

Rafizi calls for Putrajaya to slash car prices then reduce fuel subsidies
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If the Barisan Nasional government is serious about following the current oil market prices, it should also slash the prices of vehicles in line with global prices, said the PKR strategic director Rafizi Ramli (pic).

"They can't preach selective increases," he said while noting that Malaysians paid the second highest prices for cars in the world.

"If the government is so intent on ensuring that Malaysians live in a real world and pay market prices, shouldn't we be paying the current prices for vehicles instead of grossly inflated figures?"

"Why doesn't Barisan Nasional lower the prices of vehicles too?" the Pandan MP questioned in a statement today.

The price of RON95 petrol and diesel was raised by 20 sen per litre last week, to RM2.10 and RM2.00 per litre, respectively.

The 20 sen increase in fuel is expected to spike household expenditures of the lower-to middle-income brackets the most.

Immediately after the increase, Prime Minister Datuk Seri Najib Tun Razak announced measures to ease the burden of the lower- and middle-income group in the coming Budget.

He also said Putrajaya is mulling the possibility of increasing the amount of the 1Malaysia People's Aid (BR1M) from the current RM500.

Rafizi said the average household income of RM5,000 and below, (which is what 70% of Malaysian households earn) means Malaysians pay more in taxes and toll compared with the fuel subsidy which they benefited from.

"On average, a household uses about 300 litres of petrol a month. With the subsidy of 63 sen per litre, this means that a household receives a fuel subsidy of RM189 a month. But if the household has a vehicle worth RM60,000 being paid off in instalments for seven years (the average for a Malaysian household), the excise duty and interest payments work out to RM3,565 annually."

"This works out to about RM300 a month. This means that Barisan Nasional is taxing the Malaysian people in the form of vehicle excise duty to the sum of RM300 a month when the fuel subsidy is only RM189 a month, on average."

Rafizi said this was a clear injustice and persecution of the public. The situation was made worse by the fact that Barisan Nasional refused to admit that it was taxing the public more than the fuel subsidy, which the government insisted had to be reduced.

The price of goods and services has increased since Prime Minister Datuk Seri Najib Razak announced an increase in the prices of RON95 and diesel two weeks ago. The price of new housing developments was also reported to have increased by 10%.

The PKR is an advocate of cheaper cars for Malaysians and last July, Rafizi had pledged that a Pakatan Rakyat federal government will slash car excise duties and reduce the triple tax burden imposed on cars sold here, effectively putting more cash in the pockets of Malaysians for other daily essentials.

Ahead of the May 5 general election, the BN promised to revamp the National Automotive Policy (NAP) in its manifesto,.

However, in the first meeting of parliament, the government said its promise would be realised in five years. - September 13, 2013.

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