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Nationwide price checks (HL)

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KUALA LUMPUR, Wed. - The Domestic Trade and Consumer Affairs Ministry will carry out nationwide checks on the price of goods twice a week to ensure there were no drastic increases following the 10-sen hike in petrol and diesel prices.

Minister Tan Sri Muhyiddin Yassin said today the Cabinet has also asked the ministry to submit reports on the price of goods throughout the country every two weeks.

He said the frequent checks and reports would help the government keep an eye on the impact of increased petrol and diesel prices on consumer goods and services.

"We have asked enforcement to be stepped up although our officers are already being stretched to the limit.

"Monitoring prices nationwide is important because this is what helped us keep inflation low when the price of petrol and diesel was increased last year.

"Based on our experience in 2000, we were able to ensure price of goods did not increase dramatically because we monitored them from day one," he said after chairing a post-Cabinet meeting at his ministry today.

In a related move, Muhyiddin announced that four petroleum products - RON97 and RON92 petroleum, diesel and liquified petroleum gas (LPG) - will soon be gazetted under the Price Control Act 1946.

This decision follows complaints from consumers in the Klang Valley that they were being overcharged for cooking gas cylinders (which contain LPG) since the price of petrol was increased.

Prime Minister Datuk Seri Dr Mahathir Mohamad announced the price increase of petrol and diesel by 10 sen per litre when tabling the 2002 Budget in Parliament last week.

The price of LPG, however, remained unchanged.

Muhyiddin said under the Control of Supplies Act 1961, the price of the four products were controlled administratively.

Since 1983, their price has been determined by the Automatic Price Mechanism (APM).

He said gazetting the products under the Price Control Act would enhance that control.

This was because, once the products were gazetted, the Government could mete out specific punishment for retailers who overcharged customers for the goods.

"It is simply to give more power to enforcement," he said, adding that only the four major petroleum products would be gazzeted under the Act at this time.

In addition, he said the Domestic Trade and Consumer Affairs Department was working closely with other ministries to monitor prices in the transport sector as well as rental.

On a separate issue, Muhyiddin said he would meet the 40 petrol station operators affected by attempted takeovers by petrol suppliers.