

Don't blame it on the price of petrol, PM tells dealers

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KUALA LUMPUR, Fri: Petrol dealers have been told not to use the recent increase in the price of petrol as an excuse to ask for a higher commission.

Prime Minister Datuk Seri Dr Mahathir Mohamad said there may be other reasons for them to ask for an increase, "but don't blame it on the price of petrol".

The dealers can ask for an increase in commission but they should not give the rise in the price of petrol as an excuse, he said.

Mahathir was asked to comment on a statement by the Petrol Dealers Association of Malaysia that its members will have to turn off their pumps if the government does not respond positively to their request for an increase in their commission.

The commission rate for petrol dealers now is 6.18 sen a litre for petrol and 2.27 sen for diesel.

Mahathir said the government has reduced the subsidy for petrol dealers by only 8%,

which means that their costs go up by about 8%.

"An 8% increase in the cost of petrol does not warrant an increase of about 80% in their commission ... this is what they are asking," he told a press conference after opening the Islamic Research Centre and Digital Al-Quran (Al Murshid) at the Islamic Art Museum here.

He said the dealers, who are now getting a commission of six sen, are asking for an additional four sen.

"But four sen is how many percent of their commission? It is a 60% increase in their commission," Mahathir said.

The dealers are hoping that the government will stand by its promise to resolve the issue by the end of the year, as announced at an oil company's annual meeting in Genting, Pahang, recently.

They claim that they were already having problems making ends meet, even before the 10 sen increase in petrol and diesel prices was proposed under Budget 2002.