

**Putrajaya says will ensure traders don't ride on GST to hike up prices**  
**The Malaysian Insider**  
**March 11, 2015**  
**By Elizabeth Zachariah**

Putrajaya today said it would ensure traders do not raise prices irresponsibly once the goods and services tax (GST) comes into effect next month.

The Special Committee to Tackle the Cost of Living at Committee, which met today, said it recognised the main challenge in light of the GST would be to guarantee that prices of goods and services remained stable.

"The meeting also realised that one of the main challenges for the government for the year 2015 is to monitor closely to ensure that traders do not manipulate prices and add more burden to the people's cost of living," the committee said in a statement this evening.

The high-powered meeting chaired by Deputy Prime Minister Tan Sri Muhyiddin Yassin also decided that a "solid cooperation" and "comprehensive action" were necessary among the relevant ministries and agencies to face the impending effects of the GST.

The committee noted that although the price of RON95 petrol increased from RM1.70 in February to RM1.95 in March, the rising cost of goods was not just due to the fluctuating price of oil.

"We were informed, by the trend of prices of goods, that the changes in prices of goods and services do not only depend on the changes in the price of oil.

"Many other factors also influence the changes to the price of goods and services in the market. For example, the increase in prices of agrofood commodity is caused by factors like climate change, manipulation by middlemen who control up to 30% of every ringgit spent by consumers and a high demand when supplies are limited," the statement read.

The committee revealed that the Ministry of Agriculture and Agro-Based Industry had received a special allocation to implement programmes that would guarantee the supply and distribution of the nation's agrofoods.

"The ministry presented a paper on its strategies and plans to handle the rise in prices of fresh produce. These programmes are expected to have more impact on the restructuring of the marketing system and also increase the guarantee production and food supply.

"Among the strategies that have already been implemented are the direct distribution of fresh produce to consumers through farmers markets, collection centres, contact fields and others," it added.

Last year, the committee approved an allocation of RM3.5 million under the Domestic Trade, Cooperatives and Consumerism Ministry, to be disbursed to 20 civil society groups to carry out a consumerism campaign, including roadshows, under its education empowerment plan from 2014 to 2019.

The groups include the Association of Wives and Women Members of Malaysian Public Service (Puspanitapuri), Muslim Consumers Association of Malaysia (PPIM) and Peninsula Malay Students Confederation (GPMS).

Highlighting the importance of the role of cooperatives, the committee said today that its scope and role have to be widened to include activities in the value chain including production and distribution, which would only benefit its members and the rakyat as the prices would be reasonable.

"We have also agreed that a comprehensive research paper on the proposal to improve the role of cooperatives and to integrate the entities from different sectors as a marketing centre, would be presented at the next meeting.

Besides Muhyiddin, Domestic Trade, Cooperatives and Consumerism Minister Datuk Seri Hasan Malek, his deputy Datuk Seri Ahmad Bashah Md. Hanipah, Agriculture and Agro-Based Industry minister Datuk Seri Ismail Sabri Yaakob and Rural and Regional Development minister Datuk Seri Mohd Shafie Apdal also attended the meeting.

The committee was set up on January 15 last year as an extension of the National Key Result Area (NKRA) to address the escalating cost of living.

In an attempt to address the concerns of Malaysians over bread and butter issues, Putrajaya had also launched several key flagship programmes under the NKRA, including the Bantuan Rakyat 1Malaysia (BR1M), schooling assistance for school children and affordable goods and services through the Kedai Rakyat 1Malaysia (KR1M) and Klinik 1Malaysia (K1M). – March 11, 2015.

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