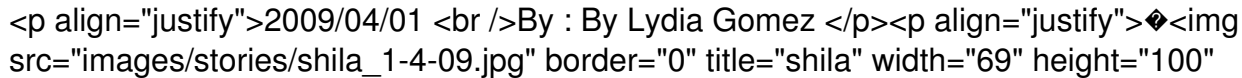


Consumers have to pay the price

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 Shila Dorai Raj Domestic Trade and Consumer Affairs Ministry's policy and planning division under-secretary

KUALA LUMPUR: There will always be food at markets and in hypermarkets, but at what price?

Consumer groups, an academicians and government authorities believe consumers are being forced to pay high prices although the reason for the hikes since last year is no longer valid as fuel prices have come down.

An academicians said this was because wholesalers and retailers were unwilling to give up the "new" profits they were making.

Universiti Putra Malaysia's Institute of Agriculture and Food Policy Studies director Professor Dr Fatimah Mohamed Arshad used the term "asymmetrical behaviour" to explain this. "(Wholesalers) are used to that amount of profit and are not willing to take anything less."

But consumer groups and the authorities, including the Domestic Trade and Consumer Affairs Ministry, are fighting back.

The ministry and the Federal Agricultural Marketing Authority (Fama) are carrying out or planning projects to force prices down, while consumer groups want the people to take charge of prices.

Representatives from these bodies were at a roundtable discussion here yesterday to talk about food prices and security.

The ministry and Fama believe consumers have the power to affect prices, simply by staying informed.

The ministry's policy and planning division under-secretary Shila Dorai Raj said: "We are moving towards self-regulation."

"We are telling consumers that they are the invisible hand in the economy."

"They can control the behaviour of the market. We do not want to carry out enforcement for every single complaint we receive."

She said this message was being sent out to consumers through campaigns and programmes aimed at empowering consumers to act against unscrupulous traders.

The New Straits Times yesterday reported that a survey carried out by the Consumer Research and Resource Centre showed that even hypermarkets had not lowered prices since fuel prices came down last year.

CRRC chief executive officer Paul Selva Raj said as such it was up to consumers to manage their lifestyle and buying habits to check price hikes.

"They should not be lulled into thinking that prices are going down just because there are offers and promotions. They must evaluate and make wise purchasing decisions."

He suggested that the ministry look at the supply chain to pinpoint the cause of rising food prices.

Yesterday, Shila told the roundtable discussion that the ministry was working on a project to bring prices down by looking into the distribution system.

The pilot project is being tested in 45 areas nationwide.

"We want to use one transporter who will move the items to the 45 areas."

Fama director of marketing information Abdul Ghariff Ramin said availability and variety of food was the most necessary aspects to look into.

He proposed an increase in outlets selling local agricultural produce.

"Marketing outreach is important. Increase the options and the demand will increase as well."

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