

## Targeted petrol subsidy scheme put off, more briefings needed, says minister

Predeep Nambiar -December 30, 2019 5:07 PM



**Domestic Trade and Consumer Affairs Minister Saifuddin Nasution Ismail says the targeted petrol subsidy scheme will be implemented when the time is right.**

**BUKIT MERTAJAM:** The targeted petrol subsidy scheme for low-income earners has been postponed from its original starting date next month, Domestic Trade and Consumer Affairs Minister Saifuddin Nasution Ismail said.

He said this followed a directive by the Cabinet on Dec 18 as there were concerns over a proper “briefing on the system” to those affected.

He said the system will be introduced when the “time is right”.

“We have been briefing B40 groups and wage earners through different channels. But the government wants to steer clear of any misunderstanding of the targeted subsidy by having more briefing sessions, before going ahead.

“The last time when we said the fuel price would be based on a weekly float, people started to assume that the price would go up by 52 sen, as they were calculating a one sen increase every week for 52 weeks.

“The reality is, there is no 52 sen increase at the year’s end since it is based on a price mechanism that goes up and down based on a host of factors.



“That is why the government feels there is a need for further explanation to the people before the scheme is rolled out completely,” he said after handing out back-to-school goodies to 1,500 children from his Kulim Bandar Baharu parliamentary constituency at a hypermarket here today.

Saifuddin said he had conducted in-depth studies on the targeted subsidy system, including a simulation exercise with the Statistics Department, to see how much effect a 1 sen increase in fuel price would have on the people, especially the low-income group.

He said the system was essentially ready to go.

“In the meantime, we will finetune the system and comply with the Cabinet decision to ensure more briefings are carried out,” he said.

On a separate issue, Saifuddin reiterated that the supply of onions was more than enough for the festive period, with the price varying from RM1.99 to RM9.99 per kg.

He said shops offering cheaper prices were those directly importing from the source, while the more expensive onions were due to increased prices from vendors.

“The issue of expensive onions is due to the supply chain. But the prices will remain low for the coming festive period,” he said.

