

Deputy minister: RON95 petrol price to creep up weekly next year

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RON95 is currently capped at RM2.08 per litre. — Picture by Miera Zulyana

KUALA LUMPUR, Nov 28 — The government will raise the price ceiling on RON95 petrol by one or two sen a week until it reaches the market rate, Domestic Trade and Consumer Affairs Minister Chong Chien Jen said in Parliament yesterday.

He said this was in conjunction with the move towards the petrol subsidy programme (PSP) but would not affect Sarawak as the scheme will not be introduced there.

RON95 is currently capped at RM2.08/L.

“With regards to the question on targeted petrol subsidy, generally, when we enforced the targeted subsidy programme, we will float the price of petrol, to reduce the people’s cost of living, and to ensure that the prices of things do not increase drastically.

“We will float the petrol price in stages. That is two sen, one sen. Two sen for one week or one sen per week, until the price of RON95 reaches the market price.

"However for Sarawak, we will maintain the price of RON95 at the current price of RM2.08. Therefore, the targeted subsidy programme for RON95 would not be implemented in Sarawak, as we are enjoying subsidy across the board, by maintaining the price of RON95 at RM2.08," Chong added.

He was responding to Kota Samarahan MP Rubiah Wang, who asked how the PSP would affect the price of other goods and whether the government was taking mitigating measures.

Chong said that there were already laws in place to address potential problems such as profiteering.

On October 15, Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution Ismail estimated that it was costing the government nearly RM100 million a week to maintain the price ceiling, based on the oil price then.

Finance Minister Lim Guan Eng announced when tabling Budget 2020 that the PSP would start in January 2020, with the government giving RM30 monthly to eligible owners of cars with engines below 1,600cc and RM12 to owners of motorcycles with displacements under 150cc.

The eligibility requirements are similar to those used to qualify for the Bantuan Sara Hidup direct aid scheme.

