



WORKER RIGHTS · MALAYSIA

Working in Malaysia: Your Rights

What every worker should know, in plain language. No legal jargon.

Read this first — since January 1, 2023, the Employment Act 1955 covers you whatever you earn. The old wage ceiling is gone for the Act's core rights. Under it sits a single national wage floor set by gazette order, two social-security systems every formal worker pays into, and the strongest dismissal protection in this series: an employer who fires you unfairly answers to the Industrial Court, and your first move costs nothing and takes a letter, not a lawyer. This guide states the law of Peninsular Malaysia.

General information only — not legal advice.

As of October 2026 · Prepared by JYNX Recruiting · jynxrecruiting.com

The Wage Floor

- One national minimum wage, set by gazette order (Minimum Wages Order 2024, P.U. (A) 376): RM1,700 a month. The hourly rate is RM8.72; the daily rate is RM65.38 on a 6-day week, RM78.46 on a 5-day week, and RM98.08 on a 4-day week.
- The rate has been in force since February 1, 2025, for all employers — the staged rate for employers with fewer than five staff ended August 1, 2025.
- Piece-rate, tonnage, task, trip, and commission workers are guaranteed the same monthly floor. Domestic servants are outside the Order.

Who the Act Covers

- The Employment Act 1955 applies to every employee, regardless of wages. Only a small set of money provisions — overtime and the rest-day and public-holiday premium sections among them — still falls away above RM4,000 a month, and manual workers and the manual categories keep full cover even there.

Sabah and Sarawak have their own labour ordinances. This guide states the Peninsular law — do not assume a rule here applies in East Malaysia.

Hours and Overtime

- No more than 45 hours of work a week and no more than 8 hours a day, with a 30-minute break after 5 consecutive hours, a daily spread-over of no more than 10 hours, and ONE whole rest day a week.
- Overtime pays 1.5 times your hourly rate on normal days. Work on a rest day pays up to 2 times. Work on a public holiday pays the holiday wage plus 2 days' wages, with hours beyond the normal day at 3 times.

Leave

- Public holidays: 11 gazetted days, of which 5 cannot be substituted by your employer.
- Annual leave rises with service (s. 60E): 8 days with under 2 years of service, 12 days from 2 to 5 years, and 16 days at 5 years and beyond.
- Sick leave: 14 days with under 2 years of service, 18 days from 2 to 5 years, and 22 days beyond — plus up to 60 days for hospitalisation.
- Maternity leave: 98 days. Paternity leave: 7 days.

Getting Paid

- Wages must be paid no later than the 7th day after the wage period ends (s. 19).
- Deductions from your wages are a closed statutory list (s. 24) — your employer may deduct only what the Act allows — and total deductions may not exceed 50% of a month's wages.

EPF: Your Provident Fund

- The Employees Provident Fund is the deduction you will see on every payslip. If you are a citizen or permanent resident under 60, you contribute 11% of your wages, and your employer contributes 13% on wages up to RM5,000, or 12% above that — into your own KWSP account.
- **FOREIGN WORKERS:** from October 1, 2025, EPF membership is mandatory for non-citizen employees too — 2% from you and 2% from your employer (KWSP's release of October 1, 2025).

SOCSSO and EIS

- SOCSSO, run by PERKESO, is your injury and invalidity cover. First Category contributions total 1.75% from your employer plus 0.5% from you; Second Category is 1.25%, employer only.
- The Employment Insurance System (EIS) covers job loss: 0.2% from you and 0.2% from your employer, on wages up to RM6,000.

Ending a Job

- Notice, where your contract is silent (s. 12): 4 weeks with under 2 years of service, 6 weeks from 2 to 5 years, and 8 weeks beyond.
- **TERMINATION BENEFITS** (under the 1980 Regulations): after 12 months of service, you are owed 10 days' wages for each year of service under 2 years, 15 days' wages per year from 2 to 5 years, and 20 days' wages per year beyond — payable within 7 days of the termination.

Unfair Dismissal

- If you believe you were dismissed without just cause or excuse, you may make a written representation to the Director General of Industrial Relations within 60 DAYS of the dismissal (s. 20).
- The Department conciliates first. Unresolved cases can be referred to the Industrial Court.

Do not let the 60 days run. The letter is the whole first move — no lawyer required.

Harassment and Discrimination

- Sexual harassment: your employer has a legal DUTY to inquire into any complaint (Part XVA, ss. 81A–81H of the Act).
- For other discrimination, the Director General of Labour holds an inquiry power over discrimination disputes (s. 69F). Malaysia has no broader general employment-discrimination statute in the official texts reviewed.

If Something Goes Wrong

- Complaints about wages and Employment Act breaches go to the Labour Department (Jabatan Tenaga Kerja).
- Dismissal representations go to the Industrial Relations Department, on the s. 20 route above.