

BACKDATED — RISE IN PADI GRANTS

Farmers to be paid extra from July 1, says Dr M

By Paul Gabriel

SUNGAI PETANI, Thurs. — The 50 per cent increase in padi subsidy will be backdated to July 1, Datuk Seri Dr Mahathir Mohamad said today.

The Prime Minister said farmers would be paid the "subsidy arrears" based on the receipts of padi sold.

He said he had yet to "calculate" how much it would cost the Government although he felt it won't be "very much."

Dr Mahathir said the increase was initially effective only from Aug 16, the day he announced it.

He said he agreed to backdate the increase after Kedah Menteri Besar Datuk Seri Haji Osman Aroff made an appeal.

"He phoned me immediately after I made the announcement, and told me that Kedah farmers who had already sold their padi were hard-

"He asked for a backdate to July to alleviate the hardship of farmers. I agreed," he told reporters after addressing several thousand people at the public ground here.

About 22,000 padi farmers, most of whom are in Kedah, Kelantan, Perak and Selangor, will benefit from the increase.

The increase means

that farmers would get at least \$76 for every 100kg of padi they sold.

The National Rice and Padi Board (LPN) had said that it gave out subsidies amounting to \$245 million a year. With the increased subsidy, LPN would be spending \$367.5 million.

This is the second increase since the subsidy was introduced in 1980.

Dr Mahathir was on a two-day visit to Kedah with a Barisan Nasional delegation comprising presidents of the MCA (Datuk Seri Dr Ling Liong

Sik), MIC (Datuk Seri S. Samy Vellu) and Gerakan (Datuk Seri Dr Lim Keng Yaik).

On the Barisan election machinery, Dr Mahathir said all the states had geared up for the election.

"The election can be held anytime now, but I don't know when. I advise the opposition to be ready, too, otherwise they may be in for a shock."

Dr Mahathir earlier told the crowd that the democratic, freedom they were enjoying did not mean that the people should vote in untrust-

worthy and irresponsible opposition parties at random to form the government.

"In an election we must be fully aware of what is being contested and what the issues are," he added.

Earlier, Dr Mahathir received 6,500 applications from former PAS members to join Umno.

He visited the Pinang Tunggal water pump-house construction site this morning.

This evening, he attended a state Barisan dinner at the Datuk Syed Omar hall in Alor Star.