

For business for logistics

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PASIR GUDANG: The logistics industry is expecting business to pick up by the fourth quarter of this year.

Johor Ports Shipping and Forwarding Association president Michael Cheah said growth has declined since the third quarter of last year.

"Average growth has been 5% to 15% but due to the slowdown, some members have not been able to reach that figure.

"We hope to see some improvements by the fourth quarter of the year," he said at the Johor Port Authority's office here.

Cheah said the steep drop in

crude oil prices and slide in the ringgit had affected the industry.

"Our business depends on the movement of goods in an expanding global economy.

"Many companies are relying on revenue made in previous years to sustain themselves during this time.

"We also noticed a decrease in new industry players with hardly any companies being set up this year," he said.

Cheah also said the implementation of the Goods and Services Tax (GST) would result in companies having to hire more staff.

A total of 95% of its 140 members have registered for the new system with the Customs Department.