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KESUMA AND HRD CORP BROUGHT SENIOR ASEAN LEADERS TOGETHER AT THE INAUGURAL ASEAN SKILLS FORUM

Minister also announced key enhancements to HRD Corp's levy Allowable Cost Matrix (ACM) to boost high value and flexible learning activities

Kuala Lumpur, 3 October 2024 – The Ministry of Human Resources (KESUMA) through Human Resource Development Corporation (HRD Corp), has organised the inaugural ASEAN Skills Forum (ASF) in collaboration with the International Labour Organization (ILO), today.

The forum was officiated by the Minister of Human Resources, Yang Berhormat Steven Sim Chee Keong who was joined by the Secretary General of the Ministry of Human Resources, Datuk Azman Mohd Yusof, Chief of Skills and Employability Branch of the International Labour Organization (ILO), Mr Srinivas B Reddy, HRD Corp's Chairman, Datuk Abu Huraira Abu Yazid, and HRD Corp's Chief Executive, Datuk Wira Shahul Dawood.

ASF brought together a diverse group of stakeholders from across ASEAN, including representatives from government, employer federations, workers' unions, and international partners, to facilitate the important discussion on the critical challenges and opportunities in human capital development in the region. Over 200 delegates from 16 countries were present, including representatives from the Philippines, Thailand, Cambodia, Brunei, Indonesia, Vietnam, Singapore, India, and Austria, among others.

The forum focused on discussions around harmonising skills development strategies across the region. This is an important conversation as Malaysia prepares to assume the ASEAN Chairmanship in 2025 and propose the ASEAN Year of Skills (AYOS) 2025 which is expected to kick off in January next year. AYOS 2025 which will be spearheaded by KESUMA through HRD Corp, aims to drive numerous skills development programmes and activities throughout the region for the year.

Speaking at the ASF, the Minister of Human Resources, YB Steven Sim Chee Keong said, "Since the mid-20th century, Malaysia has received investments from top high-tech industries from all around the world beginning with the 'Eight Samurais in Penang' - Intel Corporation, Hewlett-Packard (now Keysight Technologies and Agilent Technologies), Robert Bosch, AMD, Litronix (now ams OSRAM), Hitachi (now Renesas), Clarion and National Semiconductor. Today, Malaysia is hosting global tech players such as Nvidia, Micron, Infineon, Geely, Rongsheng, Microsoft, Google, Bytedance, AWS and more with over RM30 billion in investments. Therefore, it is imperative that Malaysia work alongside our ASEAN counterparts to attract, nurture and sustain a steady stream of highly skilled, dynamic and diverse talent pool."

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During his speech, Mr Srinivas B Reddy said that he looks forward to the envisioned AYOS 2025 and is excited about the possibilities that this initiative will bring. He also hoped that workers, especially those who are vulnerable will continue to be empowered so that every individual has the opportunity to thrive.

“ASEAN has always been an inspiration for the ILO. I believe that we can learn from the region and also share our best knowledge with you. Through the forum today, I encourage everyone to reflect on their role. Whether you are a policymaker, educator, business leader, or advocate, your contributions are vital in shaping a brighter future of work in ASEAN,” added Mr Srinivas.

Speaking at the forum to provide more details on the initiative, Datuk Wira Shahul Dawood, Chief Executive of HRD Corp said, “With a population of over 690 million and total labour force of 340 million, ASEAN holds a strategic position in the global labour market and ASEAN's workforce has the potential to drive regional and global economic growth, provided that skills development keeps pace with the evolving needs of industries. Therefore, it is imperative that ASEAN member nations address the key challenges affecting the region's labour market, including formalising the informal sector, youth unemployment, gender inequality, brain drain, social protection and skills development.”

Datuk Wira Shahul added that AYOS 2025 aims to address these challenges by supporting sustainable growth and competitiveness, bridging skills gaps and ensuring that the ASEAN workforce meets industry needs. This will be achieved through focused training programmes and continuous upskilling, preparing individuals for new job opportunities. Additionally, AYOS 2025 will facilitate a regional talent exchange, allowing skilled professionals to move across ASEAN nations, helping to share knowledge and address local skill shortages while boosting collaboration and innovation.

During the forum the Minister of Human Resources also announced key enhancements to the HRD Corp Allowable Cost Matrix (ACM), aims at setting the stage for Malaysia's own skills development efforts. ACM is a guide for HRD Corp registered employers and training providers on the allowed claimable cost, maximum claim and claim eligibility for different types of training programmes through the human resource development levy.

Among the enhancements included, allowing for course fees to be claimable based on hourly rates instead of the previous half-day or full-day rates. This will enable employers to take advantage of shorter-duration training programmes, such as professional development courses and flexible micro-credential courses. Beyond that, HRD Corp will also raise the ceiling for course fees to up to RM1,500 per hour or RM10,500 per day, from the previous RM6,000 per day. This will enable employers to provide more high-quality and high-value training programmes for their employees, in line with industry demands.

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About Human Resource Development Corporation (HRD Corp):

Human Resource Development Corporation (HRD Corp) was established in 1993 as the Human Resources Development Council. It was incorporated into Pembangunan Sumber Manusia Berhad through the enactment of the Pembangunan Sumber Manusia Berhad Act 2001.

As an agency under the Ministry of Human Resources, it is responsible for collecting levies from key industries and disbursing training grants to registered employers through its internal mechanisms known as the Human Resources Development Fund (HRDF).

In April 2021, HRDF became HRD Corp. The name change reflects its new responsibilities, directions and mission. These include expanding its workforce, upskilling and reskilling efforts to all Malaysian employers and individuals, and providing income-generating opportunities to all communities in need. This transformation is in line with HRD Corp's ambition of driving Malaysia's talent development aspirations for the long term.

For more information, visit the HRD Corp website – www.hrdcorp.gov.my.