

# Subsidy for 1 car per person

## Dr M: Some in B40 own up to six vehicles – it's not for the rich

**KUALA LUMPUR:** The new fuel subsidy scheme only covers one car per individual from the B40 group, says Prime Minister Tun Dr Mahathir Mohamad.

This was because a government study revealed that some in the group owned up to six cars each, he added.

"And they are enjoying the subsidies. That is why we only allow subsidies for one car only. We are not giving subsidies to the rich as well."

Dr Mahathir also said that past subsidy schemes had even benefited those who were rich enough to drive a Rolls-Royce.

"We cannot support this. That is why only cars below 1,600cc will be eligible for subsidies and it's only for those in the B40 group with only one car, not more."

"This is to ensure that the aid reaches those who really need assistance. Not to those who owned up to two or three Rolls-Royces but still obtain government subsidy."

The new petrol subsidy scheme, which will take effect in January next year, will float the price of RON95 petrol and see eligible recipients receiving between RM48 (motorcycle owners) and RM120 (car owners) every four months.

The targeted subsidy scheme will only be given to car and motorcycle owners based in peninsular Malaysia who are recipients of Bantuan Sara Hidup.

For cars, only those with 1,600cc engines and below, or vehicles over 10 years old with engines larger than 1,600cc are eligible.

For motorcycle owners, the subsidy is only given to those with engines of 150cc and below, and for engines above 150cc, the bikes must be at least seven years old.

For Sabah, Sarawak and Labuan, there will be no subsidy scheme but the price of RON95 in the two states and the Federal Territory will be capped at RM2.08.

In a separate press conference, Domestic Trade and Consumer Affairs Minister Datuk Seri Saifuddin Nasution Ismail said it was premature to tell if the decision to float the price of RON95 following the targeted fuel subsidy scheme would cause inflation.

"It is too early to predict."

"Let us focus on our commitment to implement what we had promised in our (GE14) election manifesto."

"We are committed to implement our petrol

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subsidy as per our promise," he told reporters at the Parliament lobby.

"We are identifying the number of recipients. Which means that if there are others who think they should be included, we are okay with that we will do opt-in, opt-out," he added.

Asked why Sabah and Sarawak were not included in the scheme, he said that RON95 consumption there was relatively lower compared to the peninsula.