

## **GST the latest in series of 'embarrassing U-turns'**

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The 'postponement' of the Goods and Services Tax (GST) bill marks an early success for Pakatan Rakyat in its efforts to protect the welfare of middle- and lower-income Malaysians, said DAP national publicity secretary and Petaling Jaya Utara parliamentarian Tony Pua.

For the government, however, it's only the latest of a series of "embarrassing policy U-turns" that signify its inability to "get its act together" on the economy and show that it knows what it is doing, while "missing the woods for the trees" in terms of priorities, said Pua (left).

Recounting the track record of flip-flops, Pua cited the abolition of the Real Property Gains Tax (RPGT) in April 1, 2007, only to be followed later last year in December by its reinstatement.

The new system has been described as "unfair, cumbersome, and burdensome" for the extra resources needed to ensure refunds and other procedures are fulfilled.

Next came the "shocking reversal" of the decision to implement the tiered petrol subsidy scheme, which exposed the government's failure to carry out proper public consultation before announcing - then scrapping - the policy.

"The decision to execute such an impractical policy without proper public consultation exposed the 'hare-brained' nature of the Government's policy-making process," said Pua.

NONThe fiasco of errors by the government of Prime Minister Najib Abdul Razak (right) continued as demonstrated in the government's failure to tackle such issues as the restructuring of the tolled highway infrastructure and electricity tariffs.

Even the much-vaunted and anticipated 'New Economic Model', it has been rumoured, will be delayed by as many as six months to the middle of this year, said Pua.

To top it all off, he added, the indefinite postponement of the second reading of the GST bill in Parliament marks "another loss of face" for Najib's administration and has caused public confidence in the government's management of the economy "to sink to a new low."

"This latest u-turn only shows that the Government has not been able to get its act together in managing the country's economy, especially in dealing with the ballooning deficit and government debt which has increased to 52 percent of the country's GD."

Citing the government's continued apparent disdain for transparency as shown in the award of the proposed Matrade exhibition and convention centre Naza TTDI for RM628 million, and the payment for the above works with a 62.5 acres piece of land, Pua said the government has missed the woods for the trees by focusing on such items as the GST.

gst protest memo finance ministry 201004 slogans"While the Prime Minister made several encouraging announcements with regards to the liberalisation of the economic environment in Malaysia at the start of his reign in April last year, the public's hopes on the transformation of Malaysia's economy is now severely dented with a government that does not know what it is doing and which is missing the woods for the trees by placing priorities on items such as the GST, when it should be doing more to institutionalize best practices

such as 'open tenders' to increase efficiency and competitiveness, while reducing wastage and corruption," said Pua.

"The 'postponement' of the GST Bill marks an early success for the efforts by Pakatan Rakyat in our campaign to oppose the tax which penalises the middle and lower income Malaysians," he added.

"As the Finance Minister said that the Government wants to collate more public feedback before deciding on the GST, Pakatan Rakyat will continue with its public forums especially those which have already been organised to ensure that the rakyat gets the full facts to make informed decisions on the GST."

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