

15 NOV 2001
Diesel-Price
RETAIL PRICE OF DIESEL REDUCED

KUALA LUMPUR, Nov 15 (Bernama) -- The retail price of diesel, increased by 10 sen per litre from Oct 20, has been reduced to the old price from tomorrow, the Finance Ministry announced today.

It said in a statement that the decision to reduce the price was made as the government was sensitive of the complaints raised by public transport operators and fishermen on the effect of the price increase on their operations in the prevailing economic situation.

The price increase was announced during the tabling of Budget 2002 by Prime Minister Datuk Seri Dr Mahathir Mohamad who is Finance Minister in parliament on Oct 19.

This means that the diesel price of 81 sen per litre following the increase has been reduced to 71 sen per litre from tomorrow.

According to the statement, following the reduction, the government's subsidy for a litre of diesel will increase by 10 sen, that is, from 12.76 sen per litre to 22.76 sen per litre.

As such, the amount of subsidy to be borne by the government is estimated at RM1 billion.

The statement said that even with the reduction, the retail price of diesel in Malaysia is still lower compared to the neighbouring countries.

"In view of the reduction in the retail price of diesel, the government wish to remind traders not to raise the prices of goods and services provided," it said.

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