

PM: No fuel price reduction before Sept 1
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Abdullah Ahmad Badawi today reiterated the government will not reduce petrol prices before Sept 1 in the wake of falling global prices.
MCPX

He said this when asked if the government would consider readjusting the prices any time soon, especially when the global fuel price has been falling.

Many have also speculated that the government would announce new fuel prices just before the Permatang Pauh by-election which is on Aug 26.

abdullah ahmad badawi maha agriculture exposition 120808 02But the premier stuck to his guns and said: "That was the formula which we have decided upon.

"We've already decided to take the average oil price (for that month) at end of each month to determine the new price, which would be announced on the first of the following month."

Going by the lower oil prices in recent weeks, said Abdullah, the likelihood of lower fuel prices was very high.

When asked on how much he thought the new prices may be, Abdullah said he did not know yet as the average price for the month had yet to be determined.

The prime minister had announced on Aug 1 that beginning Sept 1 the retail price of petrol will be streamlined and based on the average monthly market price of world crude oil with the government maintaining the subsidy rate at 30 sen per litre.

Speaking to reporters this morning after opening the inaugural Federal Territory Hawkers, Petty Traders Congress at the Putra World Trade Centre, Abdullah also said that the 30 sen government subsidy for fuel would remain.

Proton to decide own future

Meanwhile, the prime minister said that the government will let national carmaker Proton Bhd to decide whether it wants to partner American automaker General Motors (GM).

It was reported in the Star today that GM was still keen to work with Proton.

The report quoted GM South-East Asia operations president Steve Carlisle as saying that the company was aware of the government's statement that Proton needed a foreign partner.

Carlisle said that GM was disappointed that a deal could not be struck the last time and was still open to talks with Proton.

budget 2007 proton and car industryCommenting on the report, Abdullah said: "Proton has already decided to try and revitalized the company themselves. And judging by the sales of some of its new models (like the Persona), the outlook looks promising.

The prime minister said that he has also seen some of the upcoming models from Proton's research and development department and was pleased by it.

"At this moment, Proton looks like it is improving and moving towards being more competitive.

"Therefore, it is Proton's prerogative on whether it wants or needs to partner other companies.

On whether the government will meddle in Proton's affairs, Abdullah said: "I'll leave it to Proton (honestly).

"This is a business matter and it is better if we leave it to the business people to take care of things."

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