

Better Consumer Awareness In Malaysia, Thanks To GST

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By Nur Aimidiyana Zuher

KUALA LUMPUR, (Bernama) -- The implementation of the Goods and Services Tax (GST) on April 1 has, indirectly, taken consumer awareness in Malaysia a few notches higher. In fact, it is not too far-fetched to say that the new consumption tax has triggered some semblance of a paradigm shift in consumerism in this country.

These days Malaysians have taken to scrutinising their shopping or restaurant receipts to make sure that they are not being fleeced in the name of GST.

Since the new tax regime is loosely based on the concept of "the more you buy, the more (tax) you pay", it is compelling consumers to limit their spending to only essential goods and services.

Local consumer activists note that besides exercising more caution in their spending, the people are also doing their own research and comparing prices to find out where they can buy competitively-priced goods.

More well-informed consumers will spell bad news for manipulative retailers and traders who, say the activists, will sooner or later be weeded out.

POSITIVE DEVELOPMENT

Federation of Malaysian Consumer Associations (FOMCA) Deputy President Mohd Yusof Abdul Rahman described the consumers' prudent spending habits as a positive development.

"When the GST was enforced, many consumers started keeping their receipts to see exactly how much they were paying in tax. Previously, they would have thrown away their receipts.

"Now they have become more aware and are ready to take action if they feel that they have been cheated by a trader or retailer," he told Bernama.

Mohd Yusof said it was vital for consumers to convey their criticisms and feedback on the GST to the government so that improvements could be made to the new tax system.

"The GST was only recently implemented... there are bound to be flaws and shortcomings and here's where consumers, together with the government, can play a role by identifying the weaknesses in the tax and making it more effective," he said.

USE PROPER CHANNELS TO AIR COMPLAINTS

If, in the past, consumers were not all that inclined to voicing out their grievances to the government, this trend may see a reversal with the enforcement of the GST, as the people get ready to use the official channels available to them to uphold their power as consumers.

Mohd Yusof said to counter price manipulation, the government has come up with certain platforms to enable the public to understand the GST better and to air their complaints.

Citing the MyKira GST application by the Ministry of Domestic Trade, Cooperatives and Consumerism as an example, he said it helped consumers to obtain accurate information on the GST.

Malaysian Muslim Consumers Association Chief Activist Datuk Nadzim Johan said Malaysians were now being perceived as cautious and thrifty spenders, and were more aware of their rights as consumers.

"They may have been confused over the GST before but ever since its implementation, people seem to understand it better," he said, adding that they have also taken to sharing with each other information on supermarkets or stores that offered the most reasonably-priced products.

Malaysian Youth Council President Muammar Ghadafi Jamaluddin, meanwhile, urged consumers to lodge their complaints with the authorities concerned if they felt that they were being taken for a ride by certain traders.

"Consumers should do something about it, instead of just venting their anger on social networking sites. They can't solve the problem if they do it that way... they should lodge an official report and only then will the authorities know what kind of problems consumers are facing.

"The authorities should, in turn, penalise the errant traders, without fear or favour," he stressed.

Muammar Ghadafi said efforts should be taken to disseminate more information on the GST to enable the people to have a better grasp of the workings of the new tax and to prevent them from being exploited by certain quarters due to their ignorance.

The GST is part of the government's efforts to restructure the nation's taxation system to make it more effective, efficient and transparent. With its implementation, Malaysia joins the ranks of 160 countries which have already implemented the GST, including seven ASEAN members - Indonesia, the Philippines, Thailand, Singapore, Vietnam, Cambodia and Laos. Malaysia's GST of six percent is the lowest in ASEAN.

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