

**PM: With price controls, leakages can't be avoided**  
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PARLIAMENT Prime Minister Najib Abdul Razak today said that the leakages in the subsidy supply chain cannot be avoided as long as price controls and bulk subsidies are set in place by the government.

"This is the problem when you do not follow market forces," Najib said during question time in Parliament this morning in fielding several questions about the cost of living.

He said that any system the government comes up with would be futile as individuals will find a way around the system to take advantage of it.

"That is why we need to move to targeted subsidies. Only then will the rakyat benefit. Not smugglers, not foreigners," he said.

He also said that the government can save billions of ringgit by moving to targeted subsidies, using the Bantuan Rakyat 1Malaysia (BR1M) as an example.

Najib made a surprise appearance in Parliament this morning to answer regular morning question-and-answer session queries.

Najib, who usually designates the duty of answering question time issues to his deputy finance minister or a minister from his Prime Minister's Department, answered questions from his own colleagues in BN, in the absence of Pakatan representatives who are known to grill answering ministers during the morning session.

Najib, who hardly turns up in Parliament except for urgent matters that require his presence, appeared at ease fielding questions in a House that just about filled the required quorum.

Najib said that price increases are caused by price manipulation, weaknesses in the supply chain, operation costs and dependence on imported goods.

He also said that the subsidy rationalisation and the rise in electricity tarriff was meant to strengthen the economy.

"However the rise is supposed to give minimal impact to the price of goods directly," he said.

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