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Anwar-Prices

IMPLICATIONS OF PRICE INCREASE WILL BE STUDIED FIRST, SAYS ANWAR

KUALA LUMPUR, Nov 23 (Bernama) -- Deputy Prime Minister Datuk Seri Anwar Ibrahim said today the government will study the negative impact like inflation before making any decision on raising the prices of goods in the country.

"Policy-wise, as far as possible, we do not want the prices to increase but we have to study, for example, whether the imported components are too high, so it is difficult for us to totally ignore demands for price increase," he said.

He told reporters this at the Sultan Abdul Aziz Shah Airport in Subang, near here, after sending off Prime Minister Datuk Seri Dr Mahathir Mohamad who left for Vancouver, Canada, to attend the Asia Pacific Economic Cooperation (Apec) forum.

Anwar, who was asked to comment on the pressure by local manufacturers to increase the prices of essential goods, said the government's consideration in making the decision was to protect the interests of all parties, with consumers' interest topping the list.

"Like palm oil, the Cabinet's consideration is not to raise (the prices) and to ask the relevant ministries to study and find ways for producers and manufacturers to subsidise part of the costs.

"We are serious about this matter, so if there are applications for price increase, the implications must be studied, but we cannot simply reject the applications, we have to study whether the imported components are really high," he said.

Palm oil producers have asked the government for a 30 per cent increase in prices while flour producers are also seeking a price increase following the rise in production costs because the price of imported flour has increased.

Anwar said the Cabinet would consider the views of the various ministries and agencies before making a decision.

Everyone in the country would, to a certain extent, have to bear with the current problem, he said.

Yesterday, Domestic Trade and Consumer Affairs Minister Datuk Seri Megat Junid Megat Ayob was reported to have said that price increase for essentials like sugar, cooking oil, potatoes and flour could not be avoided following the rise in import and production costs.

He said, however, that the price increases would not burden the people nor cause losses to traders and producers. -- BERNAMA

AFY JK