

THE CHALLENGE IN MEASURING THE CONTRIBUTION OF SMALL MEDIUM ENTERPRISES TO GROSS DOMESTIC PRODUCT, MALAYSIA

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ABSTRAK

Menyedari akan kepentingan Perusahaan Kecil dan Sederhana (PKS) dalam pembangunan negara, Jabatan Perangkaan Malaysia (DOSM) telah mencapai satu lagi kejayaan dengan menyusun sumbangan PKS kepada Keluaran Dalam Negara Kasar (KDNK) sejak tahun 2009 dan seterusnya. Semasa penyusunan statistik ini, Jabatan telah menghadapi beberapa cabaran, justeru kertas ini membentangkan isu berhubung pengukuran nilai ditambah PKS. Hasil penemuan sumbangan PKS kepada KDNK dimuatkan dalam kertas ini diikuti oleh perbandingan dengan negara lain.

Kata kunci: PKS, KDNK

ABSTRACT

In realising the importance of Small Medium Enterprises (SMEs) in the development of the country, since 2009 onwards, Department of Statistics Malaysia (DOSM) reached another milestone by initiating the exercise to compile the contribution of SMEs' to Gross Domestic Product (GDP). While compiling these statistics, DOSM came across a number of challenges, thus this paper enlightens on the issues pertaining in measuring the value added of SMEs. The obtained results on SMEs' contribution to GDP are presented in this paper followed by a comparison with other countries.

Keywords: SMEs, GDP

1. BACKGROUND

The importance of SMEs in Malaysia's economy is undeniable as the Economic Census 2011 indicated that 97.3 per cent of the establishments were SMEs. The government aims to elevate the contribution to GDP to 41 per cent by 2020 as compared to 2012 at 32.7 per cent. In line with this target, the honourable Prime Minister Dato' Sri Mohd. Najib bin Tun Abdul Razak launched "SME Masterplan 2012-2020: Catalysing Growth and Income" with 32 initiatives for SMEs on 12 July 2012. Small and Medium Enterprises (SMEs) has a vital role in the development of a country's economy for

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creating employment for rural and urban growing labour force, reduction of poverty, a major source of technological innovation and new products (Fida, 2008). The importance and development of SMEs has been given focus by our government since 1970s, under the New Economic Policy and further extensive commitments were put forward under the implementation of Industrial Master Plan 2 and Industrial Master Plan 3 (Mohammad, Norbani, Saad, 2009). In 2004, government has further reinforced its commitment on SMEs by establishing National SME Development Council (NSDC). As the highest policy-making body, the NSDC role is to formulate strategies for SMEs development across all economic sectors, coordinate the tasks of related ministries and agencies, encourage partnership with the private sector, as well as ensuring effective implementation of the overall SMEs development programme in this country. Initiatives under NSDC included enhanced access to financing, financial restructuring and advisory services, information, training and marketing coordination and a comprehensive SME database to monitor the progress of SMEs across all economic sectors.

Under the 10th Malaysian Plan, the government continued to implement various programmes on creating successful SMEs domestically, regionally and globally. Thus, to ensure on the successfulness of these programmes, it is essential to have a systematic statistical measurement to evaluate the outcome.

Having said the targets and programmes outlined for SME, there is a need for measurement of the progress in economy. Hence, DOSM is entrusted with the responsibility of creating a national SME database on 13 August 2004. The database among others encompasses of status of SME development, SME contribution to the economy, financial management and access to financing, access of technology and technological advancement, human resources, marketing and promotion and access to government assistance programmes.

In the effort of measuring economic performance, DOSM as the national statistical agency has vast experience in compilation of national GDP and GDP by state. However, GDP for SME is a new subject and requires facts and studies to benchmark the results. Thus, in line with the requirement, DOSM conducted a nation-wide Census of Establishments and Enterprises 2005 for reference year 2003. The census covered three major sectors that were Manufacturing, Services and Agriculture. The Census of Economy was also conducted in 2006 referring to performance of businesses in 2005. The obtained data were used in filling up the SME's database and compilation of SMEs' value added. Therefore, since 2009 the contribution of SME to GDP was provided to SME Corp. to gauge on the achievement of the implemented programmes.

The objective of the paper is to present on the methodology used in compiling the contribution of SMEs to GDP of Malaysia and the challenge to establish the method and evaluating the existing data.

2. LITERATURE REVIEW

Internationally, the contribution of SMEs to GDP is used as the main statistical measurement to monitor the progress of their performance. Cited in the paper of Leung, Rispoli and Gibson (2011), "GDP provides a more complete measure of economic performance because it measures value added, the unduplicated value of goods and services generated by labour and capital. The key difference between a firm's sales and a firm's GDP is the amount of intermediate inputs used by the firm. A firm could have high sales but low GDP because it adds little to the value of the intermediate input it purchases. The SME data was compiled based on Income approach equation, as data in this form was available from Canada Revenue Agency and Statistics Canada. The expenditure approach was not applicable as some of the SMEs data is not collected at the firm level and personal expenditures are collected at the individual of household level." Their results showed that in 2005, SMEs accounted for 54.3 per cent to GDP of Canada. The SMEs were largely engaged in Construction, Education, Health and Agriculture activities.

In measuring GDP, three approaches are recommended namely Production, Expenditure and Income. Therefore in determining the statistics of SMEs, the best approach needs to be identified in order to obtain the most reflective results. Cited under ASEAN SMEs basic data¹ the Production approach is used to estimate the SMEs' value added whereby the Censuses and Surveys provide information on SMEs by kind of economic activity. Meanwhile in Canada, the Income approach was applied as the businesses report the income components data to the Canada Revenue Agency through their tax filing and to Statistics Canada through various surveys².

Cited in the paper of Small Businesses, Job Creation and Growth: Facts, Obstacles and Best Practices, OECD (1997), "The demand for reliable, relevant and internationally comparable data on SMEs is on the rise, and statistical offices have started to expand their collection and publication of data. International comparability is still weak, however, due to divergent size-class definitions and sector classifications. To enable useful policy analysis, OECD governments need to improve their build-up of data, without creating additional obstacles for firms through the burden of excessive paper work. Thus, statisticians must increasingly endeavour to exploit creatively the existing statistical or administrative sources to obtain better information on SMEs and to minimise future response burdens." In line with the recommendation of OECD, DOSM took the challenge of compiling the SMEs value added with the available time series data based on baseline and economic census, annual surveys and administrative data available.

3. DEFINITION OF SMEs

SMEs in Malaysia are defined based on two criteria, namely full-time employees or annual sales turnover. An establishment will be classified as an SME if it meets either one of the criteria. The SMEs are distinguished further into Micro, Small and Medium and the definition differs between Manufacturing sector and Non-Manufacturing sectors. Manufacturing sector is classified for those establishments having more than 150 full-time employees or the annual sales turnover less than RM25 million. For Non-Manufacturing sectors, the definition focused on establishments with less than 50 full-time employees or the annual sales turnover less than RM5 million. The higher stipulated employees in manufacturing are due to its nature of production activities which are labour intensive. The annual sales turnover of less than RM25 million for Manufacturing sector is justified as this sector has higher intermediate Input compared to Output (IO ratio). Even though this sector may gain high sales turnover, concurrently it consumes substantial raw materials in the production process, which leads to smaller value added.

In addition to this, a new definition of SME has been announced by the Malaysia's Prime Minister, Y.A.B. Dato' Sri Mohd Najib bin Tun Haji Abdul Razak that will take into effect on 1st January 2014. The dynamic changes of Malaysia's economic structure and business trends has led SME Corp. to redefine its' definition which is more appropriate with the current economic condition. Based on the new definition, the Manufacturing sector is classified for those establishments having more than 200 full-time employees or the annual sales turnover less than RM50 million. As for the Non-Manufacturing sectors, the coverage of SMEs are establishments with less than 75 full-time employees or the annual sales turnover less than RM20 million. With the new definition, there is a possibility that the contributions of SMEs to GDP will be elevated as well. The comparison between the previous and the new definition can be referred in Appendix 1.

4. METHODOLOGY

GDP is a measurement of production value by the entire production unit of a resident in a country for a certain period before extracting the allocation for consumption of fixed capital. Production unit refers to resident of a country that retains its central economic interest in the related country. GDP can be measured by using three approaches which are Production, Expenditure and Income (SNA 2008, page 34).

GDP based on Production is defined as the value of total production of goods and services produced after deducting the value of intermediate consumption. This approach is also known as the value added approach and this approach will be able to show the contribution of each economic activity on overall GDP. The formula for this approach is as follows:

$$\text{GDP (P)} = \Sigma \text{Gross Value Added and,}$$

$$\text{Value Added} = \text{Output} - \text{Intermediate Consumption}$$

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The Expenditure approach is GDP equal to the sum of the final uses of goods and services except intermediate consumption less the value of imports of goods and services and is expressed in the following formula:

$$\text{GDP (E)} = C + I + G + (X - M)$$

whereby;

C - Private Final Consumption Expenditure

(Household + Private Non-profit Institutions)

I - Gross Fixed Capital Formation + Changes in Inventories
+ Valuables

G - Government Final Consumption Expenditure

X - Exports of Goods and Services

M - Imports of Goods and Services

Meanwhile the Income approach is GDP equal to the sum of primary incomes distributed by resident producers units and the formula is defined below:

$$\text{GDP (I)} = \text{CoE} + \text{GOS} + \text{T} - \text{S}$$

whereby;

CoE - Compensation of employees

GOS - Gross Operating Surplus

T - S - Taxes less Subsidies on production and imports

Based on the assessments on the three approaches and the availability of data, it was decided that the Production approach is the most suitable approach for SME compilation in Malaysia. Although, DOSM is already established and experienced in Expenditure approach, there was no certain indication of segregating the private and government final consumptions sourced from large establishments or SMEs. Moreover, the information on exports and imports by SMEs is being under-studied and conclusive results yet to be obtained.

The Income approach is seen as another alternative in compiling GDP for SME. Looking at the practice of Canada, it is anticipated as implementable in Malaysia. DOSM has a wide range of data from economic censuses and annual surveys which can be sourced for inputs though we have a limited access on the comprehensive information of tax records. With the experience of compiling national GDP of Income approach which has been developed, we foresee that this approach should be explored as a counter balance for the Production approach. Currently, an understudy through the survey of Informal sector is in progress to evaluate the SMEs' data on operating surplus and mixed income of unincorporated enterprises.

5. THE CHALLENGES IN ESTABLISHING SMEs VALUE ADDED

The challenges in compiling the SMEs' value added were dealt precisely by each economic activity and the elaborations are presented under this topic.

The estimates of SMEs' contribution to GDP and the value added by kind of economic activity (Production approach) were measured at purchasers' prices. In this exercise, for some sectors wherever possible the double deflation method was applied, whereas for those sectors with incomprehensive information the single deflation method was used to derive the value added at constant prices. Similar deflators of output and the intermediate consumption of national GDP were used such as Producer Price Index (PPI), Consumer Price Index (CPI), Building Cost Index and commodity prices. The estimations are classified by economic activities as outlined in Malaysia Standard Industrial Classification 2000 (MSIC 2000) in the broader category. In future the detailed activities will be explored, as the data required for GDP should be more comprehensive and able to track the progress of certain industries i.e those in NKEA or liberalised sectors.

Besides sound method, profound knowledge and experienced statisticians are very much desired in compiling the SMEs' value added. The intricacies and multifaceted activities of SMEs' businesses requires for compilers to have in depth knowledge on the characteristics of the establishments to ascertain the establishments as SME or non-SME. Moreover, it is also vital for the compilers to have regular engagements with the industry players and related associations as the changes in business activities takes place often, thus any changes need to be taken care in the compilation process.

5.1 Agriculture

In Agriculture sector the source of data varies from census, surveys and records compiled by ministries and their agencies. The censuses and the surveys have been designed to cater for compilation of GDP including of SME and other products, such as Supply Use Table. Whereas the records from other government agencies are meant for tracking or monitoring the projects, the recipients of grants and funds and some other aids provided. Those covered in censuses and surveys are establishments registered in Registrar of Companies (ROC) or Registrar of Business (ROB) and most of them are SMEs. Meanwhile the unincorporated businesses that are classified as SMEs comprised those registered with the ministries and agencies. The ministries and agencies records only provide the volume and value and not the intermediate inputs used. Thus, in deriving the value added some checking and validation with other sources of information required and the massive task of analysis is inevitable, as the estimation derived is at detailed manner. The integration of data from primary and secondary sources post significant effort in harmonising the intermediate consumption to output ratios and finally deriving the value added.

5.2 Mining & Quarrying

For this sector 99 per cent of the value added is contributed by crude, condensate and natural gas activities which are operated by large enterprises while other mining & quarrying sub-sector contributes the remaining one per sub-sector which consist of granite, limestone, sand, gold, copper and others. The base data are gathered from the Economic Census 2006, Economic Census 2011 and the Department of Minerals and Geoscience for annual inputs. Having these set of data, it facilitate the estimation at detailed level.

5.3 Construction

Compiling value added for construction sector in SME has its own peculiarities. With the presence of Economic Census 2001, Economic Census 2006, Economic Census 2011 and Biennial Surveys and quarterly surveys on construction, the nature of this activity is based on the progress of work development, which normally takes place of a few years especially for big projects. The SMEs normally take part in those projects for specialised segments or menial task in shorter period than the main projects. Since the reporting is by project in the short term construction surveys, their contributions are shadowed by the large contractors. Thus, an extensive process of garnering the data is done vigorously to surface their share of work.

During the economic downturn in late 2008 and 2009, Government initiated stimulus packages to bolster the economy and subsequently to prevent continuous recession. The allocation of stimulus package was high on construction activities especially on Civil Engineering, Non-Residential and Special Trade. However, the available information was only on the value of projects thus, thorough discussions with Project Management Unit (PMU) under Ministry of Finance (MOF) were carried out to substantiate the value of the projects done by SMEs in pursuance of incorporating the figures in SMEs' compilation. Hence, the role of experienced statisticians is crucial in this estimation process to ensure the whole SMEs activities in the economy were completely covered.

5.4 Manufacturing

Besides Census of Establishments and Enterprises 2005, Economic Census 2006 and 2011 and Annual Manufacturing Surveys (AM) is an additional source of input for inter-census period. The AM is designed to record the performance of Manufacturing sector by state and national. Nevertheless, the AM also consist of more than 90 per cent of SME establishments and usually the chosen SMEs, show some degree of irregularity in terms of value added growth. Thus, to solve this issue efforts were taken to maintain the same fixed panel of SME establishments and some extrapolation for years where the data fall short of the expectation without specific reasons or due to "jumpy" ratio of output to

intermediate consumption. The births of new SMEs are accounted during the compilation while the exited SMEs are omitted.

There are also unincorporated businesses involved in the Manufacturing activities precisely in food and beverages, tailoring, wood products and other manufacture industries. The statistical frames of AM and Economic Censuses cover establishments while the Census of Establishments and Enterprises 2005 included both the establishments and unincorporated businesses. Thus, to reflect the overall contributions of SMEs in GDP, the unincorporated businesses value added is included in the compilation by using the ratio method based on the profile of SMEs found in Census of Establishments and Enterprises 2005.

During the exercise, DOSM came across of cases whereby some establishments under the Manufacturing sectors which fulfilled the SME criteria due to the size of employees even though the sales turnover was more than cut-off value. For such cases, knowledgeable compilers are apt to distinguish the establishment as SMEs or vice versa.

5.5 Services

Services sector is deemed as main source of growth for the entire economy and also in SME. It is imperative to bring out robust estimated value added of this sector. The challenge in the compilation is the comprehensiveness of data as source of input during the inter-census year. In the absence of annual census and survey data, the Quarterly Distributive Trade (QDT) and Quarterly Services Survey (QSS) were capitalised for this sector by maintaining same fixed panel of SME establishments. Producing value added by detailed sub-sector normally requires a lot of simulation and benchmark with the national value added. Apart from using the QDT and QSS data, the compilers' experiences in each Services' industries were utilised extensively to gauge the degree of SMEs contribution. It was also a challenge to assess the SMEs' contribution for Informal sectors such as child care service and business from home. Nevertheless, other source of data such as Labour Force Surveys and Household Income surveys provided some lights to be put together with the establishments' output.

6. RESULT

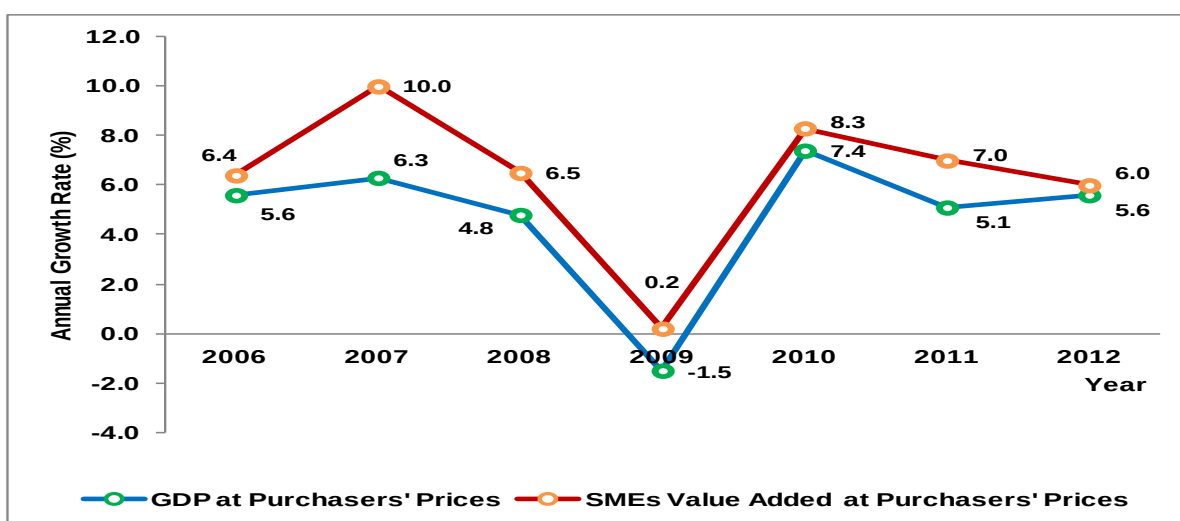
Table 1: GDP and Value Added of SMEs at Constant 2005 prices - RM Million

Year	2005	2006	2007	2008	2009	2010	2011	2012
GDP at Purchasers' Prices	543.6	573.9	610.1	639.6	629.9	676.7	711.4	751.5
SMEs' Value Added at Purchasers' Prices	159.7	170.0	187.0	199.3	199.7	216.3	231.5	245.4
Percentage Share to GDP (%)	29.4	29.6	30.7	31.2	31.7	32.0	32.5	32.7

Source: Department of Statistics, Malaysia

The contribution of SMEs to GDP shows an increasing trend over the years and was 32.7 per cent in 2012 as shown in Table 1. Services and Manufacturing sectors were the main catalyst in steering the SMEs in Malaysia. The share of Services and Manufacturing sectors in SMEs for 2012 were 61.7 per cent and 24.1 per cent respectively.

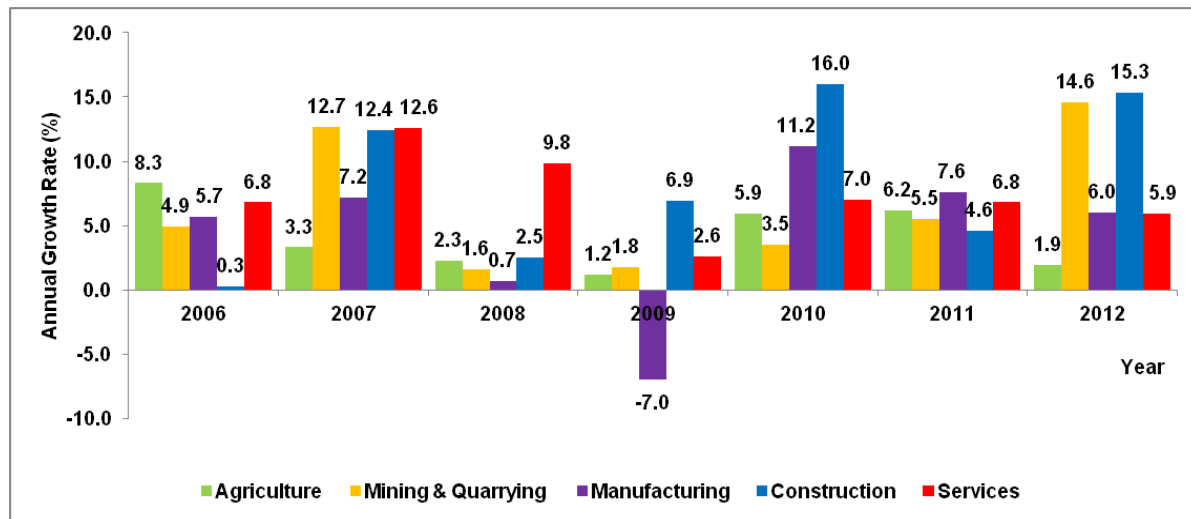
Chart 1: GDP and SMEs Value Added at Constant 2005 Prices - Annual Growth Rate



Source: Department of Statistics, Malaysia

In 2012, the growth of 6.0 per cent by SMEs surpassed the GDP that grew at 5.6 per cent (Chart 1) and similar trend was observed from year 2006 onwards.

Chart 2: SMEs Value Added by Five Main Economic Activities at Constant 2005 Prices - Annual Growth Rate



Source: Department of Statistics, Malaysia

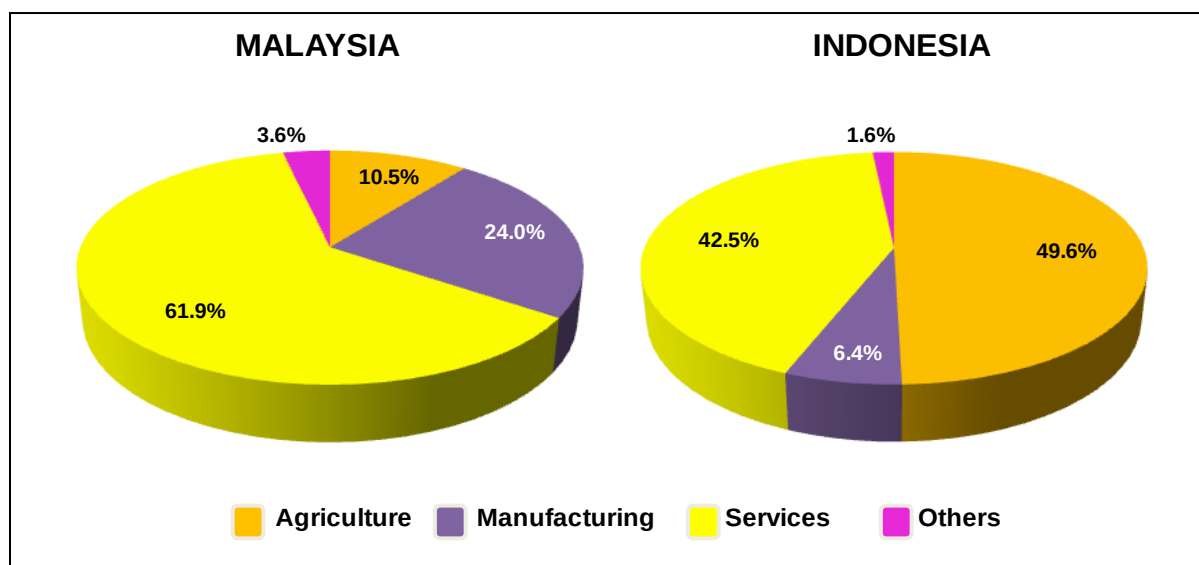
The growth in SMEs for 2012 was supported sectors which grew at 5.9 per cent and 6.0 per sectors respectively (Chart 2). Both sectors accounted for 85.7 per cent of the SMEs' value added for the particular year.

7. DISCUSSION

7.1 Comparison between SMEs' Value Added Profile of Malaysia and Indonesia

According to Indonesian law (UU No.9/1995), SMEs are firms with total assets up to Rp. 200 million (USD 22,500) excluding land and building or the total annual sales are not more than Rp. 1 billion (USD 112,700). While the medium enterprises are firms with total assets more than Rp. 200 million but not exceeding Rp. 10 billion (USD 1.127 million) excluding land and buildings and the number of employees not more than 99 person. The constraint for this comparison is both countries have different SMEs definitions and the information that is available for Indonesia SMEs' value added was for year 2010, thus the study will be focused on year 2010.

Chart 3: Composition of SMEs' Value Added in Malaysia and Indonesia for 2010



Sources: Department of Statistics, Malaysia and Organisation for Economic Co-operation and Development (OECD) official website (<http://www.oecd.org>)

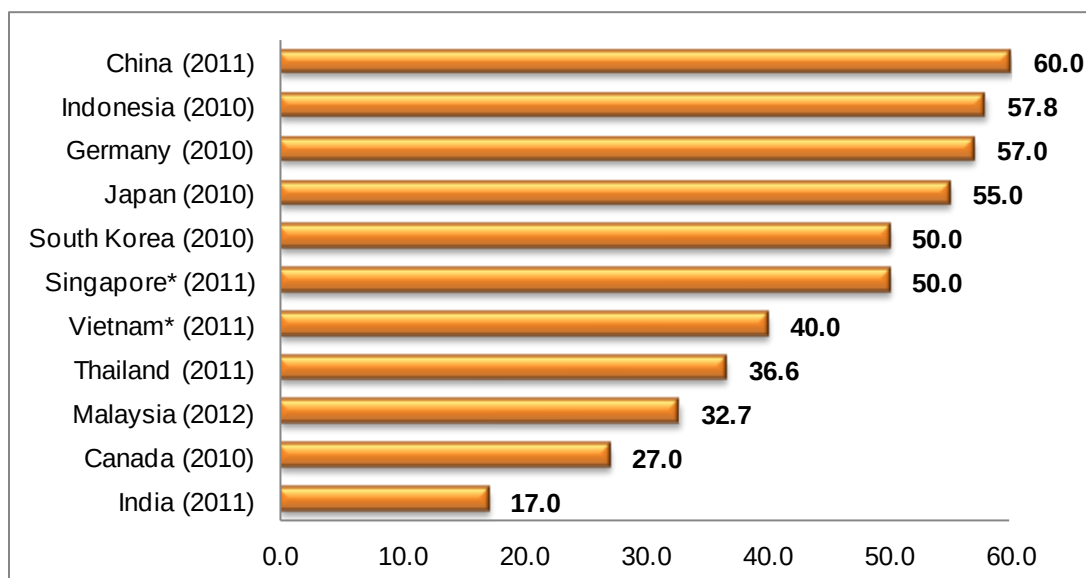
Note: The Construction and Mining & Quarrying sectors are combined in Others. In addition, the total share for Malaysia is inclusive of FISIM and Import Duty, which is not implicitly shown.

In 2010, contribution of SMEs to Malaysia's GDP was 32.0 per cent while in Indonesia was 57.8 per cent. The higher contribution of SMEs to GDP in Indonesia was not due to higher productivity, but because more than 90 per cent of their companies are SMEs and contribute significantly to the economy³. Chart 3 shows the profile structure of SMEs' value added for Malaysia and Indonesia. The key driver for Malaysia is the Services sector while for Indonesia is the Agriculture sector. The second largest contributor for Malaysia is Manufacturing with a share of 24.0 per cent whereas for Indonesia is the Services sector which constitutes 42.5 per cent.

SMEs of Services in Indonesia are mainly engaged in Trade, Hotel and Restaurant activities while the Manufacturing activities are concentrated on traditional activities such as wood products, including furniture, textiles, garments, footwear, and food and beverages². In Malaysia, SMEs in Services sector were mainly engaged in Wholesale & Retail Trade, Real Estate & Business Services and Finance & Insurance activities. The Petroleum, Chemical, Rubber & Plastic products and Food, Beverages & Tobacco were the predominant activities under the SMEs of Manufacturing sector.

7.2 SMEs' Contribution to GDP in Selected Countries

Chart 4: SMEs' Contribution to GDP in Selected Countries (% share)



Sources: SME Corp; various NSO from different countries

Note: The share of SMEs contribution to GDP for Singapore and Vietnam are >50.0% and >40.0% respectively.

In advanced countries such as Germany and Japan, SMEs appear to be the fundamental part of their economy by constituting more than 50 per cent of their GDP. Even within Asian countries namely, Singapore, Indonesia, China and Thailand (Chart 4) have higher SMEs contribution to GDP than Malaysia. Although 97.3 per cent of our establishments comprise of SMEs, yet the contributions to GDP is lower than the neighbouring countries.

This paper will discuss on the basis for relatively lower SMEs' contribution to the economy in Malaysia. During the 1980s period, our country's policies and strategies were aggressively embarked on heavy industrialisations and development of multinational companies (MNCs). A lot of concentrations were given on heavy industrialisations and MNCs with the expectations that these activities will bring in new technologies, new markets and management techniques which eventually led the domestic firms to benefit the spillovers in the economy (Kinuthia, 2009). Nevertheless, the SMEs were unable to take full advantage of the various programmes implemented and the spillovers effects of heavy industrialisations and MNCs. Besides, from the compiled data it reflects that SMEs could not fulfilled being a complement to heavy industries and MNCs as their business activities are more focused on low technology activities such as retailers, real estate, insurance agents and personal care services; and basic manufacturing activities such as food & beverages, chemical, rubber & plastic and wood & paper products. Moreover, it was also observed that some of the SMEs have a higher IO ratio than large establishments which indicates that SMEs have lower economic of scale and as a consequence less revenue is attained.

According to Economic Census 2011⁴, SMEs also have lower productivity than the large establishments. Lower productivity leads to inefficiency in production as well as constraint in competitiveness. The census also stated that 77 per cent of the SME establishments comprises of micro. In general, micro establishments' produces basic products and services that cater for limited market that leads to lower production. Moreover, these micro establishments have a higher IO ratio than the large establishments due to lower economic of scale. The findings also stated that the micro establishments posted a lower percentage in promotion, innovation, research & development and usage of ICT in their daily business activities. The stated facts have high possibilities in influencing the lower contribution of SMEs.

8. CONCLUSION

The success of estimating the contribution of SME to GDP has become new landmark for DOSM and this also to show our esprit de corps to be together with other line ministries and SME Corp in giving focus to SMEs. These data will be the empirical evidence for the policy makers to gauge on their direction in formulating the best policies for SMEs' development in the country. In ensuring the achievement of SMEs initiatives and programmes, data on SMEs' contribution to GDP is vital to be provided periodically and made known to the public.

The recognition for the DOSM in SMEs' statistics is expanded into the task of estimating employment and export of goods and services. These two additional statistics requires the expertise of the statisticians in estimation and engagement with stakeholders, other national statistics office, the industries and business associations and chambers. We foresee some other statistics collected from the censuses and surveys on SME are equally important to the government in pursuing the targeted economy in 2020.

Furthermore, with the new definition that will be implemented, DOSM will encounter a set of new challenges that need to be tackled. Moving forward, DOSM will compare and analyse the impact between the previous and the new definition based on the five main sectors of the Malaysian economy. Thus, sectors that are greatly impacted by the new classification will be highlighted for future reference. In addition, DOSM will consider to create a new time-series data that will include the elements from the latest update in the definition².

Endnotes

1. See <http://www.asean.org/communities/asean-economiccommunity/category/data-and-statistics>.
2. See Leung, Rispoli and Gibson. (2011), pg 9.
3. See Tambunan. (2011), pg 7.
4. Press release of YB Tan Sri Nor Mohamed Yakcop on Laporan Banci Perusahaan Kecil dan Sederhana 2011 on 18 September 2012 at Department of Statistics, Malaysia.

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Definitions of SME

PREVIOUS DEFINITION

SECTOR	MANUFACTURING	AGRICULTURE, CONSTRUCTION, MINING & QUARRYING AND SERVICES
NUMBER OF FULL-TIME EMPLOYEES		
MICRO	Less than 5 employees	Less than 5 employees
SMALL	From 5 to less than 50 employees	From 5 to less than 20 employees
MEDIUM	From 50 to less than 150 employees	From 20 to less than 50 employees
ANNUAL SALES TURNOVER		
MICRO	Less than RM250,000	Less than RM200,000
SMALL	From RM250,000 to less than RM10 million	From RM200,000 to less than RM1 million
MEDIUM	From RM10 million to less than RM25 million	From RM1 million to less than RM5 million

CURRENT DEFINITION

SECTOR	MANUFACTURING	AGRICULTURE, CONSTRUCTION, MINING & QUARRYING AND SERVICES
NUMBER OF FULL-TIME EMPLOYEES		
MICRO	Less than 5 employees	Less than 5 employees
SMALL	From 5 to less than 75 employees	From 5 to less than 30 employees
MEDIUM	From 75 to not exceeding 200 employees	From 30 to not exceeding 75 employees
ANNUAL SALES TURNOVER		
MICRO	Less than RM300,000	Less than RM300,000
SMALL	From RM300,000 to less than RM15 million	From RM300,000 to less than RM3 million
MEDIUM	From RM15 million to not exceeding RM50 million	From RM3 million to not exceeding RM20 million

Source: SME Corp.