

31/07/2002

Proposal on petrol price hike to be handed to Cabinet

KUALA LUMPUR, Tues. - A proposal to gradually increase the price of petrol will be submitted to the Cabinet soon, a move aimed at easing the Government's annual RM6 billion subsidy.

The proposal will be jointly submitted by the Ministries of Domestic Trade and Consumer Affairs, and Finance.

Domestic Trade and Consumer Affairs Minister Tan Sri Muhyiddin Mohd Yassin said the two ministries are in the final stage of discussion and will meet with petrol companies before submitting the proposal.

"The papers are being prepared and Prime Minister Datuk Seri Dr Mahathir Mohamad will be briefed before we submit them to the Cabinet. Only after the Cabinet approves, will we give more details," he said after chairing his Ministry's dialogue with the private sector at Istana Hotel today.

The last petrol hike was on May 1 when petrol and diesel prices increased by two sen to RM1.32 per litre. This followed the 10-sen per litre price increase announced in the 2002 Budget in October last year.