

Penjana gets stakeholders' stamp of approval

By [Veena Babulal](#) - June 6, 2020 @ 9:02am



Through initiatives under Penjana, gig economy workers will be given social protection under the Social Security Organisation and Employees Provident Fund. - NSTP/File pic

KUALA LUMPUR: The Short-Term Economic Recovery Plan (Penjana) has been hailed as a breath of fresh air by the Malaysian Employers' Federation as its stakeholders struggle to restart businesses in an environment ravaged by fallouts from the Covid-19 pandemic.

MEF executive director Datuk Shamsuddin Bardan said the additional allocation of RM5 billion in the wage subsidy programme, set at RM600 per worker and extended for another three months, would encourage employers to retain their employees.

"However, the government should consider a longer period as the lingering negative impact of Covid-19 may extend to next year. It should also consider allocating more funds for the wage subsidy.

"Employers would be encouraged to employ the unemployed and youth as the government allocated RM1.5 billion for the Employee Incentive Programme to benefit an estimated 300,000 job seekers, especially professionals under 40, unemployed people aged above 40 and people with disabilities.

"The training incentives would encourage employers to engage the unemployed and youth and provide them with necessary skills and knowledge, especially in information technology as this is in line with Industrial Revolution 4.0.

"We are pleased that workers in the gig economy will be given social protection under the Social Security Organisation and Employees Provident Fund. This will ensure that gig economy workers will be covered for unemployment injury and be able to have some savings in their old age."

He said the setting up of a Special Committee on National Employment, to be jointly led by the Finance Ministry and Human Resources Ministry, was a step in the right direction as it helped to ensure coordination on the kinds of careers to be pursued by new entrants to the labour market.

Shamsuddin said this was because the labour market was expected to shift towards short-term employment and non-employer or employee relationships, such as freelancing.

Malaysian Trades Union Congress president Datuk Abdul Halim Mansor said that while the intention of Penjana was good, the government had to explain who benefited from the packages.

"For instance, the government must make public what is the criteria for a company to qualify for the wage subsidy programme.

"They cannot be giving subsidies to companies if they are doing okay during such hard times. This would deny other companies that are in dire straits, and their workers, whose jobs are hanging at the edge of a knife."

He said the prime minister's speech revealed there would likely be 860,000 unemployed Malaysians by the year's end, and workers deserved to know how many jobs from this number could be saved by Penjana.

Besides that, Halim said most workers were upset that the moratorium on bank loans was not extended.

"We expect that almost one million people would be unemployed by year-end. The government must try their best to keep the banks from foreclosing on their homes and cars."

Halim said the RM1.5 billion recruitment incentive to employers also needed to be clarified as this initiative should be extended to employers who had retrenched employees within this period.

He also urged the government to explain the mechanics of the RM2 billion allocation for upskilling, placement and training.

"The sum is big. We need to know who will be handling it and how it is to be disbursed."

Malaysian Youth Council president Jufitri Joha said Penjana provided relief as it would help reduce the 6.9 per cent unemployment rate for those aged 15 to 30.

"For the short term at least, it gives some relief to youth, especially fresh graduates, young entrepreneurs and those in the gig economy whose jobs are at risk," he said, adding that youths with special needs were also covered in Penjana.

Jufitri praised the RM800 incentive given to employers for every worker under 40 that they recruit.

He said most of the council's requests had been somewhat fulfilled by the government in terms of addressing unemployment, dismissals, social security disparities and the need for apprenticeship, training and upskilling of youths.

Meanwhile, the Congress of Unions of Employees in the Public and Civil Services (Cuepacs) calls on civil servants to give their full commitment to ensure the success of Penjana to tackle unemployment in the country.

Its president, Adnan Mat, said in this challenging economic climate, the private sector would have to be assisted by the public service to achieve this aspiration and a 100 per cent commitment from civil servants was

needed.

He said Cuepacs also hoped that the government would not terminate the services of contract workers in the public services sector to reduce the impact of unemployment.

"These contract workers need not be dismissed, but human resources can be restructured or re-evaluated by placing them in critical ministries or agencies.

"This effort not only reduces unemployment but also enables critical ministries and agencies to function better in efforts to revitalise the country's economy," he said yesterday.

He said Cuepacs and civil servants were aware of the economic crisis that had hit the country as a result of the Covid-19 pandemic, which brought on severe consequences for the people.

"This can be seen based on the Department of Statistics' forecast that the unemployment rate is expected to increase to 5.5 percent or more than 860,000 to be unemployed for the whole of 2020."