

It won't hurt that much, says Najib

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By Kow Gah Chie

Prime Minister Najib Abdul Razak believed that the slashing petrol and diesel subsidies will not be detrimental to the public.

azlan"Currently, inflation is still low. We expect that its effects will not be to the public's detriment. Perhaps the rise (in inflation) will not be that high," he said.

Najib addressed reporters after chairing the Fiscal Policy Committee (FPC) in Putrajaya where strategies to tackle the budget deficit was discussed.

The "first step" that was announced was the 20 sen per litre increase in RON95 grade petrol and diesel with effect from midnight.

To another question, he stressed that the slashing of subsidies will not "victimise" the public.

"Of course (it won't). I have explained it. Still not clear? Furthermore, we have decided to raise the quantum for BR1M (1Malaysia People's Aid cash handout). We will announce the amount (in due time)," he said.

NONEEarlier, Najib announced that BR1M would be increased in order to cushion the impact of slashing petrol and diesel subsidies. He said that the quantum of the increased will only be announced during his Budget 2014 speech.

On whether he expects the opposition to create an issue out of the fuel price increase, Najib said that it was a given.

"But we must understand that, this is not a political issue. This (involves) the future of the nation, as the rakyat will suffer if our economy is affected," he said

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