

Japan PM: No sales tax hike without voter mandate

Reuters

September 14, 2011

TOKYO, Sept 14 — Japanese Prime Minister Yoshihiko Noda said today that he would seek a mandate from voters before hiking the country's sales tax from five per cent, a continuation of his predecessor's stance.

Noda, speaking to parliament's lower house, also said that now is not the time to call a snap election.

The government of Noda's predecessor, Naoto Kan, vowed to double consumption tax by the middle of the decade to secure stable funding for social security as the population ages and declines.

"On the specific timing of when the tax will be raised, I would like to decide based on government and ruling party discussions, as well as ruling and opposition party talks and as we work out details of reforms," Noda said.

"I think it is necessary to seek a public mandate with a snap election prior to implementing this."

The premier is not obliged to call a lower house election until late 2013.

Noda, a former finance minister who became premier this month, has been seeking cooperation from opposition parties, which control the upper chamber of parliament and can block bills on tax reform to curb Japan's huge public debt that is twice the size of its US\$5 trillion (RM15 trillion) economy. — Reuters

The Malaysian Insider

Copyright © 2011 The Malaysian Insider

Source: <http://www.themalaysianinsider.com/world/article/japan-pm-no-sales-tax-hike-with-out-voter-mandate/>