

Whose responsibility is it to check on hoarding of onions?

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I was surprised when the domestic trade and consumer affairs ministry (KPDNHEP) enforcement director urged the Consumers' Association of Penang (CAP) to "hand over its findings to the ministry" after its purported claim that some wholesalers could be hoarding Indian onions bought at cheaper prices.

The reason for my surprise is that CAP's statement clearly called for KPDNHEP "to check if there is any hoarding involved by the importers and wholesalers".

The onus rests on KPDNHEP to prove that importers and wholesalers hoard because it is the agency that claimed that the price of Indian onions had increased to double digits.

Since KPDNHEP is well aware of this, then they should investigate the cause (whatever the reason) under the Price Control and Anti-Profitteering Act.

CAP is correct in pointing out about futures trading that serves as a buffer for importers against wild fluctuation of prices of commodities.

The onions would have been bought at the pre-determined price (according to the contract agreed upon between the exporter and the importer) and whatever stocks on hand cannot be sold at current (increased) prices. Moreover, the futures contract is legally binding.

I am puzzled why KPDNHEP did not take immediate action when the prices of Indian onions went up to double digits.

Moreover, prices of onions vary greatly from state to state, with Penang having the most expensive Indian onions (according to the KPDNHEP). How could this happen?

Consumers should also learn to boycott and blacklist unscrupulous business outlets because it is the existence of gullible consumers that enables these businesses to survive.

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