



Press Release

30 December 2024

MRA URGES GOVERNMENT TO RECONSIDER ELECTRICITY TARIFF INCREASES AMID RISING OPERATIONAL COSTS

Kuala Lumpur – The Malaysia Retailers Association (MRA) is deeply concerned about the proposed 14.2% increase in the base electricity tariff, scheduled to take effect on 1 July 2025. Such an increase, coupled with present operational cost pressures, poses severe challenges for retail businesses and consumers alike, undermining Malaysia’s competitiveness and economic recovery.

Escalating Operational Costs in 2025

Retailers and businesses are already grappling with significant cost increases heading into 2025. Among the anticipated challenges are:

- A higher minimum wage of RM1,700, effective February 1, 2025.
- Additional payroll costs due to mandatory EPF contributions for non-citizen employees.
- Increased service tax rates from 6% to 8%, adding to the financial burden of compliance.
- Expenses associated with e-invoicing IT system implementation.
- Continued impact of the Employment Act amendments, which include expanded overtime entitlements, increased maternity leave, and reduced weekly working hours.
- Global uncertainties such as geopolitical tensions, further straining Malaysia’s economic stability and business viability.

All these above cumulative costs, combined with a significant rise in electricity tariffs, would lead to higher operational expenses for businesses, resulting in an inevitable transfer of these costs to consumers. The retail industry fears that this would exacerbate inflation, reduce consumer spending, and threaten Malaysia’s competitiveness and economic recovery.

Questioning the Necessity

Tenaga Nasional Berhad (TNB) reported impressive net profits exceeding RM1 billion in Q2 and Q3 of 2024. With such financial performance, the rationale for burdening businesses and consumers with a tariff hike becomes irrational.

The MRA urges TNB to reinvest portions of its large profits to cover their operational and maintenance costs, rather than passing these costs onto the Malaysian public and consumers.

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Ms Evelyn Cheong



Furthermore, as a monopoly of electricity supply, TNB’s position leaves businesses and consumers with no alternatives. Clearer rational justifications are needed to ensure fair and equitable pricing of electricity rates to our Malaysian public and consumers.

Call for Dialogue and Reconsideration

The MRA strongly urges the government to:-

1. Reconsider the electricity tariff increase scheduled for July 2025, taking into account all the broader economic implications as mentioned hereinabove.
2. Hold immediately dialogues with all stakeholders to address everyone’s concerns and explore alternative solutions.

Malaysia must maintain a competitive edge to attract foreign investment and foster sustainable economic growth. Implementing an electricity tariff increase amidst escalating operational costs will harm our business ecosystems and affect our nation’s economic recovery.

Conclusion

The MRA stands with Malaysian businesses and consumers in opposing the proposed tariff increase. We urge the government and TNB to work collaboratively with all stakeholders to find equitable and sustainable solutions which supports our Malaysia’s economic recovery and growth.

Datuk Andrew Lim Tatt Keong, J.P.
President
Malaysia Retailers Association (MRA)

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Issued by
MALAYSIA RETAILERS ASSOCIATION (MRA)

For Enquiry, please contact Evelyn Cheong, MRA Secretariat at enquiry@mra.com.my or whatsapp 010-769 9218.

About the Malaysia Retailers Association (MRA)

Founded in June 1982, the Malaysia Retailers Association (MRA) is a prominent and well-established voice, leading and representing the retail industry in Malaysia. With a membership comprising 160 major retail and retail-related companies, MRA accounts for approximately 26% or RM31 billion of the Malaysian retail market. Its extensive network spans over 15,000 retail outlets and employs more than 160,000 staff nationwide.

As a dedicated advocate for the retail sector, MRA actively engages with policymakers to drive favourable policies, address regulatory challenges, and tackle pressing issues affecting retailers. Beyond its national impact, MRA is a founding member of the Federation of Asia-Pacific Retailers Associations (FAPRA), working collaboratively with counterparts from 16 Asia-Pacific countries to advance the retail industry regionally and globally.

MRA remains committed to promoting fair trade practices, fostering economic growth, and shaping the future of the retail landscape in Malaysia and beyond.

MRA urge govt to reconsider electricity tariff hike over impact on country's economic recovery

零售协会反对国家能源上调电费的提案



Reinvest your profits to cover operational costs, TNB told

Malaysia Retailers Association says the national utility company should not pass the costs onto the Malaysian

www.freemalaysiatoday.com

Reinvest your profits to cover operational costs, TNB told

[https://www.freemalaysiatoday.com/category/nation/2024/12/30/reinvest-your-profits-to-cover-operational-costs-tnb-told/?](https://www.freemalaysiatoday.com/category/nation/2024/12/30/reinvest-your-profits-to-cover-operational-costs-tnb-told/?utm_source=whatsapp&utm_medium=share-button)

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7:52 am

https://www.freemalaysiatoday.com/category/nation/2024/12/30/reinvest-your-profits-to-cover-operational-costs-tnb-told/?utm_source=whatsapp&utm_medium=share-button



THEMEZonline

31 December 2024 at 06:25 · 🌐



Retailers appeal to the government to reconsider electricity tariff increases due to potential impacts on the country's economic recovery.

KUALA LUMPUR - 31 DEC - The Malaysia Retailers Association (MRA) has urged the government to reconsider the scheduled electricity tariff hike, set to take effect in July 2025, and engage in immediate dialogues with stakeholders to address concerns and explore alternative solutions. The association warned that higher electricity costs woul... [See more](#)

https://www.facebook.com/THEMEZonline/photos/retailers-appeal-to-the-government-to-reconsider-electricity-tariff-increases-du/122197149506059867/?_rdr



Retailers urge govt to reconsider electricity tariff hike over impact on country's economic recovery

The Malaysia Retailers Association (MRA) has expressed concerns about the government's decision to increase the theedgemalaysia.com

<https://theedgemalaysia.com/node/739383> 7:51 am

<https://theedgemalaysia.com/node/739383>



零售商协会反对涨电费 | 中國報 China Press
(吉隆坡30日讯) 马来西亚零售商协会 (MRA) 反对国家能源上调电费的提案, 并敦促政府和国能与所有利益相关
www.chinapress.com.my

<https://www.chinapress.com.my/20241230/%E9%9B%B6%E5%94%AE%E5%95%86%E5%8D%8F%E4%BC%9A%E5%8F%8D%E5%AF%B9%E6%B6%A8%E7%94%B5%E8%B4%B9/>

<https://www.orientaldaily.com.my/news/nation/2024/12/30/702749>

15:27 ✓

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mk 新闻

Azneal Ishak | malaysiakini

国能利润巨额不应涨电费, 零售商公会担忧加重负担

Dec 30, 2024 8:23 PM - 更新: 8:23 PM

大马零售商公会反对国能计划明年调涨半岛基础电费, 担忧这或加重商家成本。

大马零售商公会 (MRA) 主席林趾强 (Andrew Lim) 今日发文表示, 国能在今年第2季度和第3季度净利润超过10亿令吉。

<https://www.malaysiakini.com/news/730232>

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避免调涨电费影响经济复苏 零售商公会促政府与业者对话寻替代方案 | 国内

(吉隆坡30日讯) 国家能源公司 (TNB) 贸然宣布基准电费将于明年调涨, 引起广大争议, 大马零售商协会主席拿督
www.orientaldaily.com.my

<https://www.orientaldaily.com.my/news/nation/2024/12/30/702749>

10:23 ✓

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电费 马来西亚零售商协会

— 文 +

零售商协会反对涨电费

2024年12月30日

责任编辑: 前线小编

(吉隆坡30日讯) 马来西亚零售商协会 (MRA) 反对国家能源上调电费的提案, 并敦促政府和国能与所有利益相关者合作, 找到支持国家经济复苏和增长的公平和可持续解决方案。

该会会长拿督林颢颯发文告说, 该会对基本电费上调14.2%感到担忧, 因为该上调再加上目前运作成本的压力, 对零售企业和消费者都构成严峻的挑战, 削弱大马的竞争力和经济复苏。

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的营运成本不断上升, 加上电费大幅上涨, 将导致企业运作费用增加, 将这些成本转嫁给消费者。

<https://www.chinapress.com.my/20241230/%E9%9B%B6%E5%94%AE%E5%95%86%E5%8D%8F%E4%BC%9A%E5%8F%8D%E5%AF%B9%E6%B6%A8%E7%94%B5%E8%B4%B9/>

Blogs Headlines

CEO Morning Brief

Retailers Oppose Electricity Tariff Hike, Steel Traders Demand Pricing Transparency



edgeinvest

Publish date: Tue, 31 Dec 2024, 02:36 PM

KUALA LUMPUR (Dec 30): The Malaysia Retailers Association (MRA) has expressed concerns about the government's decision to increase the base electricity tariff, arguing that it will negatively impact the country's competitiveness and economic recovery, while steel traders are flagging that higher electricity bills will harm their competitiveness and impair the decarbonisation efforts of an industry grappling with losses over the past three years.

In a statement released on Monday, the MRA strongly urged the government to reconsider the electricity tariff hike, scheduled to take effect from July 2025, and to hold immediate dialogues with stakeholders to address their concerns and explore alternative solutions.

According to MRA, higher electricity bills will increase operational costs for retailers and consumers,

https://klse.i3investor.com/web/blog/detail/ceomorningbrief/2024-12-31-story-h496981465-Retailers_Oppose_Electricity_Tariff_Hike_Steel_Traders_Demand_Pricing_Tr