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Cabinet throws out cooking oil price increase proposal

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THE Cabinet has shot down the proposal for an increase in the price of cooking oil, saying that a new pricing mechanism will have to be worked out.

"The Cabinet does not agree with the (increase in) prices of cooking oil or the pricing mechanism which takes the US dollar export price of palm oil and then translate it into ringgit," Prime Minister Datuk Seri Dr Mahathir Mohamad said in Langkawi yesterday.

He was asked if the Cabinet - who met at Gunung Raya, Langkawi, yesterday - had endorsed the proposal by Primary Industries Minister Datuk Seri Dr Lim Keng Yaik for a ceiling retail price of RM3.15 a kg for blended cooking oil beginning January 1.

"He did not ask for any endorsement... we wanted to look at the mechanism to determine the price," Dr Mahathir said.

The Prime Minister also said traders have been asked not to increase the prices of cooking oil and that "they have to work out a mechanism for not doing so."

Asked by a foreign reporter about the ringgit, which weakened to a record low of 3.6375 against the US dollar yesterday, he said the local currency will go even lower "because that is what they (the currency traders) are going to do to us... make us poor and then ask us to buy the things they want to sell".

In response to the same reporter who requested for details on Malaysia's strategy for the aerospace industry, he said: "There are no details... if people have robbed us, we can't do it now... please tell them to rob us further, depress our ringgit. That is the way you treat people."

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