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No specific date for petroleum price rise, says Dr M

KUALA LUMPUR, Tues. - The Government has yet to decide on when to raise petroleum prices.

"We have to study various aspects first, including the effects of a rise in fuel prices to consumers," Prime Minister Datuk Seri Dr Mahathir Mohamad said today.

Speaking at a Press conference after opening the Kedah Trade Centre at UBN Tower in Jalan Sultan Ismail here, Dr Mahathir said an increase in petroleum prices would also lead to an increase in the price of other goods and services, especially transportation.

He said that if the price of petrol goes up by 10 sen, manufacturers should not also increase the price of their goods by the same amount as fuel cost accounts only for about 10 per cent of their production cost.

Dr Mahathir said the increase in the price of petrol was inevitable as the price here at only RM1.10 per litre was very much cheaper than in other countries which were charging as high as RM12 per litre.

He said the cheap petrol had led to people smuggling it to neighbouring countries.

On the proposal by Malaysian Airlines to raise fares, Dr Mahathir said the company might have a justifiable reason for doing so.

"Their operational costs have gone up and MAS also has to buy its fuel according to international prices, which are not subsidised and have already gone up," he said.

He said even at ordinary prices, MAS was not making profits.

"Thus an increase in fuel prices means they are going to lose a lot of money if they do not increase fares. We also do not want MAS to lose money."

On Filipinos entering Malaysia illegally, he reiterated those who come into Malaysian waters to escape the Philippine military assault on Jolo island would be treated as war refugees while those who came as illegal immigrants would be treated accordingly.

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