



HRDF CRACKS DOWN ON ERRANT EMPLOYERS

KUALA LUMPUR, 21 December 2018 – Following investigations by the Regulatory and Enforcement Department of the Ministry of Human Resources and the Human Resources Development Fund (“HRDF”), more than 7,000 Malaysian employers are in the process of being compounded for failing to register with the Fund as required under the Pembangunan Sumber Manusia Berhad (“PSMB) Act 2001.

Earlier this year, through an announcement by the Minister of Human Resources YB M Kula Segaran, liable employers were given a grace period to register with HRDF. “According to the law, they have already committed the offence. But going to court will be our last resort. So, employers who might have overlooked and not yet contributed are given time until 30 June 2018.”

The announcement was made over six months ago and HRDF has started taking action against liable employers, who have avoided registering after the grace period. These employers can face a maximum fine of RM10,000 or a maximum one-year jail term or both. As of 2 November 2018, the Fund has identified close to 24,000 employers who are potentially liable to register with it.

“All too often, business owners don’t make training a priority for their local employees. They think these are expensive or they have to dedicate a large amount of time and resources for training programmes. In this instance, the HRDF urges all employers to view the Fund as a means to achieve a shared prosperity for employers and employees in the pursuit of a developed Malaysia.” said the Fund in a media statement today.

HRDF hopes that every Malaysian employee is aware that continuous learning is the key to keeping or re-gaining a good job. “Learning and development could bring considerable benefits both to the employee and the business in which they are employed,” continued the Fund.

Employers from 63 subsectors from manufacturing, services and mining & quarrying sectors are required to pay a Human Resources Development levy to promote the training and development of their Malaysian employees, apprentices and trainees.

To find out if you are a liable employer, you can check your eligibility on the HRDF's website - www.hrdf.com.my by filling out Form 1A under the tab "Registration of Potential Liable Employer".

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About the Human Resources Development Fund (HRDF) or Kumpulan Wang Pembangunan Sumber Manusia

Tracing its origin to the Year 1993 as Majlis Pembangunan Sumber Manusia, the Human Resources Development Fund (HRDF) or Kumpulan Wang Pembangunan Sumber Manusia is an agency under the purview of the Ministry of Human Resources Malaysia.

Governed by the Pembangunan Sumber Manusia Berhad Act 2001 (PSMB Act 2001), HRDF was given the mandate by the Malaysian Government to catalyse the development of competent local workforce that will contribute to Malaysia's vision of becoming a high-income economy.

Since its inception, HRDF has evolved from managing a sizeable fund to becoming a one-stop-centre for providing novel human capital development solutions to its registered employers and the critical mass of Small, Medium Enterprises in Malaysia.

Additionally, HRDF continues to be steadfast in its effort towards encouraging employers covered under the PSMB Act 2001 to re-train and upgrade the skills of their local employees, apprentices and trainees in keeping with the fast-evolving global business landscape while meeting the aspirations of their respective company/companies.

More information is available at www.hrdf.com.my

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