

Finance ministry and KPDNHEP to meet over 50 per cent cement price increase



Real Estate and Housing Developers Association Malaysia (Rehda), Penang Master Builders & Building Materials Dealers Association (PMBBMDA) and Federation of Malaysian Manufacturers (FMM) met Finance Minister Lim Guan Eng today here over the matter. (Pic by Shahnaz Fazlie Shahrizal)

By Mohamed Basyir - June 16, 2019 @ 7:27pm

GEORGE TOWN: The Finance Ministry and the Domestic Trade and Consumer Affairs Ministry (KPDNHEP) will meet over the 50 per cent increase in cement price.

Real Estate and Housing Developers Association Malaysia (Rehda), Penang Master Builders & Building Materials Dealers Association (PMBBMDA) and Federation of Malaysian Manufacturers (FMM) met Finance Minister Lim Guan Eng today here over the matter.

According to a letter from a cement supplier, it was mentioned that the price of the commodity increased from RM20 to RM40 per cubic metre from Saturday.

Other suppliers notified developers that cement price would increase from July onwards.

"The increase of cement prices will cause a chain effect involving the construction of infrastructures, houses, factories.... all projects will be impacted badly.

"The cement industry is now dominated by a company which owns 85 per cent of the supply. This group questions if this is the impact of the monopoly involving the company.

"Hence this matter will be brought to the ministry and I will meet with the minister Datuk Seri Saifudin Nasution Ismail to discuss the matter, maybe next week," Lim said here today.

The Finance minister stressed that there was no concrete reason to hike up the price of cement as the Ringgit had begun to strengthen, while the materials used to produce cement were sourced locally and not imported from abroad.

"Why does it have to increase? According to records there had never been such a hike.

"Our's (cement) is cheaper than the ones sold in Thailand and it seems this will change with the new increased price," he said.

Rehda Penang chairman Datuk Toh Chin Leong said all their members had provided negative feedback since the cement price notification

He said this will see the price of houses going up as many of the materials (in building a house) utilise cement (products).

"There were previous increases but it was slight. This is a big hike and will surely will impact the house price," he said.

Also present were PMBBMDA adviser Datuk Lim Kai Seng and FMM Penang chairman Datuk Ooi Heng Hock.

