

# **Muhyiddin: No return to MCO, as it could hurt country's economy, social system**

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KUALA LUMPUR, Oct 6 -- The government has no plan to implement the Movement Control Order (MCO) nationwide again as it could lead to the collapse of the country's economy, said Prime Minister Tan Sri Muhyiddin Yassin.

“So far, we have not considered implementing a nationwide MCO or a total lockdown.

“The measure, if it were implemented again, could have a major impact that we're afraid would destroy the country's social system and economy,” he said in a special televised address on the latest COVID-19 situation today.

Therefore, he said, the government would implement the Targeted Enhanced Movement Control Order (TEMCO) in areas identified as having high COVID-19 cases.

“As such, economic and social activities in other areas will not be affected and can continue as usual by practising stringent standard operating procedures and having strict law enforcement,” he said.

The number of new COVID-19 cases in Malaysia continues to rise today with a daily tally of 691 cases -- the highest since the pandemic hit the country -- and four deaths recorded.

Following the spike in infections, the number of active cases has risen to 2,936. The latest development brought the total number of COVID-19 infections in Malaysia to 13,504.

“I believe our healthcare system's preparedness will enable us to handle the COVID-19 spread without us having to close down economic sectors as done previously,” said Muhyiddin.

So far, the economic recovery process has proceeded smoothly.

“Whatever decision taken must take into account the interests of the country's 15 million workers. This is to ensure their continued survival as well as the nation's economic stability,” he said.

Malaysia's economy dipped 17.1 per cent in the second quarter (Q2) of 2020 as the country went into lockdown with strong enforcement to stem the spread of COVID-19. In the second quarter of 2019, the country recorded a Gross Domestic Product (GDP) of 4.9 per cent.

Malaysia imposed the MCO on March 18, 2020, which was eventually eased to Conditional MCO on May 4 and Recovery MCO from June 10 to Dec 31, 2020, during which the economy has been gradually opened up.

Bank Negara Malaysia has revised its 2020 GDP growth forecast to -5.5 to -3.5 per cent from -2 to 0.5 per cent previously, as the initial assumption was based on a lockdown period of only four weeks instead of seven weeks.

The economy is expected to recover and post a growth of 5.5 per cent to 8.0 per cent in 2021. In order to stimulate the economy, the government has so far announced stimulus packages worth RM305 billion, the most recent one being the additional assistance under the RM10 billion PRIHATIN Supplementary Initiative Package (KITA PRIHATIN) in line with its efforts to boost economic recovery.

The KITA PRIHATIN package is an extension of the previous economic stimulus packages, namely PRIHATIN, PRIHATIN SME PLUS and PENJANA worth a total of RM295 billion, or about 20 per cent of the nation's GDP, with an additional fiscal injection totalling RM45 billion by the government.

There are already signs of recovery in the country's economy as several indices, namely the wholesale and retail sector, industrial production, exports and credit card spending, are experiencing a notable improvement.

-- **BERNAMA**

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