

Government's GST Ad Campaign Yields Positive Results

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KUALA LUMPUR, (Bernama) -- With just two more months to go before the implementation of the Goods and Services Tax (GST), Malaysians seem to be warming up to the new tax, gauging by the response to the government's advertising campaign to educate the public on the GST.

A total of RM17 million was spent on the campaign from 2010 until the end of last year, said Finance Ministry Tax Division Deputy Under-Secretary MA. Sivanesan.

According to Finance Ministry Corporate Strategy and Communication Division Secretary Datuk S. Kumaran, the government had been reaching over 50,000 people daily through its advertisements in the print and electronic media, as well as those placed on billboards and its postings on social networking sites like Facebook and Twitter.

He said in a survey carried out by his division last December to evaluate public response to the GST advertisements in the mainstream media, 80 percent of the respondents reported that the advertisements had a positive impact on them.

Another 17 percent reported "neutral" effect while the remaining three percent reported "negative".

Kumaran said social media users were also beginning to show their support for the GST. Early last year, only about 10 percent of them posted positive feedback on the government's GST Facebook and Twitter accounts.

"Slowly, the percentage rose to 20 percent and now some 40 percent of them are positive about GST.

"It's more challenging to win over the hearts of social media users as they are heavily influenced by the opposition political parties... yet, overall we're satisfied with the response," he told Bernama.

The six percent GST, which is charged on the consumption of goods and services at every stage of the supply chain, will be enforced on April 1 this year. It replaces the existing five to 10 percent Sales Tax and six percent Service Tax (SST).

EDUCATING THE PUBLIC

Royal Malaysian Customs Department GST Director Datuk Subromaniam Tholasy is also happy with the public feedback to the government's GST advertising campaign.

"When we first started (placing the ads), the perception was generally negative. Now both consumers and businesses are aware of the benefits of having the GST," he told Bernama.

Sivanesan said this year's advertisements would focus on educating the public further on the GST and how it would benefit future generations. He, however, could not say how much the government has allocated for its latest campaign.

Kumaran said public acceptance of the GST was now no longer an issue as the people have already understood the benefits of replacing the SST with the new consumption tax.

"GST is a broad-based (tax) system skewed towards consumption," he said, adding that even promotional and publicity campaigns carried out by the Communications and Multimedia Ministry's Information Department and Special Affairs Department have elicited positive response from the public towards the GST.

Kumaran said from now until March 31, GST-related publicity would mainly consist of disseminating information on the availability of the Shopper's Guide and clarifying issues that have cropped up as a result of the slowdown in the global economy.

The Shopper's Guide, issued by the Domestic Trade, Co-operatives and Consumerism Ministry, contains a list of 944 goods and services in the basket of goods under the Consumer Price Index, and their prices before and after the GST is introduced.

Kumaran added that the government would disseminate post-GST information to the public over a 18-month period, beginning April 1.

BETTER UNDERSTANDING OF GST

Meanwhile, homemaker Goh Chin Mei, 52, from Tapah, Perak, said the advertisements on the GST, which she watched regularly on television, had given her a better grasp of what the tax was all about and how it would benefit the people.

"At first, I was among the many people who were against the GST... but as the days went by I realised that this new tax is going to benefit us, and prices may even go down.

"The points listed in the advertisements also encouraged me to do more research online to get further details, and to compare the GST with the current tax system," she said.

Rusnita Abu Bakar, 32, a gift shop owner, said she was happy she was "bombarded" by advertisements on the GST at home when she switched on the television or on billboards outside as they aroused her curiosity about the new tax.

"When I received a clearer picture, I became more convinced about the GST," she said.

With the SST, the public was generally not aware that they were paying a Sales Tax of between five and 10 percent because it was not stated in the sales receipts of items

purchased, hence giving consumers the impression that they were not paying any tax.

This probably explained why many people resisted the GST when Prime Minister Datuk Seri Najib Tun Razak announced its implementation when tabling Budget 2014 at the Dewan Rakyat in October 2013.

Senior engineer S. Lukesh Pillai, 26, however, felt that the government could improve on the advertisements by providing facts and figures on how the money collected under the GST would be utilised for development.

"The people should be told about the increase in government revenue and whether or not it will be used to build affordable houses for people in the lower-income category and better infrastructure," he said.

He added that if the public has access to such information, there would not be any resistance to the implementation of the GST.

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