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Wee: More MSMEs could close down if power tariffs rise in July

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KUALA LUMPUR: More micro, small and medium enterprises (MSME) could be at risk of closing down their businesses if the government decides to go ahead with raising electricity tariffs by 14.2% in July, says Datuk Seri Dr Wee Ka Siong (BN-Ayer Hitam).

According to Dr Wee (*pic*), the United States has paused its reciprocal tariffs for 90 days until July 9, and if Putrajaya increases electricity tariffs, then businesses would be making meagre profits due to reduced margins.

"MSMEs will not earn more than 10% if the electricity tariffs are raised by 14.2%.

"I think many of them will close shop. So, I'm pleading with the

government, please look into this matter," Dr Wee said when debating during the special Parliament sitting yesterday.

He also said Putrajaya should cancel the e-invoicing implementation for MSMEs earning between RM150,000 and RM500,000 a year.

Dr Wee also asked the government to review the feasibility of implementing RON95 petrol subsidy rationalisation.

"The best mechanism must be identified so that its benefits will reach the majority of the people," added Dr Wee.

"We cannot control exterior factors, but we can control domestic factors. Please postpone them

(electricity tariff hike and RON95 subsidy rationalisation) for a while, give them some room to breathe," added Dr Wee.

The targeted RON95 subsidy was initially scheduled to be implemented this June, while the hike in electricity tariffs is scheduled to begin in July 2025.

The special Parliament sitting saw MPs from both sides of the divide debating the US tariff issue.

US President Donald Trump announced on April 2 a sweeping 10% baseline duty on all countries and 24% levy specifically targeting Malaysian goods.

Except for China, Trump announced a 90-day pause on the implementation of retaliatory tar-

iffs, just hours after the tariffs against US trading partners came into effect on April 9.

With the current global economic uncertainty, Dr Wee also urged the government to postpone the increase and expansion of the sales and service tax (SST).

"This should not be carried out because come July 9, the 90-day pause on all the US reciprocal tariffs comes to end.

"If the government goes through with expanding the scope of the SST, increasing the electricity tariff and implementing the petrol subsidy rationalisation, it will eventually ruin the MSMEs and impact the people," Dr Wee said.