

# Labuan Chamber seeks Minister's help on issues

## Sohan Das

LABUAN: The Labuan Chinese Chamber of Commerce (LCCC) has presented a memorandum to Federal Territories Minister Tan Sri Annuar Musa, seeking the latter's approval and intervention on several economic-related issues plaguing local businesses.

The memorandum was presented by its President Datuk Wong Kii Yii to Annuar during the Minister's working visit to the island recently.

Among the issues highlighted in the memorandum include on the need for FT Ministry's incentives such as six months waiver of rental on government-owned premises to businesses affected by the imposition of the Movement Control Order (MCO) following the Covid-19 pandemic.

"The local businesses are drowning in debts with outstanding staff salaries, Employees Provident Fund (EPF) contribution and premise monthly rental..."

"The Prime Minister (Tan Sri Muhyiddin Yassin) had said earlier that the rental of government-owned premises would be waived during the MCO. Unfortunately, it does not apply to Labuan," he said, Thursday.

He also called for solutions on the problem of liquor import permit approval which had caused fully-loaded cargoes to pile up at the Labuan Port, forcing importers to incur millions of ringgit in losses due to port and demurrage charges.

"We are also seeking an intervention from the Minister to help bring up the issue to the attention of the Minister of Finance on the requirement by the Inland Revenue Department's (IRB) for businesses to submit account statement within 14 days, of which the time frame is just too harsh.

"Local businesses need at least three months to prepare the documentation as



Wong



Annuar

required by the IRB...A 14 days time frame after the receiving the IRB's letter is too short, owing to the hectic schedule of the business operators," he said.

Wong also disclosed the need to reduce the corporate tax, similar to that of percentage enjoyed by the Labuan offshore industry players.

"We are also seeking for the Minister to help realise the wishes of Labuan businesses to make the island not only a duty-free one but also a free trade zone.

"And also to exempt local importers from (the need to) obtain documents like approved permit from the Ministry of International Trade and Industry (Miti), Construction Industry Development Board (CIDB) and Standard and Industrial Research Institute of Malaysia (Sirim) to export goods to the third countries," he said.

He said Labuan could still regain its glory days through the re-establishment of barter trade and transshipment business activities, which were halted in 2016.

"Labuan's barter trade activities had contributed to the business growth and local employment for more than 30 years before it was halted and shifted to Sandakan, Sabah...we hope the barter trade could be approved to re-ignite (the local economy) so we can help shape Labuan's economy," said Wong.