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# Know the truth about oil price

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## Let's face this challenge together with resilience, says Abdullah

**KUALA LUMPUR:** Datuk Seri Abdullah Ahmad Badawi said he hoped the people would obtain the correct information on the global fuel price increase phenomenon so they could understand what the country was facing.

Each and every one of us has a role and responsibility in facing these trying times.

"As such, let's face this challenge together with resilience for the greater good of the nation and our future generations," he said.

The Prime Minister said this in his speech yesterday at an investiture ceremony held in conjunction with Yang di-Pertuan Agong's birthday at Istana Negara.

"The Government has held out for as long as possible to protect the people from fuel price increases but the price of oil has risen steeply and rapidly in the world market," he said.

Abdullah said that in January 2007, the price of crude oil in the world market was only around US\$50 (RM164.50) a barrel.

Now, 18 months later, it had risen to almost US\$130 (RM427.70) a barrel and analysts were

**»The Govt will do all it can to alleviate the burden experienced by the people«**

DATUK SERI ABDULLAH AHMAD BADAWI

predicting it would continue to rise up to US\$200 (RM658) a barrel, he said.

Abdullah also said the Government was aware the fuel price increases had caused uneasiness and worry among the population.

The Government would do all it could to alleviate the burden experienced by the people, especially by those in the lower income

group. Among the steps to be taken was increasing direct aid to them besides ensuring prices of essential goods remained affordable, he said.

He said the Government would take steps to save on public sector expenditure, increase the range of goods under the price control scheme, improve public transportation and postpone projects that are not urgently needed.

He said there were many economic challenges left to be tackled to ensure Malaysia continued to move forward.

Abdullah said the national economy experienced encouraging growth last year; proving the nation was on the right track.

He added that real gross domestic product growth last year was 6.3% despite a challenging world environment and all sectors had recorded a strong growth especially for services, construction, mining and plantation.

Consumer growth was also healthy at 11.8%, he said.

The Government succeeded in reducing the

national deficit to 3.2%, achieving economic growth supported by a resilient domestic economy and having a more diversified economic structure.

"These achievements clearly show the Government is always implementing policies and economic management strategies that are flexible and pragmatic."

Abdullah also highlighted the Government's commitment to further improve the quality of living of the people where the average household income of Malaysians had increased from RM3,249 in 2004 to RM3,686 in 2007.

He said the poverty rate had been further reduced from 5.7% in 2004 to 3.6% in 2007 while hardcore poverty dropped from 1.2% to 0.7% during the same period.

On efforts to combat corruption, he said reforms were being undertaken to make the Anti-Corruption Agency a full-fledged commission while a parliamentary select committee on corruption prevention had also been set up. — Bernama.