



# GMS Flash Alert

## Immigration Edition

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# Malaysia - Update on Advertising Vacancies Requirement

Malaysia's Social Security Organisation (SOCSO) recently updated the process and requirements for advertising vacancies in the MYFutureJobs portal (MFJ) prior to offering positions to expatriates.<sup>1</sup> The changes, which include removing the conditional exemption for specialised skills positions and shortening the advertising period to 14 days, were effective 15 June 2023.

## WHY THIS MATTERS

Advertising vacancies on MFJ prior to hiring of expatriates is mandatory before applying for the Employment Pass (EP) for expatriates, unless the position falls under the automatic exemption from advertising. In the update, the duration of advertisement has been shortened, but the conditional exemption for positions necessitating specialised skills is no longer available. Therefore, it is imperative for talent acquisition and human resources teams to be aware of the changes to factor into their companies' expatriate hiring plans.

## Background

Advertising vacancies on MFJ prior to hiring expatriates, which has been required since January 2021,<sup>2</sup> is one of the Malaysian government's efforts to improve employability of local talent. However, in some sectors, the roles require experienced workers with specific skill sets to execute the duties of the job. Often, scarcity of experienced talent with the needed skill sets among the local talent pool has prompted companies to consider hiring expatriates as an alternative to fill the skills gaps.

## More Details

Based on the recent updates, there are three (3) key changes that would govern a company's expatriate hiring plan.<sup>3</sup>

1. **Advertisement duration** – The minimum advertisement duration has been reduced from 30 days to 14 days.
2. **Reporting method** – Companies may submit a "Hiring Outcome Report" on day eight (8) after advertising the vacancies for issuance of a support letter (i.e., *Surat Perakuan Pengiklanan*) to SOCSO's functional mailbox ([papd@perkeso.gov.my](mailto:papd@perkeso.gov.my)). Under the previous procedure, the report was emailed to the respective state officer-in-charge to procure SOCSO's approval for expatriate hiring.
3. **Conditional exemption** – The exemption for specialised / niche skills has been abolished.

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## KPMG INSIGHTS

Changes made in this recent announcement could have a positive impact on a company's expatriate hiring plan as the procedure is shortened from 30 days to 14 days. With the application for the support letter to facilitate the EP application on day 8, it reduces the overall duration for completing the pre-requisite requirement before the EP application.

Note that the application for the support letter will not be processed if it is being submitted before day 8 of advertising.

The changes can help indirectly improve a company's productivity, notwithstanding the conditional exemption has been abolished. When the conditional exemption was available, it was still mandatory to advertise the vacancies before applying for the exemption.

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## FOOTNOTES:

- 1 See (in Malay) [Frequently Asked Questions, MYFUTUREJOBS Advertisement For Trade Officer Employment \(Expatriates\) in Peninsula Malaysia and the Federal Territories No. 1/2023 \(15 June 2023\)](#).
- 2 For prior coverage, see [GMS Flash Alert 2021-018](#), 13 January 2021.
- 3 See (in Malay) [Advertisement on MyFutureJobs Portal for Hiring of Expatriates](#) .

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