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Budger-Abdullah

RETAILERS AND SUPPLIERS REMINDED AGAINST PRICE HIKES

KUALA LUMPUR, Oct 19 (Bernama) -- Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi reminded retailers and suppliers of services against increasing the prices of their goods and services following the expected increase in demand due to the bonus and salary hike to be received by government employees.

He said such moves by retailers and suppliers of services would create an inflationary pressure in view of the greater demand compared to supply.

"I hope retailers and service providers will not try to reap excessive profits from such a situation," he told reporters after the tabling of the 2002 Supply Bill by Prime Minister Datuk Seri Dr Mahathir Mohamad, who is also Finance Minister, at the Dewan Rakyat, here today.

Abdullah said: "We (the government) want the inflationary rate to be as low as possible."

He said the Ministry of Domestic Trade and Consumer Affairs would intensify the monitoring of prices of goods to ensure that there were no arbitrary increases in prices.

Dr Mahathir, when tabling the bill, announced an increase of 10 per cent in the basic salary of government servants beginning next year.

They would also receive a bonus of half a month salary or at least RM1,000 for this year with payment to be made twice beginning this month.

Meanwhile, several other schemes of services such as those for medical officers, armed forces, police and civil defence would receive an increase in allowances.

Abdullah described the budget this time as "Dr Mahathir's Budget" as the Prime Minister was directly involved in its preparation right from the early stage.

Although Dr Mahathir had previously tabled the budget in 1998, he was then not involved from the early stage.

"...but this time, he was involved right from the early stage by leading the dialogue sessions with the private sectors," he said.

He said the budget needed the support and commitment of the people so that government efforts to strengthen and generate the national economy in facing the uncertainties in the world economy would be successful.

"Without commitment from the rakyat, the various programmes for which incentive assistance had been given would not achieve their objectives.

"What is important the budget is pragmatic and can be implemented fully and I don't think it calls for any adjustment that is so difficult to be made," he said.

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