

Tackling fundamental issues

Subsidies, tax exemptions among measures amid pandemic

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PUTRAJAYA: The economic recovery plan that is meant to empower the people, propel businesses and stimulate the economy, actually addresses the most fundamental of the rakyat's concerns: possible unemployment and the loss of income.

Of the RM35bil allocated for 40 initiatives, RM9bil has been set aside to aid three million workers via various schemes.

Announcing this, Prime Minister Tan Sri Muhyiddin Yassin said the plan, known as *Penjana*, is one of the six strategies to tackle the challenges posed by the Covid-19 pandemic.

He said RM10bil of that RM35bil allocation would come via a direct fiscal injection by the government.

The Prime Minister said he is aware that people are worried about losing their jobs and source of income following the closure of many economic sectors and activities during the movement control order (MCO) period.

"I understand that it will take some time for the economy to recover and that there are those in the community who still need help



Something for everybody: Muhyiddin holding up the Short-term Economic Recovery Plan during the announcement at the Perdana Putra building in Putrajaya. — Bernama

during the recovery period," he said in a special address that was broadcast live.

Among incentives he announced were the extension of the wage subsidy programme for another three months, as well as an employment incentive programme and apprentice programme.

These are in addition to a host of training and upskilling programmes, including those for youth and the unemployed.

Muhyiddin also announced tax exemptions and insurance protection for employers, to encourage more companies, especially small and medium enterprises, to adopt work-from-home policies.

"I do understand your need to use public transport for work and

other activities. To lessen the burden on transportation costs, the government will introduce the MY30 programme," he said.

This particular initiative would allow consumers to have unlimited rides on public transport under *Prasarana* around the Klang Valley for RM30 a month, from June 15 until the end of the year.

Muhyiddin also said that *Penjana* will announce a few investment packages, programmes, tax exemptions, and finance facilities to attract more investments.

He pointed out that the Covid-19 pandemic has changed how economies operate.

"For Malaysia to remain an important investment destination, we need to tell the world we are

competitive and open for business," he said.

The Prime Minister also announced that a sukuk worth RM500mil would be raised in the third quarter of the year.

Themed "from the rakyat, to the rakyat", the funds from the sukuk would be channelled to help finance micro-enterprises and businesses, especially those run by women.

"It will also be used to improve Internet broadband coverage at schools, especially in rural areas, and as grants for research work on communicable diseases," he said.

Watch the video
thestartv.com

