

RM11b fiscal injection in latest Pernerkasa stimulus package

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The Perikatan Nasional government unveiled yet another stimulus package today worth RM20 billion, of which RM11 billion constituted direct fiscal injection.

Prime Minister Muhyiddin Yassin announced the "Pernerkasa" - Program Strategik Memperkasa Rakyat dan Ekonomi (Strategic programme to empower the people and economy) this evening.

Part of the programme is the plan to bump up its Covid-19 vaccine spending from RM3 billion to RM5 billion. This is to expedite the National Covid-19 Immunisation Programme to achieve herd immunity targets by December 2021 instead of February 2022.

"To achieve this target, 15,000 officers will be placed in almost 950 vaccination centres across the country.

"Taking into account the additional work, the government has agreed that the

RM200 special Covid-19 assistance will be extended to public servants who are involved in the immunisation programme at these centres,” he said.

Muhyiddin also unveiled a long-list of incentives for the B40 entrepreneurs, small-medium enterprises, women, people with special needs and the tourism industry.

The list included new initiatives but also continuations of previously announced programmes.

Below are some highlights of the Pemerkasa package:

B40 and families

- Subsidies for Bantuan Prihatin Rakyat (BPR) recipients to purchase smartphones and electronic devices increased from RM180 to RM300 for those with school-going children. To be launched in early May.
- Telecommunications firms to “crowdsource” used electronic devices like laptops under the MyBAIKHATI programme. Laptops will be distributed to Community Internet Centres and community-based organisations. Headed by the Malaysian Communications and Multimedia Commission (MCMC).

- One-off RM500 assistance to those in the B40 group who have lost their income. An extra RM500 will also be distributed to BPR recipients who earn RM1,000 and below.
- Allocation of RM100 million to 300,000 low-income households in major cities to purchase household items using “cashless” payment systems.

Entrepreneurs & businesses

- Allocation for small-scale projects increased from RM2.5 billion to RM5 billion. Contractors involved will be those from the G1 to G4 categories.
- Hiring incentives expanded to temporary workers and gig workers. Registered employers will receive RM200 per worker.
- Wage subsidies extended for another three months but targeted for tourism, wholesale and retail, gyms, spas and other businesses that had to close during MCO. RM700 million allocated.
- Tax cuts of up to RM50,000 per company that enrol in the Safe@Work initiative that aims to create a conducive work environment for employees. The initiative is for manufacturing and manufacturing-related

- companies. Registration begins April 1 with the International Trade and Industry Ministry.
- Allocation for micro-credit schemes involving BSN, Tekun, Mara and SME Corp increased from RM1 billion to RM1.5billion.
- The Welfare Department will employ an additional 2,500 officers as part of the MySTEP programme.
- RM50 million allocation for the Pemerkasa-Nita microcredit scheme to incentivise female entrepreneurs.
- RM10 million in matching grants for female entrepreneurs under the Socso Scheme.

Tourism Industry

- One-off RM600 for homestay operators that are registered with the Tourism, Arts and Culture Ministry.
- One-off RM3,000 special grants for 5,000 tourism agencies registered with Motac.

- Exemption of entertainment duties from entry fees for entertainment venues like theme parks, stage performances and cinema screenings in all federal territories.
- Expansion of income tax relief of up to RM1,000 covering the purchase of tourism packages from travel agents registered with Motac.
- Extension of the 10 percent electricity bill discounts for another three months until June 30, 2021, for eligible tourism and entertainment outlets. This extension will cost RM135 million.

Special needs

- Disabled Workers Allowance eligibility has been expanded to those earning RM1,500 and below per month. The previous minimum salary eligibility was RM1,200. This will cost RM26 million.

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