

MyCC study: Permit abuse causes price increase of round cabbage, says Saifuddin

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KUALA LUMPUR: The recent Market Review on the food sector by the Malaysia Competition Commission (MyCC) found that the abuse of Approved Permit (AP) for the import of cabbages have contributed to the price increase of the vegetable.

"Therefore the commission suggested close monitoring on the process after the issuance of the AP to safeguard the right of choice for consumers and competitive prices in the market," said Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution Ismail after launching the 330-page report.

Besides round cabbage and mustard leaf (sawi), the nine-month long study also focused on other food stuff such as beef, fish and infant formula.

The review on beef and infant formula highlighted a high dependency on imports, which constituted a huge portion of the market.

"In the case of beef for instance, Malaysia imported beef mainly from 2 countries namely Australia and India. This over reliance on few suppliers exposes the Malaysian beef market to, among others, constant price hikes and limited choices," he added.

Saifuddin said on the infant formula market, MyCC said the creation of house brands and emergence of more local players were needed in order to raise competitiveness in the market.

Meanwhile, Saifuddin Nasution said the main issue for the fish sub-sector was the presence of middlemen in the supply chain, malpractices in the main distribution hub and lack of awareness on the alternatives for the "mackerel" (ikan kembung).

"There is an urgent need to actively educate consumers to be aware of market stimulation and demand and an inclusive E-Commerce policy to address this issue," he said.

The Kuala Lumpur Wholesale Market was also emphasized in the study and findings showed that there were stalls illegally rented out, an influx of foreign workers or sellers and additional operating fees, he said.

He said the findings of the study would be presented to the cabinet and he hoped that the parties involved could formulate a better policy in addressing the issues and realising the recommendations provided by the MyCC.

Also present at the launch were Deputy Domestic Trade and Consumer Affairs Minister Chong Chieng Jen and MyCC Chief Executive Iskandar Ismail. — *Bernama*

