

Gov't pushes 1Malaysia products into petrol stations

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Despite allegations by the opposition that 1Malaysia products are higher priced and of lower quality, the government has beefed up its efforts to push these products into the retail market at petrol stations, further threatening the survival of the traditional grocery stores.

It is learnt that Petronas Dagangan Bhd, the domestic marketing arm of national oil and gas company Petronas, sent out an internal circular to all operators of Kedai Mesra, the convenience store at Petronas petrol stations, to pitch the idea.

The confidential circular sighted by Malaysiakini encourages the operators to attend a special briefing this morning, being held "in line with the government's aspirations to expand the distribution of 1Malaysia label products to the petrol station network".

The briefing by Mydin Mohamed Holdings Bhd, the operator that markets 1Malaysia products and runs Kedai Rakyat 1Malaysia (KR1M), was held at its headquarters at Subang Jaya.

Inquiries made with the headquarters this morning confirmed the briefing.

"Business partners (Kedai Mesra operators) are encouraged to attend the briefing, and if interested in selling the products in Kedai Mesra, you can register with Mydin," reads the circular signed by Firdaus Rozalli, senior manager, business partner management section, Petronas Dagangan.

Attached with the circular was a list of 45 1Malaysia products available for Kedai Mesra, including rice, creamer, ghee, sugar, chilli sauce, canned sardines, fruit jams, chocolate malt drinks, detergents and diapers.

The list also states the cost, retail price and margin for Kedai Mesra operators for each product.

All the products are also subject to a two percent royalty charge on the retail price for Petronas Dagangan Bhd.

KR1M was mooted by Prime Minister Najib Abdul Razak in June to tackle the escalating cost of living, and the government introduced 250 1Malaysia products that were claimed to be 40 percent cheaper than other sundry goods in the market.

'Savings claim an exaggeration'

However, Pakatan Rakyat has argued that the the savings claim was an exaggeration to mislead the people because, while there were some products that were indeed cheaper in the KR1M shops, these are not as cheap as touted.

The allegation was then denied by Domestic Trade, Cooperatives and Consumerism Minister Ismail Sabri Yaakob, who stressed that any comparison should be on apple-to-apple basis.

Ismail said the allegation was politically motivated to destroy the government's initiative, which had been

proven to benefit the people.

The opposition then responded with a more staggering allegation, claiming that fresh milk sold at the KR1M was tainted with E coli.

Opposition MPs also charged that laboratory tests showed the quality of the 1Malaysia products was substandard and infringed the Food Act 1983 and Food Regulations 1985.

KR1M has also seen strong objections from operators of traditional sundry shops, who have already been struggling for survival with the advent of hypermarkets.

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