

CLOSURES, DOWNSIZING

100,000 LOST JOBS SINCE JANUARY

Stimulus packages lessened impact of Covid-19 on job sector, says deputy minister

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NEARLY 100,000 people have lost their jobs since January due to the Covid-19 pandemic.

Deputy Human Resources Minister Awang Hashim said data from the Employment Insurance System (EIS) showed that 99,696 employees were laid off up to Nov 27.

He said the reasons for these included closure of businesses, downsizing, voluntary separation schemes and mutual separation schemes.

"Other reasons include companies having critical financial problems, partial closures, acquisition of companies and company relocations," he told the Dewan Rakyat yesterday.

Awang was responding to a question from M. Kulasegaran (DAP-Ipoh Barat), who had asked why many people were being laid off despite the implementation of the government's Wage Subsidy and Employment Retention Programmes.

Awang said the government, through the Human Resources Ministry, had rolled out economic stimulus packages that had



Awang Hashim

lessened the impact of Covid-19 on the employment sector.

However, he said, there were employers in certain sectors who were forced to let their staff go.

"The sectors that were affected because of the pandemic include the manufacturing sector; accommodation, food and beverage sector; wholesale and retail sector; transportation sector; and others.

"For example, the main income of employers in the accommodation sector comes from international tourists, but at the same time, the country is affected because of the pandemic."

Based on EIS records, Awang said, 13,109 people in the managerial category had lost their jobs, and 26,079 professionals and 19,095 technicians and associate professionals were laid off.

He said these categories involved workers with a salary of RM4,000 and above.

"Social Security Organisation data showed that 75 per cent of



The Wage Subsidy Programme aims to help those in the B40 group who have been affected by the pandemic.
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employees were in the Bottom 40 of households (B40) bracket, with a monthly income of RM4,000 and below.

"So the Wage Subsidy Programme aims to help those affected in the B40 group.

"Those in the managerial level who have been retrenched are covered under the EIS Act, sub-

ject to a maximum pay of RM4,000."

He said those with a salary of more than RM4,000 would receive a job search allowance.

Entrepreneur Development and Cooperatives Minister Datuk Seri Dr Wan Junaidi Tuanku Jaafar had said last month that more than 30,000 small-and medium-

sized enterprises (SMEs) had closed shop since the Movement Control Order (MCO) was implemented in March.

He said 9,675 SMEs were shuttered during the first phase of the MCO from March 18 to June 9, with 22,794 closed down during the Recovery MCO period from June to September.