



**社会经济研究中心**  
**SOCIO-ECONOMIC**  
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## **Economic Stimulus Package (PRIHATIN)**

**- A People Centric Package -**

6 April 2020

# **PRIHATIN Economic Stimulus Package roll out**

- The **First Economic Stimulus Package (ESP1)** of **RM20 billion or 1.3% of GDP** was announced on 27 February to cushion domestic economy from negative spillover effects of the COVID-19 global outbreak. It was largely targeted at immediate hardest hit tourism and related services sub-sectors.
- Following the intensified COVID-19 global outbreak, **a series of enhancement to the ESP 1 was announced on 16, 23 and 25 March respectively**, which amongst others include (a) **Allow the Employees Provident Fund contributors to withdraw up to RM500 per month** from Account 2 for 12 months. This initiative is expected to benefit 12 million EPF members with estimated withdrawal sum of RM40 billion; (b) **An automatic moratorium on all loans/financing** (except for credit card balances) to individuals and SMEs' borrowers/customers for a period of six months from 1st April 2020. The outstanding credit card balances can be converted into a three-year term loan with reduced interest rates. The loans moratorium is estimated to release RM100 billion cash flows onto the consumers' pockets.
- The Government has rolled out **PRIHATIN Economic Stimulus Package worth of RM250 billion on 27 March 2020** and an additional RM10 billion for SMEs on 6 April 2020, consisting of **RM128 billion for the WELFARE OF PEOPLE**, **RM110 billion to SUPPORT BUSINESS SECTOR**, and **RM2 billion to FORTIFY ECONOMY**. This brings the total amount of ESP to **RM260 billion (18% of GDP)**.

# PRIHATIN Economic Stimulus Package roll out

- The PRIHATIN package marks the largest-ever stimulus package. The last time the Government had rolled out a large fiscal stimulus package was during the 2008-09 Global Financial Crisis, at RM67 billion or 8% of GDP. Direct fiscal injection was RM15 billion, of which RM10 billion in 2009 and RM5 billion in 2010.
- Despite the headline value of RM260 billion, **the Budget's direct fiscal injection is only RM35 billion or 2.3% of GDP (RM3.5 billion in ESP 1).**
- The balance is coming from non-Budget's balance sheet such as preferential interest rates fund set by Bank Negara Malaysia, capital spending by GLCs, guaranteed funds by Danajamin etc.
- The stimulus on households' consumption and spending as well as cash flow cushion include the release of money via the employees' 4% voluntary reduction in EPF's contribution rate; a 12-month of RM500 per month EPF's withdrawal estimated RM40 billion as well as the moratorium on loans' servicing (principal and interest) estimated to put RM100 billion cash flow in the borrowers' pocket also being part of the RM260 billion PRIHATIN Economic Stimulus Package.

# RM260bn PRIHATIN Economic Stimulus Package

List of measures of RM260bn PRIHATIN Economic Stimulus Package	RM million
<b>1. Healthcare</b>	
• Special allocation to Ministry of Health (*23 March 2020)	500
• Purchase medical equipment and services, special allowance for frontlines, hire contract nurses and etc.	1,000
• Insurance and Takaful	8
<b>2. People and welfare</b>	
• National Caring Cash-Aid (Bantuan Prihatin Nasional)	10,000
• Cash assistance to students	270
• e-hailing driver assistance	60
• Aid to vulnerable group	25
• Additional electricity discount	530
• Delay PTPTN repayment (*23 March 2020)	750
• Delay PTPK repayment	149
• Extend rent exemption for PPR	3
• Suspend PPR rent to own payment	6
• Free internet	600
• Improve network coverage and capabilities	400
• Food security food	1,000
• Facilities to keep and segregate food	100
• Develop short-term agri-food projects	64
• Cash assistance to civil servants	750
• Cash assistance to civil service pensioners	425

# RM260bn PRIHATIN Economic Stimulus Package

List of measures of RM260bn PRIHATIN Economic Stimulus Package	RM million
<b>3. Business</b> <ul style="list-style-type: none"> <li>Wage Subsidy Program (<b>Additional RM7.9bn added on 6 April 2020</b>)</li> <li>Salary bear by contractor for selected public contract services</li> <li>Loan facilities to support SME                             <ul style="list-style-type: none"> <li>Addition to Special Relief Facility (SRF)</li> <li>Addition to All Economic Sectors (AES) Facility</li> <li>Addition to Micro Credit Scheme</li> </ul> </li> <li>EPF's employer negotiation service</li> <li>Exemption of HRDF</li> <li>Loan repayment moratorium (<b>*25 March 2020</b>)</li> <li>Guarantee scheme facilities (Danajamin)</li> <li>A special PRIHATIN grant (<b>Added on 6 April 2020</b>)</li> </ul>	13,800 110 4,500 3,000 1,000 500 10,000 440 100,000 50,000 2,100
<b>4. Fortifying economy</b> <ul style="list-style-type: none"> <li>Additional small projects</li> </ul>	2,000
<b>5. Others</b> <ul style="list-style-type: none"> <li>Including MySalam, withdrawal from Account B of Private Retirement Scheme, delay in public housing rent payment under DBKL, deferment of SME income tax instalment, 2% discount of electricity bill discount (*16 March), withdrawal of EPF Account 2 (i-Lestari) (*23 March), allocation to State Governments to handle COVID-19 (*23 March), etc.</li> </ul>	40,410
<b>6. Economic Stimulus Package announced on 27 February 2020</b>	20,000
* Earlier measures announced <div>Total =</div>	<b>260,000</b>

# RM260 billion PRIHATIN Economic Stimulus Package

*- A People Centric Package -*

## Three Key Thrusts

**Preserving Rakyat's  
Welfare**



**Supporting  
Businesses,  
including SMEs**



**Strengthening the  
Economy**





# A “No one will be left behind” package



**“Healthcare”**  
Ensuring sufficient  
support to  
combat COVID-19



**“People (B40)”**  
Lower the cost of living  
and support employment



**“People (M40)”**  
Lower the cost of living  
and support employment



**“People (Others)”**  
Daily living assistance  
and welfare



**“Firms”**  
Lower cost of business for  
micro-SMEs and SMEs



**“Fortifying economy”**

# Healthcare – Ensuring sufficient support to combat COVID-19



## Essential workers

- Extend critical allowance to doctors and nurses, medical personnel (RM600 per month), army and police forces, customs and immigration officers and RELA (RM200 per month), starting 1 April 2020 until the end of the outbreak of COVID-19



## Extra resources

- Allocation to hire contract nurses. **(Announced on 23 March 2020)**
- Allocation to buy and rent private hospital services



## Equipment

- Allocation for medical supplies such as ventilators, PPE, masks



## Testing

- Increase spending for COVID 19 testing tool kit coverage (~2m tests)



## MySalam

- Extend income replacement aid of RM50 per day for a maximum of 14 days under MySalam for B40, who is hospitalised due to COVID-19 infection to include quarantined as a patient under investigation (PUI)



## Healthcare spending

- Provide allocation for healthcare related spending/ research by select Ministries



## Insurance & Takaful

- Special RM8 million fund established by the Insurance and Takaful industries to bear the screening costs of up to RM300 per person at private hospitals and laboratories for medical insurance policy and takaful certificate holders
- Deferment of 3 months Insurance or Takaful premium given to infected contributors.



# People (B40) – Lower cost of living and support employment



## Bantuan Prihatin Nasional

- Provide RM1,600 each (*April - RM1,000; May - RM600*) for 3.9m B40 households
- Provide RM800 each for 3m single individuals (RM2,000 and below) (*April - RM500; May - RM300*)



## EPF Account 2

- Allow withdrawal of RM500 per month up to RM6,000 for 12 months (**Announced on 23 March 2020**)



## Loan moratorium

- Moratorium on all loan payments for 6 months (except credit card) (**Announced on 25 March 2020**)



## Credit card

- Convert credit card into term loan at a lower interest rate (**Announced on 25 March 2020**)



## Electricity subsidy\*

- Provide subsidy of electricity average of RM30/month for six months (3.3m households)



## Telco/Pay TV/courier

- \*\*Discount on telcos/pay TV; flat fee on select courier delivery (<1kg) for six months
- \*\*\*Free internet to all telcos customers worth RM600m starting 1 April 2020 until the end of MCO



## Rental deferral/waiver

- Provide 6 months rental deferral for rent to own (RTO) (~4.6k units), 6 months rental waiver for federal PPR rental/transit (~3.6k units)
- Public Housing under Kuala Lumpur City Hall (DBKL) will be provided the same exemption that benefits more than ~40k tenants

\* 50% discount for below 200 kilowatts; 25% discount for between 201 and 300 kilowatts; 15% for between 301 and 600 kilowatts; and as announced previously, 2% for above 600 kilowatts

\*\* Not in Prime Minister's speech dated 27 March 2020; refers to Appendix for details

\*\*\* 1GB free high-speed internet per day, for use between 8am and 6pm

# People (M40) – Lower cost of living and support employment



## Bantuan Prihatin Nasional

- Provide RM1,000 (*April – RM500; May – RM500*) each for ~1.1m M40 households (>RM4,000-RM8,000 monthly income)
- Provide RM500 each (*April – RM250; May – RM250*) for 400k single individuals (RM2,000 and below)



## Private Retirement Scheme (PRS)

- Allowing pre-retirement withdrawal from Account B of Private Retirement Scheme up to RM1,500 per member without tax penalty during April to December 2020



## Credit card

- Convert credit card into term loan at a lower interest rate (**Announced on 25 March 2020**)



## Telco/Pay TV/courier

- \*\*Discount on telcos /pay TV; flat fee on select courier delivery (<1kg) for six months
- \*\*\*Free internet to all telco customers worth RM600 million starting 1 April 2020 until the end of MCO.



## EPF Account 2

- Allow withdrawal of RM500 per month up to RM6,000 for 12 months (**Announced on 23 March 2020**)



## Loan moratorium

- Moratorium on all loan payments for 6 months (except for credit cards) (**Announced on 25 March 2020**)



## Reduced electricity tariffs\*

- Provide subsidy of electricity average of RM30/month for six months (3.3m households)

\* 50% discount for below 200 kilowatts; 25% discount for between 201 and 300 kilowatts; 15% for between 301 and 600 kilowatts; and as announced previously, 2% for above 600 kilowatts

\*\* Not in Prime Minister's speech dated 27 March 2020; refers to Appendix for details

\*\*\* 1GB free high-speed internet per day, for use between 8am and 6pm

# People (Others) – Daily living assistance and welfare



## Civil servants

- Provide RM500 each for civil servants in Grade 56 and below (~1.5m)



## Old folks home/ children shelter/OKU

- Provide hygiene product, food and shelter to old folks home (~10k), children (~2k) and OKU (~1k) and homeless



## E-hailing drivers

- One-off assistance of RM500 (hailing drivers (~120k beneficiaries))



## Cash assistance for students

- Provide cash transfer of RM200 each to higher education students (1.35m students)



## Food security

- Allocation of RM1bn to Food Security Fund to ensure food supply is sufficient, continue to provide assistance to farmers and fishermen in the form of input assistance for agriculture, livestock farming and fishery to encourage domestic production.
- Allocate RM100m towards the establishment of food storage and distribution infrastructure
- Special funds of between RM100k and RM200k will be allocated to each farmers' organization and fishermen's organization (RM64.4m allocation for this special funds)



## Civil service pensioners

- Provide RM250 each for civil service pensioner (~850k beneficiaries)



## PTPTN/PTPK loan

- Defer PTPN loan from 1 April 2020 to 30 September 2020 (**Announced on 23 March 2020**)
- Defer PTPK loan from 1 April 2020 to 30 September 2020



## Tour bus operators/taxis\*

- Provide road tax waiver to tour bus and taxi operators



## Orang Asli

- Provide food basket & hygiene product (~13.5k households)

# Firms – Lower cost of business for micro-SMEs and SMEs



## Loan moratorium

- Deferment of loans for 6 months **(Announced on 25 March 2020)**
- Extend to include loans from TEKUN, MARA, cooperatives as well as government agencies that grant loans to SMEs



## Income tax deferment

- Deferment of income tax for 3 months for all SMEs



## Government contracts

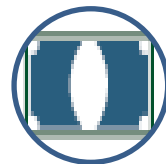
- Government will pay the salaries borne by contractors involved in the services sector
- Extend the contract term for the contractors by one month as a trade-off of period in MCO



## Foreign workers levy

**(Announced on 6 April 2020)**

- Levy on foreign workers are reduced by 25% to all companies with work permits that will expire in the period of 1 April to 31 December 2020.
- The levy is not applicable to housemaids.



## EPF and HRDF

- EPF Employer Advisory Services, case by case, ensure continuity for 8 million employees
- Waive HRDF contribution for 6 months for all sectors



## Rental fees exemptions/reductions

- Rental fees exemptions for all premises belonging to the Government for six months
- Rent exemption or discounts for SMEs operating at premises owned by government-linked companies (GLCs) (e.g. MARA, Petronas, PNB, PLUS and UDA) **(Announced on 6 April 2020)**
- Landlords will be given an additional tax break equivalent to the amount of rent that has been reduced (at least a 30% rental discount) for April to June 2020. **(Announced on 6 April 2020)**

# Firms – Lower cost of business for micro-SMEs and SMEs (Cont.)



## Wage subsidies

- Wage subsidy per employee for 3 months benefitting 4.8m workers' monthly salary less than <RM4,000/mth
- Expanded subsidies for SMEs with employees as below **(Announced on 6 April 2020)**:
  - RM600 per employee for companies with more than 200 employees
  - RM800 per employee for companies with employees between 76 and 200
  - RM1,200 per employee for companies up to 75 employees
- Claimable wage subsidy up to 200 employees per company



## Financing facilities

- SJPP Guarantee RM5bn Danajamin to increase the guarantee rate from 70% to 80% for SMEs having trouble in getting loans
- BNM SRF fund (additional RM3bn to RM5bn). Interest rates reduced to 3.5%
- Additional RM1bn to be added to All Economic Sectors (AES) Facility totalled RM6.8bn
- RM500m to be added under micro-credit scheme\* totalled RM700m
- SMEs which have been operating for fewer than four years can make use of up to RM300k financing from the BizMula-i and BizWanita-i Syarikat Jaminan Kredit Malaysia Berhad (CGC) schemes
- RM50bn Danajamin for corporates at RM20 million per business
- RM2.1bn Special PRIHATIN grant at RM3,000 per micro SMEs **(Announced on 6 April 2020)**



## Others **(Announced on 6 April 2020)**

- 30 days moratorium for the submission of statutory documents by SMEs to the Companies Commission of Malaysia (SSM)
- Extension of deadline for the submission of financial statements to three months after the end of the MCO. This measure is eligible for companies with financial year ended 30 September to 31 December 2019

*\*2% interest rate **(Announced on 27 March 2020)** reduced to 0% **(Announced on 6 April 2020)** without collateral and is open to all micro-entrepreneurs in all sectors, with a minimum operating period lower to six months from one year, and loan amount increased to RM75,000 per entrepreneur from RM50,000 under Bank Simpanan Nasional; Micro-loan scheme under Tekun Nasional offer a maximum loan limit of RM10,000 per company at 0% interest rate.*

# Fortifying economy



## Mega project

- All projects under 2020 Budget will proceed, including East Coast Rail Link, MRT2 and the National Fiberisation and Connectivity Plan (NFCP) **(Announced under 2020 Budget)**



## Infrastructure project

- RM2bn projects announced in the first ESP include infrastructure projects at FELDA settlements and other places (RM600m), the repair and upgrade of schools in Sabah and Sarawak (RM350m) and repairs for housing for the poor (RM150m) will be started in April 2020 **(Announced on 27 Feb 2020)**



## Small-scale projects

- Additional RM2bn allocation for small-scale projects such as the upkeep of road, upgrade of schools in Sabah and Sarawak, cleaning of house of worship and police station as well as upgrade of tourism facilities which will benefit contractor class G1 to G4

# SERC's take on PRIHATIN Economic Stimulus Package

- It clearly shows that the Government **has limited fiscal space though it remains committed to ensure that its operating account, shall at all times remain in surplus**, that is revenue collected is more than sufficient to cover operating expenses. The Government will not borrow to meet operating expenses.
- The **revised higher budget deficit of 4.7% of GDP in 2020** (-3.0% of GDP in 2019) appears to be on a low side though it has factored in lower oil price assumption (US\$35-US\$40 vs 2020 Budget's assumption of US\$62 per barrel). Overall revenue growth will be dampened by lower economic growth and non-oil revenue. While there are some reallocation of expenditure, operating expenditure will be higher to meet increased Cost of Living Aid and one-off cash payment to B40 and M40 households and civil servants. Ministry of Finance expects some revenue enhancement, which may entail higher dividends contribution from the GLCs, PETRONAS, Khazanah Nasional Berhad and Bank Negara Malaysia. Some borrowings are expected to fund the overall deficit.
- While we believe that global rating agencies would provide some breathing space for the Government to derail its fiscal consolidation path during these extreme times, the Government must remain committed to reduce its deficit and contain the debt when the economy recovers.
- The Government needs to **rebuild fiscal space as having fiscal space is like having money in the bank**. It provides us the fiscal flexibility during the rainy day.



# SERC's take on PRIHATIN Economic Stimulus Package

- The PRIHATIN Economic Stimulus Package is **bolder as the Government acts decisively** to provide **a timely and much needed financial assistance support to households** (via a RM10 billion one-off cash payment to B40 and M40 households and individuals).
- In particular, this RM10 billion cash payment (benefitting nearly 3.9 million households (B40); almost 1.1 million households (M40); 3.1 million individuals (B40); and 400,000 individuals (M40)) together with an estimated RM40 billion released through the EPF's RM500 monthly withdrawal for a period of 12 months and estimated RM100 billion through a six-month of banks' moratorium on loans extended to households, SMEs borrowers and customers **are expected to ease cash flows and financial burden of households**.
- It is hope that when the virus outbreak is contained and sentiments have gradually improve, consumers will start to spend and hence, generate domestic demand. Private consumption makes up 58.8% of total GDP in 2019 and had been the main pillar of strong support to the economy. However, **a sustained recovery of consumer spending would depend on how the COVID-19 situation progresses, and how long it takes for demand shock returning to normalcy**.
- Overall, the bazooka package is unlikely to avert a recession this year, it is expected to ease the magnitude of economic contraction. **SERC estimates real GDP to decline by 3.0% in 2020**.

# **SERC's take on PRIHATIN Economic Stimulus Package**

- The economic and business disruptions aggravated by the 14-day MCO (18-31 March), which has been extended by another two weeks to 14 April have caused companies with low cash reserves or unstable cash flows, particularly vulnerable given the persistent sharp economic slowdown envisaged for the greater part of this year.
- SMEs currently making up 98.5% of total business establishments in Malaysia; 38.3% of GDP; 17.3% of total exports and 66.2% of total employment.
- The biggest problem is cash flows, especially for the payment of wages and salaries to prevent massive retrenchments. Rising number of retrenchments not only cause hardship to households but also inflict downward spiral effects on domestic demand and would grind the economy to a halt.
- With no revenue and sales for the non-essential services and slower sales for essential services, this poses a big crunch time for the cash strapped SMEs to meet big payroll checks in addition to rental expenses, utilities bills, loans repayment etc. Even businesses that appear to be in good financial shape may not be immune, depending on how the situation progresses, and how long it takes for demand and supply shocks returning to normalcy.

# SERC's take on PRIHATIN Economic Stimulus Package

- SMEs will run out of cash within two to three months, will not be in financial good shape for the next six months to a year, if the crisis and the Covid-19 do not abate. SMEs have to bear high fixed employees' salaries and wages even sales have declined. A prolonged MCO would push the companies on the brink of bankruptcy, resulting in more layoff of workers.
- The PRIHATIN package **lacks of providing the much needed financial support to ease their cash flows and operating costs, especially on wages and salaries**, which are the largest component of total operating costs.
- **Following an additional RM10 billion package for SMEs, the enhanced wage subsidy of RM600-RM1,200 per employee for 3 months per person** (less than RM4,000 monthly salary) would help to ease employment cost and help to retain employees. It will benefit 4.8 million employees during this hardship period.
- We are relieved that the Government has agreed to encourage mutual discussion between the employers and employees pertaining to terms and conditions, including the options of pay cut and no pay leave during the MCO period. It gives the employers' flexibility to engage with employees in coping with this turbulence time.
- We are pleased that the package has taken care of the plight of micro businesses (about 700,000) through special grant and zero interest rate soft loan to help them through this tough time.

# SERC's take on PRIHATIN Economic Stimulus Package

- The Governments worldwide have provided wage subsidy to help businesses easing their employment cost and keeping the workforce during this hardship period.
  - a) The UK has announced that the Government will cover 80% of lost wages (up to 2,500 pounds/month);
  - b) Canada has announced a 60%-70% (range from C\$50-C\$1,300 a week) cover for those having or being exposed to COVID-19; and
  - c) The Singapore government provided up to 75% of the wages on the first \$4,600 of monthly salaries for every local employee for three quarters, given to employers.

# SERC's take on PRIHATIN Economic Stimulus Package

- There is an additional RM2 billion allocation for the implementation of small-scale projects nationwide, bringing total allocation to RM4 billion, including the RM2 billion allocated in ESP1. This is expected to have a quick economic multiplier impact on domestic economy, especially for local small and medium contractors. Hence, **it is of utmost importance that the tender and procurement processes must be made transparent, quicker and simpler in order to ensure that the projects will be implemented timely.**
- While the soft loan relief facility is a timely assistance to help SMEs during this difficulty period. More importantly, **the participating financial institutions (FPIs) must be proactively and swiftly approve the applications as well as disbursing the loan, says within a week.**
- Since mobility is limited during the MCO, it is recommended that SMEs having ascertained their eligibility, FPIs should give a consent letter (which is need to be acknowledged by enforcement officers) to allow one or two finance staffs to collect the necessary documents from business premises to submit the digital application.
- The RM50 billion Danajamin guarantee scheme with up to 80% guarantee for working capital needs with a minimum RM20 million loan size per company is commendable. It is hope that **banks will fully assist affected companies with reasonable interest charges and should not charge exorbitant service fee.**

# SERC's take on PRIHATIN Economic Stimulus Package

- A number of cash flow easing measures such as negotiable deferment of employers' EPF contribution for employees, exemption of levy payments to HRDF and the deferment of income tax instalments for SMEs will ease the business cash flow for three to six months. Instead of a deferment/restructuring/rescheduling option of payment tying to employers' financial condition, we propose (a) **A deferment of employers' EPF contribution rate for a period of six months.** It has to be crawled back after six months of deferment; and (b) Alternatively, **a 3%-4% cut in employers' EPF contribution rate** for a period of six months. It has to be crawled back after six months.
- Businesses located inside the government's owned buildings can enjoy rental fees exemptions from April 2020 to September 2020. It will definitely help businesses to ease operating costs.
- As of Q3 2019, NAPIC indicated that Malaysia has 2,546 buildings with total spaces of 22.4 million square meters (sqm). The Government owns 999 buildings with 5.5 million sqm (24.6% share of total) whereas private building accounted for 1,547 buildings with 16.9 million sqm (75.4% share). In order to ease the cash flows of businesses operating in private buildings, including shopping complexes, shop lots, factories and industry/commercial land, it is commendable that **the Government has provided additional tax deduction on rental fees for business premises' owners providing rental discount to their SME tenants as a reward.**

# Appendix

- A one-off national caring cash aid of almost **RM10 billion** (**Bantuan Prihatin Nasional**), including the **M40** group for the first time.

Category (monthly income level)	Number of Recipients	Cash Assistance (paid in)
Households (RM4,000 and below)	Nearly 4 million	RM1,600: - RM1,000 (April); RM600 (May)
Households (>RM4,000 to RM8,000)	Almost 1.1 million	RM1,000: - RM500 (April); RM500 (May)
Single individuals $\geq 21$ years old (RM2,000 and below)	3 million	RM800: - RM800 (April); RM500 (May)
Single individuals $\geq 21$ years old (>RM2,000 to RM4,000)	400,000	RM500: - RM250 (April); RM250 (May)

- The Government and Tenaga Nasional Berhad (TNB) allocate **another RM530 million** to provide a **tiered discount of 15% to 50%** on electricity usage with a maximum limit of 600 kilowatt per month, effective for a period of 6 months beginning with April 2020. (*Source: TNB*)

Electricity Usage	Number of Consumers	Discount
Below 200 kilowatts	3.0 million	50%
Between 201 and 300 kilowatts	1.5 million	25%
Between 301 and 600 kilowatts	2.2 million	15%
Above 600 kilowatts	0.8 million	2%



- **Wage Subsidy Enhancement (6 April 2020)**

Size of company	Micro and Small	Medium	Large
Definition	75 employees and below	76 to 200 employees	More than 201 employees
Financial assistance	RM1,200 per employee	RM800 per employee	RM600 per employee
Limit on employees	75 employees	200 employees	200 employees
Duration	3 months	3 months	3 months
Term and conditions			
% of reduction in sales or revenue	No conditions specified	At least 50% decrease in sales or revenue by comparing revenue for January 2020 with the following months	
Employee salary	RM4,000 or below		
Others	Retain employees at least for a period of 6 months, that is 3 months during the period receiving the subsidies and 3 months thereafter.		
Effective date	1 April 2020		

Source: FAQ on Program Wage Subsidy, PERKESO Bil.2/2020 (Published on 6 April 2020)

- **Postal and courier services** are committed to helping entrepreneurs do business with e-commerce as well as continuing their services as usual for Malaysians. The major postal and courier companies are also prepared to provide the following services. (*Source: Malaysian Communications and Multimedia Commission, MCMC*)
  - Postage and courier delivery services do not exceed 1 kilogram of RM5 non-tax charge for shipping services in the Peninsula, Sabah and Sarawak.
  - The delivery service charge is valid for six (6) months from 15 April 2020 to 15 October 2020.
- **Discount/Free on “PayTV”** (*Source: MCMC*)
  1. **Astro**
    - Offers 14 movie channels and 11 free news channels; all free channels for sports package customers;
    - 22 free channels through the Astro-On-The-Go app and KIX, Nat GEO WILD, Celestial Movies and Cartoon Network channels for NJOI subscribers; and
    - Astro business customers, allowed to suspend service at no charge.
  2. **Unifi TV**
    - Offers free access to all channels (over 100 channels); and
    - 20% off each for Video-on Demand service option.



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THANK YOU

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