees**. **Selangor** recorded the highest number of applications from **8,963 employers, involving 85,915 employees**. Below is the summary on the number of applications received by 10 April 2020 based on enterprise size:

SIZE OF ENTERPRISE	NUMBER OF EMPLOYERS
≤75 Employees	30,798
76 – 200 Employees	448
≥ 201 Employees	78

Majority of the employers who applied for the programme are suffering from reduced cash flow and drop in sales amid the COVID-19 pandemic. Employers who receive the Wage Subsidy are advised to abide by the terms and conditions of the programme.

At the same time, SOCSCO also received a huge number of queries from the public on Wage Subsidy with almost **18,000 calls received since 6 April 2020**, excluding queries on the social media platforms. For further enquiries about the Wage Subsidy Programme, please email perkeso@perkeso.gov.my OR contact SOCSCO at **03-4264 5555 / 03-80915100 / 1-300-22-8000**.

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