

EMPLOYMENT INSURANCE SYSTEM (EIS)

Have your job recently being affected during this challenging period?

What is the Employment Insurance System (EIS)?

- The EIS was first implemented in January 2018 by SOCSO.
- It is a financial scheme aimed at helping employees who lost their jobs until they find new employment.
- The contributions are being collected in a fund in order to provide financial assistance to retrenched employees.
- It also aims to provide extended welfare coverage and aid in job search via career counselling and job-hunting assistance.

How the EIS can help you?

The Employment Insurance System Act covers all workers who are:

- Malaysian citizens/permanent residents
- Aged 18-60*
- Working in the private sector**
- Employed based on a contract of service

**Important exception: Workers aged 57 and above who have never paid contributions before that age are NOT covered by the EIS Act and are NOT required to contribute*

*** The EIS Act does NOT cover domestic workers, the self-employed, civil servants, and workers in local authorities and statutory bodies.*

Eligibility and Conditions

To successfully apply for benefits, employees covered by the EIS Act should fulfill the following conditions:

- Apply within 60 days after their **Loss of Employment (LOE)**.
- Meet our **Contributions Qualifying Conditions (CQC)** (i.e. must have paid contributions to SOCSO EIS for a minimum number of months within a specified period)
- Be unemployed under our definition of **Loss of Employment (LOE)**

What are considered as the Loss of Employment (LOE)?

The definition of Loss of Employment (LOE) includes:

- Normal retrenchment and redundancy.
- VSS/MSS (Voluntary/Mutual Separation Scheme).
- Closure of the company due to natural disasters.
- Bankruptcy or closure of the company.
- Constructive dismissal.
- Resignation due to sexual harassment or threats made in the workplace.
- Resignation after being ordered to perform dangerous duties that are not within the job scope.

What are not included under the Loss of Employment (LOE)?

The following **CANNOT** be accepted as Loss of Employment (LOE):

- Dismissal due to misconduct by the employee.
- Voluntary resignation.
- Retirement.
- The expiry of a fixed-term contract (includes unconditional termination of a contract based on an employer-employee agreement or the completion of the project stated in the contract).

How to apply?

You may apply online at or in person at any PERKESO office.

- Click on this link to apply online (<https://eis.perkeso.gov.my/eisportal/insured/appl/instruction>).
- When applying, please bring the following documents:
 - A copy of your NRIC.
 - Proof of Loss of Employment (LOE), e.g. a termination letter
 - A copy of your bank account information.
 - Pay slips for the last 6 months.

Employment Insurance System (EIS)

TYPES OF BENEFITS

The Employment Insurance System (EIS) Office offers two kinds of benefits, namely monetary benefits and job search assistance. The 5 types of monetary benefits are:

1 JOB SEARCH ALLOWANCE (JSA)

- A financial allowance for those who have lost their one and only job.
- Successful applications will be paid a monthly allowance for a minimum of 3 months and a maximum of 6 months.
- After receiving the first installment of their allowance, applications are required to prove that they are actively seeking jobs to receive subsequent installments.

2 REDUCED INCOME ALLOWANCE (RIA)

- A financial allowance for those who have multiple jobs and have lost at least one, but not all, of their jobs.
- Payment rates and the duration of payment are the same as that of JSA.
- Paid in a lump sum.

3 TRAINING FEE (TF)

- Vocational training for successful applicants.
- Training fees will be paid directly to training service providers.
- Successful applicants may receive up to 6 months of training at a maximum cost of RM4000

4 TRAINING ALLOWANCE (TA)

- Incentive paid to training recipients to encourage them to attend all their training sessions.
- Paid monthly (up to 6 months) at a rate of RM10 (minimum) - RM20 (maximum) per training day based on the applicant's Monthly Assumed Wages.
- Training recipients must prove that they have attended all training sessions to receive TA.

5 EARLY RE-EMPLOYMENT ALLOWANCE (ERA)

- A financial incentive paid to JSA recipients who manage to return to work when they are still receiving their allowance.
- It is worth 25% of the money that the recipient is entitled to but has not yet received.
- Successful applicants will be paid in a lump sum.

The Employment Insurance System Office also provides 2 kinds of job search assistance, namely:

1. Re-Employment Placement Program
 - Insured Persons who are registered with the Re-Employment Placement Program will receive one-on-one support from a SOCSO Employment Services Officer.
2. Career Counseling
 - A counseling service by SOCSO Employment Services Officers that aims to identify problems, such as a skills gap, that Insured Persons may face when deciding on a future career.

If you have any questions or require further assistance, please contact SOCSO via:

- Website: <https://www.perkeso.gov.my/index.php/en/>

- Email: eis@perkeso.gov.my

- Customer Service Hotline: 1 300 22 8000