

Malaysia's largest budget aims to help Covid-hit workers, but critics say it may not be enough

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Hazlin Hassan and Nadirah H. Rodzi

KUALA LUMPUR - Malaysia's largest budget, unveiled last week, came with big promises to ease public pain amid the Covid-19 nightmare, but criticisms on its shortcomings have been fast and furious.

While politicians criticised a large proposed outlay to revive a government propaganda unit and push for blanket bank-loan moratoriums, the public sees nuggets of aid coming their way but also the lack of a comprehensive safety net for the most vulnerable.

The RM322.5 billion (S\$105.4 billion) Budget 2021 is 2.5 per cent more than this year's expenditure despite several stimulus packages already rolled out this year by the Muhyiddin Yassin administration.

Malaysians hit hard by the coronavirus pandemic are hoping that some of the promises in next year's budget will keep their finances above the water.

Madam Hafizah Husni, 38, a cleaner and single mother of three, said with her earnings cut due to fewer jobs out there, she could no longer pay for childcare when she does go out to work.

The government said it will spend RM20 million to set up childcare centres for lower-income families. Madam Hafizah, who falls in the bottom 40 per cent of Malaysia's income earners, or B40, hopes she would be able to breathe a little easier.

"I worry a lot about my children's safety; they have to take care of themselves alone at home. This would really put my mind at ease," she told The Straits Times.

Unveiling the budget last Friday (Nov 6), Finance Minister Tengku Zafrul Aziz said there is a raft of measures aimed at the B40 and the middle 40 per cent of earners, or the M40 group.

The government needs to move fast. Already, nearly 32,500 companies registered under the Companies Commission of Malaysia, with the majority being micro entrepreneurs, have folded since March when movement curbs were first implemented.

Datuk Seri Tengku Zafrul on Thursday (Nov 12) defended the budget, saying the B40 group is entitled to an automatic bank loan moratorium of three months, or they could reduce monthly instalment payments for their loans by 50 per cent for six months.

The M40 group would be offered bank loan repayment assistance if their incomes have been cut.

Again, with these groups in mind, the government will allocate RM3.7 billion to create 500,000 job opportunities through hiring incentives, retraining programmes and wage subsidies.

Reskilling and upskilling programmes are expected to benefit 200,000 graduates, and workers in Sabah and Johor who lost their jobs due to border closures with Singapore.

With online sales booming, grants worth RM150 million will be dished out to help businesses go online.

"The virus outbreak made me realise how important it is for businesses to have a strong online presence. I was almost forced to shut mine down because I relied heavily on sales via my physical shop," beauty products seller Nadia Rusli, 36, told The Straits Times.

With over 400,000 households below the poverty line, the budget next year aims to raise aid given to low-income families.

Households with a monthly income of less than RM2,500 will receive a one-time payment of between RM1,200 and RM1,800. Households with a monthly income of between RM2,501 and RM4,000 will get between RM800 and RM1,200.

Still, while many welcome these proposals, others say the government could do better, for example, by setting up food banks.

"I love the upskilling and reskilling initiative they announced, it would greatly help people like me to secure a job," said carpet cleaner Michael Nadarajah. "But I feel that we also need more food banks so that when push comes to shove, we have somewhere to get immediate help from."

The National Union of the Teaching Profession (NUTP) on Thursday (Nov 12) urged the government to provide laptops to more students from low-income families.

Under next year's budget proposal, government-linked companies would contribute RM150 million to provide laptops to 150,000 students in 500 schools as a pilot project.

"There are about five million students nationwide... If only 150,000 of them from 500 schools receive the laptops, the numbers are relatively small," said NUTP secretary-general Harry Tan Huat Hock.

A United Nations study conducted between May and September, and released last month, revealed that 7 per cent of upper-secondary-age children in Malaysia, or those aged 16 to 17, have not returned to school even after the government reopened educational institutions in May.

Many Malaysians are still worried about where their next meal will come from.

Grab deliveryman Nasrul Ibrahim Musa said that while he is happy with the cash aid he is entitled to get, he is more concerned with securing a stable job.

Like many others, he was laid off this year, pushing Malaysia's unemployment to 4.6 per cent in September. The jobless rate hit a record high of 5.3 per cent in May.

"Yes, getting cash is nice but I'd rather have a stable job. I've gone to countless interviews but potential employers are only offering a part-time gig," the 26-year-old mechanical engineering graduate told The Straits Times.

"At the same time, there are already too many delivery men. Where do people like me go?" he asked.

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