

COMMITTEE AGAINST GST PROFITEERING (CAP) VISITS ZHENGHUA CONSTITUENCY

1. The Committee Against GST Profiteering (CAP) visited Greenridge Shopping Centre in Zhenghua constituency today as part of its series of public outreach efforts.
2. The visit was led by CAP Chairman and Minister of State for Trade and Industry Lee Yi Shyan, who was accompanied by Member of Parliament for Holland-Bukit Timah GRC, Liang Eng Hwa. During the visit, Mr Lee spoke to various shops and businesses in the Greenridge Shopping Centre to convey CAP's messages against GST profiteering.

Prices have remained relatively stable

3. According to Department of Statistics (DOS) data, the Consumer Price Index (CPI) declined by 0.3% between May and June this year. This is driven by falling prices for items such as clothing and footwear. However, other items, such as hawker food, have recorded price increases. In its survey¹ of hawker food prices, DOS found that 3.8% of the hawkers surveyed have raised prices during the period between 9 and 20 July (following the GST increase). This is lower than the 4.2% that was recorded for the two weeks (before the GST increase). CAP urges hawker stalls and businesses to maintain price stability and not attempt to profiteer from the GST increase. DOS will continue to monitor hawker prices closely.

Results of DOS Survey on Hawker Food and Beverage Prices (9 – 20 July 2007)

Zone	Number of stalls surveyed	Stalls with price increases	
		Number	%
Central	452	12	2.6
East	223	12	5.4
North	197	3	1.5
Northeast	183	16	8.7
West	216	5	2.3
Total	1,271	48	3.8

Update on CAP cases

4. CAP continues to receive feedback on GST profiteering (see [Annex](#)). It is concerned with any move by businesses to raise prices and any attempts to profiteer from the GST increase. CAP urges businesses to be responsible and fair in their transactions with consumers, and to explain their price increases clearly. Since the implementation of the GST increase on 1 July, CAP has received 80

¹ DOS commenced a detailed survey of hawker food and beverage prices on 11 June, covering close to 1,300 stalls from 39 hawker centres and coffee shops across Singapore. The survey monitors the prices of some 75 popular Chinese, Malay, Indian and Western dishes, as well as beverages.

cases pertaining to both food- and non-food-related businesses. CAP views each possible case of GST profiteering as one case too many, and will not hesitate to take action against errant businesses.

5. CAP remains vigilant against GST profiteering and will continue to investigate any complaints by members of the public about businesses that link price increases unfairly to GST adjustments. CAP will spare no effort to thoroughly investigate the complaints. Consumers who encounter GST profiteering should email CAP at feedback@cap.org.sg, or call CAP at 6884 4478 / 6884 4327.

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Update of Feedback Received by CAP since 1 January 2007 (as of 26 July)

Number of cases	129
• Closed cases	58
• Cases under investigation	71

	Cases (Jan – May 07)	Cases (Jun 07)	Cases (Jul 07)	Total Cases
Relevant cases	19	30	80	129
(a) Food-related	18	14	48	80
• <i>Chain restaurants</i>	10	6	15	31
• <i>Localised stalls</i>	8	8	33	49
(b) Non-food-related	1	16	32	49
• <i>Chain marts</i>	1	2	4	7
• <i>Chain pharmacies</i>	0	4	2	6
• <i>Apparel</i>	0	1	4	5
• <i>Beauty/hair salons</i>	0	1	1	2
• <i>Carparks</i>	0	1	5	6
• <i>Others</i>	0	7	16	23