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Mustapa-Inflation

GOVERNMENT TO CURB INFLATION BEFORE IT AFFECTS ECONOMY

JELI, Aug 21 (Bernama) -- The government is determined to curb inflation before it affects the national economy, said Second Finance Minister Datuk Mustapa Mohamed.

He said the government felt that prices of goods particularly food should not increase so as to cause a higher rate of inflation.

"The Prime Minister (Datuk Seri Dr Mahathir Mohamad) is also unhappy with the current situation. We (the government) feel prices of goods in Malaysia should not go up as we are rich in resources, there is adequate supply, we have price control, as such prices (of goods) in Malaysia should not escalate," he told reporters here today.

"But we find that the situation in several other countries are better compared to our country, thus we are perplexed. As such, several ministries have been directed to find out the cause (for the rising inflation)," he said.

Yesterday, Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi said the cabinet had decided to wage an all out war on inflation to reduce the burden borne by the people.

Mustapa said efforts at curbing inflation must be carried out from now "because there is no point in achieving economic growth if prices of goods go up," he said.

He said if the government felt that transportation cost had caused prices of goods to go up then it would find a way to overcome it.

Efforts to fight inflation did not rest on the finance ministry alone but involved the whole government machinery, he added.

-- BERNAMA

RAR AO