

# '1961 Act more effective in ensuring fuel price compliance'

**KUALA LUMPUR:** Enforcing compliance with the retail price of petrol and diesel is more effective based on the order letter under Regulation 12A of the Control and Supply Regulations 1974 under the Control of Supplies Act 1961, says Datuk Alexander Nanta Linggi.

The Domestic Trade and Consumer Affairs Minister said this was because the Act provided for heavier penalties for oil companies or petrol station operators who were found to be selling petrol and diesel above the prescribed price.

"Under the Control of Supplies Act 1961, failure to comply with the supply control instructions is an offence with penalties of up to RM5mil. The controlled goods licence for petrol and diesel may be revoked or suspended by the court.

"This penalty is significantly higher than the penalty imposed



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Datuk Alexander Nanta Linggi



under the Price Control and Anti-Profitteering (Determination of Maximum Retail Price for Petrol and Diesel) gazetted under the Price Control and Anti-Profitteering Act 2011 up to RM1mil only," he said in a statement yesterday.

According to Bernama, he also emphasised that there had been no change in the pricing policy of retail

sales of petrol and diesel through the automatic pricing mechanism (APM).

Alexander said that in line with the ministry's commitment to protect consumer rights and ensure compliance of oil companies and petrol station operators with the fixed retail price of petrol and diesel, enforcement actions under

the Control of Supplies Act 1961 would be carried out more effectively.

On Wednesday, Alexander denied that the government had revoked the order on ceiling retail prices of petrol and diesel in response to media reports about the Federal Government having done so through a government gazette dated June 3.

The minister urged the public to not make misleading statements about the matter as he said it could give rise to misunderstandings.

Alexander added that the retail pricing of petroleum products using the APM formula was influenced by refined products' prices in line with global crude oil prices.

"As of March 30, 2017, retail prices of petrol and diesel have been regulated on a weekly basis and enforced by KPDNHEP (the ministry) under the Price Control and

Anti-Profitteering (Determination of Maximum Retail Price for Petrol and Diesel) in accordance with the Price Control and Anti-Profitteering Act 2011.

"The gazettement was to enforce control on retail prices of petrol and diesel by oil companies and petrol station operators so that they do not exceed the prices set by the Finance Ministry," he said.

He said starting from Feb 29, the Domestic Trade and Consumer Affairs Ministry changed the mechanism for the control of retail prices of petrol and diesel through a directive issued under Regulation 12A of the Control and Supply Regulations 1974 under the Control of Supplies Act 1961.

The change was to strengthen enforcement and monitoring efforts at the ministry level in the event of any violation of the directive under the Act.



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**<https://www.thestar.com.my/news/nation/2020/06/12/1961-act-more-effective-in-ensuring-fuel-price-compliance>**