

PRICE-CONSCIOUS PUBLIC GET A PAT ON THE BACK

MALAYSIANS earned the Prime Minister's praise for their role in helping contain inflation. "The great Malaysian public have always been price-conscious and will not buy what they cannot afford or what they think is over-priced.

"As a result, the upward pressure on prices is not there.

It was because the public and the Government spent within their means that there was no significant increase in prices," he said.

Dr Mahathir said Malaysians must know they were largely responsible

for saving themselves from inflation.

"And because they did this, they are getting a lot of bonus in terms of rapid economic growth which definitely will be accompanied by a rise in income and purchasing power."

Dr Mahathir urged Malaysians to continue to be disciplined, saying "it is the public who cause inflation and it is they who will pay the price."

He said that during the 6th Plan period, the Government would ensure that the expected rapid expansion in investment and consumption would not lead to pressure on

prices to increase rapidly.

Measures would continue to be taken to maintain price stability and to monitor and control the prices of essential items, he said.

Dr Mahathir said the level of public expenditure and money supply would be closely structured to prevent excessive demand that could cause prices to go up.

Many countries, he said, suffered from inflation because of their inability to control the public sector deficit. "In our case, we have been able to keep our budget deficit at a low level."