

Ministry to probe cartel activities in food, agri sectors

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KUALA LUMPUR: Investigating cartel activities in the food and agriculture sector will be the Domestic Trade and Cost of Living Ministry's top priority this year, its minister Datuk Seri Salahuddin Ayub said.

Salahuddin said the Malaysia Competition Commission (MyCC) had so far issued about RM175 million in financial penalties.

"This must continue. Cartels and monopolies must not be allowed to exist as they disrupt competition in the market thus affecting the cost of living.

"I urge the MyCC to step up its efforts. As a member of the cabinet, I can assure that the government will lend its full support to such an effort."

Addressing the issue in his speech to officiate Professor Richard Whish's 2nd Lecture Series here today, Salahuddin said the MyCC would also focus on getting a merger control regime in place.

He said the merger control regime was crucial for the new government as it would ensure that consumers were not affected negatively by new monopolies resulting from mergers between major players.

"We have seen the impact of big mergers. We have to remember Malaysia is a trading nation with a growing economy. We cannot afford to have market concentration, especially in crucial areas such as services, retail, the food and agriculture sector.

"If left unchecked, mergers are also used to camouflage the formation of cartels.

"We will ensure that the amendments to the Competition Act 2010 and the Competition Commission Act 2010 are tabled in Parliament as soon as possible," he said.

In ensuring that MyCC remained relevant with current and future trends due to the digital economy, Salahuddin also said the regulatory body would soon be carrying out market reviews to identify the root cause within the existing digital markets that distorts competition.

"It will look into the structure of the market including the conduct of the enterprises, suppliers and consumers in the supply chain and come up with proper recommendations to correct market behaviour," he said. — BERNAMA