THE
ONSET OF A PANDEMIC:

Impact Assessments
and Policy Responses
in Malaysia during the
Early Months
of COVID-19

UNDP

September 2021

FOREWORD

In the first half of 2020, the COVID-19 Pandemic brought the world to its knees, exposing several areas of vulnerability that societies have either ignored, or swept under the carpet for a while: inadequacy of health systems; gaps in social protection; structural inequalities; environmental degradation; the climate crisis, and others. The speed at which the coronavirus spread, posed unprecedented challenges to decision-making. Governments were forced to make swift but high-impact decisions with inadequate information, not knowing the consequences on people's health, nor the broader impact on society and the economy. Experts scrambled to predict infection patterns, and the impact of lockdowns on people's wellbeing across income, age, gender and ethnicity were yet to be understood.

This report focuses on that challenging time, when the pandemic raged in its early months. It is essentially a compendium of socio-economic impact studies led by UNDP in Malaysia that then informed the UN's Socio-economic Response Plan to COVID-19 in the country. The work examines and documents both the challenges that people and communities faced, as also the dilemmas facing policy and decision makers. I hope it helps point to important lessons for early management of future crises. The topics covered in this special series range from social assistance in crisis, community cohesion and communication, to the risks posed by the pandemic on fiscal sustainability.

Today, the convergence of crises in the form of geopolitical conflicts, soaring food and energy prices, and the climate crisis are posing threats to an already Covid19-battered global economy. The achievement of the SDGs by the deadline of 2030 is significantly under duress. How countries deal with events unfolding at the early stage of a crisis can determine the duration and depth of the impact of the crisis. An early crisis response plan allows all levels of the government to detect, manage, and put in place recovery measures, thus mitigating the mid- to long-term consequences on people, planet and prosperity, effectively and efficiently. In August 2020, the UN Secretary-General António Guterres reminded countries to use lessons learnt from efforts to address the global pandemic to "do things right for the future".* We are pleased to issue this compendium of studies to support further enhancement in early response strategies going forward.

Niloy Banerjee
Resident Representative
UNDP Malaysia, Singapore and Brunei Darussalam.

---

* Use COVID lessons to 'do things right' for the future, urges UN chief || UN News

ACKNOWLEDGEMENT

ABBREVIATION AND ACRONYMS

APHM	Association of Private Hospitals Malaysia
B40	Bottom 40 percent Income group
BNM	Bank Negara Malaysia (Central Bank of Malaysia)
BPN	Bantuan Prihatin Nasional
CD	Communicable diseases
CMCO	Conditional Movement Control Order
CO	Country Office
COVID-19	Coronavirus Disease 2019
CSO	Civil Society Organization
DOSM	Department of Statistics Malaysia
DSL	Decent standard of living
EMCO	Enhanced MCO
EPF	Employee Provident Fund
FBO	Faith-based Organization
FGD	Focus Group Discussions
FMM	Federation of Malaysian Manufacturers
GDP	Gross Domestic Product
GoM	Government of Malaysia
HEIS	Household Income and Basic Amenities Survey
HM	Harian Metro
ILO	International Labour Organisation
JKM	Jabatan Kebajikan Masyarakat (Department of Social Welfare)
KKM	Kementerian Kesihatan Malaysia (Ministry of Health)
MCO	Movement Control Order
MKN	Majlis Keselamatan Negara (National Security Council)
MOH	Ministry of Health
NADMA	National Disaster Management Agency
NCD	Non-communicable disease
NGO	Non-governmental Organization
NPC	National Productivity Council
OOP	Out of pocket
OSC	One Stop Centres

PDRM	Polis Diraja Malaysia
PHP	Public Housing Programmes
PLI	Poverty Line Income
PLWS	Productivity Linked Wage System
PPR	Program Perumahan Rakyat (People's Housing Project)
PTSD	Post-Traumatic Stress Disorder
PWD	Person with disabilities
RaHIS	Rapid Household Impact Survey
RCO	Resident Coordinator Office
RM	Ringgit Malaysia
RMCO	Recovery Movement Control Order
RPL	Relative Poverty Line
SDG	Sustainable Development Goals
SME	Small and Medium Enterprise
SMS	Short Message Service
SOCSO	Social Security Organisation
SOP	Standard Operating Procedure
SPV 2030	Shared Prosperity Vision 2030
TARP	Troubled Asset Relief Program
TSO	The Star Online
UN	United Nations
UNCHR	UN Refugee Agency
UNCT	United Nations Country Team
UNDP	United Nations Development Programme
UNDS	United Nations Development System
UNFPA	United Nations Population Fund
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children Fund
WAO	Women's Aid Organisation
WCC	Women's Center for Change
WHO	World Health Organisation
WP	Wilayah Persekutuan

Table of Content

Table of Content

List of Figures

List of Figures

List of Tables

Part I. CONTEXT

1. Introduction

The COVID-19 pandemic has exposed chronic development fault lines in the country, taking a heavy toll on the social and economic well-being of the people. Collectively, distortions presented by COVID-19 are likely to adversely impact human capital accumulation and productivity considerably. Thus, the longer-term social and economic impact of this crisis is expected to be profound.

Being at the heart of the United Nations family, the UN Development Programme (UNDP) responded to requests from countries to help them prepare for, and adequately respond to, the devastation the COVID-19 pandemic wreaked on populations, particularly against its disproportionate attack on the most economically and socially vulnerable. Since the early months of the coronavirus outbreak, the UNDP's response focused on three objectives: helping countries to prepare for, and protect people from, the pandemic and its impacts; to respond during the outbreak, and to recover from its economic and social consequences. These objectives led to the identification of three critical and immediate priorities for the UNDP during this early period of the pandemic i.e., to undertake:

1. Sustained health-systems support – the UNDP supported countries to strengthen their health systems, including procuring urgently needed health and medical supplies, strengthening health infrastructure, managing health waste, and ensuring salary payments to health workers.
2. Provided inclusive and integrated crisis management and response: the UNDP helped countries by supporting governments to maintain core functions, and to plan, coordinate, communicate and finance their efforts to respond to and withstand the pandemic. This builds on UNDP's global capacity to safeguard the business community while expediting its vast experience in helping countries strengthen key institutions, protect their civil rights and liberties, address exacerbated gender inequalities, mitigate the risks of disasters, overcome different crises, and improve the overall quality of living.
3. **Initiated social and economic needs-assessment and response**: The longer-term social and economic impact of the pandemic are inevitable and imminent. Rapid assessments during the first months of the pandemic were critical to pinpoint the social, economic and political impacts of the crisis, and discover ways to mitigate them with sustainable, resilient and rights-based solutions forged through both the public and private sectors.

In line with the third priority above, UNDP Malaysia carried out country-specific assessments of the COVID-19 impact in different areas, specifically taking care to ensure that the experiences and perceptions of the most vulnerable are documented. This report consolidates findings from two specific rapid assessment exercises in Malaysia during the first half of 2020. Data collection took place, for the most part between March and June 2020.

The coronavirus pandemic has placed extraordinary demands on community leaders and inflicted fear and severe hardship on the general population. The massive scale of the outbreak and its sheer unpredictability make it challenging for governments, businesses and households to respond. This outbreak, with no exaggeration, can be described as an unprecedented event of overwhelming speed and scale, that has caused severe economic, financial, physical, psychological and emotional disorientation. Responses gathered during rapid assessments of the pandemic are justifiably improvised. However, this does not take away from the fact that learning from the very starting point of the pandemic provides valuable insight about behaviours and mindsets that can help leaders navigate future crises.

Part 1 of the report provides an overview of the pandemic in Malaysia and its impact on various dimensions of society. Part 2 describes findings from UNDP's rapid household socio-economic survey. Part 3 analyses aspects of social cohesion and community resilience during the initial months of the crisis, when misinformation and confusion were at their highest. The report ends with the presentation of Malaysia's 'early-stage crisis' policy responses and lessons for the future, based on insights from this critical period of the pandemic.

2. Timeline of COVID-19 Spread and Lockdowns

On the 31st of December 2019, China reported cases of pneumonia in Wuhan, Hubei Province. By 13 January 2020, the first case of the corona virus was reported outside China, in Thailand. Soon after, on the 30th of January, the WHO declared the COVID-19 outbreak a Public Health Emergency of International Concern (PHEIC). The Malaysian government confirmed its first COVID-19 case on January 25, and its first local infection on 6 February. The first wave of COVID-19 infections in the country happened between 25 January and 15 February, involving a total of 22 people, twelve of whom had a travel history to other affected countries. After that, for a period of 11 days from 16 February to 26 February, there were no new reported cases of COVID-19 infections.

Between 27 February and 1 March, up to 16,000 people were estimated to have attended a three-day *tabligh*[1] gathering at the Sri Petaling mosque, of whom about 1,500 were foreign nationals. This gathering eventually led to a much larger second wave of cases. The Ministry of Health (MOH) was only made aware of the risk the gathering posed eight days after the event's close on March 9, when a Brunei national who attended the gathering tested positive for COVID-19 in Brunei. The first Malaysian who attended the event and tested positive was a 60-year-old man from the state of Pahang, who tested positive on 12 March. More than 190 additional people from the gathering were tested positive COVID-19 on 15 March alone. On the 17th of March, the MOH announced the first death related to the gathering.

China reported cases of pneumonia in Wuhan		First COVID-19 case in Malaysia		First local infection in Malaysia	
31 Dec 2019	**13 Jan 2020**	**25 Jan 2020**	**30 Jan 2020**	**6 Feb 2020**	**25 Jan – 15 Feb 2020**
	First case of the corona virus reported in Thailand		WHO declared COVID-19 outbreak a PHEIC		First wave of COVID-19 infections

Malaysian government announced the first phase of its MCO		More than 190 additional people from the gathering were tested positive COVID-19		A Brunei national who attended *tabligh* gathering tested positive for COVID-19 in Brunei	
18 – 31 Mar 2020	**17 Mar 2020**	**15 Mar 2020**	**12 Mar 2020**	**9 Mar 2020**	**15 Jan – 26 Feb 2020**
	MOH announced the first death related to the gathering		First Malaysian tested positive who attended *tabligh* gathering		No new reported cases of COVID-19 infections

---

[1] *Tablighi Jamaat* is an Islamic missionary movement that focuses on encouraging Muslims and fellow members to return to the true practice of Islam.

Considering the risk of the virus spreading across the country, the Malaysian government announced the first phase of its Movement Control Order (MCO) - from 18 March until 31 March. However, as the situation did not improve, more variations of the MCO, known as Conditional Movement Control Order (CMCO) and Recovery Movement Control Order (RMCO) were announced (see Table 1).

Table 1: *Movement Control Order (MCO) Timeline*

Phase		Date
1	MCO	18 March – 31 March
2	MCO 1st extension	1 April – 14 April
3	MCO 2nd extension	15 April – 28 April
4	MCO 3rd extension	29 April – 3 May
5	Conditional MCO	4 May – 11 May
6	Conditional MCO	12 May – 9 June
7	Recovery MCO	10 June – 31 August

2.1. Movement Control Order (MCO)

The Movement Control Order was invoked under the Prevention and Control of Infectious Diseases Act 1988 and the Police Act 1967, and included the following restrictions:

- General prohibition of mass movements and gatherings across the country, including religious, sports, social and cultural activities. Thus, all places of worship, recreation and business were to be closed, except for supermarkets, public markets, grocery stores and convenience stores selling everyday necessities.
- Sanctions covering all Malaysians travelling abroad. Those who had just returned from overseas were required to undergo a health check and a 14-day quarantine.
- Restrictions on the entry of all tourists and foreign visitors into the country.
- Closure of all kindergartens and government and private schools, including daily schools, boarding schools, international schools, *tahfiz*[2] centres and other primary, secondary and pre-university institutions.
- Closure of all public and private higher education institutions and skills-training institutes nationwide.
- Closure of all government and private premises, except those involved in the provision of essential services (water, electricity, energy, telecommunications, postal, transportation, irrigation, oil, gas, fuel, lubricants, broadcasting, finance, banking, health, pharmacy, fire, prison, port, airport, safety, defence, cleaning, retail and food supply)

---

[2]   The Quran memorisation school

The Royal Malaysia Police (PDRM) initially warned that violators of the MCO regulations would be subjected to various penalties under the Penal Code. On 18 March, the chamber of the Attorney General released a federal gazette specific to the control order, in which violators could be fined up to RM1,000 and/or jailed for a maximum of six months. On 14 April, compounds started to be issued by the police, as the penalties were ineffective in reducing MCO violations, and offenders were arrested and remanded as well.

During the MCO, the PDRM conducted roadblock operations along key access points across the country to monitor, warn and restrict travellers to abide by the regulations. From 22 March, Malaysia's military forces were mobilised to augment the police force. From 4 May, in line with the Conditional MCO (CMCO), the PDRM reduced the frequency of roadblocks nationwide to focus on the enforcement of social distancing and to curb the entry of undocumented migrant workers and smuggling activities.

On 30 March, the government permitted businesses to resume their operations from 8 AM to 8 PM starting on 1 April. Additional measures were also announced for enforcement starting on the 1st of April. For instance, a person must not be accompanied by other people during travel, there is a 10 km travel radius for all travellers, and all types of gatherings, except for funerals[3], were prohibited. People who had to travel for medical purposes were exempted from the companion rule and the travel radius.

All levels of supply chains related to the agricultural and fishing industries were allowed to operate throughout the order. On 10 April, the Malaysian government gave permission to specific sectors to operate during the Order to prevent massive job-loss amongst Malaysians and ensure continued access to basic needs and essential products and services.

2.2. Conditional Movement Control Order (CMCO)

The government eased lockdown restrictions on 4 May under the CMCO initiative, which allowed several more key industries to resume operations. The CMCO was continued until 9 June, which was the fourth extension of the MCO. The goals of the CMCO were to reopen the local economy in a controlled manner, without compromising on the containment of COVID-19. Regulations of the CMCO included the following:

- Most economic sectors and activities were allowed to operate provided that business standard operating procedures (SOPs) to prevent the spread of the virus, were strictly enforced and observed. These included, but are not limited to, social distancing, temperature scans and recording contact details of customers for contact tracing purposes.
- Sports activities involving a large number of people and physical contact among any other potential risk of infection, were not allowed, including all indoor and stadium sports events. Outdoor sporting activities involving a small group of up to 10 people were allowed on the condition that physical distancing was practised.
- Social, community and cultural events involving large gatherings, and all types of official events and assemblies were still not permitted. Religious activities and all congregational or assembly activities in places of worship were also not allowed.
- Interstate travel, including the *balik kampung*[4] tradition for the oncoming *Eid al-Fitr*, was not allowed, except for critical work purposes and for those who got stranded during the first MCO to return to their hometowns or elsewhere.

---

[3]   The attendees for funerals were also to be kept to a minimum.
[4]   *Balik kampung* (English: 'return to village') is a Malay term for the massive exodus during festive seasons.

The states of Kedah, Kelantan, Pahang, Sabah and Sarawak chose not to implement the CMCO beyond 4 May. The state governments of Selangor and Perak restricted some business sectors from operating during the CMCO, while Negeri Sembilan only allowed some economic sectors to reopen. The government of Penang, on the other hand, implemented a three-phase gradual reopening of the economy by 13 May.

2.3. Recovery Movement Control Order (RMCO)

The CMCO ended on 9 June, replaced by a Recovery Movement Control Order (RMCO) phase starting from 10 June to 31 August, but was later extended to the end of the year. Interstate travel was allowed starting on 10 June under the RMCO, except in areas remaining under the Enhanced Movement Control Order (EMCO). Generally, the RMCO relaxed some of the CMCO restrictions.

In most areas, only essential religious gatherings were allowed to resume, albeit with a number of restrictions. In Selangor, for example, specially designated mosques were only allowed to offer Friday prayers and attending such prayers were subject to worshippers' applications being approved by the regional religious authorities. The number of attendees were also initially capped at 40, and then later increased to 150 people. Worshippers were also required to bring their own prayer mats and pray within predesignated spaces that are a metre apart.

Sectors under the purview of the Ministry of Tourism, Arts and Culture, such as meetings, incentives, conventions and exhibitions, travel and trade fairs, and spa, wellness and reflexology centres, were allowed to open starting on 1 July, but only Malaysians were allowed to work. Tourism businesses were required to abide by social distancing measures, such as limiting crowds to between 200 and 250 people per venue, record customers' contact details and temperatures, wear face masks and provide hand sanitisers.

On 31 July, the MOH announced that the term 'social distancing' used in SOPs had been changed to 'physical distancing'. From 1 August, the government mandated face masks in all public spaces. Under the Prevention and Control of Infectious Diseases Act, those who did not comply would be fined up to RM1,000. The new rule was introduced as cases started to re-emerge following the easing of the recovery phase of the MCO. The resurgence of cases was attributed to general public complacency and non-compliance with the SOPs set by the government. There were also incidents where travellers had breached their mandatory home quarantine.

During the second phase of the RMCO, which was until the end of the year, the number of people who acquired COVID-19 increased precipitously starting in the state of Sabah, particularly after the Sabah September 26 state elections and the intense campaigning period prior to that. The Prime Minister admitted that the Sabah state elections in September was the cause of the third wave of COVID-19 infections in the country.[5] The number of cumulative cases in the state was 808 on nomination day on September 12. This increased by 91.5 per cent to 1,547 cases on polling day on September 26. On October 24, Sabah recorded 11,285 cumulative cases, becoming the first state in the country to record more than 10,000 cases. The election did not only caused a dramatic surge of infections in the state, but in other states in the Peninsular as well, since many party workers and officials flew to Sabah to lend support to the election campaigns, and returned to their home states without any quarantine conditions imposed on them.

The preceding sections give a factual account of how the federal and state governments responded to the mounting COVID-19 pandemic through different variations of a Movement Control Order. The efficacy of this mechanism varied depending on the level of compliance and enforcement. Given the implementation of the MCO, CMCO, RMCO and EMCO, the next section attempts to provide insights into the economic impact of the pandemic.

3. Macroeconomic Impacts of COVID-19

The economic costs of infectious disease include: (a) the direct and indirect effects of illness; and (b) the costs induced by the non-compliant behaviors of citizens and by the efficacy of transmission control policies of governments. With emergent illnesses of which the epidemiological aspects are not yet known, previous experiences from SARS and Ebola outbreaks have shown that the economic costs due to preventive actions are likely to exceed the economic costs of illness, at least during the initial periods. Nonetheless, at the start of an outbreak where there was massive uncertainty about transmissibility and severity, defensive efforts to flatten the infection curve, such as the imposition of lockdowns seem to be most cost-effective in the immediate and middle term.

3.1. Trade and Investments

It became clear even in the early days of the pandemic, that the resulting economic fallout was going to be relatively more severe and prolonged than the 2008 financial crisis. In 2009, China's massive stimulus and rapid return to double digit growth provided the much-needed boost for Malaysian exports. Similarly, the search for high investment yields caused a rapid rebound of capital inflows in emerging countries, and Malaysia was one of the primary beneficiaries of this trend. It can be argued that the expansion of South-South trade and financial links that had begun before the crisis hit,

---

[5] The Straits Times. (2020). Malaysia's PM Muhyiddin admits Sabah state polls in Sept caused current COVID-19 wave.

had helped developing countries to be more or less "decoupled" from the economic woes of developed nations. However, many of the conditions that helped produced a sharp bounce-back in developing countries after 2010, are either not present or are too unreliable in the present COVID-19 case.

The disruption in the global supply chain will take a long time to remedy, and even when it is, firms are expected to revamp their business models to become more extensively digital, such that unemployment among the low-skilled workforce is not likely to improve. China has steadily diminished its dependence on external suppliers in its production channels through an increase in domestically produced intermediate products. With limited economic diversification where Malaysia has remained dependent on many countries for key commodities over the past decade, it has been more exposed to shocks and disturbances. Even despite the massive stimulus packages initiated by advanced economies like China, forecasts still show a rapidly slowing growth rate through 2020 and 2021. This implies significantly lower demand for exports and the losses in export volume will be compounded by the sharp falls in energy and commodity prices, which still make up a significant portion of Malaysian exports.

In addition to being part of the global supply chain that includes China and the US, early data indicates that Malaysia's heavy reliance on international trade, tourism and petroleum revenue, exacerbate the impact of the COVID-19 pandemic in the country. The economy was estimated to have lost about RM2.4 billion per day[6], as non-essential businesses halted during the MCO. Local and global travel restrictions placed Malaysia's tourism sector at a standstill for months. A whopping RM100 billion in lost revenue is expected from the tourism industry alone.[7] The sector accounts for about 15 percent of the country's gross domestic product (GDP) and employs about 23 percent of the total Malaysian workforce in 2018.[8] Even Bank Negara Malaysia's (BNM) forecast of a 4 percent unemployment rate for 2020 was dismissed as overly optimistic. Malaysia Employers Federation (MEF) estimated that about 2 million workers might lose their jobs in 2020.[9]

Approximately, 90 percent of micro- and informal enterprises are particularly vulnerable, not possessing any form of risk insurance, while half of the small and medium enterprises (SMEs) were completely uninsured. For those with insurance, the financial constraints generated by the COVID-19 crisis has led to further reductions in worker insurance coverage plans. For example, fire insurance coverage—the top insurance risk for businesses—shrank by 25 percent in 2020.

3.2. Labour Market

One of the most deterministic factors of human welfare is the labour market, through which an individual is able to convert her or his talents, skills, experiences and value-added into overall wellbeing. The functional efficiency of labour markets ensures a high participation rate that translates into higher aggregate goods and services being produced, in turn, generating real income and purchasing power. COVID-19 affects the labour market in two ways: it directly reduces the supply of labour as the pandemic affects households ability to work, while countermeasures to mitigate it (MCO and lockdowns) directly impedes the demand for workers. These outcomes also have non-financial consequences of their own such as low morale and self-esteem from job loss or collapsed business, all of which may undermine psychological wellbeing and social stability.

---

[6]   Bernama. (2020). Malaysia's economy poised to recover with gradual reopening of sectors under CMCO. Astro Awani.
[7]   Ganesan, V. (2020). Cover Story: Tourism in tatters. The Edge Markets.
[8]   Department of Statistics Malaysia. (2019). Tourism Satellite Account 2018.
[9]   Kong, S.H. (2020). MEF: 2 million Malaysians may lose jobs. The Sun Daily.

Unemployment

The unemployment rate increased from 3.3 percent in February to 3.9 percent in March to peak at 5.3 percent in May (826,100 unemployed). This rate declined to 4.9 percent (773,200 unemployed) in June, which was a 0.4 percent month-on-month improvement. Of those who were unemployed in May, only 37 percent had been unemployed for less than three months, reflecting the severity of the crisis on labour demand.

Youth Unemployment and the 'Discouraged Worker'

Youth unemployment (15–30 age bracket) also rose to 10 percent in May 2020, the highest recorded rate since 1989. The Labour Force Participation Rate (LFPR) defined as those of working age who are currently working, or are actively seeking jobs, declined from 68.7 percent in February to 68.0 percent in May. This corresponded to a 2.8 percent or a 7.4 million increase in the number of people outside the labour force, compared to the previous month (of 7.2 million), indicating a shrinking workforce. Of this 7.4 million, 18 percent (or 1.3 million) people were no longer interested or felt discouraged to find jobs, which represented an increase of 6.7 percent (or 82,000) compared to April 2020.

Self-employed and Informal workers

The employment-to-population ratio, a loose indicator of the economy's capacity to create employment, dropped by 0.4 percent to 64.4 percent. The number of self-employed individuals decreased from 2.6 million in April 2020 to 2.4 million in May 2020. A self-employed individual refers to any person who earns a living through any means other than working for a company or another individual (an employer). In contrast, the number of employees increased from 11.1 million to 11.4 million during the same period. These statistics demonstrate the degree to which the pandemic threatens the livelihood of the self-employed and small businesses. This group is mostly composed of freelancers, smallholders or daily wage earners working in farmers' markets, night markets or stalls. The 2019 study of the Malaysian informal sector estimated that out of the 2.5 million self-employed individuals in Malaysia, 1 million (or 40 percent) are in the informal sector. A special survey conducted by the Department of Statistics Malaysia (DOSM) at the end of March 2020 showed that among the self-employed, almost one-half lost their jobs due to the pandemic. This is in stark contrast to private sector employees, of whom only 1.8 percent had reported losing their jobs, and one-half reported that they are able to work from home. The special report also revealed that 2 in 5 self-employed individuals had their monthly income reduced by more than 90 percent, while 7 in 10 did not have sufficient savings to last more than one month.

<u>Underemployment</u>

Underemployment is essentially a measure of how well a country's workforce is being utilized. During the early part of the pandemic, the percentage of Malaysian graduates working in non-graduate jobs increased over the past several years, from 20.6 percent (1 in 5) in 2016 to 26.7 percent (1 in 4) in 2019. Although the employment rate is expected to grow during the RMCO, such progress will be meaningless if the issue of underemployment is not sufficiently resolved.[10]

Migrant Workers

The DOSM Labour Force Survey, estimates that the total number of foreign workers make up approximately 15 percent of the total Malaysian labour force. Most low-skilled migrant workers are from Indonesia, Bangladesh, Nepal and the Philippines (Loh et al., 2019). Long-standing concerns over Malaysia's dependence on migrant workers, especially undocumented workers, has been a recurring issue raised on different media platforms and parliamentary debates on Malaysia's economic transformation.

The Institute of Labour Market Information and Analysis, which estimates the total foreign worker population using migrant worker-related insurance subscription data, puts the number at 3.5 million. Loh et al. (2019) estimated that the total number of migrant workers in Malaysia in 2017 ranged from 2.96 million to 3.26 million. Among them, the number of undocumented migrant workers was estimated to be between 1.23 million and 1.46 million. In other words, about half of the migrant workers are likely to not have proper documentation, and have remained in the country through unauthorized channels.

The Malaysian dependency on foreign workers has been blamed widely for suppressed wage rates,[11] in the low-skilled labour market. Migrant workers have also been accused of 'stealing' local jobs[12], causing the unemployment rate to rise, particularly during the MCO. The call for the government to act against influx of migrant workers culminated in the government announcing a hiring limit for migrant workers. Only three sectors (plantation, agriculture and construction) were allowed to hire migrant workers from 29 July onwards. The move received strong pushback from the manufacturing and retail industry, forcing the government to amend the restriction only two weeks later to allow the rehiring of foreign workers who are already in the country for positions not filled by local workers. Employers were also advised to ensure that these foreign workers undergo COVID-19 screening, owing to the increasing number of cluster-cases associated with different work-areas and living quarters of foreign workers. Migrant workers who are undocumented are unlikely to come forward to be screened for COVID-19, for fear of revealing their legal status to the Malaysian Immigration Department.

4. Socio-Economic Impacts of COVID-19

The MCO has disproportionately affected Malaysia's most vulnerable. The socioeconomically marginalised segment is more susceptible to the adverse economic effects of the MCO, especially the urban poor and migrants, who are working in low-paid jobs, have little access to financial resources and live in high-density and overcrowded flats where there is an increased risk of infections. With the MCO in place, higher income groups often have the choice to avoid going out except for necessities, while their work environments allow them to pursue a work-from-home (WFH) policy. Such options are not available to the urban poor and migrants as their work is mostly manual and cannot be performed remotely. The enforcement of MCO literally means that blue-collar workers are cut off from their income sources and are no longer able

---

[10]   Source: Monthly LFS/DOSM special report (various issues). Department of Statistics Malaysia. (2020). Labour Force Survey Report, Malaysia, 2019.
[11]   Soo, W.J. (2020). Told not to hire migrant workers, market traders in KL struggle to handle business on their own. Malay Mail.
[12]   Kamel, H. (2020). Only higher wages can induce locals to do 3D jobs. The Malaysian Reserve.

to even live at subsistence levels. The MCO also prevents the operation of informal markets, such as the night markets and farmers' markets, which are an important source of income and affordable living for many low-income households.

The negative socioeconomic impacts of the pandemic are mainly due to the MCO. The MCO has halted almost all social and economic activities, disrupting production and distribution networks and affecting local and global supply chains. The initial economic impact was in the form a supply shock. The disruption in the commercial sector has caused businesses and workers to sustain heavy income losses. This shock, in turn, triggered adverse demand responses, which had even further repercussions on production. In the early stage of the crisis, Malaysia only suffered adverse external demand shocks from China, but as the pandemic became global, steep contractions in global output affected the economy. Whilst income losses initially impacted the export-driven industries of the economy, the decline in income generated by these sectors extended to other sectors of the economy, reducing national purchasing power and demand, and causing even less demand for economic resources via a vicious cycle (Lian, 2020).

For firms, restrictions on operations have severely limited their revenue models causing significant cash flow deficiencies and eventual retrenchment of workers in many instances, as evidenced by the increase in the unemployment rate. Overall, a vicious cycle is created in which more income is lost, further depressing the overall consumer demand and amplifying losses in output (Guerrieri et al., 2020). Figure 1 summarises the dynamics of how a negative supply shock induces an amplified demand shock.

Figure 1: *COVID-19 Supply Shock-Induced Amplified Demand Shock*

MCO and production shutdown → Jobs and income losses in directly affected sectors → Weaker domestic demand → Job and income losses in initially unaffected sectors → Weaker demand

Source: Lian (2020)

Retrenchment and unemployment caused by deficient labour markets limit the strength and pace of economic recovery as the labour market is strongly anchored to private consumption expenditure. Retrenchment also adds to prolonged unemployment even if the economy recovers later. This lasting effect in the labour market is known as employment hysteresis, which occurs particularly when workers exit the labour force entirely (when the labour force participation declines), or when the loss of work experience results in skill mismatches. Labour market hysteresis may be due to a transitory shock, but the output losses are permanent. Furthermore, recovery in labour markets is slower, as factors affecting job-search and other similar factors limit the pace at which employment recovers (Mortensen and Pissarides, 1994).

Hysteresis can also occur with production (output deficits) when businesses are forced to close. Businesses will be affected by cashflow mismatches and supply chain disruptions because of repurposing exercises, restructuring and insolvencies. When China, the world's factory, is impacted, global supply chains are affected, especially the global manufacturing sector. Furthermore, government restrictions cause disruptions to operations and the supply chain ecosystem. In compliance with the MCO, many companies—unless, as critical product manufacturers they have obtained government approval—have had to temporarily shut down their facilities and halt operations. Additionally, manufacturers relying on input from different countries that are affected by their own COVID-19 MCO may find their supply chain obstructed if they do not already have an adequate business continuity plan in motion. In the domestic context, the manufacturers of critical products which are allowed to operate during the MCO period may still suffer from gaps in the supply chain from local suppliers if such suppliers have not been approved by the government to operate during the MCO period. Physical distancing requirements after the imposition of MCO will likewise affect the demand-side of businesses, as movement restrictions contain consumers within specific localities. Such impediments faced by firms will interact with those in the labour market, amplifying the initial shocks. As businesses stop and income decreases, the people, the country and its prosperity are also afflicted.

4.1. Poverty and Decent Standard of Living

The state of income inequality in the country can be best described using the household distribution of income in Figure 2 and 3. Around 12.5 percent of total households earn between RM3,000 to RM4,000 which is the mode income bracket. B1 (lowest 10 percent household) earn collectively about 2.4 percent of total income while T2 (top 10 percent) earn collectively 30.7 percent.

Number of households ('000)

Almost **30.3% of households** earn **<RM4,000 a month. Mode of a household income:** RM3,000 - RM4,000, **12.5% of Malaysian households.**

24% of total income owned by the group. **decile B1.**

- B1 (2.4%)
- B2 (3.5%)
- B3 (4.5%)
- B4 (5.6%)
- M1 (6.8%)
- M2 (8.2%)
- M3 (9.9%)
- M4 (12.3%)
- T1 (16.1%)
- T2 (30.7%)
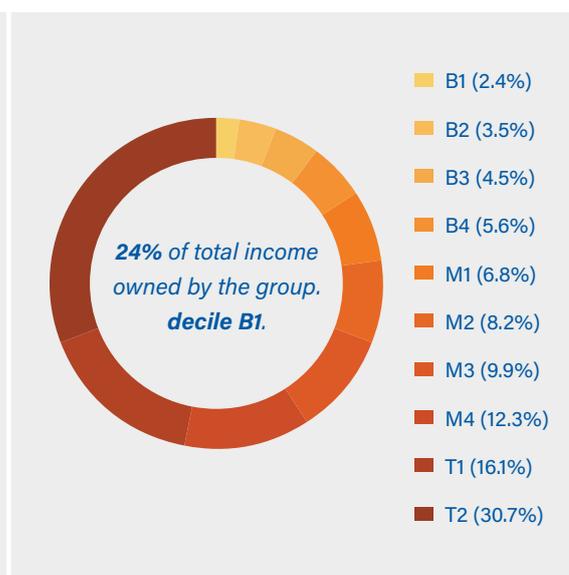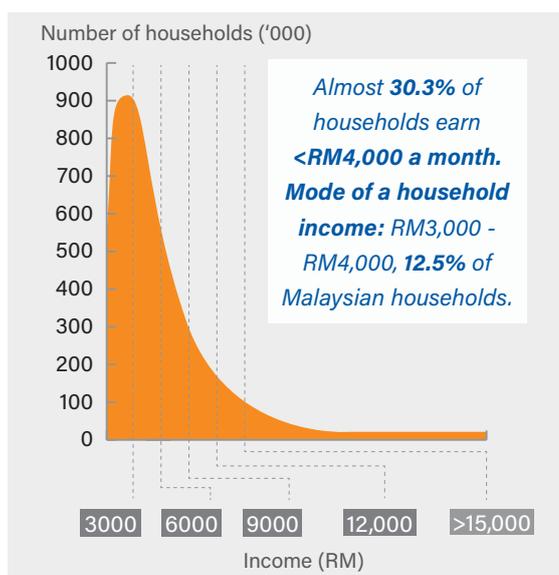
Figure 2: Income share by deciles   **Figure 3:** Household distribution by Income
Source: Household Income and Basic Amenities Survey Report, 2019 (DOSM)

The DOSM revised the method used to measure the Poverty Line Income (PLI) in 2019, adjusting it upwards from RM980 to RM2,208 per month. Based on this, Malaysia's absolute poverty rate fell to 5.6 percent of households in 2019 from 7.6 percent in 2016. Thus, around 405,441 households in 2019 can be categorized as absolute poor. DOSM also publishes the Relative Poverty Line (RPL), calculated as 50 percent of the national, state or district monthly median household income. The national RPL stands at RM2,937 per month. Any household with an income of RM2,937 or below is considered to be relatively poor (1.24 million households).[13] Around 800,000 households fall between the absolute and the relative poverty line – a mere RM727 separating between the two poverty thresholds. The COVID-19 pandemic worsens this situation, as those living between the absolute and relative poverty lines are also more vulnerable to economic shocks. The negative effect of the countermeasures for COVID-19, such as the MCO, will plunge at least 800,000 Malaysians into absolute poverty due to job losses, underemployment and income-cuts.

The average income of Malaysian households is primarily derived from paid employment (61.6 percent), followed by self-employment (17.3 percent), property and investments (12.9 percent), and monetary transfers, such as remittances, alimony, pensions, and other forms of assistance (8.2 percent). More and more people reported themselves to be self-employed, 17.3 percent in 2019 from 15.6 percent in 2016.

According to BNM's 2017 Annual Report, the living wage in Kuala Lumpur (KL) ranges from RM2,700 per month for an individual to RM6,500 per month for a couple with two children. The EPF estimates a decent standard living wage to be RM1,870 per month for an individual and RM6,620 per month for a couple with two children. Thus, using RM7,000 as the cut-off, households earning below 7,000 per month, (59.4 percent of households) captures only 30.3 percent of the total income share (Figure 4). About one-half of households in Malaysia do not even reach the BNM living wage. As for outside of Kuala Lumpur, the wage is expected to be lower than in Kuala Lumpur, but not by more than RM1,000. An earlier 2015 BNM study also showed that 3 in 4 Malaysians found it challenging to even save RM1,000 in immediate cash for emergencies.
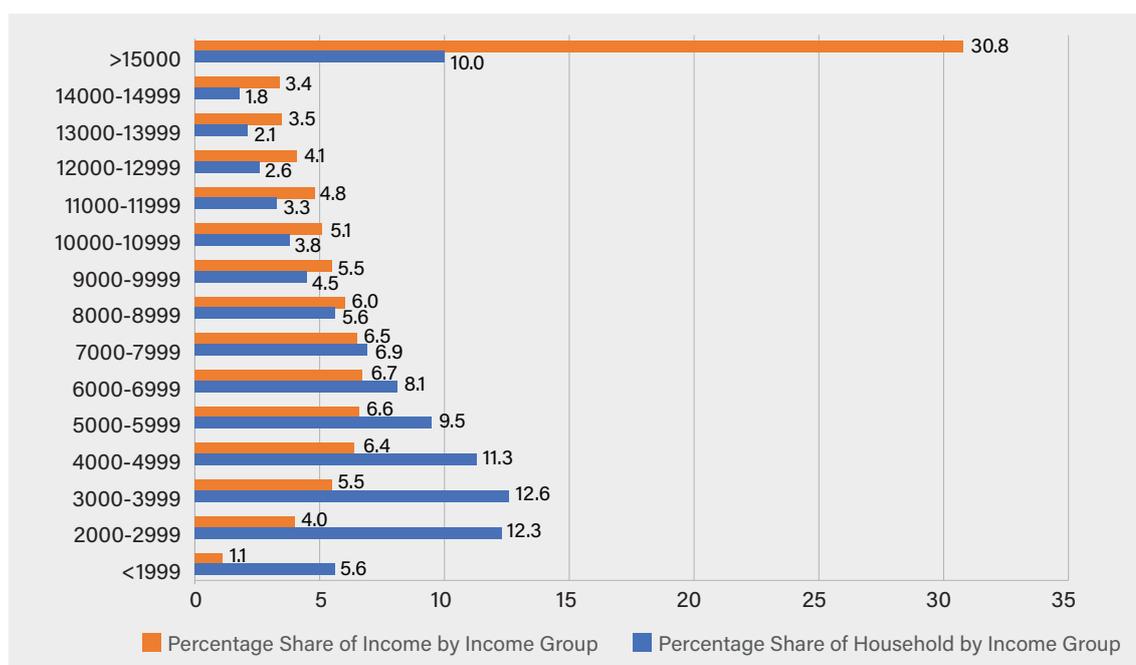
Figure 4: *Percentage Share of Income and Household by Income Group.*
Source: *Household Income and Basic Amenities Survey Report, 2019 (DOSM)*

---

13   Department of Statistics Malaysia. (2020). Household Income and Basic Amenities Survey Report 2019.

4.2. Education and Digital Learning

The MCO was imposed in the middle of the March 2020 school break. On 14 March, students began their one-week holiday, which should have ended on 21 March. However, the school break was indefinitely extended because of the MCO. The initial excitement of students about an extended holiday turned to consternation as the break extended into the middle of July. The MCO caused schools, universities and other learning institutions to deploy online learning methods. However, their rapid deployment gave rise to other issues, such as tech-literacy and access to devices and internet. Digital access can be categorised into four types: material, motivational, skills and usage. Material or device access is the most important type, as it is a prerequisite to the other three access-types for harnessing the digital landscape (van Dijk, 2017).

As online teaching and learning (T&L) was implemented to break the chain of COVID-19 infections, access to all four types of digital access presented challenges, especially access to learning devices and the internet. The DOSM ICT Use and Access by Individuals and Households Survey Report 2019 indicated that only 71.3 percent of Malaysian households had access to a computer, 98.2 percent had access to mobile phones and 90.1 percent had access to the internet. The lack of access to digital devices and internet services means that online learning cannot replace conventional education methods and risks deepening pre-existing inequality in education. An average household of four will need more than one computer for online learning, assuming they have enough internet data to share among all school-age children and WFH adults in the household. Telecommunication companies have been providing 1GB of free daily internet access beginning from 1 April until 31 December[14]. However, depending on the size of the house and the number of family members, the house may not provide conducive environments for quality learning.[15]

A survey conducted by Ministry Education during the MCO revealed that, out of about 900,000 students from 670,000 households affected by school closures due to the COVID-19 pandemic, 36.9 percent had no access to any electronic device suitable for e-learning purposes. The survey found that only 6 percent of students (around 54,000) had access to a personal computer, 5.7 percent had access to tablets, 9 percent had access to laptops, and 46 percent had access to smartphones.[16] These figures suggest that many students could be left behind in the digital learning phase, if not mediating measures are undertaken.

In the higher education category, some institutions adopted a 100 percent online learning policy immediately, while others deferred until appropriate training could be provided to instructors. Regardless, these institutions faced the same predicament as schools, especially in terms of the digital divide between urban and rural-based students. Lack of reliable internet access and the effect on online learning became sensationalised on social media and eventual national and global media when Veveonah Mosibin, an 18-year-old Universiti Malaysia Sabah (UMS) student from Kampung Sabanalang Pitas, posted on her YouTube channel the various struggles she endured just to sit for her online examinations.[17]

---

[14] Telecommunications operators Celcom Axiata Berhad ('Celcom'), Digi Telecommunications Sdn Bhd ('Digi'), Maxis Berhad ('Maxis'), U Mobile Sdn Bhd ('U Mobile'), YTL Communications ('YTLC') and Telekom Malaysia Berhad ('TM') provide free internet services as a joint industry initiative as part of the short-term Economic Recovery Plan (ERP). The free 1GB of daily internet access is intended to be used between 8am and 6pm to access a range of education- and productivity-related services.

[15] Lee, S. (2020). Sabah student stays overnight in tree to get better internet connection for online university exams. The Star.

[16] Azman, F. (2020). 36.9 per cent of pupils do not have electronic devices - Radzi Jidin. Astro Awani.

[17] Lee, S. (2020). Sabah student stays overnight in tree to get better internet connection for online university exams. The Star.

4.3. Higher Education and International Students

In line with its ambition to become a global education hub, Malaysia is planning to attract some 250,000 international students to the country by 2025. The target for 2020 was 200,000 students, however, currently, there are only about 130,000 international students in Malaysia. Malaysia makes, on average, RM7.2 billion per year from revenue sources such as tuition fees, living expenses and other services used by students during the course of their studies.[18] The average expenditure of an international student in Malaysia is about RM46,000 per year. In addition to significant income opportunities, the presence of international students helps enrich the local learning environment with more diverse cultural perspectives. A diverse campus helps prepare students for careers in a global economy. In many instances, university life is the first-time students experience studying, working and living alongside people from different cultural backgrounds.

Private higher education institutions were particularly hard-hit by the COVID-19 pandemic - the enrolment of international students fell drastically, while many existing students choose to postpone their studies to return to their home countries. The trends exacerbate the already dire situation many private colleges and universities are in, which are heavily reliant on student fees, especially from international students. In addition to the fear of the pandemic and international travel restrictions, global economic slowdown also meant that parents would need to re-evaluate their family (including education) budgets. Public universities, which have a smaller proportion of international to local students ratios are not unaffected. Many universities were forced to review their annual budgets, trim or cancel non-essential programmes like conferences, seminars or invitations to renowned experts. Academic staff also faced greater difficulties in applying for internal grants for research or conferences. Knowledge generation activities, as universities are used to, had to adapt themselves to the virtual platforms, while those that rely on close contact and lab-based work suffered extensively.

---

[18] Malay Mail. (2019). Education Ministry: Revenue from international students expected to grow to RM15.6b.

5. Health Impacts of COVID-19

Anticipating the worst-case scenario of the COVID-19 pandemic, the Malaysian government took steps to ease mass-panic and ensure the virus is contained. During the early weeks of discovering local positive cases, these measures including expanding the capacity and guidelines for the healthcare system to handle COVID-19 screening and hospitalization as well as enforcing health screening at all points of entry. These were followed by the implementation of various MCO phases. In terms of rate of COVID-19 infections, Malaysia had managed to flatten the curve but the third quarter of 2020, but at a high social and economic cost, such as loss of freedom of movement and jobs and incomes. Mental health issues also became increasingly prominent making it another priority alongside COVID-19 treatment.

Figure 5 shows the number of people who acquired and were treated for COVID-19 from early 2020 until mid-November 2020, Figure 6 shows the number of fatal cases. COVID-19-positive cases soared in March but began declining in April and then remained at a low level from June until August. However, in September the number of people acquiring COVID-19 started to increase again, especially in Sabah and later in Peninsular Malaysia. The concern over whether the Malaysian economy could continue weathering another barrage of movement and trade restrictions, however, had justifiably put the Malaysian government at a very difficult crossroads, which, it eventually opted against.

5.1. Public Health Capacity

To curb the spread of COVID-19, the early days of the pandemic saw the Malaysian government allocating RM500 million to purchasing medical equipment, such as ventilators and other intensive care unit (ICU) equipment, personal protective equipment (PPE), and specialised COVID-19 laboratory equipment. Another RM1 billion was also allocated to buying additional equipment and facilities, including medical resources from private healthcare providers. The government has also increased special allowances, from RM400 to RM600 monthly, for health care workers.

A special RM8 million COVID-19 fund was also established to cover the cost of screening: up to RM300 per policyholder and a *takaful* medical certificate to be checked in private hospitals or laboratories as specified by the MOH. Under the MySalam hospitalization benefits, individuals from low-income households who tested positive for the virus were entitled to income replacement claims of RM50 per day for a maximum of 14 days.

In terms of health care facilities, 7,364 beds were prepared for COVID-19 patients, comprising 5,500 beds across 40 public hospitals (including two university hospitals), in addition to 1,864 beds in 26 quarantine and treatment centres for low-risk, stable patients with milder symptoms. The 40 hospitals also prepared 422 beds and 1,331 ventilators in their ICUs for COVID-19 victims. Thus, in the event of a surge in COVID-19 patients, the COVID-19-dedicated hospitals were expected to have the capacity to support these patients' treatments. Other public hospitals are also equipped to receive non-COVID patients transferred from COVID-19-dedicated hospitals, should the need arise. The MOH also established a provisional facility in the Agro Exposition Park Serdang (MAEPS) with the National Disaster Management Agency[19] to be deployed as a 604-bed quarantine and care facility for low-risk patients. Across the country, 1,515 locations were designated as quarantine stations - including hotels, public training institutes, MOH training institutes, colleges and universities, hospitals, public halls and dorms. Together, these quarantine stations could accommodate a total of 120,150 people.

---

[19] Ministry of Health. (2020). Situasi Terkini 06 Mei 2020.
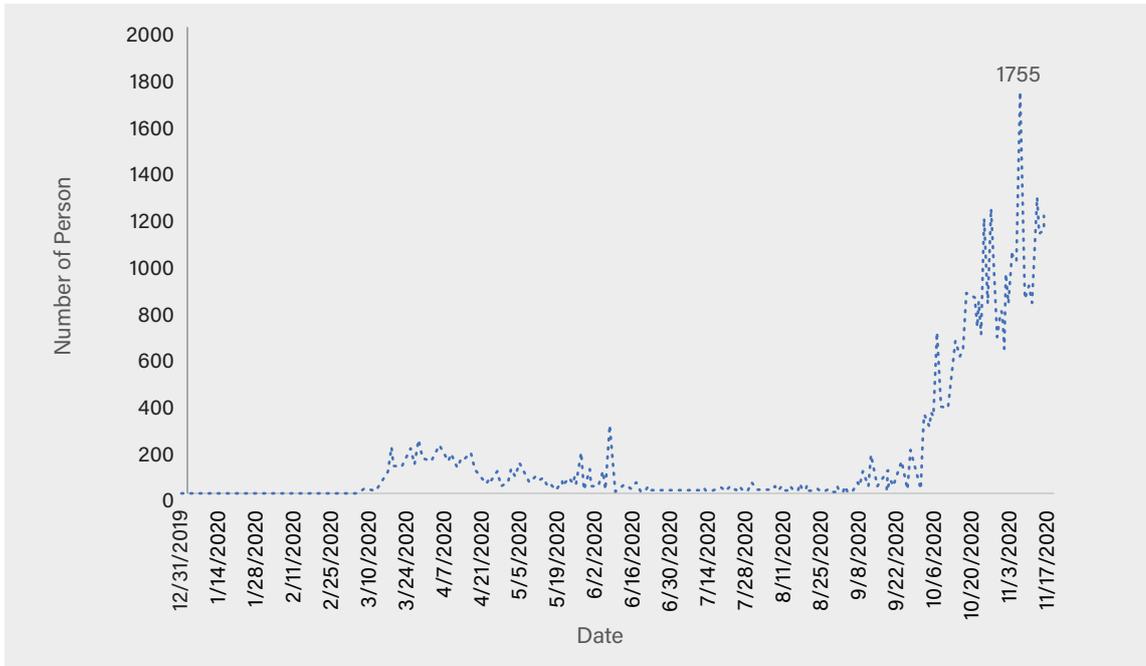
Figure 5: *Number of Person Acquired COVID-19 per Day in 2020*
Source: Ministry of Health
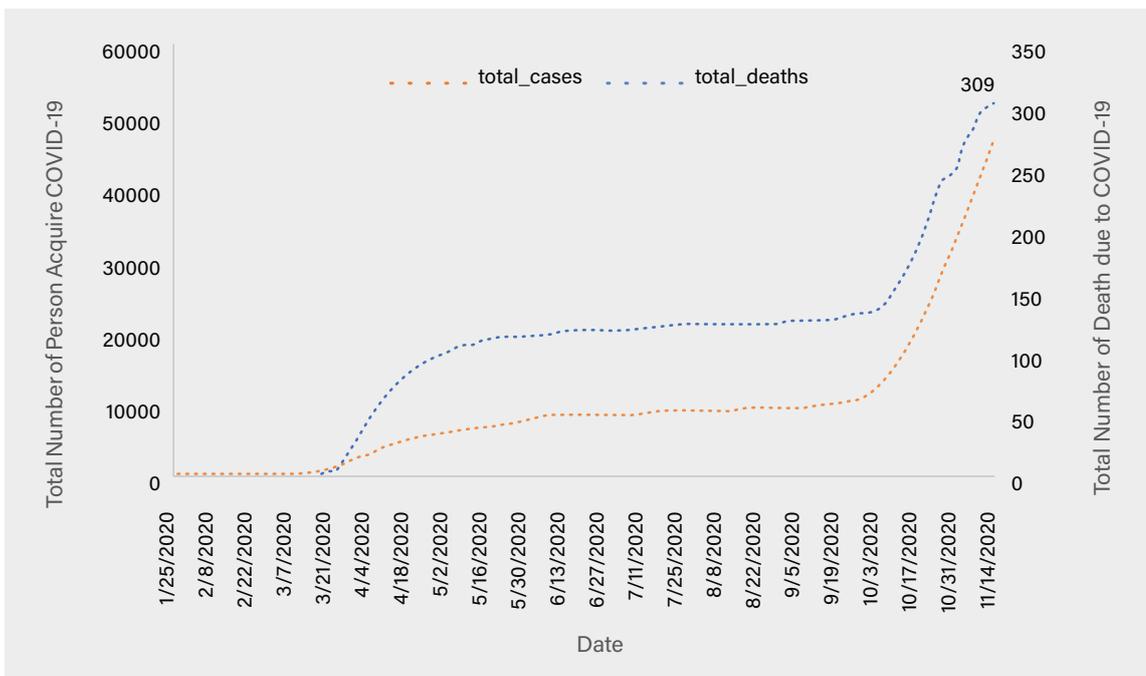
Figure 6: *Total Death and Number of Person Acquired COVID-19*
Source: Ministry of Health

In the earlier phase of the pandemic, Malaysia's testing capacity was carried out in 55 laboratories nationwide, comprising 24 MOH labs, 12 university hospital labs, two army labs, and one Science, Technology and Innovation Ministry lab. As many as 710 public health clinics (Klinik Kesihatan), out of which 553 have bio-safety cabinets, and provide antigen Rapid Test Kits (RTK) for the early detection of cases. The MOH has also identified 486 public health clinics as sampling centres. It recruited additional contract health workers under the Economic Stimulus Package, for deployment to health facilities when they are needed. The MOH is also being aided by private-sector doctors and specialists who have been hired as contract staff to serve at government health facilities.

5.2. Public Mental Health

The topics of mental health, social isolation and anxiety over the loss of employment have never been in greater focus than in the age of COVID-19. The fact that mental illnesses can lead to serious adverse outcomes if neglected, makes it even more important to recognize and address this problem during these times of the pandemic. The World Health Organisation (WHO) stated in a report that suicides due to depression are the second-most common cause of death in individuals aged 15 to 29 years of age. This busts the myth that the illness only adversely affects the elderly. Going by the report, anyone, whether young or old, could become a victim of depression or other mental illnesses.

The 2019 National Health and Morbidity Survey (NHMS 2019)(MOH, 2020) cautioned that a mental health crisis among Malaysian children was escalating, calling it "the hidden epidemic". According to the survey results, 424,000 children (or 8.4 percent) aged between five and 15 were found to suffer from some form of mental health issues. Today, psychologists speak about the impact of being away from friends during months of school closures on children and their parents, increasingly common communication and addiction issues amongst children and young adults.

Fear, worry and anxiety about COVID-19 can lead to stronger emotional states, such as chronic stress and depression. Yet, mental health issues are considered a taboo subject in all of the three major ethnicities in Malaysia. They are associated with weakness, shame, and violation of religious and cultural values.

A survey by The Centre[20] showed that 50 percent of respondents reported experiencing varying levels of negative mental health during the lockdown, with 22 percent reporting that they were experiencing severe or extremely severe anxiety. In general, women and those under the 35-year age-group, confirmed that they suffered from more severe negative emotions, with up to 26 percent of women saying they were experiencing severe or extremely severe depression, anxiety and stress. People living in low-cost housing also reported more extreme symptoms of all three conditions. This also highlights the need to review the design and construction of low-cost housing in consideration of their mental health implications.[21] In another survey, Yeoh et al. (2017) showed that business owners in Malaysia reported more depressive symptoms, possibly due to greater job pressures and longer working hours, which are often related to stress and poor health. Due to the economic uncertainties caused by the COVID-19 pandemic, the mental state of business owners are expected to be similarly affected.

---

[20]   The Centre is a research organisation dedicated to centrist views in the Malaysian context. The core team members have diverse backgrounds, but all share a commitment to the values of non-partisanship, compassion and pragmatism.
[21]   Azuddin, A. and Zakaria, I. (2020). How the MCO Affected Income, Jobs, and Mental Well-Being. The Centre.

5.3. RMCO and Self-quarantine

On 10 June, the Malaysian government started allowing the resumption of most industries, social activities and religious activities, provided that SOPs distancing measures continued to be observed. Furthermore, all Malaysians and non-Malaysians permitted to enter the country had to undergo compulsory self-quarantine for 14 days upon arrival and being cleared of having COVID-19 by the MOH. They also had to install and use the MySejahtera phone application, as a means of recording and monitoring their health status.

The home self-quarantine policy had been blamed for new COVID-19 clusters. For example, a new cluster in Kedah, named the *Sivagangga* cluster, occurred in July after a permanent resident (PR) returned from a holiday. The airport screening determined that he was negative for COVID-19, and so was prescribed a 14-day home quarantine. However, the person did not obey the compulsory quarantine order and consequently tested positive during his second screening on 28 July. As of early August, the Sivagangga cluster alone had infected 45 people over three generations self-quarantine policy was likely ineffective. Thus, travellers to Malaysia were again required to undergo quarantine in government-approved quarantine centres.

6. Environmental Impact of COVID-19

The COVID-19 pandemic presents long-term opportunities for the natural environment and related industries. Pandemic-associated reductions in economic activity during the MCO have led to corresponding reductions in water and air pollution. These reductions, however, are feared to be only temporary. Emissions of pollutants expected to rebound once economic activities recover – unless firm and decisive measures are taken.

6.1. Air quality

The Department of Environment's analysis of the Air Pollution Index (API) before and during the MCO showed a 26 percent increase in the number of clean days, and a 19 percent reduction in the number of average days, since the MCO was enforced (DOE, 2020). Over one-quarter of the 29 automatic water-monitoring stations nationwide recorded a real-time improvement in water quality.[22]

---

[22] Jeffrey Cheah Institute on Southeast Asia. (2020). How will Malaysia's environment fare after the lifting of COVID-19 restrictions?

A combination of aerosol (AOD[23], PM_{10}[24] and $PM_{2.5}$[25]) and gas (NO_2, SO_2, CO and O_3) data obtained from the Himawari-8 and Aura-OMI satellites as well as from ground stations in Malaysia, showed a reduction in AOD values (approximately 40 percent and ~70 percent) over industrial and urban sites in March–April 2020 compared to the same period in 2019 and 2018. A significant decrease (27–30 percent) in tropospheric NO_2 was observed over areas not affected by seasonal biomass burning. When comparing urban areas of Malaysia during the MCO to 2018 and 2019, aerosol concentrations of PM10 and PM2.5 decreased by 26-31 percent and 23–32 percent respectively; while reductions of gas concentrations of NO_2, SO_2 and CO by 63–64 percent, 9–20 percent and 25–31 percent respectively, were also noted. Notable reductions have also been detected at industrial, suburban and rural sites across the country (Kannian et al., 2020).

Mohd Nadzir et al. (2020) demonstrated that air pollutant levels have significantly fallen due to the MCO. Air quality-level information indicates that a reduction in air pollutants will occur if traffic and industry emissions are more strictly administered. The levels of measured pollutants dropped by approximately 20 percent to 60 percent during the MCO at most locations. However, although carbon monoxide (CO) emissions in Kota Damansara (KD) dropped to 48.7 percent, $PM_{2.5}$ and PM_{10} increased up to 60 percent and 9.7 percent, respectively, during the MCO. Local burning activities in the residential area of KD are believed to be the main cause of the increased PM levels. Suhaimi et al. (2020) also showed that the implementation of the MCO in Malaysia significantly reduced concentrations of air pollutants between 1 percent and 68 percent throughout the country and between 5 percent and 50 percent in Kuala Lumpur.

Similarly, a dramatic reduction in nitrogen dioxide (NO_2) levels was also evident in Peninsular Malaysia (see Figure 7) since the MCO's formal implementation on 18 March 2020. NO_2 is produced by the burning of fossil fuels, such as coal, oil and gas, with about 80 percent being emitted by motor vehicles. Breathing in NO_2 inflames the lungs and leads to respiratory problems, while also increasing the likelihood of chronic infections. Map-data from Think City's Analytics Department that uses satellite spectrometry, show that the skies above Malaysia, in general, and over Johor Bahru and Kuala Lumpur, in particular, have significantly lower levels of NO_2 from vehicle emissions. The reduction in NO_2 levels in Malaysia is directly attributable to the decrease in motor vehicle use as people became less mobile.

---
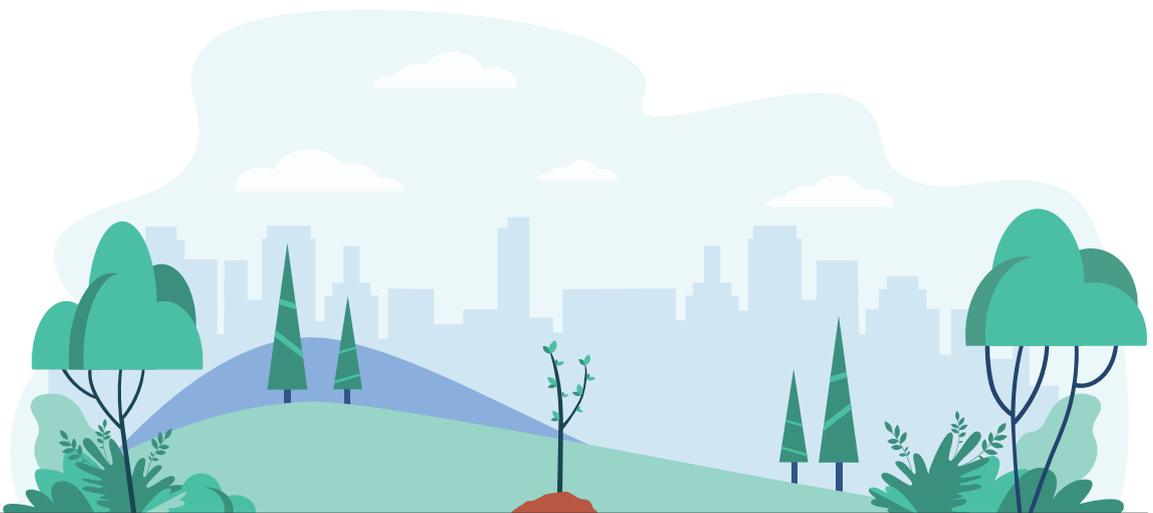
[23] Aerosol Optical Depth (AOD) is the measure of aerosols (e.g. urban haze, smoke particles, desert dust, sea salt) distributed within a column of air from the instrument (Earth's surface) to the top of the atmosphere.
[24] PM_{10} is particulate matter 10 micrometres or less in diameter.
[25] $PM_{2.5}$ is particulate matter 2.5 micrometres or less in diameter. $PM_{2.5}$ is generally described as fine particles.
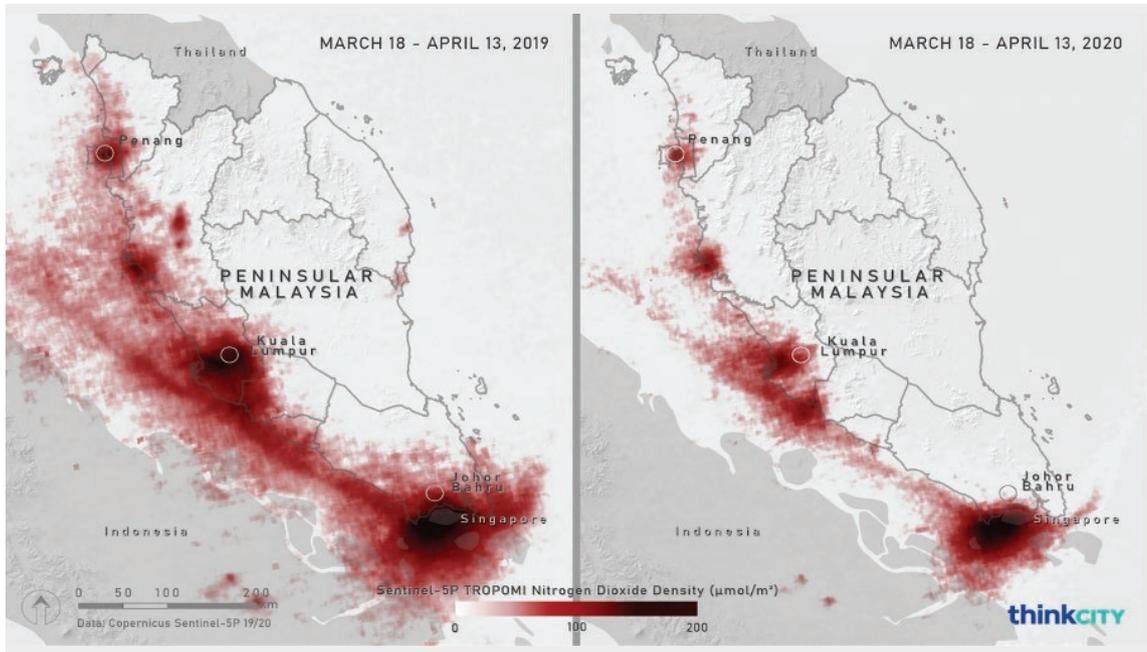
Figure 7: Nitrogen Dioxide (NO$_2$) Levels in Peninsular Malaysia Pre- and Post-MCO

Note: The maps above show the nitrogen dioxide (NO$_2$) levels in Peninsular Malaysia during 18 March–13 April 2019 (left) and 18 March–13 April 2020 (right). The maps were produced by Think City from spectrometry data obtained from the Copernicus Sentinel-5P European Space Agency satellite.

The good environmental habits that developed during the pandemic, such as remote working, contact-free services and reduced travel, must be maintained for Malaysia to operate under a low-carbon, green model economy. With lessons learned from the MCO, the post-COVID-19 reconstruction phase should be centred around the green and blue economy to enable economic growth and investment, while simultaneously enhancing environmental quality and social inclusiveness.

This page has been intentionally left blank.

PART II. IMPACT OF COVID-19 PANDEMIC ON HOUSEHOLDS

1. Introduction

The Coronavirus Disease 2019 (COVID-19) pandemic has been a period of intense upheaval for people of all ages and backgrounds. Measures taken by the government to contain the spread of the COVID-19 virus, such as quarantine and social distancing, have resulted in intense economic, social and psychological consequences, with a disproportionate impact on certain segments of the population. According to the ILO, those particularly vulnerable are[26]:

- Individuals with underlying health conditions and older people are most at risk of developing serious health issues.
- Young persons, already facing higher rates of unemployment and underemployment are more vulnerable to retrenchment actions taken by ailing businesses, as witnessed during the global financial crisis.
- Older workers can also suffer from economic vulnerabilities, since they are more likely than prime-age (25-54 years) individuals to experience higher unemployment and underemployment rates, as well as decreased working hours.
- Women are over-represented in more affected sectors (such as services) or in occupations that are at the front line of dealing with the pandemic (e.g. nurses). The ILO estimates that 58.6 per cent of employed women work in the services sector around the world, compared to 45.4 per cent of men. Women also have less access to social protection and will bear a disproportionate burden in the care economy, in the case of closure of schools or care systems[27].
- Unprotected workers, including the self employed, casual and gig workers, are likely to be disproportionately hit by the virus as they do not have access to paid or sick leave mechanisms, and are less protected by conventional social protection mechanisms and other forms of income smoothing that offset financial and non-financial losses.
- Migrant workers are particularly vulnerable to the impact of the COVID-19 crisis, which will constrain both their ability to access their places of work in host countries and return to their families in their native countries.

This section captures the key findings from a rapid household impact survey completed by mid-2020 aimed at examining the early impacts on individual income and coping mechanisms. The study addresses the paucity of evidence regarding the impact of the COVID-19 on the mental health of people affected by the pandemic. During this period, households the new negative behaviours (not observed prior to COVID-19 lockdowns), reported by households include: rising tension within families, 647 (10.0 percent), increases in depression or withdrawal symptoms, 547 (8.5 percent); increased levels of psychological distress among children in households, 484 (7.5 percent) and increased use of tobacco and tobacco products, 457 cases (7.1 percent).

---

[26] ILO (2020) Note: COVID-19 and world of work: Impacts and responses. ILO, Geneva
[27] ILO (2018) Care work and care jobs for the future of decent work. ILO, Geneva.

Furthermore, the findings revealed that socially disruptive factors such as household size, financial constraints (not having enough supply of food and other necessities for next week's consumption, having to continue paying monthly instalments, and household average monthly income), are linked to the presence of negative behaviours. Disruptions in life routine and income stability have a profound impact on the psychological state of individuals, creating feelings of fear, anxiety, uncertainty, loneliness, emptiness, tensions, and other emotional and psychological issues. The COVID-19 pandemic has had a significant negative impact on mental health for children and families.

One of the earliest government stimulus packages, the PRIHATIN programme, which was rolled out in March 2020, amounting to RM250 billion, seeks to address a multitude of challenges pertaining to health security, food security, livelihood support to households and Small and Medium Enterprises (SMEs). The cash-transfer component, Bantuan Prihatin Nasional (BPN), targeted at the B40 and M40 population, is the provision of a one-off immediate unconditional cash assistance. In the initial disbursement (BPN 1.0) 10.4 million beneficiaries (individuals and households) received RM 11.1 billion in assistance.[28] As the COVID-19 pandemic continued and variants of the Movement Control Order (MCO) were enacted, a second cash transfer was announced in September 2020, BPN 2.0, which involved the distribution of RM 7 billion to 10.6 million beneficiaries. This section of the report, based on survey-data, evaluates beneficiary awareness of BPN 1.0 and their ability to access cash aid following approval, and financial coping mechanisms used by survey respondents.

---

[28] Mohamad, H.F. (2020). Lebih 10 juta terima Bantuan Prihatin Nasional. Berita Harian Online.

2. Research Methodology and Data

The Rapid Household Impact Survey (RaHIS) was carried out with the aim to capture the early impacts of COVID-19 on people's lives and their outlook on the economy. Rapid socioeconomic assessment of how households are coping with the pandemic is part of the first of a three-step approach recommended by the UNDS for developing a socio-economic response to the COVID-19 crisis. A rapid assessment of the potential impact of the crisis will inform the government's efforts to estimate the amount of spending necessary to mitigate undue hardships faced by people in the immediate and medium timeframe. UN guidelines require that any impact assessment be conducted through a gender-neutral lens and include the risks of the crisis amongst the most vulnerable. This exercise will, thereafter, pave the way for further assessment of the fiscal headroom available for increased public spending (second step) and an analysis of policy priorities and measures, given the major constraints faced by the government (third step).

RaHIS was designed as such that it was able to capture the effect of the pandemic on people with different vulnerabilities, whether those relate to income or disabilities, and their ability to cope with challenges posed by the pandemic and the conditions imposed under each Movement Control Order (MCO). More specifically, the survey's objectives are:

- To bring to surface the socioeconomic impact of COVID-19 on the livelihoods of households during the COVID-19 crisis **before** and **during** the Movement Control Order (MCO) period
- To help inform the design and delivery of response measures to reduce negative impacts at the household and community levels taking into account different groups of vulnerable households
- To identify communication, support, and assistance needs and activities for, and among, the respondents
- To provide useful inputs on a broad range of issues, including the impact on livelihoods, physical and psychological health impacts and access to goods and services, with a particular focus on marginalised groups; which is why this study adopted extra measures to ensure that the urban and rural poor, the Orang Asli/Asal, self-employed and informal sector workers are represented in the survey

Though the survey's online and telephone interview strategies connected the researchers with almost 10,000 respondents, the number of usable observations was 6,468. The unit of observation in this study is the household, and not individuals, and the survey received well-balanced responses from both genders, 50.9 percent of the household representatives being female respondents. An overwhelming majority of the respondents were Malaysian nationals (98.7 percent or 6,385 respondents) while the remaining 1.3 percent or 83 respondents were non-nationals including people from Indonesia, Thailand, Singapore and the Philippines. Almost 68 percent of the sample households were those earning an average monthly household income of RM3,000 and below. Based on the 2016 Household Income and Basic Amenities Survey (HEIS), the national median monthly household income is RM3,000 for the poorest 40 percent or bottom 40 (B40) household income category. The highest number of respondents came from the category of households earning less than RM1,000 per month (1,924 households). The poor and hardcore poor households, with monthly average earnings of RM1,500 and below in the past 6 months, make up 48 percent of all the households surveyed.
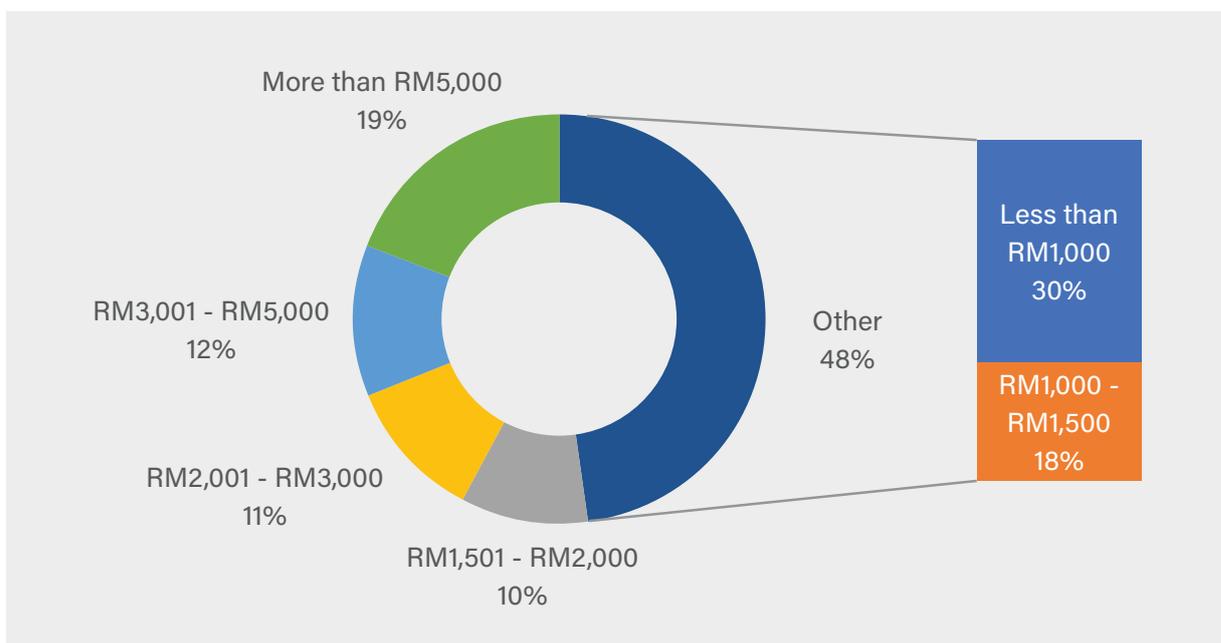
Figure 8: Respondents' reported average Monthly Household Income

In terms of geographical coverage, the survey responses were received from households within all 14 states of Malaysia. WP Putrajaya, Kuala Lumpur, Selangor and Johor's number of households reporting an average monthly income of RM5,000 were relatively larger than other states simply because these states consist of the greatest number of online respondents. States with a greater proportion of lower income groups, conversely, had a smaller proportion of higher income groups.

The 6,468 sample responses received involves 32,243 household members, which yields an average of 5 persons per household. Members aged at least 60 years and children aged 5 years or younger accounted for 9 percent and 10 percent, respectively, while 27 percent of household members were aged from 6 to 17 years, indicating that the majority of them may be in primary and secondary schools (Table 2).

Table 2: *Number of Household Members by Age Group*

Household Members by Age Group	Frequency
0-5 years	3,248
6-17 years	8,717
18-60 years	17,275
60 years and above	3,003
Total	32,243

3. Impact on Households

3.1 Impact on Household Income

The pandemic-induced aggregate shocks to economic activity can affect income at the household and individual level through the following channels. Firstly, a person who contracts COVID-19 is directly affected by loss of income because of illness. Secondly, income losses could indirectly result from disruptions to the aggregate or industry demand and supply disruptions, which threaten employment and income prospects. These impacts manifest in one or more of the following forms: (a) decline in quantity of work, either via hours (intensive margin) or employment (extensive margin); (b) decline in wages, which is unlikely for salaried workers in the short-run but may occur over time due to furloughs or wage-cuts by some employers to avoid layoffs; (c) decline in income of the self-employed, due to reduction of economic activity (sales, production) in micro and small enterprises due to fall in demand and disruptions in supply of inputs, or due to mobility restrictions, particularly for migrants engaged in seasonal agriculture.

In addition to the impacts outlined above, there are longer-run dynamic effects that can have crippling impacts on the economic mobility of individuals, thereby affecting the ability of households to overcome poverty. For example, a loss of income for a protracted period of time can severely restrict the ability of poor households to invest in education of children, and/ or in the nutrition and health of mothers and children, impairing their lifetime health and income opportunities.

In the survey, respondents were asked how COVID-19 was impacting their family's income in two timeframes: first, from the point when COVID-19 began to make headlines in early March but before the first Movement Control Order (MCO) measures were imposed on 18th March 2020, and secondly, during the MCO from 18th March 2020 to the time when they were surveyed (end of May 2020). A stark difference can be seen in Figure 9 with up to 40 percent reporting income reduction by more than half during the MCO compared to only 7 percent before. Overall, 40 percent had their income reduced by more than half during the MCO, 23 percent had their income reduced between 21 percent and 50 percent, and another 14 percent faced income reductions of up to 20 percent. Only 23 percent reported no impact on income during the MCO compared to 66 percent before. The findings show the severity of the effect of the MCO measures on income, especially for households in the B40 category.
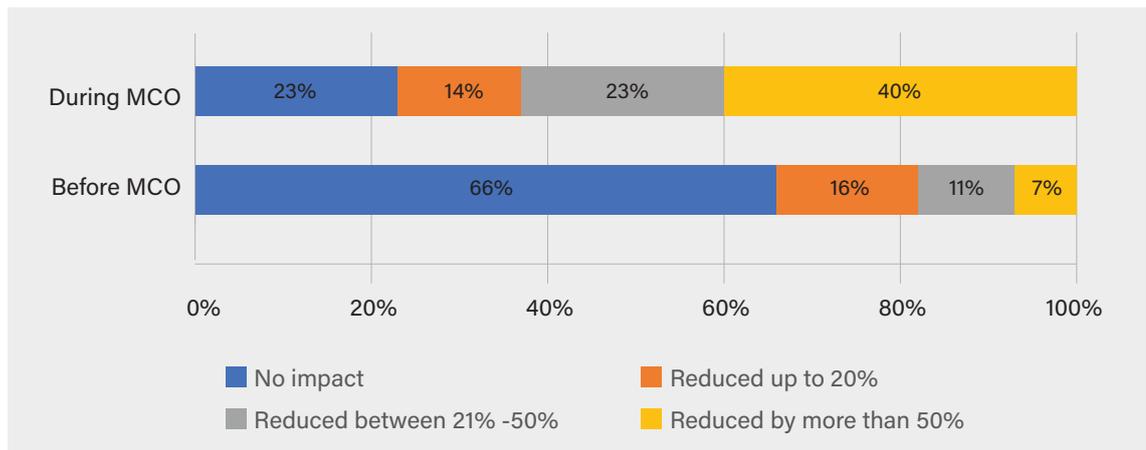
Figure 9: *Impact of COVID-19 on Household Income Before and During MCO*

Figure 10 indicates that there were no notable differences with respect to specific genders in terms of the impact of COVID-19 on household monthly average income before MCO. Interestingly, a smaller proportion of male respondents reported no impact during MCO than female respondents. One possible explanation is that a larger proportion of males may be heads of households and/ or the main breadwinner for the family.

The impact of COVID-19 during MCO has taken a heavier toll on low-income households. The proportion of respondents who reported a reduction in household income by more than half was 48 percent among households earning less than RM1,000 monthly, compared to 23.5 percent among households earning more than RM5,000 (Figure 11). Larger households composed of more family members experienced the worst impact from COVID-19 during the MCO. The proportion of households with a reduction in monthly income greater than 50 percent ranged from 29 percent among households with 1-2 persons to 49 percent among those with at least 9 members (Figure 12).
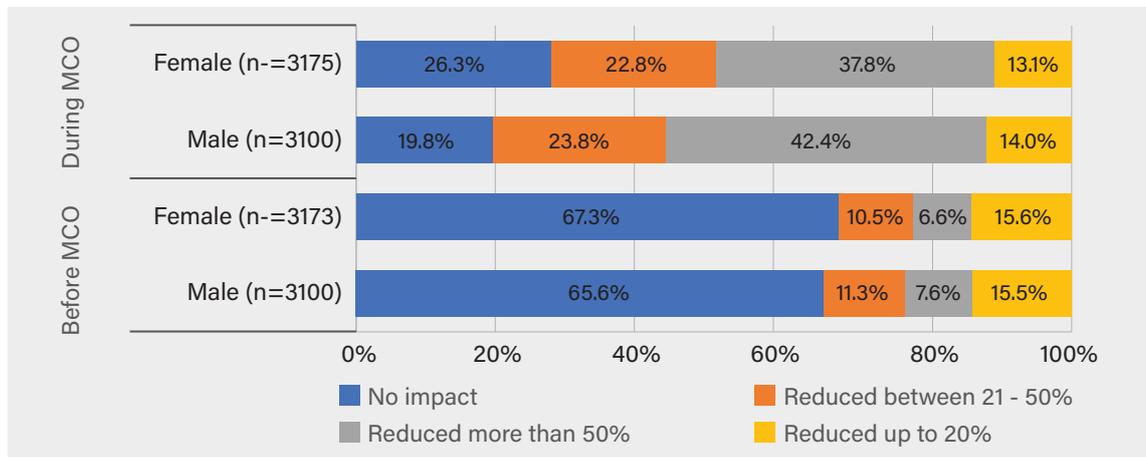
Figure 10: *Impact of COVID-19 on Household Income Before and During MCO by Gender*
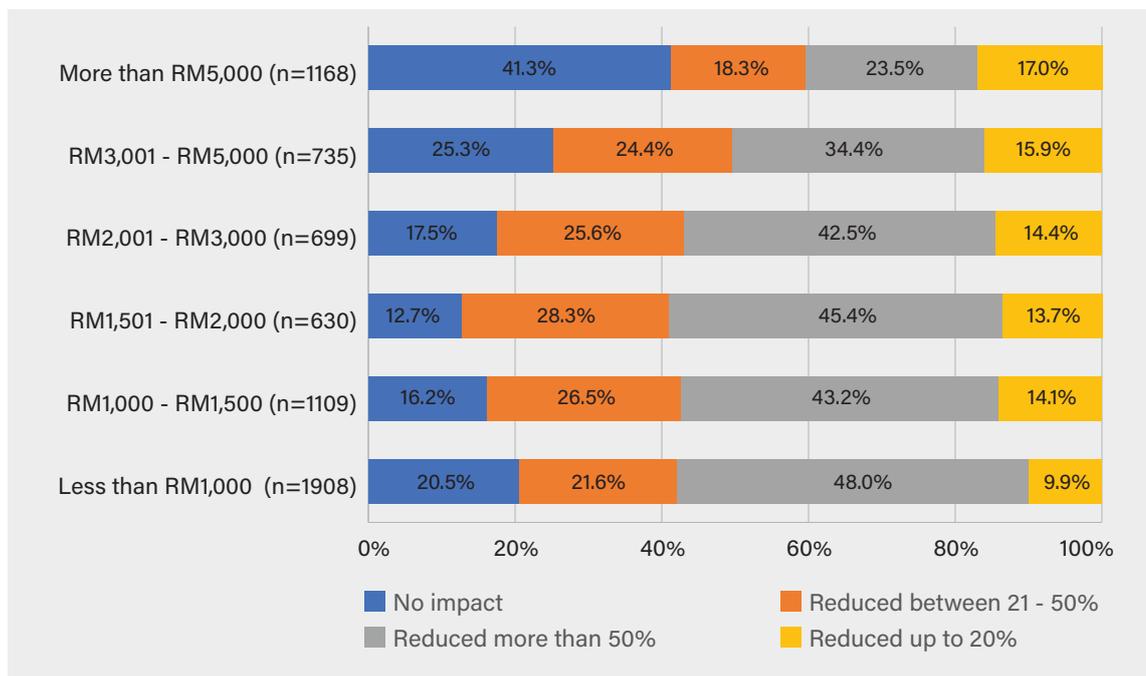
Figure 11: *Impact of COVID-19 on Income by Average Monthly Household Income During MCO*
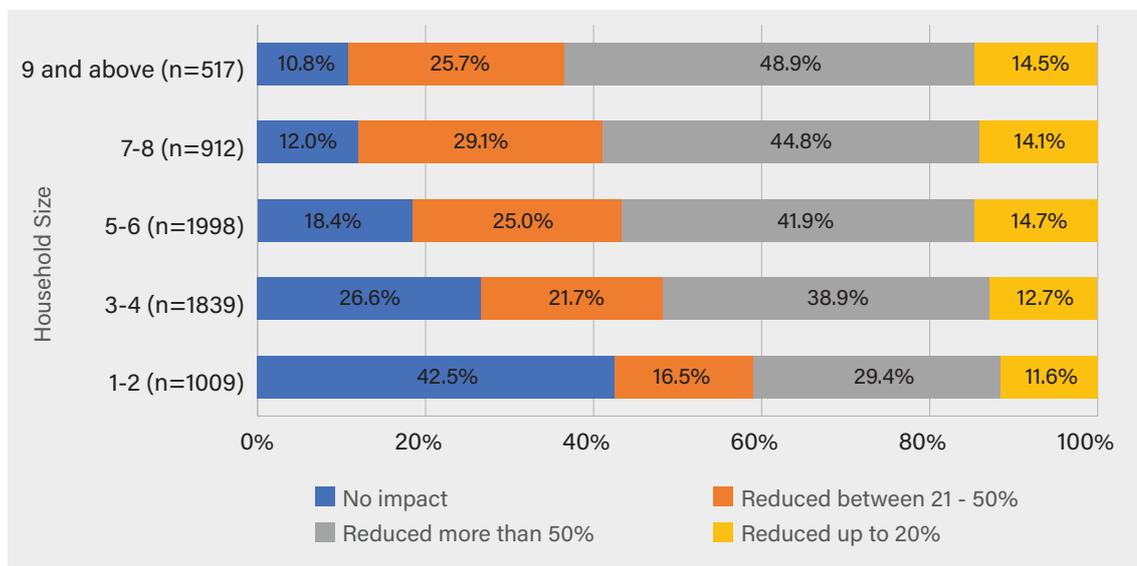
Figure 12: Impact of COVID-19 on Family Income by Household Size During MCO

It is interesting to note that in the small-sized households (households of 1-2 people), 31 percent reported zero income-earning individuals in the household. Although the age of the respondents was not captured in the survey, it is possible that these households are those of the elderly, i.e. those who live apart from their children but are no longer working. These households rely entirely on public or private cash transfers for their income. On the other hand, within the larger household categories (household comprising 7-8 members and more than 9 members), a significant number of households reported only one income-earning individual. A high dependency ratio typically implies a lower per head expenditure on food, education and health, implying a falling standard and quality of health, education and living, in general.

It was also observed that the impact of the MCO-lockdown on household income was uneven across different household sizes, and substantial, when compared with the period before the MCO (Figure 13). Income fell sharply with household size increases, which could indicate a new category for household vulnerability emerging during periods of income-shocks such as those caused by the COVID-19 pandemic.

The findings above speak to the issue of asset holdings, which for low and middle-income families, will provide emergency sources of funds if such assets are liquidated. According to HIS 2019 statistics, Malaysian households' average income is derived mainly from paid employment (61.6 percent), followed by 17.3 percent from self-employment, 12.9 percent from property and investments, and 8.2 percent from monetary transfers such as remittances, alimony, pension, and other assistance. The survey also shows that more people continue to seek self-employment, as this segment rose to 17.3 percent from 15.6 percent in 2016.
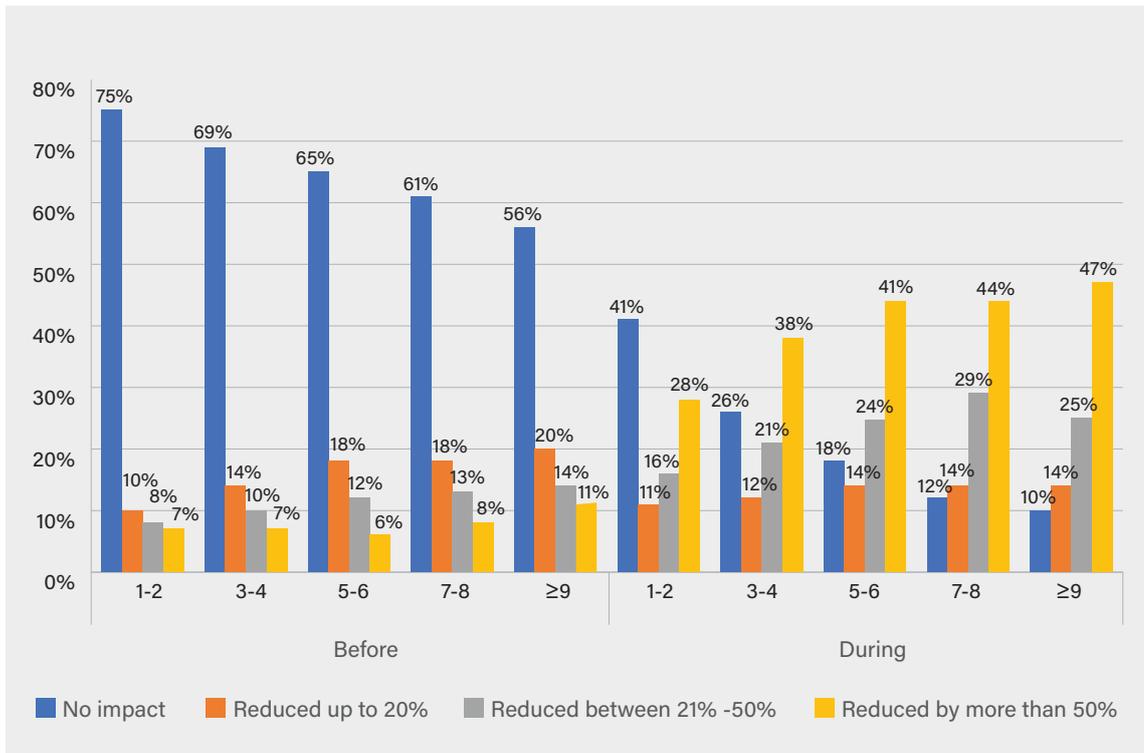
Figure 13: Impact of COVID-19 Before and During Lockdown by Household Size

3.2. Capacity to Cope

Approximately 24 percent of households earning less than RM1,000 monthly reported not having enough food and necessities for the *next week's* use, compared to 4-9 percent of households earning more than RM2,000 per month (Figure 14). Large households with low average incomes seem to suffer the most in terms of this shortage of food and other necessities. Overall, 22 percent of households with at least 9 members reported that they do not have enough, compared to 12-16 percent from other household size categories (Figure 15). The lockdown made the situation worse. Of the 881 total households who answered that they did not have enough supplies to last them for an additional week, only 34 percent said they could find the money to purchase what they needed; compared to 72 percent before the MCO was imposed. (Figure 16).
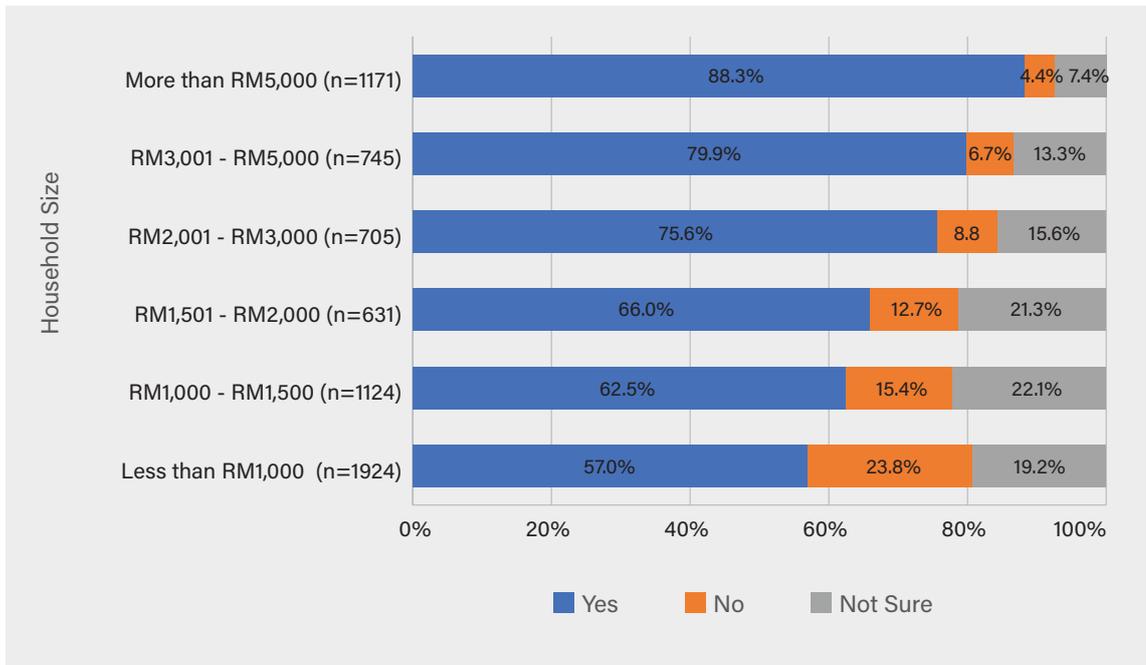
Figure 14: Households with Enough Supply of Food and Necessities for Next Week's Use
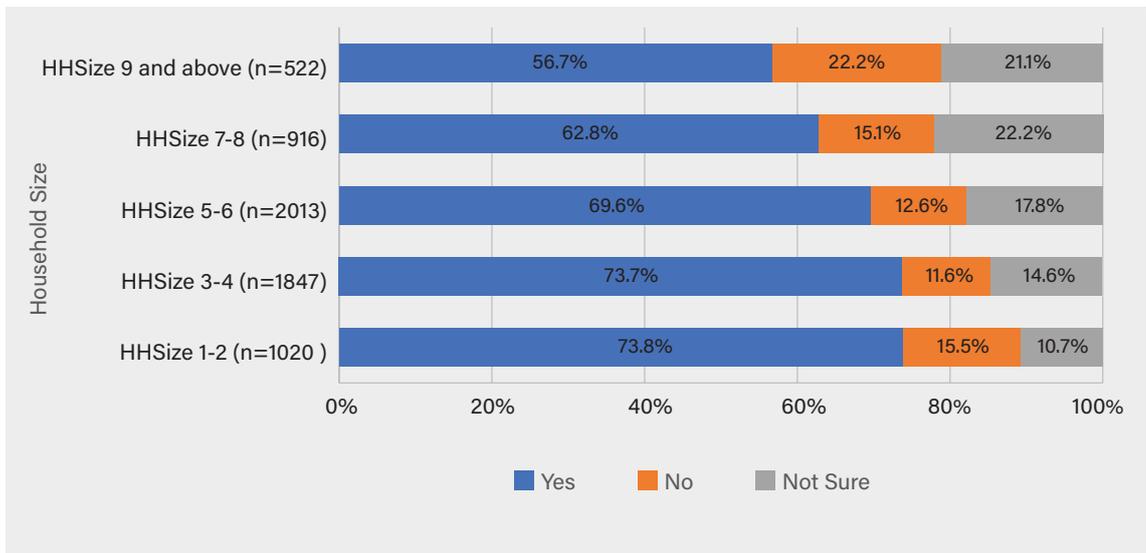
Figure 15: Households with Enough Food and Necessities for Next Week's Use by Household Size
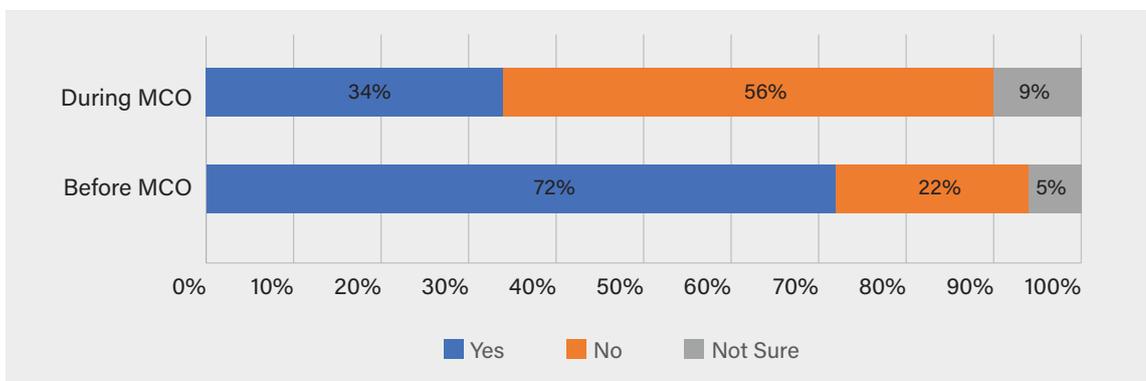
Figure 16: If No, Do You Have Enough Money to Buy Food and Other Necessities? (n=881)

Another financial impediment of COVID-19 is on households' ability to pay monthly repayments of loans, mortgages or rent. Data collected in this respect was once again categorized according to the two timeframes applied in the income survey: before and during the MCO. Prior to the MCO, only 17 percent reported difficulties in meeting their monthly payments for loans, mortgages, rent, fees, etc., whereas this figure shot up to 43 percent during the MCO. In a similar vein, the percentage of households that reported not having problems with monthly payment obligations plummeted from 76 percent before the lockdown to only 43 percent during the lockdown (Figure 17).

When analysed according to income-groups, households earning more than RM5,000 per month had the least trouble (only 31 percent compared to other income groups) in making monthly repayments and 60 percent of them stated that they were confident about their ability to meet their scheduled payments. However, the survey also found that more than 50 percent of households earning between RM1,500 and RM3,000 reported facing difficulties paying loans, mortgages and rent during the MCO. Up to 49 percent of the poorest households admitted to not being confident about meeting their scheduled payments (Figure 18). A Bank Negara Malaysia study in 2019 found that individuals with monthly earnings of less than RM3,000 have sufficient liquid financial assets to cover only 60 percent of their total outstanding debt.[29] Hence, the loan moratorium measures announced by the government in late March 2020 is particularly significant as a countermeasure against rising non-performing loans and bankruptcy cases.
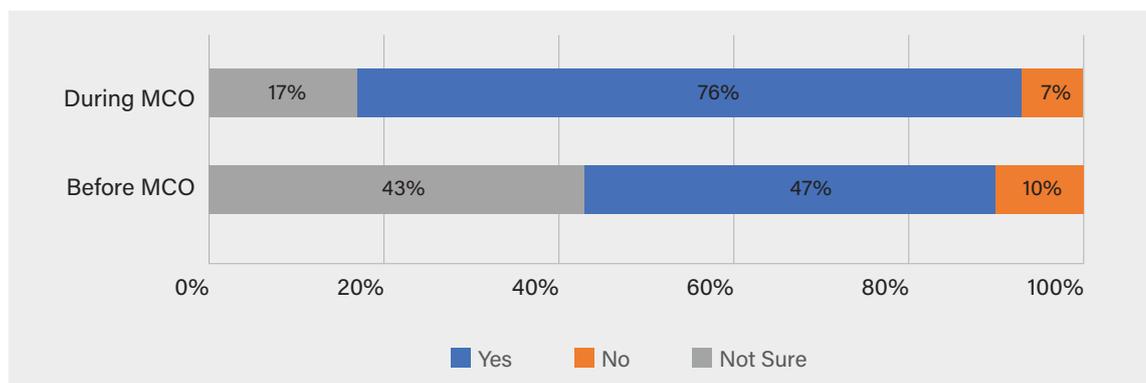
Figure 17: *Difficulty Paying Monthly Repayments for Loans/Mortgages/Rent*
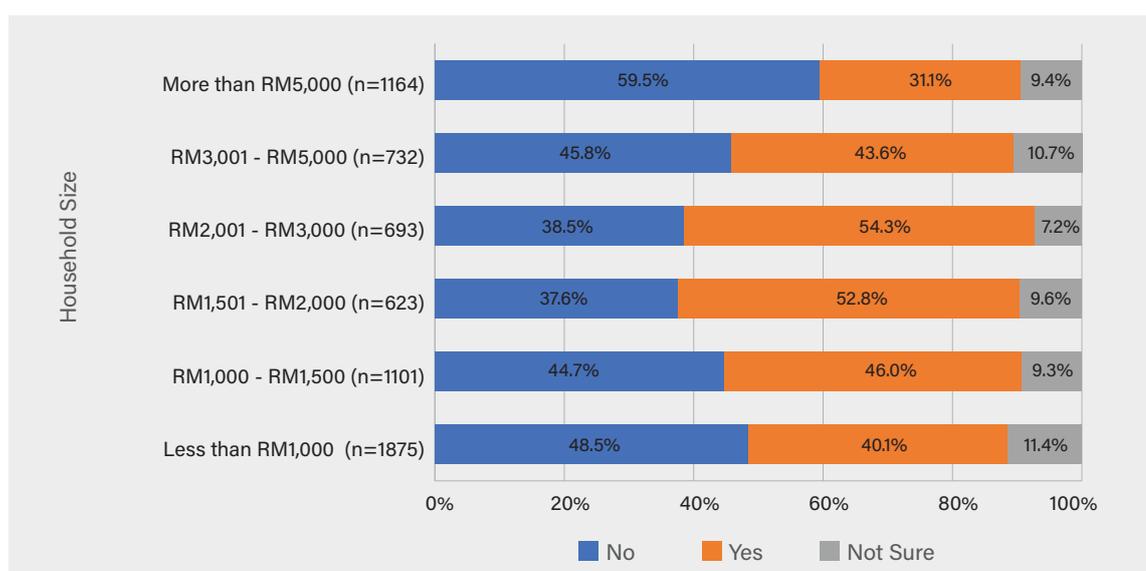
Figure 18: *Difficulty Paying Monthly Repayments for Loans, Mortgages or Rent During the MCO by Income Group*

---

[29] Bank Negara Malaysia. (2018). Indebted to Debt: An Assessment of Debt Levels and Financial Buffers of Households.

Another important aspect of this study investigated the extent to which households could cope if incomes were severely reduced during the COVID-19 MCO period. About 55 percent of the survey's respondents, irrespective of income level and industry, said they would have to draw down on their life savings. The next most common response was 'reducing expenditure on food', followed by 'delaying rent or other payments' (Figure 19).
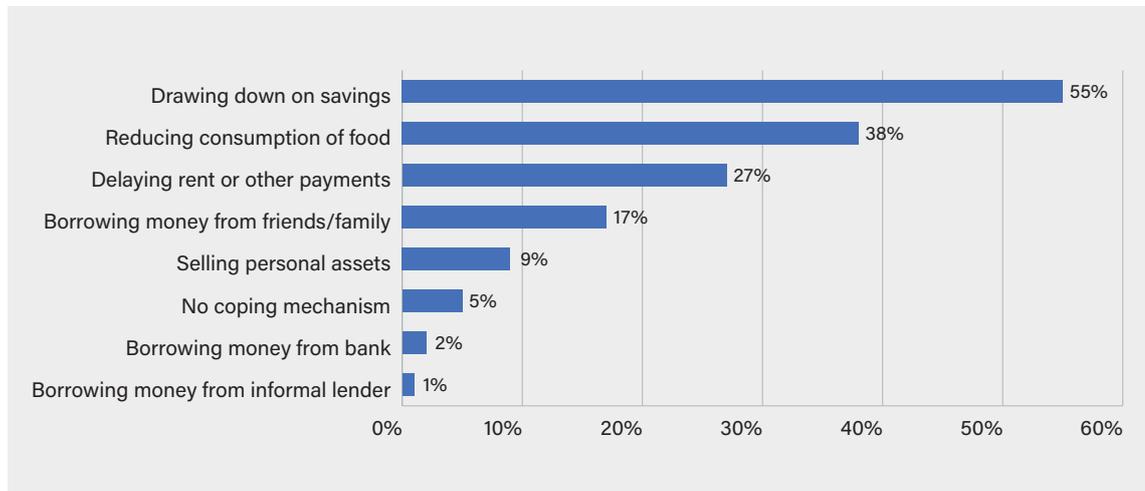
Figure 19: Coping Mechanism Options – General

The choice of coping mechanisms seemed to vary depending on the gender of respondents. A higher proportion of male respondents opted for drawing down on savings, borrowing money from friends/ family and selling personal assets. On the other hand, female respondents preferred to reduce consumption of food and delay rent or other payments (Figure 20). The findings are somewhat reflective of the different roles played by men and women in a typically Asian household. Female respondents are less likely to borrow if they can manage their household expenditures more efficiently.
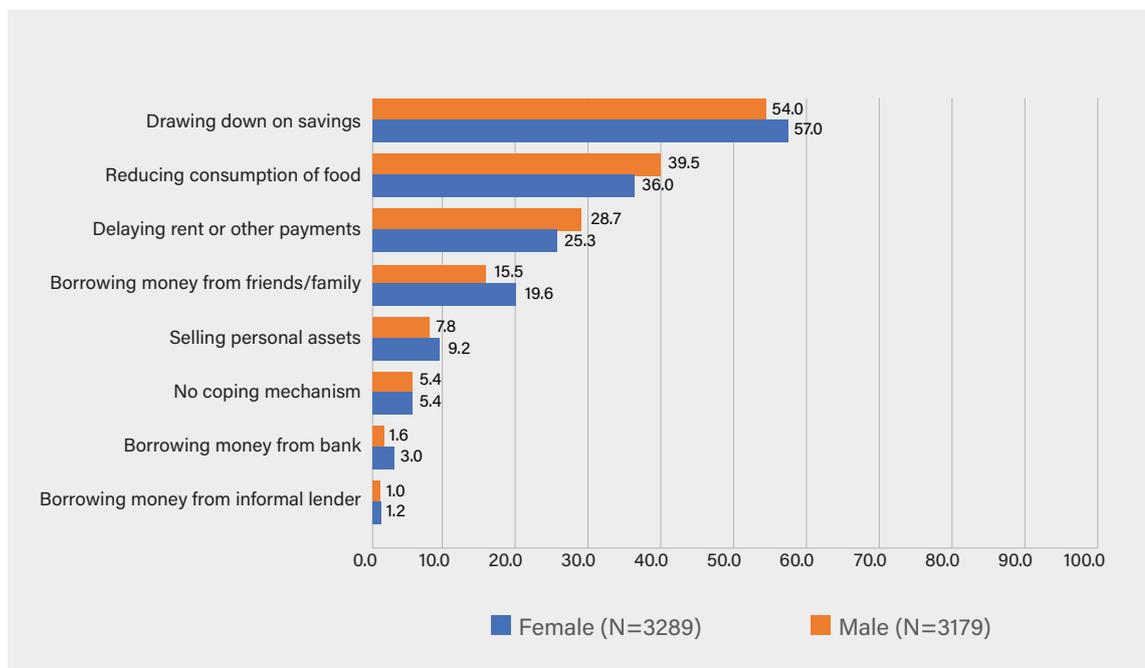
Figure 20: Coping Mechanism by Gender of Respondents

Drawing down on savings was voted as the most common coping mechanism by households across all income groups. However, this option is less available to lower income groups as demonstrated by the much lower proportion (only 47-57 percent) of respondents from households earning less than RM1,500 opting to draw into savings, compared to other income groups, which ranges from 60.7-63.2 percent (Figure 21). This points to their lack of savings prior to COVID-19. Lower income households were also more inclined towards 'cutting down on food expenditure' (37–50 percent) compared to other income groups. This will have grave long-term implications on nutrition-levels and quantity of food intake, especially among young children and the elderly in lower income groups.

In terms of borrowing, lower income groups are more inclined to borrow from family and friends (18-24 percent) rather than banks (1 percent) compared to higher income households. Borrowing money from informal lenders is more common amongst these households. One of the major factors underlying this preference is the inability of lower income households to avail collateral as a requirement to borrow from formal lending institutions, owing to their limited asset-base. These observations confirm the notion that lower income households are unable to access formal credit facilities when attempting to deal with income shocks. Furthermore, exorbitant lending rates imposed by loan sharks may worsen the economic status of such households.

Of the 349 households who said that they have no coping mechanism at all if their income is severely reduced, more than two-thirds were from households earning less than RM1,500 a month. Households earning more than RM3,000 monthly were more inclined to delay rent or other scheduled payments, perhaps because these liabilities form a larger proportion of their income than they do for poorer households.
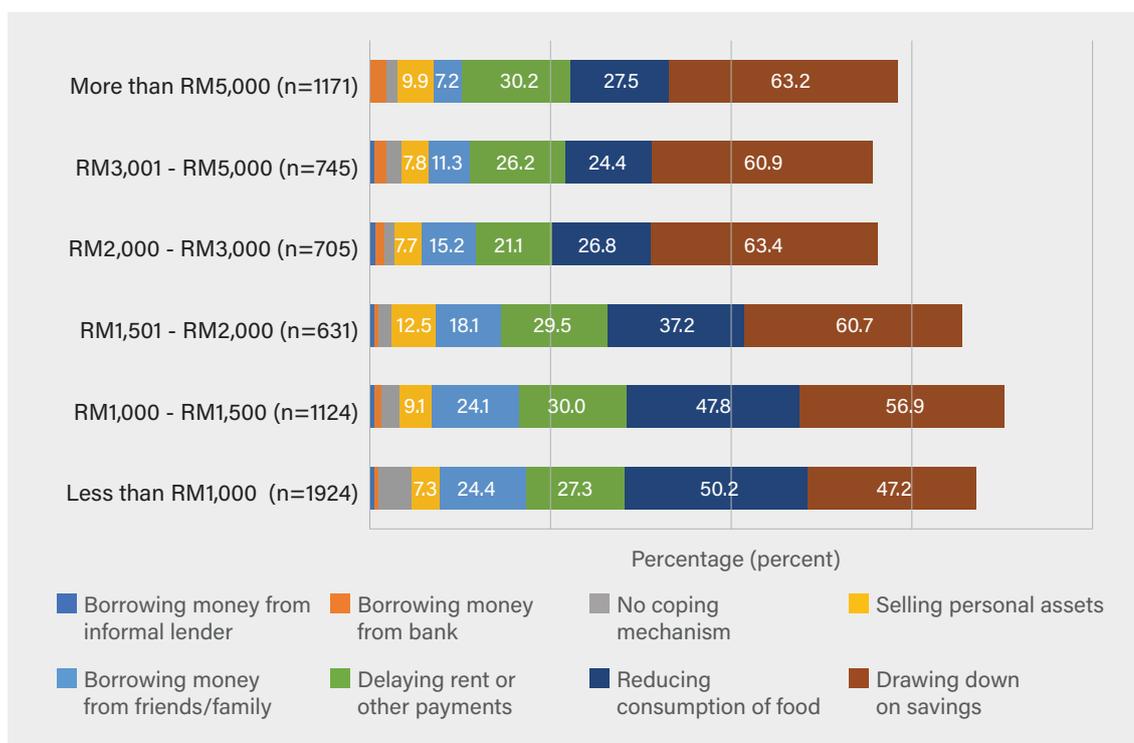
Figure 21: Coping Mechanism Options by Income Group

Overall, households reported receiving more material types of support (monetary, good and supplies) compared to psychological support during the COVID-19 period (Figure 22). Almost half of the respondents reported that they had received support from the government, particularly in the form of cash and food assistance. This finding is in line with expectations, as 68 percent of the survey respondents were from B40 households. Help was also reported to have been received from NGOs, community organisations and from relatives and friends, reflecting the essence of the *#kitajagakita* tagline, which calls for communities to observe collective responsibility for their members' welfare and health.
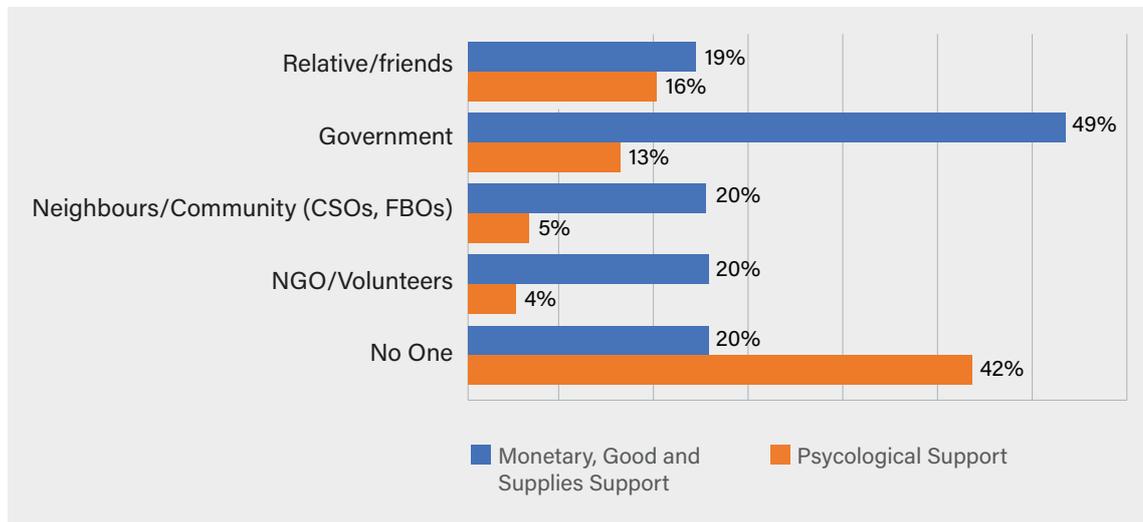
Figure 22: Support Received During the MCO Period

3.3. Outlook Regarding Income

Overall, 37 percent of the respondents reported that they were not sure when their income would return to a pre-COVID-19 level, and the proportion was higher among female than male respondents. Male respondents were more inclined than female respondents to predict their income returning to pre-COVID-19 levels within 6 to 12 months (Figure 23).

Households' opinions on when they thought their income and livelihood levels would return to that of pre-COVID-19 days varied, as expected, according to income groups. Among households earning more than RM5,000 monthly, more than 27 percent reported that their income had not significantly changed. Only 5 percent felt that they would not recover in the medium term while 15 percent were uncertain of when their income would return to pre-COVID-19 levels (Figure 24).

The gap between the rich and the poor is clearly reflected in this particular question. Up to 49 percent of households in the poorest income category (earning less than RM1,000 monthly) indicated that they had no idea when normality would return to their lives, while 7 percent went as far as saying that it would be hard for them to recover to former levels of income even after more than a year post-COVID-19. Clearly, the proportion of households who chose 'Not sure' as an answer, increases with progressively lower income brackets.

Higher-income households were more confident about putting a date on full recovery, because they are better able to plan their 'come-back' strategies through available information channels and resources at their disposal. Conversely, lower income households typically have significantly less control over their input supplies, customers or, if they work for other people, job security. As small units operating within a highly competitive market environment, their profits are restricted to what the market dictates because of their lack of influence over market conditions. As long as the market for their goods remains disrupted or sluggish, they will not be able to change their financial fate.
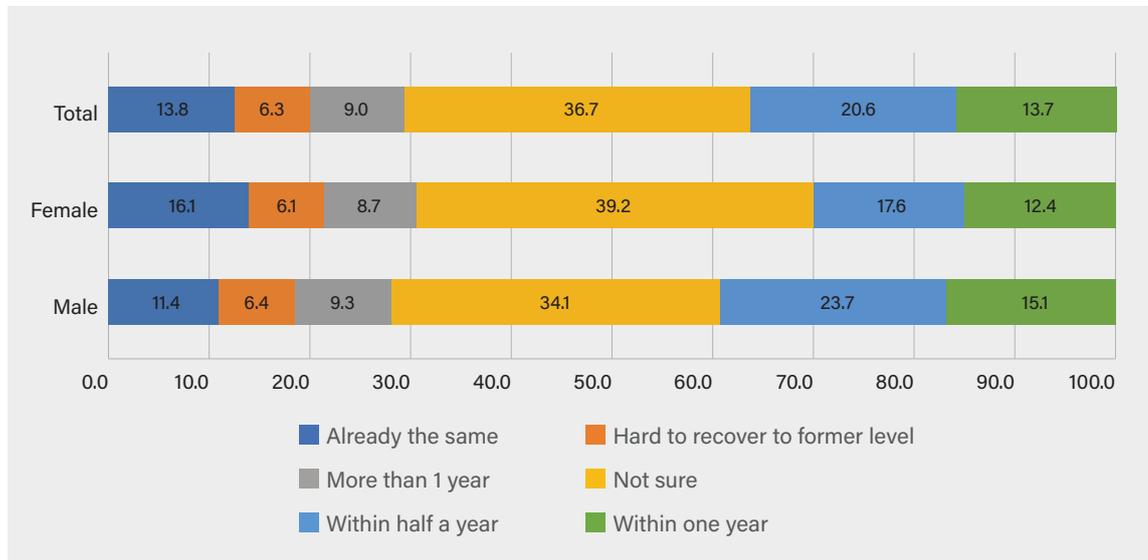
Figure 23: *Estimates about When Income Would Return to Pre-COVID 19 Levels by Gender*

Figure 24: *Estimates about When Income Would Return to Pre-COVID 19 Levels by Income Group*

The most frequently cited factor for why self-employed participants had suffered complete or reduced income losses was 'Decline in orders/job/customers' (1,326 votes or 28 percent), followed by 'Stopped/reduced work because of mobility restrictions' (1,267 or 26 percent) (Figure 25). Although the difference is marginal, this finding shows that SMEs are affected by the overall slowdown in consumer demand above anything else, including the movement restriction order. Although transportation was categorised as one of the essential services, which was allowed to keep operating during the MCO, supply-chains were still affected. Consequently, this contributed to a loss of, or reduction in, income during the MCO (830 votes or 17 percent). The cost of goods/ supplies has been found to have increased during the MCO, implying that even if SMEs had continued to produce and sell, their per-unit profit margins would have been smaller than during pre-COVID-19 times.
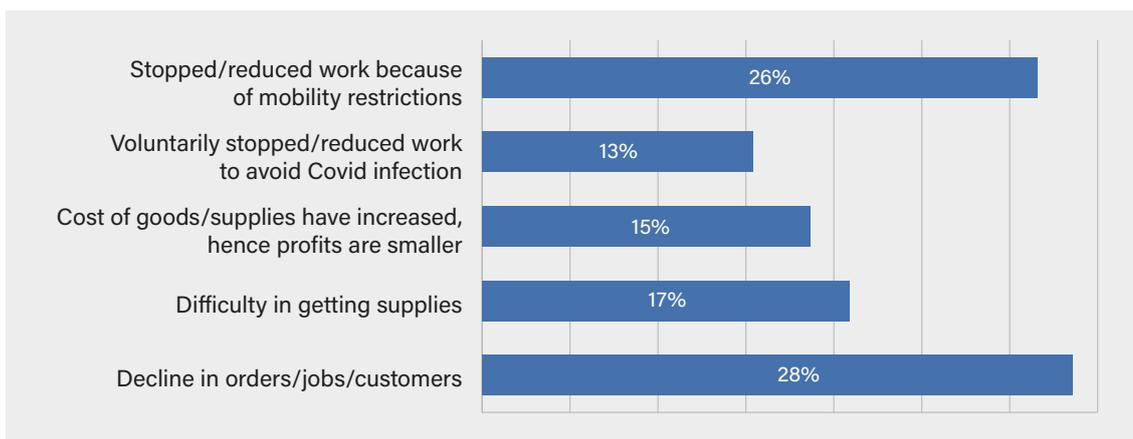
Figure 25: *Reason for Loss of or Reduction in Income during MCO*

Overall, 759 or 12 percent of the 6,468 respondents reported that their households' main income is sourced from agricultural activities, 30 percent of which were composed of small-scale fishermen. Overall, 76 percent of the agriculture sector respondents stated that COVID-19 has had negative implications on their productivity and sales during the MCO, while 11 percent of the agriculture sector noted a 'positive' impact. Distribution according to type of agricultural activity shows that the fisheries and aquaculture have been the most affected sectors, with a quarter of small-scale fishermen reporting their productivity or sales to be significantly lower, while more than half indicated a moderately negative impact. It was reported that fishermen, who are not restricted from going out to sea[30], were still unable to sell their catch at markets due to the closure of wet markets mandated by the MCO.

---

[30]   The Star. (2020). Fishermen badly affected by MCO, saysassociation.

Close to 63 percent of self-employed respondents maintain that the government's cash assistance strategy was the most useful support during the MCO (Figure 26). Although cash assistance is considered a short-term measure, this doesn't diminish the fact that it met and provided the best support in terms of enabling people to survive the MCO. Training for new skills and information about job vacancies was seen as less useful during the MCO, probably due to the unplanned nature and swift onset of the crisis. Respondents may not have enough savings or resources to withstand the long period of time needed hone new skills or developing new client networks. Similar to the responses of those who are self-employed, 47 percent of farmers/ fishermen asserted that cash support was the most useful type of assistance during the MCO. However, this does not necessarily mean that other types of support for immediate and longer-term assistance were less useful to the farmers/ fishermen, including loans, marketing, technological support and storage. In fact, these forms of support have always been a cornerstone of government agricultural programmes. Many of the benefits of such schemes are realized and appreciated over more extended time-horizons.
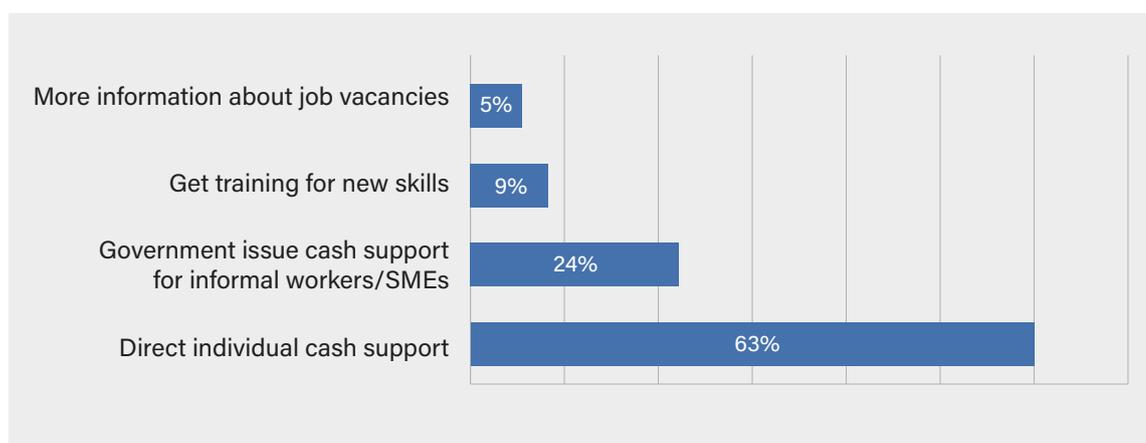
Figure 26: *Support Most Needed by Self-Employed Individuals in Facing COVID-19 Uncertainties*

3.4. Accessing Healthcare

Moving beyond out-of-pocket expenses or loss of income, low-income households may also be disproportionately affected by the outbreak because of inadequate access to healthcare services including access to health insurance plans. Low-income households typically face greater barriers to accessing health care, with some households unable to even afford the transportation cost to the nearest hospital. In the absence of an effective social protection system with the capacity to scale up in response to the deepening pandemic, vulnerable households experiencing health shocks that disrupt their income-generating activities, are at elevated risks of experiencing adverse health effects and falling into poverty.

Respondents were asked whether, during the COVID-19 period, it had become harder for individuals in their households who are either physically disabled, intellectually impaired, or mentally ill, to receive the normal medical or social support that they usually had access to before the COVID-19 outbreak (Figure 27). A very small percentage (6–10 percent) of households involving such individuals reported that accessing healthcare services had become relatively easier during the COVID-19 lockdown. Close to half reported that the MCO had caused more difficulty in terms of keeping regular appointments with medical professionals (for medication, dialysis, rehabilitation, counselling), as well as maintaining their support group or social workers. Some quoted the one-person-in-a-car ruling, the inter-state travel prohibition, roadblocks and postponement of appointments, as impediments they had faced during the MCO.

Several respondents caring for individuals in their household suffering from anxiety or depression and other mental health issues prior to COVID-19, found that it was very challenging to keep the patient at home owing to fewer healthy socialising opportunities. Specific households, such as those caring for children with autism and the elderly with dementia or Alzheimer's, found it particularly challenging to communicate the implications of the MCO to the affected individuals. More than half of the women who had recently given birth (53 percent) reported having trouble accessing healthcare facilities due to the MCO, including purchasing milk formula and nappies, as very few shops were open or fully stocked with those specific items during the MCO.
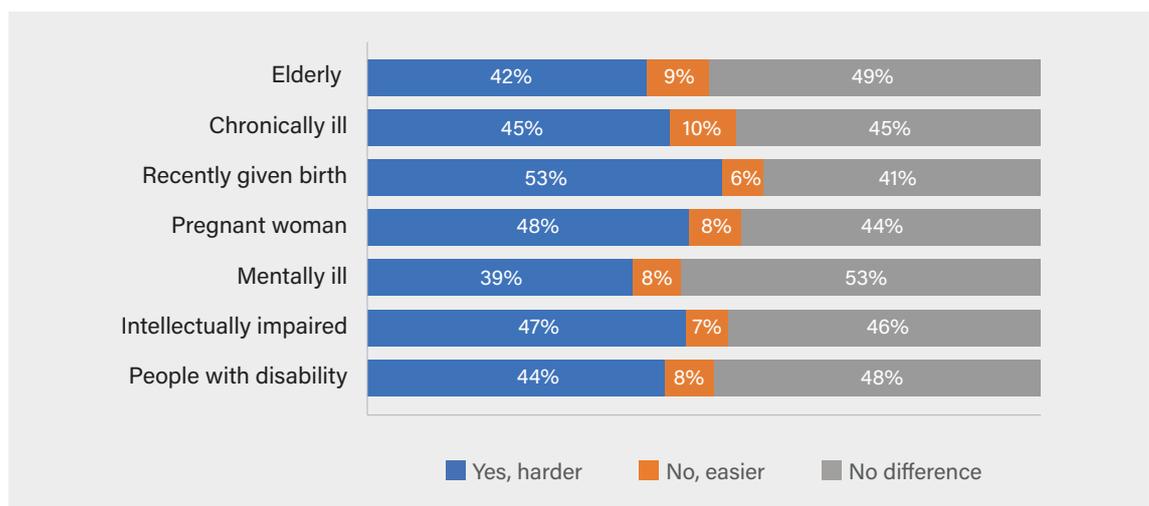
Figure 27: Impact of COVID-19 among Vulnerable Groups in Accessing Healthcare

Lower income households caring for the elderly, chronically ill patients, or those with an intellectual or physical disability, were the most affected. About half of the households with chronically ill persons, 45 percent of households with a member who had an intellectual impairment and 41 percent of households with a member with a physical disability or an elderly person, had an income lower than RM1,500 (Figure 28). At least 20 percent of households earning more than RM5,000 who had a member with an intellectual or physical disability or an elderly member, were also affected. This is also somewhat higher than the figure for households earning between RM1,500 and RM5,000. Overall, 47 percent of households with a mentally ill person who found it difficult to access healthcare, were households with an income of more than RM3,000.
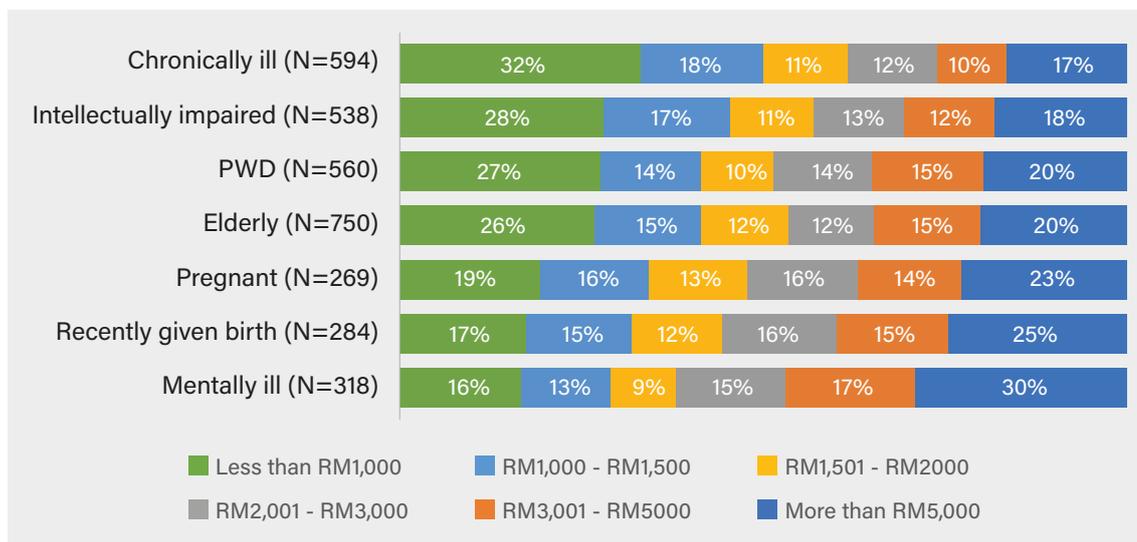
Figure 28: *Vulnerable Groups Who Found It Harder to Access Healthcare by Income Level*

3.5. Shifts in Behaviour at Home

The pandemic did not just compromise the income stability of many of the households surveyed but it has had subtle psychological impacts on the individuals affected. In total, 1,642 households out of the 6,468 households surveyed (or 25 percent), reported one or more forms of negative behaviour were observed among family members, during the COVID-19 MCO (Figure 29). The top four negative behaviours observed that exclusively emerged during the MCO period were: (i) rising tension within families, 647 (10.0 percent); (ii) increased depression or withdrawal symptoms, 547 cases (8.5 percent); (iii) increased levels of psychological distress amongst children in the household, 484 (7.5 percent) and (iv) increased use of tobacco and tobacco-related products, 457 cases (7.1 percent).

The proportion of respondents who reported experiencing rising tensions within their family was slightly higher among female respondents than their male counterparts (11.0 percent and 9.0 percent, respectively), while the opposite was true for those who reported an increased use of tobacco and tobacco products (8.5 percent and 5.7 percent, respectively). Findings on domestic violence, mental health issues, and gender-based violence targeting women during this pandemic echo those of other studies. Just two weeks after the MCO began, the Women's Aid Organisation reported that there had been a 14 percent increase in enquiries on domestic violence. Between February and March 2020, there was a 44 percent rise in domestic violence cases, and between February and April, the increase in calls and enquiries related to domestic violence was notably higher, with a 278 percent increase in calls and a 116 percent increase in SMS and WhatsApp enquiries regarding domestic violence.
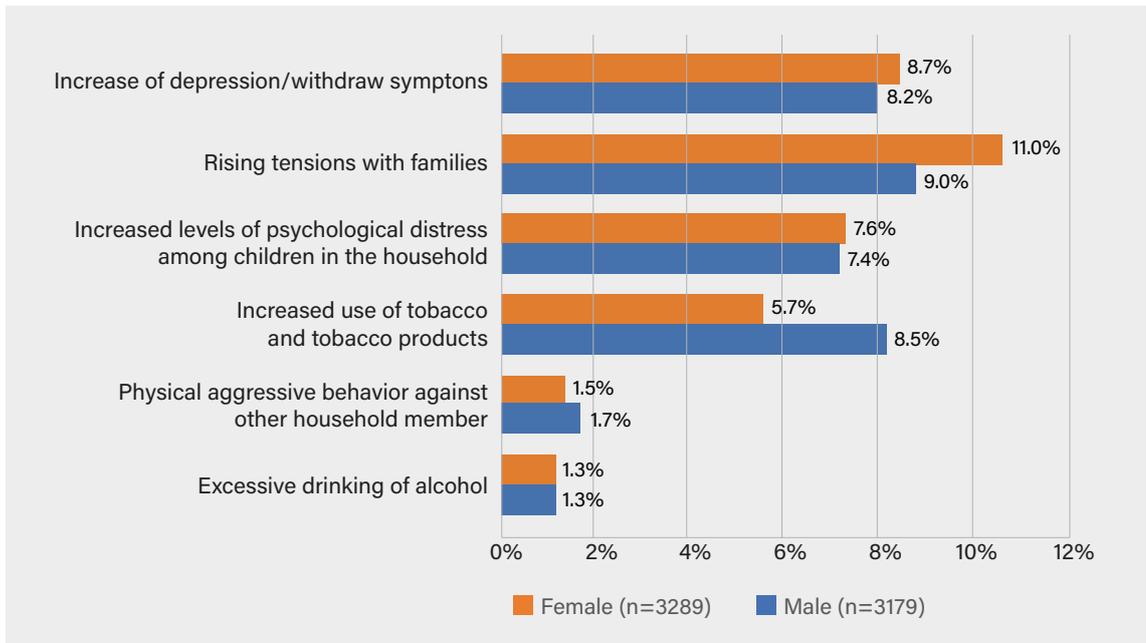
Figure 29: *Negative Behaviour among Household Members during the MCO*
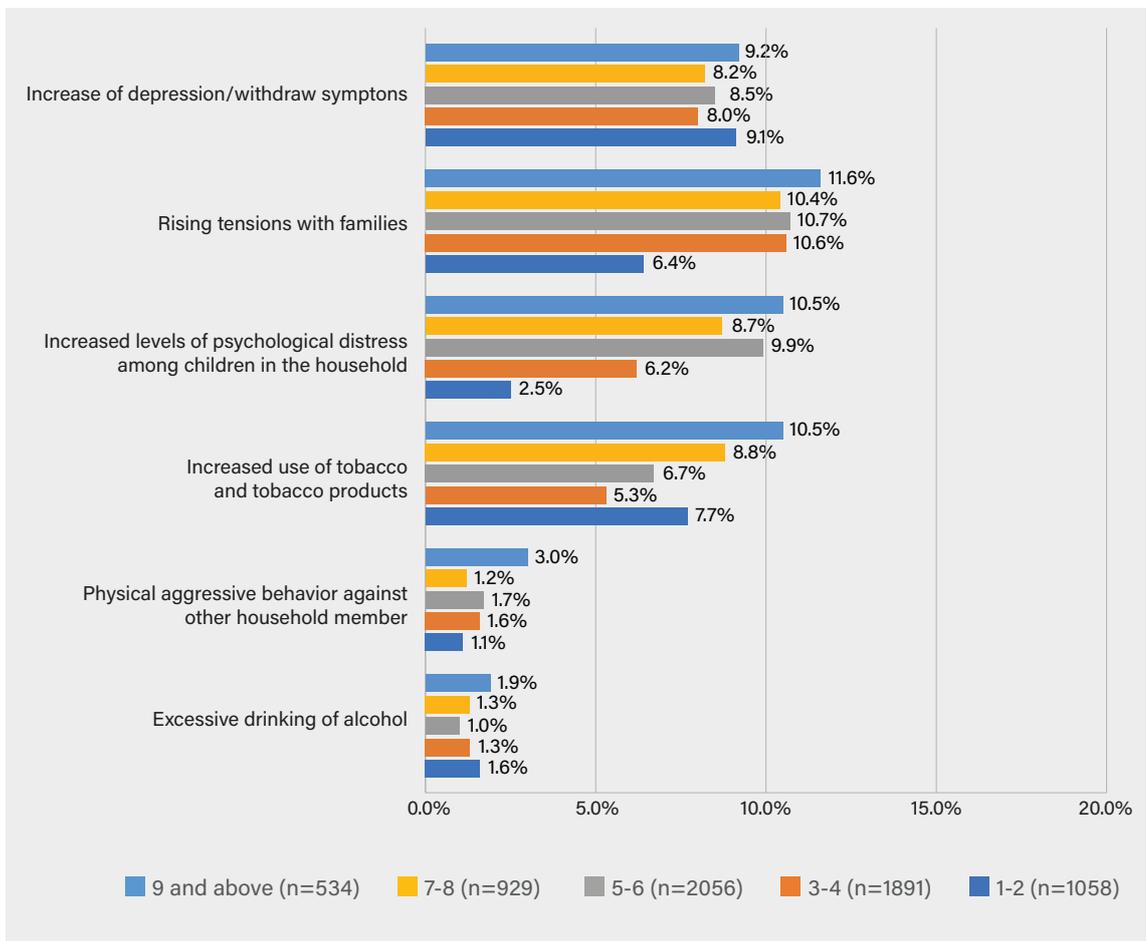
Figure 30: *Negative Behaviours among Household Members during the MCO by Household Size*

The proportion of RaHIS respondents who reported experiencing negative behaviours in their households was highest in the largest household category (9 or more members), especially in terms of rising tensions within the family (Figure 30). For another question in the survey, respondents informed that psychological support received was offered mainly by relatives and friends, but a large number of households felt that they had not received adequate support from anyone. This may be one of the factors contributing to the increase in "Negative Behaviour Observed" in households during the MCO period. Another important finding was that elderly people and PWDs, are most prone to feeling isolated as they are the least likely to be able to leverage digitalisation trends to maintain communication and social interactions with one another.

Households receiving financial assistance from the government or other agencies, households with incomes that were not affected by the pandemic, and households having enough food supplies and other necessities for another week, recorded significantly and proportionately lower instances of negative behaviours, when compared to their respective counterparts. Higher proportions of negative behaviours were observed among households who were still making repayments for loan instalments compared to those who were not.

The larger the household size, the more likely they will experience the presence of at least one form of negative behaviour. Households having enough supply of food and other necessities for the following week's consumption are significantly less likely to experience negative behaviours, while the opposite is true for households having to pay monthly instalments, compared to their respective counterparts. The likelihood of negative behaviours occurring in households having to pay monthly instalments is twice that of households without any monthly instalments. Households with high average monthly incomes tend to experience negative behaviours among household members compared with those earning less than RM1,000 per month except for households whose monthly income exceeds RM5,000. Households with an average monthly income of RM1,000-1,500 and RM3,001-5,000 are 2.5 and 2.2 times, respectively, likely to experience the presence of negative behaviours in comparison to the reference category.

Significant factors influencing the presence of negative behaviours include household size, having adequate supplies of food and other necessities for next week's consumption, having to continue paying monthly instalments, and the household average monthly income. Households with a larger number of members are more likely to report negative behaviours than smaller households. This is expected of larger households living within the confines of smaller housing units that have limited rooms and restrict individual privacy, during the lockdown period. Having enough food and other necessities for the following week's use, provides an assurance that family members will not be deprived of their meals, creating less pressure on when, where, and how to replenish necessities for survival. In contrast, having to continue to pay monthly instalments induces a lot of stress on the members of households responsible for the payment, especially when their employment and sources of income are vulnerable and unstable. Previous studies also asserted that the COVID-19 pandemic exerts an acute threat to the wellbeing of children and families as a result of challenges linked to social disruption such as school closures, no access to regular childcare services, social distancing, caregiving burden, confinement-related stress (e.g., crowding, changes to structure, and routine), economic recession and its associated consequences (e.g., job loss and food insecurity), and disruptions linked to handling the pandemic including (perceived or actual) shortages of supplies and an influx of news/media coverage.

3.6. Children Studying from Home

Disruption of schooling is a major concern for the poor and vulnerable populations in most countries. While urban private schools may be able to continue teaching online, this option will not be available in most public and rural schools. In some instances, school closures not only halt the provision and access to educational services, but also impede other health and social initiatives for children typically administered through the schooling system, such as deworming programs and access to school meals. The adverse effects of school closure may affect disadvantaged students more, for whom alternative arrangements of instruction and care are likely more limited. Beyond school food programmes, an even higher cost results from the disengagement of students with learning disadvantages (academic or socioeconomic), who are less likely to effectively cope with hastily adopted and implemented remote learning strategies. Disruption in schooling can also lead to increased dropout rates, especially among the secondary school students. In the long-run, the COVID-19 outbreak could impact the accumulation of human capital, particularly among worse-off children.

The effectiveness of school closures as a measure to slow down the spread of contagion will depend on the timing of the closures, the age structure of the population, and the duration of the closure. Access and effectiveness of online learning may vary across geographic areas and socioeconomic groups, depending on access to technology and network coverage, quality of the design of the online, blended learning programmes, and the ability of their parents to provide support at home.

4,182 households from the total of 6,468 (69 percent) reported having children who had been affected by school closure and improvised online learning methods. Of these, only 30 percent of the respondents reported that their children had been able to study consistently every day at home (Figure 31). Lack of access to assistive devices that would enable participation in remote/ distance-learning modes was identified as a major issue. Households where the parents did not own smart phones or computers were among those most affected. During peak hours of the day (8 am to 4 pm), even middle-class families struggled to share computers or notebooks with their children to do their schoolwork. In lower income households where internet data is considered a luxury, most mobile phones are operated on a pre-paid payment basis, rather than on a post-paid plan. Not all households subscribe to broadband services such as Unifi or Time. Older children from poor households who availed free public internet services, e.g. in public libraries, rural internet centres or cyber cafes, could not do this anymore, due to business restrictions imposed by the MCO.
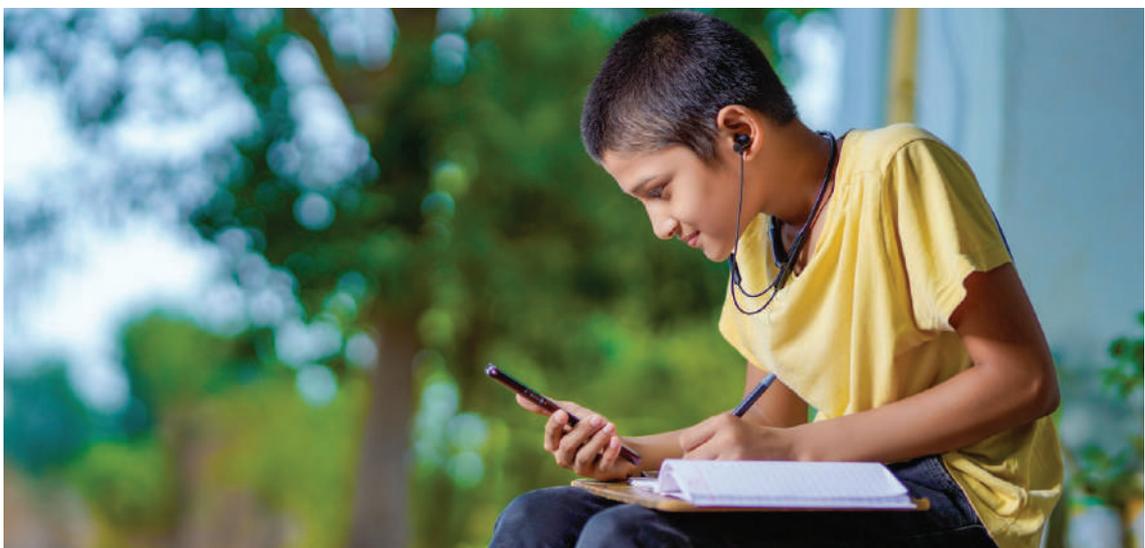
Across different household income groups, 23–33 percent of respondents reported that children in their household were able to study every day during the MCO. Surprisingly the lowest proportion of 'every day' answers was recorded in households earning an income of more than RM3,000 per month (Figure 32).
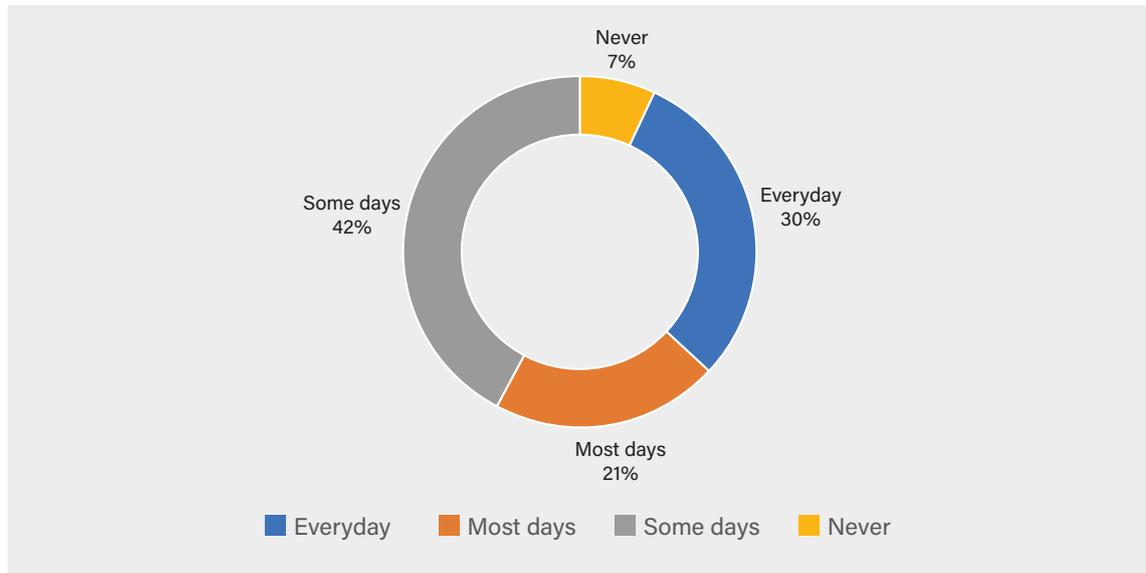
Figure 31: *How Many Days Per Week Were Your Children Able to Study at Home?*
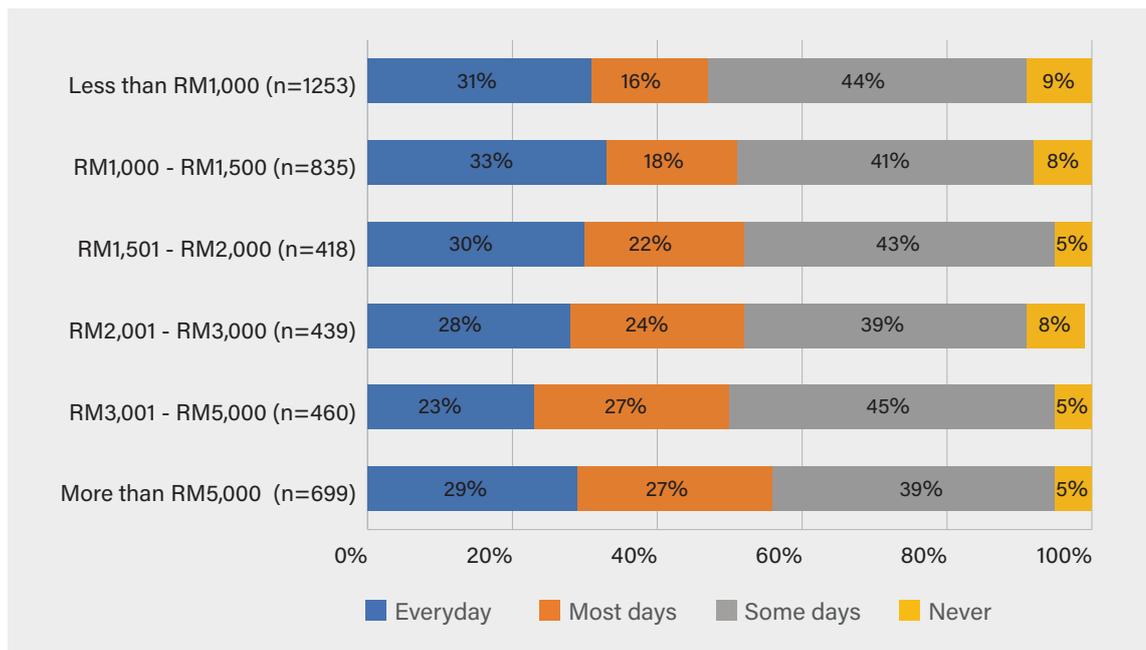
Figure 32: *Children's Ability to Study at Home by Monthly Average Household Income*

Further examination of children's ability to study in relation to household size, reveals that the proportion of respondents who reported that children in their households could 'never study' increased with household size (Figure 33). There are two possible explanations for this trend: firstly, the number of children aged 6-17 years may not be the same as the number of children attending school, if children who dropped out of school were included; secondly, studying does not necessarily entail the use of assistive devices, although that appears to be the prevalent mode of delivery at almost all levels of schooling. It is also important to recognise that the responses came from the respondents and not the children themselves, which may not be reflective of the actual situation faced by such children.
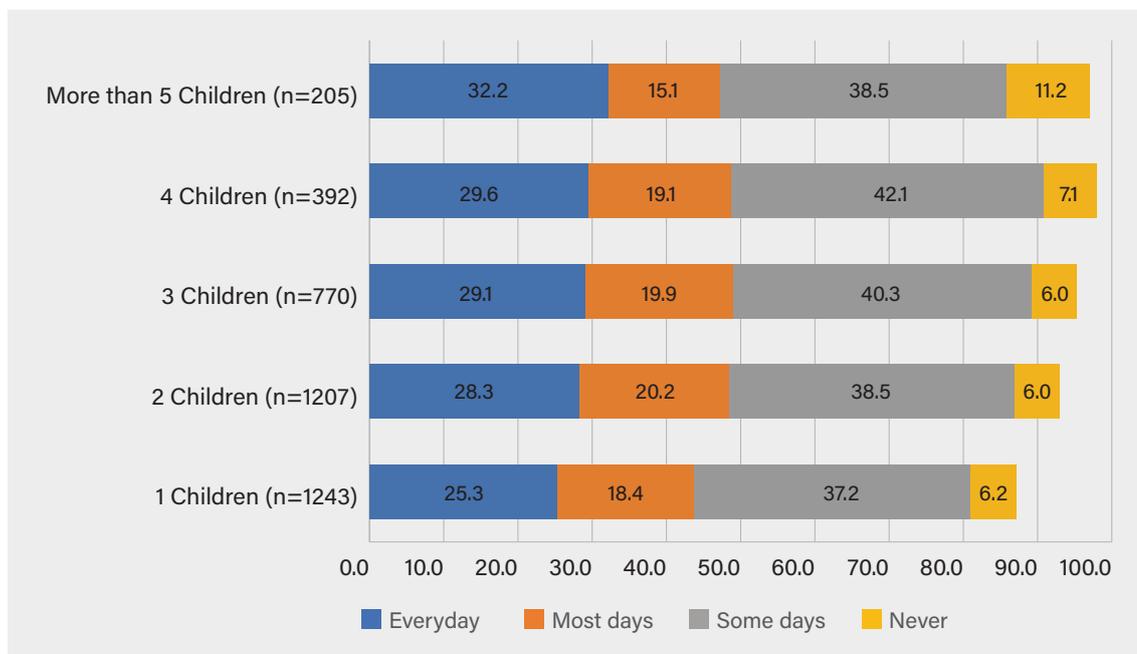
Figure 33: Children's Ability to Study at Home by Number of Children Aged 6-17 Years

4. COVID-19 Response Cash Transfers

Cash disbursement programmes in Malaysia have previously been targeted at lower-income groups, with the regular national cash transfer programme, Bantuan Sara Hidup (BSH) (Box 1), which is available to households with annual incomes of less than RM48,000. BSH, also known as the Household Living Aid, a tri-annually distributed cash handout programme for low-income households, was launched in 2012.

Box 1. Bantuan Sara Hidup (BSH)

Annual Household Income	Below RM24,000	RM24,001 - RM36,000	RM36,001 - RM48,000
Phase 1 **January 2020**	RM300	RM300	RM300
Phase 2 **March 2020**	RM300	RM150	RM100
Phase 3 **July 2020**	RM400	RM300	RM100
Total	RM1,000	RM750	RM500

The COVID-19 Bantuan Prihatin Nasional (BPN) was the first to expand cash aid to the M40 middle-class segment by including households with annual incomes of up to RM96,000 among its target beneficiaries (Table 3). In addition to households, individuals above 21 years of age with annual incomes of less than RM48,000 were also eligible for aid. There were also smaller one-off cash disbursements, including RM200 to students enrolled at institutes of higher learning and RM500 to fulltime e-Hailing drivers.

Table 3: Eligibility criteria & payment structure of BPN assistance

Category	Eligibility	BPN 1.0	BPN 2.0	Number of expected recipients[31]
B40 Households	Households earning below RM48,000 annually	RM1,000 in April 2020 + RM600 in May 2020 Total: RM1,600	RM700 in October 2020 + RM300 in January 2021 Total: RM1,000	3.7 million households
M40 Households	Households earning between RM48,000-RM96,000 annually	RM500 in April 2020 + RM500 in May 2020 Total: RM1,000	RM400 in October 2020 + RM200 in January 2021 Total: RM600	1.4 million households
B40 Individuals	Unmarried individuals above age 21 earning below RM24,000 annually	RM500 in April 2020 + RM300 in May 2020 Total: RM800	RM350 in October 2020 + RM150 in January 2021 Total: RM500	3.8 million individuals
M40 Individuals	Unmarried individuals above age 21 earning between RM24,000-RM48,000 monthly	RM250 in April + RM250 in May Total: RM500	RM200 in October 2020 + RM100 in January 2021 Total: RM300	1.7 million individuals

*   *Individuals* are in reference to those aged 21 years and above and are unmarried.
** *Households* are in reference to married couples and single parents or widows/widowers who have children

The process of BPN enrolment and disbursement of cash aid is shown in Figure 34.
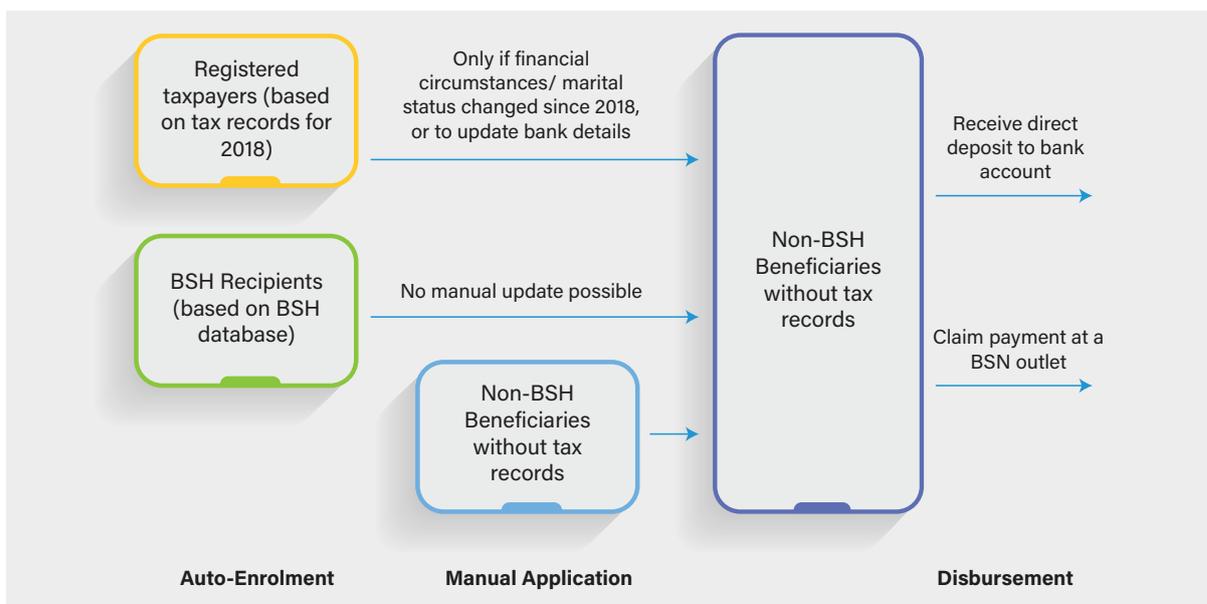
Figure 34: *Process of enrolment/application into BPN 1.0 and disbursement of cash aid*

UNDP and UNCDF ran a total of three surveys between April and June 2020 that included questions on BPN 1.0 (Table 4). These surveys were: (1) the Rapid Household Impact Assessment Survey (RaHIS); (2) the UNCDF Gig Worker Survey (UNCDF); and (3) the U-Report Youth Survey (U-Report).

Table 4: *Survey population samples analysed in this report*

Survey	Survey Period	Survey Subset	Respondent Profile	Sample Size Used in Report
RaHIS Prihatin Survey	April-May 2020	eKasih database	Low-income households with pre-existing access to social welfare.	1,859
		IRDA online survey	Low and middle-income households under the Iskandar Regional Development Authority.	303
UNCDF Gig Worker Survey	March-June 2020	FastJobs	Individuals looking for long or short-term work; mixture of regularly employed workers, gig workers, and unemployed. Predominantly male.	479
		Delivery	Individuals working with Grab or Food Panda. Predominantly male.	14,509
		Under-25 age group	Individuals under 25 years old in the FastJobs or Delivery subsets.	1,435
U-Report Youth Survey	June 2020	21-25 age group	Individuals between 21-25 years old connected to the UNICEF U-Report system.	142

All three surveys were carried out before BPN 2.0 was announced and implemented, so survey findings are limited to the experiences of BPN 1.0. The focus of the report is on broader systemic issues that shape social protection delivery, which surfaced through the BPN experience rather than on its specific implementation.

4.1. Enrolment of recipients into BPN 1.0

An auto-enrolment process was set up for prospective beneficiaries based on the BSH database and the Inland Revenue Board (LHDN) tax records for 2018. In 2020, there were 4.3 million recipients - both households and individuals - of BSH.[32] Individuals could check their enrolment status by keying in their Identification Card number at the BPN website. Registered taxpayers within the LHDN database were only required to make a new application if their financial circumstances or marital status had changed based on the 2018 record database, or if they needed to alter bank account details. Applications had to be submitted online or via a physical form at LHDN offices nationwide by April 30 to enable BPN payments in May 2020.

Non-BSH beneficiaries without tax records with the LHDN could update their income information and other details via the LHDN ezHASiL online platform. Status of their application can be checked through the LHDN, BSH or MoF websites. BPN payments were deposited directly into the bank accounts of the individual recipient or head of household, based on accounts registered in the BSH and LHDN databases. For households in which income taxes are filed jointly by the husband and wife, BPN payments were credited to the spouse who made the joint filing.

In the RaHIS sample, 82.2 percent of eKasih respondents and 45 percent of IRDA respondents earning below RM36,000 annually reported receiving both BSH and BPN (Figure 35). Around 12.3 percent in the same eKasih group reported receiving BPN even though they were not a BSH beneficiary (32 percent in the IRDA sample). However, 3.2 percent and 11 percent of respondents from the eKasih and IRDA subsets, respectively, reported that they had not received BPN at the time of the survey despite being BSH recipients. For the IRDA sub-sample, possible explanations include: (1) the small IRDA sample size - only 76 of the total 303 respondents earned less than RM36,000 annually; (2) respondents incorrectly reported never receiving BSH; or (3) respondents experienced loss of income due to COVID-19 have not registered for BSH. From UNCDF and U-Report surveys, respondents in the same income bracket also reported not receiving BPN. Between 15-33 percent of respondents in these surveys reported not receiving BPN, despite earning less than RM3,000 per month on average. This implies that the enrolment of BSH recipients into the BPN programme is not a given, as assumed by the automatic enrolment principle. A similar fraction of respondents in the RM36,001 – RM60,000 annual income category (may be eligible for BPN, and may or may not be eligible for BSH) reported that they had not received BPN. Gender analysis across survey-subsets and income-categories showed no correlations between gender and successful receipt of BPN 1.0 assistance (data not shown).

---

[32]   Bernama. (2020). RM4.74 billion allocated for 4.3 million 2020 BSH recipients. New Straits Times.
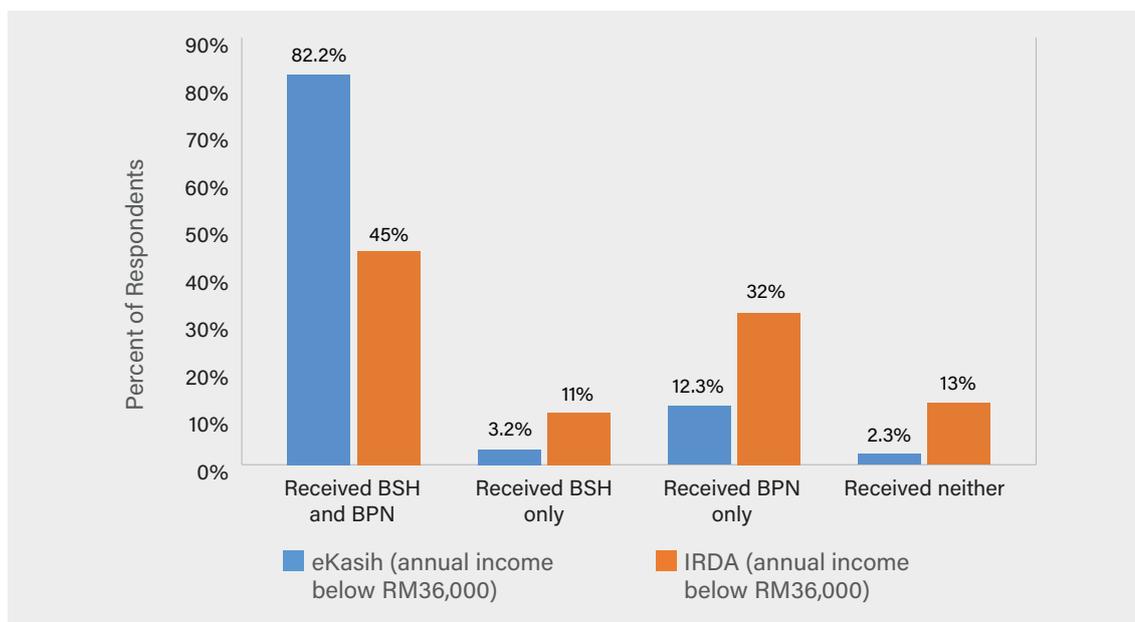
Figure 35: *RaHIS survey respondents receiving BSH and BPN 1.0, by survey subset*

4.2. Awareness about Eligibility

For those who were not automatically enrolled into BPN via BSH, awareness of the BPN programme application process, and the eligibility criteria were critical to achieve inclusion. It is therefore unsurprising that, across most categories, a lack of awareness about BPN, a lack of awareness of how to apply, or presumed ineligibility for BPN, accounted for around half of the respondents to not receive BPN 1.0 (Figure 36).

Self-reported ineligibility was the most frequently cited as reason for not receiving BPN assistance, even among low-income respondents who should have been eligible. This reflects the need to communicate aid-eligibility criteria more effectively, especially to those who are not formally employed and not already receiving social welfare. A lack of awareness of the existence of BPN 1.0 or how to apply were also frequently cited reasons, especially among low-income groups.

There have been concerns that gig workers might be vulnerable to exclusion from social safety nets. According to data from the Ministry of Finance (MOF), only 7 percent of gig economy workers are registered with the employment injury scheme under the Social Security Organisation (SOCSO).[33] Nonetheless, with regard to BPN 1.0 cash assistance, awareness of BPN 1.0 and eligibility among food delivery gig workers was similar to the RaHIS IRDA subset (Figure 37) and those with regular employment (Figure 38). However, there are many other forms of gig work, both formal and informal, that were not targeted by the surveys. As a growing proportion of Malaysians participate in the gig economy,[34] it is imperative to ensure that the design of social safety nets does not inadvertently exclude them.

---

[33] The Malaysian Reserve. (2020). Only 7% gig economy workers are registered with Socso.
[34] According to the Malaysian Reserve article, during the first MCO, Foodpanda saw a 37 percent increase in rider applications whereas Grab saw a 30 percent increase in deliveries. The Malaysian Reserve. (2021). Food delivery services: From off job to the most in demand.
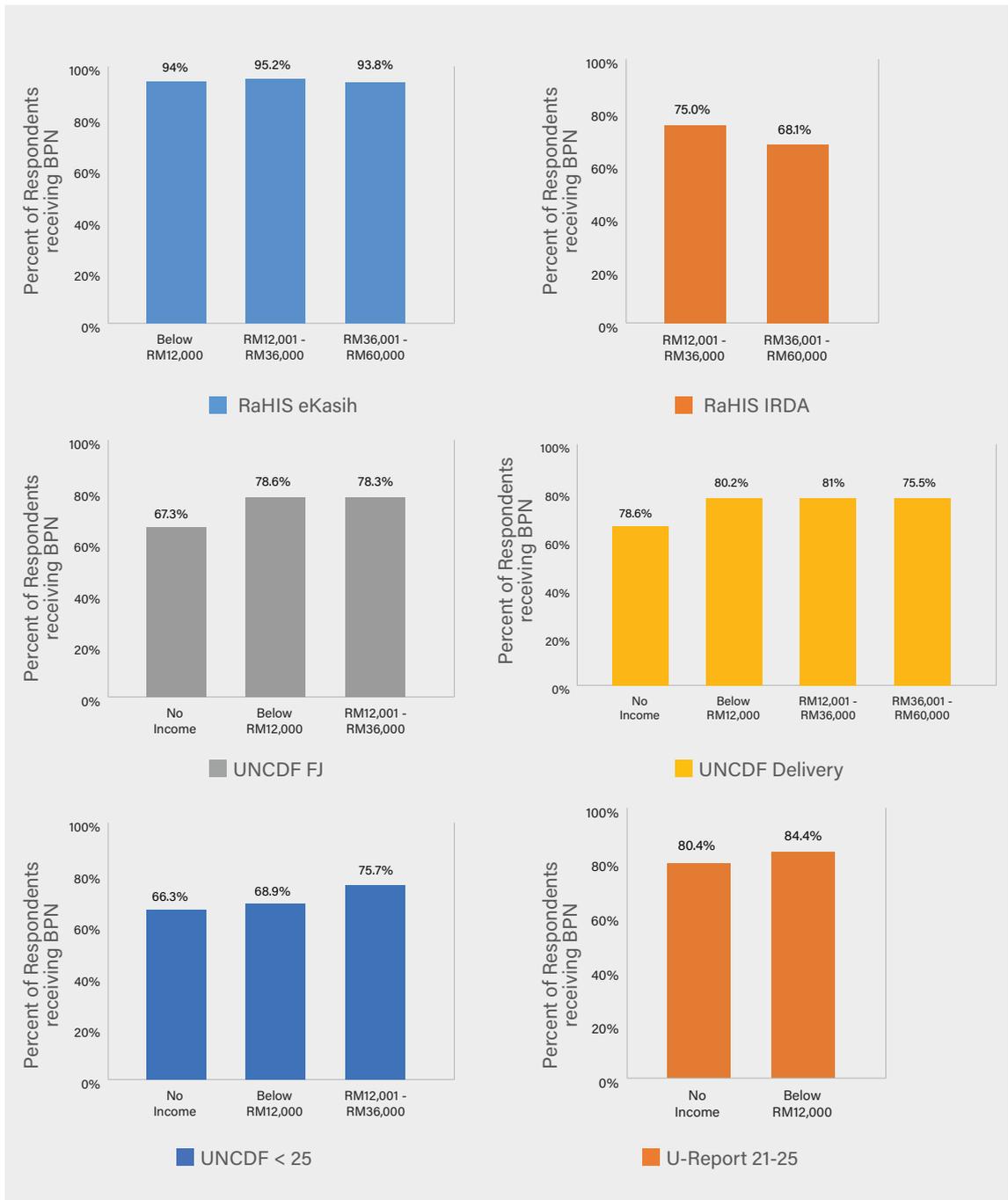
Figure 36: *Percentage of Respondents reported receiving BPN by survey group*

* *Income refers to household income for RaHIS survey respondents and individual income for U-Report and UNCDF respondents*
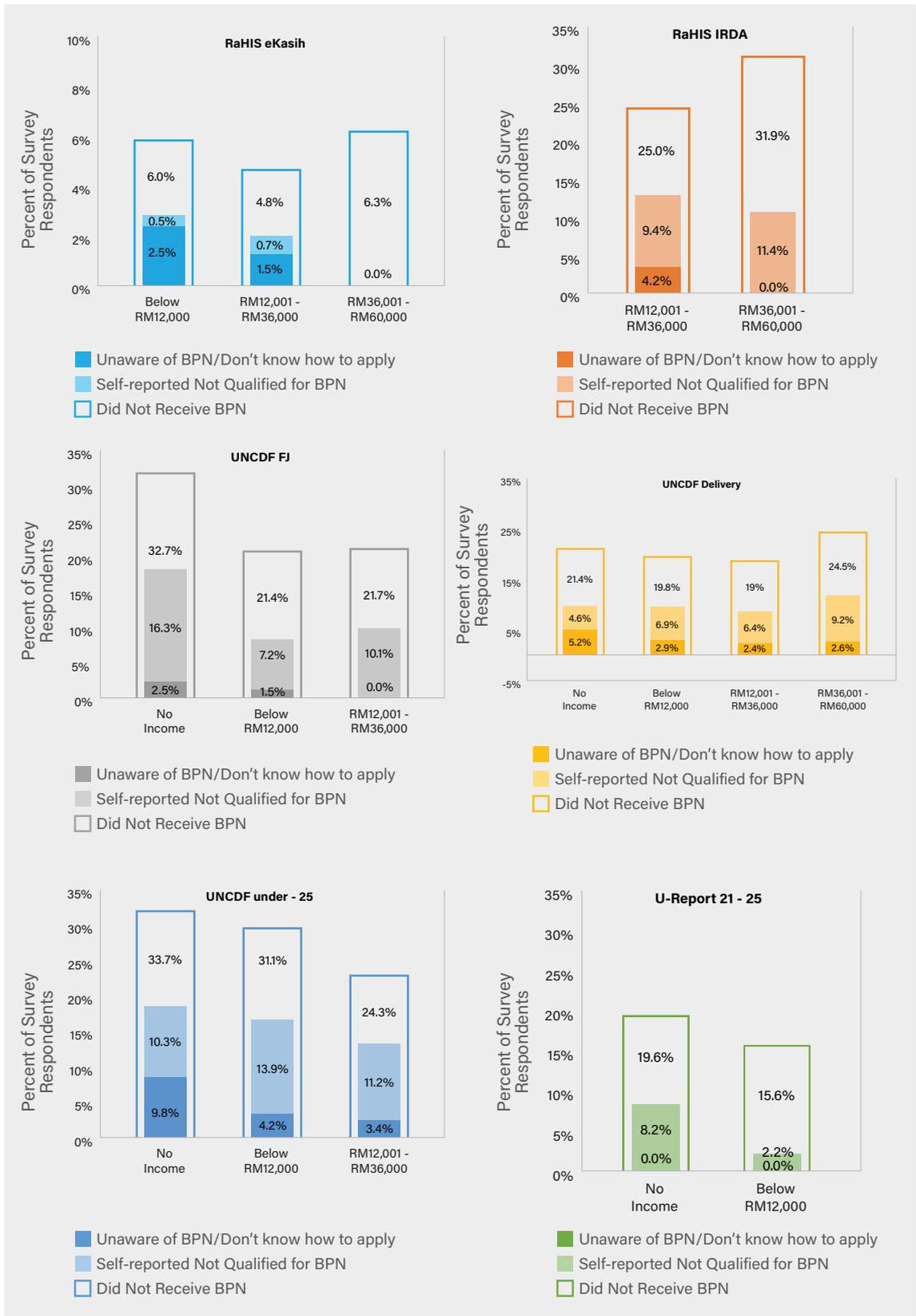
Figure 37: *Awareness of BPN 1.0 and eligibility, by survey subset and annual income*

* *"Not qualified" does not include those who applied and were rejected.*

** *Income refers to household income for RaHIS survey respondents and individual income for U-Report and UNCDF respondents*
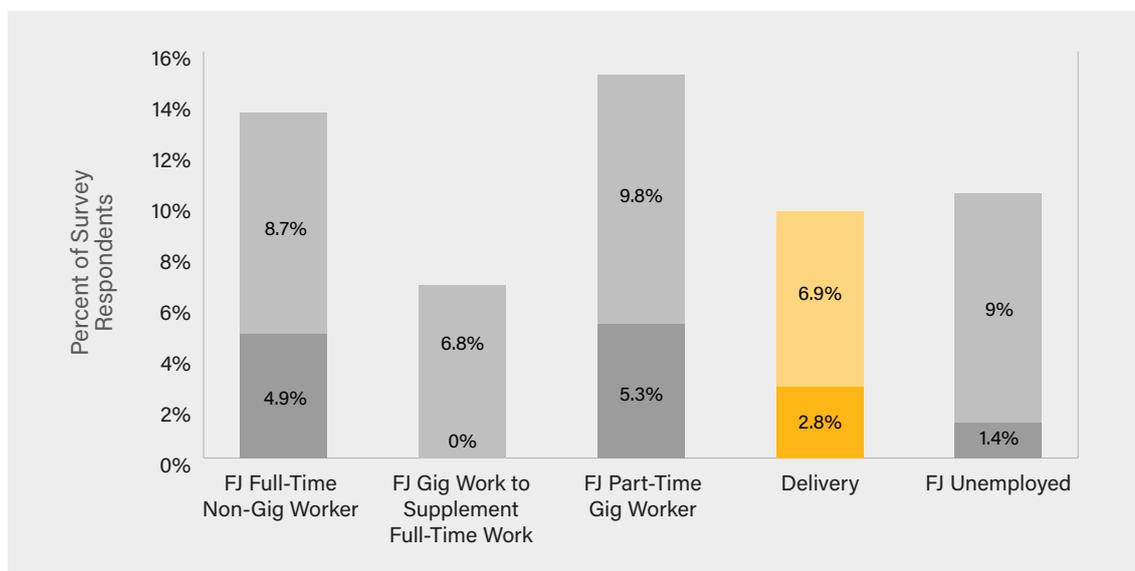
Figure 38: *Awareness of BPN 1.0 and eligibility among UNCDF respondents with annual income below RM 36,000, by employment category*

* *"Not qualified" does not include those who applied and were rejected.*

** *FJ Part-Time Non-Gig Worker, Full-Time Gig Worker, and Student omitted due to small sample size*

Young working adults may have been less aware of BPN 1.0 and its eligibility criteria, with under-25 respondents in the UNCDF survey being more likely than other groups to report that they were unaware of BPN 1.0, or that they presumed ineligibility despite belonging to low-income categories (Figure 37). Older working adults may be more likely to be in the taxpayer database or have developed greater familiarity with Malaysia's social welfare system. The higher awareness of BPN 1.0 among young working adults in the U-Report survey may be influenced by the use of an institute of higher education in the dissemination of the survey, resulting in a sample with strong college and university student representation, who would have heard about BPN 1.0 through their education institutes that were responsible for channelling one-off BPN cash assistance to students.

Apart from awareness about BPN 1.0 application process and eligibility, the most common reasons cited for not receiving BPN 1.0 across the surveys were: rejected applications, pending applications, inability to register on the website due to technical issues, and not applying despite being qualified. None of the surveys had questions on reason for rejection (if respondents considered themselves eligible). The LHDN attributed almost half of all rejected BPN applications, amounting to over 450,000 applications, to individuals who were registered as business owners with the Companies Commission of Malaysia (SSM)[35]. Such individuals are allowed to appeal their cases if they provide relevant documents, including their companies' accounts as proof of income levels. Microenterprises with total annual sales of less than RM300,000 and fewer than five employees, were eligible for one-off aid worth RM3,000 under Geran Khas Prihatin (GKP), and were thus automatically excluded from BPN 1.0.[36] Further aid targeted at microentrepreneurs amounting up to RM2,000 was made available in subsequent relief packages, such as GKP 3.0 and GKP Tambahan.[37] It is not clear if the high number of

---

[35] Mohamed Radhi, N.A. and Yusof, A. (2020). Half of those rejected for BPN were registered with SSM. New Straits Times.
[36] Rohman, M.A.P. (2020). Pertimbang beri BPN kepada pemilik syarikat berdaftar SSM. Berita Harian Online.
[37] Lembaga Hasil Dalam Negeri Malaysia. (2021). Geran Khas Prihatin.

BPN applications rejected was due to misunderstandings about eligibility, or if there are a high number of defunct microenterprises registered with SSM. A link between application processes for BPN and JKP would have pre-empted these issues. It can be argued that since GKP was intended to relieve cashflow constraints faced by small businesses, if their owners themselves were facing income shortfalls to support their family, then they should be eligible to receive BPN.

4.3. Difficulties in Accessing BPN 1.0 Cash Aid

BPN cash aid was distributed through bank transfers to recipient accounts. Some BSH recipients who did not manage to update their personal information, including bank account details (if changed), would run into problems because distributions were made according to their existing information in the BSH database. Recipients who for any reason did not have an active bank account, could collect their BPN payments at any Bank Simpanan Nasional (BSN) outlets nationwide by presenting their identity card. As such, ease of accessing cash aid was primarily dependent on recipient access to automated teller machines (ATMs) and/or digital banking services.

While most BPN recipients found it easy to access the cash aid, BPN recipients in the lower income brackets are more likely to face obstacles relative to higher brackets (Figure 39). There were also geographical patterns observed, as more than a third of RaHIS eKasih respondents from Sarawak, Kelantan, and Sabah reported difficulties (Figure 40). The RaHIS survey only asked respondents about the factors that facilitated or obstructed access to BPN 1.0 funds. The most commonly cited difficulty was long queues and overcrowding at ATMs (Figure 41). Long travel distances to ATMs and banks, restrictions in movement due to the MCO, and other transportation and mobility challenges were other commonly cited challenges. Conversely, among those who found it easy to access BPN aid, ease of access to ATMs or banks was the top enabler. Therefore, access to BPN 1.0 funds is generally reflective of an individual's ability to access to banking services.
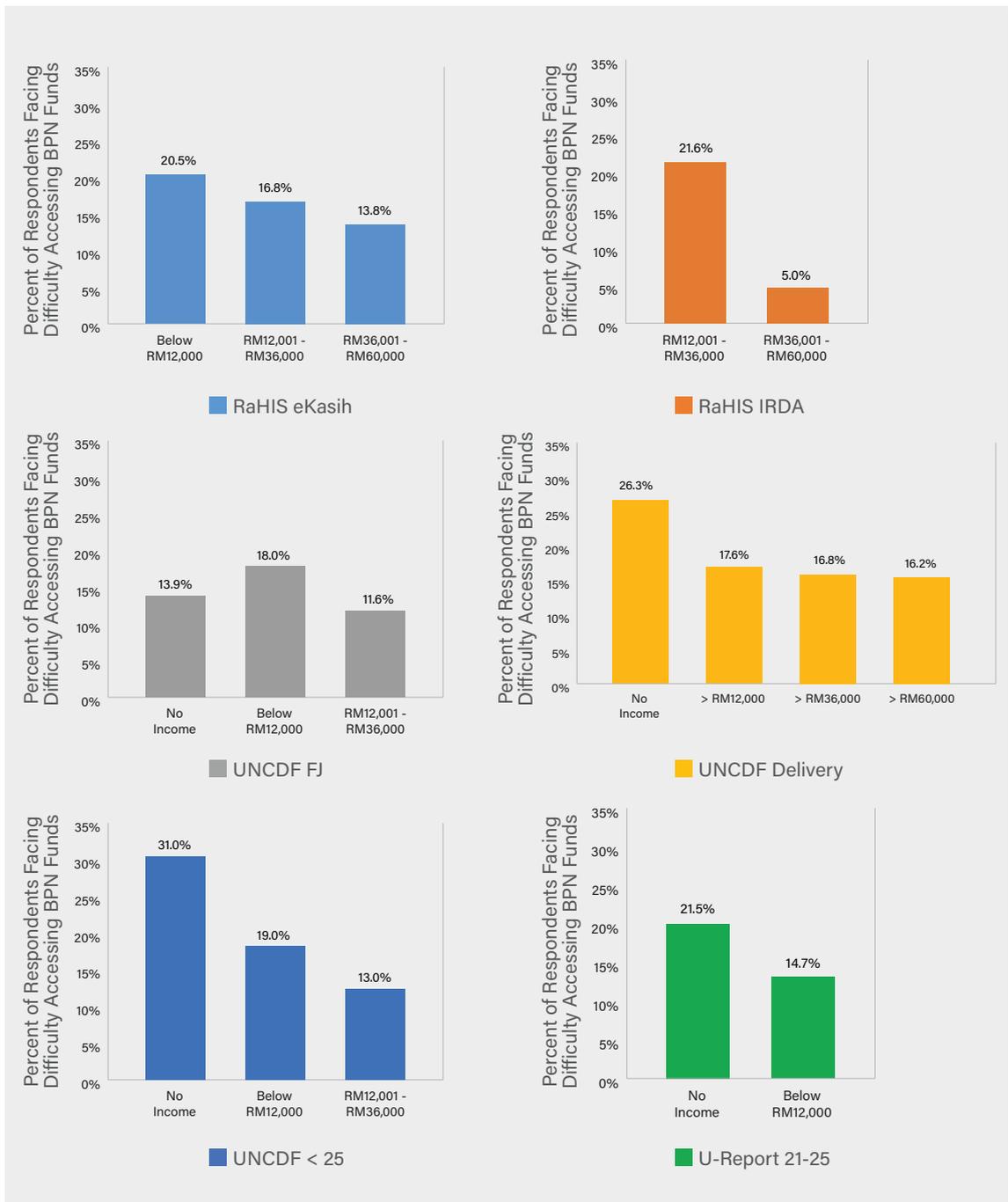
Figure 39: *Difficulty withdrawing BPN funds, by income*

* *Income refers to household income for RaHIS survey respondents and individual income for U-Report and UNCDF respondents*
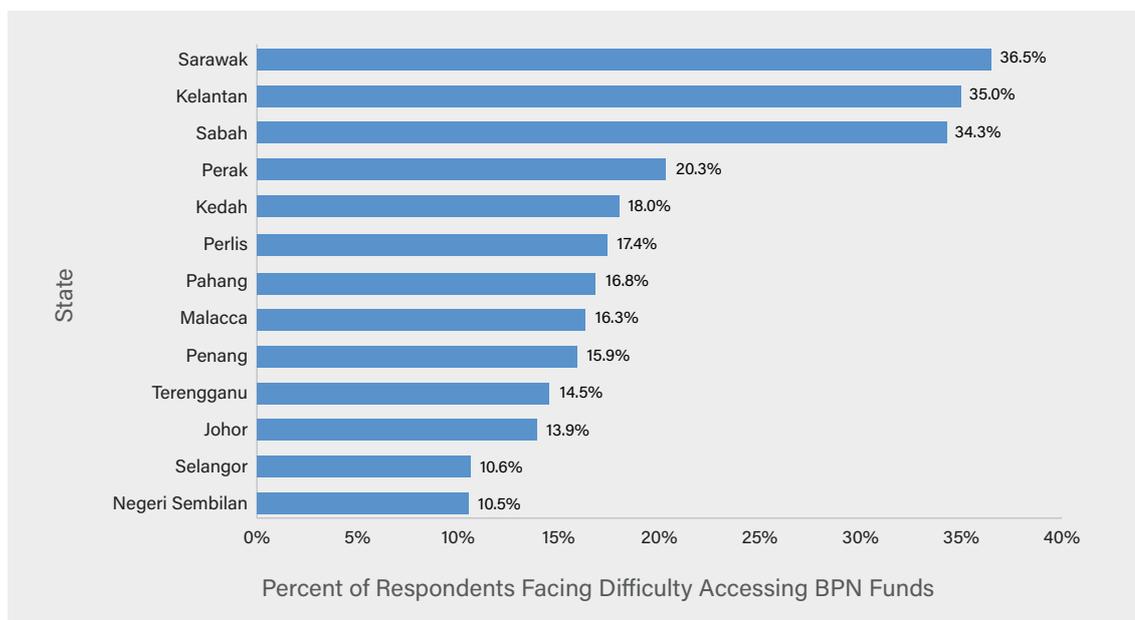
Figure 40: *RaHIS eKasih respondents on difficulty withdrawing BPN 1.0 funds, by state*
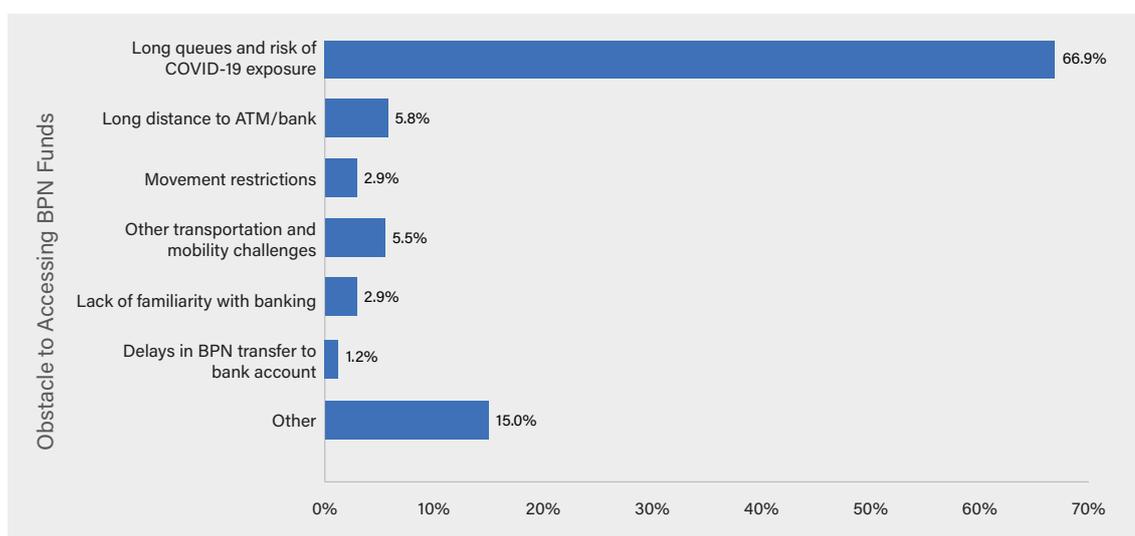
Figure 41: *Cause of difficulty in accessing BPN funds among RaHIS eKasih respondents*

The relative lack of physical banking services explains the high prevalence of respondents in Sarawak, Kelantan, and Sabah who reported difficulties in accessing BPN 1.0 funds, as these states are underserved by financial institutions, relative to the rest of the country (Figure 42). In most cases, low ATM to population ratios means long queues—which represents a health risk during the COVID-19 pandemic and was sufficient for some respondents to report it as a factor that delayed withdrawal of BPN funds—or even ATMs running out of funds. For some others, banking facilities are remote, making access costly and impractical. For rural communities in Sabah, to access an ATM, a round-trip costs around RM70 in transportation alone, while it costs RM150 for residents of Moyog and Pagalungan respectively.[38] "The distance to the nearest ATM from Moyog averages 25km (Donggongon, Centre Moyog), and can be up to 60km (Ulu Papar, Upper Moyog). In the more remote Pagalungan, it is a boat journey of around 6 km, to Salong Jetty, followed by a further 67km journey to the nearest banking facility."

---

[38] Focus Group discussion with residents in Moyog and Pagalungan, conducted by UNDP and UNCDF. [15 -30 June 2020]

Facility Type	No
Banks / DFIs	**3263**
Pos Agent ▪ RHB ▪ MBB	**448** 312 342
Agrobank agent	**250**
Bank Rakyat agent	**158**
BSN agent	**7010**

Peninsular Malaysia

East Malaysia

Unserved Mukim

Served Mukim

Index ranges from 0 - 1, with 1 being perfect financial inclusion

0   0.25   0.5   0.75   1

Low   Moderate   Above Average   High
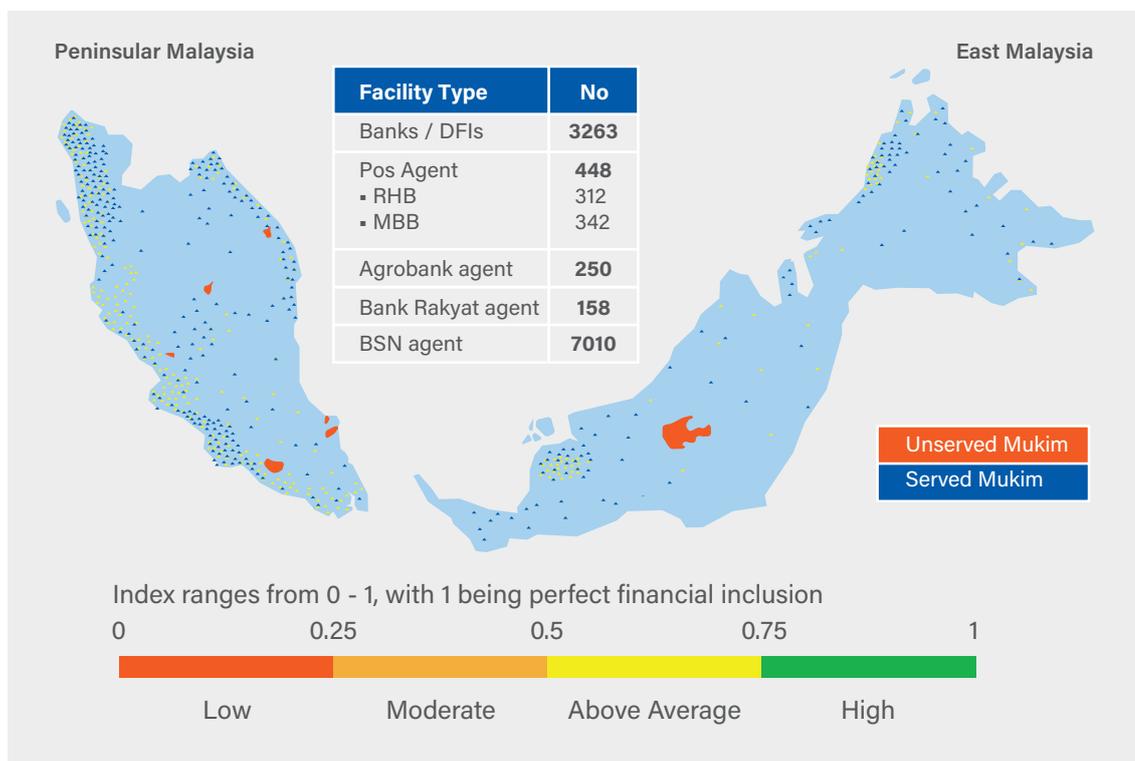
Figure 42: Distribution of financial service providers across Malaysia[39]

4.4. Preferred Alternatives for Accessing Aid

RaHIS survey respondents overwhelmingly chose transfers to bank accounts as the preferred mode of receiving aid (Figure 43). However, as of the end of 2015, Bank Negara Malaysia estimated that 8 percent of the adult population in Malaysia were unbanked, with a third of the unbanked residing in East Malaysia.[40] While access to banking services can and should be improved, other alternatives can play a role in complementing these services. Indeed, certain groups of beneficiaries may be better served through alternate means, because of limitations of providing physical banking services in their locations, among other reasons. As alternatives to bank transfers, eKasih respondents preferred some form of house-to-house outreach (9.4 percent) while IRDA respondents preferred e-Wallet platforms (3.1 percent) or food aid in lieu of cash aid (2.7 percent).

39 Abd. Rahman, Z. (2017). Measuring Financial Inclusion in Malaysia. Bank Negara Malaysia.
40 Bank Negara Malaysia. (2016). Financial Stability and Payment Systems Report 2015. Malaysia.
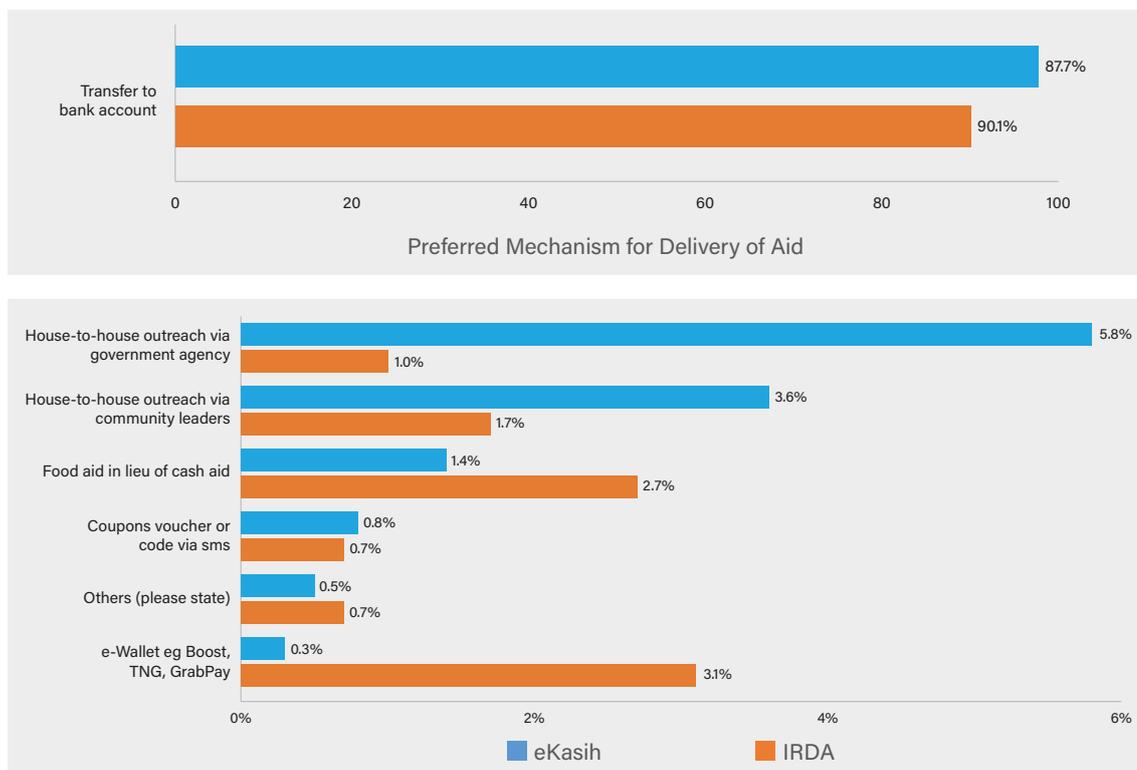
Figure 43: *Preferred method for accessing cash aid among RaHIS survey respondents*

Until digital solutions are sufficiently viable for aid beneficiaries in remote locations, they will still require assistance with physical access to cash aid. Furthermore, digital solutions may not be suitable for every group. Preference for physical delivery of aid (house-to-house outreach or food aid) was generally higher in states with lower rates of urbanisation, with over 22 percent of RaHIS eKasih survey respondents in Sarawak preferring these options (Figure 44). In such cases—if digital banking and payments are not feasible for the beneficiary community—physical delivery of aid is necessary to ensure fair and comprehensive access by b eneficiaries. However, MOF has noted that the deployment of BSN-appointed banking agents in rural areas and small districts has not been effective in addressing the lack of physical banking services, due to liquidity and operational issues.[41] A detailed evaluation on the feasibility issues faced by banking agents should be carried out. Another alternative would be to partner with local businesses, enabling them to act as mobile banking agents.

Previous UNDP research using the Citizens' Journey Approach (CJA) to gauge how B40 citizens access government assistance showed that for rural respondents in Kelantan and Sabah, connection to formal, government-linked social institutions and structures (i.e. village heads, Village Community Management Councils (MPKK), the Community Development Department (KEMAS), etc.) is critical to applying for and receiving aid.[42] These structures can be leveraged to improve rural communities' capacity to access aid. The CJA report also highlights the need to strengthen the connection of many of these structures—often oriented toward large-scale community events and programmes— to benefit households at a more micro and grassroots level. If such infrastructure that enables better interfacing with poorer households are developed around long-term social welfare programmes, these will also strengthen the capacity to facilitate aid distribution during times of crises.

[41] Bernama. (2020). Sabah BPN recipients without bank accounts urged to claim payments at BSN counters. Malaysiakini.
[42] United Nations Development Programme. (2020). Pilot Study of Citizen Journey Approach (CJA) in Government Service Delivery. Manuscript submitted for publication.

Finally, challenges in accessing physical banking infrastructure are not limited to rural residents. Physical disabilities, old age, limited transport options, and other mobility challenges accounted for 5.5 percent of RaHIS eKasih survey respondents that reported difficulties in accessing BPN cash aid. The Department of Statistics Malaysia reported that 7 percent of Malaysia's population consist of elderly persons, as well as close to half a million registered persons with disabilities (PWDs). Efforts to improve digital banking literacy should be targeted in order to empower such groups. Accessibility options in digital banking, such as voiceover notifications for those with visual impairments, will be important for reaching PWDs.
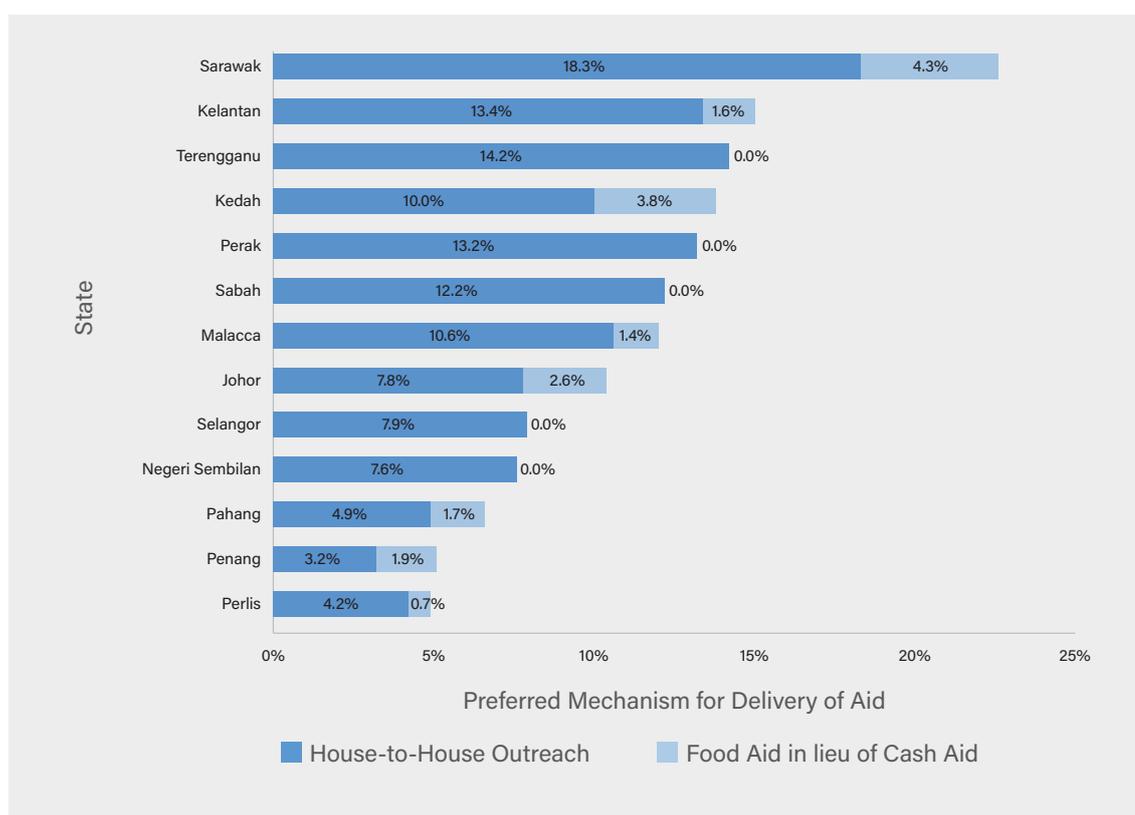
Figure 44: Preference for physical delivery of aid among RaHIS eKasih survey respondents, by state

A digital platform and coupons were a less favoured way to access cash assistance among the lower income groups, although adoption of digital banking and e-Wallet platforms could reduce the need to access physical banking infrastructure, which was the main obstacle in accessing BPN aid (after approval). On the other hand, those that earned more than RM5,000 preferred digital transfers, which indicates their comfort level with digital money modes (Table 45). Bank Negara Malaysia did report an increase in internet banking subscribers from 30.8 million in January 2020 to 33.6 million in July 2020, a three-fold increase over the corresponding period in 2019[43]. In 2019, 90 percent of Malaysian households had internet access,[44] but the utility of digital banking and e-Wallet platforms was highest only in urban centres, which already enjoy good physical banking infrastructure. The capacity to make use of digital banking and e-Wallet platforms depends not only on an individual's digital literacy, but also on reliable internet connectivity and the

43   Goh, J. (2020). Noticeable rise in mobile banking, internet banking subscribers. The Edge Markets.
44   Department of Statistics Malaysia. (2020). ICT Use and Access By Individuals and Households Survey Report, Malaysia, 2019.

adoption of electronic payment methods by local businesses. Overcoming all these issues remains a daunting challenge for low-income households in remote rural areas. Findings from a joint UNDP-UNCDF project on e-commerce platforms for rural producers in Sabah during the COVID-19 pandemic, illustrates the obstacles to digital banking and e-Wallets in rural settings. Although some shops in the village of Pagalungan worked with BSN to offer more accessible digital cash withdrawal services, the lack of stable internet access rendered those services inoperable. While internet infrastructure is developed in these localities, there is a need for immediately feasible solutions to overcome accessibility issues. In 2019, 7.2 percent of households had a feature phone but not a smartphone. This group could benefit from SMS-based mobile banking solutions, such as Bank Islam's Transact-at-Palm (TAP).
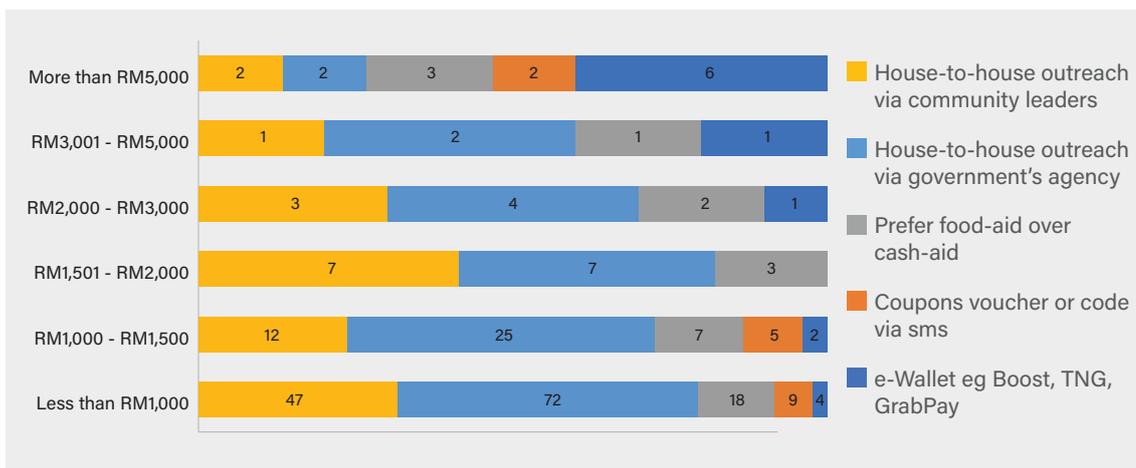
Figure 45: Preferred Methods of Accessing Cash Assistance (Other than Bank Accounts) by Income Group

This page has been intentionally left blank.

PART III. IMPACT ON SOCIAL COHESION

1. Introduction

Social cohesion, a concept with different usages and definitions, is essentially used to mean the extent of trust in the government and within society. Social cohesion encompasses the willingness to participate collectively towards a shared vision for sustainable peace and preventing violent extremism.45 A cohesive society is apparent when the rights of all people are respected and protected, based on The Universal Declaration of Human Rights proclaimed by the United Nations General Assembly (Paris, 1948).

Apart from social cohesion, community resilience is also a key element in ensuring the quality of life of all members when responding to crises. Community resilience has been defined as the ability of a community and the biophysical systems upon which it depends: (1) to build regenerative capacities; (2) to sense emerging risk; (3) to resist or absorb the impacts of the risks or events; (4) to rapidly recover from those impacts; and (4) to reduce future vulnerabilities through adaptive learning and transforming strategies.[46] Thus, the social contact, community resilience, and social cohesion are complementary elements within a society.

How a country or community chooses to resist and recover from the impacts of a crisis is dependent on several factors: the values of the community, systems thinking, adaptability, and sustainability. The two main requirements for community resilience are the **responsibility** for resilience building as well as the **process** of resilience building.[47] The values a community holds run very much in parallel with social cohesion, a sense of identity and having effective stakeholders with strong social capital.[48] As such, given the understanding above on the four issues, the analysis in this study becomes imperative.

'Social Cohesion and Community Resilience' is instituted as Pillar 5 in the UN COVID-19 response plan as a reflection of the importance of efforts to build trust through the COVID-19 crisis, through social dialogues and political engagements, and through investment in community-led resilience and response systems. This effort will offer an important lens through which to view all intervention programmes to prevent crisis, as well as in moving forward after a crisis. This study employs the UN's framework to assess social cohesion and community resilience within Malaysian society during the COVID-19 crisis.

---

45 United Nations Development Programme. (2020). Strengthening social cohesion: Conceptual framing and programming implications.
46 Lerch, D. (Ed.). (2017). The community resilience reader: Essential resources for an era of upheaval. Island Press.; Zolli, A. (2013). The Verbs of Resilience. Andrewzolli.com. October.
47 National Research Council, & Geographical Sciences Committee. (2011). Building community disaster resilience through private-public collaboration. National Academies Press; Lerch, D. (Ed.). (2017). The community resilience reader: Essential resources for an era of upheaval. Island Press.; Masterson, J.H., Peacock, W.G., Van Zandt, S., Grover, H., Schwarz, L.F., & Cooper, J.T. (2014). Planning for community resilience: A handbook for reducing vulnerability to disasters. Washington: Island Press.
48 Lerch, D. (Ed.). (2017). The community resilience reader: Essential resources for an era of upheaval. Island Press.

An unprecedented crisis like the COVID-19 pandemic has the ability to highlight the strengths and weaknesses of the vertical and horizontal lines of cohesion; it can heighten and exacerbate the vulnerabilities experienced by an individual or group, as well as, reduce the effectiveness of mitigative responses. Additionally, the intersectionality of one's identities – for example, being a person with a disability, being female or being a migrant – may put individuals at higher risk of threat.

2. Social Cohesion and COVID-19

Malaysians are made up of 68.8 percent *Bumiputera*,[49] 23.2 percent Chinese, 7 percent Indians and 1 percent other ethnicities. Malaysia is a multiracial, multicultural, and multilingual country that has a rich, historical background of relative social cohesion. Malaysia tries to maintain the heterogeneity of each ethnicity without eliminating any one group's cultural and historical identity, while promoting a harmonious coexistence. Government initiatives, such as the emphasis on Unity in Diversity, the 1Malaysia concept, and the Shared Prosperity Vision 2030, are all indications of the nation's commitment to respect, preserve, and promote the cultural and religious heritages of the varied population. The spirit behind these government initiatives is also reflected in the work of other social actors – NGOs and civil society organisations – as well as at the grassroots level. Some examples include *The Star*'s heart-warming media campaign via the video published by R.AGE;[50] various charity drives such as the ones organised by Tenaganita, the Malaysian Consultative Council of Islamic Organisations (MAPIM), Asylum Access and Buddhist Tzu; educational modules and programmes that cut across ethnic and religious barriers;[51] and community-led initiatives[52] that have demonstrated resilience in responding to local needs.

While there are commendable efforts to strengthen social harmony along vertical and horizontal lines, tensions have always existed among different groups, and this has increased in the last few years. The social fabric of Malaysia is susceptible to internal and external pressures, particularly on issues relating to ethnicity, nationality, and religion. Ethnic relations remain a sensitive subject in Malaysia and pent-up tensions tend to erupt caused by frustrations linked to social or commercial disputes.[53] However, in the past, these 'eruptions' of anger tend to be localised, with the exception of the May 13 1969 incident, seldom spreading beyond the communities where the trigger incidents have occurred. Today's development of technology and social media has brought with it a significant increase in instances of hostile speech and acts being aggressively shared online. An adverse effect on social cohesion can be seen in increasing

---
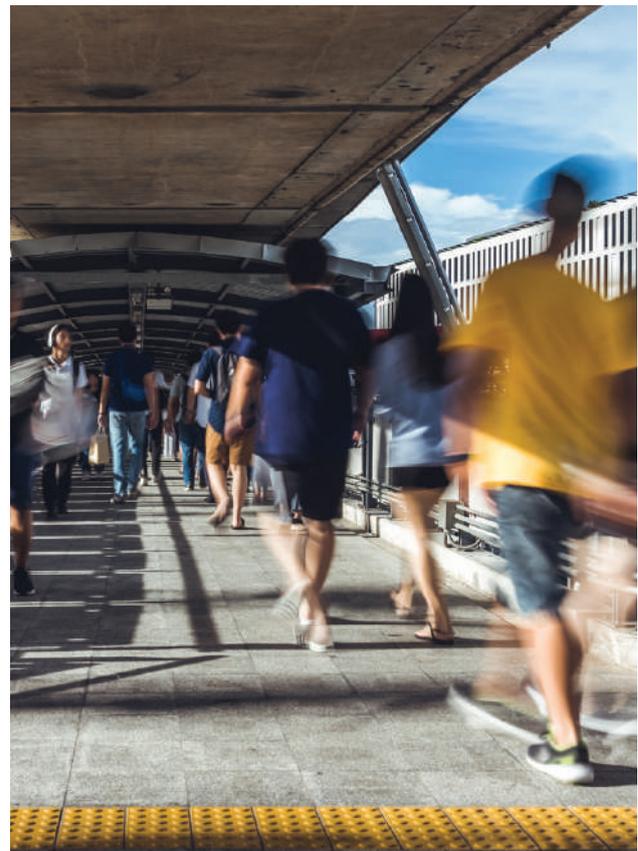
49   *Bumiputera* refers to Malaysians of indigenous origin, including Malays.
50   The Star. (2020). Emotional Covid-19 survivors' surprise video goes viral.
51   New Straits Times. (2019). Unity in school: Work towards common goal of a united Malaysia, says ex-lecturer.
52   New Malaysia Times. (2020). Mosques and surau provide aid to non-Muslims; as taught by the Prophet.
53   Goh, C.T. (1989). Racial Politics in Malaysia. FEP International: Petaling Jaya.

intergroup anxiety and the creation of factions within the community. These appear to be removing individuals' sense of belonging, leading to growing suspicion of other groups due to perceptions of social threat, encouraging extremism and isolation in certain individuals and exposing vulnerable groups to a higher risk of violence – all of which may jeopardise the peace and security of the country. The fault lines now no longer follow ethnic lines, but extend to other categories such as nationality, religious inclinations, and income level.

Non-Malaysians, migrants, and refugee groups bear the brunt of the people's frustrations. This is unfortunate, for non-Malaysians, migrants and refugees are important contributors to the country's development, as mentioned in the OECD Development Centre's Policy Dialogue on Migration and Development.[54] Refugees contribute to human capital, stimulate investment in trade and humanitarian aid, and create employment opportunities. They also stimulate consumption on a macro level, triggering responses in trade and supply chains as well as transport, and boost the host nation's GDP. Hence, realisation of sustainable social cohesion must take into account the situation of all peoples that make up society in Malaysia – including non-citizens.

The COVID-19 outbreak saw many reported incidences which have revealed the underlying tensions, racism, and xenophobia existing amongst different groups in society. In the early stages of the spread of coronavirus in China, the term "Wuhan Virus" contributed to negative stereotyping of Chinese citizens in Malaysia. Although the term may have been derived from actual facts (the virus was first detected in Wuhan), its rampant usage by the media, coupled with vivid imagery, has led people around the world to regard China and her nationals as being the "cause" of the virus.

In Malaysia, the focus soon shifted to another group, the followers of the *Tabligh* movement who held one of their regular mass gatherings at the Sri Petaling mosque on 28 February 2020, contributing to one of the earliest clusters of infection in Malaysia. Trends reflecting racial speech on Twitter during the second COVID-19 wave show that the highest number of offensive or hateful tweets were targeted at Malay-Muslims during the *Tabligh* cluster incident.[55] Soon afterwards, a three-day church assembly that took place from 26 to 28 February 2020 was also blamed for spreading the virus. Both gatherings posed a risk to public health and safety. However, the media coverage remained heavily skewed towards blaming the *Tabligh* cluster.

---

54 Organisation for Economic Co-operation and Development (OECD). (2017). Assessing the Contribution of Refugees to the Development of Their Host Countries.
55 Tham, J.V. and Omar, N. (2020). Like a Virus: How Racial Hate Speech Looks Like in Malaysia During the Covid-19 Pandemic. The Centre.

3. Why Communications Matter?

News creation and circulation today are very different to their practice just a decade ago. The vast change is due to the rapid transformation of media platforms. Social media platforms such as Facebook, Twitter and WhatsApp allow users to make their own "one-second" decisions about news or information received, in terms of whether each is authentic and should be shared. UNESCO reported that Facebook flagged 50 million content items related to COVID-19 with a warning label for disinformation, and more than 1.5 million users were challenged for spreading false information on Twitter, while Google blocked close to 18 million scam emails related to the coronavirus – all in the month of April 2020.[56] Meanwhile, in Malaysia, MCMC identified 205 fake news items in the same month.[57] According to a survey conducted by MCMC, 70.6 percent of Malaysian respondents share their information via group messaging.[58] This practice may contribute to the echo-chamber effect, whereby readers are exposed to news and ideas that confirm existing opinions or biases.

With so little information about the virus in the early days of 2020, news or information about it were mainly disseminated with the 'good' intention of cautioning others to be vigilant, with a side effect of triggering emotions and heightening a sense of group connection.[59] The narratives are often emotional; even the traditional media went out of their way to sensationalise news regarding the new virus.[60] Facebook, Twitter and YouTube and other media tech giants employ "Algorithmic Curation" concept which means there is an automated selection of what information should be presented to users.[61] The algorithm prioritises news and information that are relevant to the user, ones that are likely to resonate and connect with their current emotions. It follows from this that truthful, positive news does not get as much attention as negative news.[62]

[56] UNESCO Bangkok. (2020). 'Fake news' in the time of COVID-19.
[57] Habibu, S. (2020). Saifuddin: 205 fake news items 'busted' by Communications Ministry over four weeks. The Star.
[58] Malaysian Communications and Multimedia Commission. (2019). Internet Users Survey 2018: Statistical Brief Number Twenty-Three.
[59] Anand, B.N. (2017). The U.S. Media's Problems Are Much Bigger than Fake News and Filter Bubbles. Harvard Business Review.
[60] ibid
[61] Rader, E. (n.d.). Effects of automated information selection and presentation in online information systems. BITlab, Michigan State University. Accessed 12 August 2021.
[62] Pinker, S. (2018). The media exaggerates negative news. This distortion has consequences. The Guardian.

A study of 1,075 Malaysian respondents during the first week of the Movement Control Order (MCO) revealed that although the level of public knowledge, risk perception and positive communication behaviour surrounding COVID-19 was high, a majority of respondents reported receiving a lot of information that appeared questionable.[63] This is in line with other studies, such as one survey conducted by IPSOS which revealed that 50 percent of Malaysians admitted to having believed news that they later found to be fake.[64] The situation in other countries is the same. Based on the Edelman Trust Barometer 2018 Global Report, 63 percent of social media users admit that they are not always able to distinguish between fake and real news.[65]

Fake news and misinformation regarding COVID-19 has had a major impact on inter-group relations across the globe. People of Asian descent living in various countries have often been targeted and sometimes physically attacked.[66] A global survey reported a 900 percent rise in hate speech towards China and the Chinese on Twitter.[67] The international media has used language that may promote racism and xenophobia. For instance, Sky News Australia's Rowan Dean stated that China "wilfully inflicted" COVID-19 upon the world and later added that it was "a spectacular display of communism at its very best".[68] These problematic narratives in traditional and social media can exacerbate racism and xenophobia among people, creating social fragmentation.

The study was carried out for a number of reasons. Firstly, it aims to document early public responses to the virus narratives in the media (mainstream and social), regarding issues related to ethnicity, nationality, religion and social class. Identified narratives within media reporting and political communication during COVID-19 are found to have spilled over into public discourse. However, public discourse negatively amplifies these narratives, which greatly affects intergroup relations and social cohesion. Secondly, this section examines the role of language used in the media and political narratives during the COVID-19 pandemic, and their link to the production of social realities we have today. Thirdly, the section will help to document vertical and horizontal best practices in terms of creating social cohesion in the face of divisive trends.

63 Mohd Hanafiah, K., & Wan, C. D. (2020). Public Knowledge, Perception and Communication Behavior Surrounding COVID-19 In Malaysia. Advance. Preprint. https://doi.org/10.31124/advance.12102816.v1.
64 Ipsos. (2018). Malaysians' susceptibility towards Fake News.
65 Edelman. (2018). 2018 Edelman Trust Barometer. Accessed 12 August 2021.
66 Haynes, S. (2020). As Coronavirus Spreads, So Does Xenophobia and Anti-Asian Racism. TIME.; accessed 12 August 2021
67 L1GHT. (2020). Rising Levels of Hate Speech & Online Toxicity During This Time of Crisis; Accessed 12 August 2021
68 Sky News. (2020). China 'willfully inflicted coronavirus upon the world'; Accessed 12 August 2021

4. Research Methodology and Data

The methodology employed involves three approaches in terms of data collection: (i) quantitative content analysis, (ii) qualitative discourse analysis, (iii) in-depth interviews, and (iv) Focus Group Discussions (FGDs).

- The **quantitative content analysis** focused on two areas. Firstly, it involved analysis of media narratives and political communication reported by the top online news portals in Malaysia, namely *The Star Online* (*TSO*) and *Harian* Metro *(HM)*, on four major trending topics during the early phase of the pandemic (Table 1). *TSO* has a more mixed readership but is most popular among the Chinese (43 percent), Malays (28 percent) and Indians (29 percent).[69] In contrast, *HM*'s target audience is mainly made up of young, urban Malays from 18–35 years old.[70] Both *TSO* and *HM* take a very factual approach and use neutral language. *TSO* is generally more formal in terms of the language it uses, and it includes more technical words and higher-level vocabulary, while *HM* has a more casual style and uses accessible language with terms which are relatable to its readers. Another source of data came from public comments posted on *TSO* and *HM*'s Facebook (FB) pages in response to the articles on the identified issues.

Table 5: Articles Referred to in the Quantitative Content Analysis

NO.	ISSUED REPORTED	DATES	NO. OF ARTICLES
1.	First positive case of COVID-19 in Malaysia involving a Chinese tourist	25 to 31 January	*TSO* = 74 *HM* = 30
2.	Sri Petaling cluster (*Tabligh* issue)	12 to 18 March	*TSO* = 31 *HM* = 28
3.	Refugee/migrant issue: ▪ Arrival of refugees by boats on Malaysian shores ▪ "Letter of demand" for Malaysian citizenship by Rohingyas	Refugees arriving by boats: 17 to 23 April "Letter of demand" for citizenship: 26 April to 2 May	*TSO* = 3 *HM* = 9 *TSO* = 5 *HM* = 6
4.	Re-opening of mosques to "Malaysians only"	7 to 13 June	*TSO* = 10 *HM* = 11
	TOTAL NO. OF ARTICLES		**207**

Data extraction for the articles and comments in response to the articles was undertaken using an automated web scraper application on the *TSO* and *HM* websites, and Facebook pages. The data obtained from the articles and the public comments were stored in the database. The scraper developed a word dictionary for every single word it extracted from the articles and public comments.

---

[69] Sukumaran, T. (2015). The Star still M'sia's preferred. The Star Online.
[70] Media Prima. (2020). The Group - NSTP - Harian Metro (HM). Media Prima Berhad.

The built-in word dictionary allowed the scraper to identify how many times a word appeared in an article or all the articles collected in the database. With this information, the scraper ran a statistical analysis to identify patterns in media reporting, political communication, and public responses, which we have elaborated in this report. *TSO* and *HM* did not post all their published articles on their respective Facebook pages. Therefore, only patterns and trends from the comments to the articles that were posted were observed (up to 7 days from the appearance of each). From the data obtained, a comparison of the ratio of comments for each issue and the ratio of followers for *TSO*'s and *HM*'s Facebook pages was made.

- The **qualitative discourse analysis** identified common themes (sentiments) found in the comments in response to the articles posted on Facebook by employing a qualitative mode of discourse analysis. The analysis also examined narratives found in media representations and political communication during the same period. This was achieved by analysing the language used and what it represents.[71] The study team examined the semantic relationships between words, grammatical features, assumptions, collocations, and metaphors.[72] This facilitated the examination of the relationship between the text and the likely meaning derived by the audience.[73]

- **Focus group discussions** were also conducted with selected NGOs and community leaders to document and analyse grassroots challenges, in addition to highlighting their best practices, which exhibit social cohesion along horizontal and vertical lines. In addition, **in-depth interviews** were carried out with purposively chosen individuals in order to uncover the gaps within media practices and political communication that impact social cohesion and recommendations to address them.

71   Hall, S. (1997). Representation. Cultural Representations and Signifying Practices. London: Sage Publications & Open University.
72   Fairclough, N. (2003). Analysing Discourse: Textual Analysis for Social Research. London: Routledge.
73   Macnamara, J. R. (2005). Media content analysis: Its uses, benefits and best practice methodology. Asia Pacific Public Relations Journal, 6(1), 1-34.

5. Public Reaction and Its Effect on Social Cohesion

The findings reveal that dominant media narratives and racialised political communication were able to heighten pre-existing intergroup anxiety, racism, and xenophobia. Sentiments such as intergroup anxiety, racism, and xenophobia are amplified on social media through the expression of hate speech. These sentiments are often traced back to feelings of economic insecurity, concerns about public safety and health threats. This can increase the social and cultural distance between groups. At one extreme, it can manifest in violent conflict and crimes. In both cases, social cohesion is negatively impacted. The following sections discuss four dominant narratives during the early phase of the pandemic.

5.1. The "Wuhan Virus"

Prior to the global threat of COVID-19, a tourism relationship between Malaysia and China had been established and encouraged at the governmental level to promote Malaysia's economy.[74] Chinese tourist arrivals stood at 2.4 million out of a total of 20.1 million visitors in the first nine months of 2019, the third biggest number of visitors after Singaporeans and Indonesians.[75] However, there was already anti-Chinese-tourist sentiment among Malaysians even before COVID-19 which included the perception that they are rude, "rough" and do not abide by local laws and norms.[76]

Human Security and Safety Narrative in Traditional Media

When the Malaysian government announced the first cases of COVID-19 in Malaysia on 25 January, they were among travellers from China who had arrived via Singapore. The first three were Chinese citizens, who entered Malaysia via Johor Bahru; they were the wife, 65, and grandsons of a 66-year-old man from Wuhan, and they were Singapore's first confirmed cases. Articles published regarding the virus emphasised the element of human security and safety. At this time, there was a high volume of articles published on the virus and China by *TSO* and *HM* (74 and 30 articles respectively over the course of just 7 days). The first article about the spread of the virus in Malaysia, published by *TSO* on 25 January 2020, included sentences such as the following: "Public health experts have cautioned that the spread of the Wuhan virus can accelerate with the increase in movement of people this Chinese New Year."[77] This term "Wuhan virus" incited undue fear of the Chinese population or anyone of Chinese descent, even those who were not citizens of China. An article by the *New Straits Time* reported the case of a Malaysian mother and child in the UK who were victims of discrimination on the basis of their Chinese ethnicity as they were assumed to be COVID-19 carriers upon getting sick.[78] This indicates stigmatisation against Chinese nationals in Malaysia have trickled down to affect any persons of Chinese descent in Malaysia, leading to a conflation between the two.

---

[74] Ahmad, R. (2019). Chinese tourist arrivals rising. The Star Online.

[75] Shankar, A. C. (2020). VMY2020 Target of 30 Million Tourist Arrivals Maintained Despite Coronavirus Outbreak. The Edge Markets.

[76] Free Malaysia Today. (2019). Chinese tourists attack immigration officers at klia2; Hutton, M. (2019). Chinese tourists will be educated on how to behave in Malaysia. South China Morning Post; Tham, J.V. (2018). KLIA2 Security Guard Told Chinese Tourists To "Balik China" Because They Couldn't Speak BM. SAYS.

[77] BEDI, R.S. (2020). 'Holidays cause for concern' Experts: Spread of virus can accelerate during festive period. The Star Online. Press Reader.

[78] Arumugam, T. (2020). Covid-19 Outbreak Causing People to Spread Fake News, Stirring Up Xenophobia. New Straits Times Online.

This high number of articles published in traditional media and messages circulated on social media managed to increase awareness about the dangers of the virus and the importance of protecting against a possible outbreak in the country. However, so much emphasis in reporting on a particular issue led to increased anxiety, fear, and a feeling of impending doom, since there was very little that could be done and very little that was known about the virus. Malaysians watched as Wuhan and other cities in the Huebei province went into lockdown from 23 January; it was notable how cities turned into ghost towns overnight. There was a sense that this virus episode was going to be worse than the 2002–2004 SARS outbreak. Inevitably, individuals started to develop 'information' anxiety, spending long hours on the internet trying to find out more information about the virus while some households started hoarding basic food supplies.

Political Communication

During the period from 25 to 31 January (the seven days for which the China issue data were collected for this study), both *TSO* and *HM* articles presented the Malaysian government's response to contain the spread of the virus in a positive way. Two days after the first reported cases, the government stopped the issuance of visas to Chinese nationals. At the same time, articles came out to reassure the public that precautionary measures were being taken by the Malaysian authorities to quarantine visitors showing symptoms of virus infection. For instance, an announcement was made by the Bintulu MP that Sarawak would be tightening security measures at the borders when they had one suspected positive case of COVID-19 via a 25-year-old woman of Chinese nationality.[79]

The Malaysian government took a very diplomatic approach in its relations with the Chinese government. When announcing the suspension of visa issuance, the Prime Minister's speech did not attribute any blame or responsibility to China or her nationals. The positive stance was reciprocated by the Chinese government. They provided efficient and swift assistance to help Malaysians stuck in China to return home.[80] Similarly positive narration can be found in articles published by *TSO* and *HM* when it comes to the Malaysian Ministry of Health and healthcare workers. According to the Wellcome Global Survey conducted in 2018, 92 percent of Malaysians trust medical and health advice from doctors and nurses, while 89 percent trust the government.[81]

As for political communication pertaining to other aspects of the spread of the virus, the same neutral and factual narrative persisted. Generally, the articles written demonstrated that Malaysian government officials and public figures did not seem to participate in speech that perpetuated negative stereotypes against Chinese nationals – instead, choosing to emphasise the management of the virus issue in an objective and diplomatic manner.

79   Chua, A. (2020). Wuhan Virus: Bintulu MP Says 25-Year-Old China National in Isolation While Awaiting Test Results. The Star Online.
80   Koya, Z. (2020). Coronavirus Travel Ban: Malaysia Stops Visas for Chinese Travellers from Affected Areas. The Star Online.
81   Saransomrurtai, C. and Reinhart, R.J. (2020). Pandemic Highlights Gaps in Trust in Southeast Asia. Gallup.

Public Discourse on Social Media

However, sentiments on social media were starkly different. Both *TSO* and *HM* followers displayed sentiments of displeasure, sarcasm, frustration, and (casual?) racism towards Chinese nationals as a perceived threat to Malaysia's security and safety. In some comments, Prime Minister Mahathir was called "grandpa" and "*atuk*" reflecting commentors' views that his response was outdated in terms of handling the virus threat. Some also accused the government ministers of putting the country's diplomatic and economic relations with China above people's safety by refusing to close the border to Chinese nationals immediately. One comment on *HM*'s page states, "*Ministers these days are incompetent. Until it [COVID-19] happens to them, they will keep saying things are not critical*". The language used by *HM* commentors were even more harsh and crude with some comparing Wuhan tourists to zombies in the movie Train to Busan, and the usage of derogatory and racist terms such as "origin of virus", *ah-tiongs*, "disasters", *pelabur Cina*, "Wuhan virus", and "*viruskroni*". One Facebook post by *TSO*, which received the highest number of comments (940) within the period of analysis, was about the government's lack of willingness to prevent Chinese tourists from entering Malaysia.[82] For *HM*, the article which received the most comments (3,200 comments) on the same issue was about the quarantining of two Chinese nationals in Langkawi for being suspected COVID-19 cases. The distrust of public authority, negative stereotyping and social polarisation and expressions of hostile sentiments were rather extreme.

The situation was made worse when some people began to channel their hate and fear of Chinese nationals at Chinese Malaysians. There were also other labels used such as "*Orang Pulau Pinang*,"[83] "DAP", and "*warga China*" as well as the association of the metaphor "*komunis*" when referring to the majority Chinese-led Democratic Action Party (DAP), all of which indicate racism. This also offers an example of waning social cohesion within the community itself. These racial slurs thus highlight that some Malaysians were beginning to fear people of Chinese descent as they perceived them to be a threat to human security and safety, bringing up the pre-existing mistrust between ethnic groups which had simmered before COVID-19.

---
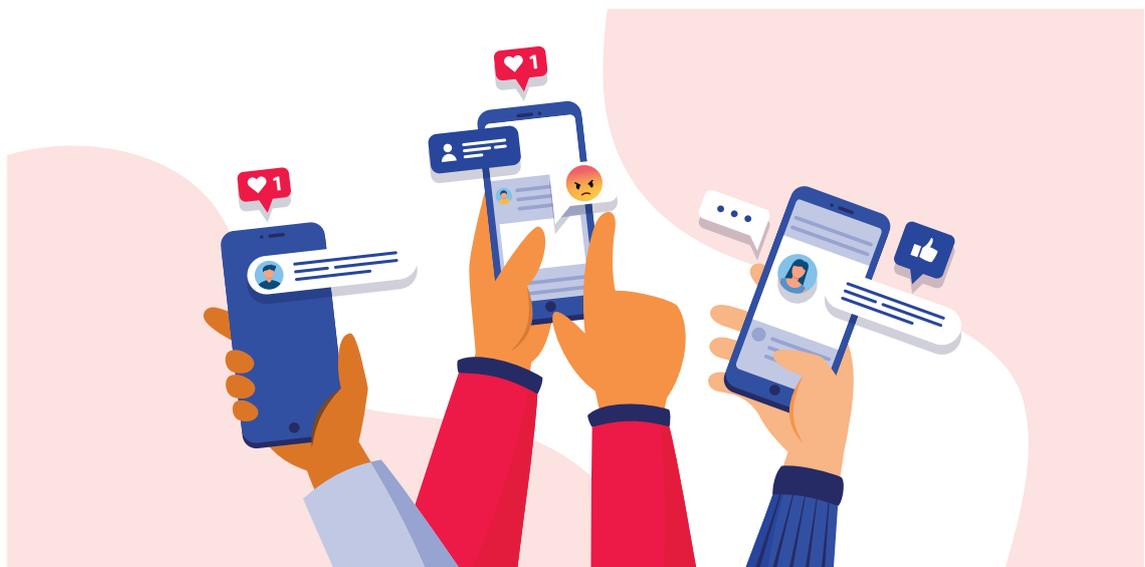
82   The Star Online. (2020). Wuhan coronavirus: No plans to stop Chinese tourists for now, says Dr M.
83   Pulau Pinang is the Malay name for Penang, a state with highest Chinese ethnic population in the country. The term *Orang Pulau Pinang* literally means 'people of Penang'.

5.2. Tabligh Gathering

Jamaah Tabligh is a missionary movement that spreads Islamic teachings globally. Founded in India in 1927, it made its way to Malaysia through the Indian-Muslim community in the 1950s.[84] Prior to the threat of COVID-19, *Tabligh* followers were often criticised as irresponsible for putting their families, jobs, social relations and other daily affairs aside in favour of their missionary pursuits. In the early 2000s, a local newspaper, *Utusan Melayu*, frequently reported employees resigning without notice from their jobs in order to become *Tabligh* members.[85]

Human Security and Safety Narrative in Traditional Media

The *Tabligh* group eventually became the biggest coronavirus cluster in the country and the media attention on the group understandably increased. A *Tabligh* gathering which took place from 27 February to 1 March was reported to have attracted 12,500 participants and it remains the source of the largest COVID-19 cluster in Malaysia. A total of 1,701 cases had been linked to the group up to 10th April.

This report's data collection period began on 12 March, i.e. the first day news broke out about the *Tabligh* confirmed case, and covered the seven days which followed. *TSO* published 31 articles while *HM* published 28. Similar to the 'Wuhan' issue, both news portals used neutral and safe language in their articles. They helped disseminate the Health Ministry's call for more members of the *Tabligh* cluster to come forward to be tested. For instance, "COVID-19: Health Minister Urges Those at Mosque Gathering to Come in for Screening" highlights the urgency of the problem as a national concern.[86] The *TSO* journalist that wrote the article included the contact for the Crisis Preparedness and Response Centre Hotline for the *Tabligh* group to come forward to be screened. *HM* demonstrated good practice by avoiding publishing pictures that could stigmatise the group. In the article "*Jangan risau, kami tak lari*",[87] or "Don't worry, we are not running away", the image used depicted *Tabligh* participants queuing to be tested for the virus at a screening centre. Such narratives, coupled with this picture aimed to instil positive feelings in society and trust in the *Tabligh* participants. Another article was entitled "*Masjid Seri Petaling bukan punca penularan COVID-19*"[88] or "Seri Petaling Mosque is not the source of COVID-19 spread". In contrast to *TSO*, *HM* published more positive articles cautioning people against stereotyping and stigmatising individuals due to their appearance or assuming that members of the *Tabligh* group could be identified by their looks.

Political Communication

Authoritative figures used the media, including *TSO* and *HM*, as a platform to urge those who attended the *Tabligh* gathering or those who may have been exposed to the spread of the virus from it, to come forward for screening. The Director General of Health reminded people not to spread fake news, as fake news and misinformation could stigmatise the *Tabligh* members and would have prevented them from coming forward. This approach was seen in the *HM* article, "*41 kes baharu COVID-19 ada kaitan dengan perhimpunan tabligh*"[89] or "41 new COVID-19 cases are related to *Tabligh* gathering". The Minister at the Prime Minister's Department (Religious Affairs), Zulkifli Mohamad Al-Bakri encouraged *Tabligh* participants to come for testing in an emotional message: "*Jemaah Tabligh*

---

84   Sharep, K. (2018). Perkembangan Jamaah Tabligh Di Malaysia, 1970–1990-An. Kemanusiaan The Asian Journal of Humanities 25 (1): 116.
85   Sharep, K. (2018). Perkembangan Jamaah Tabligh Di Malaysia, 1970–1990-An. Kemanusiaan The Asian Journal of Humanities 25 (1): 127.
86   Loh, F. F. (2020). COVID-19: Health Minister Urges Those at Mosque Gathering to Come in for Screening. The Star Online.
87   Roslan, S. (2020). Covid-19: 'Jangan Risau, Kami Tak Lari'. Harian Metro Online.
88   Roslan, S. (2020). Masjid Seri Petaling Bukan Punca Penularan Covid-19. Harian Metro Online.
89   Ruzki, R.M. (2020). 41 kes baharu Covid-19 ada kaitan dengan perhimpunan tabligh. Harian Metro Online.

Dikasihi, Pergilah Jalani Pemeriksaan – Zulkifli"[90] or "Dear Tabligh members – Please do go for Screening" which appeared in *HM*.

All in all, the delivery of political communication as reported by *TSO* and *HM* are consistent, which shows the united front of the government and public healthcare institutions in containing the virus as quickly as possible instead of piling the blame on the *Tabligh* cluster and adding to the already-negative perception towards them among members of the public.

Public Discourse on Social Media

However, very little were able to stop the *Tabligh* members from becoming targets of online hate speech during the period. Most of the hateful and derogatory Tweets were directed against Malays, because the largest ethnic group in the Malaysian *Tabligh* movement is the Malays. The most common racial terms used against the Malays were "*malas*" or "lazy" followed by "*bodoh*" or "stupid". It was found that the largest number of hateful Tweets appeared on the day that the *Tabligh* cluster was reported (12 March 2020). Out of the 706 offensive Tweets, 59 percent of them were associated with the *Tabligh* group, labelling them as "arrogant, stubborn, dumb and burdening".[91]

The first *HM* article on Facebook received 176 comments and 3,800 likes. Many comments urged attendees to go for health screening, and did not use discriminatory language. On the other hand, the posting that received the most comments (1,093 comments and 4,900 likes) and the greatest number of angry emojis (1,200 notifications) was entitled "*4,000 Jemaah Tabligh Belum Serah Diri*"[92] or "4,000 *Tabligh* members have yet to come forward". The language used to headline the article caused undue alarm among readers and exacerbated intergroup anxiety. Some of the labels used by commentators, such as "irresponsible", indicated that the *Tabligh* group was beginning to be perceived as a health threat by the public, possibly leading to social fragmentation. From reactions to this post, it can be inferred that intergroup anxiety escalated alongside fear concerning human security and safety.

Some of the comments were also rooted in the negative stereotype of illegal foreign workers.[93] This can be seen in the comment, "... those illegal foreign workers that don't know the news are already super carriers" which suggests that xenophobic sentiments towards migrant workers and illegal migrants in Malaysia are present, although the *Tabligh* issue did not single out migrants or refugees. Our analysis of comments by *HM* followers on articles at this time revealed the same sentiments, which try to shift the blame placed on *Tabligh* participants to foreigners.

90   Roslan, S. (2020). Jemaah tabligh dikasihi, pergilah jalani pemeriksaan - Zulkifli. Harian Metro Online.
91   Tham, J.V. and Omar, N. (2020). Like a Virus: How Racial Hate Speech Looks Like in Malaysia During the Covid-19 Pandemic. The Centre.
92   Haque, E.H.F. (2020). 4,000 jemaah tabligh belum serah diri. Harian Metro Online.
93   Loh, F. F. (2020). COVID-19: Health Minister Urges Those at Mosque Gathering to Come in for Screening. The Star Online.

5.3. Migrants and Refugees

Malaysian leaders and citizens have been documented to be generally sympathetic or tolerant towards the plight of refugees. This can be reflected in speeches by former Prime Ministers such as Najib Tun Razak and Mahathir Mohamad.[94],[95] The attitude is also seen in various initiatives by institutions and organisations, such as the Rohingya Humanitarian Fund set up by Media Prima in 2016[96] (the company that has ownership of the *New Straits Times*, *Berita Harian*, and *HM*). However, in recent years there have been reports of growing tensions and a narrative of refugees as threats to Malaysia's safety and security.[97]

Human Security and Safety Narrative in Traditional Media

From a total of 23 articles in *TSO* and *HM* during the period of analysis from 17 April to 2 May, media narratives on migrant and refugees seem to strengthen the "Malaysians first" agenda. Notably, media narratives are dominated by the perspective of the Malaysian government and authorities and less by those of NGOs, international bodies, or even the refugees/migrants themselves as shown in the charts below:
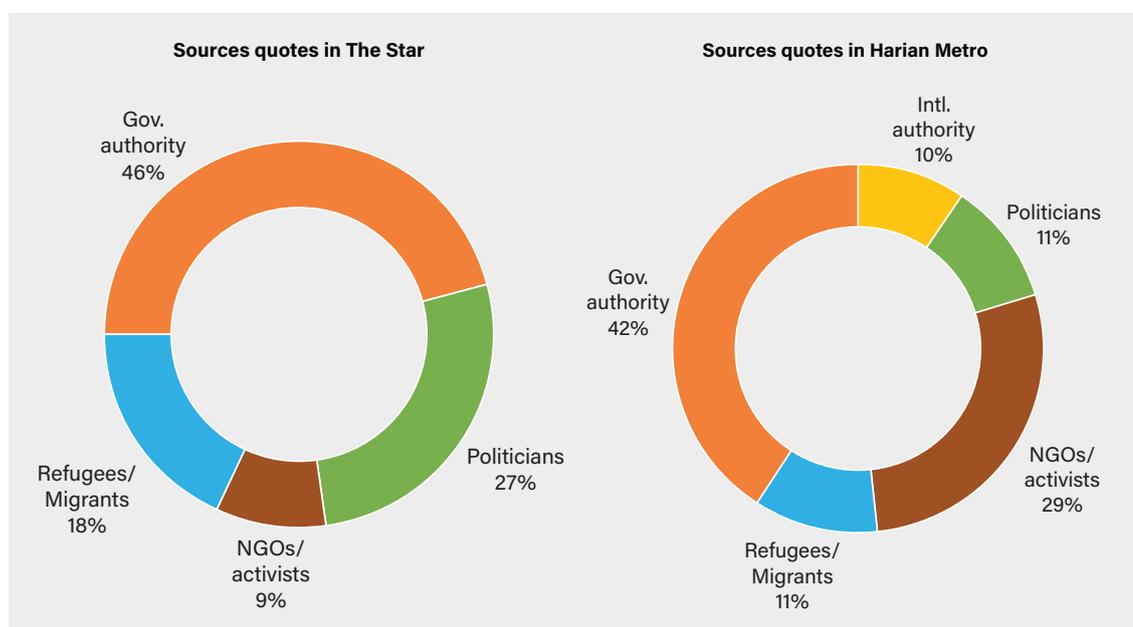
Figure 46: Sources quoted in The Star and Harian Metro

---

94 Sukumaran, T. (2019). Mahathir blasts Myanmar and United Nations over Rohingya 'genocide.' South China Morning Post; Global Times. (2018). Displaced from home, Rohingya refugees in Malaysia seek succor in soccer to forget the trauma they left behind in Myanmar; Associated Press. (2016). Malaysia PM urges world to act against 'genocide' of Myanmar's Rohingya. The Guardian; Shamira, H. (2017). PM Najib has shifted global opinion on Rohingya. New Straits Times; CPPS. (2018). A Roundtable on The Rohingya in Malaysia: Bridging the Gap between Aid and Resettlement.

95 NST Team. (2017). Najib soft diplomacy moves many to help the Rohingya. New Straits Times; Sukumaran, T. (2019). Mahathir blasts Myanmar and United Nations over Rohingya 'genocide.' South China Morning Post.

96 Media Prima. (2020). Corporate Responsibility - Community. Media Prima Berhad.

97 CPPS. (2018). A Rountable on The Rohingya in Malaysia: Bridging the Gap between Aid and Resettlement.[98]   Laws of Malaysia Act 155 Immigration Act 1959/63.

Under the Malaysian Immigration Act 1959/63,[98] when refugees arrive in Malaysia, they enter the country undocumented and are regarded as illegal immigrants by default.[99] Evidently, the term "illegal" is commonly used in relation to refugees such as "illegal immigrant", "illegal migrant", "illegal immigrants with UNHCR card" and "Rohingya Illegal Immigrants". This also highlights the illegality of the refugees' presence within the Malaysian context and may reinforce the perception that they are criminals. Consequently, the coverage in both newspapers does not distinguish between the different labels used, such as refugees, undocumented migrants, foreigners, and asylum seekers – even though all these labels do not carry the same meaning. The use of different labels interchangeably presents refugees and immigrants as a large homogeneous group that invokes similar concerns about border protection and sovereignty.

The government and their actions on migrants are depicted positively in the media while positive narratives about the refugee/migrant communities were relatively muted during the period. This approach may strengthen intra-community cohesion, but puts intergroup cohesion at risk and encourage xenophobia towards migrants and refugees. Both *TSO* and *HM* do include seemingly positive narratives by emphasising messages on humanitarian, inclusive and sympathetic discourses. However, the contexts in which these narratives appear and how they are used do not have the effect of encouraging a sense sympathy or even empathy.[100] Some of the statements emphasised the diffaerences in culture and lifestyle of migrant/refugee communities as compared to local communities.[101]

Within *TSO* and *HM* reporting there was also a criminalising discourse that picks up on existing prejudices towards the migrant/refugee communities and reinforces them at the same time. This narrative promoted a negative image of refugees who had entered and were dwelling and working in the country illegally, portraying them as an economic burden and a threat to Malaysia's security. This contributes to the debate on migrant/refugee communities and the idea that "Malaysia can no longer take more refugees as its resources and capacity are already stretched."[102] *TSO*[103] and *HM*[104] both reported the incident of the boat carrying Rohingya refugees in non-neutral tones, thus narrating the incident as a threat to human safety and security.[105] Rohingya refugees were articulated as "threatening" because of the existing large number of refugees that Malaysia is currently hosting. This theme is narrated around (disputed) figures,[106] for instance "*some* 200 Rohingya refugees" and "*around* 150,000 Rohingya in Malaysia."[107] While such aggregation may be useful to convey the scale of the situation, it potentially reduces the displaced to statistics rather than people. It can be argued that in certain cases, migrant issues were used by local political leaders for mileage, but generally very little is done to contain the 'perceived' health threats they bring to the society such as higher transmissibility of the virus within or from the migrant communities.

98   Laws of Malaysia Act 155 Immigration Act 1959/63.
99   A migrant is someone who moves away from their country for many reasons. An illegal immigrant is someone who may move away for the same reason, but they do it without the proper documentations or through the proper channels. Settlement Services International. (n.d.) Refugee FAQs What is the difference between a refugee and a migrant?; UNHCR. (2016). UNHCR viewpoint: 'Refugee' or 'migrant' – Which is right?
100 Chouliaraki, L. (2012). The Ironic Spectator: Solidarity in the Age of Post-Humanitarianism. Polity Press, Cambridge. UK.
101 Ilham, R. (2020). 6 etnik Rohingya lepak makan sirih ditahan. Harian Metro Online.
102 For example, see Habibu, S. (2020). Covid-19: Borders should remain closed to refugees, says Najib. The Star.
103 Singh, S. (2020). Tok Mat: We had no choice but to turn away boat of Rohingya refugees. The Star Online.
104 Mohd Noor, H.H. (2020). TUDM patahkan cubaan masuk PATI Rohingya. Harian Metro Online.
105 Associated Press. (2020). Malaysia turns away boat with 200 Rohingya refugees. ABC News. Accessed 12 August 2021.
106 See for example Joris, W., d'Haenens, L., Van Gorp, B., & Mertens, S. (2018). The refugee crisis in Europe: A frame analysis of European newspapers. In Migrants, Refugees, and the Media (pp. 59-80). Routledge.
107 Singh, S. (2020). Tok Mat: We had no choice but to turn away boat of Rohingya refugees. The Star Online; accessed 12 August 2021.

Political Communication

Actual political communication from key political figures and government representatives on the issue of migrants and illegal immigrants involve a mix of explicitly negative and positive sentiments. In the article by *TSO* on 19th April 2020, one politician stated that "we [Malaysia] had no choice but to turn away boats of Rohingya refugees". His arguments which were highlighted by *TSO* centred around socio-economic, human security and safety factors including concerns that the influx of foreign nationals and vessels into Malaysia was perceived to be a threat to the government's efforts to contain the outbreak of COVID-19 in the country.

The narratives also called for a greater shift of responsibility[108] for the migrant and refugee problems to other international third parties such as the United Nations, regional cooperation platforms like ASEAN, or non-state actors. In the narratives, the multi-lateral organizations were depicted as not doing enough for the refugees and leaving the burden to the government solely. This narrative has been used by politicians (e.g. Mohamad Hassan, Najib Razak), non-refugee related NGOs (e.g. Dayak Think Tank Association Sarawak (DTTS) – Dayak-based NGO) and Majlis Perundingan Pertubuhan Islam Malaysia (MAPIM) – Muslim NGO).[109]

Former Prime Minister Najib Razak, was also quoted as saying at the time, "we don't hate Rohingya people but we do not like it when they don't observe cleanliness and disrespect the law. Some go to an extreme [by] demanding equality of rights."[110] This narrative, although appearing to be sympathetic, ironically created a sense of cultural distance and reinforced the perception of migrants as a threat to the safety and security of Malaysians. This narrative also emphasised the "foreignness" of migrant/refugee lifestyle and culture to the local population.[111] Nevertheless, the government provided[112] COVID-19 screening and treatments in public hospitals to any and all migrants (documented or otherwise),[113] and illegal immigrants residing in Malaysia. In fact, foreign nationals who were found positive with the virus were not charged any treatment fees throughout their quarantine period or hospitalisation.[114]

---

[108] Such responsibilities come in many forms such as in financial, humanitarian, legal assistance, or military intervention.

[109] Singh, S. (2020). Tok Mat: We had no choice but to turn away boat of Rohingya refugees. The Star Online; " Joni, M. (2020). Selesaikan segera isu pelarian Rohingya. Harian Metro Online; Habibu, S. (2020). Covid-19: Borders should remain closed to refugees, says Najib. The Star; Nawawi, M.H. (2020). Henti kempen benci pelarian. Harian Metro Online.

[110] Habibu, S. (2020). Covid-19: Borders should remain closed to refugees, says Najib. The Star.

[111] For example, see Ilham, R. (2020). 6 etnik Rohingya lepak makan sirih ditahan. Harian Metro Online.

[112] Suhaini, N.A. (2020). 13 etnik Rohingya di Kulai positif Covid-19. Harian Metro Online.

[113] Arumugam, T. (2020). Don't worry about being detained, just come forward for Covid-19 testing, please. New Straits Times.

[114] Boo, S.L. (2020). Foreigners With Covid-19 Exempted From Medical Fees: MOH. Code Blue.

Public Discourse on Social Media

Public sentiments as expressed on the first and the most commented on articles posted on *TSO*'s and *HM*'s official Facebook pages were generally negative. Comments on *TSO*'s Facebook (3,614) page tended to focus more on the threat to socio-economic security while the public narratives in *HM* are dominated by concerns about public health safety. The public discourse revealed deeply polarised views regarding this topic as compared to other issues within our analysis. While these comments may not represent the majority views of Malaysians, research has indicated that analysis of online discourse actually provides a good window into the ways a society is fragmenting.[115] In other words, the internet is mirroring the kind of social divisions that already exists offline.

Evidently, the intergroup tensions relating to an *Us* (citizens) versus *Them* (migrant/ refugee communities, especially Rohingyas) narrative suggest strong tensions between the (potential) host and migrant/refugee communities. Divisive and dehumanising remarks have been used to illustrate feelings of discontent, anxiety, and insecurity in relation to Rohingyas especially in *HM*'s articles, demonstrating a higher degree of cultural distance. Rohingyas were also being labelled as self-profiteering, ungrateful and overcrowding the nation. The negative comments were mostly implicit, and the tone was moderately negative, for example: "Being Malaysian we need to pay tax and they paid nothing but asking for more, making sense?" Many comments from *HM*'s Facebook page (16,919) referred to Rohingyas as virus carriers who would frustrate the collective effort of all Malaysians in breaking the infection links for COVID-19. Most concerning are the sentiments of extremism, as reflected in demands to: (1) arrest all refugees, (2) have ethnic cleansing or (3) shoot at/bomb all boats carrying Rohingyas when they enter Malaysian waters.

5.4. Reopening of Mosques

As part of the effort to contain the COVID-19 pandemic, mosques and *suraus*[116] in Malaysia were closed and all religious activities were ordered to cease from 17 March 2020, one day before full lockdown, i.e., the Movement Control Order (MCO) came into effect. Initially closed for 10 days, the closure was extended and then gradually lifted over the next few months.[117] Congregational prayers were allowed for a small number of worshippers, before the government's announcement that mosques and suraus would be reopened to members of the public during the Recovery Movement Control Order (RMCO) from 10 June to 31 August 2020.

Human Security and Safety Narrative in Traditional Media

In general, *HM* and *TSO* provided accurate and neutral reporting on the reopening of mosques in Malaysia during the MCO period. Most of the reports (as observed from the 21 total articles analysed from both *HM* and *TSO*) are based on statements issued by political leaders, government officials or religious authorities, who are properly quoted and named. The headlines are largely brief and to-the-point, reflecting the content of the articles.

---

[115] Hedayatifar, L., Rigg, R. A., Bar-Yam, Y., & Morales, A. J. (2019). US social fragmentation at multiple scales. Journal of The Royal Society Interface, 16(159), 20190509.
[116] *Surau* is the Malay word for smaller prayer buildings.
[117] Roslan, S. (2020). Covid-19: Semua aktiviti di masjid, surau ditangguhkan. Harian Metro Online.

However, a discernible pattern in the reports from these two media outlets involves the SOP's vagueness about non-Malaysians who want to go to mosques and suraus. Similarly, there is little clarity around the reopening of other religious places of worship such as temples, churches and *gurdwaras*.

The lack of information and clarity on the reopening of mosques, as reported by the selected media outlets, caused confusion and unhappiness among non-Malaysian Muslims who are most made up of migrant workers from Bangladesh and Indonesia. They could not rely on Malaysian media reports for accurate information on the reopening of mosques. For example, some reports used generic terms such as "people", "everyone", "worshippers", "*jemaah*" or congregation (which occurred 42 times in *HM*'s coverage) and "umat Islam" without clarifying whether these terms included non-Malaysians.[118,119] The use of these terms implies an inclusive attitude towards all Muslims, whereas the reality is that in most states, only Malaysians are allowed to go to mosques and suraus. There was limited (or no) reporting on perspectives on the issue from non-Malaysians, except for one article in *HM*. In its report dated 11th June 2020, *HM* stated that Perlis allows non-Malaysians with permanent resident status to attend congregational prayers at mosques and suraus in the state, subject to conditions.[120]

One of the recurring themes in the media coverage on mosque reopening by *HM* and *TSO* was the need to ensure safety from the COVID-19 virus by following SOPs. Failure to follow the SOPs such as by arriving late to the mosque or not properly registering would cause individuals to be turned away.[121] *TSO* also covered the same theme in relation to the reopening of mosques, with the addition of reports on the SOPs for non-Muslim houses of worship.[122] This shows that media coverage focused on the human security aspect of mosque reopening, i.e., observation of the SOPs at mosques and suraus.

Political Communication

According to the then Senior Minister Ismail Sabri Yaakob in his press conference on 7 June, the rationale for allowing only Malaysian worshippers when mosques reopened was due to the high number of COVID-19 cases among non-Malaysians.[123] The picture painted was that non-Malaysians were a **health hazard** and a **social threat** to Malaysians. On the other hand, Minister Al-Bakri took a different approach, when explaining the decision around mosque re-opening. His use of phrases like "*saudara-saudara kita bukan Muslim*" ("our non-Muslim brothers and sisters") and non-Malaysian Muslims as "*saudara seagama yang berpayung di bawah kalimah syahadah yang sama*" ("our brothers and sisters of the same faith") paint a picture of social inclusiveness and encouraged different groups such as Malaysians and non-Malaysians, Muslims and non-Muslims to see each other as people experiencing a common deprivation because of the COVID-19 pandemic. He also went to great lengths to explain the decision-making process, by reference to the "soft landing approach" to mosque reopening, the role of the *Muzakarah* Council in proposing the guidelines, and the need to consult with and obtain the approval of His Majesty the King for the guidelines.[124] This shows the professionalism of the religious authorities and potentially increased the public's trust in the government's handling of mosque reopening during the COVID-19 pandemic. Eventually, full reopening of mosques was announced as one of the activities allowed during the recovery phase (10th June to 31st August 2020).[125]

118 Ibrahim, H. and Aling, Y.D. (2020). Ini satu nikmat dan tanda kemenangan. Harian Metro Online.
119 The Star. (2020). People limit at private gatherings still on.
120 Abdul Rahman, D.A. (2020). Perlis benar warga asing ke masjid. Harian Metro Online.
121 Che Noh, N. (2020). Ramai cuba nasib solat Jumaat. Harian Metro Online.
122 Kaos, J. JR. (2020). Ismail Sabri: SOP for non-Muslim places of worship to be decided next week. The Star Online.
123 RTM. (2020, June 7). COVID-19 : Sidang Media (Non Health) 7 Jun 2020 [Video file].
124 Al-Bakri, Z.M. (2020, May 8). Kenyataan Media Menteri di Jabatan Perdana Menteri (Hal Ehwal Agama) [Facebook post].
125 Yassin, Muhyiddin. (2020). Pelaksanaan Perintah Kawalan Pergerakan Pemulihan (PKPP).

Public Discourse on Social Media

The issue gave rise to divisive narratives within the Malaysian public, and between Malaysians and non-Malaysians. Most of the public comments on the 7 June announcement expressed gratitude and relief that mosques and suraus would be reopening. Some Malaysian Muslims questioned why there should be such a policy when Islam does not differentiate between nationals and non-nationals, and that a first-come, first-served policy should be implemented instead. The views of *TSO* commenters were more mixed. Some wanted the same SOPs for mosques to be implemented for other houses of worship too, as they argued there should not be a 'double standard' being practiced by the government towards non-Muslims. Nonetheless, a collective sense of support for the reopening of mosques and resumption of religious activities was evident among the people who commented on the articles.[126] The comments on TSO's Facebook page also reflected solidarity in terms of observing the SOPs and supporting the government's efforts.

6. Community Resilience

Media narratives play an essential role in affecting whether or not a society is resisting, recovering from and reducing potential risks to social cohesion. The media acts as an instrument or a vehicle that carries the message of community values and social cohesion which has a ripple effect down the vertical lines and across the horizontal lines. In response to the COVID-19 crisis, the responsibility for building community resilience, and the power to decide how it is done in Malaysia must be organic and come from its community members. The process of resilience building must equitably address both the particular situation of the Malaysian community and consider the broader challenges within the global context. For example, a sudden restriction on employing migrants may adversely affect not only their livelihood, but cause negative repercussions for the economic development of Malaysia. Community resilience can only be achieved by embracing diversity and establishing a strong sense of cohesion.

6.1   Community Resilience Analysis

Good Leadership

Good leadership is a key element in the formation of community resilience and this was evident along the vertical and horizontal lines such as at the federal, ministerial, state and parliamentary levels, among religious institutions, educational institutions, private companies, as well as within NGOs and housing communities. Within public housing communities, good leadership of the residents' association (*Persatuan Penduduk*) and local community volunteer association (*Kawasan Rukun Tetangga KRT*) is visible through efforts to accurately identify issues, and solutions, and being resourceful. For example, one public housing chairperson managed to set up an operational room for the delivery of aid to community members within the very first week of the MCO, as he was able to foresee the challenges many of the residents would face, such as loss of income and livelihood. When the Prihatin Rakyat Economic Stimulus Package was announced, the chairperson was quick to identify households with low digital literacy or access to the internet and helped them apply for the one-off cash assistance payment offered by the government. In addition, the chairpersons demonstrated resourcefulness in sourcing alternative resources from NGOS, to support their community members (regardless of nationality) when government aid was insufficient to cover their needs over the extended period of the MCO.

---

[126] "Alhamdulillah (praise be to Allah). Hopefully the people won't take hygiene matters and SOPs for granted."

Role of Non-Governmental Organisations (NGOs)

Interaction and interdependence between organisations were key to NGO success in setting up comprehensive response protocols and processes right after the official announcement of the MCO. For example, the Women's Aid Organisation (WAO) set up a remote contact line and extended their operation hours to 24 hours a day. This was a strategy that was planned in response to rising trends in complaints relating to domestic violence. Other NGOs were equally vocal in highlighting the issues that affected their target groups; some offered daily updates, set up hashtags for solidarity, prepared press statements, and appeared on local and international media. For example: the social media campaign #MigranJugaManusia or 'migrants are humans too' was started to highlight and protest the prejudice and harsh treatment faced by migrant workers and refugees, particularly during the COVID-19 pandemic and the Movement Control Order. The campaign saw thousands of Tweets and posts being made in support of it, and is still used consistently since it was first introduced on 3rd May 2020 —the first day of virtual protests against the mass detainment of migrants during COVID-19.

Shared Responsibility

Within the broader Malaysian community, the sense of shared responsibility to support resilience building was also visible. Donation drives were very active and received large sums from within the local community to support many vulnerable community groups. Apart from NGOs, SMEs, universities, and individuals were also active through donation drives and mutual aid. For example, Happy Bank initiated a campaign #TengokJiranKita which encouraged citizens to check in on their neighbours and ensure their welfare needs were met. Another example of shared responsibility within the community can be seen through the widely used hashtag #KitaJagaKita, which caught on very fast and became a tagline that was used for diverse, positive action in response to the COVID-19 crisis. Such actions included aid collection and distribution among community members, obedience to COVID-19 SOPs, and the rejection of divisive discourse. A webpage was set up to collate all the initiatives using the hashtag.[127] The hashtag was also used along vertical lines by the Prime Minister himself,[128] which resonated with the people.

[127] #Kitajagakita. (2020). Malaysians Helping Malaysians Fight Covid-19. Accessed 12 August 2020.
[128] Yassin, M. (2020). Perutusan Khas Perdana Menteri (10 April 2020). Accessed 12 August 2021.

6.2 Vertical and Horizontal Lines of Cohesion

Based on secondary data and the FGDs[129] conducted with: (1) Bottom-40 public housing chairpersons and (2) NGO representatives working with vulnerable groups, vertical (Figure 47) and horizontal lines of cohesion can be assessed.

6.2.1 Assessments of Vertical Lines

Figure 47: *Social actors along a vertical line of cohesion*

The findings demonstrate that the strengths and weaknesses along the lines of vertical cohesion are often dependent on media narratives and political communication. For example, a positive sense of trust in government leadership and an increased sense of security was established when political communication was delivered in an inclusive manner, taking into account the on-the-ground difficulties faced by the vulnerable. The FGD with PPR chairpersons specifically mentioned the Prime Minister's speech, where he assured that the government will make sure that all people were fed. He said, "What I liked most about what the Prime Minister said was that the government was going to help make sure that every household can come home to a table with food on it."

Parallel to this, media narratives and communication also highlighted the weaknesses along the vertical lines; lack of trust in government and negative stereotypes towards public officials and the bureaucratic process were visible in the delivery and distribution of government aid; for instance in the matter of data of the poor.[130] One chairperson said, "I am disappointed in JKM officers who carry out their duties half-heartedly" because "the help from JKM is slow" and another

---

[129] For the B40 group, community leaders who participated in the FGDs were from the same local district within Kuala Lumpur, under the care of Dewan Bandaraya Kuala Lumpur. Among the participating NGOs were the Women's Aid Organisation, Human Aid Organisation, *Tenaganita*, Asylum Seekers, Happy Bank Crew, and Team Selangor.

[130] Nur, A. (2020). JKM will distribute aid to the needy, not NGOs: Ismail Sabri. The Sun Daily.

commented that "JKM should already have a database (of the poor)" instead of asking local community leaders for it. This inconsistency and lack of interaction between government agencies and grassroots organisations prior to and during a crisis aggravates the weaknesses along the vertical lines.

Strengths along the vertical lines lie in: (1) effective networking and a robust relationship between certain local enforcement agencies and community leaders, and the (2) largely comprehensive aid given to citizens.

- *Collaborative Relationship between Community & Law Enforcement agencies*

  Public Housing chairpersons and NGOs leaders were able to leverage their pre-existing good relationships with local enforcement agencies to ensure effective delivery of services and aid and to help maintain strict compliance of the COVID-19 SOP.[131]

- *Inclusive Aid for Citizens*

  The FGD with chairpersons highlighted that the Prihatin Rakyat Economic Stimulus Package as well as the rent waive for DBKL public housing residents were very well received by the community. When aid was provided by the federal government, state government and parliamentarians, this encouraged and reinforced a sense of trust and positive perspective all along the vertical line of social cohesion.

On the other hand, weaknesses along the vertical lines were most evident in the implementation stage. The following uses findings from the FGD exercise to capture the abovesaid weaknesses.

- *Poor Communication*

  Lack of clear and direct communication from federal government, ministries, and state government officials regarding aid distribution and the SOPs for NGOs' food baskets, caused confusion and dissatisfaction along the aid distribution chain on the ground.

- *Red Tape & Bureaucracy*

  According to the chairpersons, "having to go through such rigid bureaucratic processes means that some aid risk being undistributed or delayed". This comment came about approximately three months after the Prihatin Rakyat Economic Stimulus Package was announced, underscores the implementation challenges faced on the ground.[132]

- *Lack of Trust in Government*

  One of the public housing committee chairpersons interviewed mentioned that "They (government) were not helpful, parliamentarians not only did not distribute any help, instead, they just asked for names (of those needing help) from us. In some cases, we send some of the aid packages received from NGOs to the parliamentary office for them to distribute."

---

[131] Yassin, M. (2020). Perutusan Khas YAB Perdana Menteri (25 Mac 2020). Accessed 12 August 2021.
[132] Yassin, M. (2020). Prihatin Rakyat Economic Stimulus Package (PRIHATIN). Accessed 12 August 2021.

- *Exclusion of Certain Vulnerable Groups Among Citizens*

   Among Malaysian citizens, stateless or undocumented citizens were excluded from beneficiary lists, while others such as victims of domestic abuse, and elderly people with low digital literacy all faced difficulties in registering for the programme.[133]

- *Exclusion of Migrants & Refugees*

   NGOs working with migrants and refugees expressed major concerns about securing aid to support the livelihoods of the groups they worked with, as they were excluded from any government assistance programmes. The banning of refugees from entering certain spaces including markets[134] and houses of worship[135] also meant that they were more socially excluded than before.

6.2.2 Assessments of Horizontal Lines
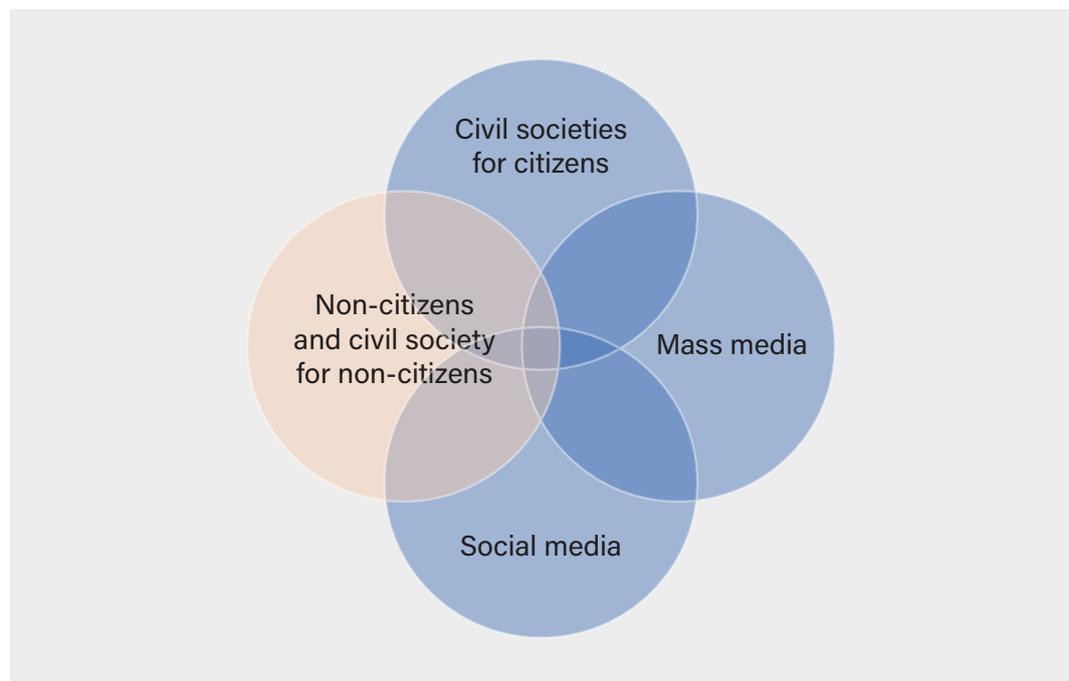
Figure 48: Social actors along horizontal lines of social cohesion

Through the early stages of the pandemic, horizontal lines of cohesion were generally overtly discussed in a positive light, except where they related to migrants and refugees. Strong horizontal lines were demonstrated through inclusive practices in economic, social and political spheres, good leadership and governance within community groups and civic societies, intergroup contact and interdependence among communities and groups, and positive and cohesive attitudes such as recognition, tolerance, understanding, and kindness. There was also a shared sense of social responsibility and shared sense of destiny based on shared values, norms, beliefs and practices among communities.

133 Lee, H. (2020). Prihatin stimulus package does not reach women who are most at-risk. Women's Aid Organisation.
134 Annuar, A. (2020). DBKL bans refugees, unaccompanied foreigners from Selayang wholesale market. Malay Mail.
135 Thomas, J. (2020). Mosques only for Malaysians for now, says Ismail Sabri. Free Malaysia Today.

- ***Shared Destiny***

    Very early on in the pandemic, local citizens started a social media campaign #kitajagakita to encourage citizens were taking care of each other. This points to a strong sense of horizontal cohesion already ongoing and available amongst the people.[136] This was a response to the challenges that arose along the vertical cohesion line brought about by the political instability in Malaysia, such that the people felt that they must take their welfare in their own hands, and not rely on the authorities.[137] The KitaJagaKita social movement quickly took off and was well supported until today, spinning a number of alternative social media campaigns.

- ***Interdependence***

    Cohesion within and among NGOs and community volunteer groups was very strong and active throughout the MCO period as they helped each other identify people's needs and best channels to work on as well as help each other navigate the SOP regulations regarding distribution of aid. One chairperson said "we distribute aid to everyone regardless of their race, nationality or political stance". While there may have been racial, political, and even personal tensions prior to the COVID-19 crisis, at the grassroots level, most of these differences were set aside.

On the other hand, weak horizontal lines are detected in relation to the following:

Trust Issues

Community chairpersons lamented that "some NGOs do not go through us so we cannot ensure a fair distribution throughout the whole community. We have developed our own system to ensure that the distribution is done fairly." Chairpersons are unhappy that external parties do not go through them when distributing aid, hence causing instances of perceived favouritism amongst the community.

Between Citizens & Non-citizens

The most significant weakness along the horizontal lines is observed in relation to local's perceptions of non-citizens (migrants and the undocumented); already rooted in social, economic and political sense of insecurity. There was a perception of exclusivity and isolation and negative attitudes that included both social and cultural distance and intra-community issues as well as intolerance of others' values, practices, norms, and beliefs. This observation matched our conclusions from the webscraping study earlier. For example, the news that Gardenia Bakeries, one of the largest food processing companies in the country has agreed to hire refugees – through an initiative from UNHCR – received a lot of negative attention; the company was threatened with a boycott.[138]

136 Toh, T. (2020). How a Malaysian author and a group of volunteers created the #kitajagakita initiative. The Star Online.
137 The Economist. (2020). Beset at its birth: Malaysia's new government may be even more unstable than old one; Head, J. (2020). How Malaysia's government collapsed in two years. BBC; ASEANPLUS News. (2020). Malaysia King names Muhyiddin as Premier to succeed Mahathir. The Star Online.
138 Tan, M.Z. (2020). Gardenia invites locals to apply for jobs after Malaysians threaten boycott for hiring Rohingya refugees. Malay Mail Online; Hakim, A. (2020). Gardenia Under Fire For Hiring Rohingya Refugees, Invites Locals To Apply For Work. The Rakyat Post.

PART IV. EARLY POLICY RESPONSES AND CHALLENGES

1. Introduction

As early as 27 February 2020, the Government rolled out the first of its many economic stimulus packages, the 2020 Economic Stimulus Package (ESP) themed "Bolstering Confidence, Stimulating Growth and Protecting Jobs". At the time, the package was mainly to help local businesses cope with disruptions in trade with China which had begun their economic lockdown earlier. Being Malaysia's largest trading partner, major export market and source of millions of international tourists, China with its travails indirectly impacted Malaysia's economic growth which had been bearish since mid-January 2020. The 2020 Economic Stimulus Package was designed mainly to cushion the negative effects wrought on the economic sectors most affected by COVID-19, namely tourism, airline, travel and tourism-dependent retailers. From then onwards, subsequent stimulus packages were introduced to support people and businesses through the crisis and recovery; mainly targeted at saving jobs, restructuring debt, supporting business continuity and ensuring sufficient liquidity. An Economic Stimulus Implementation and Coordination Unit (LAKSANA) was established by the Ministry of Finance to coordinate and ensure that these stimulus packages were implemented efficiently, with transparency and that distribution was driven by data. LAKSANA and more than 53 government agencies have closely collaborated and shared data to ensure the successful implementation of these stimulus packages.

The six key steps (6R) adopted in the overall vision of the government's plan are: *Resolve, Resilience, Restart, Recovery, Revitalise and Reform*. The *Resolve* initiatives attempted to address and contain the spread of the virus through the MCO imposition in the middle of March 2020. *Resilience* focused on protecting lives and livelihoods, mainly through the implementation of the PRIHATIN Economic Stimulus Package in March 2020. The *Restart* phase began in May with the reopening of economic sectors in a phased and controlled manner, whilst *Recovery* focused on rolling out a set of strategic initiatives to propel Malaysia's economic growth, mainly implemented through the RM35 billion PENJANA package and RM10 billion Kita Prihatin package in September 2020.

1.1. Early Monetary Policy Responses

In order to address the trends in the early months in market disruptions and capital flight, the Central Bank of Malaysia kept liquidity in the market high. The overnight policy rate was reduced at three consecutive Monetary Policy Committee meetings on 3 March, 5 May and 7 July by a cumulative 125 bps to 1.75 percent. The OPR reduction was intended to provide additional stimulus, in addition to the previous cumulative OPR reductions of 100 basis points earlier in the year, to accelerate the pace of economic recovery. The reductions in the OPR were swift and sizeable, given the fast-moving nature of this unprecedented public health crisis and the consequent impact on the economy. The OPR reductions would lend broad-based support to the economy. In particular, in an environment where the incomes of households and businesses were being affected by lower economic activity, the OPR reductions were designed to ease debt servicing burdens, total borrowing costs, and thus cash constraints for households, SMEs, and corporations. The lower interest rates were also designed to lower the cost of financing and thus enhance liquidity for credit expansion and fund-raising activities. These OPR adjustments complement other monetary and financial measures undertaken by Bank Negara Malaysia, as well as fiscal measures which have been implemented. These include financial relief measures, regulatory and supervisory measures, lending facilities for SMEs, and adjustments to the Statutory Reserve Requirement (SRR) in March and May 2020. In particular, the adjustments to the SRR, which included both the reduction in the SRR ratio from 3.00 percent to 2.00 percent, and flexibility allowing all banking

institutions to use Malaysian Government Securities (MGS) and Malaysian Government Investment Issues (MGII) so that they could fully comply with the SRR, were part of the Bank's continuous efforts to ensure sufficient liquidity to support financial intermediation activities. Other notable monetary policy events were:

- 23 March 2020 – to curb capital flight, the Securities Commission Malaysia (SC) and Bursa Malaysia suspended short selling until 30 April. This was later extended until 30 June.
- 25 March – temporary easing of regulatory and supervisory compliance on banks to help support loan deferment and restructuring and relief measures for insurance policy holders and *takaful* participants.
- 10 April 2020 – the Companies Commission of Malaysia announced measures to enhance the protection of distressed companies against liquidation.
- 16 April – the SC announced regulatory relief measures for publicly listed companies.

1.2. Early Fiscal Policy Responses

Even before the first MCO imposition, the Malaysian government put in place an expansive socioeconomic policy response: fiscal stimulus, social protection and other measures taken to support businesses and livelihoods, and the economy in general. This included five packages in all between February and September 2020 alone (ESP, PRIHATIN, PRIHATIN SME+, PENJANA and KITA PRIHATIN). Collectively these measures are valued at RM 305 billion (US$ 73.3 billion) which is an equivalent of 21.5 percent of GDP. The direct fiscal stimulus portion of the value is MYR 55 billion, (USD 13.2 billion) or 3.9 percent of GDP).

The numbers of direct recipients and scope of cash transfers and other supports are unprecedented – transfers were made to all registered low income (bottom 40 percent, B40), and middle income (middle 40 percent) households, PWDs, single mothers, civil servants and some informal sector workers. Similarly, some 570,000 SMEs received cash subsidies. The initial allocations were renewed in September, in light of the ongoing global recession and imposition of localised CMCOs and EMCOs.

However, the more substantial income support measures are derived from the Employee Provident Fund (EPF), Private Retirement Scheme (PRS) and Employment Retention Programme (ERP). Consequently, these are limited to formalised workers (and only 60 percent of workers have EPF or civil service benefits). Contributions to EPF are compulsory for private sector and non-pensionable public sector employees, but they are voluntary for the self-employed, those in the informal sector and foreign workers. However, only about half (7,626,262) the members are active contributors;[139] and among workers who actively contribute to EPF, the majority are under-covered (i.e. 68 percent of active members do not achieve basic savings thresholds, and 70 percent of active members aged 54 have less than RM50k in their EPF accounts). In response to COVID-19, in March, the government announced a reduction in the employees' contribution rate from 11 percent to 7 percent. The reduction in the EPF contribution rate was expected to unlock approximately RM10 billion-worth of spending by consumers to boost the economy. The new rate took effect from 1st April 2020. Later in the same month, it was announced that EPF members aged below 55 years old could withdraw up to RM500/month from Account 2 for a period of 12 months. However, because of the 'under-coverage' problem described above, these and subsequent measures relating to EPF have been widely criticised as compromising welfare and income security of Malaysians in old age.

---

[139] EPF. (2020). About EPF. (as of Q4 2019).

The Employment Insurance System (EIS), managed by the Social Security Organisation (SOCSO) and set up in 2018, enables retrenched workers to make ends meet for up to six months. Similarly to EPF, contributions go into a pooled investment fund. All employees in the private sector are automatically enrolled into the EIS, and it is the employer's responsibility to ensure that contributions are made through salary deductions. The EIS does not cover domestic workers (until recently), the self-employed, civil servants, and workers in local authorities and statutory bodies. Their income disqualifies them from participating in poverty-targeted non-contributory schemes. At the same time, many do not participate in contributory schemes due to the informal nature of their work. With economic shocks, many face the risk of falling into poverty. The coherent and complementary integration of contributory and non-contributory schemes is, therefore, key to including this group, made up of the "missing middle", in the country's social protection system.

While many hailed digitalisation as the panacea to mobility restrictions imposed due to COVID-19, a report published by ISEAS estimated that about 64.5 percent of jobs in Malaysia are not conducive to home-based work (adjusted for access to the internet) and 50.9 percent require high levels of physical proximity, making them most vulnerable during the COVID-19 crisis.[140] While internet access in Malaysia is generally high, the percentage of individuals with access to the internet ranges from 73.9 percent in Kelantan to 98.4 percent in Putrajaya. Similarly, a high degree of state-level variability is found in the sharing of jobs that cannot be performed from home and that require high levels of physical proximity. There is a strong correlation between higher internet penetration and a lower share of jobs requiring physical proximity, suggesting that workers in less developed states have been more vulnerable to job losses during the COVID-19 crisis.

2. How Much Fiscal Space Was There for the COVID-19 Response?

2.1. Federal Government Revenue

GDP contraction in the year 2020 is attributable primarily to smaller government revenue from lower levels of tax collection and petroleum and dividend royalties. Budget 2021, announced in October 2020, showed that the fiscal deficit was 6.2 percent of GDP or RM87.6 billion. The implementation of the movement control order (MCO) slowed down the production of goods and services in the domestic economy. Delays in approved projects and the commencement of new projects resulted to reductions in Development Expenditure (DE) by 0.07 percent accounting for RM 3.5 billion. The federal government also recorded a 0.14 percent lower Operating Expenditure (OR) compared to 2019. In addition, a sum of RM38 billion was disbursed under the COVID-19 Fund to implement economic stimulus and recovery measures. In terms of the primary balance, the deficit increased to 3.8 percent of GDP (2019: -1.2 percent)[141]. The Temporary Measures for Government Financing (Coronavirus Disease 2019 (COVID-19)) Act, 2020) was passed by parliament on 21st September 2020 and will remain in force until 31 December 2022, allowing the government to temporarily increase the statutory limit of the federal government's outstanding debt from 55 percent to 60 percent of GDP.[142]

---

[140] Rahman, A.A., Jasmin, A.F., and Schmillen, A. (2020). The Vulnerability of Jobs to COVID-19: The Case of Malaysia. ISEAS Economics Working Paper. ISEAS Yusof Ishak Institute.
[141] Ministry of Finance. (2021). 2021 Fiscal Outlook and Federal Government Revenue Estimates.
[142] Ministry of Finance. (2021). 2021 Fiscal Outlook and Federal Government Revenue Estimates.

Parallel with the enactment of the Act, the government also established a trust fund to support COVID-19 recovery efforts.[143] This includes financing for all the programmes under the PERIHATIN and PENJANA packages. The government injected RM17 billion into the fund. Other sources of funding for the COVID-19 efforts came from an increase in government revenue in 2020, although this may be a challenge given the slump in domestic economy and global oil market. The revenue shortfall, estimated to be around 20 percent from budget estimates, will be addressed through increased dividends and a special contribution from government entities, such as the Petroliam Nasional Berhad (PETRONAS), Khazanah Nasional Berhad (KHAZANAH) and Retirement Fund (Incorporated) (KWAP).[144]

Even prior to COVID-19, overall government revenue volume as a percentage of GDP had been declining, from 21 percent in 2012 to 15.5 percent in 2018. The upward trend recorded in the year 2019 as a percentage increased to 17.21 percent before shrinking to only 15.5 percent in the year 2020, which represents the lowest percentage recorded in the decade. Tax buoyancy, defined as the increase in tax revenues per each percentage point increase in the GDP, has also declined from 57.8 percent in 2018 to 52.4 percent in 2020. A low tax buoyancy implies that even as the country's GDP grows, tax revenue collection is not increasing at the same rate. In terms of revenue composition, direct tax makes up more than half of the government's revenue (Figure 49). Growth in other revenue sources, in particular indirect taxes, remains sluggish and small, only temporarily boosted during the implementation of the Goods and Services Tax (GST) system between 2015 and 2018, while the share of petroleum dividend and royalty as a non-tax revenue component fell from RM35.32 billion in 2014 to 20.41 percent in 2017 due to a weakening in the global oil price; it caught up significantly thereafter and was recorded at its highest in 2020 at RM59.78 billion (Figure 50).[145]
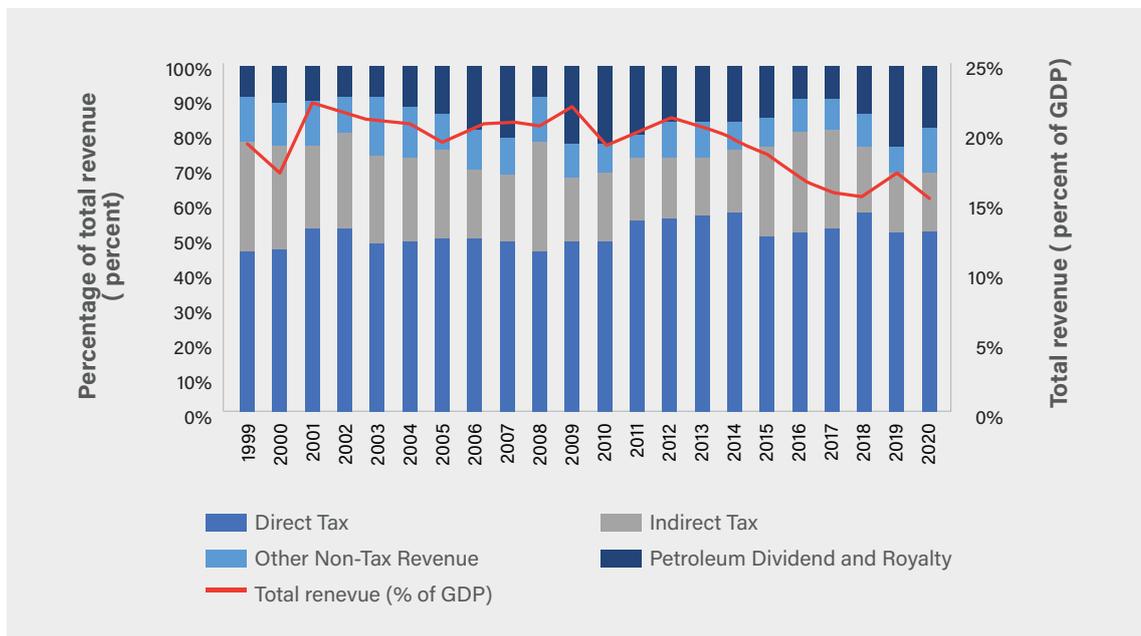
*Figure 49*: Percentage Composition of Government Revenue (percent) and Total Revenue

[143] Laws of Malaysia Act 830 Temporary Measures For Government Financing (Coronavirus Disease 2019 (COVID-19)) ACT 2020.

[144] Ibid.

[145] The recent 2019 budget includes a special dividend from Petronas amounting to MYR30 billion on top of the regular dividends and royalty from the petroleum sector, hence the sharp spike upwards in 2019.
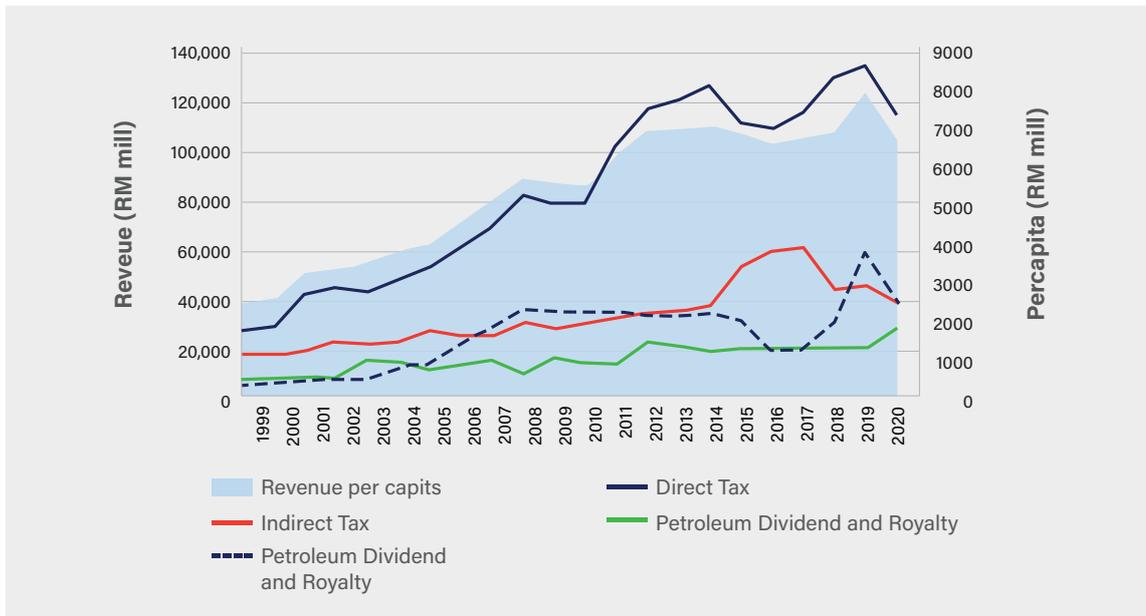
Figure 50: *Trends in Federal Government Revenue Components and Federal Revenue Per Capita (1999-2020)*

Source: Ministry of Finance

The oil and gas sector contributes to the Malaysian government's revenue in three ways: via petroleum income tax, the PETRONAS dividend, and petroleum and gas royalty. PETRONAS is a significant contributor to Malaysian government revenue, contributing up to 20 percent of it. Slow global growth and reduced oil prices have adversely influenced the profits of PETRONAS, in turn affecting the dividends for the Malaysian government and Malaysia's fiscal capacity to fund its COVID-19 expenses. The 2020 budget was formulated based on the assumption of a USD62 per barrel, which would result in PETRONAS, the country's national petroleum company, paying the government an amount equivalent to approximately 20.7 percent of the total government revenue in 2020. Every one dollar drop in crude oil prices reduces the government's revenue by about RM300 million. Due to the pandemic, actual oil prices hovered at USD 30 – 50 per barrel (even falling to USD21 per barrel in April), and thus, the government's revenue expectation was severely reduced. This reduction in oil prices has also had a huge effect on businesses, jobs and the economy. Several companies have had to make write-offs on their continuing operations, and the low price of crude oil will mean that exploration and development activities will slow down.

2.2. State Government Revenue

State governments rely heavily on federal transfers to finance their expenditure, given their very limited own sources of revenue. Most of the tax bases are devolved to federal governments. Under the Constitution, federal governments enjoy exclusive powers to levy and collect all taxes and other forms of revenue, except from a few minor sources assigned to the states. State revenue is limited to collections from import and excise duties on petroleum products (Kelantan, Terengganu, Sabah and Sarawak), export duties on timber and other forest products (for Sabah and Sarawak) and excise duties on liquor in all states, lands (quit rents, fees for TOL, grazing permits and conversion) and mines, and from entertainment taxes. Non-tax revenue sources include licenses and permits, royalties, service fees, profit from commercial undertakings (such as in water, gas, ports

and harbours), land sales and rents on state properties; non-revenue receipts include proceeds, dividends and interests, and grants and reimbursements from the federal government (Narayana et al., 2009).

Nonetheless, collectively total state revenue remains minuscule. In 2018, it amounted to about RM10.6 billion, or only equivalent to 5.2 percent of the RM203.9 billion collected by the federal government.[146] Hence, the decrease in oil prices and therefore the potential decrease in state revenue and federal transfers may have indirect effects on the environment. As oil prices plummet and to cope with lowered federal funding channeled to states, there is a high possibility that less developed states rich in resources will push up their rates of extraction of natural resources, particularly timber logging and agri-conversion, to raise revenue need for local economic development. Massive tracts of rainforest have been cleared to make way for oil palm and, more recently, durian plantations, as export demand for the fruit increased over the years. Increased logging of forest reserves and the conversion of state land for palm oil and other crops will reduce Malaysia's natural forest resource base and negatively impact other uses, such as wildlife conservation, water catchment, biodiversity and environmental protection.
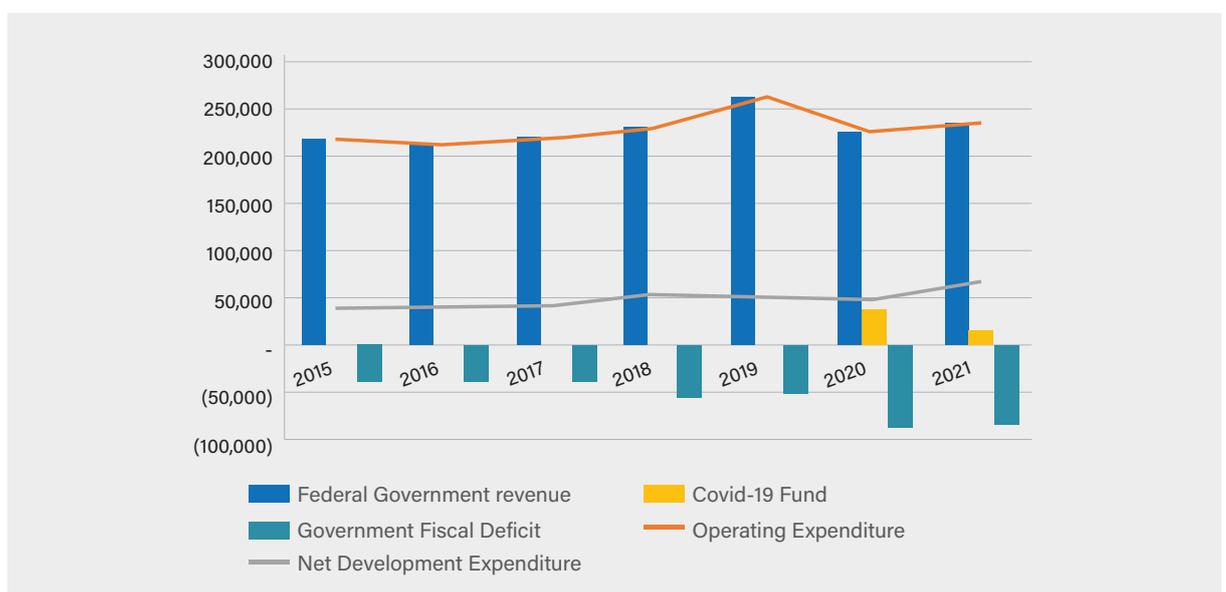

Figure 51: Federal Government Financial Position (RM million)

Source: 2021 data based on Budget estimate, excluding 2021 Budget measures, MOF

---

[146] Tan, V. (2020). How will Malaysia's environment fare after the lifting of COVID-19 restrictions? Channel News Asia.

3. Lessons for Early Crises Response

3.1. Optimising Existing Social Safety Net Systems

- Expansion in shock-responsive safety net programmes to provide more or larger fast-disbursing cash transfers to existing beneficiaries, who are usually the poorest in society. In the Malaysian context, emergency cash handouts were delivered based on the BSH database. A consolidated database of social protection beneficiaries would improve auto-enrolment for crisis aid initiatives such as the BPN. A common denominator, such as national registration ID should be used to reduce multiple registrations and double-dipping, and ensure that no one is left behind.

- Increase in coverage of existing safety net programmes to new beneficiaries based on location (e.g. the areas with the highest levels of community transmission and/or economic disruptions), or sector of employment (e.g. tourism, transportation), or by focusing on at-risk categories (e.g. families with young children, pre-existing health conditions, and elderly family members). May also include non-poor, low-income households which are likely to suffer a negative income shock as a result of unstable income.

- Portability of safety net programme benefits, to ensure predictability of coverage as urban migrants will be likely to return to rural areas.

- Private transfer payments (e.g. within the extended family) have acted as an informal shock absorber in times of economic downturn. People who earn a steady income normally try to send money regularly to support their ageing parents or needy relatives, implying that solidarity and justice are important values in Malaysian society. This can be encouraged or highlighted as a 'charity begins at home' themed crisis response, and expanded to a larger network of relatives and friends.

- Rural agricultural and the fishing sectors traditionally rely strongly on their respective cooperative societies for financial, social and moral support in cases of misfortune. In this instance, the Farmers' Association and the Fishermen's Association, initiated by the government since the 1960's, can play a role in providing financial protection from COVID-19 hardship. However, currently membership of these occupational cooperatives among the rural community is rather low, and so many households were not able to benefit from this traditional but effective social protection mechanism.

- The pandemic has further exacerbated the issue of lack of protection for migrant workers and exploitation by their employers. Thus, issues linked to the rights, welfare and safety of migrant workers should be remedied immediately. Current labour laws and policies to ensure the rights and well-being of migrant workers should be strengthened, particularly given that migrant workers' dwellings and workplaces are often not conducive to social distancing, hence pose a higher virus transmission risk.

- A wage subsidy of 60-80 percent of salaries for six months focused on micro-, small-, and medium-sized firms would be ideal, but this would vary depending on the type and size of each firm. Another option would be to allow employees to take furlough until demand and production recover, with standard conditions to be mandatorily applied by all companies taking this route. This would ensure fair terms for employees in exchange for long-term job security.

3.2. Enhancing Cash Transfer Distribution

▪ A review of mechanisms for automated registration and communication channels for government aid should be carried out to improve the reach to under-served groups such as the rural community, informal workers and young working adults. Confusion and lack of awareness about eligibility caused many eligible beneficiaries to miss out on being enrolled into cash assistance programmes.

▪ Individuals who are registered as business owners with the Companies Commission of Malaysia (SSM) should also be allowed to apply for cash assistance if they meet the eligibility criteria. Business grants and loans are intended to ensure business continuity and support workers or cover other expenses. The types of support are not automatically used to resolve the individual's private consumption needs or his/her families'. A more universal rather than segmented design of crisis aid packages would minimise the communication burden.

▪ Households whose income earners work in the informal sector or primary sector (agriculturalists, self-employed people, small vendors, freelance workers), who were not already registered on the social assistance database (either eKasih or the Welfare Department) and did not have income tax records, had to apply to be included on the beneficiary list for the government's COVID-19 response cash assistance programme. Due to the sheer number of applications and the documentation required, the process was, not surprisingly, slow and difficult for the poor, without help from friends and community leaders to 'drive' this registration exercise at the local level.

▪ One potentially useful measure would be to provide temporary relief to poor and vulnerable people in the form of a short-term guaranteed basic income. The coverage, size, and duration of temporary basic income schemes would assume that the costs of the crisis are widespread, profound and potentially lasting. As such, the amounts per beneficiary might help people to cover internet connectivity to support education and work from home, compensate for costs associated with childcare, or assist households to prevent the depletion of productive assets. Several countries have taken a step forward in this direction by rolling out similar schemes under different names and with diverse methods for targeting thresholds – such as Tuvalu's fully-fledged temporary basic income, Spain's minimum income guarantee, or Colombia's Solidarity Income scheme.

▪ Access to cash transfers has been largely dependent on access to the banking system. Those who most lack access to physical banking services also lack access to digital banking. Communities in remote locations would benefit from alternate methods of aid delivery. SMS mobile banking solutions and/or enhanced physical delivery of cash or other aid would bridge the access gap. Strengthening and integrating formal social structures (e.g., village heads, Village Community Management Councils, and, the Community Development Department) would facilitate local solutions.

▪ Long queues and concerns about COVID-19 exposure at crowded ATMs are among the leading cause of difficulties in accessing BPN 1.0 aid. Thus, it would be beneficial to accelerate the use of electronic payments and transfers (with adequate digital infrastructure and internet connectivity) to reduce dependency on physical banking infrastructure.

▪ Physical disabilities, old age, limited transport options, and other mobility challenges were a significant cause of difficulties in accessing cash assistance funds. Groups with mobility challenges should be targeted in efforts to improve digital literacy and the uptake of digital banking. Accessibility options in digital banking (e.g., audio options for the visually impaired) are important for persons with disabilities.

3.3. Protection of Mental Health

- The social, medical and psychological effects of the lockdown period have not been as widely studied as the economic effects of the pandemic, but RaHIS has shown a substantial need for attention to be given to these aspects, especially among special groups of people. COVID-19 social distancing measures have had a profound impact on the psychological and mental well-being of individuals across society, but are more intense but also more hidden amongst the elderly, persons with disabilities, young children and the chronically ill, for instance, since they are not able to easily transfer social interactions to the virtual space. Hence, family members and caretakers need to be encouraged to consider ways to include these special groups in online conversations and activities, as well as neighborhood activities (as long as these remain SOP compliant).

- Those in low-paid, self-employed or precarious occupations have experienced the greatest impact due to loss of work or the temporary closure of their businesses. RaHIS recorded heightened feelings of anxiety and depression, with some fearful of post-lockdown anxiety and paranoia, the largest stressor being an overarching feeling of loss (loss of income, routine or social interaction).

- Other at-risk groups include children and students who have experienced school and/ or university closures causing significant disruption to daily routines, with factors such as exam postponement, accommodation expulsion and graduation cancellations contributing to the problems. These anxiety contributing factors could have been lessened should there be clear and **standard** communication from the authorities about how learning, assessment and education progress are to be dealt with during the pandemic.

3.4. Strengthening State and Local Government Responses

- The COVID-19 pandemic has proven that when challenged with cross-region and cross-sector differentials, quick and autonomous decision-making processes are fundamental to reducing negative impacts. Different states and localities should be allowed to adopt and adapt based on standard guidelines and decision-making criteria. The COVID-19 pandemic has pushed the limit of federal-state relations, not to mention the amount of confusion it brought to the public. The decisions of certain states to refuse federal instructions regarding MCO and CMCO are a case in point, proving that governance and management decisions should be done consultatively with sub-national governments, within nationally set conditions and a comprehensive accountability framework.

- This also means that each state must have the capacity to collect or have access to granular data on public health, such as testing and infection data. Disaggregated urban data gathering and use could be increased, as could local-level resilience profiling and planning to build a more detailed understanding of crisis response, preparedness and recovery at the urban level. This could help ensure scarce resources are used with the greatest efficiency and efficacy in response and resilience-building efforts.

- Stimulus packages and policy measures could be adopted that boost the ability of local and regional governments to sustain critical sectors and geographical regions.

- State and local-level communication campaigns that are effective and coherent should be prioritised with a view to building public trust in the COVID-19 response and recovery efforts, with pro-active efforts to remove barriers in relation to literacy, differences in language and access to technology.
- Sufficient financial resources and revenue-raising capacity need to be ensured to sustain critical public services (e.g. water, sanitation, transport, education). Essential services should also include domestic violence shelters and other protection services. Local government must continuously boost capacities for equitable public service delivery and gender-responsive public transport systems.
- Given the highly infectious nature of the virus, there is a need to introduce, activate or reorient existing multi-level coordination bodies to minimise the risk of a federal-state-district fragmented crisis response. Cooperation across districts (intra- and inter-state) will help minimise disjointed responses and competition for resources (e.g. border closure and reopening, containment measures, exit strategies, migrant workers).
- The adoption of a "place based" or territorially-sensitive approach for measures to fight the pandemic could be considered. It is critical that the process of empowering the state and local authorities should be facilitated and accelerated for a more effective and targeted response to the pandemic.
- There should be a rapid deployment of a state-funded and community-based care economy. As more and more people are home-quarantined or face income loss due to the lockdown, direct assistance to affected households is critical. Care services can range from sending cooked food or groceries to taking care of children or the elderly if the primary caregiver in the family is hospitalised due to COVID.

Box 2. Building Community Resilience

At least four key policy objectives must be considered as part of the guidelines for building local resilience. These objectives are:

1. Identifying the weaknesses and strengths of local stakeholders through stakeholder interest analysis;
2. Increasing interconnectedness among local authorities and community members;
3. Developing synergies to foster better collaboration and cooperation among as many community members as possible; and
4. Empowering local governments at the meso and micro levels to coordinate and act as conduits between the federal and local agencies.

The process of designing the details of COVID response strategies must be implemented by engaging all stakeholders, representing the four quadrants of the social compact, namely the government (local state/district agencies), civil society (local community members), businesses and industries, and academia (educational research and training institutions). The focus of this stage is to ensure inclusiveness among the community members, especially in remote rural areas, where communication and delivery of policies could be challenging. At least three major activities should be organised.

▪ First, a complete and updated database should be developed, especially with respect to the community's most vulnerable households; this should include information about the needs of the different members of the household. The lack of a comprehensive database including all community members is a major issue hampering assistance efforts. Often, existing databases are political and held by so-called local "warlords" in the communities. The APPGM-SDG and other CSOs have found that a significant number of households are in dire need of help and are eligible for government COVID assistance. However, due to reasons such as incomplete databases to identify them as well as a general lack of awareness and literacy with regard to such programmes and application processes, they are denied the aid that they deserve.

▪ Second, the strategic policy must coordinate all the supporting mechanisms and resources during the pandemic. During the first wave of the pandemic, various types of food and financial assistance programmes were available, but the weak coordination and poor database systems meant that many deserving community members were overlooked. On the ground, this strategy should ensure a better feedback system and an inclusive welfare mechanism. It is critical for district and state authorities to focus on this issue and to serve as focal points to ensure social connectedness among all community members.

▪ Third, the strategic policy should ensure the availability and awareness of standard processes and procedures among all community members during challenging periods, such as this pandemic. State- and district-level authorities play an important role in circulating and communicating recovery plans and Standard Operating Procedures (SOPs) directly to community members.

3.5. Intergroup Communication

- Efforts to strengthen community resilience must be organic and community owned. Independent and periodical assessment of vertical and horizontal lines of cohesion within different levels of the community must be facilitated. This would allow for early identification of divisive discourse or social distancing so that it can be addressed more proactively.
- The database related to identification of social lines and the network must be continuously updated. With a clear database of these networks, interventions, relaying of information, and cooperative efforts could be exercised more effectively and efficiently. Such a database would include the names of elected members, cultural heads and organically appointed community leaders.
- Bridging efforts between horizontal and vertical lines through more conversations such as dialogue sessions and townhall meeting should be hosted. Members from different groups should participate and such measures should not be limited to think tanks and NGOS. Frequent engagement allows for a collaborative relationship between and within the horizontal and vertical lines.
- Tech companies should play an active role in curbing the circulation of fake news and hate speech to ensure that social cohesion inter- and-intra community is maintained. Features such as the "report" feature, "offensive languages", and other features ensuring public security online from cybercrimes or hate crimes and similar problems should be enforced and highly regulated by tech companies and social media networks.
- Guidelines for online etiquette could be introduced to social media users to prevent hate speech. The guidelines should emphasize how to behave as a civil citizen, which would include elements of cultural and religious awareness, as well as providing practical steps to curb the spread of fake news. Such educational content must be offered in different languages spoken by Malaysians, and presented in an accessible manner so it is relatable for different demographic groups.

3.6. Improving Media Ethics

- A self-regulatory journalism 'crisis treatment' code of ethics should be introduced to minimise misinformation and cultural distancing among groups. A more comprehensive code of ethics for journalists should provide sufficient guidelines to journalists on the legal and ethical guidelines surrounding media reporting. In general, the media must avoid stereotyping by race, religion, ethnicity, gender, age, geography or social status. The code should include an extensive framework on core ethics for media reporting, in areas such as neutrality, matters of public interest, high standards for fact verification with extensive and specific guidelines so that journalists have something concrete to refer to when conducting investigations or writing reports.

---

147 Walters, J. (2020). Robert Mueller breaks his silence and condemns Trump for commuting Roger Stone's sentence. The Guardian.
148 Malaysiakini. (2018). Malaysiakini is Top News Portal, Reuters Study Shows.

- Clear guidelines on how to manage misreporting and their correction should be issued. If misinformation is presented to the public, the media should be accountable and issue another article clearly stating the mistake made in the previous article, correcting the mistake, including a link or a reference that take readers to the initial article. Additionally, an unequivocal and unconditional apology to readers should be published. Media activists argued that newspaper corrections should carry the names of both the writer and the principal editor who handled the story.
- High standards on proper sourcing should be established. News media in Malaysia should normalise having citations in their publications, and should develop guidelines on how citations should be written should be outlined in the code (to differentiate news reporting with academic reporting). An example that could be emulated is *The Guardian*,[147] a UK-based newspaper that commonly includes highlighted, embedded links to original sources referred to in their articles.
- Additional capacity building programmes should be provided to train journalists on guidelines for reporting to increase cultural awareness, assist with conflict resolution, and facilitate peace building. Journalists should be given training in terms of defamation law, and ethical reporting. Such training should be delivered by experts in the field: lawyers should conduct courses on defamation law, and senior journalists should conduct courses on ethical practices. Currently, there is no such training.
- The ethical requirements should also be extended to tabloids (print and online) such as the *Malaymail*, or *Malaysiakini*. A 2018 study by *Reuters Digital News Report*[148] states that Malaysiakini is the most popular online media portal in Malaysia, indicating a high readership. If this is where most Malaysians obtain information, it is prudent for these portals to be held to the same standards as the normal press.

3.7. Political Communication

- Political leaders and officials speaking with governmental authority are able to influence social narratives – thus, there is a greater responsibility for them to ensure that political communication is at all times civil, and respectful. Narratives that emphasize divisive issues excessively can negatively impact social cohesion. Words and attitudes can be imprinted in people's minds, and influence their actions. As such, every effort must be made to ensure political communication is inclusive and suitable for the diverse interests of a multiracial society. To minimise confusion and divisiveness due to political miscommunication at the onset of a crisis, it is best to assemble a reliable press and communications team and establish the necessary budget for and channels through which information from the government will be disseminated.
- Some form of guidelines or training should be provided to guide press secretaries and communication staff on preparing communication plans, speeches and political statements particularly suited to a situation where the country is facing an imminent crisis. This would ensure that cultural awareness is reflected and should always contribute towards panic-reducing, conflict resolution, as well as peace building. Over the first few months from the onset of a crisis it is imperative for additional capacity building programmes should be delivered by experts, to train press secretaries and communication staff on how to prepare for, and respond to issues tactfully and swiftly.

- There should be collaboration with CSOs and community leaders to ensure centralised communication at all levels of society. NGOs, social leaders and CSOs are important agents of communication to ensure that information from the government is relayed to the masses, and that feedback from the public is channeled to the government.
- A one-stop website or call centre for the public should be developed to verify information and obtain information about government assistance programmes. Even then, the elderly, disabled, and the technologically disadvantaged often face difficulties adapting to technological advancements which are a feature of the government's digitalised method of dispensing aid. Key social actors (NGOs, political parties, corporations, etc.) should extract the information needed and disseminate it through existing resident or community communication channels, educating, collecting, and submitting the data required, or providing alternative solutions for those without adequate access to technological devices.
- The public should be reassured about government plans. Although it might not be feasible to announce political or government decisions before they've gone through the necessary clearance levels, we recommend that the government communicates to the public that their concerns are being looked into and that a solution will be reached at a certain cut off date. This is one way to strengthen the vertical lines of social cohesion.
- There should be a tactful and swift response to the circulation of fake and/or misleading news, including to legislate against such misinformation, especially those related to COVID-19, social security, and/or public health and safety to ensure that no social tensions or undue fear are elicited among members of the public.
- Policies and guidelines should be announced in a clear and unambiguous format. Legal enforcements and restrictions such as SOPs for social/physical distancing, wearing masks in public, or movement restrictions should be announced through clear directives to ensure that there are no misunderstandings between authoritative groups (e.g., police officers) and the general public. Announcements of enforcements or supports (i.e., financial aid, moratoriums, etc.) should also be made in accessible language (i.e., with jargon or technical terms reduced or avoided) so that everyone at all levels of society can understand it perfectly.
- There should be collaboration with key social actors for the inclusion of vulnerable groups in a COVID-19 Response Plan. The case of Rohingya refugees – those holding UNHCR cards and their undocumented counterparts – is an issue we must address collectively globally, as it is often argued that Malaysia does not have the resources to continue "turning a blind eye", nor should the rest of the world leave the bulk of this matter for Southeast Asian countries to shoulder. The Malaysian government should work together with other social actors (United Nations/UNHCR, ASEAN, other governments, international and/or local NGOs, corporations, etc.), to come up with a practical solution that includes the Rohingya community in a collective COVID-19 response plan to ensure their needs are addressed.

4. Where to From Here?

There is an urgent need to rethink and transform societies to respond to the reality of COVID-19 and potential future crises, and to recover better, by building more resilient, inclusive and sustainable cities. We know that this is possible. The rapid shifts in society due to COVID-19 present a powerful lesson that society is capable of the near-overnight transformation that is needed to confront our most urgent threats, such as the climate and pollution crises that threaten the very viability of life on earth.

Responses that are siloed or short-sighted, focusing on quick fixes, could worsen and entrench impacts laid bare by the COVID-19 pandemic. Long-term policy choices by national, regional and local governments are needed to build our resilience against future pandemics, including climatic and economic hazards and shocks, while safeguarding human rights, sustaining peace and strengthening our ability to achieve Sustainable Development Goals (SDGs). Meanwhile, many of the short-term measures to respond to COVID-19 will need to be maintained for some time, even when the initial outbreak appears to have been contained, given the risk of secondary waves of infections.

The known weak links in Malaysia's health, social and economic sectors have been amplified by the COVID-19 pandemic. The country's heavy reliance on commodities, especially revenue from petroleum-related products, limit federal and state government revenue as COVID-19 pushed down petroleum prices. Low technology adoption and innovation led to overdependence on foreign labour and high percentages of semi- and low-skilled workers, as well as escalating tension in the foreign labour communities as unemployment increased. Income disparity between employees and capital owners increased income disparity between income groups and ethnicities and this highlights the low share of wages in GDP. There are also widening development disparities between urban and rural areas. Corruption and abuse of power must be eliminated, as they are stifling economic growth and equitable distribution.

Given the above, aggregate macro-fiscal, monetary, and financial policy responses (not discussed here) need to be complemented with interventions that take into account the specific circumstances and needs of the poor and vulnerable. Policy interventions must be designed to minimise the potentially drastic effects of the outbreak on the welfare of vulnerable groups, and to limit long-term consequences that would lead to deeper and more vicious poverty and inequality traps. Reviving and stimulating the economy is of utmost importance. The people have seen economic stimulus and recovery packages of an unprecedented nature which have been introduced in stages. However, these measures have concentrated on the short-term recovery plan. The mid- and long-term recovery plan should pave the way for long-term resilience to avoid similar future catastrophes, to build a healthy, sustainable and resilient economy. Malaysia's environmental experience shows that there are opportunities to be reaped from the epidemic. Our reactions and decisions today will shape our society for decades to come.

REFERENCES

#Kitajagakita. (2020). Malaysians Helping Malaysians Fight Covid-19. Retrieved from https://kitajagakita.com/

Abd. Rahman, Z. (2017). Measuring Financial Inclusion in Malaysia. Bank Negara Malaysia. Retrieved from https://www.bis.org/ifc/events/ifc_isi_2017/06_abdrahman_presentation.pdf

Abdul Rahman, D.A. (2020). Perlis benar warga asing ke masjid. Harian Metro Online. Retrieved from https://www.hmetro.com.my/mutakhir/2020/06/588389/perlis-benar-warga-asing-ke-masjid

Ahmad, R. (2019). Chinese tourist arrivals rising. The Star Online. Retrieved from https://www.thestar.com.my/news/nation/2019/08/09/chinese-tourist-arrivals-rising

Al-Bakri, Z.M. (2020, May 8). Kenyataan Media Menteri di Jabatan Perdana Menteri (Hal Ehwal Agama) [Facebook post]. Retrieved from https://www.facebook.com/654227084641097/photos/a.654471384616667/3307300932667019/

Anand, B.N. (2017). The U.S. Media's Problems Are Much Bigger than Fake News and Filter Bubbles. Harvard Business Review. Retrieved from https://hbr.org/2017/01/the-u-s-medias-problems-are-much-bigger-than-fake-news-and-filter-bubbles

Annuar, A. (2020). DBKL bans refugees, unaccompanied foreigners from Selayang wholesale market. Malay Mail. Retrieved from https://www.malaymail.com/news/malaysia/2020/06/21/dbkl-bans-refugees-unaccompanied-foreigners-from-selayang-wholesale-market/1877544

Arumugam, T. (2020). Covid-19 Outbreak Causing People to Spread Fake News, Stirring Up Xenophobia. New Straits Times Online. Retrieved from https://www.nst.com.my/news/nation/2020/02/566613/covid-19-outbreak-causing-people-spread-fake-news-stirring-xenophobia

Arumugam, T. (2020). Don't worry about being detained, just come forward for Covid-19 testing, please. New Straits Times. Retrieved from https://www.nst.com.my/news/nation/2020/03/577004/dont-worry-about-being-detained-just-come-forward-covid-19-testing-please

ASEANPLUS News. (2020). Malaysia King names Muhyiddin as Premier to succeed Mahathir. The Star Online. Retrieved from https://www.thestar.com.my/news/regional/2020/02/29/malaysia-king-names-muhyiddin-as-premier-to-succeed-mahathir

Associated Press. (2016). Malaysia PM urges world to act against 'genocide' of Myanmar's Rohingya. The Guardian. Retrieved from https://www.theguardian.com/world/2016/dec/04/malaysia-pm-urges-world-to-act-against-genocide-of-myanmars-rohingya

Associated Press. (2020). Malaysia turns away boat with 200 Rohingya refugees. ABC News. Retrieved from https://abcnews.go.com/International/wireStory/malaysia-turns-boat-200-rohingya-refugees-70202489

Azman, F. (2020). 36.9 per cent of pupils do not have electronic devices - Radzi Jidin. Astro Awani. Retrieved from https://www.astroawani.com/berita-malaysia/369-cent-pupils-do-not-have-electronic-devices-radzi-jidin-238505

Azuddin, A. and Zakaria, I. (2020). How the MCO Affected Income, Jobs, and Mental Well-Being. The Centre. Retrieved from https://www.centre.my/post/mco-employment-income-jobs-mental-health

Bank Negara Malaysia. (2016). Financial Stability and Payment Systems Report 2015. Malaysia. Retrieved from https://www.bnm.gov.my/-/fspr2015

Bank Negara Malaysia. (2018). Indebted to Debt: An Assessment of Debt Levels and Financial Buffers of Households. Retrieved from https://www.bnm.gov.my/documents/20124/826852/FSPSR+BA1+-+Indebted+to+Debt+An+Assessment+of+Debt+Levels+and+Financial+Buffers+of+Households.pdf/44382c36-c2e8-326a-ddce-61bc25d20d02?t=1585028606934

BEDI, R.S. (2020). 'Holidays cause for concern' Experts: Spread of virus can accelerate during festive period. The Star Online. Press Reader. Retrieved from https://www.pressreader.com/malaysia/the-star-malaysia/20200125/281608127401611

Bernama. (2020). Malaysia's economy poised to recover with gradual reopening of sectors under CMCO. Astro Awani. Retrieved from https://www.astroawani.com/berita-malaysia/malaysias-economy-poised-recover-gradual-reopening-sectors-under-cmco-241072

Bernama. (2020). RM4.74 billion allocated for 4.3 million 2020 BSH recipients. New Straits Times. Retrieved from https://www.nst.com.my/news/nation/2020/11/642497/rm474-billion-allocated-43-million-2020-bsh-recipients

Bernama. (2020). Sabah BPN recipients without bank accounts urged to claim payments at BSN counters. Malaysiakini. Retrieved from https://www.malaysiakini.com/news/522278

Boo, S.L. (2020). Foreigners With Covid-19 Exempted From Medical Fees: MOH. Code Blue. Retrieved from https://codeblue.galencentre.org/2020/03/13/foreigners-with-covid-19-exempted-from-medical-fees-moh/#:~:text=KUALA%20LUMPUR%2C%20March%2013%20%E2%80%94%20Foreign,%2C%20treatment%2C%20and%20hospitalisation%20fees.

Che Noh, N. (2020). Ramai cuba nasib solat Jumaat. Harian Metro Online. Retrieved from https://www.hmetro.com.my/utama/2020/06/588869/ramai-cuba-nasib-solat-jumaat

Chouliaraki, L. (2012). The Ironic Spectator: Solidarity in the Age of Post-Humanitarianism. Polity Press, Cambridge. UK.

Chua, A. (2020). Wuhan Virus: Bintulu MP Says 25-Year-Old China National in Isolation While Awaiting Test Results. The Star Online. Retrieved from https://www.thestar.com.my/news/nation/2020/01/27/wuhan-virus-bintulu-mp-says-25-year-old-china-national-in-isolation-while-awaiting-test-results

CPPS. (2018). A Roundtable on The Rohingya in Malaysia: Bridging the Gap between Aid and Resettlement. Retrieved from http://cpps.org.my/wp-content/uploads/2018/05/Bridging-the-Gap-between-Aid-and-Resettlement.pdf

Department of Environment. (2020). Status Kualiti Udara Sebelum dan Sepanjang Tempoh Perintah Kawalan Pergerakan oleh Jabatan Alam Sekitar. Retrieved from http://apims.doe.gov.my/public_v2/pdf/Analisis_Kualiti_Udara_Sebelum_Dan_Semasa_PKP.pdf

Department of Statistics Malaysia. (2019). Tourism Satellite Account 2018. Retrieved from https://www.dosm.gov.my/v1/index.php?r=column/pdfPrev&id=Wk1KWlpxZTRDWnVhVWNMV21ZVVY3Zz09

Department of Statistics Malaysia. (2020). Household Income and Basic Amenities Survey Report 2019. Retrieved from https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=120&bul_id=TU00TmRhQ1N5TUxHVWN0T2VjbXJYZz09&menu_id=amVoWU54UTl0a21NWmdhMjFMMWcyZz09

Department of Statistics Malaysia. (2020). ICT Use and Access By Individuals and Households Survey Report, Malaysia, 2019. Retrieved from https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=395&bul_id=SFRacTRUMEVRUFo1Ulc4Y1JlLzBqUT09&menu_id=amVoWU54UTl0a21NWmdhMjFMMWcyZz09

Department of Statistics Malaysia. (2020). Labour Force Survey Report, Malaysia, 2019. Retrieved from https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=126&bul_id=TlVMBEtBVXBGTi80VjdqZ1JUdVRHdz09&menu_id=U3VPMldoYUxzVzFaYmNkWXZteGduZz09

Edelman. (2018). 2018 Edelman Trust Barometer. Retrieved from https://www.edelman.com/trust/2018-trust-barometer

EPF. (2020). About EPF. Retrieved from https://www.kwsp.gov.my/en/about-epf/corporate-profile

Fairclough, N. (2003). Analysing Discourse: Textual Analysis for Social Research. London: Routledge.

Free Malaysia Today. (2019). Chinese tourists attack immigration officers at klia2. Retrieved from https://www.freemalaysiatoday.com/category/nation/2019/09/02/chinese-tourists-attack-immigration-officers-at-klia2/

Ganesan, V. (2020). Cover Story: Tourism in tatters. The Edge Markets. Retrieved from https://www.theedgemarkets.com/article/cover-story-tourism-tatters

Global Times. (2018). Displaced from home, Rohingya refugees in Malaysia seek succor in soccer to forget the trauma they left behind in Myanmar. Retrieved from https://www.globaltimes.cn/content/1109157.shtml

Goh, C.T. (1989). Racial Politics in Malaysia. FEP International: Petaling Jaya.

Goh, J. (2020). Noticeable rise in mobile banking, internet banking subscribers. The Edge Markets. Retrieved from https://www.theedgemarkets.com/article/noticeable-rise-mobile-banking-internet-banking-subscribers

Guerrieri, V., Lorenzoni, G., Straub, L., & Werning, I. (2020). Macroeconomic Implications of COVID-19: Can Negative Supply Shocks Cause Demand Shortages? (No. w26918). National Bureau of Economic Research.

Habibu, S. (2020). Covid-19: Borders should remain closed to refugees, says Najib. The Star. Retrieved from https://www.thestar.com.my/news/nation/2020/04/23/covid-19-don039t-allow-rohingya-refugees-into-m039sia-says-najib

Habibu, S. (2020). Saifuddin: 205 fake news items 'busted' by Communications Ministry over four weeks. The Star. Retrieved from https://www.thestar.com.my/news/nation/2020/04/21/saifuddin-205-fake-news-items-busted-by-communications-ministry-over-four-weeks

Hakim, A. (2020). Gardenia Under Fire For Hiring Rohingya Refugees, Invites Locals To Apply For Work. The Rakyat Post. Retrieved from https://www.therakyatpost.com/2020/07/19/gardenia-under-fire-for-hiring-rohingya-refugees-invites-locals-to-apply-for-work/

Hall, S. (1997). Representation. Cultural Representations and Signifying Practices. London: Sage Publications & Open University.

Haque, E.H.F. (2020). 4,000 jemaah tabligh belum serah diri. Harian Metro Online. Retrieved from https://www.hmetro.com.my/utama/2020/03/556443/4000-jemaah-tabligh-belum-serah-diri-metrotv

Haynes, S. (2020). As Coronavirus Spreads, So Does Xenophobia and Anti-Asian Racism. TIME. Retrieved from https://time.com/5797836/coronavirus-racism-stereotypes-attacks/

Head, J. (2020). How Malaysia's government collapsed in two years. BBC. Retrieved from https://www.bbc.com/news/world-asia-51716474

Hedayatifar, L., Rigg, R. A., Bar-Yam, Y., & Morales, A. J. (2019). US social fragmentation at multiple scales. Journal of The Royal Society Interface, 16(159), 20190509.

Hutton, M. (2019). Chinese tourists will be educated on how to behave in Malaysia. South China Morning Post. Retrieved from https://www.scmp.com/magazines/post-magazine/travel/article/3040409/chinese-tourists-will-be-educated-how-behave

Ibrahim, H. and Aling, Y.D. (2020). Ini satu nikmat dan tanda kemenangan. Harian Metro Online. Retrieved from https://www.hmetro.com.my/mutakhir/2020/06/588607/ini-satu-nikmat-dan-tanda-kemenangan-metrotv

Ilham, R. (2020). 6 etnik Rohingya lepak makan sirih ditahan. Harian Metro Online. Retrieved from https://www.hmetro.com.my/mutakhir/2020/04/568172/6-etnik-rohingya-lepak-makan-sirih-ditahan

International Labour Organization. (2018). Care work and care jobs for the future of decent work. International Labour Organization, Geneva. Retrieved from https://www.ilo.org/global/publications/books/WCMS_633135/lang--en/index.htm

International Labour Organization. (2020). COVID-19 and the world of work: Impact and policy responses. International Labour Organization,

Geneva. Retrieved from https://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/briefingnote/wcms_738753.pdf Ipsos. (2018). Malaysians' susceptibility towards Fake News. Retrieved from https://www.ipsos.com/en-my/malaysians-susceptibility-towards-fake-news

Jeffrey Cheah Institute on Southeast Asia. (2020). How will Malaysia's environment fare after the lifting of COVID-19 restrictions? Retrieved from https://jci.edu.my/malaysia-environment-post-movement-control-order-budget-deficit-12715506/

Joni, M. (2020). Selesaikan segera isu pelarian Rohingya. Harian Metro Online. Retrieved from https://www.hmetro.com.my/mutakhir/2020/04/571469/selesaikan-segera-isu-pelarian-rohingya

Joris, W., d'Haenens, L., Van Gorp, B., & Mertens, S. (2018). The refugee crisis in Europe: A frame analysis of European newspapers. In Migrants, Refugees, and the Media (pp. 59-80). Routledge.

Kamel, H. (2020). Only higher wages can induce locals to do 3D jobs. The Malaysian Reserve. Retrieved from https://themalaysianreserve.com/2020/07/23/only-higher-wages-can-induce-locals-to-do-3d-jobs/

Kanniah, K. D., Zaman, N. A. F. K., Kaskaoutis, D. G., & Latif, M. T. (2020). COVID-19's impact on the atmospheric environment in the Southeast Asia region. Science of The Total Environment, 139658.

Kaos, J. JR. (2020). Ismail Sabri: SOP for non-Muslim places of worship to be decided next week. The Star Online. Retrieved from https://www.thestar.com.my/news/nation/2020/06/12/ismail-sabri-sop-for-non-muslim-places-of-worship-to-be-decided-next-week

Kong, S.H. (2020). MEF: 2 million Malaysians may lose jobs. The Sun Daily. Retrieved from https://www.thesundaily.my/covid-19/mef-2-million-malaysians-may-lose-jobs-JG2329795

Koya, Z. (2020). Coronavirus Travel Ban: Malaysia Stops Visas for Chinese Travellers from Affected Areas. The Star Online. Retrieved from https://www.thestar.com.my/news/nation/2020/01/27/coronavirus-travel-ban-malaysia-stops-visas-for-chinese-travellers-from-affected-areas

L1GHT. (2020). Rising Levels of Hate Speech & Online Toxicity During This Time of Crisis. Retrieved from https://l1ght.com/Toxicity_during_coronavirus_Report-L1ght.pdf

Laws of Malaysia Act 155 Immigration Act 1959/63. Retrieved from https://www.ilo.org/dyn/natlex/docs/ELECTRONIC/64031/99464/F1916438079/MYS64031.pdf

Laws of Malaysia Act 830 Temporary Measures For Government Financing (Coronavirus Disease 2019 (COVID-19)) ACT 2020. Retrieved from https://www.miea.com.my/sites/default/files/webmaster/Covid19%20Temporary%20Measure%20For%20Government%20Financing%20Act2020%20Act%20830_26Oct2020.pdf

Lee, H. (2020). Prihatin stimulus package does not reach women who are most at-risk. Women's Aid Organisation. Retrieved from https://wao.org.my/prihatin-stimulus-package-does-not-reach-women-who-are-most-at-risk/

Lee, S. (2020). Sabah student stays overnight in tree to get better internet connection for online university exams. The Star. Retrieved from https://www.thestar.com.my/news/nation/2020/06/16/sabah-uni-student-stays-overnight-in-tree-to-get-better-internet-connection-for-online-exams

Lembaga Hasil Dalam Negeri Malaysia. (2021). Geran Khas Prihatin. Retrieved from https://gkp.hasil.gov.my/

Lerch, D. (Ed.). (2017). The community resilience reader: Essential resources for an era of upheaval. Island Press.

Lian, S. J. (2020) Crises and Policy: COVID-19 Truly is Different. BNM Quarterly Bulletin.

Loh, F. F. (2020). COVID-19: Health Minister Urges Those at Mosque Gathering to Come in for Screening. The Star Online. Retrieved from https://www.thestar.com.my/news/nation/2020/03/12/covid-19-health-minister-urges-those-at-mosque-gathering-to-come-in-for-screening

Loh, W. S., Simler, K., Tan Wei, K., & Yi, S. (2019). Malaysia-Estimating the Number of Foreign Workers: A Report from the Labor Market Data for Monetary Policy Task (No. AUS0000681, pp. 1-62). The World Bank.
Macnamara, J. R. (2005). Media content analysis: Its uses, benefits and best practice methodology. Asia Pacific Public Relations Journal, 6(1), 1-34.

Malay Mail. (2019). Education Ministry: Revenue from international students expected to grow to RM15.6b. Retrived from https://www.malaymail.com/news/malaysia/2019/09/12/education-ministry-revenue-from-international-students-expected-to-grow-to/1789792

Malaysian Communications and Multimedia Commission. (2019). Internet Users Survey 2018: Statistical Brief Number Twenty-Three. Retrieved from https://www.mcmc.gov.my/skmmgovmy/media/General/pdf/Internet-Users-Survey-2018.pdf

Malaysiakini. (2018). Malaysiakini is Top News Portal, Reuters Study Shows. Retrieved from https://www.malaysiakini.com/news/431574

Masterson, J.H., Peacock, W.G., Van Zandt, S., Grover, H., Schwarz, L.F., & Cooper, J.T. (2014). Planning for community resilience: A handbook for reducing vulnerability to disasters. Washington: Island Press.

Media Prima. (2020). Corporate Responsibility - Community. Media Prima Berhad. Retrieved from https://www.mediaprima.com.my/?page_id=386

Media Prima. (2020). The Group - NSTP - Harian Metro (HM). Media Prima Berhad. Retrieved from https://www.mediaprima.com.my/?page_id=228

Ministry of Finance. (2021). 2021 Fiscal Outlook and Federal Government Revenue Estimates. Retrieved from http://belanjawan2021.treasury.gov.my/pdf/revenue/2021/fiscal-outlook-2021.pdf

Ministry of Health. (2020). COVID-19 Malaysia. Retrieved from https://covid-19.moh.gov.my/archive:2020

Ministry of Health. (2020). National Health and Morbidity Survey 2019. Retrieved from https://mpaeds.my/national-health-and-morbidity-survey-2019/

Ministry of Health. (2020). Situasi Terkini 06 Mei 2020. Retrieved from https://covid-19.moh.gov.my/terkini/052020/situasi-terkini-06-mei-2020

Mohamad, H.F. (2020). Lebih 10 juta terima Bantuan Prihatin Nasional. Berita Harian Online. Retrieved from https://www.bharian.com.my/berita/nasional/2020/07/713544/lebih-10-juta-terima-bantuan-prihatin-nasional

Mohamed Radhi, N.A. and Yusof, A. (2020). Half of those rejected for BPN were registered with SSM. New Straits Times. Retrieved from https://www.nst.com.my/news/nation/2020/05/591922/half-those-rejected-bpn-were-registered-ssm

Mohd Hanafiah, K., & Wan, C. D. (2020). Public Knowledge, Perception and Communication Behavior Surrounding COVID-19 In Malaysia. Advance. Preprint. https://doi.org/10.31124/advance.12102816.v1.

Mohd Nadzir, M.S., Ooi, M.C.G., Alhasa, K.M., Bakar, M.A.A., Mohtar, A.A.A., Nor, M.F.F.M., Latif, M.T., Hamid, H.H.A., Ali, S.H.M., Ariff, N.M., Anuar, J., Ahamad, F., Azhari, A., Hanif, N.M., Subhi, M.A., Othman, M. and Nor, M.Z.M. (2020). The Impact of Movement Control Order (MCO) during Pandemic COVID-19 on Local Air Quality in an Urban Area of Klang Valley, Malaysia. Aerosol Air Qual. Res. 20: 1237–1248. https://doi.org/10.4209/aaqr.2020.04.0163

Mohd Noor, H.H. (2020). TUDM patahkan cubaan masuk PATI Rohingya. Harian Metro Online. Retrieved from https://www.hmetro.com.my/mutakhir/2020/04/567502/tudm-patahkan-cubaan-masuk-pati-rohingya

Mortensen, D. T., & Pissarides, C. A. (1994). Job creation and job destruction in the theory of unemployment. The review of economic studies, 61(3), 397-415.

Narayanan, S., Lim, M.H., and Ong, W.L. (2009). Re-examining State Finance and Governance: The Challenge for Penang. Socio-Economic and Environmental Research Institute. Retrieved from https://penanginstitute.org/wp-content/uploads/jml/files/research_papers/Reexamining%20State%20Finances%20and%20Governance%202009.pdf

National Research Council, & Geographical Sciences Committee. (2011). Building community disaster resilience through private-public collaboration. National Academies Press.

Nawawi, M.H. (2020). Henti kempen benci pelarian. Harian Metro Online. Retrieved from https://www.hmetro.com.my/mutakhir/2020/04/571546/henti-kempen-benci-pelarian

New Malaysia Times. (2020). Mosques and surau provide aid to non-Muslims; as taught by the Prophet. Retrieved from https://newmalaysiatimes.com/?p=3164

New Straits Times. (2019). Unity in school: Work towards common goal of a united Malaysia, says ex-lecturer. Retrieved from https://www.nst.com.my/news/nation/2019/04/482094/unity-school-work-towards-common-goal-united-malaysia-says-ex-lecturer

NST Team. (2017). Najib soft diplomacy moves many to help the Rohingya. New Straits Times. Retrieved from https://www.nst.com.my/news/nation/2017/11/304030/najib-soft-diplomacy-moves-many-help-rohingya

Nur, A. (2020). JKM will distribute aid to the needy, not NGOs: Ismail Sabri. The Sun Daily. Retrieved from https://www.thesundaily.my/local/jkm-will-distribute-aid-to-the-needy-not-ngos-ismail-sabri-LI2192782

Organisation for Economic Co-operation and Development (OECD). (2017). Assessing the Contribution of Refugees to the Development of Their Host Countries. Retrieved from https://www.oecd.org/officialdocuments/publicdisplaydocumentpdf/?cote=DEV/DOC(2017)1&docLanguage=En

Pinker, S. (2018). The media exaggerates negative news. This distortion has consequences. The Guardian. Retrieved from https://www.theguardian.com/commentisfree/2018/feb/17/steven-pinker-media-negative-news

Rader, E. (n.d.). Effects of automated information selection and presentation in online information systems. BITlab, Michigan State University. Retrieved from https://bitlab.cas.msu.edu/curation/

Rahman, A.A., Jasmin, A.F., and Schmillen, A. (2020). The Vulnerability of Jobs to COVID-19: The Case of Malaysia. ISEAS Economics Working Paper. ISEAS Yusof Ishak Institute. Retrieved from https://www.iseas.edu.sg/wp-content/uploads/2020/10/ISEAS_EWP_2020-09_Amanina_Alyssa_Schmillen.pdf

Reuters. (2020). Malaysia can't take any more Rohingya refugees, PM says. Focus Malaysia. Retrieved from https://focusmalaysia.my/malaysia-cant-take-any-more-rohingya-refugees-pm-says/

Rohman, M.A.P. (2020). Pertimbang beri BPN kepada pemilik syarikat berdaftar SSM. Berita Harian Online. Retrieved from https://www.bharian.com.my/berita/nasional/2020/05/687345/pertimbang-beri-bpn-kepada-pemilik-syarikat-berdaftar-ssm

Roslan, S. (2020). Covid-19: 'Jangan Risau, Kami Tak Lari'. Harian Metro Online. Retrieved from https://www.hmetro.com.my/utama/2020/03/553867/covid-19-jangan-risau-kami-tak-lari

Roslan, S. (2020). Covid-19: Semua aktiviti di masjid, surau ditangguhkan. Harian Metro Online. Retrieved from https://www.hmetro.com.my/utama/2020/03/555161/covid-19-semua-aktiviti-di-masjid-surau-ditangguhkan

Roslan, S. (2020). Jemaah tabligh dikasihi, pergilah jalani pemeriksaan - Zulkifli. Harian Metro Online. Retrieved from https://www.hmetro.com.my/mutakhir/2020/03/554159/jemaah-tabligh-dikasihi-pergilah-jalani-pemeriksaan-zulkifli

Roslan, S. (2020). Masjid Seri Petaling Bukan Punca Penularan Covid-19. Harian Metro Online. Retrieved from https://www.hmetro.com.my/utama/2020/03/553927/masjid-seri-petaling-bukan-punca-penularan-covid-19

RTM. (2020, June 7). COVID-19 : Sidang Media (Non Health) 7 Jun 2020 [Video file]. Retrieved from https://www.rtm.gov.my/index.php/terkini/pengumuman/4638-covid-19-sidang-media-non-health-7-jun-2020

Ruzki, R.M. (2020). 41 kes baharu Covid-19 ada kaitan dengan perhimpunan tabligh. Harian Metro Online. Retrieved from https://www.hmetro.com.my/mutakhir/2020/03/554584/41-kes-baharu-covid-19-ada-kaitan-dengan-perhimpunan-tabligh

Saransomrurtai, C. and Reinhart, R.J. (2020). Pandemic Highlights Gaps in Trust in Southeast Asia. Gallup. Retrieved from https://news.gallup.com/opinion/gallup/307985/pandemic-highlights-gaps-trust-southeast-asia.aspx

Settlement Services International. (n.d.) Refugee FAQs What is the difference between a refugee and a migrant? Retrieved from https://www.ssi.org.au/faqs/refugee-faqs/148-what-is-the-difference-between-a-refugee-and-a-migrant

Shamira, H. (2017). PM Najib has shifted global opinion on Rohingya. New Straits Times. Retrieved from https://www.nst.com.my/news/nation/2017/11/307611/pm-najib-has-shifted-global-opinion-rohingya

Shankar, A. C. (2020). VMY2020 Target of 30 Million Tourist Arrivals Maintained Despite Coronavirus Outbreak. The Edge Markets. Retrieved from https://www.theedgemarkets.com/article/vmy2020-target-30-million-tourist-arrivals-maintained-despite-coronavirus-outbreak

Sharep, K. (2018). Perkembangan Jamaah Tabligh Di Malaysia, 1970–1990-An. Kemanusiaan The Asian Journal of Humanities 25 (1): 116 - 127.

Singh, S. (2020). Tok Mat: We had no choice but to turn away boat of Rohingya refugees. The Star Online. Retrieved from https://www.thestar.com.my/news/nation/2020/04/19/tok-mat-we-had-no-choice-but-to-turn-away-boat-of-rohingya-refugees

Sky News. (2020). China 'willfully inflicted coronavirus upon the world'. Retrieved from https://www.skynews.com.au/australia-news/china-willfully-inflicted-coronavirus-upon-the-world/video/1b497c699d8d0ddc472509dc3d5eb6ab

Soo, W.J. (2020). Told not to hire migrant workers, market traders in KL struggle to handle business on their own. Malay Mail. Retrieved from https://www.malaymail.com/news/malaysia/2020/05/18/told-not-to-hire-migrant-workers-market-traders-in-kl-struggle-to-handle-bu/1867099

Suhaimi, N. F., Jalaludin, J., & Latif, M. T. (2020). Demystifying a possible relationship between COVID-19, air quality and meteorological factors: evidence from Kuala Lumpur, Malaysia. Aerosol and Air Quality Research, 20(7), 1520-1529.

Suhaini, N.A. (2020). 13 etnik Rohingya di Kulai positif Covid-19. Harian Metro Online. Retrieved from https://www.hmetro.com.my/mutakhir/2020/04/569422/13-etnik-rohingya-di-kulai-positif-covid-19

Sukumaran, T. (2015). The Star still M'sia's preferred. The Star Online. Retrieved from https://www.thestar.com.my/news/nation/2015/03/28/the-star-still-msias-preferred-english-daily-readership-increased-by-74-says-survey/

Sukumaran, T. (2019). Mahathir blasts Myanmar and United Nations over Rohingya 'genocide'. South China Morning Post. Retrieved from https://www.scmp.com/news/asia/southeast-asia/article/3030350/mahathir-blasts-myanmar-and-united-nations-over-rohingya

Tan, M.Z. (2020). Gardenia invites locals to apply for jobs after Malaysians threaten boycott for hiring Rohingya refugees. Malay Mail Online. Retrieved from https://www.malaymail.com/news/life/2020/07/21/gardenia-invites-locals-to-apply-for-jobs-after-malaysians-threaten-boycott/1886570

Tan, V. (2020). How will Malaysia's environment fare after the lifting of COVID-19 restrictions? Channel News Asia. Retrieved from https://www.channelnewsasia.com/asia/malaysia-environment-post-movement-control-order-budget-deficit-936516

Tham, J.V. (2018). KLIA2 Security Guard Told Chinese Tourists To "Balik China" Because They Couldn't Speak BM. SAYS. Retrieved from https://says.com/my/news/a-klia2-security-guard-told-chinese-tourists-to-go-home-because-they-couldn-t-speak-bm

Tham, J.V. and Omar, N. (2020). Like a Virus: How Racial Hate Speech Looks Like in Malaysia During the Covid-19 Pandemic. The Centre. Retrieved from https://www.centre.my/post/how-covid-19-influencing-racial-hate-speech-malaysia

The Economist. (2020). Beset at its birth: Malaysia's new government may be even more unstable than old one. Retrieved from https://www.economist.com/asia/2020/03/05/malaysias-new-government-may-be-even-more-unstable-than-old-one

The Malaysian Reserve. (2020). Only 7% gig economy workers are registered with Socso. Retrieved from https://themalaysianreserve.com/2020/07/09/only-7-gig-economy-workers-are-registered-with-socso/

The Malaysian Reserve. (2021). Food delivery services: From off job to the most in demand. Retrieved from https://themalaysianreserve.com/2021/01/01/food-delivery-services-from-odd-job-to-the-most-in-demand/

The Star Online. (2020). Wuhan coronavirus: No plans to stop Chinese tourists for now, says Dr M. Retrieved from https://www.thestar.com.my/news/nation/2020/01/25/wuhan-coronavirus-no-plans-to-stop-chinese-tourists-for-now-says-dr-m

The Star. (2020). Emotional Covid-19 survivors' surprise video goes viral. Retrieved from https://www.thestar.com.my/news/nation/2020/08/21/merdeka-video-goes-viral

The Star. (2020). Fishermen badly affected by MCO, says association. Retrieved from https://www.thestar.com.my/news/nation/2020/03/28/fishermen-badly-affected-by-mco-says-fishermen-association

The Star. (2020). People limit at private gatherings still on. Retrieved from https://www.thestar.com.my/news/nation/2020/06/14/people-limit-at-private-gatherings-still-on

The Straits Times. (2020). Malaysia's PM Muhyiddin admits Sabah state polls in Sept caused current Covid-19 wave. Retrived from https://www.straitstimes.com/asia/se-asia/malaysias-pm-muhyiddin-admits-sabah-state-polls-in-sept-caused-current-covid-19-wave

Think City. (2020). Clear Skies as Nitrogen Dioxide Levels Decrease Due to MCO. Retrieved from https://thinkcity.com.my/pressroom/clear-skies-as-nitrogen-dioxide-levels-decrease-due-to-mco/

Thomas, J. (2020). Mosques only for Malaysians for now, says Ismail Sabri. Free Malaysia Today. Retrieved from https://www.freemalaysiatoday.com/category/nation/2020/06/07/mosques-only-for-malaysians-for-now-says-ismail-sabri/

Toh, T. (2020). How a Malaysian author and a group of volunteers created the #kitajagakita initiative. The Star Online. Retrieved from https://www.thestar.com.my/lifestyle/culture/2020/04/03/how-a-malaysian-author-and-a-group-of-volunteers-created-the-kitajagakita-initiative

UNDP and UNCDF. (2020). Focus Group discussion with residents in Moyog and Pagalungan. Malaysia.

UNESCO Bangkok. (2020). 'Fake news' in the time of COVID-19. Retrieved from https://bangkok.unesco.org/content/press-provides-antidote-fake-news-time-covid-19

UNHCR. (2016). UNHCR viewpoint: 'Refugee' or 'migrant' – Which is right? Retrieved from https://www.unhcr.org/news/latest/2016/7/55df0e556/unhcr-viewpoint-refugee-migrant-right.html

United Nations Development Programme. (2020). Pilot Study of Citizen Journey Approach (CJA) in Government Service Delivery. Manuscript submitted for publication.

United Nations Development Programme. (2020). Strengthening social cohesion: Conceptual framing and programming implications. Retrieved from https://www.undp.org/publications/strengthening-social-cohesion-conceptual-framing-and-programming-implications

United Nations. (1948). Universal Declaration of Human Rights. Retrieved from https://www.un.org/en/about-us/universal-declaration-of-human-rights

Van Dijk, J. A. (2017). Digital divide: Impact of access. The international encyclopedia of media effects, 1-11.

Walters, J. (2020). Robert Mueller breaks his silence and condemns Trump for commuting Roger Stone's sentence. The Guardian. Retrieved from https://www.theguardian.com/us-news/2020/jul/12/robert-mueller-breaks-his-silence-and-condemns-trump-for-commuting-roger-stones-sentence

Yassin, M. (2020). Perutusan Khas Perdana Menteri (10 April 2020). Retrieved from https://www.pmo.gov.my/2020/04/perutusan-khas-perdana-menteri-10-april-2020/

Yassin, M. (2020). Perutusan Khas YAB Perdana Menteri (25 Mac 2020). Retrieved from https://www.pmo.gov.my/ms/2020/03/perutusan-khas-yab-perdana-menteri-25-mac-2020-2/

Yassin, M. (2020). Prihatin Rakyat Economic Stimulus Package (PRIHATIN). Retrieved from https://pre2020.treasury.gov.my/index_en.html

Yassin, Muhyiddin. (2020). Pelaksanaan Perintah Kawalan Pergerakan Pemulihan (PKPP). Retrieved from https://www.pmo.gov.my/2020/06/teks-ucapan-pelaksanaan-perintah-kawalan-pergerakan-pemulihan-pkpp/

Yeoh, S. H., Tam, C. L., Wong, C. P., & Bonn, G. (2017). Examining depressive symptoms and their predictors in Malaysia: Stress, locus of control, and occupation. Frontiers in psychology, 8, 1411.

Zolli, A. (2013). The Verbs of Resilience. Andrewzolli.com. October.

Annex A: RaHIS Questionnaire

A. Basic Demographic information about the household

*1. What is the gender of the current main respondent?
☐ Male   ☐ Female

*2. Place of Birth
☐ Malaysia ☐ Not Malaysia   ☐ If not Malaysia, please state which country: _____

*3. Location:
Current State of Household Interviewed _____

4. Location: Current City/Village of Household Interviewed (Optional)
City/Town: _____   Village (optional) : _____
Postcode: _____

5. Number of current (main and temporary) household members who are male. (Household members defined as all the people who are currently staying in the same house; whether related or not)
Number of boys 0-5 years old: _____   Number of boys 6-17 years old: _____
Number of men 18-60 years old: _____   Number of men 60 + years: _____

6. Number of current (main and temporary) household members who are female. (Household members defined as all the people who are currently staying in the same house; whether related or not).
Number of girls 0-5 years old: _____   Number of girls 6-17 years old: _____
Number of women 18-60 years old: _____   Number of women 60 + years: _____

B. Impact on specific groups of people

7. During COVID-19 lockdown (18 March - 14 April 2020), is it harder for the following individuals in your household to receive normal medical or social support that they usually enjoy before the COVID-19 outbreak?

	Yes, harder	No difference	No, easier	Not relevant
People with physical disability	☐	☐	☐	☐
Intellectual Impairment	☐	☐	☐	☐
Mental ill-health	☐	☐	☐	☐

Describe how it is harder and how are you coping with it: _____

8. During COVID-19 lockdown (18 March - 14 April 2020), is it harder for women in your household, who are pregnant or have recently given birth to go for their regular checkups?

	Yes, harder	No difference	No, easier	Not relevant
Pregnant	☐	☐	☐	☐
Recently given birth	☐	☐	☐	☐

Describe how it is harder and how are you coping with it: _____

9. During this COVID-19 lockdown period, is it harder for the chronically ill or elderly in your household in getting medication or receiving treatments?

	Yes, harder	No difference	No, easier	Not relevant
Chronically ill	☐	☐	☐	☐
Elderly	☐	☐	☐	☐

Describe how it is harder and how are you coping with it: _____

10. Does any member of the household engage in any of the following behaviours during COVID-19 lockdown (18 March - 14 April 2020), which has not been observed before? Tick only the relevant ones.
- ☐ Increased use of tobacco and tobacco products
- ☐ Excessive drinking of alcohol
- ☐ Physically aggressive behaviour against other household member
- ☐ Rising tensions within families
- ☐ Increase of depression/withdrawal symptoms
- ☐ Increased levels of psychological distress among children in the household
- ☐ None of the above
- ☐ Other (please specify)

11. Are children in your household able to study at home?
☐ Never   ☐ Some days   ☐ Most days   ☐ Everyday   ☐ Not relevant

12. Did your household receive any type of income assistance before COVID-19 outbreak? You may tick more than 1.
☐ Bantuan Sara Hidup   ☐ No assistance received   ☐ Welfare Department
☐ Not relevant   ☐ Zakat or charity   ☐ Other (please specify)

C. Impact on household income and employment

13. How many people in your household are income earners before COVID-19 outbreak?
☐ 0   ☐ 1   ☐ 2   ☐ 3   ☐ more than 3

14. What's your household's average monthly income in the past 6 months before COVID-19 outbreak?
☐ Less than RM1,000   ☐ RM1,000 - RM1,500   ☐ RM1,501 - RM2,000
☐ RM2,000 - RM3,000   ☐ RM3,001 - RM5,000   ☐ more than RM5,000

15. How do you perceive the impact of COVID-19 on your family's income?

	No impact	Reduced up to 20 percent	Reduced between 21-50 percent	Reduced by more than 50 percent
COVID-19 Before lockdown	☐	☐	☐	☐
COVID 19 lockdown (18 March – 14 April 2020)	☐	☐	☐	☐

16. Does your household have enough supply of foods and other necessities for next week's use?

☐ Yes   ☐ No   ☐ Not sure

17. If no, will you be able to buy them at the shop/market?

	Yes	No	Not Sure
COVID-19 Before lockdown	☐	☐	☐
COVID 19 lockdown	☐	☐	☐

Describe the reasons further? (eg.no supply of goods; no cash to buy; can't get to shops due to MCO): _____

18. Do you have difficulty to meet your monthly repayments of loans/mortgage/rent/fees?

	Yes	No	Not Sure
COVID-19 Before lockdown	☐	☐	☐
COVID 19 lockdown	☐	☐	☐

19. In your opinion, when will your households' living standards recover to the same level as that before COVID-19?

☐ Already the same   ☐ Within half a year   ☐ Within one year

☐ More than 1 year   Hard to recover to former level   Not sure ☐

20. The next section is on salaried workers (before COVID-19 and during COVID-19). Salaried worker is a worker who is paid a fixed amount of money or compensation either monthly or weekly by an employer (government or private company). Is this section of questions relevant to you and your household?

☐ Yes   ☐ No

D. Salaried Workers

21. How many people in your household including yourself can be categorised as salaried worker (including working either for the government or private companies) currently or before COVID-19 outbreak?

☐ 0   ☐ 1   ☐ 2   ☐ 3   ☐ More than 3

22. Which industry did/does your company belong to? Include all relevant industry for all relevant household members.

☐ Agriculture   ☐ Tourism   ☐ Small retail

☐ Service Industry   ☐ Financial sector   ☐ Manufacturing Industry

☐ Construction   ☐ Government   ☐ Artisan

☐ Other

23. What is the size of the company that you or your household work or worked for?

☐ Micro (1-10)   ☐ Small (10-100)

☐ Medium (100-300)   ☐ Large (>300) or Government

24. Is there anyone including yourself in your household who lost their jobs or asked to go on half/unpaid leave during this COVID-19 lockdown period?

	Yes	No	Not Sure
Lost their jobs	☐	☐	☐
Go on half/Unpaid leave	☐	☐	☐

25. If yes, please indicate number as below

No. of males who lost their job: _____   No. of males on unpaid leave: _____

No. of females of lost their job: _____   No. of females on unpaid leave: _____

26. If retrenched during this time, are you eligible to claim unemployment insurance?

☐ Yes   ☐ No   ☐ Not sure

27. What kind of support you think is MOST useful in looking for new jobs or income during this period?

☐ Get training for new skills

☐ Information about job vacancies and guide for applications

☐ Government issue favourable policies to support Small Medium Enterprises

☐ Government protect existing jobs (e.g. through employment subsidies or other means)

☐ Direct individual cash support

☐ Other (please specify)

28. The next section of questions is on self-employment (own business, work with family or friends or perform jobs/gigs). Is the section relevant to you and your household?

☐ Yes   ☐ No

E. Self-employed

29. How many people in your household are self-employed (own business, work with family or friends or perform jobs/gigs) currently or before COVID-19 outbreak?

☐ 0   ☐ 1   ☐ 2   ☐ 3   ☐ More than 3

30. From which industry does most of your income come from?

☐ Agriculture   ☐ Tourism   ☐ Small retail/food outlets

☐ Services   ☐ Construction   ☐ Artisan/Crafts

☐ Other (please specify)

31. Is there anyone (including yourself) in your household who lost or have their income reduced during COVID-19 lockdown period?

	Yes	No	Not Sure
Lost their income completely	☐	☐	☐
Reduced income	☐	☐	☐

32. If yes, indicate number:

No. of males who lost their income completely: _____

No. of males who have their income reduced: _____

No. of females who lost their income completely: _____

No. of females who have their income reduced: _____

33. What is the main reason for your reduction/loss of income during this period?
- ☐ Decline in orders/jobs/customers
- ☐ Difficulty in getting supplies
- ☐ Cost of goods/supplies have increased, hence profits are smaller
- ☐ Voluntarily stopped/reduced work to avoid Covid infection
- ☐ Stopped/reduced work because of mobility restrictions
- ☐ Not relevant
- ☐ Other

34. How many weeks of MCO do you expect you or your household be able to tolerate before having to reduce food consumption?
- ☐ 1 week
- ☐ 2 weeks
- ☐ 3 - 4 weeks
- ☐ more than 4 weeks
- ☐ not sure

35. What kind of support you think is MOST useful during this period?
- ☐ Get training for new skills
- ☐ More information about job vacancies
- ☐ Government issue cash support for informal workers/SMEs
- ☐ Direct individual cash support
- ☐ Other (please specify)

36. The next section of questions is on smallholder farmers/ fishermen. Are these questions relevant to you and your household?
- ☐ Yes
- ☐ No

F. Small holder Farmers /Fishermen

37. What type of agricultural activities are your household involved in?
- ☐ Small scale farming
- ☐ Fisheries & Aquaculture
- ☐ Livestock
- ☐ Other (please specify)

38. How much has COVID-19 affected your productivity or sales during COVID-19 lockdown period (18 March - 14 April 2020)?
- ☐ Significantly negative
- ☐ Moderately positive
- ☐ Moderately negative
- ☐ Significantly positive
- ☐ No difference

39. Will your household continue to engage in agricultural activities during and after COVID-19 lockdown?

	Yes	No	Not Sure
COVID-19 During lockdown (18 March – 14 April 2020)	☐	☐	☐
After COVID-19 lockdown	☐	☐	☐

40. What kind of help do you think is useful during this period?
- ☐ Loan to stabilise cashflow
- ☐ More technological support
- ☐ Increased support for marketing to help clear perishable/unsold stock
- ☐ Increased support for storage for goods that can be sold at a later date.
- ☐ Government to provide temporary income support
- ☐ Other (please specify)

G. Current COVID-19 response

41. Did anyone provide any monetary or goods and supplies to your household during this COVID-19 lockdown period?
- ☐ Relative/friends
- ☐ Government
- ☐ Neighbours/Community (CSOs, FBOs)
- ☐ NGO /volunteers
- ☐ No One
- ☐ Not relevant
- ☐ Other (please specify)

42. Did anyone provide any mental/psychological support to your household during this COVID-19 lockdown period?
- ☐ Relative/friends
- ☐ Government
- ☐ Neighbours/Community (CSOs, FBOs)
- ☐ NGO /volunteers
- ☐ No One
- ☐ Not relevant
- ☐ Other (please specify)

43. How will you and your household cope, if income is reduced during this COVID-19 lockdown period?
- ☐ Drawing down on savings
- ☐ Borrowing money from friends/family
- ☐ Borrowing money from bank
- ☐ Borrowing money from informal lender
- ☐ Selling personal assets
- ☐ Reducing consumption of food
- ☐ Delaying rent or other payments
- ☐ None
- ☐ Not relevant
- ☐ Other (please specify)

44. In your opinion, who has been most helpful to your family in general during this COVID-19 lockdown period?
- ☐ Relative/friends
- ☐ Government
- ☐ Neighbours/Community (CSOs, FBOs)
- ☐ NGO /volunteers
- ☐ No One
- ☐ Not relevant
- ☐ Other

45. During the COVID-19 outbreak, do you think the people in your community are more united or less united than before?

	Much more united	Somewhat more united	Same as before	Less United	Not sure
COVID-19 Before lockdown	☐	☐	☐	☐	☐
COVID-19 lockdown (18 March – 14 April 2020)	☐	☐	☐	☐	☐

46. How much do you trust the Federal government's information regarding COVID-19?
   ☐ Completely trust   ☐ Somewhat trust   ☐ Do not trust

47. How much do you trust the information you received from the social media regarding COVID-19?
   ☐ Completely trust   ☐ Somewhat trust   ☐ Do not trust

48. How much do you trust the Federal government's effort to stop the spread of COVID-19 in the country?

	Completely trust	Somewhat trust	Do not trust
COVID-19 Before lockdown	☐	☐	☐
COVID-19 lockdown (18 March – 14 April 2020)	☐	☐	☐

49. Can you share one or more community-based best practices in helping you and your family cope with COVID-19? Skip question if none. _____

H. Impact of possible infection of COVID-19 on family

50. How many members in your household have gone for the COVID-19 screening test?
   No. of males: _____   No. of females: _____

51. How many of the household members have been confirmed to be infected with COVID-19?
   COVID-19 Before lockdown:_____   COVID-19 lockdown (18 March - 14 April 2020):_____

52. How did your family member/s suspect that they may be infected?
   ☐ Showing symptoms/illness   ☐ Had contact with a confirmed COVID-19 positive person
   ☐ Not relevant   ☐ Other (please specify)

53. Which health facilities did you go for testing test on the COVID-19 virus?
   ☐ Government hospitals   ☐ Private hospitals
   ☐ Home testing service   ☐ Not relevant

54. When you visited the clinic/hospital, did you feel you were given proper advice and medication for your symptoms?

☐ Yes   ☐ No   ☐ Not sure   ☐ Not relevant

55. How did you or your household member pay for testing if the test was not free?

☐ Out-of-pocket payment

☐ Private insurance Reimbursement from employer not relevant

56. Have you received cash assistance from the government stimulus package, Bantuan Prihatin Nasional?

☐ Yes   ☐ No

57. If no, is it because you are:

☐ Not aware about BPN (or Don't know about BPN)   ☐ Not qualified for BPN

☐ Don't know how to apply for BPN   ☐ Application was rejected

☐ Unable to register in the application portal due to technical issues

☐ Didn't apply because it wasn't necessary   ☐ Application pending approval

58. If yes (received BPN), how easy was it for you to retrieve or withdraw funds from BPN?

☐ Yes, easy because (Please specify): _____

☐ No, it was difficult because (Please specify): _____

☐ Others (please specify):

*59. If yes (received BPN), is the BPN adequate to meet your basic needs at this time?

☐ Yes, adequate   ☐ No, it was inadequate

☐ No, it was very inadequate   ☐ Not relevant

60. In your opinion, what could be the best way for your and family to access cash assistance from the government during crisis time? (pick one answer only)*

☐ Transfer to bank account   ☐ e-Wallet eg Boost, TNG, GrabPay

☐ Coupons voucher or code via sms   ☐ Prefer food-aid over cash-aid

☐ House-to-house outreach via community leaders

☐ House-to-house outreach via government's agency such as the Social Welfare Dept or KEMAS

☐ Others (please state)

Annex B: Surveys for Prihatin Cash transfer Analysis

Responses from the three surveys were analysed for this section, with each survey being further divided into subsets in analysis based on survey dissemination method or to analyse age demographics.

1. The RaHIS Prihatin Survey was a household survey targeting B40 groups. The eKasih subset which was obtained through a phone survey of households in the eKasih database, had good representation of B40 households across all thirteen states. There were no respondents from the Federal Territories as it was already well-represented in a previous iteration of the survey that was disseminated prior to the announcement of BPN. 58 percent of the households had annual incomes of less than RM 12,000, and a further 40 percent had annual incomes of less than RM 36,000. The IRDA subset was an online survey disseminated by the Iskandar Regional Development Authority in Johor and had substantial B40 and M40 representation.

2. The UNCDF Gig Worker Survey was disseminated through the FastJobs mobile platform or through Grab and Food Panda. Respondents in both subsets were overwhelmingly male, reflecting the demographic of gig workers on these platforms. The FastJobs subset tended to be younger (80 percent age 35 and below), with 95 percent earning less than RM 36,000 annually. About a third in this subset had formal full-time employment, with another third being unemployed; most respondents who identified primarily as gig workers were part-time rather than full-time gig workers. The Delivery subset (Grab and Food Panda) skewed older (60 percent age 36 and older) and had a higher income distribution than the FastJobs subset but were still predominantly low income (90 percent earning less than RM 36,000 annually).

3. The U-Report Survey was disseminated to existing users of the UNICEF U-Report system and was also disseminated by INTI International College Penang. Respondents skewed strongly female, especially in the 21-25 subset. Respondents from Selangor were over-represented in both the 18-20 and 21-25 subsets, while respondents from Penang were also over-represented in the 18-21 subset (due to the location of INTI). 40 percent of the 21-25 subset and 20 percent of the 18-21 subset had some form of employment.

Table A.1 Survey Gender Demographic

| Survey	Survey Subset	Gender
RaHIS Prihatin Survey	eKasih database	53.8 percent Female 46.2 percent Male
	IRDA online survey	52.0 percent Female 46.0 percent Male
UNCDF Gig Worker Survey	FastJobs	2.8 percent Female 96.2 percent Male 1.1 percent Prefer not to answer
	Delivery	8.3 percent Female 91.2 percent Male 0.5 percent Prefer not to answer
	Under-25 age group	12.9 percent Female 86.2 percent Male 0.9 percent Prefer not to answer
U-Report Youth Survey	18-20 age group	60.7 percent Female 39.3 percent Male
	21-25 age group	74.5 percent Female 24.8 percent Male 0.6 percent Other

Figure A.1 *RaHIS eKasih State Demographic*

Bar chart: Percentage of Survey Respondents

- Kedah — 100.0%
- 12.8%
- Negeri Sembilan — 10.2%
- 8.5%
- Terengganu — 8.4%
- 7.9%
- Malacca — 7.7%
- 7.7%
- Kelantan — 6.9%
- 6.8%
- Johor — 6.6%
- 6.2%
- Sarawak — 5.3%
- 5.0%
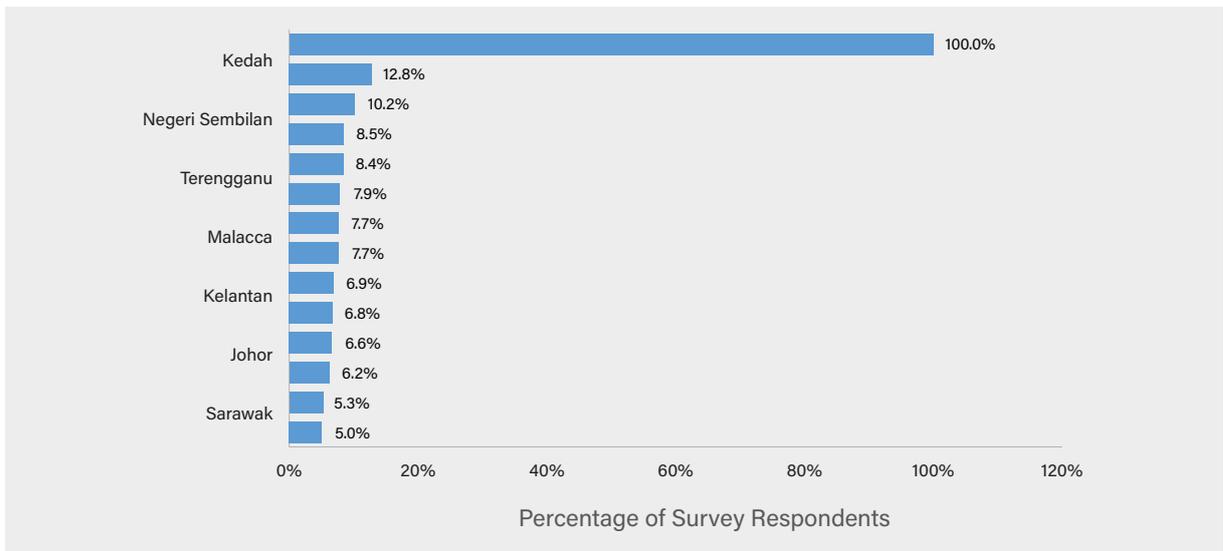
Figure A.2 *U-Report 21-25 State Demographic*

Bar chart: Percentage of Survey Respondents

- Selangor — 36.6%
- 9.9%
- Kuala Lumpur — 8.1%
- 6.8%
- Pulau Pinang — 5.6%
- 5.6%
- Sabah — 5.6%
- 5.0%
- Kelantan — 4.3%
- 3.7%
- Perak — 3.1%
- 1.9%
- Pahang — 1.9%
- 1.2%
- Labuan — 0.6%
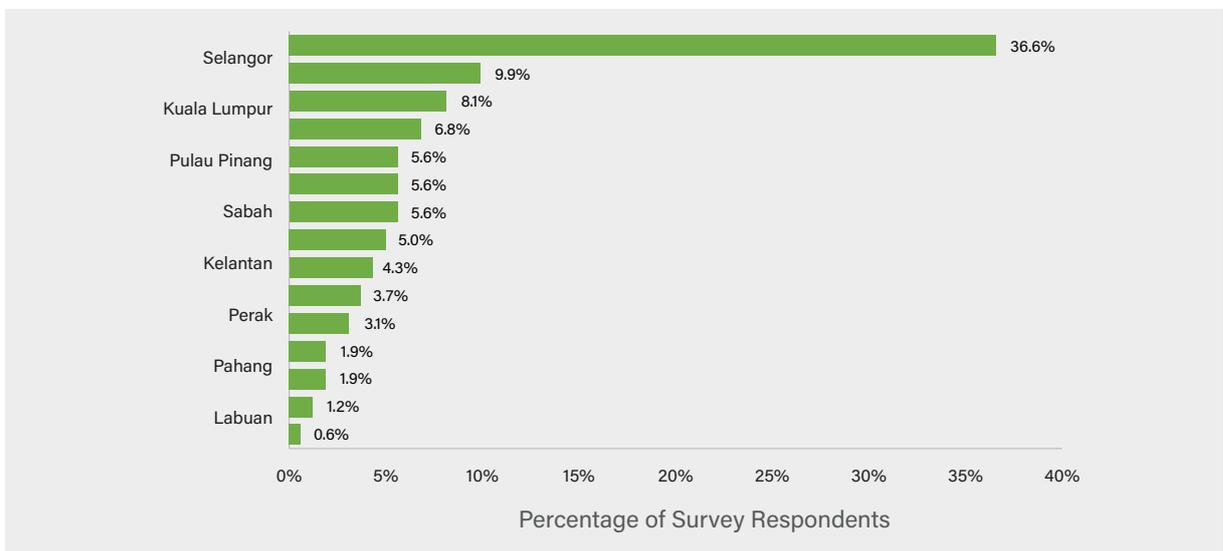
Figure A.3 *U-Report 18-20 State Demographic*

Bar chart: Percentage of Survey Respondents

- Pulau Pinang — 25.4%
- 19.5%
- Sarawak — 12.4%
- 7.7%
- Melaka — 5.3%
- 4.7%
- Kuala Lumpur — 4.1%
- 4.1%
- Perak — 4.1%
- 36%
- Kelantan — 3.6%
- 2.4%
- Putrajaya — 2.4%
- 0.6%
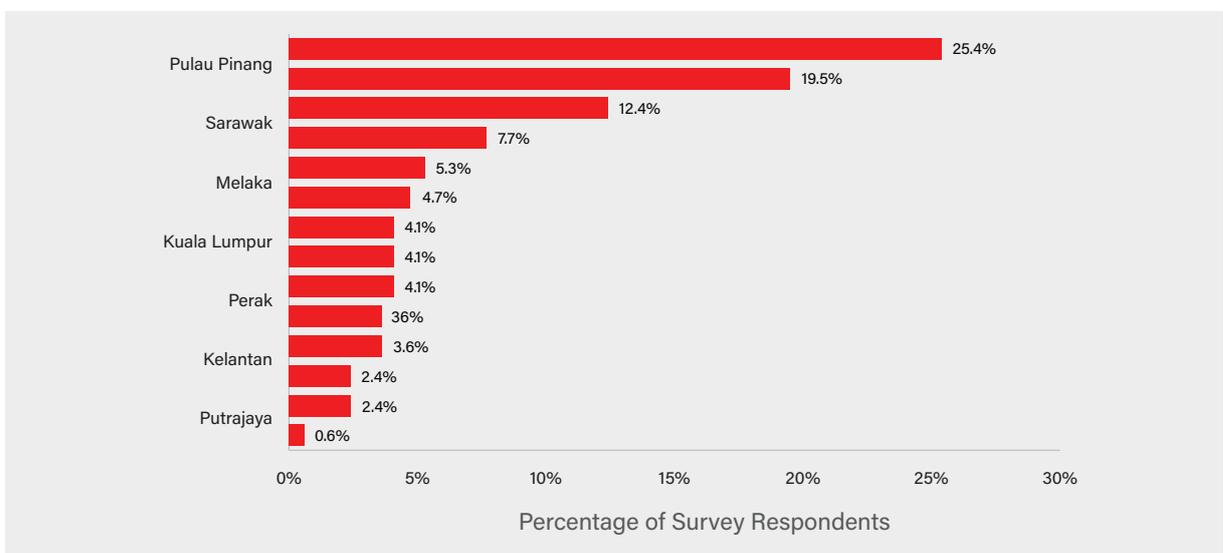
Figure A.4 UNCDF FJ Age Demographic
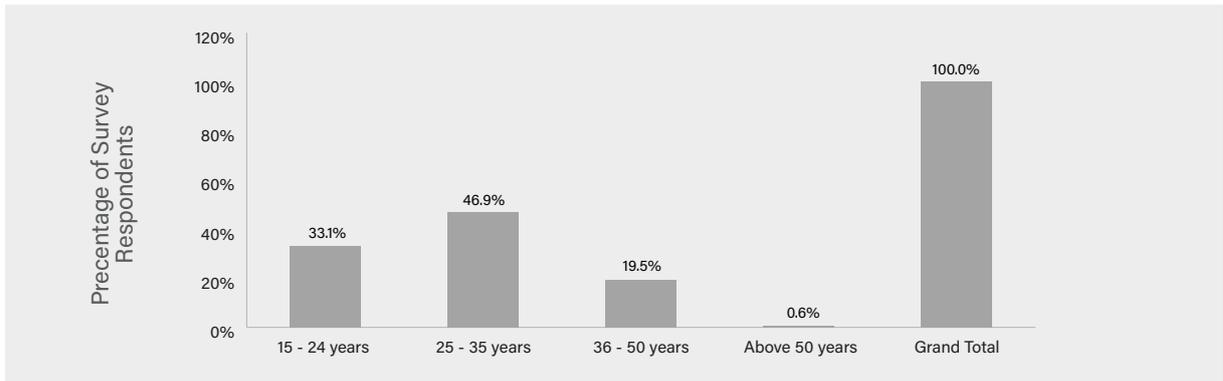
Figure A.5 UNCDF Delivery Age Demographic
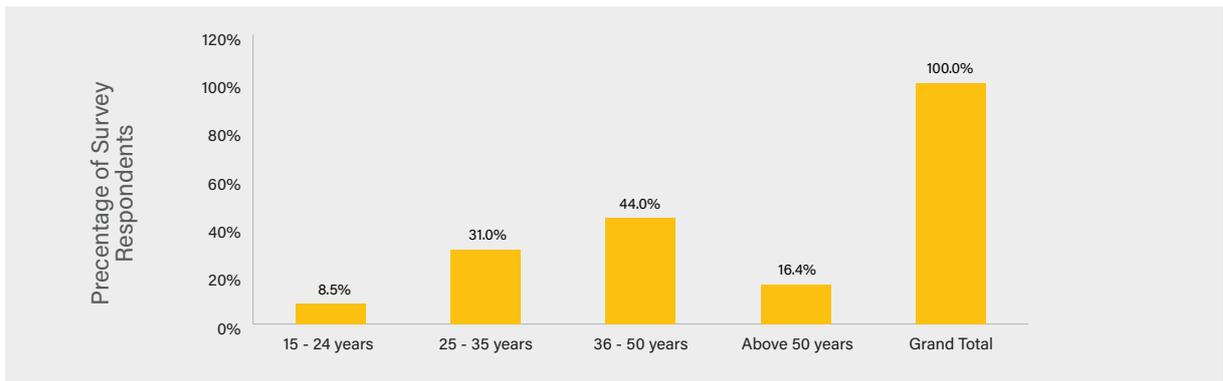
Figure A.6 RaHIS eKasih Income Demographic
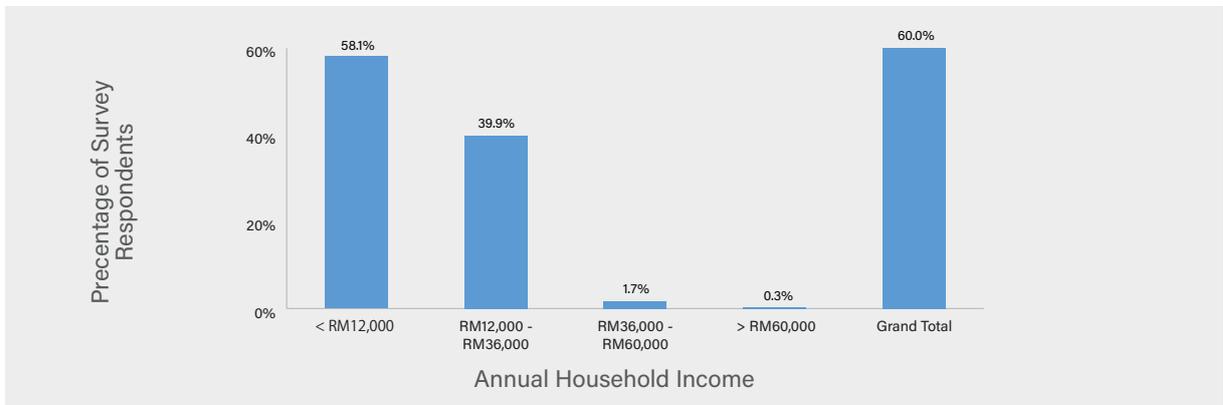
Figure A.7 RaHIS IRDA Income Demographic
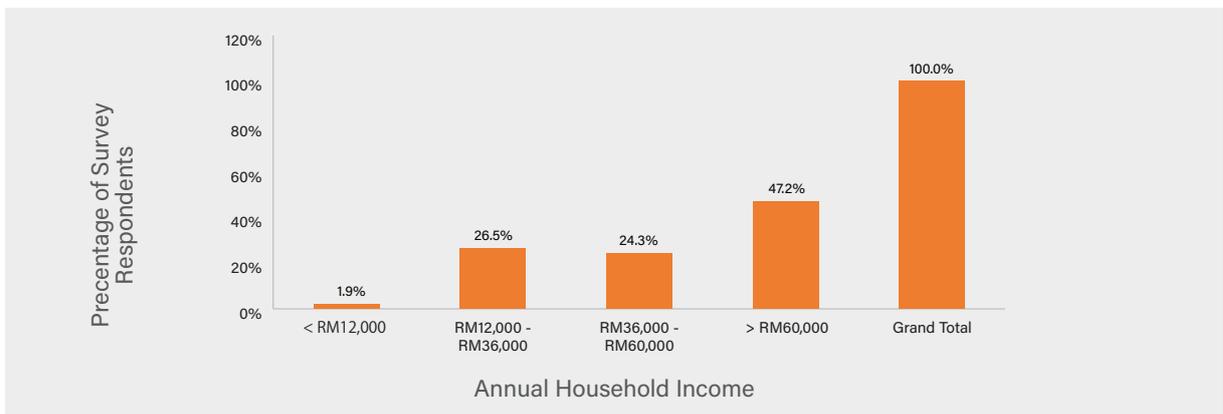
**Figure A.8** *UNCDF FJ Income Demographic*
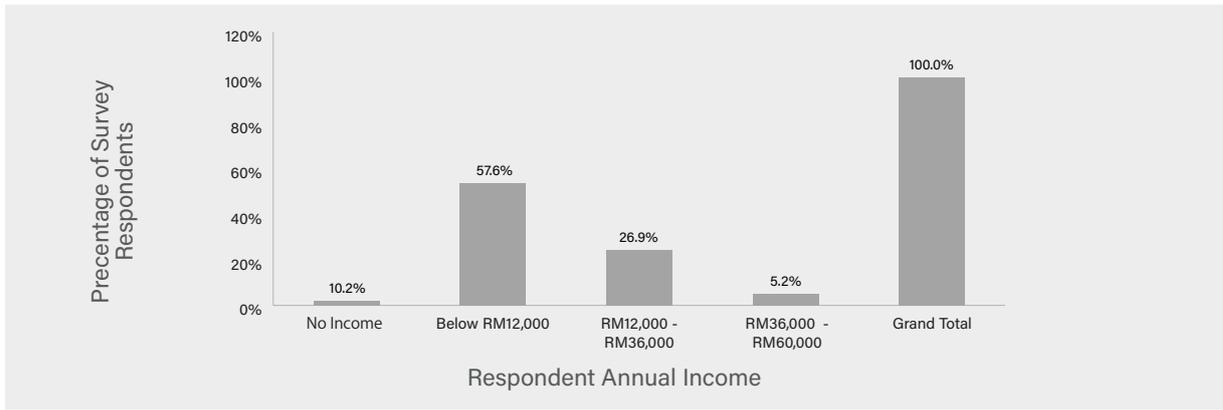
Figure A.9 *UNCDF Delivery Income Demographic*


**Figure A.10** *UNCDF <25 Income Demographic*
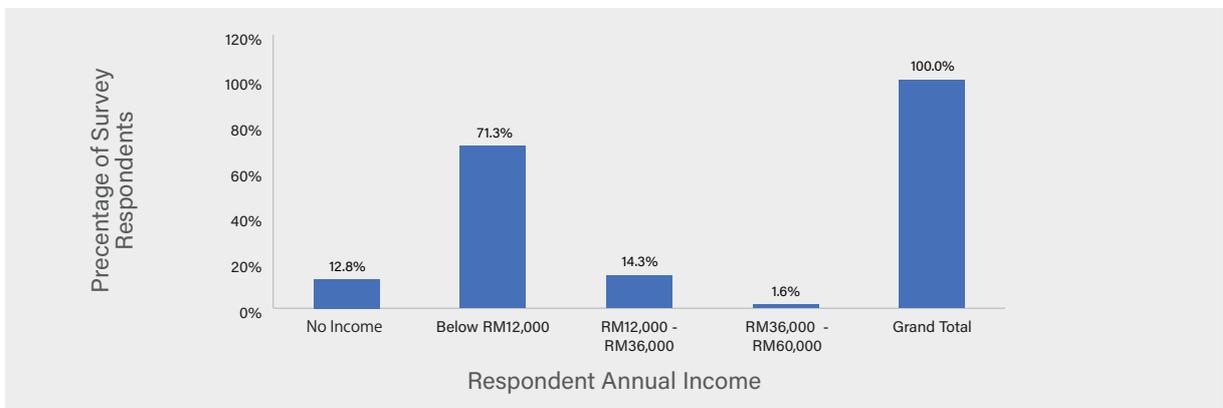
**Figure A.11** *U-Report 21-25 Income Demographic*

**Figure A.12** *U-Report 18-20 Income Demographic*
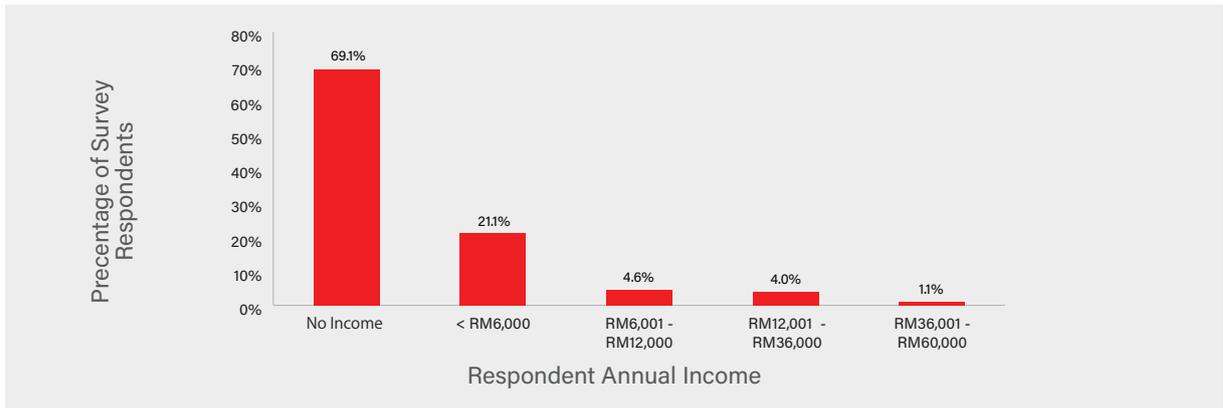
Figure A.13 *UNCDF FJ Employment Demographic*
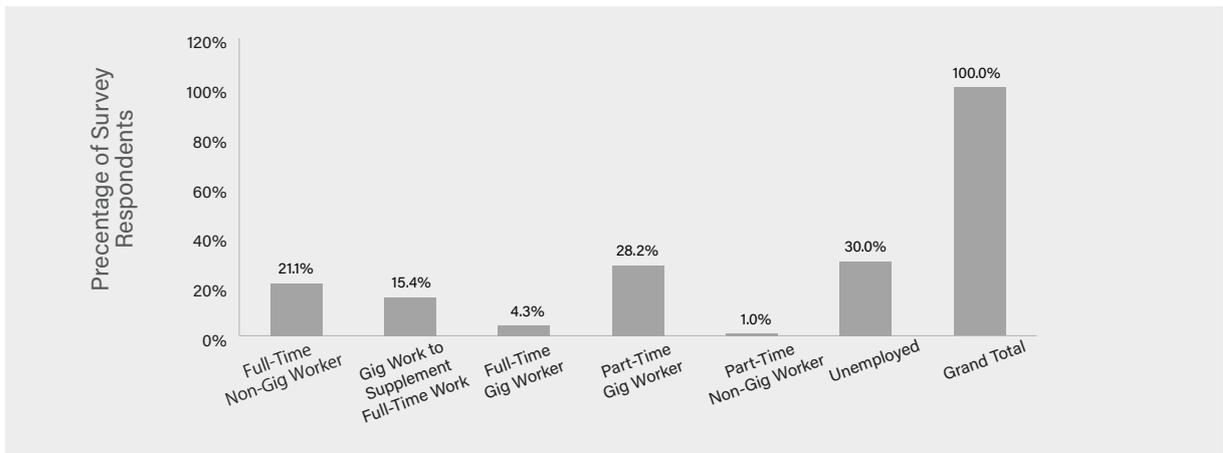
Annex C: Economic Stimulus Packages

Table 6: Economic Stimulus Packages Announced between March and September 2020

Theme	Key points
	PRIHATIN INCLUDING ESP & PRIHATIN SME+ (RM260 billion, February, March, April 2020)
Curbing the COVID-19 Outbreak	Purchase of medical equipment such as ventilators and ICU equipment, personal protective equipment (PPE) and lab equipment for COVID-19
	Purchase of equipment and services related to COVID-19 including obtaining medical expertise from private healthcare service
	Special fund to conduct more COVID-19 tests for insurance and takaful policy holders
	Deferment of family insurance and takaful premium or contribution payments for three months for affected individuals
	Increased special allowance for healthcare personnel from RM400 to RM600
	Special RM200 allowance for military, police, customs, immigration, civil defence, firefighters and RELA members involved in MCO
Bantuan Prihatin Nasional (BPN) Cash Assistance for Bottom 40 and Middle 40 Households	RM1,600 for households with monthly income of RM4,000 and below RM1,000 for households with monthly income of between RM4,000 and RM8,000 RM800 for single individuals aged 21 years old and above with monthly income of RM2,000 and below RM500 for single individuals aged 21 years old and above with monthly income of between RM2,000 and RM4,000 per month
	Disbursement of Bantuan Sara Hidup (BSH) balance in July 2020 (not COVID-19 specific)
Assistance to Students	One-off RM200 cash assistance per tertiary education student
Food Assistance to Vulnerable Groups	Elderly in shelters; children in shelters; disabled in aid centres; homeless people; and Orang Asli
Skills Development Fund Corp	Deferred loan repayment under Skills Development Fund Corporation (PTPK) for six months to 174,500 borrowers
mySalam	Benefit of RM50 per day (maximum of 14 days) to individuals from Bottom 40 percent households quarantined as patients under investigation (PUI)
Private Retirement Scheme (PRS)	Allowing early withdrawal of up to RM1,500 from Private Retirement Scheme Account B without tax penalty from April to December 2020
Exemptions on Housing and Business Premise Rentals	Extended exemption of PPR rental to six months for 3,636 PPR houses under KPKT Deferment of six months rental for 4,649 units of rent to own houses (RTO) under KPKT Exemption of six months rental for 40,000 public housing tenants under DBKL Exemption of six months rental on all federal government-owned premises such as school canteens, nurseries, cafeterias, convenience stores and others

Electricity Bill Discounts	For household customers in Peninsular Malaysia, tiered discounts for electricity consumption – 1 April 2020 until 30 September 2020
Telecoms Services Incentives	Free internet to all customers throughout the MCO period beginning 1 April 2020
	Increase network coverage and capacity to maintain telecommunication network availability and quality
Assistance to Civil Servants and Pensioners	RM500 one-off cash assistance to non-executive civil service (grades 56 and below) including those working on contract basis
	RM500 one-off cash assistance to pensioners
Food Security	Assistance on input for agriculture, livestock and fisheries to encourage domestic production Infrastructure facilities for food storage and distribution as well as crop integration programme Special funds between RM100,000 and RM200,000 to each viable Farmers' and Fishers' Associations (*Pertubuhan Peladang Kawasan (PPK) and Pertubuhan Nelayan Kawasan (PNK)*)
Wage Subsidy	Wage Subsidy Programme of RM600 per month for three months to workers earning less than RM4,000 to prevent them from being terminated
Cash Assistance for E-Hailing Drivers	One-off cash assistance of RM500 to full-time e-hailing drivers
Government Service Contractors	Payment for contractors' workers in government contracts such as cleaning & food supply in schools, IPTAs, public training institutions & other agencies. Extension of contract period by one month compensating for the MCO period
Funds to Assist SMEs	Special Relief Fund (SRF) for SMEs with reduced interest rate from 3.75 percent to 3.5 percent
	Additional funds for the All-Economic Sector Facility to a total of RM6.8 billion
	Micro credit scheme with interest rate of 2 percent without collateral
	Credit Guarantee Corporation (CGC) BizMula-i and BizWanita-i schemes with funding up to RM300,000 per SME with business records of less than four years
	Guaranteed facility of RM5 billion and increased guarantee coverage from 70 percent to 80 percent by *Syarikat Jaminan Pembiayaan Perniagaan* (SJPP) (Business Financing Guarantee Corporation)
Assisting Business Cashflow	Employer Advisory Services (EAS) programme by EPF including payment deferment, restructuring, and rescheduling of employer contributions options
	Exemption of Human Resources Development Fund (HRDF) levy for all sectors for a period of six months
	Deferment of monthly income tax deduction for all SMEs for three months
	Six months' deferment or loan repayment moratorium, conversion of credit card balance to term loan and restructuring of corporate loans moratorium on loans from TEKUN, MARA and cooperatives and other government agencies providing loans to SMEs

Social Financial Programme	Initial capital for micro entrepreneurs through zakat and matched with micro financing at affordable rates
Guarantee Facility Scheme for Corporates	Provision of guarantee facility of up to 80 percent of the loan amount to finance working capital with a minimum loan size of RM20 million per business
Focus on Domestic Investment Activity	Identification of small projects such as repair of roads, upgrading dilapidated schools in Sabah and Sarawak, cleaning places of worship and police stations as well as improving tourism facilities which will benefit G1-G4 class contractors
	Continuation of all projects under the 2020 Budget including the ECRL, MRT2 and the National Fiber Optic and Connectivity Plan
Ensuring Sustainability of Fiscal and Debt Position	Direct fiscal injection to ease the burden of citizens and businesses in this difficult economic situation (RM25b)
	Two-month salary of the Prime Minister, Cabinet Members & Deputy Ministers will be deducted & channelled to COVID-19 Fund
	Ministries to review budgets to look for savings for use to meet the medium-term measures to curb the outbreak
	PENJANA PACKAGE (RM 35 billion, May 2020)
Empowering People	Wage subsidy – extension for three months for wage subsidy – extension for three months for businesses that are not allowed to operate: incentive for hiring jobless; 40 years and below (RM800 million); 40 years old and above and OKU (RM1000 million) for six months Upskilling of jobless through short courses subsidy RM600 RM50 million matching grant for gig economy platform RM25 million to MDEC global online workforce Work from home – RM5000 tax relief Tax rebate for parents for child-related expenses MY30 unlimited travel pass for public transport on PRASARANA from 15 June until end of 2020 RM300 one off payment to PWDs before Hari Raya AidilAdha Peak B40 get extra RM50 million for medical coverage Free internet 1GB from 8am to 6pm every day until end of year. Plus, free access to government COVID-19 websites

Propelling Businesses	Micro business transition to digital to get matching grant up to RM140 million by MDEC e-dagang
	Private businesses to run "Shop Malaysia Online" with RM70 million in matching grants from MDEC
	RM700 million to PKS for digital transformation
	RM2 Billion PENJANA loan scheme for PKS
	RM1 billion PENJANA loan scheme for tourism operators
	RM400 million for small businesses
	RM200 million for bumiputra businesses
	RM300 Million for MARA:
	Cash loan for contractors in class G2 G3
	Tax incentives for businesses spending on COVID-19-related expenses
	RM10 million for MAGIC Social Activist
	Tax Incentives:
	RM20k rebate for three years for new SME company establishment
	Stamp duty for merger is waived until 30 June 2021vation
	Investment Incentives:
	RM1.2 billion for digital transformation for domestic venture capital
	National Tech and Innovation Sandbox to develop new technology such as drone delivery
	Industry 4.0:
	Government to move to online counters through digitisation
	Campaign buy Malaysia
	Contactless payment: RM50 credit into e-wallets
	Home Ownership Campaign to be reintroduced: for property from RM300k to RM2.5mil; until 31 May 2021; waiver of RPGT until 31 Dec 2021 limited to three properties per individual
	Waiver of 100 percent sales tax for CKD cars; waiver of 50 percent sales tax for CBU cars
	0 percent tax for foreign factories to relocate to Malaysia
	Five years of 100 percent tax allowance for local factories
	Tourism:
	Tax delay for tourism business extended
	No tax on tourism from July 2020
	RM1k individual tax relief for travel
	RM225 million for culture and arts
	RM350 million for agriculture; 100 percent waiver export of palm oil until 31 Dec 2020
	(3) KITA PRIHATIN (RM 10bn; September 2020)
Wage Subsidy Programme 2.0	Three-month wage subsidy at RM600 per employee (max 200 employees)
	For businesses experiencing a drop in revenues of 30 percent on 2019
	Expected to reach 1.3 million people
Geran Khas PRIHATIN (GKP) Extension	Re-opening of grants to microenterprises scheme
	To reach 200,000 micro business, to ease cash flow and revenue reductions
Bantuan PRIHATIN Nasional (BPN)	Cash transfers (social assistance/ basic income guarantee) for B40 and M40 households
	Transfers of RM 300-1000 to 10.6 million households/ singles

This page has been intentionally left blank.