

Press Release



*Dato' Dr. Syed Hussain Syed Husman, J. P.,
President of MEF*

PRESIDENT OF MEF:

Government's *KITA PRIHATIN* critical for Economic well-being of the Nation

The MEF hailed the government's decision to extend the Wage Subsidy programme as a positive move towards avoiding massive retrenchments and stabilising the labour market.

Commenting on the government's newly introduced *Kita Prihatin* programme, MEF President Dato' Dr Syed Hussain Syed Husman J.P. said the government's latest RM10 billion stimulus package had given employers and employees much needed relief.

"The first phase of the Wage Subsidy programme was initially intended to end on Sep 30 but now both employers and employees can breathe easier as it has given us another three months of the much needed financial assistance until December 2020.," said Dato' Dr Syed Hussain today.

"MEF had been calling for the government to support the business community and I'm pleased that our pleas had been heard and received positively by the YAB Prime Minister and the government.

"Under Wage Subsidy 2.0, employers would be able to retain their employees until March 2021 and this would alleviate some of the challenges, including cash flow constraints and cost liabilities".

On 23 Sept 2020, the Prime Minister YAB Tan Sri Muhyiddin Mohd Yassin unveiled the *Kita Prihatin* stimulus package worth RM10 billion to help Malaysia cope with the effects of Covid-19, which includes RM2.4 billion for the Wage Subsidy Programme 2.0.

About 1.3 million employees are expected to benefit under this programme.

The programme was aimed at supporting employers still affected by the Recovery Movement Control Order, in particular companies with a drop in revenue of 30% or more compared to last year's revenue.

"However, we are still not out of the woods yet as employers, especially SMEs and the micro enterprises are still struggling to make ends meet.

"The support by government is critical to the sustainability of business and the future economic well-being of our country," said Dato' Dr Syed.

MEF thanks the Prime Minister YAB Tan Sri Muhyiddin Mohd Yassin and the government for the support and assistance given to the employees and employers. MEF will continue to work with the government and will raise issues faced by the employers in this difficult economic environment that affected Malaysia and the international community.

MEF believes that during these challenging and difficult times the Employers, Employees and their trade Unions and the Government must work together for National interests and boost up the economy.

For further information, contact the MEF Secretariat at 03-7955-7778 or fax 03-7955-9008 or email mef-hq@ef.org.my.

25 SEPTEMBER 2020