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MAHATHIR-PETROL

MALAYSIANS TOLD TO BE REALISTIC AND ACCEPT PETROL PRICE HIKE

KUALA LUMPUR, July 5 Bernama) -- Malaysians should be realistic in accepting the fact that petrol and diesel prices may eventually increase if the the high world oil prices persist, said Tun Dr Mahathir Mohamad.

Dr Mahathir said the government surely would not like to raise prices of petrol and diesel. However, if the skyrocketing world oil prices continue, "I don't think it has any choice."

"It is normal to increase the (domestic) price of petrol because at the moment it is terribly underpriced. How can you expect to maintain the old price?" asked the former Prime Minister as he compares the price with the global crude oil prices, currently hovering at around US\$60 per barrel.

Dr Mahathir, who is Petronas adviser, was asked to comment on the long queues at petrol stations last week when rumours spread of an impending hike in petrol and diesel prices.

Prime Minister Datuk Seri Abdullah Ahmad Badawi had quashed the rumours but stressed that a cabinet sub-committee on petrol had been asked to make specific recommendation in view of the high world oil prices.

Dr Mahathir said when it came to price increase, Malaysians were not very realistic.

"They think anything they buy should not go up but anything that they sell should go up," he told a press conference after witnessing a signing ceremony on the acquisition of Franklin Mint Porcelain Manufacturing Sdn Bhd by Royal Mint Malaysia.

"I was in England recently and the price of petrol over there was almost RM7 per litre. I was shocked that not a word was said about petrol prices at RM7 per litre. No body complained," he said.

In comparison, he said, in Malaysia it was totally the reverse. When for instance, toll rates were increased, he said there was public uproar, with remarks like "how can this be, people will suffer."

At RM1.57 per litre, he said Malaysia's petrol price was considered to be one of the lowest among Asean countries. -- BERNAMA

MAD KTC