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Petrol dealers still waiting for nod on rate increase

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LOCAL petrol dealers have not registered significant progress in their demand for a 4 sen a litre increase in their commission rates.

A week had passed since the date the Government was supposed to announce its stand on the issue. So far, the petrol dealers are still in the dark over the matter.

The Government's decision was expected to be announced last week by Prime Minister Datuk Seri Dr Mahathir Mohamad after the Cabinet's weekly meeting.

"We are still waiting for the Prime Minister to make up his mind because he is the one who has the authority to make the endorsement.

"We are still puzzled as to when he will actually tell the public," an industry source told Business Times in Kuala Lumpur yesterday.

Sources said some dealers want to wait until after the festive seasons before considering any alternative action. A few of them think the Government is purposely delaying the announcement just to teach the dealers a lesson.

Petrol Dealers Association of Malaysia (PDAM) had two months ago requested a revision in their commission rate from the Government. The commission was last revised in 1994.

The association had approached the Domestic Trade and Consumer Affairs Ministry and the matter was brought to the Cabinet meeting two weeks ago.

It had been reported that Dr Mahathir was expected to announce the Government's decision on the subject last week. The petrol dealers were bullish that the decision would be in their favour.

Sources said the delay could be because the issue needs to be studied further as it involves public interest.

The PDAM said it has no comment at the moment and leaves it all to the Government's goodwill to make sure what is best for the oil industry.

"I do not want to elaborate on the issue at the moment, just wait for the Government to make its decision," PDAM president Alang Zari Ishak told Business Times yesterday.

Most of PDAM members have different views on the outcome of the issue. One member said, "We have waited a long while for the increase and hope that the Government looks at the matter from our point of view as a change."

"We feel disappointed and wonder why Datuk Seri Dr Mahathir has to take a long time to decide on our commission increase but it didn't take long for him to make the decision to increase the price of petrol," said a petrol dealer.

"The Government should decide now and stop thinking of other excuses to delay the issue any longer. We're tired of waiting," said another dealer.

PDAM had requested the 4 sen increase in petrol commission in 1994 but its request since then has not been finalised. The last increase was about 1 sen in 1994 but dealers felt the rate wasn't enough.

On November 9, Dr Mahathir told dealers not to pressure the Government to accept PDAM's demand but at the same time said dealers were allowed to request the increase of 4 sen because it was their right but reminded them not to cite the increase in petrol price as the main reason.

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