



**马来西亚中华工商联合会  
2009 年度  
中小企业调查报告**

**REPORT OF  
ACCCIM  
2009 SMEs SURVEY**

**5-5-2009**

# **Report of ACCCIM 2009 SMEs Survey**

## **Background of The Survey**

Malaysian SMEs are severely affected by the global financial turmoil. The survey has been conducted focusing on the impact of the financial turmoil on the SMEs' operations and bank financing since September 2008, to study the problems faced by them in respect of cash flow, financing etc.

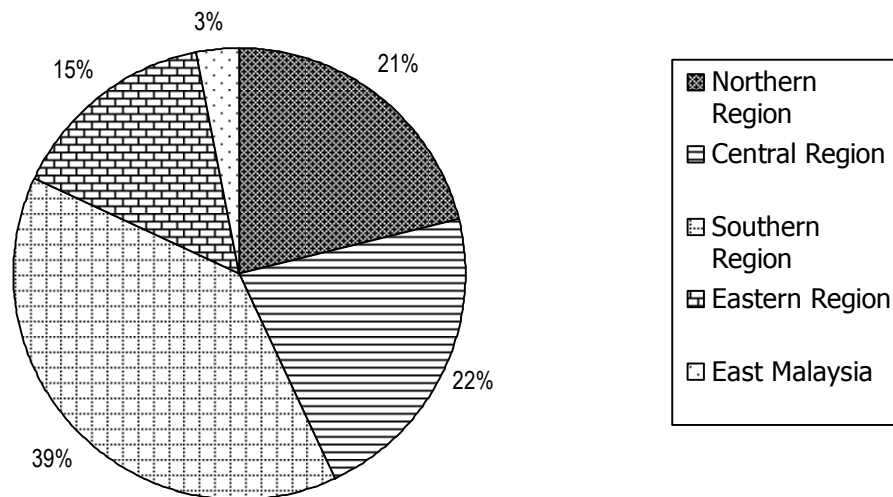
The Malaysian Government launched 2 stimulus packages in November 2008 and February 2009 respectively to stimulate the economy. The survey would reveal the understanding of SMEs on government assistance programmes and whether they benefit from the programmes.

## **Survey Objectives**

1. To study the problems faced by Malaysian SMEs and their needs during the economic slowdown and the related statistic.
2. To study whether the SMEs benefit from the assistance programmes offered by the Government.
3. The survey results provide a basis for ACCCIM to submit relevant memoranda to the related government agencies as well as to formulate action plans.

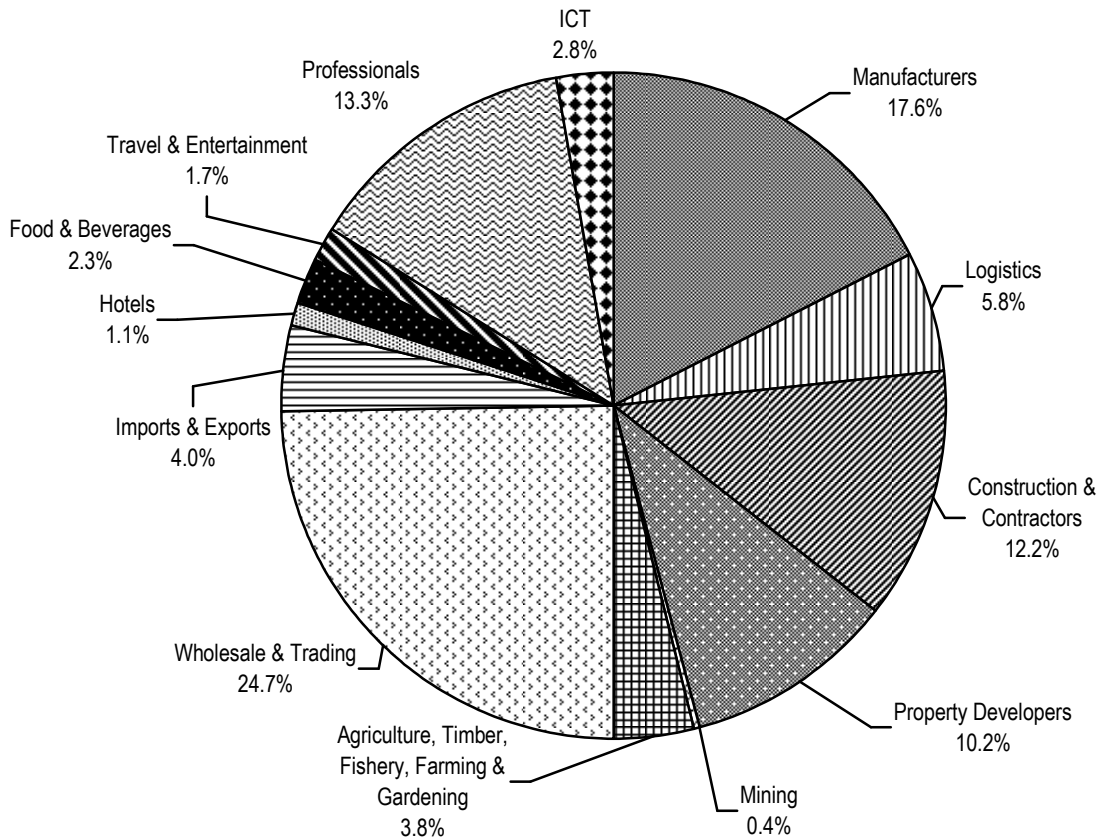
## **Respondents Background**

1. The survey was conducted during the period from 25<sup>th</sup> March 2009 to 25<sup>th</sup> April 2009. A total of 2,000 survey papers were issued and 1231 responded. The overall response rate is 61.55%.
2. The questionnaires were distributed through ACCCIM 17 constituent chambers. Respondents are come from various industries.
3. Of this 1231 respondents, 480 respondents (39%) were from Southern region of Malaysia (Malacca and Johor), followed by 271 respondents (22%) from Central Region (Kuala Lumpur, Selangor and Negeri Sembilan) & 259 respondents (21%) from Northern Region (Perlis, Kedah, Penang & Perak).



**Diagram 1: Respondents Background By Region**

4. Among the 1231 respondents, 24.7% are wholesalers and traders, followed by Construction & Property (22.4%), Manufacturers (17.6%), and Professionals (13.3%)



**Diagram 2: Respondents Background By Industries**

5. No. of Employees:

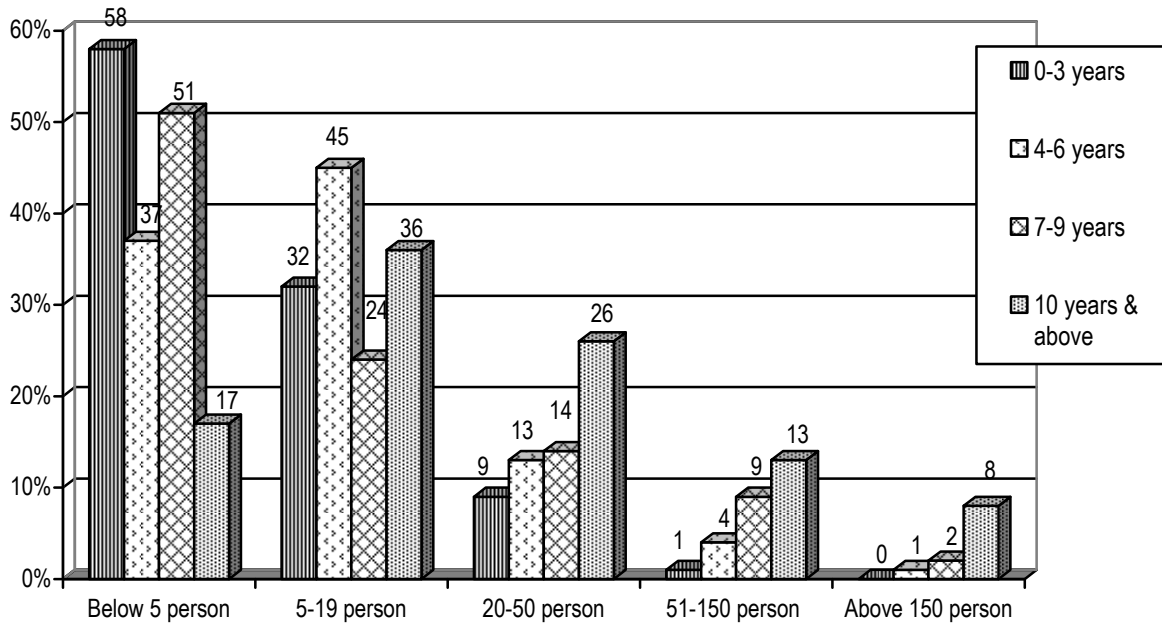


Diagram 3: No. of Employees By Years of Operation

For those companies in operation 3 years or less, more than half of those companies employ not more than 5 employees (58%), only 10% of them having more than 20 employees. For companies in operation 10 years or more, 47% are having more than 20 employees whilst only a minority i.e. 17% of them having less than 5 employees.

With regard to the industry, companies which employ less than 5 employees are mainly professionals (44%). Manufacturing sector is the sector which employ most employees, 36% of the manufacturers having more than 50 employees.

6. Most of the annual turnover of the respondents were in between RM250,000 and 5 million (46%). Among these 566 respondents, half of them are within the range of RM1 million to RM5 million.

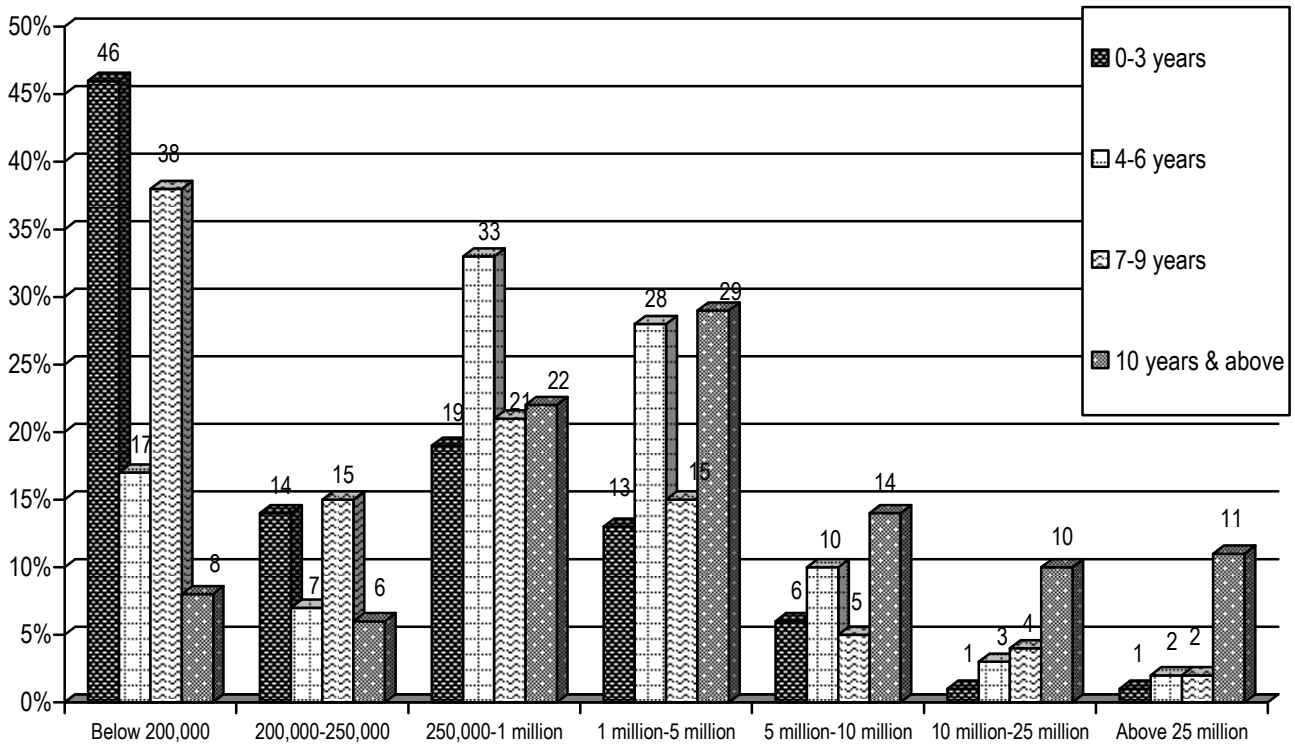


Diagram 4: Annual Turnover By Years of Operation

7. Years of Operation:

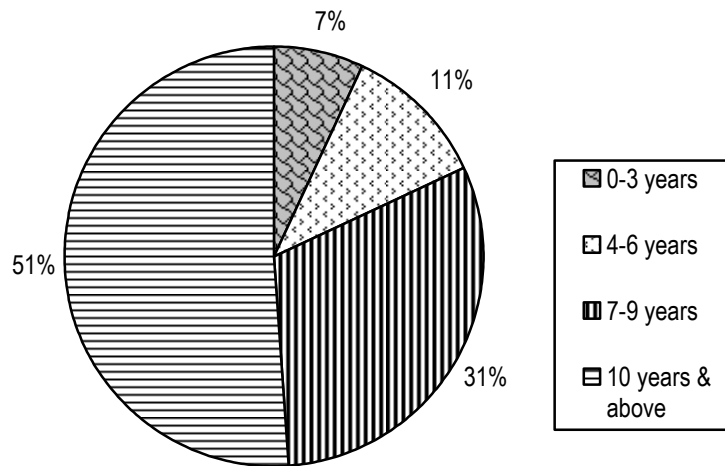


Diagram 5: Years of Operation of Respondents

In general, 51% of the respondents are companies in operation more than 10 years; only 7% of the total respondents are new companies which are in operation 3 years or less.

# Survey Findings

**1. Products/Services Pricing Adjustments After Fuel Price Hike**

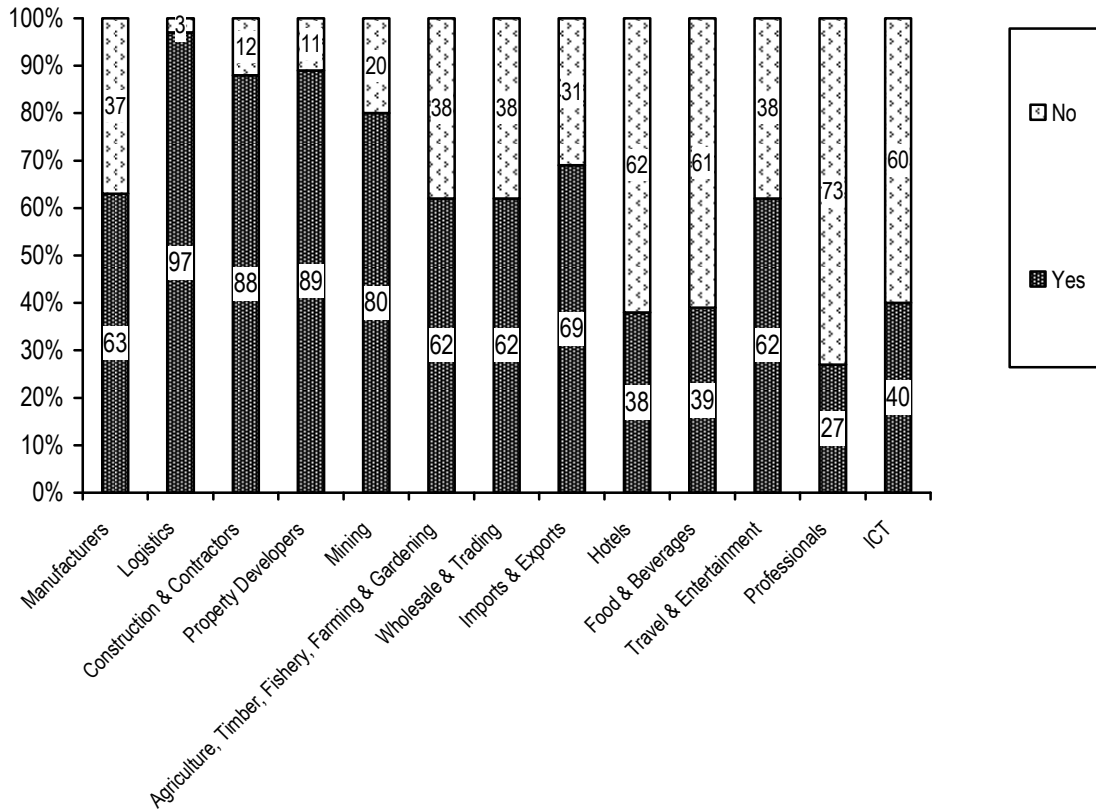


Diagram 6: Products/ Services Price Increment after June 2008

65% of the respondents increased the price of their products/ services during the hike of fuel prices in June 2008, amongst these 800 respondents, 27% of them are unable to adjust their prices after the fuel price declined.

Logistics is the sector most affected by the fuel price, 97% of the operators have increased their price, followed by Property Developers (89%) and Construction & Contractors (88%). Professional sector is the least affected, only 27% of the professionals adjusted their price.

**2. Assistance Programmes by Government**

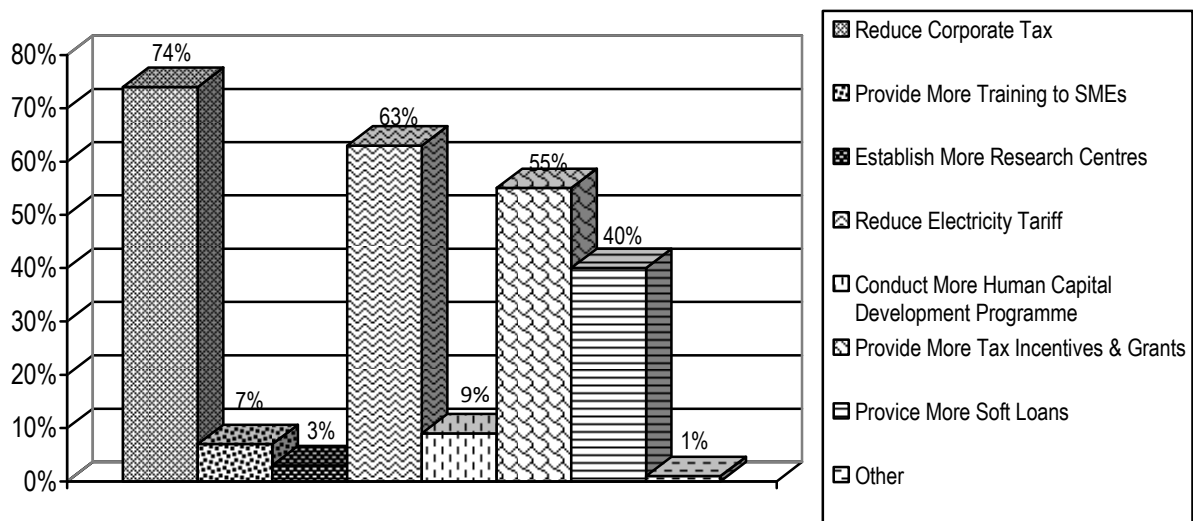


Diagram 7: Assistance Programmes Wish to Obtain from Government

74% of the respondents would like the Government to reduce corporate tax while 63% wish that the electricity tariff to revert to the previous rate prior to the hike in June and July 2008. 55% of the respondents wish the government can provide more tax incentives or grants and 40% wish for more soft loans.

Only 3% of the businesses wish the government to establish more research centres for R&D purposes. This shows that Malaysian SMEs do not aware the importance of R&D for the long-term benefits to them.

**3. SME Assistance Facility and SME Modernisation Facility**

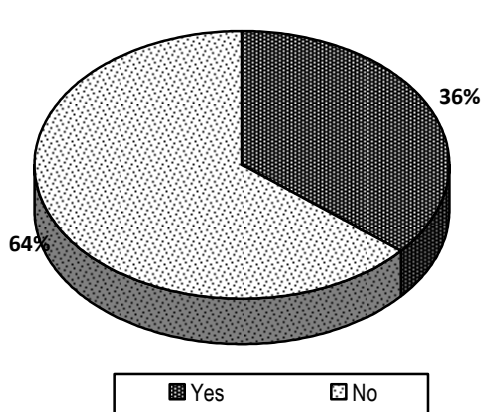


Diagram 8: Awareness on the Schemes

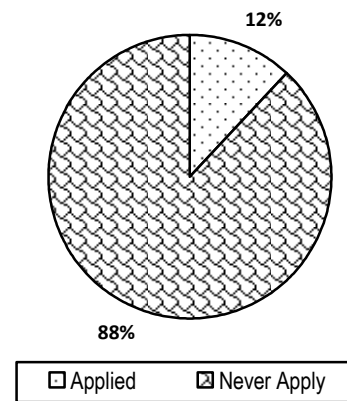


Diagram 8a: Experience in Applying for the Schemes

Only 36% of the respondents are aware of the SME Assistance Facility and SME Modernisation Facility offered by the Government in July 2008 in response to the fuel price hike. Amongst these 443 businesses, only 53 respondents (12%) applied for the schemes.

24 of the applications have been approved whilst the other 29 have been rejected.

**4. SME Assistance Guarantee Scheme (SAGS)**

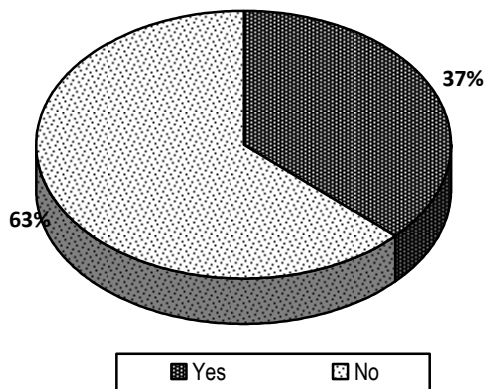


Diagram 9: Awareness on SAGS

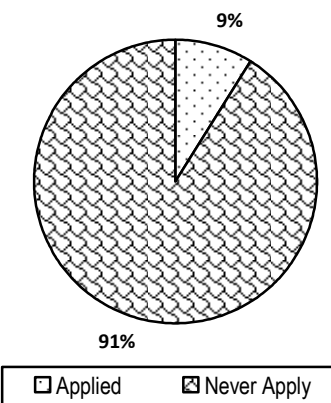


Diagram 9a: Experience in Applying SAGS

445 respondents (37%) heard about the RM2 billion SAGS announced by BNM on 23<sup>rd</sup> January 2009 but only 9% applied. Amongst these 41 applications, only 13 have obtained approved.

SMEs must be aware of the relevant information on Government assistance programmes in order to utilise these facilities and schemes to improve their capital management.

## 5. The Impact of Economic Crisis

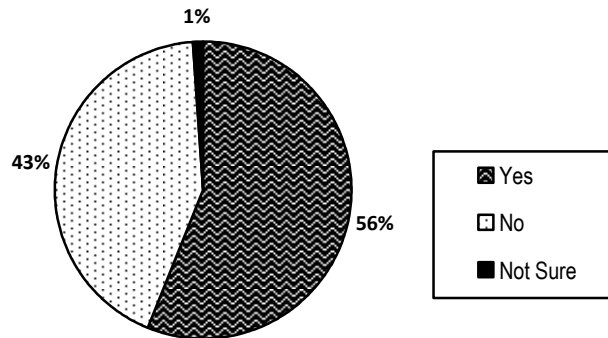


Diagram 10: Market Shrinking Rate

Since last September, 56% of the respondents indicated that their existing markets have shrunk. The industries most affected are Hotels (85%), Exports and Imports (82%) and Travel & Entertainment (81%).

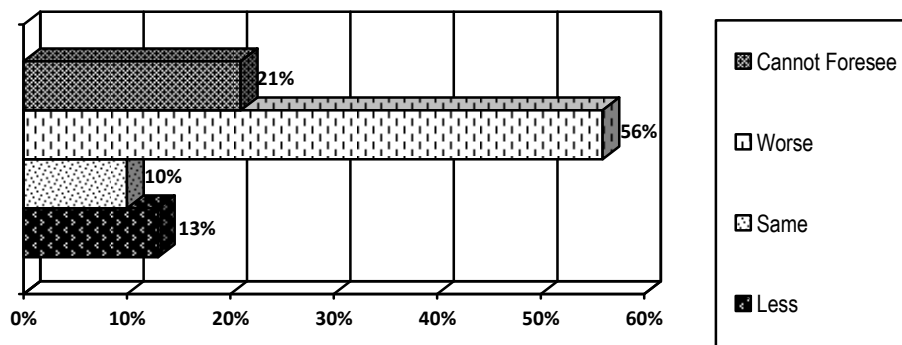


Diagram 11: Comments on the Impact of Economic Crisis

More than half of the respondents opined that the impact of the current crisis is worse than the 1997 financial crisis. 89% of Logistics operators opined the current crisis is more severe.

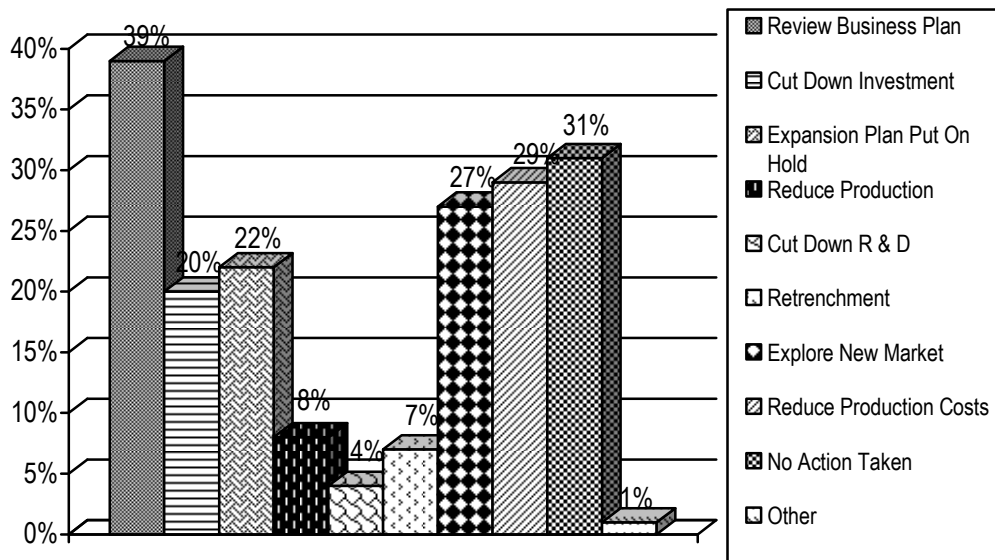


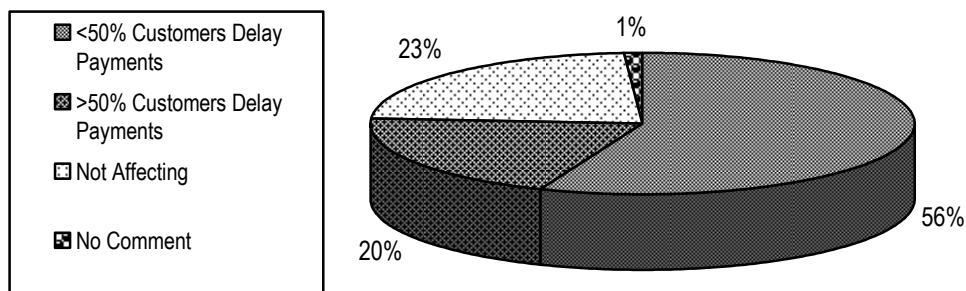
Diagram 12: Action Taken by Respondents to Overcome the Crisis

39%, or 480 of the respondents have reviewed their business plan to reduce the impact of economic crisis. 29% of the respondents have reduced their production cost whilst 27% will explore new market.

Only 7% of the respondents stated that they will retrench workers to overcome the crisis.

1/3 of the respondents did not take any action during this crisis time, mainly from Property Developers and Logistics sectors.

Diagram 13: Did Economic Crisis Affect the Collections



76% of the respondents stated that their collections have been delayed since last September. Amongst of them, 20% are facing collections problems as more than half of their customer delayed the payments.

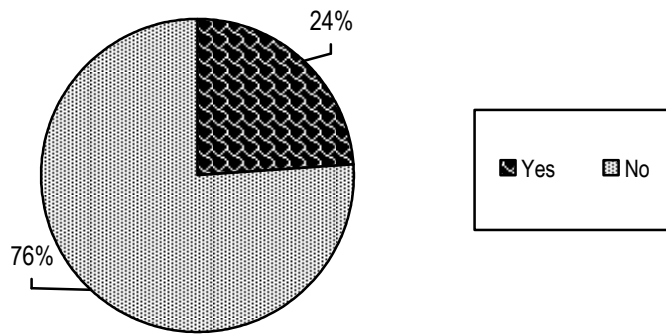


Diagram 14: Impact of Economic Crisis to the Loan Repayment

24% of the respondents have faced difficulty in loan repayment affected by economic crisis. 45% of newly established companies were facing problem especially in Food & Beverages and Travel & Entertainment sectors.

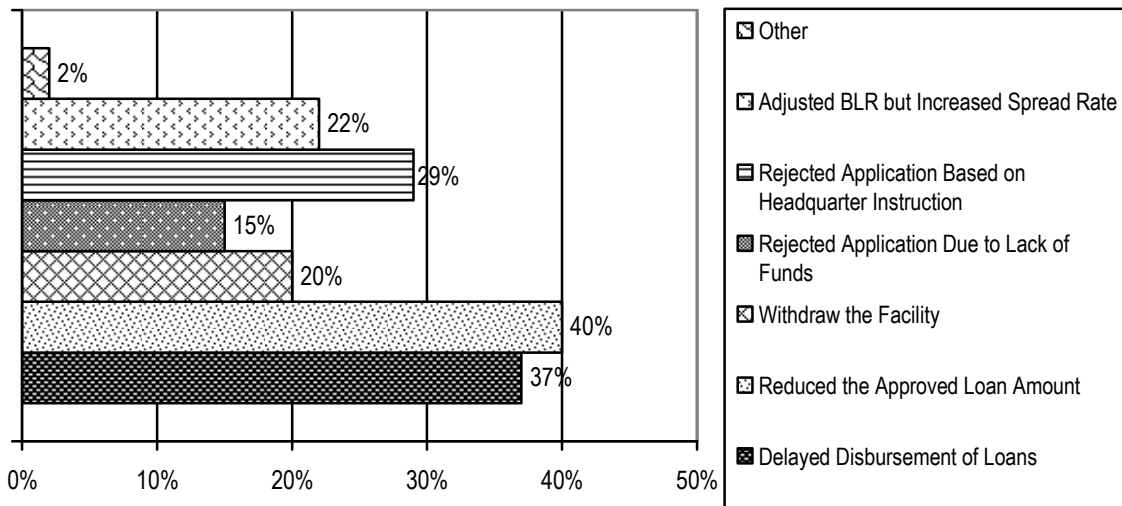


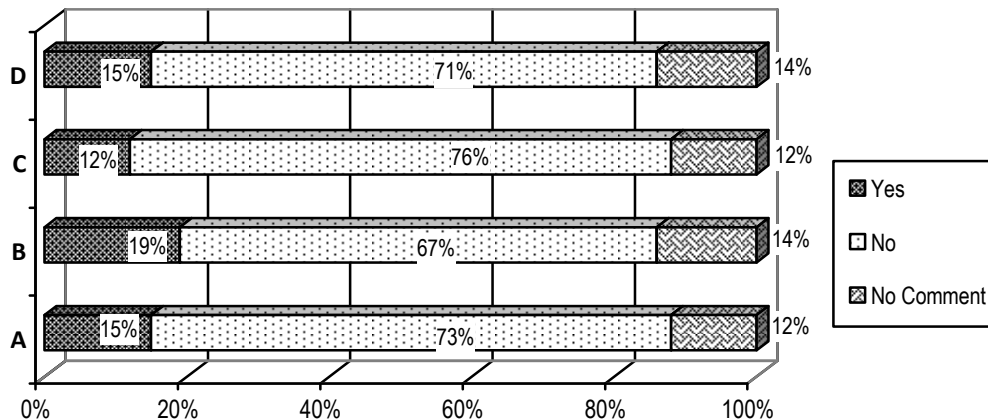
Diagram 15: Impact of Economic Crisis to the Banks' Loans/ Trade Facilities

295 respondents (24%) stated that the economic crisis has affected their banks' loans/ trade facilities. The most affected item was the bank reducing the approved loan amount (40%), followed by delaying the disbursement of loan (37%) and application rejected based on headquarters' instruction (29%).

The survey also highlighted that amongst the 295 affected respondents, 22% were facing the bank increasing the spread rate whilst reducing the BLR. Such practice by banks had burdened the SMEs which had suffered by the current economic situation.

Hotel industry, Agriculture, Timber, Fishery, Farming & Gardening, Manufacturer and Food & Beverages were the most affected industries.

**6. Second Stimulus Package (Mini Budget)**



- A: Current Year Losses of Up to RM100,000 be Allowed to be Carried Back to the Immediate Preceding Year
- B: Expenses Incurred on Renovation and Refurbishment of Business Premises Between 10 Mar 2009 and 31 Dec 2010 be Given Accelerated Capital Allowance that can be Claimed Within 2 Years, limited to RM100,000
- C: RM5 Billion Working Capital Guarantee Scheme
- D: Levy Payment Rate for Human Resource Development Fund Reduce to 0.5%

Diagram 16: Benefit of Assistance Schemes to the Businesses

The Government has launched the Second Stimulus Package amounted RM60 billion on 10<sup>th</sup> March 2009 by announcing series of assistance programmes to assist business community. However, the response from the survey shows that businesses have not benefit from the programmes yet. Those who opined that they can benefit were lower than 19%.

Manufacturer and Hotel were the industries most affected by double levy on foreign workers.

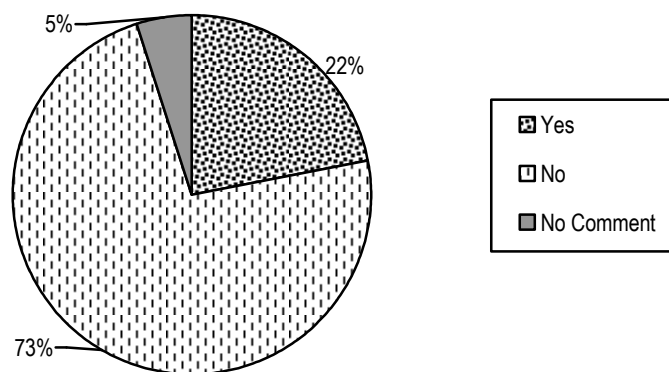


Diagram 17: Willingness of Respondents to Employ Retrenched Workers to Entitle for Double Tax Deduction

46% of the Hotel operators stated that they will employ retrenched workers for the double tax deduction.

However, overall there were 73% of the respondents will not do the same to entitle for the double tax deduction.

## Conclusion

1. Most of the SMEs are of the view that the current economic crisis has a greater impact as compare with the 1997 financial crisis.
2. SMEs are of the view that the two Stimulus Packages may not assist them in immediate term to overcome the current financial crisis.
3. The survey reveals that the two measures that can assist SMEs the most are:-
  - a. Reduction in corporate tax rate
  - b. Reduction in electricity tariff
4. SMEs must be fully aware of the Government assistance programmes and utilise these resources in accelerating the growth and enhance its competitiveness in this economic slowdown.
5. SMEs are of the view that the hike of fuel prices has caused the increase in the price of goods and services.

Although the fuel prices has subsequently reduced, the businesses have not been able to reduce the prices due to the chain effect caused by the increase in fuel prices, electricity tariff and etc.

6. The survey reveals that 3 major actions been taken by SMEs to counter-act the economic slowdown are:-
  - a. Review their business plan
  - b. Reduce their production cost
  - c. Explore new market

However there are one third of the respondents unable to take any action to counter-act the economic slowdown.

Our survey revealed that retrenchment is the last measure that SME would consider doing during this economic slowdown.

7. Most of the SMEs facing collections problems since the economic slowdown in September last year. Hence, SMEs are of the view that bank's loans/ facilities are their major source of finance to enable businesses to resolve their liquidity problems.