

TRAIN hardly a factor in rice price hike - NFA

By **LOUISE MAUREEN SIMEON**

State-run National Food Authority (NFA) maintained that the government's tax reform program would not significantly affect rice prices based on the agency's cost analysis.

NFA spokesperson Rebecca Olarte said initial results of the cost analysis showed there is little to no significant dent on NFA price despite possible domino effect of the Tax Reform for Acceleration and Inclusion (TRAIN) law, particularly higher petroleum pump prices.

"TRAIN will not have much effect. Our operations will not be affected that much since our transport and delivery of stocks are in bulk. The cost of fuel is very minimal on a per bag or per kilo basis," Olarte told **The STAR**.

"Net effect is just about a few cents. And there will still be no price increase for NFA rice," she said.

Last month, NFA administrator Jason Aquino directed the agency's finance and operations departments to conduct a cost analysis of any impact of the new tax law on the price of rice.

NFA sells two kinds of

rice - regular milled rice sells for P27 per kilogram while the well-milled sells for P32 per kg.

However, the price of rice has increased by P1 to P2 per kg nationwide as of the third week of January, allegedly due to TRAIN.

NFA argued that the increase was expected and that it would last until this month.

Government records show that rice prices go up this time not because of external influences such as tax measures but as a natural consequence of the lack of harvest and the sale of newly-milled stocks bought at higher prices.

✱ INDUSTRIES - PRICE
REFORM FOR
✱ TAX ACCELERATION AND INCLUSION (TRAIN)