

Govt to save RM11b from managed float system for fuel

THE managed float system for the fixing of retail prices of fuel implemented in December last year is expected to save the government RM11 billion this year.

Deputy Finance Minister Datuk Johari Abdul Ghani said the rationalisation move had also fulfilled the government's goal of meeting global economic chal-

lenges and channel the saving to target groups such as those in the lower income category.

"Similar to reducing the sugar subsidy implemented in 2013 with savings of RM300 million annually, all rationalisation subsidy is returned to the people," he added. He said this when answering a question from

Senator Dr Syed Husin Ali in the Dewan Negara yesterday. Syed Husin wanted the ministry to state the savings from the abolishment of subsidies this year by type.

Johari said the savings had also gone towards improving the 1Malaysia People's Aid annually and for helping with cash handouts

for schooling.

"Other assistance took the form of the 1Malaysia Book Voucher, increasing the number of Kedai Rakyat 1Malaysia, opening more 1Malaysia Clinics and a bigger allocation for educational assistance in next year's budget," he added.

He said the savings can also be channelled to relevant

ministries to come up with ways to assist the people such as allocations for Peoples Housing Projects and also the construction of more affordable houses.

Johari added that apart from the savings assisting the people, the subsidy reduction and rationalisation move could also eliminate leakages.

— *Bernama*