

SEA ACTIVITIES (2020)

- ✓ SEA President, Mr Yap Cheen Boon (right) and Sec Gen, Mr Fong Ming San attended the Gala Tahun Baru Cina 2020 hosted by YB Datuk Mohd Azis Bin Jamman (centre) on 10 February 2020.



- ✓ SEA President, Mr Yap Cheen Boon (3rd left) attended as a VIP Guest of the CNY2020 Dinner hosted by PUMM Sabah



- ✓ SEA President, Mr Yap Cheen Boon (right) and Sec Gen, Mr Fong Ming San participated in the Sesi Townhall Kementerian Sumber Manusia held on 13 February 2020 at TH Hotel, Kota Kinabalu.



- ✓ Sabah Employers Association, Sabah Banking Employees Union and Malaysian Trades Union Congress met with the new Director of JTK on 28 February 2020 to discuss formation of Sabah Labour Advisory Council.



- ✓ Sabah Employers Association in a letter dated 20 March 2020 submitted a letter to the Right Honourable Chief Minister of Sabah on the subject of "Proposed Solution to Crippling Liquidity Crunch" in light of COVID19.
- ✓ Sabah Employers Association on 22 March 2020 submitted "*Relief Measures Suggestions*" in relation to COVID19's impact to businesses and individuals, to the State Government Task Force Meeting through Ministry of Trade & Industry
- ✓ Sabah Employers Association (SEA), represented by its president, Mr Yap Cheen Boon attended a Human Resources Development Fund (HRDF)'s dialogue session on 6 March 2020 re: information of Penjana strategic initiative funds to upskill, reskill, place and train.

SEA raised the issues of information assymetry, inadequate levies, and mindsets of Sabahan businesses with many employing <10 employees hence beneath HRDF radar.

New HRDF Chief Executive Officer, Mr Shahul Dawood expressed interest to work together with SEA at state level, to see how to assist Sabah-based businesses. More engagement sessions will follow.

According to HRDF's latest statistics, there are 1,290 HRDF contributing businesses:-

KK 900
Sandakan 185
Tawau 149

Apparently, more engagements will be done between HRDF Sabah branch and local associations/businesses.

These are the 5 Panjana initiatives, with fund size of up to RM500 million. Mr Shahul suggested that in the coming weeks there will be more information sessions with local associations/businesses on these.

Mr Shahul had suggested that perhaps SEA can take the lead on formulating strategies unique to Sabah's situation. SEA agreed and will see how things transpire ahead.

13 July 2020 - SEA, represented by its president, Mr Yap Cheen Boon held an engagement session with Mr Mohd Kamarul, Senior Economist of Bank Negara Malaysia (BNM), Sabah. Issues discussed related to Current Economic Challenges facing Sabah and Bank Moratorium. SEA highlighted the following points:-

1. Sabah is slower than Peninsular States. Whilst West Malaysia is talking about revival and restructuring, Sabah is still on life-support, relief stage.
2. Sabah's relief stage is until 30 September 2020.
3. Sabah's revival stage is 1 October 2020 - 31 March 2021.
4. Sabah's restructure stage is 1 April 2021 onwards.
5. As such, we are talking about 6 months behind, taking into account tourism, natural resources upstream and downstream are still on life support
6. Sabah's commercial/industrial property market saw a 30% drop in prices, with household sectors 10-15% on average
7. Sabah has the highest unemployment rate, 10% drop in business numbers since 2018, likely recession in 2019, not to mention 2020 with pandemic
8. As such, it will be greatly detrimental to pull the plug off loan moratorium on 30 September. Instead it should be extended to 31 March 2021.
9. The light at the end of the tunnel for Peninsular Malaysia is 30 September. For Sabah, the tunnel is unfortunately much longer, and will see light for sure, but not until 31 March 2021.
10. SEA will prepare a more detailed Macro-Micro paper for BNM Sabah to help submit to HQ for evaluation.
11. Moving forward, BNM Sabah will have regular engagement sessions with SEA.

13 July 2020 - SEA, represented by its president, Mr Yap Cheen Boon had a preliminary dialogue with Ms Margaret Chin from MTUC Sabah Branch, and Banking Union, as part of proposed Sabah Labour Advisory Council's activities. Issues discussed were as follows :-

1. Economic challenges facing Sabah current & forward
2. Shared data on Poverty Line Index, Decent Living Wage, and Housing Expenditure Survey
3. Agreed that PLI is 'academic' in nature now, hence not to 'fan' the issue to raise unnecessary attention
4. Discussed HRDF collaboration, and even working together with Union on reskill, upskill training for workers
5. To jointly work together to identify worker strata, groups and relevant skills to be trained on according to the Industrial Skill Framework
6. Shared data on bank moratorium costs & benefits
7. Discussed financing alternatives for businesses if moratorium is stopped on 30 September, such as meeting up Sabah Commercial Banking Association and utilising financing platforms
8. Agreed that regular dialogues of this nature to be continued on monthly basis, and to gradually involve more parties from both sides

SEA submitted an appeal on Loan Moratorium Extension till March 2021 on 16 July 2020

SEA, represented by its president, Mr Yap Cheen Boon participated in the Sesi Libat urus kajian Impak Perintah Gaji Minimum 2018 held on 27 July 2020



 <p>Human Resources Development Fund (HRDF) AN AGENCY UNDER THE PURVIEW OF THE MINISTRY OF HUMAN RESOURCES</p> <p>HRDF ENGAGEMENT WITH SABAH EMPLOYERS ASSOCIATION (SEA)</p>	<p>HRDF Engagement with Sabah Employers Association (SEA) and other trade associations and chambers titled "<i>The Role of The Industry to Actively Upskill and Reskill Their Human Capital</i>" held on 5 August 2020 at Sabah International Convention Centre, Kota Kinabalu</p>
------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

SEA, represented by its president, Mr Yap Cheen Boon (left) and secretary general, Mr Fong Ming San (not in the photo) participated in the "Bengkel Impak Covid-19: Menangani Isu Pengangguran di Sabah" on 26 August 2020. The workshop was chaired by UPEN Sabah.



- ✓ **Membership Campaign:-** In an effort to recruit more members, SEA extended the entrance fee waiver of RM500.00 for new applicants for the year 2020 and reduce the membership fee from RM500 to RM300.00/year.

✓ SEA organised the following half-day relevant courses following the resultant adverse impact of Covid-19 on businesses and manpower:-

- "Termination - Within The Law" held on 14 September 2020 (Medium of Instruction - English)
- "Termination - Within The Law" held on 15 September 2020 (Medium of Instruction - Mandarin)



On 22 October 2020, SEA wrote to the Jawatankuasa Pengurusan Bencana Negeri Sabah to appeal on 10% Office Supervisory/Management Staff Ruling relating to the SOP to curb spread of Covid-19.

✓ SEA welcomed the following new members :-

- HL Best Forklift Sdn Bhd
- Impian Gahara Sdn Bhd
- Coffee Lab
- The Orange Channel Sdn Bhd
- Sapulut Forest Development Sdn Bhd
- Glory Cafe & 9-Fruits
- Syarikat Ta Kiong (Sabah) Sdn Bhd

- NWP Industries Sdn Bhd
- Gam Tong (Hong Kong Recipe) Holding Sdn Bhd
- Chanteek Borneo Sdn Bhd
- Hasilku Enterprise
- Fatt Choi Sdn Bhd
- Sustainable Resources Management sdn Bhd
- Kudat Resorts Sdn Bhd
- Fulline Trading Sdn Bhd

✓ Issued the following advisories for SEA members:-

- | | |
|---------------|------------------------------------------------------------------------------------------------------------|
| May 2019 | - Guideline on <i>Payment of Salary with CASH</i> |
| Dec 2019 | - Guideline on <i>Declaration of Tuesday, 24th December 2019 as an additional Public Holiday for Sabah</i> |
| January 2020 | - Guideline on <i>Minimum Wages Order 2020</i> |
| February 2020 | - Guide on <i>Cost Cutting during Economic Crisis</i> |
| February 2020 | - Guidelines on <i>Outbreak of COVID19</i> |
| March 2020 | - Guidelines on <i>Control of Movement Order</i> |
| March 2020 | - Guidelines on <i>Control of Movement Order (updated)</i> |
| August 2020 | - Advice on <i>Loan Moratorium Ending On 30 September 2020</i> |

✓ Other Initiatives:-

Sabah Labour Handbooks Edition 2 were published in January 2020 for distribution to members.

- ✓ SEA had, on 10 July 2020 written officially to Bank Negara Malaysia (BNM) for inclusion in BNM Sabah's Business Engagement Panel