

03 DEC 1997

Mahathir-cooking oil

CABINET REJECTS COOKING OIL PRICE HIKE

LANGKAWI, Dec 3 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today the Cabinet has rejected any move to increase the price of palm-oil-based cooking oil.

He said the Cabinet, which held its weekly meeting on this island resort today, also rejected the proposed pricing mechanism in which cooking oil manufacturers applied the export price in United States dollar for the mechanism and translate it in Malaysian ringgit.

"So we have asked them not to increase the price but they will have to work out the mechanism for the pricing," he told reporters after a fleet review at the Langkawi International Maritime and Aerospace Exhibition (LIMA '97).

The palm oil-based cooking oil controversy was sparked off by the Malayan Edible Oil Manufacturers Association's proposal to raise prices by as much as 30 per cent, which led to strong public protests.

This prompted the Primary Industries Ministry to propose a fixed ceiling retail price of RM3.15 per kg for pure palm olein cooking oil and RM3.65 per kg for blended cooking oil effective Jan 1.

Primary Industries Minister Datuk Seri Dr Lim Keng Yaik had said yesterday that he expected the ministry's proposal on the fixed retail ceiling price to get Cabinet endorsement today.

"They (the ministry) did not ask for any endorsement because we want to look into the mechanism for determining the price," said Dr Mahathir.

On the proposed National Economic Action Council, he said the Cabinet did not discuss the NEAC because of time constraint due to the tight schedule of the 1997 Langkawi International Maritime and Aerospace Exhibition.

The NEAC, which is to be set up this month, was first proposed at a special meeting of the Umno Supreme Council which Dr Mahathir chaired as party president last Nov 20.

A Barisan Nasional (BN) Supreme Council meeting, also presided over by Dr Mahathir as BN chairman the next day, endorsed the establishment of the NEAC which is to advise and periodically report to the Cabinet on national economic matters.

The NEAC will have its own computerised operations room to carry out that role.-- BERNAMA

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