

**Bloc voting helps Putrajaya push GST Bill through
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Putrajaya used its mighty numbers to push through the contentious Goods and Services Tax (GST) Bill, which will see a slew of products and services subjected to the new tax from April next year.

After two days of intense debate which started last Thursday, bloc voting was taken tonight and 119 MPs voted to pass the Bill, while 81 voted against.

This means Putrajaya can proceed with the implementation of the broad-based consumption tax, despite the opposition's voracious protests that it will further burden Malaysians already grappling with the rising cost of living and price hikes of goods and services as a result of subsidy removal.

No debate took place at the committee stage because there were no proposals to modify any part of the Bill.

Earlier, bloc voting was also taken at the end of the debate at the policy stage where 118 MPs voted for the Bill to be moved to the committee stage, while 81 disagreed.

While the votes were being counted, Pakatan Rakyat MPs whipped out A3 sized black banners emblazoned with the words Anti-GST and Turun GST to symbolise their disapproval.

Their antics elicited protests from the government bench, but there are some who sportingly took pictures with their mobile phones, including Speaker Tan Sri Pandikar Amin Mulia.

After the votes were read, an amused Pandikar said although the opposition were not supposed to bring such banners into Chambers, he allowed it after seeing Barisan Nasional MPs sportingly took pictures of their opposition counterparts.

"But this does not mean I will allow this in the future," he warned.

The GST which will replace the current sales and services tax will commence April 1 next year.

In October last year, Prime Minister Datuk Seri Najib Razak announced the implementation of the GST in his 2014 Budget speech.

Najib had said the 6% GST rate would be among the lowest among Asean countries, with Indonesia, Vietnam, Cambodia, the Philipines and Laos capping theirs at 10% and Singapore 7%.

Putrajaya had come under fire from the opposition over the move to implement GST, with Pakatan Rakyat lawmakers pointing out that Malaysia would still face bankruptcy unless the losses linked to corruption and wastage was addressed.

Opposition leader Datuk Seri Anwar Ibrahim had previously criticised the move, describing it as a regressive tax which would contribute to income inequality and widen the gap between the rich and the poor.

"GST can be the main cause of inflation," he had said, citing a study by CIMB Research that the implementation of the consumption tax would contribute to a 5% increase in inflation due to a lack of stringent enforcement laws.

Putrajaya had defended its move to peg the GST at 6%, saying several measures were put in place to help the lower-income group.

The GST was first announced during Budget 2005 and was originally scheduled to be implemented in 2007 before it was deferred.

It was then tabled in Parliament for the first reading in 2009, for implementation in late 2009, but was shelved after the move was resisted by Malaysians in general.

The GST, known as value-added tax (VAT) in some countries, is imposed on goods or services at each stage of the production and distribution chain. – April 7, 2014.

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