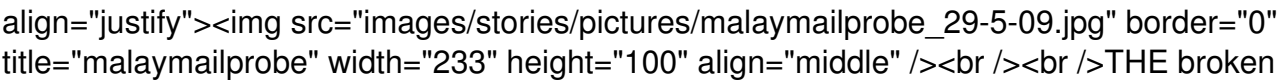


Millers blame ministry for rice shortage

Written by 3K Admin

Friday, 29 May 2009 09:43 - Last Updated Friday, 29 May 2009 12:37

Pauline Almeida
Wednesday, May 27th, 2009 07:33:00



THE broken rice shortage crisis deepens. There are claims by some private millers that they had been told to supply just enough of the subsidised ST15 grade to last till March. A Malay Mail probe revealed that the Agriculture and Agrobased Industry Ministry had met millers from all over the country last year to inform them that they need to only supply the subsidised grade for six months from September last year to March, 2009.

A spokesman from a rice miller association with 100 members up north told Malay Mail yesterday that the decision, however, was reversed by the same ministry in February.

"We were told to continue supplying the market even after March. By that time, many of the millers had sold off their excess stocks (from March onwards) to wholesalers. When the reversal was made, there was hardly any more stock from the last harvest," said the spokesman.

The spokesman said the wholesalers had bought large volumes of the grade at the cheap, subsidised price of RM17.50 per 10kg packs.

"I do not know what they did with the rice. What they do with the rice is their business," he said.

Industry sources said there is a likelihood of hoarding as the wholesalers can sell the grade in small quantities at an inflated price as they were aware that the demand for the broken rice had escalated from 10 per cent to 30 per cent.

It had been reported that they could also make a killing by using broken rice to produce meehoon which fetches a higher price.

The spokesman said there was little that could be done now but to wait for the harvesting period to end.

Padi farmers in Kedah and Perlis normally harvest in May, while Perak in June. Terengganu had completed its harvesting in April.

Meanwhile, Agriculture and Agro-based Industry Minister Datuk Noh Omar said there shouldn't be any shortage as Padiberas Nasional Bhd (Bernas) had more than 16,000 tonnes in stock.

He added that a meeting would be held today with Bernas, Bumiputera millers and wholesalers to identify the cause of the shortage and to overcome it.

Source:
<http://www.mmail.com.my/content/millers-blame-ministry-rice-shortage>