

Price hike reactions: Some say 'unjustified'
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Reactions in a street poll to yesterday's fuel, natural gas and sugar price hikes were mixed, with many saying they have not felt the pinch yet, while others criticised the increases as unjustified.

All the respondents to the poll in Bangsar expressed shock over the government's sudden move, but not all felt that their current lifestyles would be affected.

melaka petrol price hike panic consumer traffic jam at petrol stations 050608 "A five sen increment in petrol prices is not a big burden to the public in this day and age," said 37-year-old civil servant Hasnulhasi Yasin.

Drinks vendor Mohd Sofian and restaurant owner Mohd Iqbal stressed that even though the price of sugar has increased, their prices would remain the same.

"I won't suffer any losses as a result of the sugar price hike. But it would mean less profit instead," lamented Mohd Iqbal.

'Increases unjustified'

However, many disapproved, because they felt that the price increases were unjustified.

"The prices have gone up because the government is too comfortable now, but when things take a turn for the worse, they will lower the prices again," said Vivekananda Sukumaran, a 22-year-old law student.

18-year-old marketing executive Mohd Harith added that the government did not offer sufficient reasons for the move.

"The government should match the prices with the public's earnings. Now, it would be difficult to enjoy drinks like we used to because sugar is more expensive"

petrol price hike panic 010705 caltex station On Friday midnight, the government raised prices of fuel, natural gas and sugar to reduce expensive subsidies.

Prime Minister Najib Abdul Razak said that the controversial "upward price adjustments" would save the government more than US\$230 million or RM750 million in subsidies this year.

RON95 grade petrol and diesel prices rose by RM0.05 per litre, whilst RON97 grade petrol will be floated according to market price.

Liquified petroleum gas went up by RM0.10 per kilogramme and sugar prices have increased RM0.25 per kg.

protes fuel price hike rally mppj stadium 070708 17 The government has however said it will still be spending RM7.82 billion until the end of the year on fuel and sugar subsidies.

The subsidy cuts are believed to be the first stage of the government's plans to reduce subsidies for essential goods as proposed by the Performance and Delivery Unit (Pemandu).

Idris Jala, Pemandu's chief executive officer had warned that Malaysia would face bankruptcy by 2019 and risk becoming like debt-ridden Greece, if subsidies were not cut.

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