Malaysia lockdown: 10 percent of families need urgent assistance

Wednesday 20 January 2021, by DEVARAJ (Dr) Michael Jeyakumar (Date first published: 17 January 2021).

The vast majority of Malaysians agree that the movement control order (MCO) declared by the prime minister last week is necessary to curb the dangerous spike in new Covid cases. However, we have to recognise that around 10 -15 percent of the families in KL, Selangor, Johor and Sabah are currently facing severe cash flow problems to the extent they do not have food for their next meal.

The government, to be fair, has rolled out several initiatives to help families who are facing a drop in income. The Bantuan Prihatin Nasional (BPN) will be paying out its second instalment soon - RM 300 for B40 families and RM 200 for M40 families. This will be appreciated by the recipients but is definitely not enough for families where the breadwinner has lost his/her job.

The option of withdrawing a portion of their savings from Account 1 of the Employee's Provident Fund (EPF) - the iSinar scheme - is a lifesaver for many families, but there are many non-formal sector workers - the daily paid workers in restaurants and in the service sector, contract workers, small stall operators - who do not have EPF savings of any significance to depend upon.

The government must come out with a financial assistance scheme that targets the families that are in dire straits because they have no financial resources to ride out this lockdown.

The PSM would like to suggest a targeted assistance programme of RM1,000 monthly to all BPN recipients who:

- Are not contributing to Socso currently, (if they are, it is evidence that they have a regular income of at least RM 1,000 per month);
- Are not government servants or pensioners, (these two groups will not suffer a loss in monthly income because of the MCO);
- Are not part of the 20 percent of Malaysians who paid income taxes in 2020. (It is the top 30 percent of the population who pay income taxes. They will have the financial resources to ride out the lockdown).

There are, we understand, around 10.5 million recipients on the BPN list currently. Subtracting the above three groups from the list will leave around 1.5 million people - the "BPN minus list" - nationally, for whom there is no evidence of income.

This would include the contract workers, the daily rate service workers and small stall operators who are now in serious financial distress. If the government wishes to trim this list further, we could first focus on the "BPN minus list" for Sabah, Selangor, Johor and Kuala Lumpur - the regions that have been put under the strictest lockdown - for the roll-out of the targeted assistance programme.

The government must render financial assistance to this group as otherwise they will be forced to disobey MCO provisions as they need to feed their families. Our regulations and restrictions have to

be reasonable.

It is certainly neither reasonable nor humane to require families to stay at home when the children are crying with hunger. That will only create resentment and can culminate in anti-lockdown protests as happened in some other countries.

Malaysians have on the whole been cooperating with the government's efforts to curtail the Covid-19 Pandemic, and we need that cooperation to overcome the Covid-19 challenge. Let us keep that spirit of cooperation alive by being sensitive to and responding to the needs of those families who are in dire straits.

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