

## Persatuan Pengguna Pulau Pinang Consumers Association of Penang

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Press statement 11 March 2020

## Government should control supply and subsidise facemask prices

The Consumers' Association of Penang (CAP) views the current Covid-19 epidemic situation with concern as, until 10 March, the virus has infected 116,345 victims worldwide. Moreover, Covid-19 negatively impacted on the availability and the cost of many pharmaceutical and medical products (facemasks included) since China was a major producer and exporter.

We urge the government to review the prices of facemasks since the prices of the imported products have escalated a significant amount since the start of the epidemic. The increase in prices was a global problem due to an extreme shortage of facemasks and our local manufacturers are unable to meet the demands.

As of early February, China was able to produce only 20 million facemasks per day or half of the world's facemasks. It was still insufficient to address the needs of its 1.4 billion population and thus prohibited manufacturers from exporting their products as a means to prioritise local needs. This triggered a shortage of facemasks in many countries, including Malaysia, as the coronavirus rapidly spread across 115 countries and territories worldwide and 1 cruise ship (the Diamond Princess).

Malaysia has very few local facemask manufacturers in and their production capacity is limited. During this period, factories which have been producing five million per month have to increase since to meet the country's needs. The current production is obviously not enough as this works out to an average of 170,000 facemasks per day or a mere 0.5 per cent against the country's population of 32 million.

With the shortage of facemasks, the government has capped the selling prices of five types of facemasks under the Price Control and Anti-Profiteering Act 2011 since January 2020.

Туре	Maximum wholesale price	Maximum retail price
One-layered mask with earloops	RM5 per box	RM7 per box
Two-layered mask	RM8 per box	RM10 per box
Three-layered surgical mask	-	RM25 per box or 80 sen per piece
Three-layered hijab-friendly one (two types)	-	RM30 per box or 80 sen per piece
N95 face mask	-	RM100 per box RM6 per piece.

Any trader found guilty of selling above the ceiling price may face a maximum fine of RM100,000 or imprisonment of three years, or both, if found guilty. Companies, on the other hand, could be fined up to RM500,000 or compounded up to RM250,000 if found guilty of exceeding the ceiling price.

Unfortunately, the distribution system of facemasks focuses on the hospitals as the first tier; clinics as the second tier; major medical suppliers as the third tier; leaving whatever stock balance up for grabs by independent pharmacists.

We, therefore, urge the government to take over the import and distribution of facemasks and to make them available to the public at subsidized affordable prices without the element of profiteering. The government's intervention in controlling the stock that comes from manufacturers is important because, in critical times like this, the affordability of facemask determines the outreach to the public who need them in preventing infection.

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