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## Glove prices to rise on power tariff hike

THE electricity tariff review will increase production costs significantly for rubber glove manufacturers, said the Malaysian Rubber Glove Manufacturers Association yesterday.

President Lim Kwee Shyan said electricity cost forms part of the energy cost, which currently accounts for 10% of the rubber glove manufacturers' total production costs.

He said the production cost for 1,000 gloves will increase between 20 US cents (63 sen) and 60 US cents (RM1.90), depending on the type of equipment used.

Other costs would also increase due to the higher electricity cost throughout the entire supply chain.

"Glove buyers and manufacturers are advised to compute this in their price review."

On Monday, Energy, Green Technology and Water Minister Datuk Seri Dr Maximus Ongkili announced a review of electricity and gas subsidies, with the average

electricity tariff in Peninsular Malaysia to be raised 4.99 sen per kWh in Peninsular Malaysia and five sen per kWh in Sabah from Jan 1, 2014.

Lim said the association recognises the electricity tariff should be at market rate but feels the market price must be gradual and pre-announced to give sufficient time for adjustments.

"The increase definitely has to come but the government should give us more time to adjust to the new cost structure and to liaise accordingly with our customers."  
— Bernama