

Personnel Air Force prepare to conduct cloud seeding over Kuala Lumpur yesterday.

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Malaysia could lose millions of ringgit due to haze

Proper assessment needed to seek compensation: Economist

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PETALING JAYA: The country is expected to lose millions of ringgit in potential income due to the current haze spell, according to an economist.

Universiti Putra Malaysia (UPM) Economy and Management Faculty senior lecturer Assoc Prof Dr Mohd Yusof Saari said this is based on the potential loss from employees calling in sick and reduction of tourist arrivals.

He said, a proper assessment of the economic loss due to the haze has to be conducted by the government if it wants to take any follow-up action.

"If Malaysia wants to seek compensation from our neighbouring country and the companies (that contributed to the haze), information related to the economic losses is required," he said yesterday.

Mohd Yusof estimated that Malaysia could lose close to RM400,000 a day from workers falling sick, going by the country's productivity statistics that an employee will generate RM225 daily towards the national income.

"In Malaysia, there are 42 hospitals under the Health Ministry, and let's estimate there are 40 patients affected by the haze each day.

"Using the productivity statistics, it could mean a potential loss of RM378,000 (RM225 x 40 x 42) daily due to the haze," he said.

Health Minister Datuk Seri Dr Dzulkefly Ahmad on Tuesday said the number of patients seeking treatment nationwide has risen between 20% and 30% in the last one month.

Mohd Yusof said the tourism sector is also expected to be largely affected, with the number of tourist arrivals predicted to be lower during the haze period.

"Tourism is one of the main contributors to our economy. So, the haze phenomenon is sure to have a significant impact. "The decrease in tourist numbers will also affect spending on other sectors, such as hotels and restaurants, shopping and transport."

Lorong Tuanku Abdul Rahman Traders and Hawkers Association chairman Halim Suradi said business in the city centre had slowed by as much as 40% since the haze started earlier this month.

"Business is getting worse week by week. The number of shoppers has declined considerably as people are choosing to stay indoors.

"I can say that sales have dropped by 40% but it seems like there's nothing we can do about it," he told *theSun*.

Koperasi Komuniti Food Truck Malaysia Bhd advisor Aden M. Mohd Ten said business among its members were drastically affected since the haze started.

"Many food truck events have been postponed. And normal business has also been affected as many Malaysians, particularly families, choose not to eat out.

"Our business has been affected between 10 and 30%. Hopefully, the situation improves by the end of the month," he added.