

RON 97 up by 5 sen
Malaysiakini.com
November 01, 2010

The price of RON 97 grade petrol has been increased by 5 sen, bringing the price up to RM2.15 per litre beginning tomorrow, according to reports.

azlanThe price of RON 95 petrol and diesel, however, remains unchanged.

This is the first increase in fuel prices since the infamous "5-in-1" hike on July 15 this year, which was aimed at reducing the government's burgeoning fuel subsidies.

It was announced then that RON 97 grade petrol prices would be determined at a managed float and is the lowest grade that could be legally sold for foreign-registered vehicles.

It is believed that even this price will be further adjusted later.

The subsidy cuts are part of the government's plans to reduce subsidies for essential goods as proposed by the Performance and Delivery Unit (Pemandu) under Minister in the Prime Minister's Department Idris Jala.

Jala had warned earlier this year that Malaysia faces the prospects of bankruptcy by 2019 - as occurred in Greece and Iceland, which are now debt-ridden - should subsidies not be reduced.

While the administration of Prime Minister Najib Abdul Razak had tried to sell the subsidy reductions as a necessity, however, critics say forcing consumers to tighten their belts without the government undergoing an austerity drive was meaningless.

Late last month, Najib announced a slew of projects - including the construction of a RM5 billion 100-story Warisan Merdeka Tower that the government said would attract investors and make Malaysia more appealing for tourism.

Copyright © 1999-2007 Mkini Dotcom Sdn. Bhd.
Source : <http://www.malaysiakini.com/news/147063>