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Petrol dealers not hopeful

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PETROL dealers in Klang Valley are not expecting a positive outcome when the Government decides on their demand for a higher petrol commission next week.

While satisfied with the Petrol Dealers Association of Malaysia's (PDAM) role in fighting for the commission increase, these dealers are not hopeful that the Government will bend to the demand.

"Even though PDAM is trying hard to seek approval from the Government for the rise in commission, most of us are not sure whether the Prime Minister will meet our demand," one petrol dealer told Business Times yesterday.

It was reported that Datuk Seri Dr Mahathir Mohamad is expected to announce the Government's decision on the petrol commission issue next week after the weekly Cabinet meeting.

The petrol dealers' request for a new commission rate at 10.18 sen a litre was submitted at last week's meeting by the Domestic Trade and Consumer Affairs Ministry.

Petrol dealers have cited swelling operating cost as the reason behind their demand for a new rate that is 4 sen a litre higher than the current ones.

"It's about time someone said something about the commission issue as it has been going on for too long," one petrol dealer said.

A dealer in Bangsar said: "The Government should consider our request seriously because if the situation stays the same, we will continue to lose money and not be able to operate our stations on full scale.

"The public thinks we live in luxury but that is not true... we are struggling to make our business work."

This year alone, 40 petrol stations had to shut down their operations as they failed to meet oil companies' condition in the agreement which disable dealers to continue their operating license.

"Shortage of capital is also a reason why many petrol stations have no choice but to close down after all the hardwork they put in," said an official from PDAM.

At present, dealers' commission stands at 6.18 sen per litre for petrol and 2.27 sen per litre for diesel. The rate has never been revised since 1994.

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