

Government Maintains Sugar Price, Ups Subsidy To Ease People's Burden
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KUALA LUMPUR, Jan 27 (Bernama) -- The government has decided to maintain the current sugar price despite the hike in the commodity's price in the world market, Domestic Trade, Cooperatives and Consumerism Minister Datuk Seri Ismail Sabri Yaakob said today.

Sugar is sold at RM2.30 a kilo now.

By retaining the price, the government subsidy for sugar will increase by more than two fold to 54 sen a kilo from 20 sen at present, he said.

The total subsidy for sugar will swell to RM567 million this year from RM262.41 million last year, he told reporters after launching the Company Commission of Malaysia's Best Business Practices Circular 3/2012.

Ismail Sabri said the government has to increase the sugar subsidy to keep the current price level.

"If sugar price is raised, it will trigger a spiral effect, causing the prices of other products to also rise.

"This will derail the government's initiative to ease the people's financial burden by setting up 1Malaysia Shops and introducing 1Malaysia Menu.

"As such, the government has decided to maintain the sugar price so that the people will not feel the pinch even though sugar price has increased in the global market," he said.

Ismail Sabri said Malaysia was importing almost 100 per cent of its sugar requirements from 90 per cent previously because the land used to plant sugar cane in Chuping Perlis, has been planted with oil palm and rubber.

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