

Helping hand for small businesses

Budget 2024 to focus on micro, small and medium-scale entrepreneurs

By **SHERIDAN MAHAVERA**
mahavera@thestar.com.my

KUALA TERENGGANU: The second national budget of the unity government will contain initiatives that will focus on assisting micro, small and medium-scale entrepreneurs, says Datuk Seri Anwar Ibrahim.

The Prime Minister said this was after hearing feedback from the Entrepreneur Development and Cooperatives Ministry and agencies such as Tekun Nasional, which oversees the development of small-scale businesses.

"The previous national budget was a temporary one. I took over

in November, we had meetings in December and in March we launched the Madani budget," Anwar said, referring to the name of the government's Budget 2023.

"The second Madani budget is the best framework suited to the Madani economy and I will give more attention to the development of small and medium-scale entrepreneurs," Anwar told a gathering of entrepreneurs who were aided by Tekun Nasional at Taman Tamadun Islam here yesterday.

Also present was Entrepreneur Development and Cooperatives Minister Datuk Ewon Benedick.

In July, Anwar, who is also

Finance Minister, said he made an off-budget allocation of RM400mil for micro-credit schemes under various agencies involved with entrepreneur development, such as SME Corp, Tekun Nasional and Majlis Amanah Rakyat (Mara).

He reiterated that promoting entrepreneurship was one of the ways in which the government hoped to end poverty.

The other two thrusts aimed at increasing livelihoods were revising the salaries of civil servants and public sector workers and proposing a progressive wage scheme that could be voluntarily adopted by the private sector,

Anwar said in his speech.

"The revision of salaries for public sector workers was supposed to be done once every 10 years, but for some reason, the previous administrations have not even had any meetings to discuss it.

"So we decided to start the process but in the meantime, we announced a special RM300 cash aid while we revise their salary scheme."

He added that the new civil service pay scales would be announced either in Budget 2024 in October or early next year.

For the private sector, Anwar said the administration was also

working on a recommended salary scheme that could be voluntarily adopted by business owners.

In past reports, he said this initiative was called the progressive wage policy, which is incentive-based and linked to productivity levels.

"We don't want a situation where the private sector is dominated by all these large companies and factories that make billions in profits but won't even pay the minimum wage," he said.

"But we cannot force the private sector to adopt the scheme, so we are trying to find ways where the government can aid them if they decide to use it."