

# SCCI, MEF object to HRDF's move

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**KUCHING:** The Sarawak Chamber of Commerce and Industry (SCCI) and the Malaysian Employers Federation (MEF) strongly object to the move by the Human Resource Development Fund (HRDF) to convert the unutilised portion of employers' contributions under the 1Malaysia Globally Recognised Industry and Professional Certification (1MYGRIP) training and upskilled programme to a consolidated fund.

MEF Executive Director Datuk Hj Shamsuddin Bardan said based on a recent meeting, HRDF still intends to continue with their plan to utilise 30 per cent of the unutilised fund to run the training programme.

"We see it as our duty to raise the awareness of this issue to employers, particularly those in Sarawak. The utilisation of the fund does not fully benefit employees in the state compared to those in Peninsula as Sarawak is constrained in part, by its size, communications network and inadequate facilities,

"As such there is a greater need for constant consultation with the stakeholders in the state," he said during a press conference at Sarawak Club here yesterday.

1MYGRIP was implemented on 1st August 2015. However, of the RM86.3 million that was channelled to the 1MYGRIP, only about RM15.2 million was utilised to date, giving rise to the unutilised amount of about RM71.1 million.

And based on HRDF Circular No. 9/2015 dated 22nd December 2015, the remainder RM71.1 million will be put into a consolidated fund to be utilised by HRDF-registered employers on a 'first-come, first-serve' basis.

Besides employees of HRDF-registered employers, the 1MYGRIP is also offered to employees of non-HRDF registered employers who will be funded through a RM150 million government grant allocated specifically for 1MYGRIP.

"It is both perplexing and unsettling for us to note the rate of which the fund was snapped up. The 1st tranche of RM50 million grant was fully taken up within two weeks, whereas the 2nd tranche of RM50 million was taken up within two hours upon release by the government,

"It is not clear how much of the RM100 million government matching grant released thus far was used to fund the training of employees of HRDF-registered employers," he said.

Shamsuddin also shared MEF's serious concern with regards to the equitable usage of employer contributions based on the available balance in individual company accounts, such as a company which has utilised all of its contribution versus a company which has not utilised any of its contribution.

SCCI President Datuk Abang Hj Abdul Karim Tun Abang Hj Openg also strongly objected to the decision by HRDF to transfer the unutilised RM71.1 million employers' fund to a consolidated fund, especially without the consultation and consent of employers in Sarawak which contribute to the HRDF.

"This matter of contention is compounded by the issues of among others, inaccessibility of approved courses at approved training providers, insufficient funds in the individual employer 1MYGRIP accounts and expensive courses," he said.

Both SCCI and MEF are of the view that the 30 per cent unutilised fund of the employers under the 1MYGRIP be returned to the employers' individual accounts.