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# Malaysian Employers Federation: Pemerkasa Plus gives employers some relief from MCO 3.0 impact

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A general view of a near-deserted Setia City Mall, Shah Alam June 1, 2021. — Picture by Miera Zulyana

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KUALA LUMPUR, June 1 — The RM40 billion Pemerkasa Plus aid package will help stabilise the labour market, encourage employee retention and reduce closure of companies, the Malaysian Employers Federation (MEF) said.

President Datuk Syed Hussain Syed Husman said the federation welcomed the seventh stimulus package as it would cushion the impact of the movement control order (MCO) 3.0 full lockdown.

He said Pemerkasa Plus was a wholesome package, as the government needed to focus on sustaining the public health system and the overall wellbeing of the rakyat during this time of unprecedented crisis besides providing employers with some relief.

“The reintroduction of the wage subsidy programme, targeted credit facility for micro, small and medium enterprises (SMEs), automatic loan moratorium for impacted businesses and individuals, and the exemption of statutory payments and moratorium on penalties to various government agencies will ease some of the pressures on employers,” he said in a statement today.

In announcing the Pernerkasa Plus package last night, Prime Minister Tan Sri Muhyiddin Yassin said more than 200,000 employers and 2.5 million employees were expected to benefit from the additional RM1.5 billion allocation for the wage subsidy programme, which is being extended for a month. The number of employees is limited to 500 for each application.

Meanwhile, RM1.5 billion in microcredit facility has been set aside for eligible micro SMEs through identified financial institutions.

Syed Hussain said the MCO 3.0 full lockdown would be extremely challenging for employers to remain sustainable without adequate support from the government as losses were expected at about RM2.4 billion per day similar to those during MCO 1.0.

He said the government should consider giving wage subsidy to all employees earning RM4,000 and below similar to the Prihatin economic stimulus package during MCO 2.0 which provided wage subsidy for six months. — Bernama