

Anti-GST placards waved as Bill is passed
MalaysiaKini.com
Apr 7, 2014

PARLIAMENT Pakatan Rakyat MPs raised anti-goods and services tax placards in the Dewan Rakyat today as a last-ditch protest against the GST Bill 2014, which the Lower House later passed.

The placards were held up by the opposition bench as bloc votes were tabulated at the end of the first and second readings of the Bill.

A total of 118 MPs voted in favour of the GST Bill and 81 opposed after two days debate at the first reading stage, which started last Thursday.

Later, 119 MPs voted in favour of the Bill while 81 opposed in bloc voting at the second reading stage.

There was no debate during the committee stage level as opposing MPs did not ask for specific changes to the Bill, rather for the entire Bill to be retracted.

It now needs to be passed by the Dewan Negara and gazetted into law with the assent of the Yang di-Pertuan Agong, before the controversial GST can be implemented on April 1 next year.

Although present for the vote, Prime Minister and Finance Minister Najib Abdul Razak did not wind up the debate, but left it to Deputy Finance Minister Ahmad Maslan.

'IMF says we are right'

Winding up, Ahmad said that the International Monetary Fund's March 2014 report said Malaysia's proposed GST regime was not regressive as it provided safeguards for the poor.

He said simulations showed that those earning RM2,000 a month would only pay an additional RM15.06 a month in taxes under the GST, which could be "offset" through the Bantuan Rakyat 1Malaysia (BR1M).

However, Ahmad did not directly address questions from Dr Jeyakumar Devaraj (PSM-Sungai Siput) and Tony Pua (DAP-Petaling Jaya Utara) on the knock-on effects of inflation due to profiteering.

He also brushed off Charles Santiago (DAP-Klang), who pointed out that Canadian research showed a gaping income disparity as a result of 10 years of GST in that country.

Further, Rafizi Ramli (PKR-Pandan) said government data itself showed that inflation would rise with the GST, indicating that prices would indeed go up.

However, Ahmad said the government would launch an anti-profiteering campaign to ensure prices would not go up beyond the anticipated 1.8 percent.

"Whoever raises prices unnecessarily will be caught and sent to jail," he said.

Responding to Santiago, Ahmad said 159 other countries that had implemented the GST did not suffer the same, so the government was not swayed by the Canadian example.

He also said that the government has researched the matter since the 1980s, and was adamant that this would be the best way to capture the black economy, which made up about a third of the gross domestic product.

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