

MEF lauds Penjana's RM50m gig economy grant

05 JUN 2020 / 21:58 H.



KUALA LUMPUR: The Malaysian Employers Federation (MEF) lauded the government's move to introduce a matching grant of up to RM50 million for gig economy platforms in the National Economic Recovery Plan (Penjana).

Executive director Datuk Shamsuddin Bardan (*pix*) said the initiative would provide social protection for workers in the gig economy through the Social Security Organisation (Socso) and Employees Provident Fund (EPF).

"This would ensure that gig workers would be covered for unemployment injuries and also provide them with some savings in their old age," he said in a statement today.

On the wage subsidy programme, he said the government should consider allocating more funds and extending the programme as the negative impact from the COVID-19 pandemic might extend to next year.

"Employers would also be encouraged to hire those who are jobless and youths as the government had allocated RM1.5 billion for the Employee Incentive Programme for the benefit of an estimated 300,000 job seekers," he said.

He said the training incentives under Penjana would also encourage employers to engage with those who are unemployed and youths; providing them with the necessary skills and knowledge, especially in information technology in light of the Fourth Industrial Revolution (IR 4.0).

Meanwhile, he said the setting up of a Special Committee on National Employment – to be jointly led by Ministry of Finance and Ministry of Human Resources -- was a step in the right direction to ensure coordination on the kinds of careers to be pursued by new entrants to the labour market.

“The new labour market is expected to shift more towards shorter term employment and freelancing,” he added.

Under the short-term economic recovery plan announced by Prime Minister Tan Sri Muhyiddin Yassin today, the government will provide a matching grant of up to RM50 million for gig economy platforms which contribute towards Socso’s employment injury scheme and EPF’s i-Saraan scheme.

The government also allocated RM5.3 billion for the wage subsidy programme to encourage employers to retain their employees and RM2 billion for reskilling and upskilling programmes for youth and unemployed workers. — *Bernama*

<https://www.thesundaily.my/local/mef-lauds-penjana-s-rm50m-gig-economy-grant-BA2516131>