

**Rise In Petrol Price Is A Process To Strengthen The Economy, Says Najib
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PUTRAJAYA, Sept 2 (Bernama) -- The increase in petrol price is a process to strengthen the economy in the short and medium term, which ultimately is aimed at giving positive impact to the well-being of the rakyat.

Prime Minister Datuk Seri Najib Tun Razak said if the nation's economy was affected, it would bring adverse effects on the rakyat, like the situation in some foreign countries which have been badly affected when they failed to manage their economy properly.

He said the government's commitment to implement fiscal consolidation would be continued to achieve the fiscal deficit target of around three per cent of gross domestic product in 2015 and balanced budget by 2020.

"We must understand this is not a question of politics, but about the country's future, if the economy is affected it will bring about adverse effects on the rakyat," he said in a press conference at Perdana Putra building in Putrajaya, Monday.

Najib who is also Finance Minister said this in reference to the increase in the price of RON95 petrol and diesel of 20 sen effective midnight Monday.

To a question, Najib said the subsidy rationalisation process was certainly a part of the government's policy that was finalised, however, the government was determined to implement it in stages to ensure its impact would not burden the rakyat.

"We want to be certain that the impact, seen as a burden to the rakyat, we ensure that it's at the minimum and we will enlarge the social security net, like I said earlier, including increasing the rate for Bantuan Rakyat 1Malaysia (BR1M) payment," he said.

He said the government strived to ensure that the impact from the increase in petrol price would not burden the rakyat, and according to him, the increase in BR1M payment will be announced in the 2014 Budget.

Najib said the increase in petrol price would give minimal impact and he hoped the business community does not take the advantage to hike their product prices without considering the interest of the rakyat.

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