

Lim: Budget won't improve living standards
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DAP secretary-general questions how much rakyat get in return after paying out extra/

In not abolishing GST, reducing petrol price, freezing toll hikes and outlining concrete measures to restore the value of the ringgit, the 2016 Budget will not overcome Malaysia's economic crisis nor improve the living standards of the rakyat.

Press reports published widely about Budget 2016 admit that the GST rescued the Federal Government from bankruptcy and from not having enough money to pay civil servants, caused by the reduced revenue following low global commodity and petroleum prices.

GST helped the Federal Government to collect an expected sum of RM39 billion next year, which would be a net extra amount of RM21 billion collected, after taking into account revenue lost following the abolition of sales and services tax to make way for GST.

It is this extra RM21 billion collected from 30 million Malaysians, not from rich crony companies, petroleum or toll companies, that has saved the government.

The 2016 Budget is just a cosmetic packaging exercise to give back some benefits after having taken an extra RM21 billion from ordinary Malaysians. In actual fact the RM39 billion is taken directly from the rakyat as compared to the abolished RM18 billion from the sales and services tax, which was taken from businesses.

In other words, 30 million Malaysians are directly impacted in paying RM39 billion because of the GST as compared to the previous scenario before GST where only businesses pay RM18 billion.

GST has caused ordinary Malaysians to suffer, not enough money for daily necessities and expenditure and even price rises. The 2016 Budget claims to give back to ordinary Malaysians. However the net effect of giving back to ordinary Malaysians can be seen by the Federal Government revenue estimates that cost only RM764 million.

What type of goodies budget is this that takes RM39 billion directly from the rakyat, or RM21 billion net from the rakyat, but gives back only RM764 million? Based on the net figure of RM21 billion extra GST revenue, this is just like Barisan Nasional taking back RM26 from the rakyat but giving back only RM 1!

How does the Federal Government intend to lessen the burden of the rakyat when tolls go up and petrol prices are increased despite the drop in international oil prices? Will the 2016 Budget help to restore the value of the ringgit? Will Barisan Nasional admit that the Budget is a failure if the ringgit value does not bounce back to RM3.70-3.80 to 1US\$ from the present RM4.30?

How does the Budget address the increased Federal Government debt that has risen from RM266 billion at end-2007 to RM627.5 billion as at June 2015? If contingent liabilities are included, the Federal Government debt is expected to reach RM800 billion by end-2016, which would mean that Federal Government debt would have risen almost three times in nine years!

Whatever goodies that are given to the rakyat under the 2016 Budget, are these goodies sufficient to overcome the higher cost of living following the implementation of GST?

Many have said that life was better without the GST. I am sure the rakyat will prefer not having these 2016 Budget goodies if they can also not have the GST.

That is the difference between BN and Pakatan Harapan's Budget proposal to save the economy by abolishing GST, freezing toll hikes, reducing petrol prices and resolving the RM42 billion 1MDB and RM2.6 billion donation scandals to restore the value of the ringgit.

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