

KR urges Putrajaya to present new fuel subsidy system to the people before implementation
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A PKR lawmaker has called on Putrajaya to present its proposal on a new petrol subsidy system in Parliament before implementing it, saying the people should be given at least one year to give their feedback and to adjust.

Rafizi Ramli (pic), the party's strategic director, said news reports which confirmed that Putrajaya was mulling a new petrol and diesel subsidy system have brought about anxiety among the people.

"Revising the petrol and diesel subsidy system is a big decision that will deeply impact the people. At a time where the price of goods keep increasing while salaries are stagnant, any drastic change to petrol and diesel prices will have multiple effects on prices of things.

"I have warned Barisan Nasional many times that any decision that involves the welfare of the people has to be discussed and a general consensus be taken so that it does not go against the people's wishes," he said in a statement today.

Sin Chew Daily, in quoting a source from the Domestic Trade, Cooperatives and Consumerism ministry, reported that under the new subsidy system, those with a monthly income of RM5,000 and cars with an engine capacity of 2,000cc will be entitled to unrestricted purchase of subsidised petrol.

Those who earn between RM5,000 and RM10,000 per month will only be able to purchase 300 litres of subsidised RON95 petrol every month and those with a monthly income over RM10,000 will have to purchase RON97 petrol without any subsidy.

The report said that the new system is expected to be implemented in the third quarter of the year.

"That is why, BN must present its proposal to revise the petrol and diesel subsidy system to Parliament before coming to any decision," Rafizi said.

"The people have to be given enough time to air their views before the new system takes effect, and (BN must) take into account the struggles the

people have had to go through already following the increase in prices of petrol, electricity, sugar and other goods.

He added that the new system was also at risk of being misused to feed the blackmarket sale of petrol and diesel.

"Groups which are allowed to buy subsidised petrol and diesel could buy it frequently and then sell it to blackmarket agents to be sold at a higher price to other people.

"Blackmarket agents could sell it at a lower price than the market value to companies, organisations who are looking to get petrol and diesel at a cheaper price," he added.

He said if the new subsidy system is not openly discussed and fine-tuned, it will present new and bigger issues than the current smuggling problem when implemented as it involves more people.

"It is definitely not worth it when compared to the struggles that the people have to go through following the increase in prices when exploitation of subsidised petrol and diesel continues to go on," he added. – June 3, 2014.

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