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Muhyiddin-Cellular

GOV'T EXPECTS PRICE OF CELLULAR PHONES TO COME DOWN

KUALA LUMPUR, June 27 (Bernama) -- Cellular telephone prices are expected to come down soon following the abolition of the 20 per cent import duty effective June 14, said Domestic Trade and Consumer Affairs Minister Tan Sri Muhyiddin Yassin today.

He said the abolition of the duty did not have a significant effect on cellular telephone prices because they were previously brought in as semi-knocked down (SKD) goods before being assembled here and not in the form of completely built-up (CBU) goods.

"Competition from smuggled telephones is still intense because smuggling is still going on and in addition there is the 10 per cent sales tax which is still applicable while the smugglers don't pay anything," he told reporters after chairing his ministerial meeting here.

"The prices of certain models still remain at the level before the import duty was abolished but we expect this to change because of the intense competition," he said.

He said the ministry would monitor the prices so that they would not go up and remain at that level because the prices should come down especially when importers brought in the CBU units.

Muhyiddin said it was possible that vendors were not reducing their prices now because they wanted to dispose off the old stocks.

He said the 10 per cent service tax was being retained and not abolished as announced earlier.

Meanwhile, commenting on reports that computer suppliers under the Employees Provident Fund's (EPF) computer ownership programme were installing unlicensed software, he said such acts contravened the Copyrights Act.

"Buyers expect to get original software. Our first advice to those participating in the scheme is that they must scrutinise (the product) carefully with the suppliers," Muhyiddin said.

On another matter, he said the cabinet today fixed Malaysian Consumers Day to be celebrated on July 26 every year while the Malaysian Consumers Week would be one week before that date.

"The new date was chosen because the Consumers Bill was tabled in Parliament on that date in 1999," he explained.

He said the first celebration would be held next month which was expected to be launched by Prime Minister Datuk Seri Dr Mahathir Mohamad and aimed to raise public awareness on consumerism issues in the country.

The theme of the celebration would be "The Country Benefits Through Informed Consumers".

Malaysia earlier celebrated World Consumers Day on March 15 every year.

-- BERNAMA

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