

GST flip-flop has got Pakatan all riled up
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S Pathmawathy

The sudden reversal on government's decision to table the Goods and Services Tax (GST) bill for the second reading simply reflects on Prime Minister Najib Abdul Razak's incompetency, said a Pakatan Rakyat leader today.

"This is the third time the government has withdrawn and changed policies before it is implemented...the first turnabout was the the five percent Real Property Gains Tax (RPGT) which they wanted to implement for good but now it is limited to five years.

NONE"Secondly, it was the petrol subsidy which was supposed to be implemented in May, but was also withdrawn. Now the GST, which burdens the low-income earners, has also been withdrawn," said Bagan MP and DAP secretary-general Lim Guan Eng (right).

Also present at Pakatan Rakyat's pre-council meeting to prepare for upcoming debates in Parliament were Opposition Leader Anwar Ibrahim, DAP advisor Lim Kit Sing and PAS deputy president Nasharuddin Mat Isa.

"This is what makes us question if the economic policy-making machine is functioning effectively or not. Second Finance Minister Ahmad Husni Hanadzlah as an economics expert, has to answer this question," he added.

"These three policies have been changed in three months [...] I feel we can see that there is no mechanism to decide on economic policies," said Lim, who is also Penang chief minister.

"It will not provide certainty to investors to see this rather ad hoc and arbitrary style of economic decision-making.

Triple axel

"These triple flip-flops - in ice-skating you have the triple axel which is a most difficult (move) to execute. But I think Malaysia has surpassed that. They have done the triple flip-flop without any effort," he added.

Anwar said that being in the midst of an economic crisis, any plans for the economy had to be well-thought out, well-researched, well-planned and well-executed".

"The major problem here is the failure of the current leadership to implement a major economic initiative," said Anwar (left).

The controversial GST bill - to be tabled and expected to be passed during the current Parliament sitting - has been postponed indefinitely as Husni said the government needed more time to gather feedback from the people.

The opposition leader, who read out a joint statement endorsed by PAS and DAP, maintained that the GST was not a "solution" for the nation's current economic state.

"The root causes of the problem lie with the government's failure and lack of political will to combat corruption and implement structural reforms in our main institutions," said

Anwar.

"Instead, the BN government prefers to implement the GST for a mere RM1 billion increase in indirect tax collection," he said.

Mixed signals on the GST are also costly to companies that have to budget for its implementation, he added.

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