

Press release

6 November 2020

**Comments on Budget 2021 by Datuk Abdul Farid Alias,
Group President & CEO of Maybank & Chairman of The Association of Banks in Malaysia**

Budget 2021 rightly remains expansionary, and equally important, maintains - and even enhances - the targeted financial support and fiscal reliefs for vulnerable communities and businesses impacted by the social, financial and economic fallout of the Covid-19 pandemic. I applaud the initiative by the Ministry of Finance and Bank Negara Malaysia to introduce the enhanced Targeted Repayment Assistance scheme for the B40 income group and micro enterprises, as well as the continuing assistance to SMEs and hard-hit industries like tourism.

It is during times like these that we must find ways to assist struggling communities and businesses, the unemployed, and those whose income have been significantly reduced because of underemployment, pay cuts or loss of business.

This budget also allocates around RM8.5b to protect and create jobs as well as provide various training programmes. Organisations should support this agenda and strive to preserve jobs, invest in re-skilling and up-skilling their employees, and take care of their workers' welfare so that together, we can overcome this extremely challenging environment and uncertain period. In our view, organisations should not feel pressured to reduce staff costs by retrenching employees to maintain profits and dividends. All stakeholders must work together to ride out this storm.

We should also embrace the standard operating procedures (SOPs) and new normal in our economic, business and social activities as the pandemic does not look like it will go away any time soon. More efforts should be put in place to help companies, especially the micro enterprises and SMEs, to operate safely. While the current SOPs can work in most circumstances, there are also alternative channels to the traditional and physical ones in fulfilling demand and supply of products and services, hence the budget incentives for technology adoption, automation and digitalisation.

We also believe ESG-related investments can stimulate economic growth, generate business opportunities and create jobs. So we are pleased the budget has measures to achieve the Sustainable Development Goals, promote green investing and protect the environment and natural resources.

We need to protect our environment because the cost of not doing so will be expensive in the long run. We also need to invest in enhancing sustainability for our communities - help those who lack access to everything necessary in life, such as education, medical services, jobs, financing, etc. And finally, we should all put in place the necessary governing procedures in organisations that allow proper checks and balances so that they will be able to make the right decisions at all times.
