

Dr M: Sugar subsidy should remain, but don't eat too much sweets

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Former prime minister Dr Mahathir Mohamad believes that the RM1 per kg sugar subsidy or incentive should be maintained for now, even though some importers can sell sugar at lower prices without government assistance.

According to Mahathir, maintaining the subsidy is still relevant as long as the price of sugar continues to burden the public.

“Yes, if there are importers selling cheaper, our subsidy (should) continue unless the price of sugar is no longer a burden to the people,” he told reporters after attending a roundtable discussion on the reciprocal trade agreement between the United States and Malaysia with political parties and NGOs at the Perdana Leadership Foundation in Putrajaya today.

He said this when asked to comment on the need to maintain the incentive.

Previously, Malaysiakini raised questions about the rationale behind continuing the sugar incentive, given that some companies reportedly manage to sell sugar

at lower prices without any subsidy.

The sugar incentive, which is estimated to cost the government up to RM500 million annually, has also raised eyebrows, especially as diabetes is now regarded as a national health crisis.

Questions have also been raised as to why the government continues to maintain the subsidy despite its strain on national finances.

The situation has reportedly caused confusion even among officials at the Domestic Trade and Cost of Living Ministry over the policy's justification.

Health campaigns should continue

Commenting on the rising diabetes cases in Malaysia, Mahathir emphasised the importance of continuing public awareness campaigns to reduce sugar consumption.

“We are running campaigns to tell Malaysians not to eat too much sugar - it's unhealthy.

“The campaign must go on, but prices should come down,” he said.

At present, the retail price of sugar in Malaysia is RM2.85 per kg - lower than its actual market price of RM3.85.

This means consumers pay RM2.85 while the government covers the remaining RM1 per kg.

However, two companies are selling sugar at RM2.70 per kg under the Rahmah Madani sales programme without subsidies or incentives, and are still making a profit.

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