



PEMBANGUNAN SUMBER MANUSIA BERHAD  
(Human Resources Development Berhad)  
WISMA PSMB  
JALAN BERINGIN, DAMANSARA HEIGHTS  
50490 KUALA LUMPUR

Tel : 03- 2096 4800

Fax : 03- 2096 4999

15th May 2008

---

## EMPLOYER CIRCULAR NO. 4 / 2008

### TRAINING INCENTIVE SCHEME FOR SMALL ENTERPRISES

#### 1. PURPOSE

- 1.1 The purpose of this Circular is to inform employers and training providers that the government has provided an allocation to enable PSMB to continue the Training Incentive Scheme for small employers registered under the Human Resources Development Fund (HRDF). Only registered employers from the manufacturing and the services sectors with 10 - 49 workers and a paid-up capital of less than RM2.5 million are eligible for the training incentive at the rate of RM1.00 for every RM1.00 spent on retraining and skills upgrading of their employees.

#### 2. OBJECTIVE OF TRAINING INCENTIVE SCHEME

- 2.1 The objective of the Training Incentive Scheme is to encourage small employers to systematically retrain and upgrade the skills of their employees.

#### 3. IMPLEMENTATION OF THE TRAINING INCENTIVE SCHEME

- 3.1 The rate of the training incentive is RM 1.00 for every RM 1.00 levy spent on retraining and skills upgrading by the small employers

- 3.2 As the fund is limited and in order to distribute the training incentive widely, the incentive will be allocated as follows: -

a) the availability of the incentive will be based on "first come, first served" basis for training claims submitted and not based on approvals for training grants.

b) the incentive will be allocated by State based on the percentage of small employers located in each State.

c) each small employer will be given incentive up to a maximum number of 2 claims per month.

d) the training incentive is **applicable only** for training provided by training providers registered with PSMB and in-house training conducted by employers' personnel as internal trainers. Small employers can check the list of registered training providers at [http://www.hrdnet.com.my/hrdnet/PSMBskim/prolus08\\_result.cfm](http://www.hrdnet.com.my/hrdnet/PSMBskim/prolus08_result.cfm) and [http://www.hrdnet.com.my/hrdnet/PSMBskim/khas08\\_result.cfm](http://www.hrdnet.com.my/hrdnet/PSMBskim/khas08_result.cfm)

3.3 The training incentive is **not applicable** for the schemes as follows :-

- a) Purchase of Training Equipment And Setting Up of Training Room Scheme;
- b) Information Technology And Computer-Aided Training Scheme;
- c) Computer-Based Training Scheme; and
- d) Juruplan Scheme.

#### **4. REQUIREMENTS ON TRAINING PROVIDERS RELATED TO TRAINING INCENTIVE SCHEME**

- 4.1 Training providers have to conduct training programmes in accordance to what were approved. PSMB will conduct periodic audits to verify training conducted under this Training Incentive Scheme.
- 4.2 Training Providers are advised to keep evidence of training conducted in the form of digital photographs or video clips of training (i.e. faces of all participants, trainers, training manuals / handouts and backdrop [if backdrop is applicable]) on each day of the training. The photographs / video clips must be kept by Training Providers and to be submitted (email) when requested by PSMB.

#### **5. EFFECTIVE DATE**

The Training Incentive Scheme will take effect for training programmes that are given grant approval and commence from **1 June 2008** and the scheme will end when **the allocation is fully spent**.

Thank you.

**"PEKERJA TERLATIH MENJANA KECEMERLANGAN "**  
**"PEKERJA INNOVATIF NEGARA KOMPETITIF"**

Yours Sincerely,

**(LIM KAH CHENG)**  
General Manager  
Small and Medium Enterprises Division  
for Chief Executive  
Pembangunan Sumber Manusia Berhad