

THE STAR

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Controlled easing of subsidies

Lower-income group to be given assistance if measure is implemented

GOVERNMENT subsidies and price control of goods need to be reduced in stages to eliminate market distortions and abuses, said Prime Minister Datuk Seri Najib Tun Razak.

However, he said subsidy reduction would be undertaken only after taking into consideration feedback from the people.

"I wish to give the assurance that the lower-income group and those who are most vulnerable will continue to be given assistance to mitigate the impact of any subsidy reduction on their cost of living," he said.

The move, he said, was necessary to enhance



competitiveness and market efficiency and to ensure more optimal utilisation of resources.

"I believe many of the difficulties faced by the people, whether in interior villages, estates or the Chinese new villages, can be resolved by giv-

ing specific attention to the issues," he said, adding that disadvantaged groups, mainly those in rural areas, would be given special focus.

There were still pockets of people living without water and electricity supply and with limited access to health facilities, he said, adding that school children have to make arduous trips to school daily.

"We are also considering to grant land titles to the orang asli and bumiputra of Sabah and Sarawak to enable them to benefit from integrated agricultural development programmes through the agropolitan and contract farming approaches.

"They will also be given better access to infrastructure and public facilities, such as roads, education and skills training," he said.

Najib also announced that the Government would improve the quality of life of workers in estates and those who are displaced.

"Skills training will be provided especially to school drop-outs from various ethnic groups to enhance their employability," he said.

Chinese new village residents, he said, would also be provided with soft loans to help them pay for land premiums and renewal of leasehold.