

**Government To Ease Financial Burden Of People If World Oil Prices Rise - Najib
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KUALA LUMPUR, Dec 5 (Bernama) -- The government will take steps to ease the financial burden of the people if world oil prices rise drastically, said Datuk Seri Najib Tun Razak.

The prime minister said the recently introduced controlled flotation of fuel prices would benefit the people as the fuel prices would drop in tandem with the world oil prices.

"The government decided on the controlled flotation as the world prices of crude oil had dropped to a level where subsidy is no longer needed," he said in a radio broadcast on his blog, www.najibrazak.com, Friday.

Najib, who is also the finance minister, said the abolition of the bulk oil subsidy would prevent the nation from losing billions of ringgit resulting from smuggling activities and the purchase of fuel by foreigners who were ineligible for subsidy borne by tax payers.

"The controlled flotation mechanism would mean huge savings for the government, and this can be channeled back to the people," he said.

On Nov 21, the government announced that from Dec 1 it would fix the retail price of RON95 petrol and diesel according to the controlled flotation method.

This means that there will no longer be any subsidy for both fuels as world oil prices were lower than those at the pump.

On Monday, the retail price of RON97 went down by nine sen to RM2.46 per litre and the retail price of RON95 also went down, by four sen to RM2.26 per litre, while the retail price of diesel went up by three sen to RM2.23 per litre.

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