

PSM calls for referendum on GST
Malaysiakini.com
Mar 14, 2010

Parti Sosialis Malaysia (PSM) called on the BN-led government today to hold a referendum to determine the extent of the people's agreement - or otherwise - with the proposed Goods and Services Tax (GST).

The party also expressed dissatisfaction with a minister's statement yesterday that the government would "engage with the public" and get its opinion before tabling the government's GST bill for second reading at Parliament.

protes kenaikan tol committee 191206 arutchelvan "We call for the BN to hold a referendum on the question of GST and not just claim that it plans to consult the people," said PSM secretary-general S Arutchelvan (right) in a statement.

"While we would claim victory with the Protes coalition for the bill not to be tabled for now, nevertheless we believe that the GST will be back to haunt us as the GST is yet another ideological weapon of the neo-liberal regime to shift the burden to the poor," he added.

Protes is a coalition of activist groups and opposition parties formed in 2006 to campaign against government-driven inflation.

Advocates of the GST assert that the proposed tax will benefit businesses, government and consumers despite proceeding from as low as four per cent, a lower rate compared to the current sales and service tax.

Protes and other detractors of the GST, however, allege that the tax, when implemented, will be burden primarily low-income earners.

They also allege that the government has not been serious in tackling corruption and wastage of taxpayers' resources, without which the GST would not be needed.

"We also call upon the government to maintain corporate taxes at its current rates and implement a minimum wage act to ensure the growing income disparity be narrowed down," said Arutchelvan.

"But all these efforts will go in vain if we cannot plug the leakages and confront corruption," he added.

While the GST has been mooted for over six years, the GST bill was tabled for reading only last December.

A demonstration had been planned by Protes to coincide with the bill's second reading on Monday when Parliament reconvenes.

Yesterday, Second Finance Minister Ahmad Husni Hadadzlah (left) announced the reading had been postponed for further "consultations" with the public on the contentious bill.

Following the announcement, Protes declared a preliminary victory and called off its demonstration.

Further roadshows, however, will continue to be held, said Protes chairperson Dr Hatta Ramli, as part of the campaign against and to educate the public on the GST.

Copyright © 1999-2007 Mkini Dotcom Sdn. Bhd.

Source : <http://www.malaysiakini.com/news/126511>