

KERATAN AKHBAR

TARIKH : 20 JUN 2023

AKHBAR : FREE MALAYSIA TODAY

PAUTAN : <https://www.freemalaysiatoday.com/category/nation/2023/06/20/economy-ministry-formulating-law-to-curb-rent-seeking-culture-says-rafizi/>

Economy ministry formulating law to curb rent-seeking culture, says Rafizi



The Kuala Lumpur Bumiputera Traders and Hawkers Association is among associations that have asked for action to be taken against foreigners renting and operating stalls.

PUTRAJAYA: The economy ministry is working on drafting a specific law to curb the rent-seeking culture in the country's business and economic structure, says its minister Rafizi Ramli.

He said the "Ali Baba" concept — where businesses are owned by locals but rented out to foreigners – had been occurring for a long time without any specific law to curb it, creating a sense of injustice and dissatisfaction in the community.

"We need to solve (the issue) of how foreigners can go on conducting business in, for example, hawker areas.

“When they are arrested, it is found that most of them are operating using the licences of Malaysians, which, technically, is not wrong,” he said.

“When they are arrested, they say they are employees of local traders.

“So our people (citizens) are also the ones who are working together (with the foreigners) and allowing this to happen. This is because there is no specific law on business ownership and renting,” he said during the ministry’s engagement session with the federal territories department here.

The rent-seeking issue was brought up by one of the participants at the session who urged the government to intervene and deal with the matter.

Rafizi said at present the authorities used laws under the Penal Code or referred the matter to the Malaysian Anti-Corruption Commission to handle the matter.

At a press conference after the engagement session, Rafizi said his ministry was drawing up proposals related to the proposed legislation before presenting it to the Economic Action Council meeting in July.

“This ‘Ali Baba’ system exists at the bottom, right to the top level. It has been a problem in the economy all this time, but there has been no specific discussion to draft laws (to curb the matter),” he said, adding that the matter required serious attention.

Meanwhile, Kuala Lumpur Bumiputera Traders and Hawkers Association president Rosli Ibrahim suggested that the law should include enforcement against foreigners as well if they were found to be breaking the rules.

Rosli, who is also president of the Malaysian Federation of Hawkers and Petty Traders Association, said the “Ali Baba” concept had resulted in unhealthy competition, which made it difficult for hawkers in the B40 group.