

Malaysia Will Become Deficit Without GST - Najib

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PUTRAJAYA, March 11 (Bernama) -- Prime Minister Datuk Seri Najib Tun Razak said Malaysia will become a country with deficit without collecting RM45 billion in revenue through the implementation of the goods and services tax (GST).

Najib, who is also Finance Minister, said without the GST, the country was unlikely to be able to collect a revenue of RM45 billion annually, which was being returned to the people in the form of educational aid, assistance to smallholders and fishermen as well as the 1Malaysia People's Aid (BR1M).

"If the opposition wants to abolish the GST to be replaced with the SST (sales and services tax) that's a lie. If we cannot get a revenue of RM45 billion, the country will become a deficit country.

"We know that the country's debt is getting worse but if there is no revenue, the country's debt will increase and become as in Greece," he said when speaking at the Welfare Body of Wives of Ministers and Deputy Ministers (Bakti) with Students programme in Seri Perdana, here today.

Najib said Malaysia's GST rate was among the lowest in the world at six per cent with 164 other countries also implementing it, the latest in India.

Malaysia started implementing GST on April 1, 2015.

Also present at the event was the Prime Minister's wife Datin Seri Rosmah Mansor, who is also Bakti president.

Najib said there was currently 13 million workers in the country but only two million of this total were paying income taxes.

"How do we fix it if there is no income, so we have to implement GST.

"The campaign to abolish GST is easy but to explain the theory...nothing," he said.

Speaking to the 400 public and private institution students, Najib said he hoped that as highly educated citizens, the students should play a role in informing the people that GST was the best taxation system in the country.

Meanwhile Najib said the government had made major plans for the country to benefit the next generations.

"We are investing for the future of Malaysia..when we build a civilisation, we must consider young people as an asset and every policy must ensure this asset will bring returns to the country's future.

"We see the Sungai Buloh-Kajang Mass Rapid Transit (MRT) is ready and we will make MRT 2 to Putrajaya and also plan MRT3 for the entire Klang Valley," he said.

He said the government not only plan in terms of various development projects but also through direct development projects that provides job opportunities.

Additionally the Prime Minister said that the Kuala Lumpur-Singapore High Speed Rail (HSR) project would change the people's lifestyle in the future.

"When the HSR is completed, the value of land will rise and change the landscape in which Singaporeans will also buy houses in Malaysia and Malaysians will work in Singapore," he said.

"If possible, I also want to abolish toll collection in the city in stages," Najib added.

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