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PRIME NEWS

I don't regret it, PM says of GST measure

RIGHT DECISION:

Bitter pill to swallow but necessary, says Najib



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IT may be a bitter pill to swallow, but measures such as the Goods and Services Tax (GST) are necessary and timely to help cushion against the global economic slowdown, Prime Minister Datuk Seri Najib Razak said.

"It was the right decision, I don't regret it," he said, adding that the GST was a politically tough but vital measure to help support the economy.

The government might have lost some "brownie points" in the implementation of the GST, he said at a high-tea session with some 300 Malaysians working and studying in southern California.

"Sometimes in politics, and even in life, you need to take the tough and difficult decisions which you know will be good for you and the country in the medium and long term.

"I always say this is akin to when you are not well and you have to take antibiotics.

"Some are not so pleasant, but you have to take (it) and have to stay the course.

"You must complete your anti-

oties course and when you complete it, you will recover and become fit once again."

The GST, pegged at six per cent, was launched on April 1 last year.

The revenue from the GST has helped the government offset the revenue drop from oil and gas, and other commodities as China's economy slows and global demand shrinks.

Najib said these factors were beyond the government's control.

The government's latest interventions include recalibrating the 2016 Budget and lowering this year's growth forecast to 4.0 to 4.5 per cent.

He insisted that the country was not facing a recession.

"We are not in a recession, but we are experiencing slightly lower growth than what we expected."

He said the government was mindful of the hardship and suffering of the people.

"We are constantly taking steps to ease their burden."

Najib said he was also aware of the difficulties facing Malaysian students in the United States (US) in trying to cope with higher tuition fees and living costs because of the



Prime Minister Datuk Seri Najib Razak speaking to Malaysians, working and studying in southern California, at a high-tea session at the residence of the Malaysian Consul-General in Los Angeles yesterday.

strengthening of the US dollar against the ringgit.

"Some of your parents are finding it difficult to pay tuition fees and support you. We hope the ringgit will strengthen in the coming months.

"(The ringgit) is very sensitive to the price of oil, and if the price of oil stabilises at a slightly higher level, in the short term, you will see the ringgit strengthening.

"And, once the interest rates in America return to a more normal level, I think you will see a more equilibrium level in terms of the exchange rates."

He also questioned naysayers in Malaysia who, with the backing of their allies abroad, had tried to talk down the country.

"They are attempting, for personal and political ends, to disrupt the (country's) stability and question our democratic system that we prize and which investors need to see and place their faith in Malaysia.

"This is not putting the country first."

The event was held at the official



Prime Minister Datuk Seri Najib Razak greeting young fans at the high-tea session in Los Angeles yesterday. Bernama pix

residence of the Malaysian Consul-General here, Raja Saiful Ridzuan Raja Kamaruddin.

Also present were Najib's wife Datin Seri Rosmah Mansor, Foreign

Affairs Minister Datuk Seri Anifah Aman, Malaysian ambassador to the US Datuk Dr Awang Adek Hussin and Malaysian government officials.