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Mahathir-Rice

STRATEGIES TO BE DRAWN UP TO CURB RICE SMUGGLING

JOHOR BAHRU, Aug 21 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today that several strategies will be drawn up to curb rice smuggling because if left unchecked, it will affect the local rice industry and the country's income.

Dr Mahathir, who is also Finance Minister, said that rampant rice smuggling activities which affect companies involved in the commodity would also cause the country to lose out in terms of revenue.

"The government is drawing up strategies to curb rice smuggling which may affect the supply of rice in the country and also cause the affected companies to incur losses.

"When the companies are affected due to smuggling, their business will suffer and the revenue derived from them will also decline," he said when opening the Menara Kastam Johor (Johor Customs Tower) here.

Present were Johor Menteri Besar Datuk Abdul Ghani Othman, Finance Minister II Datuk Jamaluddin Jarjis, Royal Malaysian Customs Director-General Tan Sri Abdul Halil Mutalib and Johor Royal Customs Director Sarmin Hussein.

The prime minister said the commodity should be brought into the country through proper channels and laws.

Meanwhile, Dr Mahathir who is also the Finance Minister, hoped the Royal Customs Department would be able to earn RM26 billion in revenues this year, a 20 per cent jump from the previous year.

"Incomes earned through the customs and Inland Revenue Board are used to run the country and development for the people like providing infrastructures, facilities and others," he said.

Dr Mahathir said by equipping the customs with sophisticated and modern equipment to curb smuggling, the government hoped the agency would be able to improve its yearly tax collections.

He said customs personnel should be exposed to the use of modern technology to curb smuggling apart from having a quality work culture to prevent tax-evasion.

When speaking to reporters, Dr Mahathir said the customs personnel had been instructed to inspect all of the rice imported into the country despite no taxes being imposed on the commodity.

"This is only an enforcement (measure) to make sure (the rice brought into the country) it has the necessary permit," he said.

Dr Mahathir said previously rice smuggling was carried out on a minor scale and had not caused too much of a problem.

"However nowadays, we found that it is being smuggled through ships, a lot has been smuggled (into the country), therefore the local rice cannot be sold as the production costs in Malaysia are much higher than that in neighbouring nations.

"If we allow rice from neighbouring countries (into Malaysia) then we will not be able to sell the local rice...this means incurring huge losses to the padi farmers," he said.

-- BERNAMA

MNY MHI ZUL