



PEMBANGUNAN SUMBER MANUSIA BERHAD
Kementerian Sumber Manusia
(Human Resources Development Berhad)
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30 April 2008

Ms Jane

EMPLOYER CIRCULAR NO. 2/2008

DEVELOPMENT PROGRAMMES

1. PURPOSE

- 1.1 The purpose of this circular is to inform employers that employers registered with PSMB are allowed to apply for training grants for fees and "allowable costs" when Malaysian employees are sent for development courses up to Masters and Ph. D levels.

2. BACKGROUND

- 2.1 PSMB encourages employers to utilise their HRD levy payment in retraining and skills upgrading of their workforce. The Pembangunan Sumber Manusia Berhad Act 2001 was amended and gazetted by adding the words "and development" to the clause - promoting the training and development of their employees, trainees and apprentices.
- 2.2 Development programmes are required by workers to help employers to develop specific capabilities needed for sustaining productivity and economic growth. The rapid speed of change in the workplace demands that learning, be a continuous lifelong process to ensure that one's knowledge and skills keep pace. Only then can the workforce remain resilient and productive.
- 2.3 Employees in the supervisory, executive and management groups are often sent by employers to pursue diploma, degree and Masters programmes and some even up to doctoral programmes. The objectives of attending such programmes are to enable employees to develop a capacity for analysis, assessment, judgment and action that is committed to general and specialised management with the aim of better products, services and corporate governance.

3. DEVELOPMENT PROGRAMMES

- 3.1 In view of the numerous requests and proposals received from employers' associations, the PSMB's Board of Directors at its recent meeting held on 24 April 2008 had decided that apart from training programmes, diploma, degree, Masters and even doctoral programmes can also be claimable from the HRDF
- 3.2 Programmes offered by the colleges and universities from the government or private sector and also programmes offered by technical and vocational training institutions especially those with the Malaysian Skills Certificate accreditation from the Department of Skills Development (Jabatan Pembangunan Kemahiran) under the Ministry of Human Resources are eligible to obtain financial assistance from the HRDF.

4. TERMS AND CONDITIONS FOR APPLICATIONS

- 4.1 All employers registered with PSMB can apply for financial assistance to reimburse for the course fees including registration and examination fees incurred for sending their workers to attend development programmes. Courses to be attended by trainees must be related to their jobs and relevant to the business of their employers.
- 4.2 Employers when seeking financial assistance from the HRDF are required to submit their applications under the SBL Scheme using form [PSMB/PGL/1/07](#) prior to the commencement of programme. Application forms are to be submitted to PSMB together with the following supporting documents:
- a. A copy of the Confirmation Letter issued by the university, college or training institution with a specified duration and title of the programme;
 - b. A copy of the programme with the course fee; and
 - c. Synopsis of research/project paper (if any).
- 4.3 "Allowable costs" that will be claimable from the HRDF for the duration of the programmes are as follows :-
- a. Economy rates of travelling by air (one return ticket for the entire duration of the course) for trainees attending courses overseas would be reimbursed. The cost of airfare covers airport tax, administrative fees and fuel surcharge;
 - b. An allowance for thesis which is inclusive of dissertation (once during the entire duration of the course) with the following rates if trainee is required to prepare the thesis:
 - i. RM600 for Masters programme; and
 - ii. RM1,000 for Ph. D programme.
- 4.4 Course fee must be entirely borne by employers. Employers are not allowed to request their employees to pay for any part of the course fee if they are able to obtain financial assistance from the HRDF. Fees paid by employees are not claimable from the HRDF. The rates of financial assistance for fees to be reimbursed are as follows:
- a. At the rate of 100% for courses offered locally;
 - b. At the rate of 50% for overseas courses; and
 - c. At the rate of 100% for overseas courses for applications from Institutions of Private Higher Education.
- 4.5 If a trainee withdraws from the approved programme, the employer must inform PSMB so that the approved financial assistance can be cancelled and be used again for other training or development programmes.
- 4.6 Applications for programmes that are conducted overseas will only be considered for

programmes at Masters and Ph. D levels.

4.7 4.7 Programmes offered by local or overseas universities / institutions can be conducted either on a full time or part-time basis. Trainees must fulfill at least 75% of the attendance for each programme or module and sit for all examinations and / or complete all assigned tasks, if required. Reimbursement will only be made when trainees complete each semester of the course.

4.8 The HRDF is not a subsidy scheme for the retraining and skills upgrading of workers by employers as it provides financial assistance to defray all or a major portion of the "allowable costs". In view of the long duration of the development programmes which can be for a few years, only trainees attending such programmes on a full time basis whether in Malaysia or overseas will be reimbursed with allowances. Based on the analysis of the allowance paid by JPA for unaccompanied government servants to pursue higher education locally and overseas, the following rates are proposed :

a. An allowance of RM 5,000.00 per month when the duration of the programme requires the trainee to be away from Malaysia. This will be pro-rated on a daily basis if the month for the start or end date of the programme is less than one month; and

b. An allowance of RM 900.00 per month when trainee attends the programme on a full time basis within Malaysia.

4.9 There will be no allowance for programmes attended by trainees on a part-time basis.

5. DATE OF IMPLEMENTATION

5.1 This circular is effective from the date of this circular letter.

Thank you.

"PEKERJA TERLATIH MENJANA KECEMERLANGAN"
"PEKERJA PRODUKTIF NEGARA KOMPETITIF"

Yours sincerely,

(TIEW HAI SAN)
Chief Executive
Pembangunan Sumber Manusia Berhad

