

PM: M'sia's subsidies expected to surpass RM81b this year

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The subsidies given by the government to the rakyat including electricity, fuel and food are expected to exceed RM81 billion this year, said Prime Minister Anwar Ibrahim.

He also said that even though the figure is seen as high, reducing the total subsidy without looking at the needs of the people is not an option for the government to ensure the rakyat are not burdened - especially by the current cost of living.

Therefore, he stressed that the rationalisation of subsidies being implemented by the government was important to ensure the rakyat is assisted while the country's economy remains strong.

"Subsidy is an intervention by the government to ease the people's burden. Subsidies for chicken and eggs amounted to RM3.8 billion but reducing the subsidies would not be an option as it would raise the cost of living for the people, therefore a more resilient policy is needed to reduce (subsidies) which is

the rationalisation of subsidies.

"With such a (high) amount of subsidies, no country can survive, some will be lessened," he said while launching the Islamic Affairs Management Convention in conjunction with the 2023 Ijtimak Perdana Agensi Agama Seluruh Malaysia (IJPAM) at the Sabah International Convention Centre yesterday.

Also present were Sabah Chief Minister Hajiji Noor, Minister in the Prime Minister's Department (Sabah, Sarawak Affairs and Special Functions) Armizan Mohd Ali and Minister in the Prime Minister's Department (Religious Affairs) Mohd Nai'im Mokhtar.

IJPAM 2023, which began on Sept 30 until Oct 5 saw, the attendance of 1,837 participants from various Islamic affairs agencies at federal and state levels throughout the country.

Anwar also said through the rationalisation measure, electricity subsidy for one percent of the wealthiest group has been cancelled but 99 percent of the people are not affected.

The prime minister said he recently asked Tabung Haji to review all subsidies for the cost of performing pilgrimage for the rich in which the cost of the subsidy for that group could be used by Muslims who are in need.

"I requested this rationalisation from the Muslim community, the richest are not given subsidies to help other pilgrims, and it was well received. There are 400 pilgrims who are eligible for the subsidy (hajj) but turned down the subsidy to help others pay the cost of hajj," he said.

Broken promise?

Anwar said many people repeated his statement in 2008 saying "today we win, tomorrow the price of oil goes down" - to which he explained that in that year, the price of oil in Malaysia was higher than oil-producing countries like Saudi Arabia.

"Now the cost has increased many times, the price of oil in Saudi Arabia is higher than Malaysia, Brunei is a bit lower. We will help the people with this subsidy (oil).

"We are explaining this now especially to the people as we are sincere and responsible and there is no need to politicise this issue," he said.

Meanwhile, Anwar said the government's move to provide a subsidy of RM950 per tonne of imported white rice to Sabah and Sarawak is important to help the people, especially the poor in those states.

"We will not allow the poor people of Sabah to be burdened by the soaring price of rice. There are places where the price of rice is RM45, RM41, RM39 (a 10-kilogramme pack), so with this subsidy, we can lower the price to RM31 and reduce burden and pressure on the people," he said.

In addition, the Tambun MP mentioned that there will be discussions of a mechanism to ensure that the price of rice does not increase due to transport costs.

In the meantime, Anwar thanked the 12 elected representatives and leaders of Sabah Pakatan Harapan who have withdrawn their suit against the federal government over the implementation of the Malaysia Agreement 1963.

"Since we took over the government, the chief minister (Hajiji) is well aware that I have directed all our efforts to implement what we promised.

"I assure you, close relations and cooperation with my friend Hajiji will continue to improve efforts and listen to what other steps stated," he said.

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