

We're lucky to have GST to raise revenue, says Najib
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Malaysia is fortunate that it has the goods and services tax (GST) to generate revenue, Prime Minister Datuk Seri Najib Razak told Umno members in Perlis today.

With national earnings from oil exports and Petronas dividends down because of the fall in energy prices, the country needed money to cover its expenses, he said.

Without the 6% GST, Malaysia would be financially pressured, Najib, who is also finance minister, added.

"We are fortunate today that we have GST. How would we be covering our expenses? How would we be helping the states?"

"Perlis has a deficit budget and we (the federal government) need to help. It needs projects. That is why we need to have revenue," he said in his opening speech at the Padang Besar, Kangar and Arau Umno divisions' meetings at Dewan 2020 in Kangar today.

Najib said the national budget which he would table in Parliament soon would show how much had been collected from the GST and how the government had spent the funds.

He said consumption tax, implemented from April 1, was not meant to trouble the people. Instead, the culprits were errant traders who did not reduce their prices accordingly when the old sales and service tax was replaced.

"It cannot be that more than 160 countries were wrong in imposing the GST. It is the fault of errant traders who are dishonest and manipulated the situation.

"The people should use their power as consumers to pressure these errant traders. Such businesses should be penalised."

Najib said the government could do things to be popular but populists would only stay in power for a short term.

He added that the government must grow the economy to generate revenue for projects that benefited the people.

"When we talk about economy, there is capital economy and people economy. We need capital economy, too.

"When we build the mass rail transit project in Kuala Lumpur, we created jobs. Without such projects, there will be fewer job opportunities for our children."

Earlier at the division meeting, Perlis Umno chief Datuk Seri Shahidan Kassim said people in the state had accepted the GST but were complaining about the hike in prices of goods. – August 23, 2015.

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