

Businesses moving out of KL?

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The Malaysian Employers Federation says logical to assume that traffic congestion and expensive parking will directly affect businesses.



PETALING JAYA: The Malaysian Employers Federation (MEF) agrees that traffic congestion and expensive parking in Kuala Lumpur could be among the factors that motivate employers to relocate their businesses outside of the city centre.

Speaking to FMT, MEF executive director Shamsuddin Bardan said although there was no data to confirm or deny this, the logic behind it was sound as both traffic congestion and parking rates directly affected employees who, in turn, affected businesses.

He said this in response to local government and planning law expert Derek Fernandez's claim that multinational companies and other business entities were pulling out of the city because of the "horrendous" traffic conditions born from ad hoc development due to an ungazetted city plan.

"Of course the cost of parking affects the company because in that kind of situation, where rates are unreasonably high and there is no alternative public transportation, the employers may not be able to retain the employees, and that can pose a problem," he said.

“Also, if the traffic is very bad then employers would also have issues in terms of the punctuality of employees.”

When contacted, Fernandez told FMT he could not disclose the names of companies moving out of Kuala Lumpur due to traffic congestion as they did not want to be named.

He also said that high parking rates – which, by Kuala Lumpur City Hall’s (DBKL) own admission, were due to traffic conditions – were another reason companies were moving out of the city.

Last year, parking fees for lots owned by DBKL at several business hotspots in the capital were increased by 150%.

The areas include Bukit Bintang, Bukit Damansara, Sri Hartamas, Desa Hartamas, Solaris Mont Kiara and Bangsar.

Lembah Pantai MP Nurul Izzah Anwar had sent a memorandum, along with the signatures of 800 residents from the Klang Valley, requesting an increase in public transport capacity before increasing parking rates in the city.