

MALAYSIA WEEKLY ECONOMIC NEWS

(19 August 2019 – 23 August 2019)

Topics	Highlights
<p>Thailand eyes potential growth in Sabah, says envoy</p>	<p>Both Sabah and Thailand stand to benefit from doing business with each other due to their strategic locations, says the Ambassador of Thailand to Malaysia, Narong Sasitorn. He said Thailand's east-west and north-south corridors will give Sabah immediate access to the CLMV countries (Cambodia, Laos, Myanmar and Vietnam), as well as to the southern provinces of China. Thailand, meanwhile, stands to benefit from Kota Kinabalu as the main gateway to the Brunei-Indonesia-Malaysia-Philippines East Asean Growth Area (BIMP-EAGA). Sasitorn added that the planned relocation of Indonesia's capital from Jakarta to Borneo (Kalimantan) will add business dynamism and consumption to this region. Sasitorn added that Thailand can provide products such as automotive parts, organic food, high-value agricultural products and construction material to the market here.</p> <p style="text-align: right;"><i>(Source: The Star, 21 August 2019)</i></p>
<p>HR Ministry commissions study on foreign internship, low-skilled employment</p>	<p>The Human Resources Ministry has commissioned a study to ascertain the socio-economic impact of international internship programs and the employment of a large pool of low-skilled foreign workers in Malaysia. Noting there are 1.9mil low-skilled foreign workers in the country, the ministry said the study would encompass employment, job creation, wages, productivity and automation. It would also cover health, crime, education and public facilities. The comprehensive study is aimed at identifying and verifying the socio-economic impact arising from this sort of employment, the ministry said in a statement. As of May 31, 2019, there were 1,927,486 low skilled foreign workers in Malaysia. The majority of these workers are employed in the manufacturing sector (34.7%), construction sector (23.4%), services (16.4) plantation (14.6%) and agriculture (8.3%), with Indonesia (35%) and Bangladesh (28%) being the biggest source countries.</p> <p style="text-align: right;"><i>(Source: The Star, 21 August 2019)</i></p>
<p>Tourism Malaysia ties up with Expedia</p>	<p>Tourism Malaysia has inked a deal with American travel company Expedia Group which will see both sides collaborate to boost tourism promotion to Malaysia. Tourism, Arts and Culture Minister Datuk Mohamaddin Ketapi said the partnership with Expedia will help support Malaysia's target of achieving 30 million tourist arrivals and RM100bil tourist spending by 2020. Expedia Group has over 200 travel booking websites in more than 70 countries around the world and work with thousands of lodging and flight partners to cater to the differing needs of modern travellers. Mohamaddin said one of the agreements between Tourism Malaysia and Expedia Group will be focused on several global campaigns to promote inbound travel from the United States, Australia and Japan to Malaysia.</p> <p style="text-align: right;"><i>(Source: The Star, 21 August 2019)</i></p>
<p>Manufacturers bracing for slower growth in second half, survey says</p>	<p>Business activity was sluggish in the first half of 2019 and manufacturers are bracing for slower growth in the second half, according to a joint survey by the Federation of Malaysian Manufacturers (FMM) and the Malaysian Institute of Economic Research (MIER). The survey said most (45%) of the respondents reported that activity had declined in the first half of 2019, up from 30% in the second half of 2018 and 32% in the first half of 2018. The survey also said the local sales index posted a significant decline, falling 16 points from the second half of 2018 to 77 in the first half of 2019 - its lowest level since the second half of 2015.</p> <p style="text-align: right;"><i>(Source: The Star, 21 August 2019)</i></p>