

**Subsidy System Must Be Reviewed - Tun Dr Mahathir  
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KUALA LUMPUR, Dec 11 (Bernama) -- The subsidy system must be reviewed to ensure the subsidies reach the people who really need them the most, says former prime minister Tun Dr Mahathir Mohamad.

He said due to ineffective distribution mechanism under the current subsidy system, petrol subsidy in particular did not actually reach the targeted group, but was also enjoyed by those who were not eligible.

"A person with a big fancy car can fill up his tanks with a lot of petrol and thus, gets a lot in petrol subsidy as compared to another person driving a small car with a smaller fuel tank and hence, gets less subsidy.

"We know the majority of those with big cars are high income earners and those with small cars are low income earners, so the petrol subsidy does not reach those who really need it," he told reporters at Mutiara Damansara, here, Tuesday.

Earlier, he delivered a speech titled Rural Transformation: Rural Administrator's Role during the Rural and Regional Development Ministry's District Development Coordination Meeting Series 2/2012.

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