

MALAYSIAN GOVERNMENT TO INTRODUCE 24/7 SOCIAL SECURITY UNDER AMENDMENTS TO THE EMPLOYEES' SOCIAL SECURITY 1969

10 November 2025

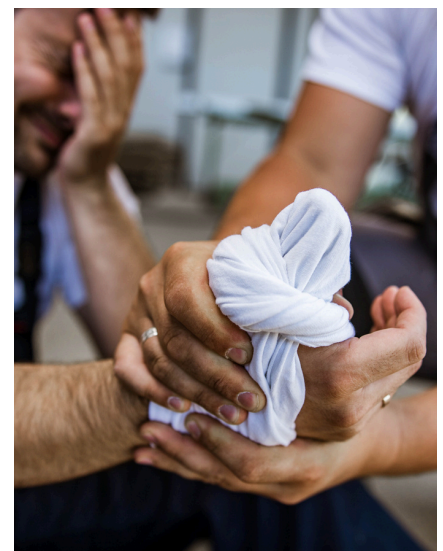
The Minister of Human Resources, Sim Chee Keong (“**Minister**”) presented the Employees’ Social Security (Amendment) Bill 2025 (“**the Bill**”) for the First Reading in the House of Representatives on 30 October 2025 and is now pending its second reading. Upon its being passed by the said House, the Bill will be presented to the Senate and if passed, for Royal Assent. The Bill will become law after it is gazetted and come into operation on a date or dates to be appointed by the Minister.

The key features of the Bill are as follows:

1. The Bill introduces a definition for the term ‘non-employment injury’ and specifies circumstances which do not fall within this definition:

‘Non-employment injury’ means a personal injury to the employee caused by accident not arising out of and in the course of his employment in an industry to which this Act applies and excludes the circumstances listed in the new Section 96B (see below).

2. Section 6(2) of the Employees’ Social Security Act 1969 (“**SOCSSO Act**”) is proposed to be expanded to include contributions for non-employment injury. Pursuant to the proposed changes, both employers and employees will be required to make contributions in respect of the Second Category of contributions under Section 6 of the SOCSSO Act – previously, only employers were required to make Second Category contributions. Together with their contributions in the First Category, total contributions made by employees may be utilised to cover non-employment injuries. Employers’ contributions will remain utilised for employment related injuries and invalidity only.
3. Sections 6(4) and 6(5) of the SOCSSO Act are to be amended to include three distinct phases for which contributions may be made: First Phase, Second Phase and Third Phase. Each Phase shall have a consecutive effective period, where the next Phase begins after the preceding one ends. According to the Explanatory Statement to the Bill, the commencement period for the First Phase, Second Phase and Third Phase will be as prescribed by the Minister.
4. The Third Schedule, which prescribes the rates of contributions, is also proposed to be amended as follows:
 - a) In respect of the First Category of contributions,
 - the Third Schedule will include separate rates for the three Phases – with the total contributions increasing in each Phase owing to increasing rates for “non-employment injury” (see below);
 - While the current Third Schedule lists contributions in accordance with “Employer’s Contributions” and “Employee’s Contributions”, the amended Third Schedule breaks this down further by identifying sub-categories of “invalidity”, “employment injury”, and insofar as only Employee’s Contributions are concerned, “employment injury” and a separate sub-category of “non-employment injury”;



- Contribution rates for employers across “invalidity” and “employment injury” sub-categories in the proposed amended Third Schedule remain the same as total employer contributions under the current Third Schedule and throughout all three Phases; and
- Employees will now be required to make additional contributions towards “non-employment injury”, with such contributions increasing per wage bracket in each Phase.

b) In respect of the Second Category of contributions,

- Structural changes are similarly introduced to show that “Employer’s Contributions” cover “employment injury” whereas “Employee’s Contributions” cover “non-employment injury”;
- Similarly, employer’s contributions remain the same as in the current Third Schedule and remain the same throughout the three Phases; and
- Newly introduced employee’s contributions will, however, increase across the Phases.



5. In respect of “non-employment injury” contributions, a new Section 9(3) proposes that where an employee has two or more employers at a time, the employee may choose one employer to whom contributions shall be made. Upon such choice being made, that employer will become responsible for making the non-employment injury contributions, although the obligation to pay for the same is solely the employee’s under the proposed amendments;
6. The Fourth Schedule of the SOCSO Act, relating to the applicable rates for disablement benefit and dependant’s benefit, is proposed to be amended. Significantly, relevant inclusions are made to cater for non-employment injury, such as the applicable rates for benefit entitlements arising out of non-employment injuries. The benefit payouts in the amended Fourth Schedule appear to be increased, in addition to increase in payouts across each Phase.

7. Through the introduction of new Sections 44A and 44B, the Bill will exclude the following circumstances from non-employment injury protection under the SOCSO Act:

- a) where the accident occurs outside Malaysia;
- b) in cases where the insured person is involved in any act that is punishable under Section 93, which relate to punishment for false information for the purposes of, amongst others, causing payment or benefit to be made under the SOCSO Act where no payment or benefit is authorised, or to avoid making any payment to be made by him under the SOCSO Act; and
- c) in the case of a foreign worker, where a valid pass or permit is misused or any entry requirements under the Immigration Act 1959/63 is breached.

8. In line with proposed changes, entitlement to benefits under Sections 15, 22, 26, 29, 37 and 57A of the SOCSO Act is proposed to also apply to situations of non-employment injury. This is proposed to be codified in a new Section 44C. Similarly, Section 44 of the SOCSO Act which excludes temporary disablement benefits for any day on which the person works and receives wages, is to be disappplied to situations of non-employment injury.

9. Finally, the Bill proposes two new sections as follows:-

<p>Section 96B</p>	<p>Specifies circumstances which shall not be considered as a non-employment injury as follows:</p> <p>a) The accident that occurred to the insured person is determined by the Social Security Organisation to be a self-employment injury under the Self-Employment Social Security Act 2017 or a domestic injury under the Housewives' Social Security Act 2022; or</p> <p>b) The insured person suffers from any condition caused by any disease.</p>
<p>Section 96C</p>	<p>Stipulates that an insured person shall not be entitled to receive both same or similar benefits under this or any Acts administered by the Social Security Organisation in respect of a same or related disablement that happened during the same period.</p> <p>In the event he is entitled to receive both same and similar benefits, the insured person or his dependant may choose one benefit that they want to receive.</p>

Comments

The Bill is proposed in line with a newly introduced “Skim Kemalangan Bukan Bencana Kerja” or “LINDUNG 24/7” initiative which aims to widen social safety protection to formal workers, 24/7. The Ministry of Human Resources (“**MOHR**”) said that the Government is committed to ensuring that every worker in Malaysia is always protected and in all circumstances.¹

According to a news report on 30 October 2025, MOHR has stated that from the year 2018 to 31 August 2025, a total of 26,865 claims were rejected on the ground that they were categorised as non-employment injuries.² This is a situation that can now be remedied through the implementation of the LINDUNG 24/7 initiative.

The Bill introduces an innovative mechanism allowing SOCSO-contributing employees, especially those who are unable to afford costlier separate insurance or takaful cover, to access financial protection for injuries or misfortunes sustained outside the course of employment. Importantly, the initiative does not impose additional contribution obligations on employers.

While the initiative is a welcomed development, certain uncertainties remain, particularly regarding the implementation timeline for each Phase. Employees, in particular those who already have insurance or takaful cover, may view the new requirement as an additional or unnecessary financial burden.

Overall, this Bill represents a progressive step towards recognising the modern realities of work and promoting inclusive protection for all categories of employees, including those engaged in flexible, hybrid, or remote work arrangements. The proposed amendments reflect a forward-looking commitment to building a more comprehensive and future-ready social security framework for Malaysia’s workforce.

The Bill can be viewed [here](#).

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¹ [Human Resources Ministry: Malaysia tables Bill for Lindung 24/7, expanding Socso protection to 10 million workers; Malay Mail; 30 October 2025.](#)

² [Perkeso to offer 24/7 coverage for workers; Star Online; 1 November 2025.](#)



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