

01 FEB 1998

Price-Increases

CONSUMERS BEGIN TO PAY SLIGHTLY MORE FOR ESSENTIAL ITEMS

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KUALA LUMPUR, Feb 1 (Bernama) -- With the double festivals now over, consumers will have to dig deeper into their pockets from today when purchasing sugar, flour or condensed milk as the prices of these essential items have gone up slightly by between 10 sen and 25 sen.

And in markets, consumers had to fork out the extra sen to buy chicken where the farm price of the bird went up by 15 sen per kilo.

The price increases which were approved by the Cabinet on Dec 10 last year took effect today.

The increase meant that sugar would cost 25 sen more per kilo from RM1.20 per kilo to RM1.45 per kilo while flour 20 sen extra per kilo from RM1 per kilo to RM1.20 per kilo.

Condensed milk went up by 10 sen for a standard tin of 397 grammes. This means that the new price of such milk is RM1.60 sen per 397 grammes compared to RM1.50 before and RM2.05 per 525 grammes.

The price of full cream milk also went up by 10 sen -- RM1.75 per 397 grammes and RM2.20 per 525 grammes.

As for the price of chicken, it is now RM3.05 per kilo instead of RM2.90 per kilo while the price of slaughtered chicken is now RM4.90 per kilo.

The price of sugar and milk in Sabah and Sarawak was 10 per cent higher than the prices in the peninsula because of transport costs.

Domestic Trade and Consumer Affairs Minister Datuk Seri Megat Junid Megat Ayob when announcing the price hike, had said that the increase could not be avoided following the fall in the value of the ringgit.

Even before the price increase took effect today, there were many reports of wholesalers, retailers and individuals hoarding these products following the announcement of the impending price hike.

A check by Bernama today revealed that many shops have reported adequate supply of these essential items and there have been no rush or panic among consumers to buy these goods.

While many shops were still closed, a few sundry shops and markets in Klang Valley which opened for business today saw consumers purchasing the items although many were caught unaware of the price hikes despite the many announcements and statements in the media.

Prime Minister Datuk Seri Dr Mahathir Mohamad had on Jan 20 asked the people to accept the reality and be prepared to face the possibility of a price hike for several essential goods after the Chinese New Year and Hari Raya festivals.

Dr Mahathir said the government and the people could not deny the fact that Malaysia was facing the problem of price hikes due to the ringgit depreciation as many of the goods were imported.

With the increase in the price of sugar, flour and condensed milk, many food outlets have also been reported to have increased the prices of related food items indiscriminately.

The government, consumer organisations and trade unions have called on the people to boycott these shops.

As to how effective this message would get across to the people is yet to be known.

Megat Junid said the government would monitor the prices of goods expected to increase after the double celebrations.

He said the government would ensure that the price increases would be

minimal and not adversely affect the various parties including importers.

The minister had also said that after receiving the feedback on the percentage consumption of sugar and flour by ordinary consumers and the industrial sector after the Feb 1 price increase, the government might consider fixing different prices for the industry and ordinary consumers to curb increase in the prices of cakes and confectionery. --BERNAMA

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