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Flour

DIRECT FLOUR IMPORT FROM CHINA POSSIBLE

KUALA LUMPUR June 6 (Bernama) -- The Domestic Trade and Consumer Affairs Ministry will discuss with local millers tomorrow the possibility of directly importing flour from China to overcome the current nationwide shortage, its parliamentary secretary, Datuk Tan Chai Ho, said today.

China could supply 20,000 tonnes of plain and refined flour to Malaysia per month, he said after meeting an eight-man delegation from the China National Cereals, Oils and Footstuffs Import and Export Company here.

"We were told by the delegation that China produces two types of flour -- the `505' plain flour and the `502' refined plain flour," he said.

The cost of the flour is between 82 sen and 89 sen per kg excluding freight charges, he added.

Tan said that if agreeable, it would be the first time Malaysia would directly import flour since 1966. The country has been importing wheat from Canada, Australia and the United States to be milled locally.

Domestic Trade and Consumer Affairs Minister Datuk Abu Hassan Omar will announce the new price for flour tomorrow after meeting the eight flour millers in the country.

The millers have requested for a 40 sen hike for every kg of flour, from 80 sen to RM1.20, due to increased production costs in view of the worldwide shortage of wheat.

They contended that the price of wheat has doubled and they have been incurring losses for the past two years. The price of wheat rose from RM350 per tonne in 1991 to RM450 in 1994 before reaching its present level of RM700.

Prime Minister Datuk Ser Dr Mahathir said on Monday that the government could not control the hike in price because of the higher cost of wheat but he gave an assurance that it would be reasonable. -- BERNAMA

YAI RM