

Misperception about Covid-19 Cases from Factory Clusters

Kuala Lumpur, July 14, 2021 – The Federation of Malaysian Manufacturers (FMM) is deeply concerned with the repeated allegations in the media on factories as a primary source of Covid-19 infections and wishes to clear this misconception.

Based on data from the Ministry of Health (MOH), the majority of the cases especially in 2021 have been sporadic cases and not originated from clusters including workplace clusters. It is evident from data released by the MOH on June 21, 2021 that 69% (398,846 out of 578,105) of Covid-19 cases recorded this year until June 19, 2021 were sporadic cases i.e. cases that are detected in the community and cannot be associated with any existing clusters while the balance of 31% came from clusters.



Source: CPRC, MOH, June 21, 2021

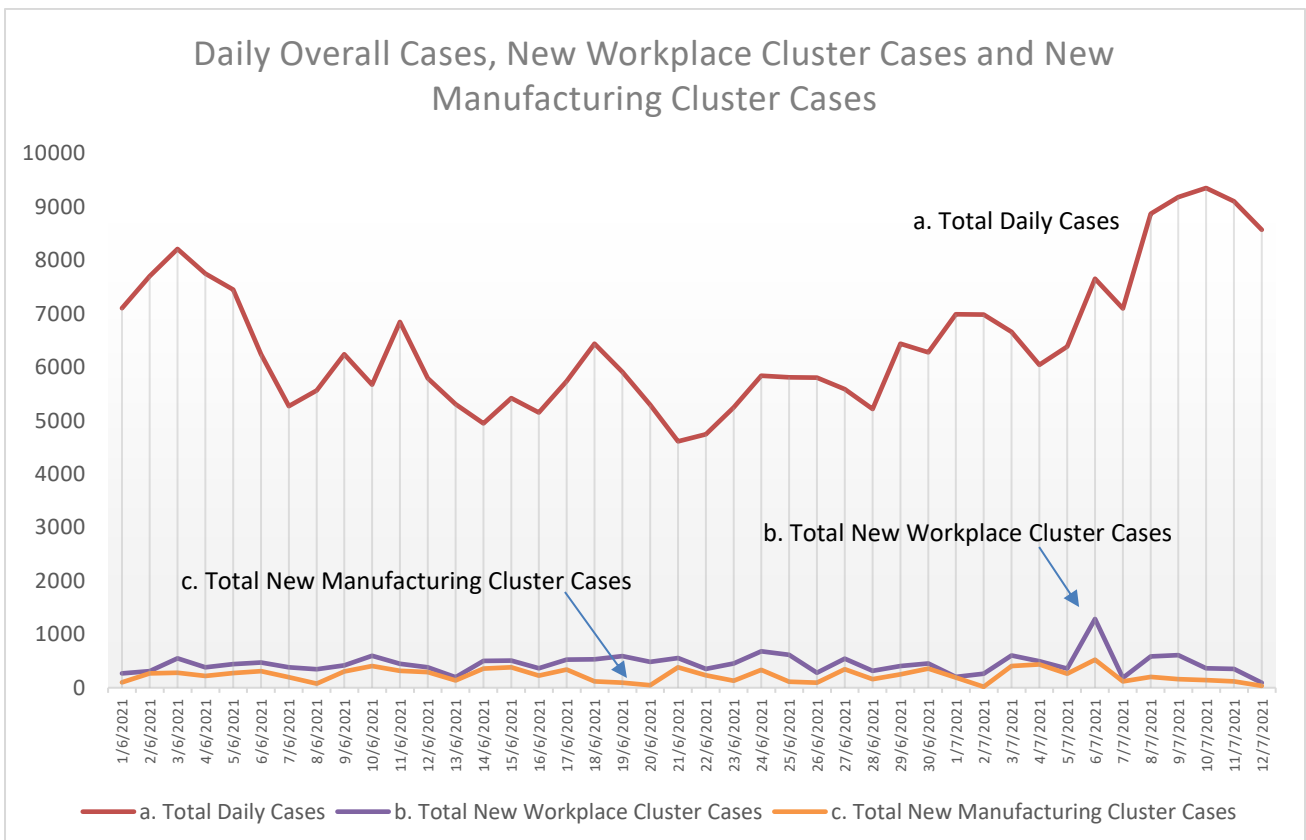
Tan Sri Dr Noor Hisham Abdullah, Director General of Health was also most recently quoted during an engagement with the business community on July 4, 2021 that of the total cases, close to 70% were sporadic cases while 30% came from clusters of which 62% are workplace clusters. Factories only account for 30% of these workplace clusters. This works out to be around only 6% of the total number of cases that can be attributed to factories.

Even more recently, MOH reported that only 15,069 (9.7%) out of a total of 156,105 infections cases from June 1, 2021 to June 26, 2021 were attributed to the manufacturing sector. On July 9, 2021, Tan Sri Dr Noor Hisham Abdullah was quoted saying that only 16% of the record high 9,180 cases reported for the day were from clusters while the remaining 84% were based on testing of individuals.



Source: Ministry of International Trade and Industry (MITI) Facebook and Twitter platforms, June 30, 2021

Based on FMM’s own analysis of the official data published by the Ministry of Health in their website, Telegram and social media platforms from June 1 to July 12, 2021, the daily new cluster-based cases reported have ranged between 1% to 17% of the overall cases reported daily. In addition, new manufacturing cluster cases over the same period as a percentage of the overall daily cases reported have ranged between 0.3% to 8.3%. The graph below shows the trend of overall cases, new workplace clusters and new manufacturing cluster cases as reported by the National Crisis Preparedness and Response Centre (CPRC) of MOH on a daily basis. It is very clear that cases linked to clusters especially manufacturing clusters are low.



Data Source: CPRC, MOH daily updates on total cases, new workplace cluster cases and new manufacturing cluster cases Chart: By FMM

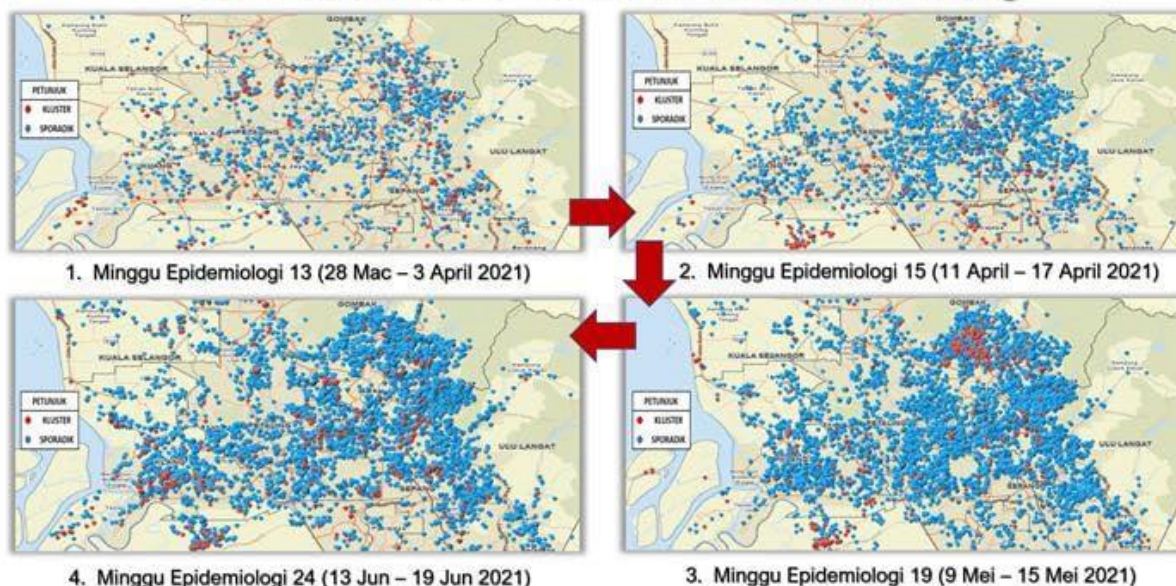
In addition, other data has also supported the fact that factories are also not the main sources of infections. Quoting from Tan Sri Dr Noor Hisham Abdullah again in the media on June 14, 2021 it was reported that out of the 662,457 cumulative Covid-19 positive cases since 2020, only 95,156 (14.4%) were from manufacturing.

On June 30, 2021, the Senior Minister of Ministry of International Trade and Industry (MITI) was quoted in the media saying that based on data obtained from the National Crisis Preparedness and Response Centre (CPRC) of MOH, the manufacturing sector accounted for just 9.3% of cases or 12,872 from the total 138,649 cases reported between June 1 and June 23, 2021. Based on the new cluster cases reported daily by the Ministry of Health from July 1 to July 9, 2021 and tracked by FMM, cases from manufacturing contributed a maximum of 7.3% only of the overall daily cases.

While it must be acknowledged that the risk of factory infections cannot be totally eliminated especially now with the high percentage of sporadic cases and with the virus in the community, this most certainly cannot be equated to the lack of Covid-19 Standard Operating Procedures (SOP) compliance by factories and is a very unfair conclusion to be made. With the rise in the sporadic cases, managing the entry of infections into the factory or hostels has become more challenging for the industry despite the SOP and preventive measures in place including swab tests because the virus may still go into factories especially through the asymptomatic sporadic cases. These sources of infections are often not traced back to the community where it most likely originated from but to the factory when one community-related infection amongst the workers leads to more workers getting tested due to close contact tracing done. This in turn is reported as a workplace cluster by the authorities giving rise to the misconception that workplaces, especially factories, are the primary source of infection. Hence, it is important that the Government makes its lockdown decisions based on science and data, and not on misconception. Close only specific companies where cases of Covid-19 cases are detected but not declare EMCO on an entire area/district or state and impose strict operation conditions on all businesses, as it is unfair to unaffected companies especially those that have a clean record and have maintained the highest levels of SOP and workplace preventive measures.

It must also be noted that the lockdown in Selangor and Kuala Lumpur was implemented not due to rising work clusters as claimed in a recent media article but to address the worrying and fast rising sporadic cases in the Klang Valley which had been highlighted as early as June 21, 2021 by the Ministry of Health as seen below.

Tren Taburan Kes Covid-19 di Lembah Klang



Source: CPRC, MOH, June 21, 2021

The importance of the manufacturing sector to Malaysia's economy must be appreciated by all. If all factories are forced to shut, the impact would be most devastating on the economy. The manufacturing sector has been the pillar of economic growth as evident from the 4Q2020 economic performance where the manufacturing sector was the only economic sector with a positive growth of 3% and this performance continued in 1Q2021 with stronger growth where manufacturing led all other economic sectors with a growth of 6%. As the catalyst of growth contributing around 23% of GDP including 86% of total exports and the main source of demand for output from the other economic sectors, it is very clear that the manufacturing sector must be allowed continue to operate amidst the Covid-19 pandemic. Businesses cannot be sustained if factory operations are closed or reduced in capacity and it will lead to knock-on effects in the economy with significant loss of jobs due to the extensive supply chains and networks involved in manufacturing. If industries remain closed for too long, it could cause economic stagnation and irreparable damage to the economy including possible exodus of foreign investors and reduction in domestic investments.

The industry gives its fullest commitment and support to the Government's efforts in fighting the Covid-19 pandemic and will continue to ensure strict adherence to the SOPs and preventive measures at the workplace and workers' quarters including compliance to Act 446 as well as accelerating the process of getting all employees vaccinated through participation in the Program Immunisasi Industri COVID-19 Kerjasama Awam Swasta (PIKAS).



Tan Sri Dato' Soh Thian Lai
President, Federation of Malaysian Manufacturers

FMM Advocates Transparency, Integrity and No Corruption

About FMM

The Federation of Malaysian Manufacturers (FMM) has been the voice of the Malaysian manufacturing sector since 1968. Representing over 10,500 member companies (3,500 direct and 7,000 indirect) from the manufacturing supply chain, FMM is actively engaged with government and its key agencies at Federal, State and local levels. FMM is also well-linked with international organisations, Malaysian businesses and civil society. Apart from benefitting from FMM's advocacy, FMM members enjoy value-add services, including training, business networking and trade opportunities as well as regular information updates.

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