

Training levy may impede business growth

by P PREM KUMAR & AFIQ AZIZ

IMPOSING the Human Resource Development (HRD) levy to all industries will not be practical and may impinge competitiveness of Malaysian companies, said the Malaysian Employers Federation (MEF).

MEF ED Datuk Shamsuddin Bardan said the federation opposes the proposed plan by the Human Resources Development Fund (HRDF) to impose the levy on all economic sectors in the country, saying that the move is not viable to employers of some 73% small and medium enterprises (SMEs).

"If the government make things more difficult, SMEs might want to shut down, thinking of the hassles that they will have to go through in doing business," he said.

Shamsuddin said the government should make it easier for the local industry, particularly SMEs, to run their businesses, instead of adding more financial constraints to the sector.

He said the regulator should first examine the levy-paying capability of small businesses in the country, before enforcing the 1% HRD levy on all sectors beginning 2019.

The Malaysian Institute of Architects, or Pertubuhan Akitek Malaysia (PAM), also strongly opposed the move as the architectural industry is regulated by the Lembaga Arkitek Malaysia (LAM), a statutory authority established under the Architect Act 1967, which regulates the practice of architecture and the registration of architects in Malaysia.

Its president Ezumi Harzani Ismail said for PAM and other professional bodies, the registration of graduates and professionals are under the regulatory body of the profession.

Therefore, the training requirements have to be in line with the rules set by the governing body.