

# MEF: Credit back HRDF unutilised funds to contributors

By **EUGENE MAHALINGAM**  
eugenicz@thestar.com.my

**PETALING JAYA:** An estimated RM45mil under the Human Resources Development Fund (HRDF) will be converted into unutilised funds under the 1Malaysia Globally Recognised Industry Professional Certificate Programme (1MYGRIP).

Malaysian Employers Federation (MEF) president Tan Sri Azman Shah Haron said the unutilised funds should instead be credited back to the respective HRDF contributors and not be placed under a common pool,

“It is unfair to establish a common pool to be shared among the contributors as the companies should have the right to decide the type of training needed for their employees as it is their own money.

“The training under the common pool may not serve the company and the industry needs,” he said at a press conference to announce the results of a survey on the 1MYGRIP.

He said funds from a company within a particular sector, such as tourism, could instead be channelled for use by organisations from another sector, like manufacturing.

The survey, which was conducted in March and involved 276 participants, saw 91% of its respondents disapproving of the unutilised employers’ contribution under 1MyGrip be converted into a consolidated fund.

The unutilised fund under the 1MYGRIP was implemented on Aug 1, 2015 whereby 30% of employers’ monthly 1% contributions – roughly RM86.3mil – was channelled into the 1MYGRIP account starting June 2015 to fund the training of employees of HRDF registered employers.

According to Azman, as at March 31, 2016, financial assistance totalling RM145mil had already been approved.

He said RM100mil from the Government and RM45mil from the 30% levy have so far been utilised.

“Another RM10mil worth of applications are currently being processed. It is estimated that there will be a balance of RM45mil of the levy that will be converted into the consolidated fund.”

MEF executive director Datuk Shamsuddin Bardan said the unutilised funds are more likely to benefit larger corporations as smaller firms “did not have the personnel to send for training.”

Azman said the implementation of the unutilised funds under the 1MYGRIP was unfair to HRDF contributors, adding that there was a lack of transparency.

“On the issue of transparency, some respondents were of the opinion that the HRDF should obtain written permission as well as collect employers’ opinions for the conversion of the unutilised funds.



**Top-level discussion:** (from left) MEF council member Razali Rahmat, Shamsuddin, Azman and treasurer Mohammed Amin Aziz discussing the survey results on the 1MYGRIP