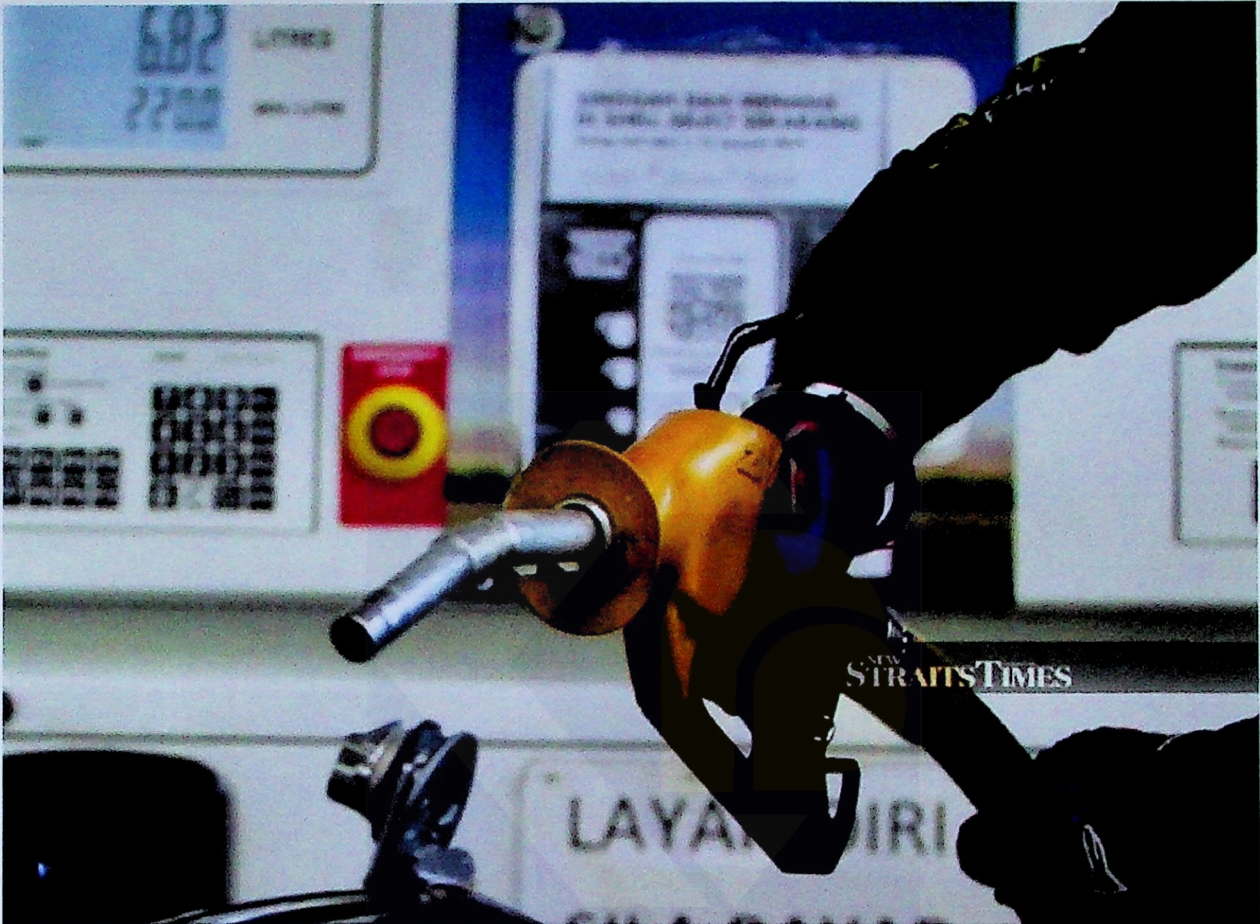


RON95 price to be floated in January, subsidy only for BSH recipients



The price of RON95 will be floated gradually from January next year when the government rolls out its targeted fuel subsidy initiative. - NSTP/ ZULFADHLI ZULKIFLI

By Azura Abas
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PUTRAJAYA: The price of RON95 will be floated gradually from January next year when the government rolls out its targeted fuel subsidy initiative.

Domestic Trade and Consumerism Minister Datuk Seri Saifuddin Nasution said only Bantu Sara Hidup (BSH) recipients were qualified for the fuel subsidy and gave assurances that the gradual move to lift the RON95 petrol subsidy would be done in a manner that would not burden the people.

"The mechanism that will be used to gradually float RON95 is under the Finance Ministry.

"For now, the status quo remains where fuel prices will be announced weekly," Saifuddin said at the announcement of the Petrol Subsidy Programme here.

So far, he said about 2.9 million BSH recipients who had vehicles with valid road tax would get petrol subsidies from Jan 1.

"The qualified BSH recipients are those who own 1,600cc cars; own cars over 10-years-old and above 1,600cc; own motorcycles of 150cc and below, as well as motorcycles over 150cc, seven years and above.

"The subsidy will be paid once every four months and will be banked directly into the recipients' accounts," Saifuddin said.

Qualified BSH car owners, the minister explained would get RM30 per month and motorcycle owners, RM12 per month.

"For those who have both car and motorcycle, they will get petrol subsidy for whichever is higher."

Saifuddin also said the disabled would get petrol subsidies, but it would only be for the underprivileged.



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- NSTP/MOHD FADLI HAMZAH

Based on data from the Road Transport Department (RTD), BSH recipients who own motorcycles total 1.1 million. A total of 1.1 million only own cars while 0.7 million own both cars and motorcycles.

"The prices of RON95 in Sabah, Sarawak and Labuan will remain at RM2.08 because many of them there use diesel while the number of RON95 users are low."

Saifuddin said fuel consumption in Malaysia was about 1.2 billion litres per month and only 10 per cent of vehicle users used RON97, while the rest used RON95.

The decided subsidy quantum is based on the usage of 100 litres per month for car users and 40 litres per month for motorcycle users that is consumed on average to travel 1,500km to workplaces or 50km daily.

Should the oil prices drop below RM2, the subsidy given would be reviewed, Saifuddin said.

It is estimated the government will fork out RM65.4 million per month to implement the targeted petrol subsidy programme.

On how the government would use the savings expected from the targeted petrol subsidy programme, Saifuddin said: "Personally, I would rather use it for the M40. I will bring this matter up to Cabinet."

Saifuddin said the public could check whether they were eligible for the subsidy by visiting psp.kpdnhep.gov.my from Oct 15.