



EMPLOYERS CIRCULAR NO. 8/2005

MAXIMUM FEE ALLOWABLE FOR PUBLIC PROGRAMMES

1. PURPOSE

- 1.1 The purpose of this circular is to inform employers and training providers on the maximum fees allowable for public programmes that are conducted in Malaysia .

2. BACKGROUND

- 2.1 It has been found that over the years, the increase in the number of training places is not in tandem with the increase in financial assistance approval. A comparative analysis was conducted on the applications from employers for financial assistance between public and in-house training programmes. The study revealed that the number of applications for public programmes was more than the number for in-house programmes.
- 2.2 It has also been observed that fees for public programmes conducted locally have increased and the feedback received from employers was that PSMB should take action to control this increase which can be quite enormous at times.
- 2.3 It has also been observed that there are training providers who specialise in organizing public programmes using foreign trainers. Some of the offered programmes are non-technical or specialized in nature but the fees charged are very high. On the other hand, it is felt that there are local trainers who are competent to conduct similar programmes.

3. ANALYSIS CONDUCTED

- 3.1 Since late last year, training fees for public programmes costing more than RM1000 per day were monitored. Many public programmes with generic skills costing more than RM1000 per day were rejected. The implementation of this measure had annoyed some employers and training providers. Suggestions were put forward that PSMB should at least provide partial approvals to limit the amounts to be approved and the balance of the fees be borne by employers.
- 3.2 A detailed analysis was conducted and training providers were requested to put forward their costings when conducting public programmes using local and foreign trainers. Based on the feedback from training providers, a decision was made that the use of local trainers be encouraged but PSMB will also continue to support programmes conducted by foreign trainers.

4. CONCLUSION

- 4.1 In line with our objective to encourage the re-training and skills upgrading of employees and the maximum allowable fee for public programmes will be at the rate of RM1,000.00 per day. Any amount in excess of this will be borne by employers.
- 4.2 This circular is effective as from 18 August 2005 .

Thank you.

**“PEKERJA TERLATIH MENJANA KECEMERLANGAN”
“PEKERJA CEMERLANG NEGARA TERBILANG”**

Yours sincerely,

(MEJ (B) VAN WENG HONG)

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for Chief Executive
Pembangunan Sumber Manusia Berhad
c.c PSMB Registered Training Providers