

PM: GST only when economy, wages are better

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LUMUT: Prime Minister Datuk Seri Anwar Ibrahim has reiterated that the government will not reintroduce the Goods and Services Tax (GST) for now, stressing that it would burden the poor and the low-income group.

He said GST was a broad-based tax that affected all levels of society.

“It taxes everything, even if the rate is low. Sugar, flour, food. Everyone has to pay. That’s GST. If you ask me, yes, it’s a simple system, just tax everything.

“But I ask you, should fishermen, smallholders, low-income workers and street cleaners also be taxed? That’s why we’re not ready for GST yet.

“If the economy improves and minimum wage rises to RM4,000 and above, then fine. Implement GST. But right now? No. The op-

position needs a crash course,” he said at the closing of the Madani Rakyat programme here.

He said although some economists and opposition politicians argued that GST was a more efficient system, it should only be introduced when the economy was stronger and wages were higher.

“They think SST (Sales and Service Tax) is not as good, GST is better. Do you even understand GST? It touches everybody. If it’s six per cent on everything, then everyone has to pay.

“Why should the poor pay? Why should the unemployed have to pay when they eat? Don’t turn this into a political issue just because there’s nothing else to attack.”

He said this included the recent move to tax imported bananas, which drew public criticism.

“Imported bananas are not the

same as our *pisang emas*, *pisang awak* or *pisang berangan*. Those are not taxed.”

Anwar said tax revenue was crucial to funding public services and infrastructure development.

“How do we build new hospitals in Manjung? How do we upgrade schools, roads and buy aircraft or ships for national defence?

“It all comes from taxes.”

He criticised certain quarters for opposing targeted subsidies and utility tariff reforms under the pretext of defending the rakyat.

“Eighty-five per cent of electricity users are not affected by tariff increases. It’s the wealthy who consume more who will pay more.”

He said the taxation and subsidy system needed fine-tuning, but urged for constructive engagement instead of politicisation.