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Mahathir-Smallholders

GOVT WILL HELP OIL PALM SMALLHOLDERS AFFECTED BY PRICE FALL - DR M

KUCHING, Feb 24 (bernama) -- Datuk Seri Dr Mahathir Mohamad today gave an assurance that the Government will assist oil palm smallholders whose income has been affected by the fall in the price of the commodity.

"But the Government cannot be totally blamed in this matter," said the Prime Minister.

He said the smallholders should have kept some of the income earned when the palm oil price rose to as high as RM2,400 a tonne sometime back.

"If we had saved during the good times, we will still be quite all right during the bad times," he told a press conference at the end of a two-day visit to Sarawak.

At present, the palm oil price has fallen to about RM750 a tonne.

The Prime Minister said the smallholders should also have taken heed of the Government's suggestion that they rear cattle in their smallholdings.

"If they had gone into cattle breeding then, they could during the present Hari Raya Haji season earn double the price for the cows," he said.

Dr Mahathir said Opposition parties should offer suggestions instead of criticising the Government for allegedly failing to help arrest the fall in the palm oil price.

"They are good at talking...ask them to come out with suggestions to help resolve this problem immediately. We will like to see them overcome this problem," he said.

On the possibility of prices of goods rising following the 20 to 75 percent increase in water tariffs in Selangor, Kuala Lumpur and Putarajaya, Dr Mahathir said manufacturers should not raise the prices too much.

He said that when the Government increased the price of commodities like water and petrol, manufacturers should not raise their prices before determining the actual rise in their cost of production.

"For instance, if the Government raises water tariff and the manufacturer's water cost goes up by just two percent, he can only raise the price of his goods by two percent even if the water rate went up by 100 percent," he said.

On complaints by manufacturers that they were not notified of the water tariff increase, Dr Mahathir said the question did not arise.

"We have been saying for a long time that we want to increase but kept postponing...yet when we increase now, they say we did not give them notice," he said.

He said some of the factories had no reason to raise prices as they had their own tube wells and did not pay any tariff to the Government.

On the Bakun hydro-electric project, Dr Mahathir said the Government was going ahead with it.

"It has been taken over by the Government. The Government will build the Bakun Dam. The size will be decided according to the need...we will do it in a way that is not wasteful," he said.

--BERNAMA

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