

NST : RISING FOOD PRICES: Why RM600 a month is barely enough

Written by Administrator

Monday, 14 September 2009 16:46 -

SHE thought it was a mistake when her sister brought back a packet of sausages costing over RM6! After all, she had been buying the same brand of sausages for just over RM4. Her shocked brother-in-law returned to the shop to double check the price and found it indeed had increased to over RM6.

"It used to cost just RM2.69. Then it shot up to RM4, and now it's passed RM6. It's not even proper food. It's the price of a whole chicken!" exclaimed Loges Subramaniam.

Five years ago, a whole month's grocery would cost this kindergarten teacher from Kuala Lumpur just RM300. Now, even RM600 is barely enough for her family of four.

Loges, 45, rarely cooks at home and has resorted to controlling the food she gives her children.

Because of spiralling prices, she does not stock up too much nowadays, and buys only what she needs when she needs it.

In fact, she claims eating out is sometimes cheaper than cooking at home.

"When you cook, children tend to pick and choose what they want and there is a lot of wastage. When we eat out, they order only what they want and that is a lot cheaper," said Loges.

Cereals, milk, tuna and even instant noodles are pricey.

"So I improvise and serve my children bread in a variety of ways instead of stocking up on expensive cereal," she said.

Radzial Hayaty Mohd Noor said she has to wait for her salary before she shops for groceries as she stocks up in one visit.

"I can't afford to make multiple trips to the shops as it is getting more expensive to feed my family. So the things from one trip would have to last the whole month," said the mother of four from Kota Baru, Kelantan.

Radzial, 36, used to spend just over RM100 each visit but this year, her "grocery bill" has more than doubled.

"I have to penny pinch now and think twice about placing something into my shopping basket. It takes a lot of discipline.

"If I overspend, I'd make sure I spend less the following month," said Radzial, who runs a stationery shop with her husband.

But she said she was still able to cope with the price hike.

"My family can still live comfortably but I am not sure this will be the case if prices continue to rise."

When Constance Low, 57, rushed to the hypermarket to grab a few packets of Milo that were on promotion last week, she was disappointed to find they were all sold out.

"It's easy to find toiletries that are on sale but for groceries, it is another story. It is almost impossible these days to get a good deal on food items."

Feeding a household of four is not as cheap as it used to be, she said.

Low feels sorry for parents with young children as the price of powdered milk and Milo is skyrocketing. However, she is lucky her sons are both working adults.

"I try to minimise on my purchases whenever possible, but it is not easy to cut down on items that you have lived with your whole life."

Low said she does all her marketing at hypermarkets unless she needs to get a last-minute item, like a bottle of oyster sauce, while she is cooking.

CONSUMER SENTIMENT SURVEY

conducted by the Malaysian Institute of Economic Research (MIER)

THE 2007 fourth quarter report found the inflationary bug overcoming consumers.

The report said a whopping alltime high of 90 per cent of the total households surveyed envisaged a price hike soon.

◆ Not a surprise as higher food prices and toll charges effective 2008 became a prime concern.

◆ Up in arms on this are residents from the central region, where an astounding 93 per cent anticipate higher inflationary pressures in the next quarter of two.

◆ The survey is a quarterly consumer sentiment survey conducted by MIER in

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conjunction with the Merdeka Centre for Opinion Research and covers peninsular Malaysia.

A total of 1,023 households were interviewed. The survey found that for the first time since the inception of this report, most categories of income, location and region lamenting such fears polled proportions that breached the 90 per cent mark.

However, it went on to say the slowdown did not seem to be hitting consumers' pockets. In fact, it said consumer spending in the early months of 2008 should get a lift from cars, furniture and personal computers. It concluded that consumers are embroiled in a milieu of tame job markets, negligible income growth and the resultant lower confidence on the economy.

Slower wage growth should be a big plus for the inflation outlook but it is not, as rising food prices are likely to have caused many a consumer to frown more lately. While skittish about their job prospects, consumers are not sitting out the next quarter yet they seem to be setting their sights on cars, furniture and personal computers!

TIPS FOR CONSUMERS

- ◆ Cut down on eating in restaurants. Eat more home-cooked food and take food to work instead of buying out all the time.
- ◆ Buy only what is needed
- ◆ Reduce paying bills with credit cards.
- ◆ Live moderately
- ◆ Being thrifty is not a bad habit. Don't follow the spending pattern of other people, live within your means.
- ◆ Prioritise
- ◆ Think about what is most needed in your life instead of trying to get everything. Know the difference between need and want and put need before want.

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