

29 October 2021

**Comments on Budget 2022 by Datuk Abdul Farid Alias, Group President & CEO
of Maybank**

Budget 2022 maintains an expansionary fiscal policy to support and sustain the socioeconomic healing from the pandemic as we adopt and adapt to living with COVID-19. It is important for this Budget to create opportunities for individuals and businesses to transition into a recovering economy ripe for growth and focused on productivity measures.

The enhancements to cash aids, welfare payments and the social security system help to ensure the wellbeing of lower income households, vulnerable segments of the society, self-employed and informal sector workers who have been disproportionately affected by the pandemic. These are complemented with measures to improve the labour market conditions and reduce unemployment rate such as the extension and expansion of hiring incentives, job creation initiatives as well as skills and industrial training programmes.

Budget 2022's MYR40 billion allocation for grants, loans, guarantees and equities to all businesses ranging from micro, small and medium enterprises (MSMEs) to public listed companies can further support industry and sector revivals as the economy re-opens. From the banking sector perspective, we welcome the expansion in housing credit guarantee and micro credit schemes to workers and businesses in the informal sectors, specifically aimed at facilitating access to financing and enabling financial inclusion.

The banking industry, together with Agensi Kaunseling dan Pengurusan Kredit (AKPK) has also developed its own targeted programme to continue supporting the most vulnerable segment of individual customers through a comprehensive extended financial assistance scheme. This scheme, known as Financial Management and Resilience Programme (Programme Pengurusan & Ketahanan, URUS) will provide holistic financial management solutions for B50 customers.

This scheme goes beyond an interest waiver option and a reduction in instalment, but focuses on supporting the B50 customers in their transition out of the various repayment assistance schemes in order to resume their financial obligations and continue contributing to the economy.

Another aspect of this Budget that we also like includes the balanced approach on infrastructure spending and investment, covering basic rural, social (e.g. healthcare and education), digital and green infrastructures to address development and digital gap, human capital, sustainability, environment and climate issues.
