

KERATAN AKHBAR

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Soaring oil prices gives govt room to continue fuel subsidies, says Mustapa



KOTA BHARU: The soaring world crude oil prices currently give some room to the government to continue providing fuel subsidies, says Datuk Seri Mustapa Mohamed.

However, the Minister in the Prime Minister's Department (Economy) acknowledged that the price hikes due to the conflict between Russia and Ukraine would also see a rise in prices of other goods, especially imported items such as wheat and corn.

He said the government would continue to monitor the situation, adding that it would definitely pose a challenge to the country's financial management.

"(The increase in oil prices) will increase revenue but some of the revenue will have to be channelled elsewhere. Estimates have not been made, but at the moment it only depends on assumptions.

"Part of the increase will be used to pay for additional petrol and diesel subsidies," he said.

He said this during a press conference after officiating the launch of the Siti Khadijah Market Digital Transformation Programme here, on Sunday (March 6).- Bernama