



# APPLICATION FOR EMPLOYMENT RETENTION PROGRAM “ERP” AND / OR WAGES SUBSIDY PROGRAM “WSP”



PAKEJ  
**RANGSANGAN**  
EKONOMI

**2020**



The Malaysian government's Economic Stimulus Package includes 2 assistance programs designed to sustain employment i.e. **Employment Retention Program “ERP”** and **Wages Subsidy Program “WSP”** which were announced on 16th March and 6th April respectively.

## Description of the Programs

<b>ERP</b>	Payment of RM600 per month per employee who are requested by employers to take unpaid leave as a result of Covid-19 outbreak.
<b>WSP</b>	<ul style="list-style-type: none"> <li>❖ Wage subsidy scheme to employers subject to conditions set by Perkeso.</li> <li>❖ The quantum of assistance per employee per month depending on number of employees as follow:                             <ul style="list-style-type: none"> <li>✓ 75 or less employees      RM1,200.00 per employee per month</li> <li>✓ 76 to 200 employees      RM800.00 per employee per month</li> <li>✓ 201 employees or more      RM600.00 per employee per month</li> </ul> </li> <li>❖ Up to maximum threshold of 200 employees per applicant.</li> </ul>

## Duration of assistance

<b>ERP</b>	Commencing from 1 <sup>st</sup> March 2020 for period ranging from 1 month to 6 months.
<b>WSP</b>	<ul style="list-style-type: none"> <li>❖ Commencing from 1<sup>st</sup> April 2020 for period of 3 months.</li> <li>❖ The deadline for application of assistance is 15<sup>th</sup> September 2020.</li> </ul>

## Eligibility

ERP	<ul style="list-style-type: none"><li>❖ All private sector employees whose monthly wages is RM4,000 or less, and contributing to Perkeso's Employment Insurance System (EIS)</li><li>❖ Employees have to be required to take at least 30 days unpaid leave</li></ul>
WSP	<ul style="list-style-type: none"><li>❖ The employer and employee must be registered with PERKESO or contributing to EIS before 1<sup>st</sup> April 2020.</li><li>❖ Employers must have registered with Suruhanjaya Syarikat Malaysia (SSM – Companies Commission of Malaysia) or Local Authority (PBT) before 1 January 2020.</li><li>❖ Employers must have commenced business operations before 1<sup>st</sup> January 2020.</li><li>❖ Monthly wages of subsidized employees must not exceed RM 4,000.00</li><li>❖ Employers who elect to receive this assistance must undertake to retain their employees for a period of 6 months. Employers are also not allowed to reduce the employees' salary, force employees to take unpaid leave nor retrench the employees during this 6 months' period.</li><li>❖ For businesses with more than 75 employees, applicants must provide evidence that it suffers a decrease of 50% or more in sales or revenue as compared to the month of January or subsequent months</li></ul>

## Payment mode

ERP	Payments will be credited to employers' bank account and employers must then credit the funds to the bank accounts of employees within 7 days from receipt of payment
WSP	Payments will be credited to employers' bank account within 7 to 14 days after the application have been approved

Employers can apply for both ERP and WSP provided that the same employees are not given 2 aid packages in the same month.

Employers who been granted WSP are required to submit certain information updates to Perkeso. Failure to do so may result in legal action taken against the employer.

If you require assistance to apply for ERP and/or WSP, please do not hesitate to contact us:



Mr Lee Wee Tak  
Head of Outsourcing  
[leewt@rsmmalaysia.my](mailto:leewt@rsmmalaysia.my)

### Business Process Outsourcing

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### RSM Outsourcing (Malaysia) Sdn Bhd (877534-V)

+603 2610 2888 (Kuala Lumpur)

+607 276 2828 (Johor Bahru)

General Email: [askus@rsmmalaysia.my](mailto:askus@rsmmalaysia.my)

Website: [www.rsmmalaysia.my](http://www.rsmmalaysia.my)

