

PM: Petrol subsidy abolition not main cause of fuel price hike
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The abolition of RON95 subsidy since December 2014 is not the main cause of fuel price hike as evident from the price movement, the prime minister said.

Najib Abdul Razak said the fuel price was RM1.90 per litre in January 2015, one month after the subsidy was scrapped and the price was determined by the float system.

“When we abolished fuel subsidies, the price of RON95 in January 2015 was RM1.90 per litre compared with RM1.70 sen per litre today, even in March it reached its lowest price of RM1.60.

“The price of RON95 per litre today is lower than its previous price,” he said when launching the Malaysia Unit Trust Week 2016 organised by Permodalan Nasional Bhd (PNB) in Tapah today.

Najib, who is also finance minister, said the government had saved billions of ringgit when petrol subsidies were removed in December 2014.

“In 2013, the government spent RM29 billion on subsidies for RON 95, RON 97 and diesel,” he said.

Meanwhile, the prime minister said the government would continue implement various initiatives to alleviate the burden of the people due to rising cost of living.

He said the initiatives, included the 1Malaysia People’s Aid, 1Malaysia People’s Shop and 1Malaysia Housing Project.

“No less important is the setting up of the 1Malaysia People’s Clinic where the cost of health spending is the lowest in the world as the charges are minimal,” he said.

The prime minister's wife, Rosmah Mansor, Perak Menteri Besar Zambry Abdul Kadir and PNB chairperson Ahmad Sarji Abdul Hamid were present.

- Bernama