

PM's greasy stand fuels suspicion
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An opposition leader warned that the government's refusal to slash the price of petrol when global oil prices tumble will give rise to the suspicion that it is trying to protect vested interests.

In a statement today, DAP secretary-general Lim Guan Eng expressed disappointment with Prime Minister Abdullah Ahmad Badawi's refusal to reduce the price even though crude oil prices have dropped.

The premier reasoned that oil prices have not stabilised and remain unpredictable, but Lim disagreed.

"Even though international oil prices rose yesterday to the highest level in 2007 of nearly US\$63 per barrel, its average price for the first five weeks this year was still below US\$60 per barrel.

"(This was) lower than the US\$61 per barrel on Feb 28 when petrol prices were increased by 30 sen from RM1.62 per litre to RM1.92," he said.

The opposition leader said Abdullah should look at the average price of oil for this year.

"He cannot deny that the average price is less than US\$60 per barrel. His stubborn refusal to reduce petrol prices will only give the unfortunate impression that the government knows only how to raise prices but not reduce," he added.

He also commented on Abdullah's remark that although crude oil prices dropped in the last quarter of 2006, oil subsidies remained high at RM7.3 billion for that year, not a big difference from the RM8.15 billion in 2005.

Petronas' billions

Lim said claiming that oil subsidies for the two years are no different ignored the record profits earned by Petronas, with pre-tax profit rising 21 percent to RM70.2 billion for its financial year ending March 31, 2006 and revenue rising 21.8 percent to RM166.9 billion.

"Why should Petronas and the government be allowed to hoard tens of billions of ringgit in profits and not be forced to share the spoils with Malaysians?" he asked.

In view of this, Lim said the government must reduce the price of petrol by 30 sen to allow Malaysians to save RM4.4 billion, the same sum the government saved in oil subsidies by hiking the price.

"There is no logic, reason or economic rationale why the government cannot reduce the price of petrol. The government's refusal to do so when almost every country in the world is doing so demonstrates a disturbing lack of concern for the economic hardship of the people," he added.

He also said nobody understands why the price of petrol of an oil importer like the United States is at US\$60 cents per litre, only slightly higher than the US\$53 cents of an oil exporter like Malaysia.

"Where has our oil revenue and profits gone?" he asked, adding that the time has come for the government to open up the coffers of Petronas.

"The company's pre-tax profits of RM70.2 billion last year is so huge that if every Malaysian got RM2,000 each, Petronas would still have RM18 billion for its capital expenditure and operations.

"For Malaysians not to get a single sen from these oil resources is almost a moral outrage," he said.

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