

MAICCI: Consumers not spending much due to GST

PETALING JAYA: The Goods and Services Tax has affected consumer spending and Indian traders expect a drop of between 10% and 20% in business this year.

Malaysian Associated Indian Chambers of Commerce and Indus-

try (MAICCI) president Tan Sri K. Kenneth Eswaran said that likewise, inflation and fuel price hikes also impacted consumer spending.

"We cannot deny that there is a significant impact on sales this Deepavali, particularly on goods

which are imported," he said in a press statement.

"But the lower ringgit will not impact the domestic market."

The clothing and textile business was one of the hardest hit, he said.

He added consumers now pre-

ferred to shop online for these items.

"Average spending on clothing and jewellery this year may see a drop of about 20% to 30%.

"But prayer items, despite an increase in prices, will not be affected," he added.