

01/12/1997

Cooking oil producers unpatriotic (HL)

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KUALA LUMPUR, Sun. - Prime Minister Datuk Seri Dr Mahathir Mohamad today rebuked manufacturers who indiscriminately raised the prices of goods and warned that the Government would seek new measures to deal with profiteers.

In what is seen as the strongest reaction to date to the clamouring by some manufacturers to raise prices in the wake of the speculative attacks on the ringgit, Dr Mahathir described the millers of palm oil-based cooking oil who raised the price of their product as "unpatriotic and saboteurs of the national economy".

Urging them to bring prices down to the original levels, the Prime Minister said: "I am extremely sad because these manufacturers have no feelings of patriotism whatsoever. They don't even want to help overcome the country's economic problems.

"They only see profits for themselves because while their costs in the country remain the same, they make windfall profits from the export market because they sell their products in US dollars."

Dr Mahathir was speaking at the Prime Minister's Department Family Day held at Taman Tasik Titiwangsa here.

The proposal by Malayan Edible Oil Manufacturers Association to raise prices by as much as 30 per cent had sparked off a wave of protest from the public and consumer associations.

Many felt that consumers should not be burdened as the domestic market only consumed five per cent of the total palm oil produced.

They said it was unfair for producers to make the demand, especially when the Government was trying to promote the use of local products and defend the country against imported inflation.

Checks in the Klang Valley last week revealed that there had already been an increase of up to RM1 for a 5kg tin of palm oil-based cooking oil in the past month.

Dr Mahathir, who was away in Vancouver, Canada attending the Asia-Pacific Economic Co-operation Summit when the controversy arose, said instead of making a small sacrifice by maintaining the domestic price, the self-serving traders were only interested in making profits.

"I know that those who manufacture edible oil have to buy the raw palm oil from producers who prefer to export their product for bigger profits rather than sell it locally," he said.

When it was pointed out by the Press that manufacturers bought palm oil from the producers in US dollars, Dr Mahathir replied: "Why do they have to buy locally in US dollars? You mean they have no confidence in our ringgit? This is clearly profiteering."

Dr Mahathir said although the Government had yet to make a decision on the matter, some manufacturers still raised prices, noting that prices of other food items had also increased.

Asked what the Government's actions would be, Dr Mahathir said: "We will investigate and if we find that there is profiteering, we will come up with legislation to deal with it.

"These people make excessive profits by taking advantage of the country's economic problems. Those who raised prices must lower them."

The Prime Minister said the Cabinet would discuss the matter and might take punitive action against those responsible for raising prices.

He likened their actions to sabotaging the economy of the country,

adding that there was no reason for the price to be raised as palm oil was a local product.

"We know who these people are," Dr Mahathir said. He added that irresponsible and self-serving actions like these would eventually force Malaysia to bow to outside pressures.

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