

DATUK SERI DR. MAHATHIR, WHO IS ALSO THE MINISTER OF TRADE AND INDUSTRY, POINTED OUT THAT SINCE 1973, THE DOMESTIC PETROL PRICES ROSE ONLY BY 100 PER CENT COMPARED WITH THE CRUDE PRICE INCREASE OF 1,200 PER CENT (FROM US\$2 TO US\$24 PER BARREL) OVER THE SAME PERIOD.

THIS PROVED THAT THE GOVERNMENT HAD MANAGED TO KEEP DOWN THE PRICE LEVEL OF THE PETROLEUM PRODUCTS SOLD IN THE COUNTRY.

HE SAID ALTHOUGH THE COUNTRY'S OIL REVENUE HAD INCREASED SHARPLY WITH THE RISE IN THE WORLD CRUDE PRICES, THE GOVERNMENT WOULD NOT RUSH TO SUBSIDISE DOMESTIC RETAIL PRICES.

—BERNAMA MORE 1434/AH

NO27 (F)
MAHATHIR 2 DENPASAR, BALI

THE GOVERNMENT PREFERRED TO PROVIDE SUBSIDIES IN OTHER FIELDS, HE SAID.

DATUK SERI DR. MAHATHIR POINTED OUT THAT IT WAS NOT POSSIBLE FOR THE GOVERNMENT TO ALLOW THE SALES ON PETROL AT MUCH LOWER THAN THE PRICE LEVEL OF A NEIGHBOURING COUNTRY.

THIS WOULD ENCOURAGE THE OIL TO FLOW OUT AND MALAYSIA WOULD BE PROVIDING OIL SUBSIDY TO ANOTHER COUNTRY, HE SAID.

THE DEPUTY PRIME MINISTER EXPLAINED THAT ALTHOUGH MALAYSIA HAD ABUNDANT GAS SUPPLY, ITS PETROLEUM RESERVES WERE LIMITED.

THE PUBLIC SHOULD APPRECAITE THAT THERE HAD BEEN A REDUCTION OF WORLD SUPPLY OF OIL AND WOULD HAVE TO MAKE DO WITH THE AVAILABLE SUPPLY.

THOSE WHO HAD BEBEFITED FROM THE INCREASES IN RUBBER, PALM OIL AND TIN PRICES HAD TO PAY MORE FOR OTHER PRODUCTS SUCH AS OIL, HE SAID.

DATUK SERI DR. MAHATHIR SAID MALAYSIAN CRUDE FETCHED HIGHER PRICES THAN THE LEVEL SET BY OPEC. MOST SALES WERE ON CONTRACT BASIS AND THE REST ON THE SPOT MARKET. —BERNAMA MORE 1440/AH

NO28 (F)
MAHATHIR 3 DENPASAR, BALI

ON DIESEL SUPPLY, THE DEPUTY PRIME MINISTER SAID THAT IN VIEW OF THE REDUCTION OF CRUDE PRODUCTION WHERE WAS NO POSSIBILITY OF THE GOVERNMENT ASSISTING IN INCREASING THE SUPPLY.

HE HOWEVER STRESSED THAT THE PRESENT SUPPLY WAS SUFFICIENT IF THE PEOPLE DID NOT RESORT TO PANIC BUYING.

IF 5,000 SCHOOL BUSES RUSHED TO FILL UP THEIR TANKS IN ONE DAY, THERE WOULD OBVIOUSLY BE NO DIESEL LEFT AT THE PETROL KIOSKS, HE SAID.

+UNLESS THE PEOPLE COOPERATE, THERE IS NOTHING THE GOVERNMENT COULD DO,+ HE STRESSED.

—BERNAMA 1458/AH

MAHATHIR

FROM ZAINOOR SULAIMAN

80 (P)

DENPASAR, BALI, JAN 12 (BERNAMA) —THE GOVERNMENT IS CONSIDERING THE APPLICATION BY OIL COMPANIES TO INCREASE THE PETROL RETAIL PRICES IN VIEW OF THE HIGH COST OF CRUDE IMPORTS, DEPUTY PRIME MINISTER (DATUK SERI DR. MAHATHIR MOHAMAD) SAID TODAY.

INCREASES IN PETROL PRICES WERE SOMETHING THAT THE PEOPLE HAD TO LIVE WITH AS THE WORLD PRICES OF THIS EXPENSIVE NON-RENEWABLE COMMODITY WERE GOING UP FAST, HE TOLD MALAYSIAN JOURNALISTS COVERING HIS VISIT HERE.