

Advancing Regional Coordination and Bilateral Pathways for Portability of Social Security Benefits

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Centre

Introduction to PERKESO

Social Security Organization (PERKESO) was established under the Ministry of Human Resources of Malaysia in 1971

to administer and implement social security schemes under :

- **Employees' Social Security Act 1969 (Act 4)**
- **Employment Insurance System Act 2017 (Act 800)**
- **Self-Employment Social Security Act 2017 (Act 789)**
- **Housewives' Social Security Act 2022 (Act 838)**

Mission Statement

To provide a comprehensive social security protection from cradle to grave for the well-being of all



Social security protection schemes under PERKESO

1. **Employment Injury Scheme**
2. **Invalidity Scheme**
3. **Employment Insurance System**
4. **Self-employment Social Security System**
5. **Housewives' Social Security Scheme**

***Coverage For Foreign Workers under PERKESO**

What Social Security Schemes Foreign Workers Are Currently Entitled To Under PERKESO?

1. Employment Injury Scheme

Protection for foreign workers against an accident or an occupational disease arising out of and in the course of their employment including commuting accidents.

2. Invalidity Scheme

Protection for foreign workers who suffer from invalidity due to a permanent morbid condition resulting to an inability to earn a living, through work corresponding to his strength and physical ability, equivalent to at least 1/3 of the customary earnings of a normal worker. This scheme covers invalidity or death of the foreign worker irrespective of the cause.



Top 10 sender countries registered with PERKESO

-  Bangladesh
-  Indonesia
-  Nepal
-  Myanmar
-  India
-  Pakistan
-  Philippines
-  Thailand
-  China
-  Vietnam

The Journey

In line with ILO Convention C019 - Equality of Treatment (Accident Compensation) Convention, 1925 (No. 19)

2 April 1969 – 31
Mar 1993

1 April 1993
- 31 Dec
2018

1 January
2019

1 June 2021

1 July 2024

**What's
Next?**

Employees'
Social Security
Act 1969
(Act 4)
Received the
Royal Assent

Foreign Workers
Compensation
Scheme (FWCS)
under the
Workmen's
Compensation
Act 1952

**Administered by
Dept. of Labour**

PERKESO
Employment Injury
Scheme For Foreign
Workers under the
Employees' Social
Security Act 1969
(Act 4)

**Administered by
PERKESO**

Extension of social
security coverage
under the
PERKESO
Employment Injury
Scheme For Foreign
Workers to both
local and foreign
domestic workers

Extension of
Invalidity Scheme to
foreign workers
including foreign
domestic workers

BENEFITS

EMPLOYMENT INJURY SCHEME

- Medical Benefit
- Temporary Disablement
- Permanent Disablement
- Constant Attendance Allowance
- Funeral
- Dependants'
- Rehabilitation

INVALIDITY SCHEME

- Invalidity Pension
- Invalidity Grant
- Constance Attendance Allowance
- Funeral
- Suvivors' Pension
- Rehabilitation

FUNERAL REPATRATION REFUND

Challenges Faced

 Legal & administrative barriers

 Lack of reciprocity

 Fragmented ASEAN systems

 Awareness & compliance issues

Filling in the blank



Partnership with
MERCHANTRADE™

Benefit for Foreign Workers without Bank Accounts

Merchantrade Money Card

- Quick registration for Merchantrade Money Visa Prepaid Card*
- Receive salary directly into card
- Multi-currency eWallet (use card overseas)
- Local & Overseas ATM withdrawals
- Card-to-card transfers (peer-to-peer)

Merchantrade Money App

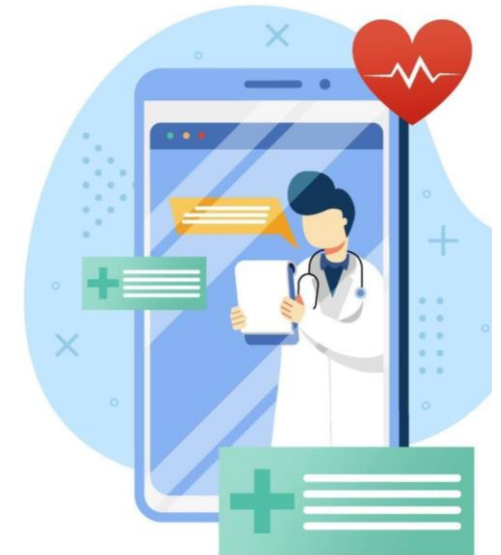
- Wallet size up to RM20,000
- Remittance via app moneyback home 24/7
- Local & International Mobile Top-up via app
- DuitNow QR enabled
- Salary Transparency

MM Card able to use globally, PERKESO will still be able to pay to FW overseas (Active Malaysian simcard required)

*Subject to List of Acceptable ID

Merchantrade Asia Sdn Bhd - Private & Confidential

PERKESO **MERCHANTRADE™**



ACare Sim Card Plan

Mobile prepaid service

+

FREE medical/funeral repatriation
to the home country
For 'unfit to work' cases

Merchantrade e-Wallet

Convenient choice for foreign workers
with no Malaysian bank account and
reduce payment rejection

Online Medical Board

Medical board assessments
carried out online for severe and
visible Permanent Disablement
cases involving foreign workers
who have returned to the home
country

Malaysia Case Study: 'First Step' To Portability

Memorandum of Collaboration (MOC)

A non-legally binding document outlining the collaborative initiatives between two organizations towards achieving shared objectives in the field of social security protection

Key Joint-Initiatives

Enhancing promotional initiatives

Expediting benefit delivery

Sharing of best practices in the field of social security protection

MOCs signed with PERKESO



BPJS Ketenagakerjaan
(Indonesia)



Social Security Board
(Myanmar)



Foreign Employment Board
(Nepal)



Ministry Of Overseas Pakistanis & Human Resources Development
(Pakistan)



Wage Earner's Welfare Board
(Bangladesh)

Conclusion

Migrant workers
central to ASEAN's
prosperity

Malaysia welcomes
discussion on
portable social
security

Advancing bilateral &
regional cooperation
= stronger ASEAN
solidarity