

Smaller, costlier food items in Labuan

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LABUAN: *Goreng pisang* (fried banana), fried shrimp cakes, chicken wings, *nasi lemak*, *chakui* and a host of other favourite eats here have become smaller and costlier.

This only means that the billions of ringgit spent on subsidies had not been effective in curbing inflation on the island.

Labuan Consumer Action Council (LCAC) Chief, Fauziah Datuk Din, said if the prices keep going up, Labuan would no longer be an ideal place for living and working because many would not be able to afford the high cost of living.

She noted that many items on the island were especially high because unlike other districts a bulk of Labuan consumer and other goods have to be shipped here, involving high transportation costs.

And scarcity of shops for rent has escalated rentals, "resulting in the hawkers and stallholders transferring the high cost of doing business to consumers," she said.

She suggested that one way to solve the problem is to offer incentives to the private sector to have more commercial shops or complexes opened up in sub-urban sections.

She said easy availability of premises to do business would create competition and probably keep escalating rentals depressed.

She further said though the *goreng pisang* seller and others used low protein subsidised flour and the cost and size of the *goreng pisang* sold should remain unchanged, prices had increased because the seller had to cover for her additional household expenditure due to increasing cost of other home-used items.

On subsidy, recently the Ministry of Domestic Trade, Cooperatives and Consumerism had circulated a flyer showing the billions of ringgit of subsidies spent last year.

These comprised sugar (RM789 million), flour RM89 million), cooking oil (RM813 million), rice ST 15 (RM486 million), petrol RON95 (RM3.13 billion), diesel (RM3.59 billion) and LPG (RM1.43 billion). The total amounted to RM10.32 billion.

Fauziah said one measure the Labuan Corporation could consider is that when it rents out its stalls it should obtain a condition from the stallholder that the price of foods sold would be reasonable and fair since they are renting LC-subsidised stalls.