

79 (C)
KUALA LUMPUR, SEPT. 27 (BERNAMA) —/DATUK SERI DR. MAHATHIR MOHAMAD SAID TONIGHT THAT THE GOVERNMENT WAS NOT PREPARED TO RELEASE AN UNLIMITED SUPPLY OF FUEL INTO THE MARKET TO OVERCOME THE CURRENT SHORTAGE.

HE ADDED THAT TO DO SO WOULD ONLY RESULT IN THE FUEL BEING SMUGGLED OUT TO OTHER PLACES.

THE DEPUTY PRIME MINISTER WAS BEING INTERVIEWED BY TWO LOCAL JOURNALISTS— CIK HARDEV KOUR OF THE BUSINESS TIMES AND CIK ROSNAH MAJID OF UTUSAN MALAYSIA— IN A CURRENT AFFAIRS PROGRAMME +EHWAL SEMASA+ OVER TV MALAYSIA.

ALSO APPEARING WITH HIM WERE ENCIK MOHAMED ARIF BADOR, THE GOVERNMENT AFFAIRS ADVISOR TO ESSO MALAYSIA BHD., DATUK MOHAMED SOPIEE IBRAHIM, THE DEPUTY CHAIRMAN OF THE NATIONAL ADVISORY COUNCIL FOR CONSUMERS PROTECTION AND RAJA ZAZAMAN SHAH, THE DEPUTY PRESIDENT OF THE OIL DEALERS ASSOCIATION.

DATUK SERI DR. MAHATHIR SAID THE GOVERNMENT COULD NOT TAKE SUCH A MOVE AS THE CONSEQUENCES WOULD NOT BENEFIT THE NATION.

+THE PROBLEM WE ARE FACING NOW IS THAT HOWEVER MUCH OF FUEL IS BEING SUPPLIED BY PETRONAS, THE GOVERNMENT WILL NOT BE IN A POSITION TO GUARANTEE THAT THE SUPPLY IS ADEQUATE+, HE STRESSED.

— BERNAMA MORE 19120/1B

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THE POSSIBILITY OF IT BEING SMUGGLED OUT WOULD ALWAYS BE THERE, HE SAID.

THE DEPUTY PRIME MINISTER POINTED THAT THE GOVERNMENT HAD TAKEN EVERY POSSIBLE ACTION TO BRING DOWN THE OIL PRICES TO A FAIR LEVEL.

IF THIS WAS NOT DONE, ITS INFLATIONARY EFFECT WOULD HAVE BEEN SEVERE AND BEYOND CONTROL.

DATUK SERI DR. MAHATHIR RECALLED THAT FOLLOWING OPEC'S DECISION TO INCREASE ITS OIL PRICES, THE GOVERNMENT WAS FACED WITH TWO OPTIONS —WHETHER TO PASS THE ENTIRE BURDEN TO CONSUMERS OR TO INCREASE ITS SUBSIDY.

THE GOVERNMENT HAD FINALLY CHOSEN BOTH ALTERNATIVES BY INCREASING ITS SUBSIDY AND AT THE SAME TIME APPROVED A FAIR LEVEL OF PRICE INCREASE. — BERNAMA MORE 1922/1B

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ACCORDING TO HIM, THE GOVERNMENT COULD NOT AFFORD TO PROVIDE A SUBSIDY HIGHER THAN ITS PRESENT LEVEL BECAUSE IF OIL PRICES WERE TO BE SO LOW IT WOULD ONLY ENCOURAGE SMUGGLERS TO SMUGGLE FUEL OUT OF THE COUNTRY.

THIS WAS PARTICULARLY SO AS EN PRICES IN NEIGHBOURING COUNTRIES WERE MUCH HIGHER THAN THOSE IN MALAYSIA.

IF THIS WAS TO HAPPEN, IT WOULD MEAN THAT THE GOVERNMENT WAS ALSO SUBSIDISING CONSUMERS IN OTHER COUNTRIES APART FROM SUBSIDISING ITS OWN CITIZENS.

DATUK SERI DR. MAHATHIR SAID THAT IN DEALING WITH THE CURRENT FUEL SHORTAGE, MALAYSIA WAS MORE SUCCESSFUL THAN OTHER COUNTRIES WHICH HAD MORE ECONOMIC EXPERTS AND EXCELLENT PLANNERS. —
BERNAMA 1925/1B

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