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Kulit 6  
*Date* : 1 August 2010

**EMPLOYERS CIRCULAR NO. 16/2010**  
**REVISED TERMS AND CONDITIONS**  
**UNDER THE HUMAN RESOURCES DEVELOPMENT FUND**

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**1.0 PURPOSE**

- 1.1 The purpose of this Circular is to inform employers on the revised terms and conditions under the Human Resources Development Fund (HRDF) including claim procedures for training grants.

**2.0 BACKGROUND**

- 2.1 The main focus of the New Economic Model (NEM) that was launched on 30 March 2010 is to enhance the quality of the workforce through skills training.
- 2.2 Currently, only 23% of the total workforce is employed in the higher skilled jobs bracket reflecting the low level of educational attainment among a large segment of the workforce. The Government aims to achieve a target of 33% of the workforce being employed in the higher skilled jobs bracket by 2015, and up to 50%

by 2020 as outlined in the Tenth Malaysia Plan. It is PSMB's role to assist the nation in achieving the objective by intensifying skills upgrading of the workforce.

- 2.3 PSMB had simplified its claim procedures for training grants to encourage more training activities to be organised and also to assist employers in utilising their human resources development (HRD) levy.

### **3.0 REVISED TERMS AND CONDITIONS OF THE HRDF**

- 3.1 To assist employers in upgrading the skills and knowledge of their workers, the following terms and conditions have been approved to encourage more training activities to be organised and the HRD levy to be fully utilised:

- (i) There is no limitation in terms of financial assistance for employers to send their workers to attend seminars and conferences. The 20% limit on the preceding year's total levy payment has been abolished.
- (ii) Forum, symposium, congress, colloquium, convention, summit and orientation programmes have been classified as a form of training and are claimable under the HRDF.
- (iii) Half-day training programme with a minimum of four hours are eligible for financial assistance. The approved allowable cost shall also be half of a full-day financial assistance.

- (iv) Training can be organised by third party such as event managers or training providers. The amount of financial assistance eligible to be claimed remains the same.
- (v) Examination fee, registration fee, Goods and Services Tax (GST) and other government tax can be claimable besides course fee.

#### **4.0 SIMPLIFIED CLAIM PROCEDURES**

- 4.1 The effectiveness of training under the HRDF is measured not only based on output but the outcome and its impact in terms of cognitive gain and skills change through increased knowledge and skills intensity to improve job performance. Measurement can also be in the form of enhancing productivity and competitiveness of the country.
- 4.2 To facilitate training and improve its delivery system, the following application and claim procedures for training grants have been simplified:
  - (i) Supporting documents required to claim for training grants are receipt for course fee, hotel package, transportation cost and air tickets. Receipts made under the name of participants attending training are also acceptable.
  - (ii) The usage of declaration forms for cost of meals (TR/EMP), consumable training materials (TR/2) and daily allowance (TR/1) have been abolished.

- (iii) Course fee will only be prorated if trainees' attendance is less than 50% and less than 5 trainees for in-house training programmes.
- (iv) The requirement for employers to nominate authorised officers to sign claim forms have been abolished.
- (v) Employers can use any form of attestation to certify photostatted copies of supporting documents as long as it bears the name and designation of the officer making the attestation.
- (vi) Course fee for in-house programme will not be prorated even if the actual number of participants attending the training exceeded the number of participants approved as long as the amount of course fee claimed is within the approved limit.
- (vii) Hotel package for in-house programme will not be prorated even if the actual number of participants attending the training exceeded the number of participants approved as long as the amount of training grant claimed for the hotel package expenses is within the approved limit.
- (viii) Employers are allowed to claim for transportation cost based on the number of trips and not by the number of participants attending the training programme.
- (ix) Training grant claims with different programme title will still be processed as long as it gives the same meaning of the approved programme title.

## **5.0 EFFECTIVE DATE**

5.1 The effective date of this Circular is 1 August 2010.

## **6.0 CLOSING**

6.1 Please feel free to contact our Customer Service Centre at (03) 2096 4600 or (03) 2096 4819 should you require further clarification or assistance.

Thank you.

***"PEKERJA TERLATIH MENJANA KECEMERLANGAN"***  
***"PEKERJA BERINOVASI PEMACU TRANSFORMASI"***

Yours sincerely,

**(AMIRNUDDIN BIN MAZLAN)**

Chief Executive

Pembangunan Sumber Manusia Berhad