

MEDIA RELEASE

In response to the Budget 2010 by the Minister of Finance, FOMCA makes the following suggestions and proposals:

Food Security

1. The Budget lacks emphasis on long term food security measures. This exposes Malaysia to food crisis, as occurred with rice last year.
2. The development and expansion of Pasar Tani has not been emphasized. Pasar Tani benefits both farmers and consumers.. FAMA must play a major in this.
3. Subsidy should focus on the poor and marginalized. An effective social safety net should be in place to ensure minimum standard of living.
4. The assistance of benefits for hard core poor was not addressed well. Among the benefits could include:
 - Hospitalization benefits
 - Unemployment benefits
 - Monthly pensions
 - Transport allowance
 - Special housing loans

Consumer Education

1. Continues consumer education will allow the people to be aware that they cannot be dependent on subsidies but that take greater personal responsibility. But this consumer education was not emphasized in the budget.

Credit card

1. Minimum wages to qualify for credit cards should be strictly enforced at RM 1500.
2. Financial Education should be emphasized especially for children and youths whether it is formal or informal.
3. Charging the consumer for credit card is not fair as the regulator should also restrict the aggressive marketing of credit cards especially to youths.

Public Transport

1. In transportation system there is too much emphasis on infrastructure for private cars and mass-transit systems only. Integration of public transport, including busses, bicycles, taxis and pedestrians should be given priority.
2. Public transport development is focused in KL but it is a national issue. Public transport systems should be given priority at the national level.

AP

1. Instead of fee for AP we should look if the AP system is even beneficial for the consumers and country not just the AP holders.
2. We should be building a more competitive and fair market for the benefit for both consumers and producers; thus the AP system should be removed and the market should be more competitive.

GST

1. In the implementation of GST consumer must be educated of its benefits and policy system must be place. Consultative process of the consumers must be undertaken.

Crime

1. More police patrols and confidence building so that consumers feel secure in their homes and communities.
2. Consumers themselves should also take responsibility for preventing crime.

Privatization

1. Consumer interest must be above the shareholders.

Corporate Social Responsibility fund

- This fund should be used for real CSR activities based on well established criteria. Based on Bursa KL's study on perception of CSR among public listed companies, most of them believe that CSR activities only encompass philanthropy (charities and scholarships).

Agriculture

1. The oil palm industry has been under scrutiny from both within and outside the country due to claims on loss of biodiversity and unsustainable agriculture practices. Allocation for agriculture does not place clear emphasis on adoption of sustainable agriculture practices, land use for agriculture, and sustainable forest management. In terms of fisheries there is no emphasis on allocation for sustainable fishery industry, conservation of marine fish stock and biodiversity.
2. There was mention of living allowance and incentives for fishermen but the budget has left out another important community- the farmers especially small scale farmers. Such incentives for farmers will ensure sustainability of the agriculture sectors and improve the quality of their lives.
3. There has been significant amount of subsidy for paddy fertilizers (300 million ringgit). We hope the implementation of such subsidies will not encourage excessive use of fertilizers to the detriment of the environment. Furthermore aquaculture practices must ensure freshwater and lake ecosystems and biodiversity is not harmed.
4. The aquaculture industry allocation of 82 million should emphasis more on food production and less on ornamental products. We must be reminded that unsustainable fishery practices have resulted in the marine and fresh water fish stock for food to cater only for approximately 50% of demand globally.

Certification and Standards

- There has been quite a lot of mention on certification especially in the area of green technology (green building index, environment friendly product and services) for the purpose of giving out incentives to promote use of such technology. We hope that the Department of Standards Malaysia will not be excluded from the allocation which concerns standards and standardization of green technology related activities. There are hundreds of standards (international & national) which serve as important tools to support green technology activities (GBI refers to Malaysian Standards).

People with disabilities

- There has been constant call by people with disabilities to improve building design and public transportation infrastructures to be barrier free in order to enhance mobility with PWD. Such provision will enhance the degree of independence of PWD- to go to work and be part of the mainstream society.

Product Safety

- We hoped that there will be continued emphasis in terms of budget allocation to promote safety and hygiene practices among young consumers particularly schools which is important to manage disease outbreaks like H1N1. Our survey at schools showed 75% of the canteens and toilets did not provide basic hand wash facilities. How do we prevent food safety incidents in schools with such lack of facilities?

Green Jobs

- Text incentives for green jobs must be nationwide and not Iskandar alone

Preventing Bribery

- Whistle Blower Act is a commendable statute to be enacted as it gives immunity to the whistle blower from any civil or criminal action taken against him.
- However, our concerns are as follows:
 - No mention on protection given to the whistle blower, only immunity – need to enact another act on protecting them to ensure their safety after the case is closed.
 - Lack of information on the content of the act except for the immunity against them in civil and criminal from the information given
 - Even though, we are pleased to the establishment of 14 new special session courts and four new high court, but such establishment will require more allocation and man power. The need of induction course or training for the judiciary personnel also required. This ought a long term implementation.
 - The key to improve SPRM is transparency in exercising their responsibility.

Energy

1. The improvement of Electricity Quality is a good emphasis. However, the importance of energy efficiency is not addressed. The increasing energy demand also increases energy wastage due to non-efficiency. Currently in Malaysia, the energy supply is in average efficiency about 35 % in average. The increase in this value assists to cater energy demand. In addition to that, the energy footprint per unit product and per unit service rendered should be implemented to ensure industries improve energy efficiency to reduce high increase in energy demand. This is a core part of commitment under the Green Technology Policy adhered by the government.
2. Rural electrification is not addressed. In creating equal service to public, rural electrification becomes vital to assist balanced development in Malaysia.

Water

1. RM 2.6 billion allocation is to cater the proposed project. However, we hope that the improvement is based on open tenders. In addition to that, the quality of water and reduction of Non-Revenue Water (NRW) should be focused. NRW for 2008 is at staggering RM 1.5 Billion worth of loss.
2. The sewerage industry needs total revamp, centralization of sewerage treatment systems can assist in efficiency of treatment. Methane extraction from sewerage and combining organic solid waste to be treated into the similar system increases the Methane extraction. This in return increases fuel that can be used to generate electricity. The combustion of the sludge can be converted in to fertilizers and admixtures to concrete mixtures. These in total add value to the industry.

Green Technology

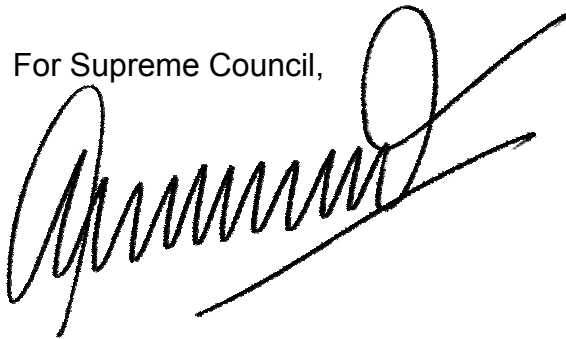
1. Restructuring of Pusat Tenaga Malaysia to be Pusat Teknologi Hijau Negara is a good move. We hope to the centre moves in right direction by understanding the actual grass root needs in green technology.
2. Government's move on Putrajaya and Cyberjaya to lead the green technology move is lauded. This is to ensure the policy makers themselves demonstrate the greener lifestyle. Their achievements should be published for public's viewing.
3. The green procurement was a recommendation that FOMCA was advocating for many years. We hope the government gives transparent reports on their spending.
4. The loan facilities for green technology implementation for producers and consumer goods, there should be strict monitoring of such products and activities. This is to prevent consumers being cheated with wrong claims.

5. Green Building Index is a good way of ensuring buildings is environmentally friendly. This promotes the inhabitants to practice a greener lifestyle as well. Continuous monitoring and greening older building are more challenging. This must be continued.

Development of Regional Development Corridors

- Huge land clearance and development will increase impacts to ecosystem. A proper Detailed Environment Impact Assessments (DEIA). Mass development such as this can be seen in areas like Lojing, Kelantan and the destruction cannot be reversed. These effects will be seen in other monocrop and multicrop plantations.

For Supreme Council,

A handwritten signature in black ink, appearing to read 'Datuk Marimuthu Nadason', written over a horizontal line.

Datuk Marimuthu Nadason
President