

Employers relieved HR Minister agreed to grant 7-month exemption from paying levy to HRD Corp

PETALING JAYA: The decision of the government to exempt payment of HRD Corp levy based on the expanded PSMB Act 2001 was well received by private sector employers.

MEF President, in responding to the announcement by Minister of Human Resources YB Datuk Seri M. Saravanan on the matter recently, stated that the exemption would allow such employers to manage their cashflow more effectively in order to remain sustainable in these times of unprecedented global crisis.

“We would like to thank YB Datuk Seri Saravanan, the Ministry of Human Resources (MoHR) and the Human Resources Development Corporation (HRD Corp) for responding positively to MEF’s proposals with regards to this matter,” said Dato’ Dr Syed Hussain.

“The global economic crisis and lockdown situation due to the pandemic have made it extremely difficult for most employers especially the micro enterprises and the SMEs that make up more than 98% of registered companies in Malaysia.

“MEF is encouraged and grateful for the support given by the MoHR and the HRD Corp for acknowledging the critical role of the private sector for recovery, growth and employment creation.

“MEF hopes to strengthen our role as a critical social partner of the government to reinvigorate the national recovery and business continuity and we look forward to future engagements with the government towards this end.”

In consideration of the dire economic conditions, the Minister of Human Resources YB Datuk Seri Saravanan agreed to grant levy payment exemption to employer based on the conditions below:

- a) Employers covered under the First Schedule Amendment Order, Act PSMB, 2001 (P.U. (A) 84/2021) beginning March 1, 2021;
- b) The employer belongs to para (a) and is REGISTERED with HRD Corp BEFORE 1 July 2021 is ELIGIBLE for levy exemption as stated; and
- c) The levy exemption period starts from 1 June 2021 to 31 December 2021.

For further information, contact the MEF Secretariat at 03-7955-7778 or fax 03-7955-9008 or email mef-hq@mef.org.my.

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