

Call to aid bosses in non-MCO states

By **Tania Lam** - January 19, 2021



Jonathan Chai

KUCHING: Most of parties concerned are believed to receive well the Malaysian Economic and Rakyat's Protection Assistance Package (Permai) worth RM15 billion.

However, it could have been more comprehensive if businesses in the non-MCO (movement control order) states are rendered financial assistance, opined Jonathan Chai Voon Tok.

The Sarawak Business Federation secretary-general noted that under the Permai package, the wage subsidy programme 3.0 under the Social Security Organisation (Socso) would be enhanced, whereby all employers operating in MCO states will be eligible to apply, regardless of sector.

"This initiative seems unfair to employers in non-MCO states like Sarawak, where the businesses are also affected during this period even though the extent and intensity might vary.

"Personally, I think the employers in the non-MCO states should be entitled to receive at least half of the prescribed subsidy, if not more, as all businesses irrespective of locality are being adversely affected during

the pandemic, especially restaurants and businesses related to the tourism industry,” he said.

Noting feedback that the wage subsidy programme was among the better received initiatives by employers and employees, he said the direct financial assistance by way of wage subsidy had helped to keep many businesses afloat and thereby save many jobs.

Therefore, the Kuching Chinese General Chamber of Commerce and Industry (KCGCCI) secretary-general said it was important for the government to continue with such initiatives, which could offer realistic and practical assistance to businesses, particularly small and medium enterprises (SMEs).

At the same time, Chai suggested that the Sarawak government could come up with an additional Sarawakku Sayang Special Assistance (BKSS) package to help the local business community, especially SMEs which are regarded as the backbone of the state’s economy.

“Apart from the existing subsidies on our utilities bills and assessment rates, it would be great if our state government could go the extra mile to come up with our own version of the wage subsidy programme to render some meaningful assistance and support to our local businesses in this challenging and testing time,” he said.

He said notwithstanding the shortcomings, there were other good measures put in place for SMEs under the Permai package.

For instance, he noted that under the Prihatin Special Grant Plus assistance, some 500,000 small and medium enterprises (SMEs) in seven MCO states would receive a payment of RM1,000 each, while 300,000 SMEs in other states will receive RM500 each.

“In addition, the Human Resources Development Fund (HRDF) will exempt the employer levy for companies that are unable to operate during the MCO and conditional movement control order (CMCO) periods.

“For those businesses and individuals who have problems in meeting their loan commitment, the banks will continue to extend the repayment assistance including an extension of the existing moratorium,” said Chai.
