

CIRCULAR NO. 33/2021

DATE: 2 MARCH 2021

EXPANSION OF THE PEMBANGUNAN SUMBER MANUSIA BERHAD ACT 2001 EFFECTIVE 1 MARCH 2021

1. Pembangunan Sumber Manusia Berhad (PSMB) or also known as the Human Resources Development Fund (HRDF) is broadening its access by expanding the coverage of the PSMB Act 2001 effective 1 March 2021.
2. Employers of the new sectors are given an exemption of HRD levy for three (3) months under the PSMB Act 2001, that is, from 1 March to 31 May 2021. The registration of HRDF employers under the new industries takes effect from **1 March 2021**.
3. The list of industries covered under the First Schedule of PSMB Act 2001 is as follows:

A. Mandatory Category	
CLASS OF EMPLOYERS	INDUSTRY
Employers with ten or more employees	<ol style="list-style-type: none"> 1. Agriculture and farming 2. Livestock and fisheries 3. Forestry and logging 4. Mining and quarrying 5. Manufacturing and production 6. Trading, business and wholesale 7. Construction 8. Supply 9. Property 10. Culture, arts and entertainment 11. Fashion and clothes 12. Cosmetic 13. Tourism and recreation 14. Service 15. Franchise 16. Electricity 17. Oil 18. Gas and steam 19. Water Sewerage 20. Management of solid waste, liquid and gaseous and remedial 21. Automotive 22. Transportation 23. Repair and maintenance 24. Storage 25. Delivery 26. Food and beverages

A. Mandatory Category	
CLASS OF EMPLOYERS	INDUSTRY
	27. Information system 28. Communication and multimedia 29. Broadcasting and films 30. Banking and finance 31. Insurance and takaful 32. Investment 33. Co-operative societies 34. Professional 35. Science and technology 36. Research and development 37. Science and technicality 38. Administration and support service 39. Education 40. Medical and health facilities 41. Social welfare 42. Administration of organisation membership 43. Small and medium enterprises 44. Household goods and services 45. Sports 46. Energy and natural resources 47. Personal services
B. OPTIONAL CATEGORY	
CLASS OF EMPLOYERS	INDUSTRY
Employer with five to nine employees	Industry/sectors/activities listed under Mandatory Category above.
Employer with five or more but less than five hundred thousand employees which is a non-governmental organisation and carrying out any activity in respect of: <ol style="list-style-type: none"> 1. labour union; 2. religious organisation; 3. political organisation; 4. nursing care facilities including nursing home for elderly, disable person orphanages, chemicals abuser or any welfare services; or 5. social work without lodging 	

C. NOT COVERED

Federal Government, State Government, local council, and Statutory Body.

4. HRDF's registered employers will get to enjoy various offerings in relevance of training and accordance with market needs amongst other benefits which include the opportunities to utilise contributions and special funds from the government.
5. The levy collected is an additional training budget for employers especially SMEs for purposes of promoting, developing and upgrading the skills of local workers, apprentices and trainees through training grants. These training costs can be claimed by employers after completion of the training of financial assistance via grant disbursements from the collection of Human Resource Development (HRD) levy from its registered employers.
6. Click https://www.hrdf.com.my/expansion_psmb_act2001/#section_azkun for the following:
 - i. Checklist for Registration of Employers under PSMB Act 2001
 - ii. Step-by-step guide on registration of employers
 - iii. Frequently asked questions (FAQs)

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