

Govt urged to lower GST rate

GEORGE TOWN: A cut in the Goods and Service Tax (GST) rate to four per cent from six per cent topped the Federation of Malaysian Manufacturers (FMM) Penang branch's 2016 Budget wishlist.

Its chairman, Datuk Dr Ooi Eng Hock, said the reduction would ease the financial burden of the federation's members in light of the weaker ringgit against other currencies.

"Our members would like the Federal Government to cut the GST to four per cent and to speed up its refund.

"At the same time, there is also a need to reduce the tariffs on electricity and liquefied natural gas."

Ooi said the lower GST rate would

go a long way in alleviating the unfavourable economic situation.

"The lower GST rate will reduce the problem of escalating manufacturing costs faced by manufacturers," he said.

Meanwhile, FMM national vice-president Datuk Dr Andy Seo said the business fraternity would continue to engage the Federal Government to tackle issues related to manufacturers.

Among them are employment insurance schemes and the recruitment of foreign workers.

Seo is a member of the 23-member Special Task Force to Improve the Government Delivery System (Pemudah) appointed by the federal administration.