

Anwar promises savings will benefit the people

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PUTRAJAYA: Defending the government's latest move to carry out targeted fuel subsidies as a display of strong political will, Datuk Seri Anwar Ibrahim reassures the people that savings from the implementation of this policy will go back to them.

The Prime Minister said the savings would not be used to increase ministers' allowances and benefits.

"They will be channelled back to the people in terms of subsidies and cash aid, not to raise ministers' allowances," he said.

He reiterated that the RM4bil savings from the rationalisation policy would be used to cover costs for public transportation, school buses, assistance for fishermen and smallholders, as well as

cash aid for the people.

Anwar stated that prime ministers before him had discussed this issue of fuel subsidy rationalisation for years.

"This was discussed back when I was finance minister (in the late 1990s). However, it was not done because it was not an easy move.

"Politicians will usually consider the political impact before they come to a decision to introduce new policies.

"In the case of subsidy rationalisation and tax increases, the impact will be a burden to politicians," he said at the Finance Ministry's monthly gathering yesterday.

Anwar, who is also Finance Minister, said it is only right to have the policy in place so that the government would not spend public funds on the wealthy, foreigners and big industries,

noting that the government is not being discriminatory but fulfilling its responsibility towards the majority of the people.

The Prime Minister said the three major moves undertaken by the government - electricity tariff, the floating of chicken prices, and the implementation of targeted diesel subsidy - would see savings of about RM10bil a year.

"Those who are impacted by the diesel subsidy rationalisation can appeal for aid.

"For instance, the vegetable farmers in Cameron Highlands will also be given subsidies so that they will not have to raise the prices of goods and burden the people," he said.

Anwar, aware that the government's decision is unpopular, said targeted diesel subsidies are necessary to ensure prudent use of public funds and prevent leaks.

"Just go to Sungai Bakap (where a by-election is pending). All sorts of criticisms are being hurled at me. They accuse me of not thinking about the people, of not being sensitive to their problems, and of happily globetrotting.

"For politicians, if you want to be politically safe, don't do anything. Let the subsidies continue; if there are leakages, let them be, as long as you get the votes.

"But this administration cannot do that because we are committed to providing better facilities and infrastructure to the people, as well as putting an end to leakages," he explained.

Stating that he only wants the best for the country, Anwar maintained that not all politicians are self-serving and arrogant and do not think of the people.

"I want to prove that, as a team, we can raise the good name of the

country. I am convinced that this can be done.

"I have the mandate, and I will do it. When the time comes and if I have to go, I will.

"But while I am here (in office), I will stay and fight for what is right to make sure Malaysia emerges as a great nation," he said.

Peninsular Malaysia started floating the price of diesel on Monday, setting it at RM3.35 per litre based on the market price without subsidies. This adjustment is based on the previous month's Automatic Price Mechanism formula.

The weekly retail price of unsubsidised diesel will subsequently be announced every Wednesday, based on the formula.

For those in Sabah, Sarawak and Labuan, the price remains at the subsidised rate of RM2.15 per litre.