

HRDF deal to boost income target

MoU targets 2.8 million Malaysians eligible for skills training by 2020

KUALA LUMPUR: About 2.8 million Malaysians will be eligible for up-skill and re-skill training by 2020.

This comes with the signing of a Memorandum of Understanding (MoU) between the Human Resources Development Fund (HRDF), an organisation under the Human Resources Ministry, and six employers associations.

The MoU will encourage more companies to register with the HRDF for training and help Malaysia reach its target to become a high-income nation.

Currently, two million employees are eligible for training under HRDF as there are only 19,122 employers across three major economic sectors such as manufacturing, service, and mining and quarrying that are registered with it.

The number is expected to rise to about 800,000 more over the next three years with the recent amendments made to the HRDF Act 2001.

The amendments, which came into effect in April, have streamlined the eligibility criteria for employers within those sectors that employ a minimum of 10 local employees.



Movers and shakers: (From left) ACCCIM vice president Tan Sri Tan Seng Leong, SME Association of Malaysia president Datuk Micheal Kang, MEF executive director Datuk Shamsuddin Bardan, HRDF chief executive officer Datuk C.M. Vignaesvaran, HRDF board of directors chairman Datuk Dr Abd Razak Abdul, Riot, Human Resources Ministry secretary-general Datuk Seri Adenan Ab Rahman, MAICCI president Tan Sri K. Kenneth Eswaran, FFM president Tan Sri Dr Lim Wee Chai and the MCCM vice-president Datuk Seri Syed Hussein Al Habshee after the signing ceremony in Kuala Lumpur.

It also encourages companies in those sectors with fewer employees to voluntarily register with HRDF.

The MoU saw the Associated

Chinese Chamber of Commerce and Industry (ACCCIM); the Malay Chamber of Commerce Malaysia (MCCM), SME Association of

Malaysia (SMEA), Federation of Malaysian Manufacturers (FFM), the Malaysian Employers Association (MEF), and the

Malaysian Associated Indian Chamber of Commerce (MAICCI) agreeing on steps to galvanise Malaysian companies to register with HRDF.

Human Resources Minister Datuk Seri Richard Riot said out of the 19,000 companies registered with HRDF, more than 82% are SMEs.

This, he said, is only a small fraction of companies that have access to easy and affordable up-skilling and re-skilling training, as there are over 400,000 SMEs in the country.

Riot said Malaysia aims to become a high-income and developed nation by 2020 with a 35% skilled workforce.

“Currently, out of the 14.8 million workforce in Malaysia, 31% or 4.6 million are considered skilled.

“This means that we have just about three more years to upgrade the skills of about 700,000 Malaysian workers to hit the 35% skilled workforce target,” Riot said in his speech yesterday.

Riot also said stern action will be taken under the Act against employers who do not register with HRDF once the six-month grace period ends on Sept 30.