

Citing high Covid-19 vaccination rates, MCRA pushes for full reopening as lifeline for retail sector

KUALA LUMPUR, Aug 12 — The government should consider reopening the retail industry for those who have been fully vaccinated against Covid-19, said the Malaysia Retail Chain Association (MRCA).

It said the reopening needed to take place immediately with a strict adherence to standard operating procedures (SOP), to ensure the survivability and sustainability of the sector.

“With the retail industry contributing 34.6 per cent of Malaysia’s GDP in 2018, we hope that the government will offer more legal and financial support to protect retail businesses from untimely closure. Due to the prolonged business closure, the previous financial support from the government is grossly insufficient to keep businesses afloat,” the MRCA said in a statement.

Although it welcomed the easing of restrictions under the National Recovery Plan as a result of the increased vaccination rate under the National Covid-19 Immunisation Programme, the association expressed concern over the continued segregation of essential and non-essential sectors as all businesses were interconnected.

“All retail sectors have already been irreversibly damaged and any further prolonged closure of the non- essentials sectors on Phase One and enhanced movement control order lockdowns will further hurt the entire supply chain.

“Many retailers are on the brink of collapse as they are unable to generate any revenue to cover escalating monthly obligations such as rentals, salaries and debts, with the prospect of being taken to court by creditors,” it said.

The MCRA added that most retailers are currently only relying on savings and loans after implementing maximum cost reduction internally, which it said would quickly be depleted without a steady revenue stream.

“Many are already suffering a deficit in terms of their cashflow. With the vaccination ramp-up and the strict adherence to SOPs, retailers should not be unduly ‘penalised’ with the harsh business restrictions.

“About 68 per cent of the country’s adult population have received the first vaccine dose while 55.8 per cent of individuals in the Klang Valley have completed both doses of the vaccination,” it said.

Noting that 98 per cent of new Covid-19 cases reported are in Categories One and Two involving asymptomatic and mildly symptomatic patients respectively, MCRA said it would be wise to consider reopening businesses for those doubly vaccinated.

“We appeal to the government to allow the immediate reopening of all retail sectors immediately,” it said.

Yesterday the Department of Statistics Malaysia indicated in its report for the second quarter of 2021 that the sales value of wholesale and retail trade registered approximately RM92.2 billion in June, falling by -10.3 per cent year-on-year.

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