

**Cooperative Sector Must Be Transformed To Help Rising Cost Of Living - DPM
Bernama
Mar 11, 2015**

KUALA LUMPUR, March 11 (Bernama) -- The Special Committee To Tackle The Cost of Living, chaired by Deputy Prime Minister Tan Sri Muhyiddin Yassin to handle issues on the rising cost of living feels cooperatives must be transformed into a National cooperative entity that plays a role to tackle cost of living issues.

Muhyiddin who chaired the meeting in Parliament said the scope and functions of cooperatives must be expanded to include activities that include production, manufacturing and distribution to ensure members can benefit through reasonable and affordable prices offered for such goods.

"For example, small cooperatives can form a consortium like set up to act as Distribution Centre for agriculture products produced by small scale farmers to avoid the involvement of middlemen.

"Such an effort can increase the income of farmers and ensure prices of such products sold to consumers are fair," he said in a statement from the secretariat of the Special Committee.

The committee also agreed that a comprehensive paper that include proposals and recommendations for a more effective role played by cooperatives to play an important role, he said.

The committee would also engage with consumer associations and representatives of the business sector as well as non-governmental organisations related to the supply of goods and services as well as other factors that determine prices of goods.

He said it would also collaborate with the Fiscal Policy Committee chaired by Prime Minister Datuk Seri Najib Razak, particularly in scrutinizing the government's taxation policy and subsidy rationalisation.

It was also agreed in the meeting that an integrated working relationship was required between the Ministry of Agriculture and Agro-based Industry, Ministry of Domestic Trade, Cooperatives and Consumerism and related agencies to face the situation once the Goods and Services Tax (GST) was implemented starting April 1, 2015.

Among strategies already in motion is the distribution and marketing of products to consumers through Farmers' Market, collection centres, contract farming and Peoples' Market that offers 32 products that are about 20 percent cheaper from the market price.

On March 1, the price of RON 95 petrol was raised to RM1.95 a litre (25 sen more than previous price), RON 97 petrol at RM2.25 a litre (+25 sen) and diesel at RM1.95 a litre (+25 sen).

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