SL1M
SKIM LATIHAN 1MALAYSIA

PN. HJH. NORASHIKIN BT. DATUK HAJI ISMAIL
ECONOMIC PLANNING UNIT
PRIME MINISTER’S DEPARTMENT OF MALAYSIA

Follow us on:
facebook
instagram
youtube
twitter
@sl1moffical
Malaysian Labour Force
Background
31.7m Population

14.7m Labour Force

≈500k Avg. school leavers each year

14.2m Employed

45.7% Labour Force Participation Rate

3.4% Unemployed

54% Graduate from Higher Education

36% TVET from Higher Education

10% School

62% Services

17% Manufacturing

11% Agriculture

9% Construction

1% Mining & Quarrying

Employment by Industry

7.0 m

42% House work

63% 39 yo & below

37%

21.7 m

68% in Labour Force

1.9 m

0-14

68% in Working Age Population (15-64)

65+

7.8 m

Labour Force

68% in

Employment by Nationality

84% Malaysian

16% Non-Malaysian

3.4% Youth unemployment

54.2%

Graduate from Higher Education

62%

TVET from Higher Education

36%

School

10%

Median Wage

RM1,703

27% High skilled

60% Semi skilled

13% Low skilled

Employment percentage by gender

Employment percentage by Nationality

Source: EPU analysis based DOSM population and LFS data
High Youth Unemployment

- Youth (age 15-24) constitute more than half of unemployment [54.2%] @ 11% unemployment rate
- Global Youth Unemployment (ILO 2016)
  - World ~13.1%
  - Developed Economies ~14.5%
  - South East Asia & Pacific ~13.0%

**Age Cohort of Youth Population**
- 15-19: 3.5 million
- 20-24: 2.6 million
- Total: 6.1 million

**Unemployment Rate 1982-2016**
- Youth: 10.5%
- Total: 3.4%
- Triple than national unemployment rate

**Unemployment by Age Group (%)**
- 15-19: 16.5%
- 20-24: 37.7%
- 25-29: 22.7%
- 30-34: 9.4%
- 35+: 13.7%

- 21% of unemployed youth: Diploma & Degree holders

**Outside labour force vs Inside labour market**
- 67% Outside labour force (male)
- 73% Inside labour market (female)
Public University’s Unemployed Rate
2011 - 2016

Source: Graduate Tracer Study 2011 - 2016
Urban states have lower unemployment rates compared to rural states.

Source: Graduate Tracer Study 2015
Malaysian Government Initiatives on Human Capital Building

- Single Mother
- Retirees
- Prisoners / Ex-prisoners
- Former Drug Addict
- Indigenous People
- Homeless

Latent Workforce

- Drop-Out
- Underprivileged
- B40 Community

Talent bridging & outreach

Graduates

Structured Internship Industry – Academia Collaboration

Financial Sector

Talent Corp

Entrepreneurship

Facilitating SMEs Digital (Crowdsourcing)

Young Entrepreneur

SMEs Training Centre

Micro Credit

High Potential

Employment Insurance Scheme

Side Income for Housewife

Career Comeback

Flexible Work Arrangement

Ease of Application

Retention

Women

Foreign Worker

Career Comeback

Flexible Work Arrangement

Ease of Application

Retention

Expatriate

Childcare facilities

Career Comeback

Flexible Work Arrangement

Ease of Application

Retention

Micro Credit

SMEs Training Centre

Facilitating SMEs

High Potential

Digital (Crowdsourcing)
One of the Malaysian government initiatives in addressing the issue of unemployed graduates

Collaboration among GLCs and private companies using the concept of Corporate Social Responsibility (CSR)

Established since June 1st, 2011, under the supervision of Economic Planning Unit, Prime Minister’s Department

---

Objective

Improving self-confidence, personal development and boosting the marketability of graduates mainly from poor families or rural areas in securing a job

Target groups

- Degree holders and above
  - unemployed citizens who are from low income families or live in remote areas
  - working but not equivalent with the qualifications obtained
Minimum RM1,500 monthly allowances will be paid directly to each SL1M participants by the company throughout the training.

Participants will be trained to work as a permanent employees of the company and given a mentor to guide them. As a result, participants will be exposed to real work experience in organizations both large and also small and medium size industries.

5 required modules:
- Communication Skills
- Creative & Analytical Thinking
- Organizational Adaptability
- Value-Driven Professional
- Grooming & Etiquette

* Durations are depending on the needs of each company.
INCENTIVES TO COMPANIES

Double Tax Deduction
(June 2012 - December 2020)

Double tax deduction on expenses incurred by the company to train (training cost + monthly allowances) unemployed graduates to enhance their marketability under the scheme.

HRDF-SL1M SCHEME
(Starting Apr 2014)

Contributions under the HRDF levy will be used to reduce the expenses of the company towards training the SL1M participants.
Employability Interventions

- Career Accelerator
- Re-skilling
- 2nd Chance Programme
- Skill specialization / up-skilling

Other government initiatives

Unemployed graduates

Participating GLCs and private companies

Different approach by each company to cater different group of unemployed graduates

Job Market

Participating GLCs and private companies:

- Affin Bank Group
- Petronas
- Celcom
- Maybank
- Malayan Airways
- TM
- PNB
- Tabung Haji
- Hanyoung

CSR

KPI for the GLCs

Government contract beneficiaries
Open Interview

**Training (direct assist)**
- Classroom training with minimum 5 modules
- On the job training

**Outreach (indirect assist)**

**Management Training**
- Open to all Degree graduates
- Duration: 6 – 12 months

**Booster**
- Rigorous classroom training with minimum 5 modules
- Send to a career fair
- Degree graduates who require minimum intervention
- Duration: 3 days – 2 months

**Open Interview**
- Open to all education level
- Outreach programmes throughout the country by zoning
- University students in final semester
- Duration: 2-5 days

**Catalyst**
- Career/Motivation Talk
- Requirement: University students in final semester
COMPANIES PARTICIPATED IN THE PROGRAMME BY SECTOR

- Services: 40%
- Finance and Investment: 16%
- Manufacturing: 6%
- Transportation and Logistics: 11%
- Construction and Housing: 9%
- Oil and gas: 6%
- Information and Communication: 4%
- Agriculture and Farming: 5%
- Utilities: 3%
<table>
<thead>
<tr>
<th>Year</th>
<th>KPIs</th>
<th>Number of Graduates Assisted</th>
<th>Directly</th>
<th>Indirectly</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>4,000</td>
<td>4,197</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>4,000</td>
<td>4,622</td>
<td>14,072</td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>4,000</td>
<td>4,450</td>
<td>13,322</td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>4,000</td>
<td>4,185</td>
<td>6,741</td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>10,000</td>
<td>10,000</td>
<td>9,500</td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>15,000</td>
<td>15,000</td>
<td>18,915</td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>20,000</td>
<td>15,900</td>
<td>18,494</td>
<td></td>
</tr>
<tr>
<td>(up to Apr 17)</td>
<td>48,454</td>
<td>73,904</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>139,398</strong></td>
</tr>
</tbody>
</table>

**Number of Graduates Assisted from 2011 to Oct 2017**

- KPIS
- Directly Assisted
- Indirectly Assisted
- Expon. (Directly Assisted)
New Initiatives
**SL1M @ UTC**

Urban Transformation Centre (UTC) is a government effort and initiative providing the urban community with key government and private sector services under one roof.

It is part of the **National Blue Ocean Strategy (NBOS)**, which aims to improve service quality through strategic collaboration between Government agencies and the private sector.

12 centers throughout the nation (in every state)
<table>
<thead>
<tr>
<th>Bangunan UTC Kedah</th>
<th>Bangunan UTC Perak</th>
<th>Bangunan UTC Kelantan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jalan Kolam Air, Bandar Alor Setar, 05200, Alor Setar, Kedah</td>
<td>Jalan Dato’ Onn Jaafar 30300, Ipoh, Perak</td>
<td>Jalan Hamzah 75300, Kota Bharu, Kelantan</td>
</tr>
<tr>
<td>Bangunan UTC Pahang</td>
<td>Bangunan UTC</td>
<td>Bangunan UTC Melaka</td>
</tr>
<tr>
<td>Jalan Stadium 25200 Kuantan, Pahang</td>
<td>Pudu Sentral 55100, Wilayah Persekutuan, KL</td>
<td>Jalan Hang Tuah, Wilayah Persekutuan, 75300, Melaka</td>
</tr>
<tr>
<td>Bangunan UTC Johor</td>
<td>Bangunan UTC Sabah</td>
<td>Bangunan UTC Sarawak</td>
</tr>
<tr>
<td>Galleria @ Kotaraya, Jalan Trus, 80000 Johor Bahru, Johor</td>
<td>Jalan Belia, Off Jalan TAR 88000, Kota Kinabalu, Sabah</td>
<td>Jalan Padungan 93100, Kuching, Sarawak</td>
</tr>
</tbody>
</table>
SL1M in Government Procurement

Every beneficiaries from Government contract above threshold are compulsory to allocate 1% from their contract value to train SL1M trainee

\[
SL1M\ Trainee's\ Quota = \frac{1\% \times \text{Contract Value}}{RM18,000}\ *
\]

* Minimum monthly allowances for SL1M trainee (RM1,500) x 12 months

Contract Value Threshold:

- RM10k Construction
- RM4k Infrastructure Maintenance
- RM10k IT & Communication
- RM5k Consultancy
- RM10k Strategic Defense
- RM10k Pharmaceutical
- RM10k Health Support
- RM10k Maintenance
- RM10k Security Service
- RM10k Others
Thank you

Follow us on:

@sl1moffical