

## **After Ku Li criticism, deputy minister says GST money for people, not debts**

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All revenue from the Goods and Services Tax will be used for the benefit of the people and not to pay off debts incurred by Putrajaya, Datuk Ahmad Maslan said today.

The deputy finance minister said this after Umno veteran Tengku Razaleigh Hamzah had queried in Parliament today if revenue from the consumption tax would be used to settle Putrajaya's debts or if it will be used to help the people.

Ku Li, as the Kelantan prince is popularly known, has asked this while debating the royal address in Parliament.

Ahmad Maslan said income from GST will be placed in a Consolidated Fund, and utilised for the benefit of the people.

"GST from the people will be returned to the people for their good. The suggestion that it will be used to pay debtors is not true," Ahmad Maslan told reporters in Parliament.

Putrajaya's move to roll out the GST in April has meet with stiff resistance from the opposition and today the Gua Musang MP Tengku Razaleigh Hamzah lent his voice to it by calling for its postponement.

Ku Li said that the broad-based consumption tax would be an additional burden to the people, at a time when the country was facing high household, corporate and government debts.

"It is with this in mind that I had previously proposed in my letter dated October 30, 2014 that the GST be deferred since the economy and public funds are at a dire level," he said in referring to his open letter to all federal lawmakers last year.

"The people are also being burdened with high household debts. As such, we need to know the reasons GST is levied because this will add to the people's financial burden."

The former finance minister said the people had the right to know if GST, which goes into force on April 1, benefited the country or is going to be used only to pay the interest to debtors and bond holders.

"The real reason of GST implementation should not be kept as a secret," he said.

In the parliament lobby after his debate speech, Tengku Razaleigh was asked by reporters if he was referring to debt-laden strategic investor 1Malaysia Development Bhd (1MDB) when he spoke in the chamber about "paying interest to

debtors and bondholders".

To this, the Gua Musang MP responded, "Faham-faham lah (you conclude lah)."

Putajaya has been facing mounting criticism over 1MDB, the wholly-owned Finance Ministry investment vehicle, established in 2009, which has chalked up debts of up to RM42 billion.

Scrutiny on it has grown more intense recently following whistleblower site Sarawak Report's exposés last week.

This has piled further pressure on Prime Minister Datuk Seri Najib Razak and prompted opposition politicians, former Umno leaders and anti-graft bodies to demand a thorough investigation into the fund.

Najib ordered the country's auditor-general to "independently verify 1MDB's accounts", with the findings to be passed to the Public Accounts Committee, which in turn reports to Parliament.

Last week, Auditor-General Tan Sri Ambrin Buang told the media that the national auditor's inspection of 1MDB's account had started, but did not set a time frame to complete the audit.

The national auditor's finding on 1MDB is key as it precedes further action by PAC, as well as the police's own investigation.

Inspector-General of Police Tan Sri Khalid Abu Bakar said their probe into 1MDB would be contingent on the national auditor finding any "discrepancies or indications of wrongdoing". – March 17, 2015.

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