

Govt confident of reducing inflation rate to 2.5%

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PUTRAJAYA: The Government is confident of reducing the country's inflation rate to 2.5% this year from 3% at the end of 2006, given the current price control measures being adopted.

Satisfied with enforcement conducted by the Domestic Trade and Consumer Affairs Ministry in checking on the prices of essential goods,

Deputy Prime Minister Datuk Seri Najib Tun Razak said the trend of indiscriminately increasing prices had been reduced compared to last year.

"We are satisfied (with the actions so far), and although we cannot expect there to be no increase (in prices of goods), we are trying to achieve that.

"What is encouraging is that the trend is downward," he said yesterday after chairing the Cabinet committee meeting on essential goods.

Najib said the domestic trade ministry's special unit had conducted several operations after the pay increase for civil servants was announced recently.

Under Ops Gaji from May 21 to

June 18, he said 99,312 premises had been checked nationwide and goods worth RM214,875 seized, and RM162,530 in compound notices issued.

Najib also announced that from Jan 1, the price of cement would be reviewed every four months and price changes made according to an automatic pricing mechanism.