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PARLIAMENTARY DEBATES

DEWAN RA'AYAT
(HOUSE OF REPRESENTATIVES)

OFFICIAL REPORT

FIRST SESSION OF THE SECOND PARLIAMENT
OF MALAYSIA

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MALAYSIA

DEWAN RA'AYAT
(HOUSE OF REPRESENTATIVES)

Official Report

First Session of the Second Dewan Ra'ayat

Wednesday, 25th November, 1964

The House met at Ten o'clock a.m.

PRESENT:

- The Honourable Mr Speaker, DATO' CHIK MOHAMED YUSUF BIN SHEIKH ABDUL RAHMAN, S.P.M.P., J.P., Dato' Bendahara, Perak.
- „ the Prime Minister, Minister of External Affairs and Minister of Culture, Youth and Sports, Y.T.M. TUNKU ABDUL RAHMAN PUTRA AL-HAJ, K.O.M. (Kuala Kedah).
- „ the Minister of Home Affairs and Minister of Justice, DATO' DR ISMAIL BIN DATO' HAJI ABDUL RAHMAN, P.M.N. (Johor Timor).
- „ the Minister of Finance, ENCHE' TAN SIEW SIN, J.P. (Melaka Tengah).
- „ the Minister of Works, Posts and Telecommunications, DATO' V. T. SAMBANTHAN, P.M.N. (Sungei Siput).
- „ the Minister of Agriculture and Co-operatives, ENCHE' MOHAMED KHIR JOHARI (Kedah Tengah).
- „ the Minister of Health, ENCHE' BAHAMAN BIN SAMSUDIN (Kuala Pilah).
- „ the Minister of Education, ENCHE' ABDUL RAHMAN BIN HAJI TALIB, P.J.K. (Kuantan).
- „ the Minister for Welfare Services, TUAN HAJI ABDUL HAMID KHAN BIN HAJI SAKHAWAT ALI KHAN, J.M.N., J.P. (Batang Padang).
- „ the Minister of Labour, ENCHE' V. MANICKAVASAGAM, J.M.N., P.J.K. (Klang).
- „ the Minister of Information and Broadcasting, ENCHE' SENU BIN ABDUL RAHMAN (Kubang Pasu Barat).
- „ the Assistant Minister of Commerce and Industry, TUAN HAJI ABDUL KHALID BIN AWANG OSMAN (Kota Star Utara).
- „ the Assistant Minister of National and Rural Development and Assistant Minister of Justice, ENCHE' ABDUL-RAHMAN BIN YA'KUB (Sarawak).
- „ the Assistant Minister of Agriculture and Co-operatives, ENCHE' SULAIMAN BIN BULON (Bagan Datoh).
- „ the Assistant Minister of Culture, Youth and Sports, ENSKU MUHSEIN BIN ABDUL KADIR, J.M.N., S.M.T., P.J.K. (Trengganu Tengah).
- „ the Assistant Minister of Education, ENCHE' LEE SIOK YEW, A.M.N., P.J.K. (Sepang).

- The Honourable ENCHE' ABDUL GHANI BIN ISHAK, A.M.N. (Melaka Utara).
- „ ENCHE' ABDUL KARIM BIN ABU, A.M.N. (Melaka Selatan).
- „ WAN ABDUL KADIR BIN ISMAIL, P.P.T. (Kuala Trengganu Utara).
- „ ENCHE' ABDUL RAHIM ISHAK (Singapore).
- „ WAN ABDUL RAHMAN BIN DATU TUANKU BUJANG (Sarawak).
- „ ENCHE' ABDUL RAUF BIN A. RAHMAN, K.M.N., P.J.K. (Krian Laut).
- „ ENCHE' ABDUL SAMAD BIN GUL AHMAD MIANJI (Pasir Mas Hulu).
- „ Y.A.M. TUNKU ABDULLAH IBNI AL-MARHUM TUANKU ABDUL RAHMAN, P.P.T. (Rawang).
- „ TUAN HAJI ABDULLAH BIN HAJI MOHD. SALLEH, A.M.N., S.M.J., P.I.S. (Segamat Utara).
- „ ENCHE' ABU BAKAR BIN HAMZAH (Bachok).
- „ ENCHE' AHMAD BIN ARSHAD, A.M.N. (Muar Utara).
- „ ENCHE' ALI BIN HAJI AHMAD (Pontian Selatan).
- „ DR AWANG BIN HASSAN, S.M.J. (Muar Selatan).
- „ ENCHE' AZIZ BIN ISHAK (Muar Dalam).
- „ ENCHE' E. W. BARKER (Singapore).
- „ ENCHE' CHAN SEONG YOON (Setapak).
- „ ENCHE' CHAN SIANG SUN (Bentong).
- „ ENCHE' CHEN WING SUM (Damansara).
- „ ENCHE' CHIA CHIN SHIN, A.B.S. (Sarawak).
- „ ENCHE' CHIA THYE POH (Singapore).
- „ ENCHE' CHIN FOON (Ulu Kinta).
- „ ENCHE' C. V. DEVAN NAIR (Bungsar).
- „ ENCHE' EDWIN ANAK TANGKUN (Sarawak).
- „ TUAN SYED ESA BIN ALWEE, J.M.N., S.M.J., P.I.S. (Batu Pahat Dalam).
- „ DATIN FATIMAH BINTI HAJI ABDUL MAJID (Johor Bahru Timor).
- „ DATIN FATIMAH BINTI HAJI HASHIM, P.M.N. (Jitra-Padang Terap).
- „ ENCHE' HAMZAH BIN ALANG, A.M.N., P.J.K. (Kapar).
- „ ENCHE' HANAFI BIN MOHD. YUNUS, A.M.N., J.P. (Kulim Utara).
- „ ENCHE' HANAFIAH BIN HUSSAIN, A.M.N. (Jerai).
- „ ENCHE' HARUN BIN ABDULLAH, A.M.N. (Baling).
- „ WAN HASSAN BIN WAN DAUD (Tumpat).
- „ ENCHE' HO SEE BENG (Singapore).
- „ ENCHE' HUSSEIN BIN TO' MUDA HASSAN, A.M.N. (Raub).
- „ ENCHE' HUSSEIN BIN SULAIMAN (Ulu Kelantan).
- „ TUAN HAJI HUSSAIN RAHIMI BIN HAJI SAMAN (Kota Bharu Hulu).
- „ ENCHE' IKHWAN ZAINI (Sarawak).
- „ ENCHE' IBRAHIM BIN ABDUL RAHMAN (Seberang Tengah).

The Honourable ENCHE' ISMAIL BIN IDRIS (Penang Selatan).

- „ DATO' SYED JA'AFAR BIN HASAN ALBAR, P.M.N.
(Johor Tenggara).
- „ ENCHE' JEK YEUN THONG (Singapore).
- „ ENCHE' KADAM ANAK KIAI (Sarawak).
- „ ENCHE' KOW KEE SENG (Singapore).
- „ ENCHE' EDMUND LANGGU ANAK SAGA (Sarawak).
- „ ENCHE' LEE KUAN YEW (Singapore).
- „ ENCHE' LEE SAN CHOON, K.M.N. (Segamat Selatan).
- „ ENCHE' LEE SECK FUN (Tanjong Malim).
- „ ENCHE' LIM HUAN BOON (Singapore).
- „ ENCHE' LIM PEE HUNG, P.J.K. (Alor Star).
- „ DR MAHATHIR BIN MOHAMAD (Kota Star Selatan).
- „ ENCHE' T. MAHIMA SINGH, J.P. (Port Dickson).
- „ DATO' DR HAJI MEGAT KHAS, D.P.M.P., J.P., P.J.K.
(Kuala Kangsar).
- „ ENCHE' MOHAMED ASRI BIN HAJI MUDA, P.M.K.
(Pasir Puteh).
- „ ENCHE' MOHD. DAUD BIN ABDUL SAMAD (Besut).
- „ ENCHE' MOHAMED IDRIS BIN MATSIL, J.M.N., P.J.K., J.P.
(Jelebu-Jempol).
- „ ENCHE' MOHD. TAHIR BIN ABDUL MAJID, S.M.S., P.J.K.
(Kuala Langat).
- „ ENCHE' MOHAMED YUSOF BIN MAHMUD, A.M.N. (Temerloh).
- „ ENCHE' MOHD. ZAHIR BIN HAJI ISMAIL, J.M.N. (Sungei Patani).
- „ WAN MOKHTAR BIN AHMAD (Kemaman).
- „ TUAN HAJI MOKHTAR BIN HAJI ISMAIL (Perlis Selatan).
- „ ENCHE' MUHAMMAD FAKHRUDDIN BIN HAJI ABDULLAH
(Pasir Mas Hilir).
- „ TUAN HAJI MUHAMMAD SU'AUT BIN HAJI MUHD. TAHIR,
A.B.S. (Sarawak).
- „ DATO' HAJI MUSTAPHA BIN HAJI ABDUL JABAR, D.P.M.S.,
A.M.N., J.P. (Sabak Bernam).
- „ ENCHE' MUSTAPHA BIN AHMAD (Tanah Merah).
- „ ENCHE' NG FAH YAM (Batu Gajah).
- „ DR NG KAM POH, J.P. (Telok Anson).
- „ ENCHE' OTHMAN BIN ABDULLAH, A.M.N. (Perlis Utara).
- „ ENCHE' QUEK KAI DONG, J.P. (Seremban Timor).
- „ TUAN HAJI RAHMAT BIN HAJI DAUD, A.M.N.
(Johor Bahru Barat).
- „ ENCHE' RAMLI BIN OMAR (Krian Darat).
- „ TUAN HAJI REDZA BIN HAJI MOHD. SAID, P.J.K., J.P.
(Rembau-Tampin).
- „ RAJA ROME BIN RAJA MA'AMOR, P.J.K., J.P. (Kuala Selangor).
- „ ENCHE' SEAH TENG NGIAB, P.I.S. (Muar Pantai).
- „ ENCHE' D. R. SEENIVASAGAM (Ipoh).
- „ ENCHE' SIM BOON LIANG (Sarawak).

- The Honourable ENCHE' SIOW LOONG HIN, P.J.K. (Seremban Barat).
- „ ENCHE' SNAWI BIN ISMAIL, P.J.K. (Seberang Selatan).
- „ ENCHE' SOH AH TECK (Batu Pahat).
- „ ENCHE' SULEIMAN BIN ALI (Dungun).
- „ ENCHE' TAJUDIN BIN ALI, P.J.K. (Larut Utara).
- „ ENCHE' TAI KUAN YANG (Kulim Bandar Bharu).
- „ ENCHE' TAMA WENG TINGGANG WAN (Sarawak).
- „ DR TAN CHEE KHOON (Batu).
- „ ENCHE' TAN CHENG BEE, J.P. (Bagan).
- „ ENCHE' TAN KEE GAK (Bandar Melaka).
- „ ENCHE' TAN TOH HONG (Bukit Bintang).
- „ ENCHE' TAN TSAK YU (Sarawak).
- „ ENCHE' TIAH ENG BEE (Kluang Utara).
- „ ENCHE' TOH THEAM HOCK (Kampar).
- „ ENCHE' YEH PAO TZE (Sabah).
- „ ENCHE' YEOH TAT BENG (Bruas).
- „ ENCHE' STEPHEN YONG KUET TZE (Sarawak).
- „ TUAN HAJI ZAKARIA BIN HAJI MOHD. TAIB, P.J.K. (Langat).

ABSENT:

- The Honourable the Deputy Prime Minister, Minister of Defence, Minister of National and Rural Development, TUN HAJI ABDUL RAZAK BIN DATO' HUSSAIN, S.M.N. (Pekan).
- „ the Minister of Transport, DATO' HAJI SARDON BIN HAJI JUBIR, P.M.N. (Pontian Utara).
- „ the Minister of Commerce and Industry, DR LIM SWEE AUN, J.P. (Larut Selatan).
- „ the Minister for Local Government and Housing, ENCHE' KHAW KAI-BOH, P.J.K. (Ulu Selangor).
- „ the Minister for Sarawak Affairs, DATO' TEMENGGONG JUGAH ANAK BARIENG, P.M.N., P.D.K. (Sarawak).
- „ the Minister of Lands and Mines, ENCHE' MOHD. GHAZALI BIN HAJI JAWI (Ulu Perak).
- „ the Minister without Portfolio, ENCHE' PETER LO SU YIN (Sabah).
- „ TUAN HAJI ABDUL RASHID BIN HAJI JAIS (Sabah).
- „ ENCHE' ABDUL RAZAK BIN HAJI HUSSIN (Lipis).
- „ DATO' ABDULLAH BIN ABDULRAHMAN, Dato' Bijaya di-Raja (Kuala Trengganu Selatan).
- „ TUAN HAJI AHMAD BIN ABDULLAH (Kelantan Hilir).
- „ TUAN HAJI AHMAD BIN SAAID, J.P. (Seberang Utara).
- „ CHE' AJIBAH BINTI ABOL (Sarawak).
- „ O.K.K. DATU ALIUDDIN BIN DATU HARUN, P.D.K. (Sabah).
- „ ENCHE' JONATHAN BANGAU ANAK RENANG, A.B.S. (Sarawak).
- „ PENGARAH BANYANG ANAK JANTING, P.B.S. (Sarawak).
- „ ENCHE' CHAN CHONG WEN, A.M.N. (Kluang Selatan).
- „ ENCHE' FRANCIS CHIA NYUK TONG (Sabah).

- The Honourable ENCHE' S. FAZUL FAHMAN, A.D.K. (Sabah).
- „ DATU GANIE GILONG, P.D.K., J.P. (Sabah).
- „ ENCHE' GANING BIN JANGKAT (Sabah).
- „ ENCHE' GEH CHONG KEAT, K.M.N. (Penang Utara).
- „ DR GOH KENG SWEE (Singapore).
- „ ENCHE' STANLEY HO NYUN KHIU, A.D.K. (Sabah).
- „ ENCHE' HUSSEIN BIN MOHD. NOORDIN, A.M.N., P.J.K. (Parit).
- „ PENGHULU JINGGUT ANAK ATTAN, Q.M.C., A.B.S. (Sarawak).
- „ ENCHE' KAM WOON WAH, J.P. (Sitiawan).
- „ ENCHE' KHOO PENG LOONG (Sarawak).
- „ DATU KHOO SIAK KHIEW, P.D.K. (Sabah).
- „ ENCHE' AMADEUS MATHEW LEONG, A.D.K., J.P. (Sabah).
- „ DATU LING BENG SIEW, P.N.B.S. (Sarawak).
- „ DR LIM CHONG EU (Tanjong).
- „ ENCHE' LIM KEAN SIEW (Dato Kramat).
- „ DATO' LIM KIM SAN, D.U.T., J.M.K., D.J.M.K. (Singapore).
- „ ENCHE' JOSEPH DAVID MANJAJI (Sabah).
- „ ENCHE' MOHD. ARIF SALLEH, A.D.K. (Sabah).
- „ ORANG TUA MOHAMMAD DARA BIN LANGPAD (Sabah).
- „ DATO' NIK AHMAD KAMIL, D.K., S.P.M.K., S.J.M.K., P.M.N., P.Y.G.P., Dato' Sri Setia Raja (Kota Bharu Hilir).
- „ ENCHE' ONG KEE HUI (Sarawak).
- „ ENCHE' ONG PANG BOON (Singapore).
- „ TUAN HAJI OTHMAN BIN ABDULLAH (Hilir Perak).
- „ ABANG OTHMAN BIN HAJI MOASIL, P.B.S. (Sarawak).
- „ ENCHE' OTHMAN BIN WOK (Singapore).
- „ ENCHE' S. RAJARATNAM (Singapore).
- „ ENCHE' SANDOM ANAK NYUAK (Sarawak).
- „ ENCHE' S. P. SEENIVASAGAM (Menglembu).
- „ ENCHE' SNG CHIN JOO (Sarawak).
- „ DATU DONALD ALOYSIUS STEPHENS, P.D.K. (Sabah).
- „ PENGIRAN TAHIR PETRA (Sabah).
- „ DR TOH CHIN CHYE (Singapore).
- „ PENGHULU FRANCIS UMPAU ANAK EMPAM (Sarawak).
- „ ENCHE' WEE TOON BOON (Singapore).
- „ ENCHE' YONG NYUK LIN (Singapore).

PEMILEHAN YANG DI-PERTUA

(Election of Speaker)

Setia-usaha Majlis: Ahli² Yang Berhormat, saya ada suatu permashhoran untuk ma'aluman Ahli² Yang Berhormat, ia-itu Yang Berhormat Tuan Syed Esa bin Alwee telah meletakkan jawatan-nya sa-bagai Yang di-Pertua

mulaī daripada 25 haribulan November, 1964 ini. Oleh kerana itu Majlis ini pada waktu ini tidak mempunyai Yang di-Pertua. Sa-hingga permulaan persidangan pagi ini hanya satu chadangan sahaja telah di-terima di-bawah Peratoran Meshuarat 4 (1) ia-itu daripada Yang Amat Berhormat Perdana Menteri. Yang Amat Berhormat Perdana Menteri akan menge-mukakan chadangan tersebut.

The Prime Minister: Tuan Setia-usaha Dewan dan Ahli² Yang Berhormat, saya suka mengusulkan supaya Dato' Chik Mohamed Yusuf, Dato' Bendahara Perak, di-lantek menjadi Yang di-Pertua bagi Dewan ini.

Sa-bagaimana Ahli² Yang Berhormat sedia ma'alum Dewan ini telah meluluskan satu Undang² Pindaan Perlembagaan tahun 1964 dan menurut Perkara 7 (1) Undang² itu sa-orang yang bukan Ahli Dewan Ra'ayat boleh di-pilih menjadi Yang di-Pertua Dewan Ra'ayat ini.

Tujuan yang besar di-buat Undang² yang tersebut ia-lah supaya dapat Dewan Yang Berhormat ini berhak melantek mana² orang yang luar daripada Dewan ini yang di-fikirkan layak menjadi Yang di-Pertua untuk menduduki kerusi Yang di-Pertua itu. Dengan terlantek-nya sa-orang yang bukan Ahli Dewan ini, maka Dewan ini akan mempunyai sa-orang Yang di-Pertua yang benar² bebas dan tidak boleh di-tudoh dia-nya berat sa-belah sini atau sa-belah sana, dan dia juga boleh menumpukan masa-nya dengan sa-penoh²-nya, kerana pekerjaan Dewan Ra'ayat pada sekarang ini ia-lah bertambah banyak dan berbagai² tanggong-jawab yang telah pun bertambah. Maka dengan kerana itu nampak-nya sa-orang Ahli Dewan Ra'ayat itu tidak mampu hendak menjalankan pekerjaan-nya sa-bagai Yang di-Pertua dan juga pekerjaan dan tanggong-nya sa-bagai Ahli Dewan, kerana sa-bagai Ahli Dewan terpaksa ia juga kena menjalankan kerja²-nya di-dalam "constituency"-nya sa-bagai Ahli Dewan Ra'ayat.

Pada hari ini saya membawa usul supaya Dato' Chik Mohamed Yusuf menjadi Yang di-Pertua Dewan ini bagi mengganti tempat Yang Berhormat Tuan Syed Esa yang telah meletakkan jawatan-nya itu dengan sebab yang saya telah sebutkan itu kerana ia hendak menjalankan kepentingan-nya sa-bagai Ahli Dewan Ra'ayat ini.

Dato' C. M. Yusuf telah menyatakan kesanggupan-nya hendak menerima jawatan ini. Dan dengan kerana itu bagi pandangan saya tidak-lah ada orang yang lebeh layak daripada-nya

untuk menjawat jawatan yang mulia itu. Dan Dato' C. M. Yusuf sa-bagaimana yang tuan² sedar telah biasa menjadi Ahli Legislative Council yang dahulu itu dan ada kelayakan juga oleh kerana dia ini ia-lah orang yang mendapat pelajaran di-Oxford dengan mendapat degree "B.A.", dan ada-lah pekerjaan Dewan ini boleh di-katakan bukan-lah menjadi luar biasa daripada pengetahuan-nya, bahkan bertahun² dia menjadi Ahli Legislative Council sa-bagaimana saya cheritakan tadi itu. Pengalaman-nya sa-bagai sa-orang Besar Negeri Perak dan Dewan Negara Perak boleh juga menambah lagi kecekapan-nya untuk menjalankan persidangan Dewan ini.

Sa-belum saya menutup ucapan saya ini saya suka mengambil peluang ini juga untuk menyatakan bagi pehak diri saya sendiri dan juga saya per-chaya bagi pehak Ahli² Yang Berhormat Dewan ini penghargaan yang tinggi yang kita letakkan di-atas Yang Berhormat Tuan Syed Esa di-atas perkhidmatan-nya yang chemerlang masa beliau menjadi Yang di-Pertua Dewan ini. Beliau telah menunjukkan kebolehan dan kecekapan-nya samasa beliau mengetuai Dewan ini dan perkhidmatan-nya akan tetap terchatit di-dalam sejarah perkembangan demokrasi berparlimen negara kita ini.

Saya menchadangkan.

Dr Ng Kam Poh: Sir, I second the proposal that Dato' Chik Mohamed Yusuf, Dato' Bendahara of Perak, takes the Chair of this House as Speaker. Thank you, Sir.

Setia-usaha Majlis: Ahli² Yang Berhormat, oleh kerana satu chadangan sahaja telah di-kemukakan dan di-sokong, saya, mengikut Peratoran 4 (3), memashhorkan ia-itu Dato' Chik Mohamed Yusuf bin Abdul Rahman di-pilih sa-bagai Yang di-Pertua (*Tepok*).

(Whereupon the said Dato' Chik Mohamed Yusuf bin Sheikh Abdul Rahman was conducted to the Chair by the Prime Minister and Dr Ng Kam Poh.)

Mr Speaker sat down in the Chair.

PRAYERS

(Mr Speaker in the Chair)

ADMINISTRATION OF OATHS

Mr Speaker, standing, took and subscribed the Oath. Then the following Members took and subscribed the Oath, or made and subscribed the affirmation required by law:

Enche' Snawi bin Ismail.

Enche' Edmund William Barker.

ADDRESSES OF CONGRATULATION TO MR SPEAKER

The Minister of Home Affairs and Minister of Justice (Dato' Dr Ismail bin Dato' Haji Abdul Rahman): Tuan

Speaker, saya bagi pehak Kerajaan dalam Rumah ini mengucapkan satinggi² tahniah kepada Tuan Speaker yang telah di-lantek pada hari ini. Bagi diri saya, Tuan Speaker ini bukan-lah sa-orang yang belum dikenal lagi tetapi kita telah bersama² di-dalam Legislative Council dahulu menjadi Member dalam Legislative Council itu. Sunggoh pun Legislative Council pada masa itu ada-lah sebuah Dewan di-bawah Kerajaan penjajah tetapi ia itu ada-lah satu peringkat dalam kita menuju kepada Parlimen yang ada sekarang ini. Jadi sunggoh pun kita telah merdeka kita tidak-lah mengenepikan apa² yang bagus daripada Kerajaan penjajah yang bersaimbang dengan chorak demokrasi yang kita pakai pada hari ini, dan sa-bagaimana Tuan Speaker sendiri ketahui ia-itu Rumah Yang Berhormat ini Tuan Speaker ada-lah sa-orang yang akan menjaga kehormatan dan kekemasan Rumah ini. Jadi bagi pehak Kerajaan, kita perchaya bagi Tuan Speaker, tuan ada berpengalaman dalam Rumah yang lama dan banyak rakan² yang lama ada dalam Rumah ini, dan kita perchaya kita akan bekerjasama dan kapada Tuan Speaker-lah kita tumpukan kehormatan Rumah ini (*Tepok*).

Dr Tan Chee Khoon (Batu):

Mr Speaker, Sir, we have heard the Honourable the Prime Minister and

the Honourable the Minister of Home Affairs extolled your virtues. We have heard the Honourable the Prime Minister say that you have been a Member of the former Legislative Council and that, no doubt, you have had experience of the workings of parliamentary democracy. We have heard that you have been to Oxford and no doubt during your sojourn in Oxford you have imbibed all the qualities of fair play, justice, that are characteristic of an institution like Oxford.

Mr Speaker, Sir, it is not my purpose to go into peans of praise in this House on behalf of anyone, but on behalf of my Party—the Socialist Front Rakyat Malaya—I wish to congratulate you on your election as Speaker of the Dewan Ra'ayat.

Mr Speaker, Sir, unlike your two immediate predecessors, who were elected Members of this House, you are in the fortunate position of not having to take care of the whims and fancies of an electorate, and as such I think you have a much easier task than your two immediate predecessors.

Mr Speaker, Sir, I do hope, and I know, that like King Solomon of old, you will dispense justice in this House without fear or favour, with tolerance and patience, and with malice towards none but charity towards everyone in this House.

Mr Speaker, Sir, once again, on behalf of the Socialist Front, I wish to congratulate you on your appointment.

Enche' D. R. Seenivasagam (Ipoh): Mr Speaker, Sir, I rise with great pride indeed, and with gladness in my heart, to offer my own congratulations and my Party's congratulations on your appointment, Sir, as Speaker of this House.

Mr Speaker, Sir, we who hail from Perak are particularly glad that we have today controlling the actions of Members of this House a person of your standing in society, your knowledge in the law and your political background of this country. Mr Speaker, Sir, those assets which you

have gathered, in the years gone by, will undoubtedly be the strongest weapons that you will use in this House to maintain the dignity and honour of parliamentary democracy—not only in this House but in all democratic institutions as we know it.

Mr Speaker, Sir, the Honourable the Prime Minister, when he moved the motion for your appointment as Speaker, said that you would be the first really independent Speaker of this House. Mr Speaker, Sir, that places you in the unique position of being able to show to the world what a really independent Speaker can do to maintain parliamentary democracy within the walls of this House, and I have no doubt that, being the first really independent Speaker, you will maintain it without fear, without favour, without having to think what any political party, however, big its majority in this House may be, will think of your actions. But I hasten to say that it is regrettable that the Honourable the Prime Minister said that you would be the first really independent Speaker of this House because I feel, having sat here from the time elected Members sat here, that our past Speakers have been independent Speakers. They had given rulings as they thought fit and proper, and with a clear conscience, because I myself had several times had occasion to raise points of order and at all times had received that most careful consideration on points raised. I have no doubt, Sir, that this House will join with me in offering those Speakers our sincere thanks, for under very great difficulties, perhaps sometimes under great quarrels between both sides of the House, Mr Speakers of the past had maintained the dignity of the House, and for that we sincerely thank the Speakers who had served this country.

Mr Speaker, Sir, once more I offer our congratulations.

The Prime Minister: Mr Speaker, Sir, I rise on a point of clarification, because I think there is a little bit of confusion in the mind of the Honourable Member. When I said that you

are the first independent Speaker—I did say that you are independent—it is in the sense that you are not an active member of the Party and neither are you a Member of Parliament, who has to contest the election to be returned to this House. As regards the other Speakers, what I intended to convey, was that they are members of our Party who are at the same time Members of the Parliament. There is no intention on my part to cast any aspersion on the previous Speakers by saying that they are not independent. All I meant to say is that they are impartial, which is different from independent, and that they were Members of this House. I hope my explanation clears the atmosphere. I mean that they are just as impartial, but they are members of my Party and they are therefore not independent. (*Applause*).

Enche' Abu Bakar bin Hamzah (Bachok): Tuan Yang di-Pertua, saya bangun bagi pehak Persatuan Islam sa-Tanah Melayu atau pun lebeh terkenal-nya sa-bagai PMIP untuk turut memberi tahniah di-atas perlantikan tuan sa-bagai Yang di-Pertua Rumah yang bertuah ini. Tuan Yang di-Pertua, sa-patut-nya chadangan itu tadi ini di-sokong oleh pehak kami di-sa-belah sini, tetapi itu-lah peluang itu sudah di-rebut oleh pehak yang sa-belah sana juga. Jadi terlewat-lah bagi pehak kami sa-belah sini bangun berchakap.

Tuan Yang di-Pertua, sa-lain daripada memberi tahniah di-atas lantikan baharu memenohi kekosongan itu, saya suka juga hendak menyebutkan dalam Dewan ini pengalaman saya berkenaan dengan Tuan Speaker yang baharu ini yang datang daripada Perak yang kebetulan pun saya daripada Perak juga ia-itu orang² Perak kenal sangat-lah Tuan Speaker yang baharu ini sa-bagai sa-orang yang mempunyai pengalaman, bukan sahaja pengalaman dalam politik akhir² ini, tetapi boleh jadi perbendaharaan, sa-belum perang pun maseh lagi terbayang di-dalam kepala-nya untuk menjadi panduan bagi menjalankan tugas-nya yang amat berat di-dalam Rumah ini.

Tuan Yang di-Pertua, bagi pehak PMIP tidak-lah bersalah faham tentang apa yang di-katakan oleh Yang Amat Berhormat Perdana Menteri tadi tentang mentafsirkan impartial atau independent itu, kerana pada sa-panjang masa yang Dewan ini berjalan PMIP berasa bahawa tugas yang di-jalankan oleh Tuan Speaker itu amat-lah adil dan kena pada tempat-nya, malah saya juga sa-bagai sahabat saya tadi mengaku bahawa selalu-lah terkeluar daripada point atau pun order, tetapi telah mendapat banyak kema'afan sa-bagai memberi peluang kepada pehak pembangkang ini untuk menyatakan hasrat mereka itu dan saya perchaya sa-bagai Speaker yang baharu yang independent dengan erti-nya yang baharu ini pehak pembangkang akan mendapat lebih peluang lagi untuk menyatakan hasrat-nya, dan terkadang² untuk menghentam sa-chara yang constructive kepada pehak pemerintah kita. Jadi, bagini-lah sahaja dalam ucapan ini untuk turut memberi tahniah dan mengharapkan bahawa demokrasi berparlimen dalam Dewan ini akan terjamin dalam tangan tuan. Terima kaseh.

Enche' C. V. Devan Nair (Bungsar): Mr Speaker, Sir, on behalf of the Members of the P.A.P. in this House, may I offer you our sincere congratulations on your election as Speaker. I might take the occasion, Sir, to express our appreciation of the ability and manner with which your predecessor conducted the proceedings of this House.

The Honourable Prime Minister, Mr Speaker, Sir, has given us an account of the assets and qualifications which you will bring to your job. With those assets and qualifications, Sir, there can be little doubt that you will be able to uphold the traditions of parliamentary democracy in the conduct of the proceedings before this House. I might mention that one of those traditions is that Members on the Opposition Benches do not have undue difficulty in catching your eye when occasion requires. Sir, the survival of Malaysia depends, among other things, on the extent to which

parliamentary institutions take root in our life. You, Sir, as Speaker of this institution, will have a considerable role in ensuring that parliamentary institutions and the institutions of political democracy do take root in our public life.

On that note, Sir, may I offer, once again, our very sincere congratulations?

Enche' Stephen Yong Kuet Tze (Sarawak): Mr Speaker, Sir, on behalf of my Party, the Sarawak United People's Party (S.U.P.P.), I would like to associate myself with others in congratulating you, Sir, on your election as the new Speaker.

Sir, we from Sarawak have joined Malaysia as a new member and I, therefore, could not speak with authority as to what the performances of your predecessors were except those of the Speakers of the new Parliament that we found ourselves in. But I can say that we do find from the democratic tradition that we know of that, although it is the right of the majority to govern, the right of the minority has been respected; and that tradition, I may say, has been generously given to us in this part of the House by your predecessors. I am sure you will, Sir, not only maintain this tradition but also will cherish it, so that we on this side of this House will, as the previous Honourable Member has said, be able to catch your eye.

We are glad to have you, with your background and your qualifications, as our new Speaker. Sir, I again offer my heartiest congratulations.

Dr Ng Kam Poh (Telok Anson): Mr Speaker, Sir, as the seconder of this proposal, I wish to offer you my heartiest congratulations on your election this day as the Speaker of this august House. We have heard our Prime Minister say all that is worthy and honourable about you; and we have also heard Members of the Opposition say that you would be independent in all respects in this House—in fact, I would rather say “impartial” in all respects. Mr Speaker, Sir, I come from Perak, and as you are

also from Perak, I am not only proud but am also certain that you will be impartial to each and everyone in this House. Aside from that, on the question of catching the eye of the Speaker, which Opposition Members have so much wanted, I am sure, Sir, that the Government side with 89 members in Malaya and many other members from Sarawak and Sabah will also require attention—not only the Opposition but ourselves also. However, in parliamentary democracy the one who catches the Speaker's eye will have the right to speak and we give you—I am sure all of us here will give it to you, Sir,—this preference without debate, without talking, or even thinking about it.

I again congratulate you, Sir, and thank you very, very much.

Mr Speaker: Ahli² Yang Berhormat, saya mengambil peluang mengucapkan sa-tinggi² terima kasih kepada Yang Amat Berhormat Perdana Menteri dan Ahli² Yang Berhormat sa-kalian, kerana keyakinan mereka memilih saya dan meletakkan jawatan tertinggi sa-bagai Yang di-Pertua Majlis ini. Kapada Ahli² Yang Berhormat yang berucap semua-nya, saya berikan terima kasih. Bagi pihak saya, saya akan menchuba dengan sa-berapa daya upaya saya menunaikan kewajipan saya dan dengan sokongan dan kerjasama Ahli² Yang Berhormat, saya harap akan dapat menjaga kehormatan Majlis ini dan juga menghormati prinsip *parliamentary democracy*. Sa-kali lagi saya ucapkan berbanyak² terima kasih. (*Tepok*).

ELECTION OF DEPUTY SPEAKER

Dato' Dr Ismail: Mr Speaker, Sir, I propose that Tuan Syed Esa bin Alwee be elected as the Deputy Speaker of this House.

Enche' T. Mahima Singh: Sir, I beg to second.

Mr Speaker: Ahli² Yang Berhormat, oleh kerana satu chadangan sahaja telah di-kemukakan dan di-sokong, saya memashhorkan Yang Berhormat Tuan Syed Esa bin Alwee di-pileh

sa-bagai Timbalan Yang di-Pertua. (*Tepok*).

(*Where upon the said Tuan Syed Esa bin Alwee was elected as Deputy Speaker.*)

ANNOUNCEMENT BY MR SPEAKER

MESSAGE FROM THE SENATE

Mr Speaker: Ahli² Yang Berhormat, saya hendak mema'alumkan saya telah menerima suatu perutusan yang bertarikh 21hb Oktober, 1964, daripada Yang di-Pertua, Dewan Negara, berkenaan dengan perkara² yang tertentu yang telah di-hantar oleh Majlis ini minta di-persetujukan oleh Dewan Negara. Sekarang saya perentahkan Setia-usaha Majlis ini supaya membachakan perutusan itu kapada Majlis ini.

(*The Clerk reads the message*):

"Mr Speaker,

The Senate has agreed to the following Bills—

- (1) to apply sums out of the Consolidated Fund for additional expenditure for the service of the year 1964 and to appropriate such sums for certain purposes;
- (2) to apply a sum out of the Consolidated Fund to the service of the year ending on the thirty-first day of December, 1965;
- (3) to amend the Workmen's Compensation Ordinance, 1952;
- (4) to amend the Merchant Shipping Ordinance, 1952;
- (5) to amend the Courts of Judicature Act, 1964, without amendment.

(*Sgd.*) Dato' Haji Abdul Rahman bin Mohamed Yasin,
President "

ASSENT TO BILLS PASSED

Mr Speaker: Honourable Members, I wish to inform the House that His Majesty the Yang di-Pertuan Agong

has assented to the following Bills which were passed recently by both Houses of Parliament:

- (1) The Supplementary Supply (1964) Bill, 1964.
- (2) The Consolidated Fund (Expenditure on Account) Bill, 1964.
- (3) The Workmen's Compensation (Amendment) Bill, 1964.
- (4) The Merchant Shipping (Amendment) Bill, 1964.
- (5) The Courts of Judicature (Amendment) Bill, 1964.

ORAL ANSWERS TO QUESTIONS

ENTRY OF NON-FEDERAL CITIZENS INTO MALAYA TO WORK AS MANAGERS AND ASSISTANT MANAGERS ON ESTATES

1. Datin Fatimah binti Haji Hashim asks the Minister of Home Affairs to state:

- (a) the number of non-Federal citizens who have been allowed entry into Malaya to work in estates as Managers and Assistant Managers, from January up to 31st October, 1964;
- (b) the minimum basic salary required for such persons before they can be allowed entry into Malaya;
- (c) whether Government proposes to restrict the entry of such people unless the salary is not less than \$1,200 per month and if not, to state the reason.

The Minister of Home Affairs (Dato' Dr Ismail): Mr Speaker, Sir, in answer to part (a) of Question No. 1, I would like to say: Four—one Manager and three Assistant Managers.

The answer to part (b) of that Question \$1,200 per month; and the answer to part (c): Yes, except in any case where the Government is satisfied that no person resident in the Federation is available to undertake employment of the kind concerned, and that it would be unreasonable to expect the employer to pay a minimum salary of \$1,200 per month.

Dr Tan Chee Khoon: Supplementary question. Is the Honourable Minister able to tell us what are the qualifications of the one Manager and three Assistant Managers that he has enumerated? We have been told that all these people have the requisite qualifications. At least I have my doubts about them. Will the Honourable Minister of Home Affairs please enlighten this House?

Dato' Dr Ismail: Sir, the Honourable Member asks me how I determine the qualifications of these people. What I said was that if we cannot find local people available for the job—I did not mention at all about qualifications. It is up to the employers to satisfy the Immigration Department that these people are qualified. As the Honourable Members know, the qualification differs from profession to profession and it is up to the employers to satisfy the Immigration Department that that person is qualified and, of course, I, as the Minister in charge, reserve my right whether to accept that qualification as enumerated by the prospective employer.

Dr Tan Chee Khoon: I think the Honourable Minister of Home Affairs has misunderstood my question. I merely wanted to know the qualifications, Sir. I do know that there are very stringent qualifications regarding employment in this country. In my profession, I think, it is true to say that before we get a partner from overseas we are told, "Has he got the right qualification, has this post been advertised, or has it been found that there is no local person capable of filling such a post?" Only then is the local man allowed to take partners from overseas, and I think except for very few exceptions, as in my profession of medicine, we have not been able to get assistance from overseas. Will the Honourable Minister tell us whether these four people that he has enumerated have all been through a university course?

Dato' Dr Ismail: Now, Sir, to be a Manager or Assistant Manager of an estate it may be desirable to have a university qualification—in fact, it is

probably in favour of those people if they have the university qualification—but a university degree is not necessarily an essential part to become a Manager of say, for example, a rubber estate. For example, you may know about the life of Plato, but you may not know how the rubber tree is tapped. (*Laughter*). So, that is the position.

Dr Tan Chee Khoon: Is the Honourable Minister of Home Affairs aware of the fact that amongst the large number of Estate Managers and Assistant Managers there are many who need not necessarily have an academic qualification? One I know for certain has been a failed medical student, but who, after failing his second year, came here and has got a job as an Assistant Manager. I am not talking of this period in particular, but in the past. One who has been a store-keeper has been given the job, and I can go on enumerating these qualifications of the categories mentioned—that of Managers and Assistant Managers.

Enche' Tan Toh Hong (Bukit Bintang): Mr Speaker, Sir, on a point of order—S. O. 24 (4). The Member for Batu is introducing matters not related to the original question, which is, about the number of non-Federal citizens who have been allowed into Malaya to work in estates as Managers and Assistant Managers.

Dr Tan Chee Khoon: Mr Speaker, Sir, I fail to understand why the Honourable the Member for Bukit Bintang has objected when the Honourable Minister of Home Affairs has thought it fit and proper to enlighten this House on the qualifications of Managers.

Dato' Dr Ismail: Well, I think there is nothing very difficult to determine the qualifications. The Honourable Member has mentioned that a failed medical student has been appointed Manager, and he goes on to conclude that that person is unsuitable. That man may be unsuitable to become a medical practitioner like the Honourable Member, but he may make a very good Estate Manager, because he may

know how to tap a rubber tree whereas the Honourable Member may not know how to tap a rubber tree. (*Laughter*).

ILLEGAL ENTRY OF INDONESIANS FOR BUSINESS—NUMBER DETAINED

2. Datin Fatimah binti Haji Hashim asks the Minister of Home Affairs to state :

- (a) the number of Indonesians who have been taken into custody and detained for illegal entry into Malaya and Singapore for purposes of business, up to date;
- (b) is it proposed to detain these people as long as Indonesian confrontation lasts and if not, what steps it is proposed to take against these offenders.

Dato' Dr Ismail: Mr Speaker, Sir, in answer to part (a)—the number of Indonesians taken into custody to date for illegally entering Malaya ostensibly for the purpose of doing business are:

Malaya	...	...	706
Singapore	...	...	240

Those found to be simple traders were handed over to the Immigration Department to arrange for their return to Indonesia. Others were charged in court for offences under section 131 (1) of the Customs Ordinance No. 42/52 and a few who were considered of security interest were dealt with under the Internal Security Act/Preservation of Public Security Ordinance (Singapore).

After the declaration on 13th August 1964 of the territorial waters bordering Malaya and Singapore as a Controlled area illegal entrants were charged and convicted in court no matter whether they were simple barter traders or not. On their release from prison they were handed to the Immigration Department for arrangement of their return to Indonesia.

In reply to part (b)—It is not intended that these traders be detained in the country during the duration of the Indonesian confrontation.

PELAJARAN DI-SEKOLAH² ANIKAJURUSAN

3. Enche' Hussein bin Sulaiman bertanya kepada Menteri Pelajaran:

- (a) apa-kah mata pelajaran yang akan di-ajarkan di-Sekolah² Anikajurusan yang akan di-dirikan di-seluruh negeri ini;
- (b) sudah-kah Kerajaan membuat penyiasatan yang halus tentang mata pelajaran apa-kah yang harus di-utamakan di-sabua sekolah demikian supaya sa-chuchok dan sesuai dengan keadaan di-tempat itu dan supaya menghalang daripada timbul-nya keadaan yang changgong, mithalnya menitekberatkan pelajaran dari segi teknikal di-tempat yang kebelakangan dalam soal teknikal dan di-mana pengetahuan itu tidak ada guna-nya, atau pun menitekberatkan pelajaran penyiasatan getah di-daerah² kawasan menangkap ikan;
- (c) dalam negeri² yang di-ketahui kaya dalam hal kesenian seperti Kelantan, boleh-kah kesenian itu di-jadikan satu daripada mata pelajaran dalam Sekolah² Anikajurusan, dalam Negeri² itu.

The Minister of Education (Enche' Abdul Rahman bin Haji Talib): Tuan Yang di-Pertua, mata pelajaran yang akan di-ajarkan di-sekolah² ini ada-lah seperti berikut:

- (a) Semua murid² di-kehendaki mempelajari beberapa mata pelajaran "teras" yang mengandongi seperti di-bawah ini:
 - (i) Pengetahuan Ugama Islam untuk murid² yang ber-ugama Islam.
 - (ii) Bahasa murid² sendiri (China atau Tamil).
 - (iii) Bahasa yang menjadi Bahasa Penghantar dalam Sekolah (Bahasa Melayu atau Inggeris).
 - (iv) Bahasa Kebangsaan atau Bahasa Inggeris, bergantung pada bahasa penghantar sekolah itu.

(v) Tawarikh dan Ilmu Alam kedua²-nya atau Pelajaran Kemasharakatan.

(vi) Ilmu Hisab.

(vii) Rampaian Sains.

(viii) Seni Lukis dan Pertukangan dan/atau Musik.

(ix) Tata Ra'ayat.

(x) Ilmu Kesihatan dan Pelajaran Jasmani.

- (b) Sa-lain daripada yang tersebut di-atas itu satu mata pelajaran peraktik mesti-lah di-pilih daripada yang tersebut di-bawah ini:

Mata pelajaran perusahaan, Sains Rumah-Tangga, Sains Pertanian dan bagi murid² tahun ketiga akan di-beri pelajaran Perniagaan 'Am. Bagi murid² tahun ketiga juga mata pelajaran perusahaan boleh di-ganti dengan mata pelajaran Latehan Wokshop, Sains Rumah Tangga boleh di-ganti dengan Urusan Rumah Tangga dan Sains. Pertanian boleh di-ganti dengan Latehan Pertanian.

Bahagian (b) dalam soalan itu maksud pertanyaan Ahli Yang Berhormat berhubung sa-tengah² mata pelajaran itu tidak berapa jelas. Jika di-maksudkan mengenai mata² pelajaran baharu yang di-kemukakan dalam sukatan pelajaran, saya boleh menerangkan kepada Ahli Yang Berhormat, bahawa kepentingan tiap² mata pelajaran berhubung dengan lain² mata pelajaran di-dalam bidang pelajaran itu ada-lah di-dasarkan kepada asas pelajaran yang telah di-uji, lengkap mengandongi bidang² pelajaran akademik, teknik, sains dan kesenian serta amalan. Berhubung dengan masaalah yang disebutkan oleh Ahli Yang Berhormat itu, saya suka menerangkan bahawa sunggoh pun sukatan pelajaran bagi tiap² mata pelajaran itu telah di-tetapkan, tetapi guru² di-beri kesempatan untuk mensesuaikan pelajaran mereka dengan kehendak² di-sekeliling sekolah itu. Kedua² mata pelajaran Perusahaan dan Sains Pertanian ada mengandongi banyak pilihan di-dalam latehan yang

boleh memenohi keperluan² khas orang² di-sesuatu tempat itu.

Berkenaan dengan bahagian (c) di-dalam soal itu di-dalam negeri² yang kaya dengan kepandaian seni tempatan, seperti di-negeri Kelantan, memang-lah boleh beberapa cabang kepandaian seni itu di-jadikan mata pelajaran di-dalam Sekolah² Menengah Rendah berchorak Anika Jurusan, bahkan memang menjadi dasar kepada sukatan pelajaran supaya menyesuaikan pengajaran dengan kehendak² tempatan. Dalam mata pelajaran Seni Lukis, Pertukangan dan Musik boleh dimasukkan sa-barang kepandaian seni tempatan itu yang di-fikirkan baik dan مناسب untuk di-pupok dan di-perkembangkan.

KERJA BAGI MURID² YANG LULUS DARI SEKOLAH ANIKA JURUSAN

4. Enche' Hussein bin Sulaiman bertanya kepada Menteri Pelajaran:

- (a) apa-kah jaminan² boleh mendapat kerja bagi murid² yang lulus dari Sekolah Anika Jurusan;
- (b) boleh-kah RIDA menubuhkan perusahaan² bagi mengadakan kerja kepada murid² kelulusan tinggi dari Sekolah Anika Jurusan sa-bagai bukti bahawa pelajaran yang di-dapati dalam sekolah² itu berfaedah kepada murid² yang lepas dari sekolah² itu.

Enche' Abdul Rahman bin Haji Talib: Tuan Yang di-Pertua, saya terpaksa menegaskan terlebih dahulu bahawa Kerajaan tidak sa-kali² menjamin mendapatkan pekerjaan untuk murid² sekolah. Tujuan pelajaran termasuk-lah pelajaran Anika Jurusan ialah memberi pelajaran 'am dan kepandaian² asas. Apabila murid² ini tamat mereka-lah menchari pekerjaan sama ada dalam perkhidmatan Kerajaan atau lain² perkhidmatan atau bekerja sendiri.

Berkenaan dengan pelajaran Anika Jurusan di-peringkat menengah rendah, tujuan-nya yang utama ia-lah memberi pelajaran 'am dan menentukan kecekapan dan kebolehan sa-sorang murid itu. Pelajaran dan latihan yang

sesuai menurut kecekapan dan kebolehan sa-lanjut-nya akan di-beri di-peringkat atas Anika Jurusan itu dengan tujuan melayakkan murid² itu menjalankan kehidupan dan bekerja di-dalam masyarakat.

Berkenaan dengan bahagian (b) dalam soalan itu, perkara ini ada-lah satu masalah masa hadapan, saya tidak boleh memberi sa-barang jaminan oleh kerana perkara ini bukan-lah termasuk dalam tanggung-jawab saya. Walau bagaimana pun saya boleh memberi keyakinan kepada Ahli Yang Berhormat bahawa ada-lah menjadi tujuan Kerajaan supaya sistem dan rancangan pelajaran termasuk pelajaran Anika Jurusan yang di-susun sekarang ini akan membolehkan murid² mengambil peluang di-dalam sa-barang lapangan pekerjaan yang berhubung dengan perkembangan ekonomi dan pembangunan negara ini.

UPACHARA MENAIKKAN BENDERA KEBANGSAAN DI-SEKOLAH²

5. Enche' Hussein bin Sulaiman bertanya kepada Menteri Pelajaran:

- (a) mengapa upacara menaikkan bendera kebangsaan sambil menyanyi lagu kebangsaan tidak di-mestikan tiap² hari dalam tiap² sekolah dari semua jenis bagi menanamkan semangat perwira dalam jiwa anak² kita;
- (b) sa-lain daripada nyanyian² barat, mengapa nyanyian² kebangsaan yang boleh menolong membangkitkan semangat kasehan negeri tidak di-ajar kepada budak² sekolah memandang kepada keadaan dalam negeri di-Tanah Melayu ini.

Enche' Abdul Rahman bin Haji Talib: Tuan Yang di-Pertua, latihan kewarga negaraan di-sekolah² ada-lah terbayang di-dalam semua mata pelajaran di-sekolah, khusus-nya di-dalam Jabatan Pengajian Tata Ra'ayat, dan di-dalam kegiatan² luar bilek darjah dan kegiatan² di-lapangan kebudayaan. Oleh yang demikian, tidak-lah sangat mustahak di-adakan upacara menaikkan bendera dan menyanyi lagu kebangsaan pada tiap² hari. Tetapi, walau

bagaimana pun, semua sekolah mengadakan upacara ini sa-kurang²-nya sa-minggu sa-kali.

Berkenaan dengan bahagian (b), sabagaimana Ahli Yang Berhormat sedia ma'alum, lagu² semangat kebangsaan ada-lah chiptaan baharu. Oleh kerana lagu² ini baharu sahaja di-kenalkan disekolah maka tidak-lah mungkin men-chukupi pada masa ini. Tetapi, walau bagaimana pun, satu sukatan pelajaran baharu untuk Musik sedang di-susun bagi semua sekolah, dan salah satu chadangan besar untuk sukatan ini ialah memasokkan sa-berapa banyak lagu² bersemangat kebangsaan yang boleh.

CITIZENSHIP BY REGISTRATION (BORNEO STATES)—EXTENSION OF PERIOD

6. Enche' Tan Tsak Yu asks the Minister of Home Affairs, in view of the fact that applications for citizenship registration in Sarawak were only accepted by the Registrar-General for August, 1964 instead of September, 1963, as originally intended, whether the Central Government will consider extending the date of such registration to cover the period lost on account of the delay in starting the registration, so as to give further exemption from taking the oral language test for anyone who has attained the age of 45 years applying to be registered as a citizen.

The Minister of Home Affairs (Dato' Dr Ismail): Mr Speaker, Sir, the delay in commencing acceptance of applications for citizenship certificates has been unavoidable. However there is still ten months left for those having attained the age of forty-five years to submit their applications and in view of the number of persons involved—about 7,000—I do not feel there is justification to extend the period specified in Article 16A (d) of the Constitution.

RETRENCHMENT OF TEACHERS IN CHINESE SCHOOLS, SARAWAK

7. Enche' Tan Tsak Yu asks the Minister of Education to state how many teachers in the Chinese Schools in each district in Sarawak had been retrenched in the past four years and

what are the reasons for such retrenchment.

The Minister of Education (Enche' Abdul Rahman bin Haji Talib): The Honourable Member is presumably referring to teachers in aided schools in which Chinese is the medium of instruction. As a manager and supervisor of schools himself, he is aware that the teachers in these schools are the employees of some 240 different committees of management and that appointments, transfers, and dismissals, although conforming to an approved staff quota and subject to the approval of the Director of Education, are effected individually by the managements, not centrally by the Education Department. It would therefore not be possible to determine the precise effect of the staff quota on all these schools during the past four years without exhaustive research into the records.

In general, it can be stated that no competent registered male Sarawak teacher has been retrenched or will be in the foreseeable future and that the prospects of continued service for registered married women teachers are good if the managements wish to retain them.

AHLI² LEMBAGA LOTERI KEBAJIKAN MASHARAKAT

8. Enche' Jek Yuen Thong bertanya kapada Menteri Kebajikan 'Am siapa ahli² Lembaga Loteri Kebajikan Masharakat, dan berapa orang daripadanya yang telah mendapat hadiah² besar pada masa yang lalu dalam loteri Lembaga Kebajikan Masharakat.

Tuan Haji Abdul Hamid Khan bin Haji Sakhawat Ali Khan: Tuan Yang di-Pertua, Ahli² Lembaga Loteri Kebajikan Masharakat pada masa ini yang telah di-lantek di-bawah Undang² Lembaga Kebajikan Masharakat tahun 1950 mengikut *Gazette Notification* No. 440 bertarikh 6hb Februari, 1964, dan *Gazette Notification* No. 4209 bertarikh 1hb Oktober, 1964, ada-lah seperti berikut:

Y.B. Dato' T. H. Tan

Y.B. Enche' Chan Kwong Hon

Y.B. Enche' S. Murugesu

Enche' Wong Tham Soon

Y.B. Enche' Mohamed bin Jusoh

Y.M. Raja Mohamed Nordin
Al-Haj bin Raja Deli

Y.B. Enche' M. P. Kumaran

Y.B. Enche' Lee Eng Teh

Y.B. Datin Fatimah binti Haji Hashim

Tuan Haji Wan Mohd. Razali bin
Wan Mohamed Isa, dan
Pengarah Kebajikan Masharakat.

Bagi menjawab soalan peringkat lagi satu itu, pada pengetahuan saya tidak ada sa-orang pun di-antara Ahli² itu yang telah memenangi hadiah yang besar bagi loteri.

Dr Tan Chee Khoon: Will the Honourable Minister of Welfare Services then let us know that amongst those members of the Social Welfare Lottery Board, are there those who have won *hadiah kecil* (small prizes)?

Tuan Haji Abdul Hamid Khan bin Haji Sakhawat Ali Khan: Tuan Yang di-Pertua, saya telah di-tanya ada-kah Ahli² Lembaga itu menang hadiah yang besar. Jadi saya berkehendakkan notice terlebih dahulu.

Enche' Jek Yuen Thong: Sir, could the Honourable Minister inform the House what is the name of the printing firm that prints the Social Welfare lottery tickets, who is the director of this firm, and whether he is an important member of the Lottery Board?

Tuan Haji Abdul Hamid Khan: Saya minta kenyataan terlebih dahulu, Tuan Yang di-Pertua, kerana itu ia-lah soal lain.

Enche' Jek Yuen Thong: Sir, could the Minister confirm that the lottery tickets are printed by the Graphic Press and that Senator T. H. Tan is a director of this firm?

Tuan Haji Abdul Hamid Khan: Itu ia-lah soal lain, Tuan Yang di-Pertua.

NANYANG UNIVERSITY—FINANCIAL AID FOR STUDENTS FROM STATES OF MALAYA

9. Enche' Jek Yuen Thong (Singapore) asks the Minister of Education whether

the Central Government is prepared to subsidise students from the States of Malaya who are studying at the Nanyang University, and what is the total number of Nanyang University graduates now employed in the Federal Government services.

Enche' Abdul Rahman bin Haji Talib: Mr Speaker, Sir, the policy of the Central Government, when granting scholarships or financial assistance, is to send the students concerned to institutions of learning which are recognised by it. The Central Government at present does not recognise a number of universities and colleges in foreign countries and follows the same principle where educational institutions within Malaysia are concerned. However, the Central Government will consider giving assistance to students pursuing approved courses of Nanyang University if and when the many issues pertaining to the University are satisfactorily resolved.

As regards the additional question, I am not able to supply the Honourable Member with the information as my Ministry does not maintain such record.

Enche' Jek Yuen Thong: Mr Speaker, Sir, would the Honourable Minister classify Singapore as a foreign country?

Enche' Abdul Rahman bin Haji Talib: I did not say so. Singapore is part of Malaysia. *(Laughter)*.

Dr Tan Chee Khoon: Mr Speaker, Sir, will the Honourable Minister enlighten this House as to when, after the re-organisation of the Nanyang University, where certain courses are recognised by this Government, scholarships will be awarded to students who are undertaking those courses?

Enche' Abdul Rahman bin Haji Talib: Sir, the question has been answered.

Enche' Jek Yuen Thong: Mr Speaker, Sir, would the Honourable Minister tell us where could we be able to get the figure of the Nanyang University students employed in this Government—which Ministry should I approach?

Enche' Abdul Rahman bin Haji Talib: I am sorry I could not. Perhaps the Minister of Information, Sir, might be able to help him. (*Laughter*).

SCHOOL PLACES FOR CHILDREN (BORN 1957) IN STATES OF MALAYA

10. Enche' Jek Yuen Thong asks the Minister of Education how many children were born in the Independence year of 1957 in the States of Malaya and whether the Government has provided enough places for everyone of these children in schools in 1965.

Enche' Abdul Rahman bin Haji Talib: Mr Speaker, Sir, the number of children born in 1957, according to our statistics, is 289,905. The answer to the second part of the question is, "Yes".

SKILLED LABOUR IN BUILDING AND CONSTRUCTION INDUS- TRIES, SABAH—RECRUITMENT

11. Enche' Yeh Pao Tze (Sabah) asks the Minister of Labour whether the Government is aware that in spite of its assurances that skilled labour in the building and construction industries, was available in Malaya and Singapore, very few have so far come forward to be recruited for work in Sabah. If so, in order to meet the acute shortage of skilled workers in that State, whether Government is prepared to permit recruitment from Hong Kong and Taiwan, so as not to hold up the Development of Sabah.

The Minister of Labour (Enche' V. Manickavasagam): Mr Speaker, Sir, as far as I am aware, no request has so far been received for skilled workers in the building and construction industries from the State of Sabah. When such requests are received, every effort will no doubt be made to find for them the necessary skilled workers. It has been agreed that where labour is needed, preference be given to workers from the States of Malaysia. Only in cases where such workers are not available, Government would consider allowing recruitment of workers from outside Malaysia.

ESTABLISHMENT OF UNIVER- SITY COLLEGE IN BORNEO STATES

12. Enche' Chia Chin Shin (Singapore) asks the Minister of Education to state whether the Government has any Plans to establish a University College in the Borneo States and if so, when is this likely to be started.

Enche' Abdul Rahman bin Haji Talib: Mr Speaker, Sir, a Higher Education Planning Committee is currently considering the future development of University and College Education and, so, until the Report of the Committee is submitted and accepted by Government, it will not be possible to state whether a University College will be established in the Borneo States. However, in accordance with the agreement reached by the Inter-Governmental Committee in 1962, consideration will be given by the Central Government to the needs of the Borneo States.

Dr Tan Chee Khoon: Mr Speaker, Sir, in view of the assurance that consideration will be given to the needs of the Borneo States, will the Honourable Minister enlighten this House as to whether steps are being taken now to implement that consideration, i.e., to establish Form VI classes in the Borneo States. Will the Minister also enlighten this House as to whether there are any Form VI classes in the Borneo States?

Enche' Abdul Rahman bin Haji Talib: Sir, that is a matter which I have got to take up with the State Governments of the Borneo States.

Dr Tan Chee Khoon: Sir, am I to understand that education is on the concurrent list in the Borneo States, or is it a Federal matter?

Enche' Abdul Rahman bin Haji Talib: The Borneo States have got the executive power as regards the system of education.

TRAINING OF VERNACULAR TEACHERS FOR TEACHING IN AIDED SCHOOLS, SARAWAK

13. Enche' Chia Chin Shin asks the Minister of Education to state what

provisions have been made for the training of the existing vernacular teachers, thereby taking advantage of their experience in teaching, in order to permit them to continue teaching in the Aided Schools without causing them any hardship of losing their employments eventually due to the gradual conversion in secondary schools in Sarawak.

Enche' Abdul Rahman bin Haji Talib: Mr Speaker, Sir, since the Honourable Member refers to "the gradual conversion in secondary schools in Sarawak", it would appear that by "vernacular teachers", he means teachers who speak only Chinese. In 1965, there will be a course of training at the Sarawak Teachers' Training College, Sibü, for serving teachers and a special in-service, radio and correspondence course in English, to assist teachers to improve their use of English for teaching in the converting schools. It is not anticipated that any reasonably efficient Sarawak teacher will lose his employment because of the conversion of the Chinese medium secondary schools to the English medium.

GRADUATES OF NANYANG AND TAIWAN UNIVERSITIES—TEACHER TRAINING COURSE TO TEACH IN SECONDARY SCHOOLS, SARAWAK

14. Enche' Chia Chin Shin asks the Minister of Education to state if the Ministry has any provisions in the Teachers' Training College for the training of graduates of Nanyang and Taiwan Universities so as to enable them to participate fully in teaching at the Aided Secondary Schools with an improved Salary Scheme for them after the Training Course in Sarawak.

Enche' Abdul Rahman bin Haji Talib: Mr Speaker, Sir, the Honourable Member will be pleased to know that holders of Senior Middle or above (including Taiwan or Nanyang qualifications) are eligible to apply for training at Batu Lintang Training College in 1965 as teachers in secondary schools. On successful completion, they will be appointed on the improved salary scales for trained teachers.

Dr Tan Chee Khoon: Mr Speaker, Sir, in view of the fact that these already have a University degree, will the Honourable Minister of Education enlighten this House why there is the necessity to let them undergo a further course of training before they are ready for teaching in the secondary schools?

Enche' Abdul Rahman bin Haji Talib: Teaching depends upon one's knowledge and the art of teaching. A university graduate does not mean that he can be a good teacher.

Dr Tan Chee Khoon: If that is so, Mr Speaker, Sir, then would it not be more profitable for them to undergo a course to obtain a Diploma in Education either in the University of Malaya or in the University of Singapore, where such courses are open, rather than asking them to go to a teachers training school, if I hear the Honourable Minister of Education rightly?

Enche' Abdul Rahman bin Haji Talib: Their degree, perhaps, does not qualify them to take the Diploma in Education in the University.

TERMS OF REFERENCE OF THE SALARIES COMMISSION—CONSULTATION WITH TRADE UNIONS IN TERRITORIES OF MALAYSIA

15. Enche' C. V. Devan Nair (Singapore) asks the Prime Minister whether any or all of the trade unions in all the constituent territories of Malaysia, representing employees in the public services, were asked for their views on the terms of reference of the Salaries Commission before these terms were decided upon; and if so, whether he would enumerate the unions so consulted.

The Prime Minister: Mr Speaker, Sir, the machinery for consultation by Government in matters affecting the staff in the States of Malaya, is the Whitley Council which comprises, for the Staff Side, the Congress of Unions of Employees in the Public and Civil Services (CUEPACS), the European Civil Services Association of Malaya (ECSAM), the Malayan Administrative

Service Association (MASA) and the Senior Government Officers Association (SGOA). This Council has been consulted on the terms of reference of the special Commission on Salaries. The Staff Side of the Whitley Council has provided us with great help in getting the terms of reference for the special Commission on Salaries. The Staff Side of the Whitley Council has made a very useful suggestion in this matter. So, no other bodies in the constituent territories of Malaysia need be consulted regarding the terms of reference of the special Commission on Salaries as it has been the practice in the past to consult the Whitley Council in respect of service matters, and this Council is fully representative of all the Government employees.

Dr Tan Chee Khoon: Mr Speaker, Sir, is the Honourable Prime Minister aware that CUEPACS at least is very dissatisfied with the terms of reference of this Salaries Commission and has asked to be represented on it?

The Prime Minister: Sir, that is another matter. The question which has been asked here is whether any or all the trade unions in all the constituent territories of Malaysia representing employees in public services were asked for their views on the terms of reference. Therefore, my answer is as to the terms of reference. But whether the CUEPACS is satisfied or not as to the members or representatives of this Commission, I cannot say because it has never been brought up to me or brought to my attention.

Dr Tan Chee Khoon: Mr Speaker, Sir, in view of the fact that Singapore has a representative on this Salaries Commission and in view of the fact that this question talks of trade unions in all the constituent territories of Malaysia, am I to understand that the omission of consultation with workers in Sabah and Sarawak is due to the fact that there are no trade unions in Sabah and Sarawak?

The Prime Minister: Sir, in fact, where there are employments, there are trade unions. But the question is entirely irrelevant.

CHEMICAL WORKERS' UNION OF MALAYA—RECOGNITION BY THE COLGATE PALMOLIVE CO., PETALING JAYA

16. Enche' C. V. Devan Nair asks the Minister of Labour if he is aware that the Chemical Workers Union of Malaya, which represents sixty per cent of the employees at the Petaling Jaya factory of the Colgate Palmolive Co., Ltd has been refused recognition by the Management of the Company; and if so, what steps he proposes to take in order to ensure that Management recognition is accorded to the Union.

The Minister of Labour (Enche' V. Manickavasagam): Mr Speaker, Sir, I am aware that there has been some delay by the Company in deciding the question of recognition of the Union. I am glad to inform the House that as a result of the efforts made by my Ministry, in conjunction with the Federation of Malaya Employers Consultative Association, the Company has now agreed to recognise the Union. The parties are meeting on Saturday to discuss details of the recognition agreement.

LEGISLATION TO ENFORCE AUTOMATIC RECOGNITION OF TRADE UNIONS

17. Enche' C. V. Devan Nair asks the Minister of Labour whether the Government will consider enacting legislation to oblige employers to give automatic recognition to trade unions which represent the majority of their employees.

Enche' V. Manickavasagam: Mr Speaker, Sir, recognising the fact that in the recent past there have been instances when employers and trade unions were experiencing certain problems and difficulties connected with the question of trade union recognition, I have referred this matter to the National Joint Labour Advisory Council for its consideration and advice. The Standing Committee of the NJLAC is at present studying this subject in detail with a view to evolving satisfactory and more adequate procedures

for recognition of trade unions. I can assure Honourable Members here that as soon as I have obtained the views of the NJLAC on this matter I shall consider taking appropriate measures including, if it is found necessary, enactment of legislation governing the question of recognition of trade unions by employers.

Dr Tan Chee Khoon: Pending the outcome of that consultation, will the Honourable the Minister of Labour assure this House that the workers in Malaysia will not be victimised simply because they want to form a trade union?

Enche' V. Manickavasagam: If any such matter is brought to my notice, I shall surely look into it, Sir.

Enche' C. V. Devan Nair: Would the Minister indicate as to how long we would have to wait before this Advisory Council gives him its advice?

Enche' V. Manickavasagam: It depends on how fast the workers and the employers can do this.

ULU SELANGOR (SOUTH) WATER SUPPLY SCHEME—IMPLEMENTATION

18. Tunku Abdullah ibni Al-Marhum Tuanku Abdul Rahman asks the Minister of Works, Posts and Telecommunications whether he is aware that housing and industrial development in Rawang is at a standstill due to insufficient water supply, and if so, whether he would take early action to implement the Ulu Selangor South Water Supply Scheme.

The Minister of Works, Posts and Telecommunications (Dato' V. T. Sambanthan): Mr Speaker, Sir, the implementation of the Ulu Selangor (South) Water Supply Scheme is a State responsibility. However, the position is that a report on the proposed scheme for supplying treated water to Rasa, Batang Kali, Ulu Yam Lama, Ulu Yam Bharu, Serendah, Sungei Choh, Rawang, Kuang and the surrounding areas has now been prepared and approved by the Selangor Government. Work in designing this water supply

scheme has now been put in hand by the Selangor Government.

ENCHE' HASNUL HADI AND ENCHE' ABDUL AZIZ ISHAK—ALLEGED PAYMENT OF PASSAGES TO CAIRO BY AN INDONESIAN SOURCE

19. Tunku Abdullah ibni Al-Marhum Tuanku Abdul Rahman asks the Prime Minister whether he is aware that passages to Cairo for Enche' Hasnul Hadi and Enche' Abdul Aziz bin Ishak to attend the recent Conference of Non-aligned Nations were paid through an Indonesian source and if so whether he has information if the two persons have made any contact with the enemy while they were in Cairo.

The Prime Minister: Mr Speaker, Sir, Enche' Hasnul Hadi and Enche' Abdul Aziz bin Ishak went to Cairo allegedly to attend the Non-aligned Conference as observers, but they were not seen around the vicinity of the Conference. All I can say is that the trip of these two persons was certainly made under very suspicious circumstances and their activity in Cairo was not as what they have claimed it to be, i.e., to attend as observers. I have also information—of course, it is not confirmed—about the meeting they had on the 8th of October with General Djatikusumo at the Indonesian Embassy. In the absence of any proof or evidence of collaboration, there is nothing we can do. All we can expect in the circumstances is to let all loyal Malaysians know these two gentlemen for what they are and not what they pretend to be as citizens of this country.

Dr Tan Chee Khoon: Supplementary question, Mr Speaker, Sir. The question specifically asks: Is the Prime Minister aware that the passages of these two gentlemen were paid through an Indonesian source? May the House have an answer from the Honourable Prime Minister?

The Prime Minister: Would you put it again please?

Dr Tan Chee Khoon: The question is: "Is the Prime Minister aware that the passages to Cairo for Enche' Hasnul

Hadi and Enche' Abdul Aziz bin Ishak to attend the recent Conference of Non-aligned Nations were paid through an Indonesian source?" Mr Speaker, Sir, the Honourable Prime Minister has not answered that specific question.

The Prime Minister: Well, as I said, they obtained their passages under very suspicious circumstances. I would not pinpoint it though to Indonesian source, because I have got no evidence to prove it. All I can say is that the tickets were booked at a certain place and paid for by a certain person, but I think it would not be right for me to disclose that.

Dr Tan Chee Khoon: Since this is a matter of importance to us in the Socialist Front, last night I rang up Enche' Abdul Aziz bin Ishak himself. He told me that he had booked these passages for himself and Enche' Hasnul Hadi, that he is paying for these two passages on an instalment basis, and that he has only paid for part of the passages and these can be verified easily by the Special Branch. Sir, in view of the ambiguous reply, any imputation that the passages were paid for from an Indonesian source is mischievous.

Tunku Abdullah: Supplementary question. Should evidence be found that the passages were paid for from an Indonesian source, would the Government take any action on it?

The Prime Minister: It very much depends what is the Indonesian source, so to speak. It may be that Indonesians are friends of these two gentlemen, in which case there is nothing I or this Government can do. On the other hand, if it is proved that the passage money was paid for by the Indonesian agents who are here to subvert the lawful authority of this Government, then perhaps we would give the matter a second thought; but offhand, to be quite honest, I cannot say what I propose to do about this, because I have my colleagues to consult and the man responsible in matters of this kind is my next-door neighbour, Dr Ismail, who is the

Minister of Home Affairs. I think that is about all I need answer here.

FREE PRIMARY EDUCATION IN SARAWAK—INTRODUCTION

20. Enche' Edwin anak Tangkun (Sarawak) asks the Minister of Education whether the Central Government proposes to introduce free primary education in the State of Sarawak, and if not, when does it propose to do so.

Enche' Abdul Rahman bin Haji Talib: Mr Speaker, Sir, the subject is still under discussion with the Sarawak Government and until this discussion is finalised and a decision reached, it is not possible that free primary education will be introduced in Sarawak.

21. Enche' Edwin anak Tangkun asks the Minister of Education, in view of the fact that the proposal has been heard for some time, if he has any plan to extend free primary education in 1965 to Sarawak State.

Enche' Abdul Rahman bin Haji Talib: The question has been answered in my reply to question No. 20.

TRAINING OF DAYAK TEACHERS TO TEACH IN PRIMARY SCHOOLS, SARAWAK

22. Enche' Edwin anak Tangkun asks the Minister of Education whether the Central Government is planning to train Dayak teachers in Malaya to meet the needs of the increasing use of the Malay language to enable them to teach the Malay language in primary schools in the State of Sarawak, if not, when does it propose to do so.

Enche' Abdul Rahman bin Haji Talib: Mr Speaker, Sir, the Ministry of Education has no plans to train Dayak teachers in Malaya. However, the Ministry of Education has recently seconded to Sarawak an experienced teacher from Malaya to train Sarawak teachers to teach the National language.

Honourable Members may be interested to know that the National language is already being taught in

about 260 primary schools and 51 out of 77 secondary schools in Sarawak.

PROVISION OF ADDITIONAL RIVER TRAVELLING DISPENSARIES FOR ULU IN SARAWAK

23. Enche' Sim Boon Liang (Sarawak) asks the Minister of Health whether the Central Government will consider establishing more River Travelling dispensaries to visit Ulu areas in Sarawak, especially in Ulu Oya, Mukah and Balingian in the Third Division and to advise Ulu people on health matters since many longhouses and kampongs are situated far away from places where Government doctors or Hospital Assistants are stationed.

The Minister of Health (Enche' Bahaman bin Samsudin): Mr Speaker, Sir, under the First Malaysia Development Plan 1966-1970, additional river travelling dispensaries will be made available for service in Sarawak. They will cover remote areas like Ulu Oya, Mukah and Balingian in the Third Division. If fund is available in 1965 my Ministry will consider having additional river travelling dispensaries for such remote areas.

Enche' Sim Boon Liang: For instance the population of Ulu Oya is 15,000, with only one Hospital Assistant I understand in 1965 there will be only one Hospital Assistant in Btg Oya. Is one Hospital Assistant sufficient to look after the health of such a big population in my area?

Enche' Bahaman bin Samsudin: That is entirely a different question, Sir.

Dr Tan Chee Khoon: In view of the fact that recently there has been an outcry against the shortage of drugs in Government hospitals, will the Honourable Minister of Health give us an assurance that these travelling dispensaries will be adequately stocked with drugs and other supplies?

Enche' Bahaman bin Samsudin: There is no shortage of drugs—at any time.

Dr Tan Chee Khoon: Mr Speaker, Sir, may I ask the Honourable Minis-

ter of Health whether he refers to these places mentioned—Ulu Oya, Mukah and Balingian—or to other parts of Malaysia?

Enche' Bahaman bin Samsudin: That is entirely a different question, Sir.

SITTINGS OF THE HOUSE

(Motion)

The Minister of Home Affairs and Justice (Dato' Dr Ismail bin Dato' Haji Abdul Rahman): Mr Speaker, Sir, I beg to move:

That pursuant to the provisions of paragraph (1) of Standing Order 12, this House hereby orders that during the present meeting the provisions of—

- (a) sub-paragraph (a) of paragraph (1) shall be construed as if for the words “or Thursday” there were substituted the words “Thursday or Saturday”;
- (b) paragraph (3) shall be construed as if for the word “Fridays” there were substituted the word “Saturdays”.

The Minister of Finance (Enche' Tan Siew Sin): Mr Speaker, Sir, I beg to second the motion.

Question put, and agreed to.

Resolved,

That pursuant to the provisions of paragraph (1) of Standing Order 12, this House hereby orders that during the present meeting the provisions of—

- (a) sub-paragraph (a) of paragraph (1) shall be construed as if for the words “or Thursday” there were substituted the words “Thursday or Saturday”;
- (b) paragraph (3) shall be construed as if for the word “Fridays” there were substituted the word “Saturdays”.

EXEMPTED BUSINESS

(Motion)

Dato' Dr Ismail: Mr Speaker, Sir, I beg to move:

That notwithstanding the provisions of Standing Order 12 (1), this House, after the presentation of Government Bills, shall stand suspended and shall resume at 2.30 p.m. and continue until the motion for the Second Reading of the Supply Bill, 1965 has been seconded, whereupon it shall stand adjourned.

Enche' Tan Siew Sin: Mr Speaker, Sir, I beg to second the motion.

Dr Tan Chee Khoon: Mr Speaker, Sir, the motion by the Acting Deputy Prime Minister . . .

Dato' Dr Ismail: According to Standing Order there is no debate on this type of motion.

Question put, and agreed to.

Resolved,

That notwithstanding the provisions of Standing Order 12 (1), this House, after the presentation of Government Bills, shall stand suspended and shall resume at 2.30 p.m. and continue until the motion for the Second Reading of the Supply Bill, 1965 has been seconded, whereupon it shall stand adjourned.

BILLS PRESENTED

THE ELECTIONS (AMENDMENT) BILL

Bill to amend the Elections Ordinance, 1958; presented by the Prime Minister; read the first time; to be read a second time at a subsequent sitting of this House.

THE PARLIAMENT (MEMBERS' REMUNERATION) (AMENDMENT) BILL

Bill to amend the Parliament (Members' Remuneration) Act, 1960; presented by the Prime Minister; read the first time; to be read a second time at a subsequent sitting of this House.

THE DISTRIBUTION OF GERMAN ENEMY PROPERTY (REPEAL) BILL

Bill to repeal the Distribution of German Enemy Property Ordinance, 1959, to dispose of such of the German enemy property as is now held in a trust fund formed by virtue of that Ordinance, and to provide for matters incidental thereto; presented by the Assistant Minister of Justice; read the first time; to be read a second time at a subsequent sitting of this House.

THE TRANSFER OF FUNCTIONS (REGISTRAR-GENERAL OF SARAWAK) BILL

Bill to provide for the transfer of certain functions from the Registrar of the High Court in Borneo to the Registrar-General of Sarawak; pre-

sented by the Assistant Minister of Justice; read the first time; to be read a second time at a subsequent sitting of this House.

THE WARRANTS AND SUMMONSES (SPECIAL PROVISIONS) BILL

Bill to provide for the execution of magistrates' warrants, and the service of magistrates' summonses, throughout Malaysia; presented by the Assistant Minister of Justice; read the first time; to be read a second time at a subsequent sitting of this House.

THE SUPPLY BILL, 1965

Bill to apply a sum out of the Consolidated Fund for the service of the year 1965 and to appropriate that sum and such other sums as have been authorised to be issued for the service of that year; presented by the Minister of Finance; read the first time; to be read a second time at 2.30 p.m. this afternoon.

THE CONSOLIDATED FUND (NATIONAL SECURITY EXPENDITURE) BILL

Bill to apply a sum out of the Consolidated Fund towards expenditure during the financial year 1965 in connection with the defence of the Federation, the maintenance of internal security and public order and related matters; presented by the Minister of Finance; read the first time; to be read a second time at a subsequent sitting of this House.

THE CUSTOMS (AMENDMENT No. 2) BILL

Bill to amend the Customs Ordinance, 1952; presented by the Minister of Finance; read the first time; to be read a second time at a subsequent sitting of this House.

THE TOLLS (ROADS AND BRIDGES) BILL

Bill to provide for the payment of tolls for the use of certain roads and bridges; presented by the Minister of Works, Posts and Telecommunications; read the first time; to be read a

second time at a subsequent sitting of this House.

THE RAILWAY (AMENDMENT) BILL

Bill to amend the Railway Ordinance, 1948; presented by the Minister of Health; read the first time; to be read a second time at a subsequent sitting of this House.

THE ESTATE HOSPITAL ASSISTANTS (REGISTRATION) BILL

Bill to provide for the registration of estate hospital assistants and probationer estate hospital assistants and for matters connected therewith; presented by the Minister of Health; read the first time; to be read a second time at a subsequent sitting of this House.

THE EDUCATION (AMENDMENT) BILL

Bill to amend the Education Act, 1961; presented by the Minister of Education; read the first time, to be read a second time at a subsequent sitting of this House.

THE FEDERAL INDUSTRIAL DEVELOPMENT AUTHORITY (INCORPORATION) BILL

Bill to incorporate the Federal Industrial Development Authority to be charged with responsibility for the promotion and co-ordination of industrial development in the Federation; presented by the Assistant Minister of Commerce and Industry; read the first time; to be read a second time at a subsequent sitting of this House.

THE COMPANIES (VOTING RIGHTS) BILL

Bill to make further provision with respect to the laws relating to companies; presented by the Assistant Minister of Commerce and Industry; read the first time; to be read a second time at a subsequent sitting of this House.

THE IMMIGRATION (AMENDMENT) BILL

Bill to amend the Immigration Ordinance, 1959; presented by the Minister

of Home Affairs; read the first time; to be read a second time at a subsequent sitting of this House.

THE VAGRANTS BILL

Bill to provide for the care and rehabilitation of the destitute and for the control of vagrancy; presented by the Minister for Welfare Services; read the first time; to be read a second time at a subsequent sitting of this House.

THE PORT AUTHORITIES (AMENDMENT) BILL

Bill to amend the Port Authorities Act, 1963; presented by the Minister of Health; read the first time; to be read a second time at a subsequent sitting of this House.

Mr Speaker: the sitting is suspended until 2.30 p.m. this afternoon.

Sitting suspended at 11.40 a.m.

BILL

THE SUPPLY (1965) BILL

Second Reading

The Minister of Finance (Enche' Tan Siew Sin): Mr Speaker, Sir, I beg to move that a Bill intituled "An Act to apply a sum out of the Consolidated Fund for the service of the year 1965 and to appropriate that sum and such other sums as have been authorised to be issued for the service of that year", be read a second time.

On the occasion of the first Malaysian Budget last year, I stressed the importance of the Federal Budget as the Government's major instrument for forging coherent financial and economic policies. This second Malaysian Budget which I have the honour to present, is even more indicative of the positive character of the Government's policies and objectives at this juncture of our new nation's history.

Malaysia's first year has been an eventful one. A determined attempt has been made by a large neighbour to crush our nation by political, economic and military means. The fact that we have calmly faced the challenge, and have stood firm and prepared on all fronts is the achievement of 1964. In

the political field our position is gaining increasing international recognition and sympathy. I would also like to call attention to the fact that on the economic and financial fronts, the assaults that have been made have not caused any crisis or loss of confidence. The losses in entrepot trade have not caused major dislocations, and their disruptive effects are being successfully countered. In 1965 we must strengthen our resolution not only to defend our sovereignty and territorial integrity, we must also strive to maintain the basic soundness of our economy, and plan, as well as achieve further development.

International Economic Review—

Allow me first to paint a rough picture of the international economic situation as we see it today. In most of the industrial economies the level of economic activity continued to rise during the past year. In the United States the expansion is now in its 45th month, the longest sustained peacetime advance in United States economic history except for the period of recovery from the depths of the depression in 1932. The major unsolved problems to which I referred last year, unemployment and the balance of payments, have both seen significant improvement although further progress is still hoped for. With the economy moving ahead into 1965, the outlook is favourable for the coming year although there is some concern over inflationary forces.

Last year, at this time, the industrial economies of Europe were advancing on a broad front with some countries already facing serious inflationary pressures. Based on the built-in impetus to expansion created by the development of the Common Market and the European Free Trade Association, industrial production and foreign trade have risen strongly in 1964, with some countries undergoing further orderly expansion while others have been forced to take stringent measures to curb domestic demand in defence of their external positions. The expansion in economic activity in Britain again led to balance of payments

difficulties. Pressure on Britain's gold and foreign exchange reserves has been mitigated to some extent by increases in the London balances of other Sterling Area countries. Nevertheless the British balance of payments deficit in 1964 will be substantial. The new Labour Government has taken steps to remedy the position but it is too early to judge whether these will be adequate.

The most remarkable expansion of all of course has continued to be in Japan where national income has increased by one half since 1960, and where per capita income has already surpassed levels in southern Europe. With capital formation accounting for as much as 40% of GNP, exports growing at an average rate of 13% per year, and manufacturing output up over 200% since 1955, it appears quite likely that the target set in the 1960 Japanese plan, of a doubling of national income by 1970, will be attained.

Canada is also enjoying a fourth year of expansion, with exports, industrial output and other indicators continuing to rise. The same broad picture holds true of Australia and New Zealand. The economies of these three high income Commonwealth countries have been moving from strength to strength.

The overall picture in the industrial non-Communist economies was one of high and rising activity particularly in motor cars, consumer goods and industrial investment. In this continuing buoyant economic environment, the primary producing countries as a whole have experienced a modest improvement in their trade and foreign exchange reserve position due to increases in the prices of several primary products, especially metals. This relative improvement in the gains from international trade obtained by the less developed countries in 1964 does not of course detract in the least from the importance of working out schemes for greater liberalisation of imports of manufactured goods by the richer nations, as urged by the historic though abortive conference on world trade and development held earlier this year in Geneva.

Malaysian Economic Review

For Malaysia, the beneficial effects of continuing world economic expansion are welcome. Yet the particular conditions of supply and demand for our two major export products have been such as to dampen the benefits somewhat in the short term and to reinforce our need to diversify the economy in the long term.

Rubber production in the States of Malaya during the first eight months of this year amounted to about 525,000 tons, an increase of roughly 4.4% over the same period last year. Were it not for a severe wintering of the trees early this year, the comparison would have been even more favourable. If the same rate of increase is maintained for the rest of this year, production should reach around 815,000 tons, slightly higher than the amount estimated at this time last year, as against a figure of 783,000 tons in 1963. Malaysian production is estimated at 886,000 tons for 1964 against an actual production of 850,000 tons for 1963. Incidentally, when referring to Malaysian figures for 1963 and earlier years for purposes of comparison, I am of course using consolidated data for the then separate components.

The volume of rubber exports from the States of Malaya up to August was slightly higher than in the first eight months of 1963 despite a sharp fall in imports of rubber from Indonesia. Prices however were substantially lower, RSS No. 1 averaging 67 cents per lb in the first eight months compared with 75 cents in the same period last year. As a result, the value of gross rubber exports declined \$73 million, or over 8.5%; however, after allowing for the fall in rubber imports meant for the entrepot trade, the net decline in rubber earnings amounted to \$57 million, or 6.2%. The total of net exports from Malaysia is expected to reach a figure of 857,000 tons this year, against a figure of 840,000 tons for 1963. For the purpose of the 1965 Budget, we are assuming a net export figure of 916,000 tons sold at an average price of 62 cents per lb.

Although average rubber prices are significantly lower than those obtainable last year, they have held up better than forecast by the experts. It can be argued that the recent strength in prices cannot be expected to continue, unless there is a worsening of confrontation that might interfere with the flow of supplies to world markets. Admittedly, underlying the political uncertainties which have raised prices recently, there remain the basic long term factors with which we are all familiar—increasing competition from synthetics, reductions in synthetic prices, synthetic excess capacity and the appearance of new synthetics alleged to be technically equal to natural rubber. In 1963 synthetic supplied 51% of the market; in the first half of this year that share rose to 54%. Although total world rubber consumption increased by 4.5% in the first six months of 1964, consumption of natural may even have dropped slightly. In spite of expert prognostications to the contrary, I still think, taking a broad view, that a price of 70 cents per lb. for RSS No. 1, or even higher, is not an unreasonable long term price to expect for natural rubber, taking all factors into account. This, of course, should not blind us to the lessons which we have learnt in the past. Replanting, new marketing methods, further increases in efficiency, i.e., all possible measures to maintain the competitive position of natural rubber, must be vigorously pursued.

The price of tin has risen much higher than was expected at this time last year. Although the rise in price was stimulated by market nervousness over temporary difficulties in some producing countries, the underlying cause was a widening gap between world demand and supply, a gap due to rising requirements for tin in the face of the very limited scope for expansion of output. In other words, tin prices have been reflecting the basic fact that the lower prices prevailing last year were inadequate to induce growth in output sufficient to meet world requirements.

The response of tin production to higher prices cannot be rapid, and in

Malaysia is not likely to be dramatic even after higher prices have prevailed for a sufficient length of time to make high-cost mines profitable. This is due to the limited reserves available. Since prices began moving up last August, over 90 non-dredging mining units have opened up and mining employment has risen by over 1,000 persons. Yet production in the first nine months of 1964 was slightly lower than that for the same period in 1963.

After making allowance for the drop in imports of tin for smelting and re-export, the value of net tin exports in the first eight months of this year rose by \$52 million or 16%, not quite enough to offset the fall in rubber earnings from the States of Malaya. Malaysian production is expected to reach a figure of some 59,000 tons this year, against a figure of 60,000 tons for 1963. For the purpose of the 1965 Budget, we are assuming a net export figure of 59,000 tons sold at an average price of £1,275 per ton or \$650 per picul.

Iron ore production and export volume up to August were down by nearly 500,000 tons from last year, a drop of 10%, while value declined by \$15 million or 13%. Production of palm oil in Malaysia in the first half of this year declined by 6,000 tons or 11%, compared with the corresponding period of 1963 owing to a prolonged strike on one major estate and relatively dry weather early in the year. Net exports of palm oil rose slightly, however, while value rose 10% as a result of an improvement in prices. Production of palm oil in Sabah, while still quite small, is rising very rapidly. Production of copra and other coconut products declined due to the cut in coconut imports and the continued relative weakness in this sector of the economy. In contrast, production of sawn timber in the first half of 1964 continued to rise following the very sharp increase experienced the year before, and exports of logs and sawn timber in this period rose by \$8 million or 28%. Exports of pineapple products also did well, increasing by over \$3 million or 22% during the first six months of this year compared with

the same period last year, while exports of many minor items also increased.

Between 1961 and 1963 it is estimated that the Gross National Product of Malaysia increased from roughly \$8,775 million to \$9,660 million. This indicates that the Gross National Product was increasing at about 5% per annum during the period. From a forecast prepared for 1964 by the Department of Statistics, it would appear that the Gross National Product will increase by more than \$650 million over 1963. This would represent a growth rate of nearly 7% for Malaysia.

This is a gratifying record of economic advance at a time of international strain. Much of this advance is the result of a sharp increase in investment expenditures. Between 1961 and 1963 Gross Capital Formation in Malaysia rose from \$1,350 million per annum to \$1,700 million per annum, an increase of about 26%, or an annual increase of approximately 13%. It is expected that there will be a further increase in Gross Capital Formation of approximately \$235 million in 1964. This would represent an increase of approximately 14%, reflecting increased Government investment. Since 1961, Gross Capital Formation is expected to have risen from 15% of gross domestic product to a high of 19% in 1964.

Total investment during 1964 in the States of Malaya is expected to increase by approximately 11%, in Singapore by 16%, in Sarawak by 26% and in Sabah by 25%. In the States of Malaya alone, investment in the public sector is expected to increase by \$100 million, or in percentage terms, by 20%. The role of public sector investment in Sarawak is expected to be even greater in 1964 with more than half of total capital formation being accounted for by the public sector. This is largely due to the heavy development expenditure now being incurred by the Central Government in Sarawak. In Sabah there will be substantial increases in the rate of investment both in the public and private sectors. While public sector

investment has been increasing, investment in the private sector in all territories of Malaysia also continues to rise.

I have already referred to specific increases in agricultural and mining production. The manufacturing sector has also shown steady progress. Preliminary information from the survey of manufacturing industries of the States of Malaya for 1963 indicates an increase in that sector's contribution to GNP of approximately 10% between 1962 and 1963. Full time employment increased from 52,000 in 1962 to a new record figure of 55,000 in 1963 representing an increase of approximately 5%. Salaries and wages paid increased by 7%. Production data for selected manufacturing industries in the first six months indicate a continuing upward trend for 1964. Consumption of electric power by industrial and commercial users rose 9.7% in the first seven months of this year compared with the same period last year; in Singapore, industrial and commercial power consumption rose 7.8% in the first five months. There has been a very substantial increase in the Malayan pioneer sector's contribution to GNP: the increase was from approximately \$35 million in 1962 to \$70 million in 1963. This increase of about 100% was due to the expansion of existing establishments and the starting of new units of production. Petroleum refining, tyre and chemical manufacturing accounted for a major part of the increase. Although the pioneer group of industries is expanding rapidly in terms of full time employment, the group still accounts for less than 10% of total employment in the manufacturing sector. Comparable data for the other States of Malaysia is not available but it is quite evident that progress in the manufacturing sector as a whole in Malaysia while not spectacular, is satisfactory.

By all indications, therefore, economic activity in Malaysia is continuing at a high level and the nation's output and welfare continues to grow at a satisfactory rate—a tribute to the diligence of the labour force, the

confidence of investors, the resilience of our commercial sector, and the large development expenditures of the public sector.

Finally, it is worth noting that this record of continuing economic expansion has been achieved without inflation. The cost of living index in the States of Malaya, which had risen 4.4% last year owing to increases in certain food prices, had dropped back from 104.4 last December to 101.1 by July of this year. In Sabah, however, labour costs appear to have risen due to the shortage of labour, a subject to which I will return later.

Employment

In June 1964 the Department of Statistics carried out a Sample Survey of Households in the five metropolitan towns of the States of Malaya, viz. Kuala Lumpur and Petaling Jaya, Georgetown, Ipoh, Klang and Port Swettenham, and Johore Bahru, covering civilians aged between 15 and 70. The survey was designed to obtain information about trends in employment and unemployment in these metropolitan areas and to enable a comparison to be made with the position as indicated by the 1962 National Survey of Employment, Unemployment and Under-employment.

In 1962 approximately 6.2% of all males aged 15 to 70 in these metropolitan towns were unemployed. In June of this year the percentage was 6.3%, thus indicating that there has been very little change in male unemployment. As a percentage of the total male labour force, male unemployment in 1962 was 7.4% while in 1964 it was 7.6%. For females there was a slight increase from 4.9% in 1962 to 5.4% in 1964. This increase in female unemployment was largely in the 15-19 age group and represented female workers who had never worked before. The pattern of unemployment by age groups for both sexes has not altered much between 1962 and 1964. The highest rate of unemployment remains in the age group 15-24.

In 1962 approximately one-half of one per cent of the employed males in these towns were underemployed.

The results of the 1964 survey indicate that the percentage of males underemployed in the metropolitan towns amounted to 2% of total employed males. These small increases are partly accounted for by the impact of Indonesian confrontation which affected employment in metropolitan towns to some small extent. What is remarkable is that the employment effects have been so limited in Singapore. The initial unemployment caused by confrontation has been almost entirely absorbed in other activities.

As unemployment in Malaysia is largely structural, overnight remedies cannot be expected. The long term answer is to increase productive capacity both in the public and private sectors at an adequate rate. The objective of increasing development expenditures is to increase productive capacity and thereby raise employment levels.

Balance of Payments

I now wish to say a word or two on our balance of payments position. In 1960, Malaysia had a surplus on current account of about M\$150 million. Since then, the position has deteriorated. The current account deficit in 1961 amounted to M\$280 million and this rose to \$410 million in 1962 and M\$665 million in 1963. The adverse current account balance is expected to be only slightly less in 1964 than it was in 1963. The dramatic swing from a current account surplus to a substantial deficit was due mainly to large increases in imports and a considerable decline in exports. The sharp fall in export proceeds was, of course, the result of falling rubber prices—from 106.5 cents a pound in 1960 to 72.9 cents in 1963. Although the volume of rubber exports increased, it was insufficient to offset this steep fall in price.

Imports, especially of capital goods, rose from M\$4,415 million in 1960 to M\$5,030 million in 1963, an increase of almost 15% in three years. As a result of the loss of the Indonesian trade, Singapore's deficit on mer-

chandise account in 1963 increased by slightly over M\$200 million, compared with 1962.

In spite of the substantial and persistent current account deficits in the balance of payments during the past three years, Malaysia's capital account has remained strong. In 1960, the current account surplus, coupled with a large inflow of both private long term capital and official loan receipts, resulted in an increase of M\$557 million in the region's official foreign reserves, and although the current account deficits for 1961 and 1962 were large, they were offset to a considerable extent by inflows of private long term capital and official loan receipts. As a result, the balance on current and capital account taken together showed a surplus of M\$29 million in 1961 and a deficit of only M\$31 million in 1962. From the foreign reserve point of view, 1963 seems to have been a balanced year—the exceptionally large current account deficit of M\$665 million was partly financed by sizeable inflows of private long term capital amounting to M\$380 million and overseas loan receipts amounting to M\$85 million. Although official reserves increased by about M\$50 million, this amount was offset completely by decreases in the foreign exchange reserves of commercial banks. Total gross foreign reserves therefore remained unchanged at M\$3,988 million at the end of 1963. These reserves were equivalent to approximately 80% of Malaysia's 1963 imports at f.o.b. values.

Malaysia's balance of payments prospects for 1964 have been subject to practically the same economic influences that have operated in previous years. Apart from the adverse effects of confrontation, which has resulted in the total trade of Malaysia declining in absolute terms, the dominating factors are the accelerated rate of capital expenditure as the development and industrialisation programmes of the country gather momentum and the continued adverse trend in the terms of trade brought about by falling rubber prices. The present tin price, however, if maintained, will offset to

some extent the adverse impact of declining rubber prices. Total imports, especially of equipment and machinery, continue at high levels. Imports of military goods and equipment are also rising.

For 1964, the current account deficit is now expected to amount to roughly M\$650 million. This deficit is again being largely offset by inflows of private capital and foreign loans and grants so that the fall in total foreign exchange holdings is not expected to be large. Gross foreign reserves, including official reserves and the foreign exchange holdings of the commercial banks, are expected to fall by roughly M\$100 million or 2.6% this year to about M\$3,890 million. At this level, however, the gross foreign reserves stand at 30% above the level at which they stood at the end of 1959. For 1965, it is not possible to make an accurate forecast. Much will depend on political events, on the pace of our military build-up and on the volume of aid receipts.

In this connection, Hon'ble Members will have seen Press reports of the discussions which we have held with the representatives of Britain, Australia and New Zealand on the extent and nature of the financial aid which we are seeking from these three countries. These discussions have now reached a stage where we are coming down to brass tacks, if I may use a colloquial but nonetheless expressive phrase. We have represented to our friends that aid now would achieve far more than more substantial aid later on. A second consideration is that, in the Borneo States, the problems with which we have presently to deal and which are costing and will cost massive amounts of money, are those which we inherited from Britain. It is therefore not improper that we should now seek assistance on this score. I would not wish to say more at this stage while negotiations are still in progress. Suffice it to say that we have so far received a sympathetic hearing which we must all hope will eventually be translated into concrete terms.

Money Supply and Commercial Banking

The non-inflationary character of the continuing rise in economic activity is also reflected in the changes in the money supply. The estimated gross currency circulation in Malaysia at the end of June, 1964, was M\$1,182 million 2.8% higher than the M\$1,150 million level reached at the end of June, 1963. Similarly, there was an increase of 3.9% in the estimated active currency circulation, i.e., the amount of notes and coins in the public, which was M\$1,077 million at the end of June, 1964, compared with M\$1,036 million at the end of June, 1963. The estimated total money supply for Malaysia rose by about 3.2%, from M\$2,005 million at the end of June, 1963, to M\$2,069 million at the end of June, 1964.

In the first half of 1964, loans and advances by the commercial banks to the private sector increased by M\$170 million, or 10.2% above the amounts outstanding at the end of 1963. The commercial banks also lent an additional M\$48 million to the Government, largely in the form of Treasury Bills. These expansionary factors were offset by increases in Government deposits with Bank Negara and by an impressive 8.5% rise in private fixed and savings deposits. These last two factors, i.e., the rise in Government deposits at the Central Bank, and in private fixed and savings deposits, had the effect of reducing the money supply, and, in combination with other miscellaneous factors, of more than offsetting the expansionary changes. For the second half of 1964, the money supply is expected to show an increase which should result in an overall growth in the supply of about 4% during 1964.

The upward trend of commercial bank deposits and advances over the last few years continued during this year. Total deposits of the commercial banks increased from M\$2,423 million at the end of August, 1963, to about M\$2,575 million at the end of August, 1964. In line with this trend, total bank credit, including the financing of trade bills, increased from M\$2,005

million in August, 1963, to about M\$2,275 million in August, 1964.

A money market is taking shape and its development has been taken a step further by the establishment of Malaysia's first discount house. As a result of the extension of Bank Negara's operations to Singapore and its trading in the securities and Treasury Bills of the Central Government and the State Government of Singapore, there has been a considerable growth in such dealings. Hon'ble Members will recall that the limit to the amount of Treasury Bills which the Central Government was authorised to issue was raised from M\$150 million to M\$300 million from the beginning of this year. The need for this action is evidenced by the fact that the amount of Treasury Bills outstanding is now in excess of M\$200 million. In the main, Government loan raisings continue to be in long term securities but a further issue during the year of 2-year and 5-year securities has ensured an adequate supply of short term paper to the market. The Central Bank is also able to supplement this supply by sales from its own portfolio. As a result trading in Government securities has been stimulated.

In order to increase the rate and volume of savings I announced recently that the Government was giving urgent consideration to the possibility of raising the rate of interest paid by the Post Office Savings Bank on deposits held by it. This was done as a deliberate act of policy in order to highlight the importance of saving. Increased savings could well be a major key to the problem of increasing investment in industry, which would be the main stimulant to accelerated economic growth. Resources in ever increasing amounts are needed by both the public and private sectors of the economy for the implementation of projects designed to increase the national income of the country. It is therefore important for everyone to realise that by spending less and saving more he is making resources available for the building of roads, land development schemes, the setting up of indus-

tries, construction of houses, and so on, thus contributing to the economic development of the country.

Currency Arrangements

With regard to currency arrangements, I indicated last year when I addressed the House on Budget Day, that it would be necessary to negotiate with the Brunei Government for the taking over of the assets and liabilities of the Currency Board by Bank Negara Malaysia if the complicated and rather long drawn out process of liquidation of the Currency Board in accordance with the provisions of the Currency Agreement was to be avoided. I stated that we were willing to extend our full co-operation and assistance to Brunei if it wished to use, in place of the present currency issued by the Board, Malaysian currency to be issued by Bank Negara. I had expressed the hope that negotiations would be successfully concluded with mutually beneficial results.

However, although we have had a preliminary exchange of views on the matter with the Brunei Government and submitted our proposals to it, it has not been possible to reach agreement. As it is most important that our own Central Bank should become the currency issuing authority for Malaysia without further delay, it is necessary for us now to give notice of replacement to the Currency Board in accordance with the provisions of the Currency Agreement. A resolution to this effect in accordance with the provisions of section 11 of the Currency Act will be moved in this House at a later sitting.

Financial arrangements with Singapore

The terms of paragraph 8 of Annex J to the Malaysia Agreement provide that the existing arrangements for the apportionment of Singapore revenue between the Central Government and the State Government of Singapore shall remain in operation until 31st December, 1964, and would then be subject to review. These arrangements have been in force for just over a year and during that time it has not been possible to determine precisely

how they have worked out in practice as the results of a full year's working will not be available until some time next year. It is, therefore, difficult to say whether they have been fair or unfair to one side or the other at this stage and, in the circumstances, we have proposed to the Singapore Government that they should remain in force for another full year before a review is embarked upon. Alternatively, it has been suggested to Singapore that even though the review would take place next year, any revision recommended as a result of such review could be made retrospective to 1st January, 1965.

Public Debt

During 1964 there has been no significant change in Government's borrowing policy. No foreign loans have been raised in 1964 but applications have been made to the World Bank for loans to help finance the Muda Irrigation Scheme, and water and electricity supply projects in Singapore. Up to 10th October the Government had raised domestic loans totalling M\$146 million this year. The bulk of subscriptions continued to be received from the Employees Provident Fund.

If we exclude the amounts provided in the Estimates of Expenditure for 1964 and 1965 for the repayment of maturing loans from the Charges on Account of Public Debt, the comparable debt service figures are M\$137.6 million in 1964 and M\$132.8 million in 1965, a reduction of M\$4.8 million.

In a moment I will explain the reason for this reduction in debt service which has occurred despite an increase in the volume of domestic debt.

The main variations between the 1964 and 1965 estimated expenditure are as follows: Interest has risen by M\$9.25 million from M\$80.64 million to M\$89.89 million. This increase is due primarily to the expansion of the domestic funded debt from M\$1,292.6 million to M\$1,491.8 million, as there has been no variation in the rates of interest payable, at least up to this morning. Interest on foreign loans has declined slightly.

Sinking fund charges for sterling loans remain unchanged at M\$3.98 million but the charges for local loans have been reduced by M\$16.32 million from M\$33.88 million in 1964 to M\$17.56 million in 1965. The appropriations in 1964 were made on the basis shown in the footnote to Head C 12 of the 1964 Estimates. In many cases the sum appropriated was in excess of the amount stipulated in the prospectus of each loan. It has, however, now been decided that future appropriations to sinking funds for domestic loans would be made at the minimum rate specified in the prospectus of each loan. This decision has been taken having regard to the fact that the majority of domestic loans are held by the Employees Provident Fund which will need to convert its holdings on maturity rather than have them redeemed in cash. Secondly, the large annual appropriations had to be invested abroad owing to the limited stock available at home, thus increasing the burden on the balance of payments at a time of rising development and security expenditures involving substantial foreign exchange commitments. I wish to assure Hon'ble Members that the change in sinking fund policy is technical only and in no way reduces the security of Government stock.

Federal Government Accounts

Let us now turn to the accounts of the Federal Government. Revenue for 1963 reached a total of \$1,150 million compared with the original printed estimate of \$1,022 million, i.e. an underestimate of \$128 million. Income tax accounted for \$45 million of this underestimate. The actual yield from this source was by far the most striking underestimate. Ordinary Budget expenditure at \$1,277 million was \$189 million more than the original estimate of \$1,088 million. As Hon'ble Members will perhaps have guessed, this came about mainly as a result of increased contributions to the Development Fund—from the original \$50 million to \$200 million, and increased expenditure on the Police, defence and education. Development Budget expenditure turned out at \$455 million,

compared with the original printed estimate of \$493 million.

The Ordinary Budget in 1963 was in deficit by an amount of \$127 million, but if allowance is made for transfers to the Development Fund and to certain other statutory funds which were included in Ordinary Budget expenditure, the current account in fact showed a surplus of \$94 million. Taking into account the Development Budget expenditure of \$455 million and receipts of \$5 million credited direct to the Development Fund, the overall deficit on Federal Government account for 1963 therefore amounted to \$356 million. This was partly financed by domestic borrowing totalling \$210 million and foreign borrowing of \$60 million. Federal Government accumulated assets fell by \$78 million. The balance of \$8 million was accounted for by a net credit arising from the operations of various trust funds.

As I pointed out last year, the Federal Government's accounts for 1963 mainly relate to the former Federation of Malaya and was only marginally affected by the establishment of Malaysia. The financial arrangements in respect of revenue and expenditure allocations embodied in the Malaysia Act did not come into operation until 1st January, 1964, in so far as Sarawak and Sabah were concerned. The financial arrangements for Singapore as embodied in the Malaysia Act and Annex J to the Malaysia Agreement, and further elaborated in the Federal Revenues (Singapore) Order, 1963, provided for payment by the Singapore Government to the Federal Government of the excess of revenue receivable by the Federal Government over Federal expenditure on Federal services provided in Singapore and borne by the Singapore Government for the period from Malaysia Day to the end of 1963. The net sum turned out to be only \$600,000 and this has been included in the revenue figure for 1963 which I have given.

The 1964 accounts cover the operations of the Federal Government in the first full financial year of Malaysia. As Hon'ble Members are aware, the Malaysia Act grants a greater degree

of autonomy to Singapore than to the other States, and certain financial provisions relating to Sarawak and Sabah are also different from those relating to the States of Malaya. In the main, Federal Government receipts include revenue received from Federal taxes in the States of Malaya, Sarawak and Sabah, and 40% of the receipts of the Malaysia-Singapore Joint Fund into which all Federal revenues collected in Singapore are paid. While Federal expenditure includes, for example, all defence and Police expenditure in Singapore, it does not provide for expenditure on education, health, labour and social welfare which are specifically Singapore State subjects, or for expenditure on health in Sabah which remains a State responsibility until the end of 1970.

Revised estimates show that Federal Government revenue in 1964 could well total \$1,410 million or \$59 million higher than the original estimate. The bulk, i.e. \$43 million of the increase, represents higher contributions from rubber and tin export duties. As the price of rubber has not declined as much as expected, the yield from rubber export duty may turn out to be \$74 million, or \$25 million higher than the original estimate. As the price of tin reached new heights, the yield from the export duty on tin has exceeded that from rubber and is now estimated to reach \$94 million, or \$18 million more than the original estimate.

Other changes in the 1964 revenue estimates are of lesser significance. Revenue from excise rose by \$14 million while revenue from import duties declined by \$6 million, as a result of the greater than expected displacement of imported by home refined petrol and fuel oils. The net increase of \$8 million in the revised total of import duties and excise combined is attributable to higher yields from heavy and fuel oils and sugar, and to a lesser extent from petrol, malt liquor and spirits. Revenue from tobacco is now expected to be \$5 million lower than the original estimate. Income tax is now expected to yield \$297 million or \$10 million more than the original figure. Receipts

from road transport licences and fees are now estimated at \$104 million, or \$3 million higher, and receipts from trading departments \$1 million higher than the original estimates. On the other hand, interest receipts are now expected to be \$4 million lower and Malaysia's share of the Currency Surplus Fund distribution \$2 million lower than the original estimate.

The 1964 Ordinary Budget expenditure appropriation of \$1,470 million was increased as a result of two supplementaries to \$1,696 million. Allowing for the need to transfer an additional \$50 million to the Development Fund, it is now estimated that ordinary Budget expenditure will reach \$1,671 million. The Ordinary Budget will thus show a deficit of \$261 million. If the transfers of \$271 million to the Development Fund and certain other statutory funds are excluded from ordinary expenditure, the current account will show, on these revised estimates, a surplus of \$10 million. When presenting the 1964 Budget, I estimated recurrent expenditure (excluding transfers) to come out at \$1,375 million and the current account position to show a deficit of \$24 million. I should point out here that a current account roughly in balance is not satisfactory since a substantial excess of revenue over recurrent expenditure is required to assist in financing the development effort and to pay for the defence expenditures which are included in the Development Budget.

The Development Budget appropriation of \$722 million for 1964 was increased by two supplementaries to make a total appropriation of \$777 million. Actual development expenditure, however, is estimated to be around \$550 million or \$30 million less than the originally estimated actual expenditure. Since receipts paid direct into the Development Fund are estimated at \$84 million, the small surplus of \$10 million on current account will be transformed into an overall deficit of \$456 million for 1964. Receipts from borrowing are estimated to total \$244 million, of which foreign borrowing will account for only \$8

million. Domestic borrowings of \$236 million include \$30 million from the Singapore Government to the Federal Government as provided for in paragraph 9 of Annex J to the Malaysia Agreement. There has been some difficulty in finalising the detailed terms of these loans for Borneo development, and I hope that full agreement will be reached soon on the question of the use of Singapore labour in the Borneo States on projects to be financed from this loan. The strikingly high figure for domestic borrowing is explained by a sharp increase in Treasury Bills outstanding.

The estimated overall deficit not covered by borrowing will lead to a reduction in the Federal Government's accumulated assets which are thus estimated to decline by \$212 million. Before completing my review of the 1964 position, I should like to depart for a moment to clear up an important point of language. In the past we have been accustomed to using the term "Government reserves" to refer to funds accumulated out of past budgetary surpluses and the proceeds of loans. This term has, however, been confused with the gold and foreign exchange reserves of the country. I think it is necessary that this confusion and any mistaken impression arising from it should be removed once and for all. The Government's financial assets include both domestic and foreign cash and investments; any specific change in the total may be reflected in a change in either the domestic or the foreign assets depending on technical considerations. However when the Government draws down its foreign assets to help finance domestic expenditures, the reduction of these foreign assets does not mean an equivalent loss of foreign assets for the country. Instead the foreign exchange owned by the Government is transferred to Bank Negara and the Government's domestic balance at the Bank is increased correspondingly. I propose therefore to use the term "Government's accumulated assets" to refer to funds that have been built up out of past budgetary surpluses and

loan proceeds in place of the expression "Government reserves" previously used. As I have already noted, the Federal Government's accumulated assets are expected to fall by \$212 million in 1964. Despite this drop, the total official foreign exchange reserves of the country are expected to fall by only \$88 million.

The fall of \$212 million in Federal Government assets is smaller than the \$280 million envisaged when the 1964 Budget was presented, but in appraising the 1964 performance a number of special factors should be borne in mind. Revenue has benefited from the high price of tin and a smaller decline in the price of rubber than was expected. In the middle of 1964 when the rough size of the security programmes came to be known, the Treasury initiated measures to limit, as much as possible, the increase in ordinary expenditure and to postpone if not eliminate less essential development expenditure. These measures, together with the lag in disbursements of the sharply increased security appropriations, temporarily halted the pace of spending. Domestic short term borrowing was especially substantial as a result of special factors which are not likely to be operative again. Mention should also be made of British Government grants estimated to total \$64 million for defence, \$17 million for Borneo development and \$2 million for overseas allowances for expatriate officers in Sarawak and Sabah.

I now come to the Expenditure Estimates for 1965. As Hon'ble Members will observe, ordinary expenditure for the whole of Malaysia is expected to reach \$1,599 million, of which \$340 million is charged expenditure, and as such, has already been authorised by law. This level of expenditure is \$129 million or 8.8% more than the original estimate for 1964. Federal Government revenue at existing rates of taxation is estimated to yield \$1,401 million, that is, \$50 million or 3.7% more than the original 1964 estimate. In other words, expenditure is increasing more than twice as fast as revenue. On this basis,

the 1965 Ordinary Budget will show a deficit of \$198 million. Even if we exclude the transfer of \$50 million to the Development Fund from the total ordinary expenditure figure, the current account outturn for 1965 at existing levels of taxation would show a deficit of \$148 million.

The principal changes in the 1965 ordinary expenditure proposals compared with the original 1964 estimates are summarised in paragraphs 8, 10 and 11 of the Treasury Memorandum on the Estimates of Ordinary Expenditure for 1965 which has been tabled as Command Paper No. 36 of 1964. The largest increase has occurred in the estimates of the Ministry of Defence which have risen by \$49 million or 31% over the 1964 provision. The provision for the Ministry of Home Affairs for internal security has also risen sharply, viz. by \$21 million or 13%. In other words, the total allocation for defence and internal security will come to \$386 million or 24% of total expenditure. The comparable provisions for 1962, 1963 and 1964 are \$172 million, \$196 million and \$316 million respectively. In terms of percentage, defence and internal security accounted for 16% of the Ordinary Budget in 1962, 15% in 1963 and will account for 22% in 1964. If we look at the complete picture, i.e. take account of the allocations for these purposes in the Development Budget as well, we find that in 1962 total capital and recurrent expenditure on defence and internal security came to \$201 million or 15% of total expenditure. In 1963 the comparable figures were \$258 million and 17%. In 1964 they are estimated to be \$440 million and 21%, and in 1965 they are estimated to be \$589 million and 25%. This is a measure of our will to survive, whatever the cost may be.

The second largest increase is in the provision for the Ministry of Education which comes to \$320 million. This provision is \$35 million more or about 12% higher than the 1964 provision. This is a clear indication of the very great importance which our Government attaches to education as a means

not only of meeting the social aspirations of our people but also as a major factor in achieving a faster rate of economic development.

Hon'ble Members will recall that I noted last year that the annual salaries bill was growing at an alarming rate. This is even more conspicuous in the 1965 Estimates. The provision of \$492 million for Personal Emoluments shown in the Estimates represents the major portion of the Government's salaries bill. It should, however, be noted that separate allocations are made for pensions, retiring allowances and gratuities, and also for the pay of industrial and manual workers, formerly known as daily rated workers. Even more important is the fact that grants to schools and other institutions, the bulk of which is used to pay salaries are also shown separately under Other Charges Annually Recurrent in the Estimates. The 1965 provision for P.E. represents an increase of \$54 million or 12% over the 1964 provision. A part of this is accounted for by the build-up of the Armed Forces and of the Police and larger staff necessitated by the completion and maintenance of new projects. It is however worth noting that salary increases awarded in recent months in various classes of the Public Service added \$23 million to the total salaries bill. The last thing the Government would want to do would be to deny our employees their right to a decent salary but with a labour market which is progressively swollen every year by the addition of the products of both our primary and secondary schools, the country may soon have to decide whether it is better to pay high salaries to those who are fortunate enough to be employed or to practise restraint in this field in order to create more employment and thus reduce the ranks of the unemployed.

The Development Estimates which will be presented later to this House provide for a total appropriation of \$801 million. Receipts to be credited directly to the Development Fund are estimated at \$96 million. Subtracting these receipts from the total of \$801

million, we obtain a net Development Fund requirement of \$705 million which must be met by borrowing and by running down our accumulated assets. If we add the deficit on current account which I have referred to earlier, amounting to \$148 million, the overall deficit for 1965 before taking into account the new taxation proposals would amount to \$853 million on the basis of budgeted figures. Owing to the fact that the 1965 Estimates have been very closely scrutinised, it is unlikely that the shortfall on recurrent expenditure will reach \$10 million. The shortfall on development budget expenditure will probably be of the order of \$191 million. On the basis of actual estimated recurrent expenditure at \$1,540 million and actual estimated development expenditure at \$610 million, the overall deficit before taking into account any tax changes will then be about \$653 million.

I wish to assure this House that every effort is being made and will be made to restrain Government spending on less essential, and particularly non-essential projects and purposes. The Treasury effort which was initiated when it appeared likely that the financial situation was going to become difficult, and which gained momentum in 1964, will be intensified in 1965. Further measures to effect economies will be investigated and existing procedures and standards will be critically reviewed. I should like here to say a word about standards. In the case of building construction especially, we are still inclined to adopt the standards of the past which catered for the few rather than the many. It was hence possible to maintain lavish standards. The Treasury has been trying in recent years to scale down these standards but more will have to be done in the future. I give one outstanding example. When the Government first decided to introduce the comprehensive system of education in the States of Malaya, it was at first feared that the total bill for providing classrooms for the next three years would be of the order of \$280 million. By cur-tailing building construction standards

drastically and by insisting on double sessions, that is, morning and afternoon sessions where possible for all available classrooms, we found that it was possible to reduce the bill eventually to a total of \$99 million. In addition, the need to maintain existing posts and to create new posts will be closely examined to avoid waste while ensuring maximum efficiency.

Economic Problems and Response

I tried earlier to sketch the performance of our economy in the past. Now we must ask, what do we face in the future and what factors will have a decisive bearing on that future? The most important problem which faces us in the economic field in the future is the problem of increasing our rate of economic growth to a level which would at least permit us to maintain our existing standard of living, if not increase it. Basically, this means an increase in productivity which, in turn, would lead to a corresponding rise in national income.

Before listing the factors which could have a bearing on this objective, however, it is appropriate that we should take a quick look at the base from which we start. With lower rubber prices, and this position is not likely to be reversed in the foreseeable future, rubber export income has fallen sharply. It may be only towards the end of this decade, when production is expected to increase by 7% per annum, that the effect of declining prices will be overcome and rubber export earnings begin to rise again in the aggregate. Given the limited known reserves of tin and iron ore, physical output is likely to decline in the mining sector though its effects might be offset by high tin prices for the time being. The economy will also have to adjust itself to a fall in entrepot earnings which will particularly affect Singapore and Penang. Even without confrontation, this trade was expected to decline as the countries using these entrepot facilities developed their own direct trading channels. In this connection it is to be hoped that Penang will take a realistic view of the future of the entrepot trade and reassess its prospects for

growth within the common market to which I shall refer later.

The first imperative emerging from these problems is the need for agricultural diversification, and we have made a promising start in this direction. Output of palm oil, rice and many other products will be growing rapidly in future years from the investments we have been making in the past, though the rate of increase in income from these investments will depend on changes in prices which may not be favourable. There has been a resurgence in the pineapple industry, plans being made for major irrigation schemes are nearing completion, and timber production has grown. There has also been a modest but significant increase in output of several minor agricultural products such as tapioca, maize and various fruits and vegetables. Possibilities for large scale sugar cultivation appear favourable, particularly in Sabah. There is an important role for the Government to play in supporting and encouraging this trend by developing research, marketing, and agricultural extension and education programmes all of which will require additional Government expenditure in the years ahead.

In a speech which I made in 1958 when introducing the annual Budget Estimates of the Ministry of Commerce and Industry, when I was holding this portfolio, I referred to the tremendous possibilities of scientific fruit cultivation. It is not perhaps generally known that the humble rambutan has been known to yield extremely high returns, in spite of the fact that our knowledge of it is so limited at the moment. This could apply to many more of our own fruits, but in order to encourage large scale cultivation it would be necessary for us to know more about their basic economics, canning possibilities and so on, so that the pitfalls are reduced to a minimum and these fruits could be grown with a surer knowledge of what the results would be and with an even higher return to their producers, both large and small. The development of fruit growing on a broad front could well change the face of the entire

Malaysian countryside. The first step, however, should be the establishment of a first class agricultural research institute modelled on the lines of our present Rubber Research Institute but with perhaps more emphasis for the time being on applied research so that the knowledge thereby gained could be applied by growers more readily and with quicker results.

The Government by itself cannot increase the rate of economic growth. It can only provide the infrastructure. Some of its most important elements are power and water supplies, communications like roads and harbours, telecommunication services, and drainage and irrigation works, on which massive sums have already been and will continue to be spent. Even more important for growth in production is increased investment by the private sector in the form of greater acreage under cultivation, more factories and industrial plants, and so on. It is clear that such investment cannot be undertaken unless additional land is available on which to plant a greater acreage of either existing or new crops and on which to build our factories. To put it simply, we must increase the size of the cake, but you cannot increase the size of the cake unless the plate on which the cake rests is made larger in the first instance. It is as simple as that. Land alienation, however, as Hon'ble Members are aware, is a matter for the State Governments. The Central Government, therefore, is in urgent consultation with the States on this subject and it is hoped that a satisfactory solution will soon be found to a problem on which our entire economic future could well hinge.

A second area of response to the challenge facing the economy is diversification in the wider sense, i.e. industrialisation. The States of Malaya and Singapore are already reaching what may be loosely described as the second phase of their industrial progress. The first phase consisted of correcting the inadequacies in economic infrastructure which characterise developing countries, and which discourage industrial investment. As a

result of tax incentives and tariff protection, where such protection was warranted, but above all as a result of political and economic stability and the expectation that such stability will be maintained, a climate of confidence has been created. The net effect of all this has been that total equity and loan capital committed to pioneer products in Malaysia now amounts to more than \$500 million representing a rate of investment of over \$100 million a year since the various pioneer industry programmes started. It is, however, unfortunate that the provision of specially developed sites for industries seems to be lagging behind requirements. Industrial development in the Borneo States has not yet reached this stage, but there is no reason why they should not make similar progress given the will and capacity to establish the necessary preconditions for development.

The most important inducement to future investment in manufacturing, however, will be the common market. Now that the first list of possible common market items has been published by the Tariff Advisory Board, and hearings on them have already begun, things should move at a steady pace from now on. Before an initial list of goods can be included in the common market, it will be necessary to introduce new Customs legislation providing for Malaysian tariffs and freedom of movement of goods subject to such tariffs within Malaysia. This will be introduced shortly. It must be borne in mind, however, that the arrangements set out in the Malaysia Act for the apportionment of customs and excise revenue between the Federal Government on the one hand and Singapore and Sabah on the other will necessitate the maintenance of precise records by Customs of the volume and value of dutiable goods moving between the regions concerned. In the interests of the entrepot trade of Singapore, the establishment of a free trade zone in the State is essential before protective tariffs are imposed in Singapore and I shall also be introducing special legislation for this purpose.

So far, most of the thinking on the common market has concerned the market for products. However, the extent to which we reap the benefits of larger scale production and of economic integration, will also depend on the extent of the free flow of the factors of production which make the freely flowing products, and which should also be allowed to move freely and combine at places of lowest cost. In other words, there should also be a parallel common market in the labour and capital required to make the goods. A common market for capital already exists and operates efficiently. The market for labour, on the other hand, does not operate so freely. In the case of Sabah, the shortage of labour is already having serious effects on production and is putting pressure on labour costs. I would like to give an example to indicate the gravity of the situation. An association of Sabah contractors and affiliates has submitted to the Commissioner of the Department of Labour and Social Welfare in Jesselton that average building costs have gone up by 40% to 50% since 1960 even though the cost of materials has remained unchanged. A rise in labour costs of this magnitude would mean that more and more money will have to be spent in future merely to achieve the same results. This could be a major hindrance to development in Sabah by discouraging the flow of private capital and by needlessly raising the cost of Government investment.

In the second stage of industrial development to which I referred earlier, investment opportunities in manufacturing begin to have a cumulative effect, and the growth of the industrial sector begins to generate its own impetus. The first line of import substitution industries, and of industries producing finished consumer goods and construction materials, will have grown to a point where the demand for semi-finished materials will be large enough to justify the creation of additional supplier industries. Having provided the infrastructure and having built up a number of end-product industries, we will be developing an industrial sector with large enough demands for

industrial inputs to exert a multiplier effect and open up profitable opportunities for the manufacture of intermediate products. The real promise in this process lies in the phenomenon that the industrial sector growing in this way will be generating its own demand for further industries while at the same time it is helping to create the growth in employment and income on which the entire process is ultimately based.

I have discussed agricultural diversification and industrialisation, basic changes in economic structure which are imperative for our economic future and which have already begun. The third major requirement is education. Investment in education has been one of the primary factors making for productivity and high incomes in the wealthy nations of the world, not to mention its contribution towards nation-building and a fuller life for the individual. Unlike industrialisation and agricultural diversification, virtually the entire investment in education must be financed by Government. In this vital field also, much progress has already been made, but very much remains to be done.

If I may sum up these remarks, we can be optimistic about the future of the economy, but we cannot avoid being seriously concerned over the size of the financial requirements the Government must meet to provide the public investment necessary for that future, and at the same time provide for the nation's security.

The Strain on Government Finance

We have been fortunate thus far in having available large external assets which we have been drawing down gradually to finance what could not be met from current taxation or borrowing. The factors making for the economic strains I have described, will also be limiting the possibilities for future growth of Federal revenue under the existing structure and rates. Yet at the same time, we have heavy commitments which must be met if we are not to lose the momentum we have generated under the Second Five-Year Plan and

if we are to fulfil the economic expectations of the new States. And we have security requirements far in excess of anything experienced before.

It is clear that the gap over the period 1965-1970 between the expenditures needed to meet these objectives and the domestic financial resources likely to be available from existing levels of taxation is very large indeed. It will clearly also be neither prudent nor possible to rely on the existing accumulated assets alone to bridge this gap between expenditure requirements and normal revenues plus borrowing. This conclusion follows from the examination of the 1964 outcome and the 1965 budget position alone which I gave earlier. It should be apparent to this House from what I have already said that means must be found to provide substantial additional revenue to meet these requirements. It is also desirable that higher revenues will be forthcoming for several years ahead, including new revenues that will add growth elements to a revenue structure geared to sources likely to remain relatively stagnant in the next few years.

I should in passing urge the State Governments to do what they can to help themselves financially. Admittedly, under our Constitution, the States of Malaya do not have major powers in this field. However, they do have a few powers, which if properly used, could make a useful contribution to their own revenues. One example is land rents. In one State, a first class hotel which occupies a sizable portion of land in the heart of its capital pays only \$25 per annum. This is clearly an unduly low figure. Hitherto, the States of Malaya have not made any major effort to increase their own revenues by making use of the powers given to them under the Constitution. They are faced, however, with rising expenditures and this is clearly an unhealthy state of affairs and would lead to dangerous situations unless corrective measures are applied in time.

The new Federal taxation proposals form a complex package. The impact

of many items will be small for reasons which I will explain in a moment. I would like therefore to avoid burdening Hon'able Members with a lengthy recital of every specific item, and to confine my remarks to the general criteria and objectives which have shaped these proposals, after which I will discuss here only the major items. The full schedules of proposed changes will of course be available for your scrutiny immediately.

Firstly, the major objective has been the generation of substantial new revenue. To accomplish this it has been necessary to raise rates on some existing taxes already producing significant revenue, having in mind the possible effects on evasion and other factors which might in practice limit or even reduce the yield. It has also been necessary to impose new taxes never applied before in Malaysia, or in its constituent States before independence.

Secondly, we have moved towards harmonization as an important step in the creation of a common market. With this objective in mind we are proposing extensive changes to the tariff schedule to begin the process of merging the different schedules into one. Many of the items involved in this exercise are minor. Some items are included only to move towards rationalisation of the schedules, even though the revenue impact is inconsequential. There will also need to be some technical changes in the definition of units of assessment in the tariff in the interests of rationalisation.

The third factor shaping these proposals was the recommendation of the Inter-Governmental Committee that the level of Federal taxation in the Borneo States should be brought up to States of Malaya levels in graduated stages. Each of the tariff increases was considered separately, and was the subject of consultation with the senior officials concerned from the Borneo States as agreed upon in the Inter-Governmental Committee Report. I wish to make it clear, however, that the purpose of these consultations was to obtain technical, economic and

general information and advice. This advice was informed and very useful, but the final decision on these matters in the prerogative of the Federal Government. The degree of harmonization proposed for each item reflects not only the need for graduation, but also the economic effects and any special circumstances prevailing in Sarawak and Sabah, and the general criteria and objectives applicable to the whole exercise for the entire country. In some cases the existing tariffs were believed to be too high and harmonization was downwards rather than upwards. For some other items, harmonization involved an increase in the States of Malaya rate towards the levels prevailing in the other States.

The fourth factor was the set of agreements included in Annex J of the Malaysia Agreement, whereby revenue duties in force in Singapore on 1st July, 1963 were to be harmonized with the corresponding duties of the States of Malaya as soon as practicable. The Agreement also provided for the imposition of new revenue duties subject to the consent of the Singapore Government until 31st December, 1968, such consent to be withheld only on the grounds that the new duties would significantly prejudice the entrepot trade of Singapore. We shall be proposing harmonization as provided for under the Agreement, and the introduction of several new revenue duties which we are confident will not have an adverse effect on the entrepot trade of Singapore. As required by the Agreement, I have obtained the consent of the Singapore Government to the new duties. In this connection I would like to take this opportunity to record the appreciation of the Central Government for the consent which was so readily given by the Finance Minister of Singapore, the Hon'able Dr Goh Keng Swee. (*Applause*).

The fifth consideration was the need to ensure that none of the proposed tariff changes designed for revenue purposes would inadvertently complicate the development of the common market by introducing un-

planned differential protective side-effects. For this purpose the list was submitted to the Chairman of the Tariff Advisory Board for this advice.

Finally, and in many ways that was the most important, there was the problem of how the increased tax burden was to be distributed within the country. It was felt that in this time of national need, every individual, all sections and all States must be called upon to share the financial burden.

I have already remarked generally upon the considerations affecting the proposals as differentiated by geographic area. A determined effort has also been made to ensure that the distribution of Federal taxation between individuals and economic groups reflects as closely as is practicable, given the urgent requirements for revenue, considerations of equity. Some of the additional yield must obviously be derived by taxing everyone's consumption. To the extent possible, such taxes will fall on luxury goods and less essential items of consumption. As for direct taxes falling on income rather than expenditure, these are progressive in their very nature. In this area we shall be proposing major new forms of levy which are an important feature of modern progressive tax systems. Finally, the corporate sector will also have to share the burden, and here we shall also be proposing important innovations.

Revenue Proposals

Direct Taxation

Allow me to begin a more detailed discussion of the proposed changes with the changes in direct taxation. In view of the number and complexity of the changes which we are proposing in regard to direct taxation, a separate White Paper, Command Paper No. 54 of 1964, is being tabled on this subject, and should be in the hands of Hon'ble Members by now. It will, therefore, be necessary for me only to touch on the significant changes proposed. In framing our proposals for income tax changes we have

followed two main principles, firstly, that of equalising, as far as possible, the tax burden between the same classes of taxpayers within Malaysia and secondly, that of commencing the harmonization of our somewhat complex Malaysian income tax laws.

At the present time pioneer industries are encouraged with widely different degrees of generosity by four different laws in each of the four regions of Malaysia which is not conducive to the balanced development of the country as a whole. As far as the general income tax burden is concerned, the heaviest tax on those in the highest income brackets is levied in Singapore, the heaviest tax on the small businessman, and particularly the small partnership, is levied in Sarawak. On the other hand, the really prosperous businessman finds his happiest tax haven in Sarawak where his income tax liability is limited to 10% of his income, however astronomical that income may be, while Sabah has the most favourable rates for companies and the lowest commencing rates of tax on individuals. Singapore gives more generous treatment than the States of Malaya to middle-class taxpayers where both husband and wife are earning.

As far as harmonization is concerned, although some matters are being harmonized throughout Malaysia, for the time being complete harmonization will be achieved only between Malaya and Singapore, and there will be, separately, a large measure of harmonization at a different level between Sarawak and Sabah.

I come now to the detailed proposals. At present pioneer industry legislation in Malaya, Singapore and Sabah is broadly similar in that it provides for a tax holiday, while the Sarawak law provides enhanced capital allowances. In Malaya and Sabah the length of the tax holiday is linked to the quantum of the expenditure on factory and machinery subject to a maximum of four years in Sabah and five years in Malaya, while in Singapore all pioneer enterprises can obtain five years' exemption

without any statutory obligation to spend anything on factory or machinery.

Singapore's pioneer industry legislation is due to expire early in 1965, technical flaws in Sarawak's legislation have made it largely ineffective, and various technical amendments are necessary to the Malayan Ordinance. Accordingly, new legislation is in any event necessary and we intend to take an early opportunity to harmonize in a single law the provisions for pioneer enterprises for Malaysia as a whole, preserving of course the rights of taxpayers already existing. The new legislation will provide for closer collaboration between the Federal Treasury and the Ministries responsible for evaluating the many applications for pioneer status.

The present legislation is somewhat too rigid in that once pioneer certificates have been issued the same measure of tax exemption is due whatever the respective merits of the various enterprises. The new enactment will add flexibility to the reliefs and will provide, as an alternative to tax exemption, for enhanced capital allowances. Since the main object of pioneer industry legislation is to encourage industries which do not already exist in Malaysia, and such industries require the investment of considerable capital as well as the provision of know-how, we are proposing to link the period of exemption with the quantum of capital expenditure in all regions of Malaysia and to raise the expenditure requirements to more realistic levels.

Sabah's income tax provisions for non-pioneer companies permit companies to be charged at 20% on profits initially and to pay a further 20%, making 40% in all, when the profits are distributed. Although it could be argued that this provides an incentive to company formation it could, however, be somewhat expensive in terms of revenue if applied more generally. In the rest of Malaysia, company profits are taxed at 40% whether distributed or not. We therefore propose to harmonize the

company rate of tax at 40% on both distributed and undistributed profits.

Earned income tax relief is the allowance given to ensure that income from personal exertion is more favourably treated than income from investments which accrues without exertion on the part of the recipient. The maximum allowance is \$1,000 in Malaya and Singapore and the rate at which the allowance is given is 1/10th of the earned income in Malaya and 1/5th in Singapore. We propose to harmonize the rate at 1/10th so that the effective exemption limit for earned income will henceforth be the same in Malaya and Singapore. We do not propose for the time being to introduce earned income relief in Sarawak and Sabah.

The basic personal reliefs in Malaysia are high compared with those in a number of other countries in Asia but we do not propose any change except to the extent of harmonizing Sabah and Sarawak in that respect. At present, the relief for a wife in Sabah is \$2,400 compared with \$2,000 in Sarawak. These reliefs will be harmonized at \$2,000. A single person would then receive personal relief of \$3,000 both in Sabah and Sarawak compared with \$2,000 in Malaya and Singapore and a married man \$5,000 compared with \$3,000 in Malaya and Singapore. On the other hand, as I have already mentioned, Malayan and Singapore taxpayers have the advantage of the earned income relief up to a maximum of \$1,000, which is not afforded at present to taxpayers in Sabah and Sarawak.

In Sarawak there are no personal reliefs provided in respect of business income but such income is charged at a flat rate of 10% subject to the deduction of a fixed allowance of \$5,000 which, however, diminishes when the income exceeds \$37,000 and finally disappears at the \$42,000 income mark. This arrangement may not be unattractive to a bachelor with a modest business income but is somewhat harsh when the business is carried on by a partnership of several partners with wives and children in

respect of whom the total allowance is still only \$5,000. We are proposing amendments to the Sarawak system to substitute personal reliefs and aggregation of income on the same basis as applies in Sabah, and indeed in Malaya and Singapore, too.

At present each State has different child relief provisions which are least generous in Sarawak and most generous in Sabah where relief is given for an unlimited number of children. We are proposing that the relief be harmonized at the rate of allowance prevailing in Malaya and Singapore and that the maximum number of children for whom relief may be had at any one time be harmonized at five which is the position presently prevailing in Malaya and Sarawak. The change will actually result in a small increase in the quantum of child relief due in Sarawak while in Sabah the maximum allowance proposed for five children will actually be greater than the allowance previously, or at present, granted for six.

Other Reliefs

The general method of taxing individuals in Malaysia is to aggregate the income of husband and wife living together on the grounds that taxable capacity is properly related to the total income of the family, whether it belongs to the husband or to the wife or to both of them.

In Singapore there is at present provision for a wife to be assessed separately on her earned income in certain circumstances. In Sarawak income from businesses and employment is dealt with separately so that where one spouse has a business and the other employment, two sets of reliefs may be due. We are proposing to make the necessary amendments so that throughout Malaysia the rule will be that only one set of reliefs will be available to each household. The total tax payable where the family income is the same may at present vary in Singapore and Sarawak, according to the ratio in which it accrues to each spouse. After the amendment, the tax payable by taxpayers with the same income will not vary in this respect.

In Sabah, but in no other part of Malaysia, relief is available in certain circumstances in respect of the parents of a taxpayer. This relief will be repealed from 1965 but as a counter-measure we are also removing at the same time a restrictive provision which is common to both the existing Sarawak and Sabah laws and which serves to increase the tax liability of certain classes of taxpayers in the lower income groups. I refer to the "ceiling" provisions which restrict the reliefs, other than the basic personal reliefs, to one-half of the assessable income in Sabah and one-third in Sarawak. These restrictions we are removing entirely but the concession will be felt only by the lower income groups because the restriction has no practical effect on the reliefs due to those in the higher income brackets.

We also propose to harmonize for the whole of Malaysia the combined relief due for life assurance premiums and contributions to approved provident funds at a maximum of \$3,000.

Rates of Tax

Each region of Malaysia has a schedule of personal income tax rates which differs widely from that of each of the others. The comparative burden of tax at different levels of income for taxpayers in similar circumstances in the four regions also varies considerably and by no means always in favour of taxpayers in Borneo. We made no alteration to these rates in the 1964 Budget but the time has now come to make some adjustments.

Rather than attempt to tinker with four different rate schedules in order to achieve harmony in graduated stages, we have chosen to establish a uniform scale of rates to be applied from 1965 throughout Malaysia. In the case of Sarawak and Sabah, however, the tax computed on the new scale of rates will be abated in respect of the first \$50,000 of chargeable income by a discount of 40%. The net effect of these changes is to produce a large measure of harmony in our Malaysian tax system, combined with due recognition of the principle laid down in paragraph 24 of the Inter-Govern-

mental Committee's Report in 1962 that changes in the incidence of taxation in Sarawak and Sabah should be made in graduated stages.

The estimate of the increase in yield attributable to all income tax changes—is \$15.5 million, of which approximately \$1 million will be due to Singapore as State revenue under the revenue sharing arrangements.

Honourable Members will note that the highest personal rate of tax will in future be 50% in all four regions. This represents an increase from 40% in Sabah and 45% in Malaya but a reduction from 55% in Singapore which is, of course, offset by the new taxes applying to businesses which I will be mentioning shortly. The highest effective personal rate in Sarawak is at present 10% of assessable income which contrasts sharply with the company rate of 40% in that State. The result is somewhat anomalous and a clear discouragement to company formation, a position which we are now correcting.

I take this opportunity of mentioning that in our view a top personal rate of 50% and a company tax rate of 40%, while by no means the highest in the world, are not inappropriate at the present stage of Malaysia's development. We are by no means convinced that the much higher rates prevailing in some developing countries necessarily produce any more revenue than taxes levied at lower rates but strictly enforced. Moreover, very high rates are likely to discourage the inflow of capital and slow down economic growth.

Turnover Tax

In searching for additional revenue we have been concerned to devise means of producing worthwhile amounts of revenue without causing too much disturbance to the economy and without requiring elaborate and perhaps expensive administrative machinery. We have, for example, examined and rejected the concept of a sales tax or purchase tax because such a tax would require the creation from scratch of a new Department or

Division to administer it. Instead we have decided to adopt forms of taxation which can conveniently be handled by existing machinery with the minimum of additional staff and administrative cost.

The first of these taxes is a turnover tax which will be levied on the basis of the turnover, i.e., the sales and other gross earnings, of all trades, businesses, professions and vocations carried on in Malaysia, with certain important exemptions to which I will refer later. Rather than charge a relatively high rate of tax on a limited range of commodities we have taken the course of adopting a low rate on a very wide range. For the first year the tax will be charged at one-half of one per cent, that is at the rate of one-half cent per dollar, on the turnover as disclosed in the accounts rendered for income tax purposes. Although the rate chosen is low and therefore should not result in material increases in prices, the yield is expected to be relatively high because the tax is widely spread. In the absence of comprehensive statistics regarding the turnover of businesses, estimates of yield can only be very rough but the provisional estimate is that the yield in Malaysia as a whole will be in the region of \$45 million.

Where goods pass through several middlemen on their way from producer or importer to consumer the tax will of course apply at each level because it will be levied on all businesses and therefore there may be anomalies in the comparative cumulative incidence of the tax on different commodities. Owing to the low rate of tax however it is not expected that such anomalies will be very serious in money terms. It is generally agreed that a multi-stage tax of this kind is not an ideal tax—few taxes in any event qualify as “ideal”—but there are a number of examples of its use in other countries, generally at much higher rates than one-half per cent, as a means of raising revenue. Our intention is however to keep the working of the tax under close scrutiny with a view to studying its effects on prices and on businesses. To this end taxpayers will be asked, as far as possible, to indicate how their

turnover is divided between sales to wholesalers, to retailers and to consumers. This information will provide the statistical background to facilitate consideration as to the appropriate future development of the tax. For example, it may be that it will remain as a broadly-based, multi-stage tax charged at low rates or it may be indicated that future development should be on the lines of a single-stage tax at somewhat higher rates.

I earlier referred to exemptions from the tax. It is not intended to apply the turnover tax to businesses where the annual turnover is mainly from the sale of goods and does not exceed \$36,000, nor to professions and businesses, where the income is mainly from the supply of services and the annual gross earnings before expenses do not exceed \$20,000. Where those limits are only slightly exceeded there will be marginal relief. As a corollary to the introduction of turnover tax, Sarawak's 1% tax on goods on consignment will be repealed.

All commodities which are subject to export duty and certain other raw materials will be exempted from the tax whether sold by the producer, the dealer or the exporter. Moreover the proportion of a taxpayer's turnover which relates to other types of products which are exported will also be exempt.

The turnover tax will, as I have said, be computed on the basis of the turnover disclosed by the accounts rendered for income tax purposes. The charge for 1965 will be based on the figures for the accounting year ending in 1964 and there will be special provisions for cases of cessation or commencement of business during 1965. The tax will be added to the income tax for 1965 and charged in the income tax assessment. I realise that some taxpayers may find difficulty in paying the enlarged tax bill, particularly where the assessment is made early in the year, and I shall instruct the Inland Revenue Department that where hardship is involved reasonable time for payment is to be allowed.

Payroll Tax

The other of the new taxes which I mentioned earlier is a tax on payroll which will be levied at the rate of 2 per cent on total payroll, initially only on employers in Malaya and Singapore, and from 1st January, 1966 on employers in Sarawak and Sabah also, a delay of one year in the latter two States which I shall explain later. For the purpose of collecting the tax we hope to be allowed to use the machinery of the Employees Provident Fund in Malaya and the Central Provident Fund in Singapore which already collect monthly contributions from employers. The correctness of the amounts contributed will in due course be checked by the Inland Revenue Department by reference to accounts rendered for income tax purposes. Unlike the States of Malaya and Singapore, there is no national provident fund in Sarawak and Sabah through which this tax could be collected as readily. Extra time will, therefore, be required to set up the necessary administrative and collecting machinery, and this could well take one year.

Payroll taxes are not an uncommon feature of taxation in other countries and are usually levied in order to help finance government expenditure on social services. As Honourable Members will appreciate, expenditure in Malaysia on education and health, to name just two items, has grown considerably in the years since independence and will continue to be a very heavy burden. The payroll tax, which I estimate will bring in approximately \$21 million in 1965 of which \$17 million will accrue to the Federal Government, will be a useful contribution to Government's growing expenditure in this field.

No corresponding payment will be sought from employees—the charge will be on employers only and will rank for deduction, along with salaries and other labour costs, in the computation of the employer's profits from his business. Owing to this factor the income tax yield in 1966 will be affected by these deductions allowed to businesses in the basis year 1965 but

this should be offset by the fact that the payroll tax will be extended to Sarawak and Sabah by then.

While I acknowledge that any increase in the cost of labour makes industry less profitable and that in these days industry must strive to maintain its competitive position, I consider that this factor has been adequately recognised by the low rate of 2 per cent which has been imposed. Where income tax at the rate of 40 per cent is payable the net additional burden attributable to payroll tax will in fact amount only to 1.2 per cent of the payroll.

Exemptions from this tax will be extended to Government Departments and certain statutory bodies because there is no purpose in the Government merely transferring money from one pocket to another. An exemption will also be provided for the smallest employers in that where the payroll tax liability for the month is less than \$5 no tax will in fact be collected.

Capital Gains Tax

It is obvious, I think, to all of us that in the circumstances of Malaysia's prosperity, particularly in the years since 1957, when Malaya achieved full independence, considerable gains from the sale of property and shares have been obtained by some taxpayers. These gains in some cases, have not attracted any tax except quite nominal stamp duties. In many cases, too, these gains have accrued not as a result of the taxpayer's own exertions, but purely fortuitously, often as a result of the growing prosperity of the society in which he is fortunate enough to live and to be allowed to operate. Where a gain is made from the sale of property or other assets in the course of a taxpayer's business, and land or property development itself may constitute a business, income tax is payable. There are however many transactions involving capital assets which it is not at present possible to bring within the scope of income tax. Anomalies therefore arise and to the extent to which a taxpayer avoids taxation on capital gains his tax liability does not

accord with his ability to pay. We are therefore introducing a capital gains tax in respect of sales of assets made from today onwards.

There have been times, particularly during the period of the Japanese occupation when purchases of land and property were made not so much to obtain capital gains as to preserve the value of what little capital the purchaser had and protect him against the effects of runaway inflation. We are not proposing that gains from the eventual disposal of such purchases should attract a capital gains tax and accordingly we are making special provision for the sale of assets which were acquired before today and which have been held for a number of years.

The ordinary or standard rate of tax on capital gains will be 20% but this rate will be abated in respect of assets acquired before Budget Day. For example, where the assets have been held more than three years the rate becomes 15%, where the holding period exceeds five years the rate becomes 5% and after ten years there will be no capital gains tax payable. The abatement by reference to time will not apply to gains made from assets acquired on or after today. There will however be an option to the taxpayer in respect of all capital gains to substitute for the rate applicable to his gain the income tax rate which would apply if the gain were liable to income tax at his personal income tax rate. It will be noted that the standard rate of tax on capital gains is to be 20% and that this contrasts with the maximum personal income tax rate of 50% applicable to income in the highest brackets. The principle involved here is one that is followed by most countries which tax capital gains. A capital gain accrues over a period of time which may span many tax years as distinct from income which accrues annually so that there is a "heaping-up" of tax liability into one tax year and to tax such a gain as if it were ordinary income would be too severe. On the other hand it is not the intention that the 20% rate for capital gains should operate as a

"bargain" rate of tax for wealthy speculators. Accordingly, it will be provided that where acquisition and disposal take place within a period of six months the gain will be deemed to be income for income tax purposes and charged at income tax rates accordingly.

Certain exemptions from the tax will be given. I have on other occasions declared my belief that ownership of company shares should not be a monopoly of the wealthy but should be widely spread throughout the community. It is not our intention to tax the smaller capital gains that may result from participation in equity investment and therefore we are proposing an annual exemption limit of \$5,000 so that in each year capital gains of any kind up to this limit will be exempt from tax. Where an individual changes his residence, for example, because of a transfer, or because his family have grown up and he wishes to retire to a smaller house a capital gain may arise on the sale of the old house. Such gains will be exempted from capital gains tax.

In addition capital gains from the sale by a business of its own business premises, whether on the occasion of a transfer to other premises or not, will be exempted. This exemption will serve to remove a possible discouragement to the expansion of businesses and is in accordance with Government's determination to promote the development of trade and industry in every way possible.

It might be argued that the imposition of a capital gains tax would lead to a certain amount of "freezing" of development because landlords would be unwilling to incur liability by selling their property. In view of the very fair arrangements we are making in regard to the taxation of property already owned at the date of this Budget there will be no justification for this type of avoiding action. We do not intend to tolerate any action of this kind which is calculated to slow down development and particularly the progress of the housing programme. Accordingly we shall be keeping a close watch on the situation

and I should warn that appropriate steps will be taken to deal with any wilful obstruction to necessary development.

Film Hire Tax

It is also proposed to change the method of taxation of imported films. The main change which we are proposing is by way of harmonising the tax payable on imported films on an ad valorem basis. At present the tax in Malaya is a footage tax based on the length of the film without regard to its value. In Singapore tax is charged on the basis of value as evidenced by the rental payable for the use of the film and that basis of calculating value will henceforth apply throughout Malaysia. The tax will be 25% of the net rent paid for the import of the films which will be deemed to be 3/5ths of the gross rent paid by the exhibitor.

It is clearly more equitable that the tax on a film should relate to its value rather than its length since the greater its value at the box office the greater will be its capacity for bearing tax. Moreover, a footage tax bears unduly heavily on films which may be highly artistic or literary but appeal only to a limited audience and such films may therefore be effectively prevented from entry. The footage tax may therefore in a sense be a tax on culture and tend to favour the import of those films which have the widest or in some cases the lowest type of appeal.

The producer's profit from a film is derived from the rent charged for its public exhibition in various countries. Since it is virtually impossible to calculate the profit derived in Malaysia from exhibiting a particular foreign film we are proposing to follow the practice adopted in a number of other countries of deeming a proportion of the rent paid to the producer to be profit and using the profit figure so computed for the purpose of charging income tax. The proportion which we are adopting, and which will be the same all over Malaysia, is 15% of the film rental which reaches the producer. This, with income tax at 40%, means

a 6% levy on the producer's gross earnings.

These changes which are made more in the interests of harmonization and logic rather than of producing a large increase in tax yield are expected to increase total yield by something of the order of \$1 million, after allowing for the removal of the existing import duty based on the length of the film.

Estate Duty

I now come to estate duty. The principal aims of the changes proposed are harmonization and a reduction of the incidence of taxation on the smaller estates. As a result of these changes we are raising the exemption limit to \$25,000 from the previous level of \$1,000 in Sarawak and \$10,000 in the rest of Malaysia. It is inequitable that beneficiaries such as widows and children of such small estates should be saddled with estate duty. Moreover, it is Government's policy to encourage private house ownership and to levy estate duty on very small estates of deceased persons the main, or perhaps only constituent of which may be the family house, is not consistent with this policy.

The existing top rates in Malaysia vary from the 40% prevailing in Sarawak to the 60% rate in Malaya and Singapore. We are therefore proposing to harmonize the maximum rate at 50% and to introduce a new table of rates which will apply to the whole of Malaysia and which will in general broaden the steps or bands taxable at the lower rates. The top rate of 60% in Malaya and Singapore is unduly high for a developing country and is very much higher, for example, than the rates applicable to estates inherited by close relatives in most countries of Western Europe, like West Germany and France, which have a maximum rate of 15%, Belgium which has a maximum rate of 15.4%, and Holland which has a maximum rate of 17%. It is also higher than the 40% maximum rate applicable in New Zealand, and the rates prevailing in Ceylon and the Philippines. Even in highly-taxed

Britain the maximum rate of estate duty on agricultural land is 40%.

The net effect of these changes will, as I have said, be a reduction in liability in the case of the smaller and medium-sized estates, while a great many very small estates will not now be liable to tax. These adjustments should also be viewed in the perspective of the new and increased taxes we are proposing in this Budget. Their effects will also be mitigated by the other changes to which I will be referring in a moment.

It is worth mentioning that it does not always follow that high rates of tax necessarily produce the most revenue and it is notorious that even in countries with confiscatory rates of estate duty the yield is only a tiny fraction of total revenue. A good deal of avoiding action can be, and is taken in highly taxed countries in order to reduce estate duty liability. It has been and is being extensively practised in this country also where yields from estate duty in the States of Malaya have remained stagnant for many years in spite of increasing prosperity and where the yield in 1963 was only \$2.2 million above that for 1949. Yields at the time of the Korean War boom when rubber and tin prices shot to heights which, in the case of rubber at least, we are not likely to see for a long time more, actually dropped from the 1949 level and stayed low for five years.

It is normally necessary to realise certain assets of an estate in order to pay the estate duty. Where the estate is a large one the enforced sale may lead to a depression of values. In this country particularly, an enforced sale of landed or agricultural property has been known to bankrupt an estate where the deceased person died during a boom and his beneficiaries had to sell during a slump. A further point which has to be borne in mind is that in a small country like Malaysia, even stocks and shares cannot be sold with the same facility as they could in the industrialized countries, and it is significant that even there, as I have earlier pointed out, preferential rates are applicable to widows and children.

Moreover, with the introduction of a capital gains tax it has to be remembered that the realisation of assets of the estate of a deceased person may attract such tax where the realised price is higher than the purchase price and the burden of this tax will in future be added to estate duty. The adjustment of rates now proposed will mitigate the effect of this extra burden.

In order to discourage avoidance we are increasing the period during which *inter vivos* gifts will be aggregated with the estate to five years in the whole of Malaysia—the five year limit previously applied only to Singapore. Gifts made within five years of death will thus be treated as part of the estate for duty purposes.

In addition, where a Malaysian estate has assets in two or more of the four region of Malaysia these assets will henceforth be aggregated and only one Malaysian computation of estate duty will be made instead of, as hitherto, up to four separate computations. The effect will normally be to produce a larger tax bill by bringing the estate into a higher tax bracket.

As a further measure to improve tax enforcement, the rates of interest on overdue duty will be harmonized throughout Malaysia and there will be provision for this rate to be increased in cases of wilful delay in settlement to a rate not exceeding 12% per annum. This provision will not, of course, be used in cases where there is genuine difficulty in realising the assets of an estate when the normal rate of 6% will apply.

It is difficult to estimate with any degree of precision what these changes will mean in terms of yield. Concessions have been made in certain areas, but the screws have been tightened in others. It could well, however, happen that the combined effect of these changes would yield more in the aggregate in future years. The present yield in Malaya is running between \$4 million to \$5 million per annum and it represents only a small proportion of what should be collected, if avoidance could be discouraged. These changes would come into effect on 1st January, 1965.

Profits Tax

I come now to our proposals for the tin industry. The price of tin is now standing at levels which have been exceeded only once in its history. This was in 1951 at the time of the Korean War boom, when it reached a level of £1,620 a long ton against last week's price of about £1,450 a long ton. From the way things are going even this previous record might be surpassed. Although the Government is aware that the prevailing price may not yield a very high return to marginal mines, it is equally clear that for many mines working medium grade ground or better, the margin of profit is high.

In the case of rubber some years ago, export duty rates were raised appreciably and an additional cess imposed when the price rose beyond a certain point. Subsequently, it was decided that this cess should not be returnable to the producer but would be regarded as Government revenue. In the case of tin, it could be that an additional cess on the lines of that levied on rubber might prove inequitable to marginal mines which have been able to operate only as a result of the recent high prices. While a straight cess, therefore, might be a reasonable proposition for many mines, it might cause hardship to the few.

The Government has therefore decided that a fairer method of skimming off high profits from the industry at this time would be to introduce a profits tax, calculated by reference to a standard profit per unit of production. Computed in this way, the tax will not fall upon the marginal producer, and its greatest incidence will fall upon those mines best able to bear it. In other words, the amount of tax due will be in direct proportion to ability to pay. The justification for this special levy on the tin mining industry lies in the fact that these high profits do not result, either directly or indirectly, from the miner's own efforts. They are entirely fortuitous, and as such, Government is entitled to a share of them in times like the present. At the same time, I should add that present price levels are necessary if we are to increase world supplies through

the opening of what would otherwise be uneconomic units.

Now tax will, of course, be charged where the profitability is below the standard laid down and no allowance for a deficiency in one period will be deductible against the profits of another period. The tax will be calculated along with the income tax liability for 1965 and for the same basis periods and will yield approximately \$5 million for that year in addition to the expected increases in the yield of income tax and export duty calculated on the existing basis. Assuming that the present price of tin is at least maintained, the new tax should yield a good deal more in 1966, but it is not possible to estimate the yield with any accuracy at the present juncture.

While the broad pattern of the tax will be on the lines I have indicated it is desirable that the tax should be administered in as equitable a manner as possible, and to this end, discussions will be held with representatives of the tin industry in order to provide an opportunity for them to make representations on points of detail.

Before I leave the subject of direct tax changes, I would like to say a word generally on their broad impact. In this connection, it is essential to look at the changes as a whole in order to form a balanced picture. I give two examples to illustrate my point. It may be asked why it should be necessary to bring down the maximum income tax rate for individuals in Singapore from 55% to 50%. In this connection, let us remember that the States of Malaya have a top rate of only 45%, Sabah has a top rate of 40%, while Sarawak has a top rate of only 10%. Incidentally, it will also be seen from the examples given in the White Paper that in Sarawak, many of those in the lowest income brackets are at the moment more heavily taxed than the same class of taxpayer in Malaya or Singapore, while those in the highest income brackets pay a comparatively insignificant amount of tax. It was therefore felt that it should be enough, at least as a first operation, to increase the top Malayan

rate by 5%, the top Sabah rate by 10%, and the top Sarawak rate by 40%, if the objective of harmonization is to be achieved, even though this meant reducing the top Singapore rate by 5%. Moreover, it is estimated that such a reduction will cost the Revenue—the introduction of the Singapore top rate—only \$234,000 a year in the aggregate.

On the other hand, the individuals in this category would largely be businessmen, and in such case they will in future have to pay payroll tax, probably turnover tax, and even capital gains tax if they have been speculating successfully either on the stock market or in real estate. When all these changes are taken into account, it is therefore unlikely that such individuals will gain much, if anything.

The second example concerns the other end of the scale. While those in the highest income brackets in Sarawak will have to pay much more in 1965 than they did this year, those in the lowest income brackets will in general pay significantly less next year, because the Sarawak rate schedule overwhelmingly favours the rich but bears harshly on the poor. We have to harmonize and we clearly should correct the obvious anomalies in Sarawak. The combined effect of these two objectives may produce isolated side effects which do not quite conform to our general tax pattern. The main point of harmonization, however, apart from the aim of equity as between taxpayers, is to provide a solid base for future development of the tax system on balanced lines.

To put it simply, in a harmonization exercise, especially when such an exercise involves four widely different systems, it is inevitable that some will lose and some will gain. We could of course eliminate the gains by revising everything upwards but this would be extremely drastic if done in one operation.

Indirect Taxation

I now come to the proposals for changes in indirect taxation. As the Orders implementing these changes are

now being circulated to Honourable Members, I do not propose to describe each change but only those which will have a significant effect on the revenue.

An import duty will be imposed on both raw and refined sugar, Tariff Code item No. 061 101, in Singapore at the rates which are now applicable in the States of Malaya, that is at rates varying from \$145.60 per ton for sugar not exceeding 95% polarisation to \$224.00 per ton for sugar exceeding 99% polarisation, if not eligible for Commonwealth preference. This duty will amount to 10 cents per pound for refined sugar. This levy is estimated to yield \$15.9 million per annum. Hereafter, when referring to yields from indirect taxation, it should be made clear that they are estimated annual yields unless an indication to the contrary is given and even though I omit the words “per annum”. Sugar is widely used in the manufacture of several products which are likely to be included in the common market, and a sugar refinery is expected to commence production in Singapore some time in 1965. Therefore, uniform tariff treatment is desirable, and the impact of the duty will be less than the price increases which occurred in 1963.

The duty on sugar is being increased in Sabah and Sarawak by \$22.40 per ton and will be \$89.60 per ton in Sabah and \$56.00 per ton in Sarawak. This increase is the first step in the process of harmonization of the duty on sugar and I hope that it will also serve to stimulate the establishment of a sugar cane growing industry, particularly in Sabah, where the soil appears to be suitable. The additional yield is estimated at \$660,000.

A duty of \$28 per hundredweight full rate, is being imposed in Singapore, Sarawak and Sabah on sugar confectionary classified under item 062 010 and this is estimated to yield \$1.6 million. Similarly, a full rate duty of 30 cents per pound is being imposed throughout Malaysia on chocolate and cocoa preparations classified under item 073 000 which will yield \$805,000 approximately. These levies will ensure that the competitive position of home

manufacturers *vis-a-vis* imports is not weakened. The duties will be harmonized, with the exception of a preferential rate for Sabah.

The duty on fruits, fresh or dried, classified under Group 051 items 101, 200, 300, 400, 500, 901, 908, 909 and item 052 000 will be increased to \$336 per ton in the States of Malaya and \$224 per ton in Sabah and Sarawak. The increase in yield is estimated at \$1.5 million. These items are not essential foodstuffs and I hope that the new level of duty will encourage the consumption of domestic fruits as there is no reason why Malaysian produce should not meet a larger share of domestic demand.

The duty on dried mushrooms classified under item 055 101 will be increased to \$448 per ton in the States of Malaya and \$224 per ton in Sabah and Sarawak. This item is a non-essential foodstuff and those wishing to import it must be prepared to pay increased prices.

We are not increasing the import duties on whisky, gin and brandy this year as the duty is already high and it is by no means certain that an increase in the rates of duty would result in an increase in yield. We are, however, increasing throughout Malaysia the rates applicable to several classes of wine, alcoholic liquors, and liqueurs, classified under group 112, which will yield an additional \$447,000. These increases will arise mainly in respect of still wines for which the rates are increased by \$2 per gallon in most cases, and from liqueurs for which the rates are increased by \$4.10 per gallon in the States of Malaya and Singapore.

The duty on unmanufactured tobacco in Singapore will be increased by 60 cents to \$6.60 per pound full rate and \$6.40 per pound preferential rate. I estimate that the additional yield will be \$3.1 million. The duty on cigarettes will be increased by \$1 per pound to \$11.50 per pound full rate and \$11.00 per pound preferential. Further, the rates on tobacco classified under items 122 304 and 122 304-2 will be increased by 50 cents and \$1 per pound respectively. These changes are

estimated to yield \$1.4 million so that the total additional yield from tobacco in Singapore will be \$4.5 million. Paragraph 4 (2) of Annex J to the Malaysia Agreement stated that existing revenue duties in Singapore should be harmonized with those in the States of Malaya as soon as practicable. I have agreed to a gradual harmonization in respect of unmanufactured tobacco in order to give manufacturers in Singapore selling cheaper brands of cigarettes time to adjust themselves to the increase in duty rates. Nevertheless, the Government's policy is to establish harmonized tariffs throughout Malaysia both for unmanufactured tobacco and tobacco products, and manufacturers should bear this in mind when planning their future operations. The establishment of a common market for these goods will require a solution to the problems posed by the manufacturers of cigarettes who use both home grown and imported tobacco.

The duty on motor spirit classified under item 332 101 is being increased from 35 cents to 65 cents per gallon in Sabah. This will yield \$1.25 million. This increase in revenue will accrue to Sabah and will assist in financing the massive Development Plan which has been drawn up by that State. The increase is substantial but the level is still low when compared with the rate of \$1.30 per gallon now in force in the States of Malaya and Singapore and will be no higher than that now ruling in Sarawak.

New duties are being imposed in Singapore on diesel fuel, fuel oils and lubricating oil at the rates now in force in the States of Malaya, that is diesel fuel at 8 cents per gallon, fuel oils at \$15 per ton and lubricating oil at \$1.00 per gallon. The tariff items are Group 332 items 301, 309, 400 and 511 respectively. The yield is estimated at \$14.6 million including receipts from excise in respect of the products from refineries in Singapore. The available data does not permit a precise breakdown between excise and import duty. The imposition of these duties is likely to increase the cost of electricity in Singapore by about .6 cent per unit

and will also increase the costs of manufacturers using diesel fuel. In general, however, fuel costs are not a significant proportion of ex-factory costs and home manufacturers should be able to absorb this increase in their costs. I appreciate that for one or two industries now operating in Singapore these duties may have an appreciable effect on their costs and in such cases I am prepared to consider interim relief until the case for the establishment of a Malaysian protective tariff has been considered and reported on by the Tariff Advisory Board. Nevertheless, as a general principle it is right that Singapore manufacturers should have to bear the same tax burden as manufacturers in the States of Malaya and the harmonization of major taxes should assist in the setting up of the common market. Similar excise duty rates will be imposed as part of the domestic demand will be met from our own refineries.

The total burden of taxation on taxis using diesel engines in Singapore will exceed that applicable to taxis in the States of Malaya. Therefore, I shall be moving a resolution later in this session under the provisions of section 16 (2) of the Customs Ordinance of Singapore seeking the approval of this House to reduce the special tax payable by owners of diesel powered taxis in Singapore by \$50 per passenger so that the annual rate will be \$200 per passenger. This will mean that the total reduction for a 4-seater taxi will be \$200 per annum and will involve a reduction in revenue of about \$670,000.

In Sabah, the duties on diesel fuel and fuel oils have been reduced by 1 cent and 3 cents per gallon respectively, which will cost the State \$100,000 in revenue. These changes have been made as a first step towards harmonization with the rates now in force in the States of Malaya. No changes have been made this year in relation to Sarawak in view of the effect which an increase in the duty on petrol would have on certain types of river transport in the State and the absence of any substantial use of diesel and fuel oils by industrial consumers. Nevertheless, I consider that the first

steps towards harmonization with the rest of Malaysia must be taken in the not too distant future.

An entirely new duty is being imposed in the States of Malaya, Sarawak and Sabah on crown corks which are classified under item 698 851. The rate will be 5 cents per piece and is estimated to yield \$8.2 million. The duty has been designed to tax a wide range of non-essential consumer goods which are sold in bottles using crown corks. As Honourable Members will note, the duty will be a substantial revenue earner but will not involve additional costs of administration as it will be collected by Customs. The duty may cause some changes in the packing of goods, for instance, more beer may be sold in cans than before, but beer already makes a substantial contribution to revenue. A corresponding excise tax will be imposed, but is not likely to produce revenue until the domestic manufacture of crown corks begins. Singapore has been excluded from the new levy as the cost of soft drinks produced in Singapore will be significantly raised as a result of the new duties on sugar.

The duty on crown corks will increase the costs of manufacturing soft drinks and cordials in Malaysia and in order to preserve the competitive position of our own manufacturers as against imports, an import duty of \$1.60 per gallon is being imposed in the States of Malaya and Singapore on spa waters and non-alcoholic beverages classified under Group 111 items 012, 021 and 022. The rate of duty in Sabah and Sarawak will be \$1.20 per gallon. This duty should serve as an incentive to the home production of these classes of beverages and in respect of Singapore manufacturers will be compensated fully for any increase in costs arising from the import duty on sugar. It is estimated that the yield will be \$925,000.

As regards export duties, I am increasing the duty in the States of Malaya on palm oil and oil palm nuts classified under items 422 200 and 221 300 respectively by $2\frac{1}{2}\%$ *ad valorem* to $7\frac{1}{2}\%$ *ad valorem*. This

increase will yield \$2.1 million but the effective increase will be less owing to consequential reductions in the tax on profits payable by producers. With the development of new types of planting material the productivity of oil palm estates is increasing rapidly and I am satisfied that this increase in the rate of export duty will not discourage the development of an industry which is so important to our policy of agricultural diversification. The duty is not being imposed in Sabah in view of the assurances which have been given to producers in that State.

With the closing of the Raub Australian Gold Mine there has been a sharp decline in the volume of domestic production of gold which is consequently now inadequate to meet legitimate domestic demand from goldsmiths. The present duty of 25% *ad valorem* in the States of Malaya provides a strong incentive for smuggling and I am therefore reducing the rate to 10% *ad valorem* in respect of group 971 items 001, 002 and 003 and do not expect this to reduce the yield. Imports of gold will remain subject to import licensing.

We estimate that the additional annual yield from all these proposals for indirect taxation and the other changes listed in the Orders now before you will amount to \$54 million. Of the revenue arising in Singapore, 60% is to be treated as State revenue in accordance with Annex J to the Malaysia Agreement. In relation to Sabah, the additional revenue from petroleum will be State revenue, and furthermore, as Sabah is entitled to 30% of retained Federal revenue from customs duties received in Sabah, it is reasonable to assume that 30% of the additional revenue will accrue to that State. Sabah will also be entitled to an amount equal to 40% of the increase in the net Federal revenue arising in Sabah as compared with the year 1963. This is provided for in item 2 (1) of Part IV of the Tenth Schedule to the Constitution. It is not practicable at this juncture to forecast the amount which will be payable to Sabah under this provision of the Constitution.

The increase in the revenue of the Central Government from the changes in Customs duties proposed will be \$29 million. This excludes a sum of \$300,000 which will be received in the first instance as revenue from Sabah but will be repaid later to the State as their 30% share of such increase. This estimate must be approximate only as the imposition of these new duties must have some effect on consumption and it is possible therefore that their yield will be lower than anticipated.

A Bill will also be brought before this House during its current session to amend the Customs Ordinance, 1952, in order to allow the Central Government to add one more item to the list of goods on which import duty could be levied on Penang Island. That item will be motor vehicle tyres and tubes, though the coming into force of this provision will await a date to be fixed by the Treasury. We intend to add this item to the list of dutiable goods on Penang Island owing to the widespread and growing incidence of smuggling in these articles. There is only a small entrepot trade in these goods and suitable facilities will be provided for its conduct, and hence, apart from the smugglers concerned, no harm will be done to the people of Penang, who, I am sure therefore, will endorse such an objective. In this connection, I would like to record our appreciation of the helpful attitude taken by the Chief Minister of Penang whom I consulted on this matter and whose approval for the course of action we now propose was so promptly given.

Finally, we come to the changes proposed for road transport fees and licences. It is proposed to raise the various licences and fees by amounts which though small in themselves will however in the aggregate amount to a significant increase in revenue, estimated at \$5.7 million. The main changes include raising the driving licence and test fees from \$5 per annum to \$10 per annum, the first registration fees from \$5 to \$15 for motor cars and from \$2 to \$5 for motor cycles, and raising the transfer fees from \$4 to \$10 for motor cars, and from \$1 to \$3 for motor cycles. In addition, the annual

registration fee on private diesel vehicles is to be raised from three to five times the rates for petrol vehicles and from one to two times the petrol rate in the case of diesel taxis. These increases are intended to reduce the disparity between the relative tax burdens borne by petrol and diesel vehicles arising from the difference in taxation of petrol and diesel fuel. The changes in annual registration fees are estimated to yield \$1.3 million in additional revenue.

These changes in road transport charges are to be applied to the States of Malaya initially, and will be effective from 26th November, that is tomorrow. Harmonization with Singapore must await modification of the Road Transport Ordinance and will have to be undertaken in connection with the harmonization of other taxes falling on motor transport, so that the total tax burden in this area arising from all the relevant fees and taxes is equalized.

The total yield in 1965 which will be derived from all the tax changes proposed, that is both direct and indirect taxation, is estimated at \$147 million, of which the share accruing to the Federal Government should be \$110 million. Singapore will receive \$35 million of this increase, while Sabah will receive \$2 million. This additional yield will, therefore, bring the estimate of Federal Government revenue for 1965 to \$1,511 million. Allowing for an estimated actual recurrent expenditure of \$1,540 million, i.e., a shortfall of \$9 million, the current account deficit will therefore be reduced to \$29 million. The overall deficit, i.e., after taking into account development expenditure, will consequently be reduced to \$543 million. This will have to be met by borrowing and by drawing on the Government's accumulated assets. Borrowing is estimated to provide \$205 million when the second instalment of \$30 million from Singapore for Borneo development is included. The difference of \$338 million will represent the run down in such assets during 1965.

Before I close, I would like to make one general observation. If we look at

the postwar period, the most outstanding phenomena in the economic sphere are the resurgence of Japan and Germany. These two countries, nineteen years ago, lay prostrate as a result of defeat and devastation in war. Japan in particular had achieved rates of production and growth which hitherto has been regarded by economists as impossible of fulfilment. It is, of course, true that both countries have received massive doses of American aid. Other factors have also helped, but basically and largely they have pulled themselves up by their own efforts and those efforts can be summed up in two qualities. The first is hard work, and the second is thrift. If we in Malaysia are prepared to work equally hard and to save as much there is no reason why we cannot do equally well. If there is one economic moral we can point to in this age, it is this moral, and I would like to commend it to our young nation.

By now it will be clear to Honourable Members that we face a period of increasing strain. Fortunately for us our financial assets are still satisfactory though they will be declining rapidly unless we reduce this rate of run down by economies in Government expenditure, by increasing revenue in every way possible, and by seeking external aid from our friends overseas. The first two processes are necessarily painful ones. They will involve contributions from all sections of the population but it will be seen from the new revenue proposals which I have described that we have tried to equate the burden with ability to pay. In this connection it is pertinent to add that our allies are not likely to respond favourably unless we show that we are doing everything we can to help ourselves.

If I may summarise, I would say that the prospect ahead should sober but not depress us. There is no cause for pessimism but neither is there any cause for complacency. What is required is not so much a reaffirmation of hope as an affirmation of our determination to work harder and to save more. There is no doubt of tomorrow's sunshine, equally there is no doubt that it has to be earned by today's sweat and sacrifice. In recent months, there

has been an increasingly gratifying response to the Government's call for unity and sacrifice in face of the external danger which faces us now. From people in all walks of life, from public bodies and organisations have come assurances that the people of this country would be prepared to bear the cost of defending our nation in this hour of supreme trial. This is the time to translate those assurances into concrete terms and I commend this

Budget to this House in this spirit. (*Applause*).

Dato' Dr Ismail: Sir, I beg to second the motion.

Mr Speaker: Honourable Members, pursuant to Standing Order 66 (2), the debate on the motion for the second reading of the Supply Bill, 1965, is adjourned till Saturday, 28th November, 1964.

Adjourned at 5.00 p.m.

WRITTEN ANSWERS TO QUESTIONS

MINISTRY OF AGRICULTURE AND CO-OPERATIVES

Marketing Board

1. Tuan Haji Ahmad bin Abdullah bertanya kepada Menteri Pertanian dan Sharikat Kerjasama, pada tahun bila-kah Lembaga Pasaran (Marketing Board) itu telah di-dirikan dan siapakah anggota² dan pengerusi-nya dan apa-kah kerja² yang telah di-buat oleh Lembaga itu.

Menteri Pertanian dan Sharikat Kerjasama (Enche' Mohamed Khir Johari): Lembaga Pasaran (Marketing Board) belum lagi di-tubuhkan. Satu laporan bagi mengadakan satu Lembaga Pasaran yang telah di-buat oleh sa-orang Pakar di-bawah Ranchangan Colombo telah pun di-kemukakan kepada Kerajaan. Laporan ini serta shor²-nya sedang di-kaji dengan teliti.

Financial Assistance to Farmers and Fishermen

2. Datu Aliuddin bin Datu Harun bertanya kepada Menteri Pertanian dan Sharikat Kerjasama ada-kah Kerajaan Pusat berchadang hendak memberi bantuan kewangan kepada petani² dan nelayan² Sabah supaya mereka dapat menambahkan keluaran hasil daripada kedua perusahaan itu. Jika ada, bila.

Enche' Mohamed Khir Johari: Menurut perkiraan yang ada sekarang, pertanian dan perikanan dalam Sabah ada-lah tanggungan Kerajaan Sabah di-bawah Menteri Pertanian, Sabah. Tetapi peruntokan² akan di-adakan bagi menolong petani² dan nelayan² di-Sabah di-bawah Ranchangan Pertama Kemajuan Malaysia 1966/70. Bagi tahun 1965 peruntokan sa-banyak \$750,000 telah di-adakan untuk diberi pinjam kepada petani² (termasuk nelayan²) Negeri Sabah.

High Rate of Interest

3. Dr Tan Chee Khoo asks the Minister of Agriculture and Co-operatives to state whether it is true that he said

at the Annual General Meeting of the Malay Teachers Co-operative Thrift and Loan Society on 18th July, 1964, that "Pa' Jangguts" i.e. Sikh Money-lenders, charge as high as 20% interest per month for loans, if so, would he state what action he has taken to induce the Alliance Government to prevent such vile practices to bleed the poor.

Enche' Mohamed Khir Johari: Yes, I did. There is already in existence a law, the Money Lenders Ordinance, 1951, governing the control of the rate of interest chargeable by money lenders. My intention in making the statement is to encourage the Malay Teachers and other Government Officers to join co-operative societies so that they will not condone the illegal practices and become the victims of "Pa' Jangguts".

MINISTRY OF COMMERCE AND INDUSTRY

Factories with Pioneer Status

4. Tuan Haji Ahmad bin Abdullah bertanya kepada Menteri Perdagangan dan Perusahaan (i) berapa bilangan kilang² di-Tanah Melayu yang telah mendapat Taraf Perintis dan apa nama kilang² itu; (ii) berapa banyak kilang² ini yang memakai orang Melayu sabagai buroh sa-banyak 30% daripada buroh²-nya dan apa nama kilang² itu.

Menteri Perdagangan dan Perusahaan (Dr Lim Swee Aun): (i) Senarai Sharikat² Perintis di-Negeri² dalam Tanah Melayu ada-lah saperti berikut:

1. Ajinomoto (Malaysia) Limited.*
2. Alcan Malayan Aluminium Co. Ltd.
3. Asia Chemical Corporation Ltd.
4. Beatrice Foods (Malaya) Ltd.
5. Beecham (Manufacturing) Ltd.
6. Boon & Cheah Steel Pipes Ltd.*
7. Brady's (Malaya) Limited.*
8. Carrier International (Malaya) Ltd.
9. Cement Aids Ltd.
10. Century Batteries (Malaya) Ltd.
11. Chemical Company of Malaysia Ltd.*
12. Chemical Industries (Malaya) Ltd.†
13. Colgate-Palmolive (Asia) Ltd.
14. Colgate-Palmolive (Far East) Ltd.

Peringatan: Syarat berkenaan Pekerja² bangsa Melayu.

(a) Tanda * pada 36 buah Sharikat² yang mempunyai "kadar bilangan pekerja² Melayu yang setimbang".

(b) Tanda † pada 13 buah Sharikat² yang mempunyai "50% daripada pekerja²-nya orang Melayu".

15. Colorcem (Malaya) Limited.*
16. Crittall Malaya Ltd.
17. Dumex Limited.
18. Dunlop Malayan Industries Ltd.*
19. Esso Standard (Malaya) Ltd.
20. Far East Metal Works Ltd.
21. Federal Flour Mills Ltd.*
22. Federal Industries Ltd.
23. Federal Iron Works Ltd.
24. Federal Metal Printing Factory Ltd.
25. Federal Paint Factory Ltd.
26. Federal Plastics Industries Ltd.
27. Federal Tile Manufacturers Ltd.†
28. Ferranti (Malaya) Ltd.
29. Food Specialities Malaya Ltd.
30. Franco-Malayan Manufacturing Co. Ltd.
31. Freezinhot Bottle Company (M) Ltd.*
32. General Container Co. Ltd.
33. Glaxo Allenburys (Malaysia) Ltd.
34. Goodhill Limited.†
35. Guinness Malaysia Ltd.*
36. Hock Joo (Bolts & Nuts) Factory Ltd.
37. Hume Industries (Malaya) Ltd.*
38. I.C.I. Paints (Malaya) Ltd.
39. Insulations (Malaya) Ltd.
40. J. & J. Ho (Malaya) Ltd.
41. Johnson & Johnson Malaya Ltd.
42. Kayar (M) Ltd.†
43. Kelantan Match Factory Ltd.
44. King Musical Industries Ltd.*
45. Lam Soon Corporation Ltd.
46. Lion Dentifrice (Malaya) Ltd. (The).
47. Lison Company Ltd.
48. Liton Industries (Malaya) Ltd.†
49. Malaya Acid Works Ltd.
50. Malaya Acid Works (Formic) Ltd.*
51. Malaya Ceramic Industries Ltd.
52. Malayan Aluminiumware Mfg. Co. Ltd. (The).†
53. Malayan Glass Factory Ltd.*
54. Malayan Batteries Ltd.
55. Malayan Bitumen Products (Malaya) Ltd.
56. Malayan Cables Ltd.
57. Malayan Consumer Industries (F) Ltd.
58. Malayan Breweries (Malaya) Ltd.
59. Malayan Fibre Containers Ltd.*
60. Malayan Flour Mills Ltd.†
61. Malayan Frozen Foods Ltd.*
62. Malayan Industrial & Engineering Co. Ltd.*
63. Malayan Pharmaceutical Factory Ltd.*
64. Malayan Industrial Plastics Ltd.
65. Malayan N.S.D. Ltd.
66. Malayan Marine Industries Ltd.
67. Malayan Nozawa Asbestos Cement Co. Ltd.
68. Malayan Polythene & Cellulose Ltd.†
69. Malayan Steel Products Ltd.
70. Malayan Sugar Manufacturing Co. Ltd.*
71. Malayan Sugar Refining Co-op. Ltd.*
72. Malayan Umbrella Factory Limited.†
73. Malayan United Industrial Co. Ltd.
74. Malayan Veneer Ltd.
75. Malayan Weaving Mills Ltd.
76. Malayan Welding Products Ltd.
77. Malayan Zips Ltd.*
78. Malayawata Steel Ltd.*
79. Malaysia Senju Plywood Co. Ltd.*
80. Malaysian Lamps Ltd.†
81. Merdeka Film Production Ltd.
82. Metal Box Company of Malaya Ltd. (The).
83. "Naarden" (Malaya) (Pty) Ltd.
84. National Lacquer & Paint Products Co. (M) Ltd.*
85. Office Equipment Manufacturers (M) Ltd.*
86. P.A.R. Malayan Paintworks (F) Ltd.
87. Pacific Milk Industries (M) Ltd.*
88. Perak Match Factory.
89. Poly Plastics (Malaya) Ltd.*
90. Prefabricated Timber Houses Ltd.
91. Seng Chong Metal Works Ltd.
92. Shell Refining Co. (F. of M.) Ltd.
93. Sin Heng Chan (M) Ltd.*
94. Sincere Match & Tobacco Factory Ltd.
95. Sincere Rolling Mills Ltd.*
96. Singer Industries (M) Ltd.*
97. Sissons Paints (East) Ltd.
98. South East Asia Lumber Corporation Ltd.†
99. South Pacific Textile Industries Ltd.†
100. Tacam Limited.†
101. Textile Corporation of Malaya Ltd.†
102. Tien Wah Press (M) Ltd.*
103. Ton Meng Company (Malaya) Ltd.*
104. United Plastics Ltd.*
105. Watson & Co. (Chemical) Ltd. A.S.*
106. Zephyr Chemical Feedstuffs Ltd.*
107. Zuelling Feedmills (Malaya) Ltd.

Peringatan: Syarat berkenaan Pekerja2 bangsa Melayu.

- (a) Tanda * pada 36 buah Sharikat² yang mempunyai "kadar bilangan pekerja² Melayu yang setimbang".
- (b) Tanda † pada 13 buah Sharikat² yang mempunyai "50% daripada pekerja²-nya orang² Melayu".

(c) Tanda ‡ pada sa-buah Sharikat yang mempunyai "30% daripada pekerja²-nya orang² Melayu".

(ii) Senarai² Sharikat² Perintis yang mengambil “30% atau lebih” orang² Melayu untuk bekerja sa-bagai buroh², di-Negeri² dalam Tanah Melayu:

Nama Sharikat	Peratus Pekerja ² bangsa Melayu
1. Alcan Malayan Aluminium Co. Ltd.	51%
2. Beatrice Foods (Malaya) Ltd. ...	37%
3. Brady's (Malaya) Limited ...	44%
4. Carrier International (Malaya) Ltd.	32%
5. Century Batteries (Malaya) Ltd. ...	38%
6. Colgate-Palmolive (Far East) Ltd.	66%
7. Colorcem (Malaya) Limited ...	68%
8. Dunlop Malayan Industries Ltd. ...	44%
9. Federal Industries Ltd.	50%
10. Federal Iron Works Ltd. ...	41%
11. Federal Paint Factory Ltd ...	58%
12. Food Specialities Malaya Ltd ...	42%
13. Franco-Malayan Manufacturing Co. Ltd.	67%
14. Freezinhot Bottle Company (M) Ltd.	30%
15. General Container Co. Ltd. ...	43%
16. Humes Industries (Malaya) Ltd. ...	59%
17. I.C.I. Paints (Malaya) Ltd. ...	33%
18. Insulations (Malaya) Ltd. ...	69%
19. Johnson & Johnson Malaya Ltd. ...	33%
20. Kelantan Match Factory Ltd. ...	98%
21. Malaya Acid Works Ltd. ...	45%
22. Malayan Batteries Ltd.	88%
23. Malayan Cables Ltd.	55%
24. Malayan Fibre Containers Ltd. ...	55%
25. Malayan Frozen Foods Ltd ...	33%
26. Malayan N.S.D. Ltd.	58%
27. Malayan Nozawa Asbestos Cement Co. Ltd.	65%
28. Malayan Polythene & Cellulose Ltd.	100%
29. Malayan Weaving Mills Ltd. ...	32%
30. Malayan Zips Ltd.	45%
31. Merdeka Film Production Ltd. ...	67%
32. Metal Box Company of Malaya Ltd. (The)	41%
33. National Lacquer & Paint Products Co. (M) Ltd.	37%
34. P.A.R. Malayan Paintworks (F) Ltd.	71%
35. Perak Match Factory	38%
36. Poly Plastic (Malaya) Ltd. ...	40%
37. Sincere Rolling Mills Ltd. ...	37%
38. Sissons Paints (East) Ltd. ...	70%
39. Tacam Limited	70%

Nama Sharikat	Peratus Pekerja ² bangsa Melayu
40. Tong Meng Company (Malaya) Ltd.	44%
41. United Plastics Ltd.	42%
42. Colgate-Palmolive (Asia) Ltd. ...	35%
43. Crittall Malaya Ltd.	44%
44. Malayan Industrial & Engineering Co. Ltd.	54%
45. Singer Industries (M) Ltd. ...	77%
46. South Pacific Textile Industries Ltd.	41%

Senarai Sharikat² Perintis yang mengambil “kurang daripada 30%” orang Melayu untuk bekerja sa-bagai buroh², di-Negeri² dalam Tanah Melayu.

Nama Sharikat	Peratus Pekerja ² bangsa Melayu	Pada
1. Malayan United Industrial Co. Ltd.	25%	31-12-63
2. “Naarden” (Malaya) (Pty) Ltd.	23%	”
3. Sin Heng Chan (M) Ltd. ...	18%	”
4. Ferranti Ltd.	20%	31-3-63
5. Ajinomoto (Malaysia) Ltd.	29%	31-12-63
6. Beecham (Manufacturing) Ltd.	21%	”
7. Zuelling Feedmills (M) Ltd.	26%	”
8. Glaxo Allenburys (Malaysia) Ltd. ...	20%	31-6-63
9. Malayan Pharmaceutical Factory Ltd.	13%	31-12-63
10. Boon & Cheah Steel Pipes Ltd.	21%	”
11. Cement Aids Ltd.	17%	31-8-62
12. Sincere Match & Tobacco Factory Ltd.	18%	6-12-63
13. Dumex Limited	24%	7-6-63
14. Hock Joo (Bolts & Nuts) Factory Ltd. ...	16%	18-7-63
15. Lion Dentifrice (Malaya) Ltd. (The)	12%	14-11-63
16. Malayan Marine Industries Ltd.	27%	24-9-63
17. Federal Plastics Industries Ltd.	18%	1-7-63
18. Federal Metal Printing Factory Ltd.	12%	31-8-62
19. Far East Metal Works Ltd.	15%	31-12-62
20. Malayan Industrial Plastics Ltd.	14%	31-8-62
21. Kayar (M) Ltd.	28%	30-9-63

Bilangan Sharikat² yang di-beri pengesahan sa-chara asas untuk mendapat

taraf perintis, di-Negeri² dalam Tanah Melayu.

Dengan di-terangkan satu daripada syarat² yang membolehkan Sharikat itu di-beri Sijil Perintis:

Sharat	Bilangan Sharikat ²
(a) Mempunyai tidak kurang daripada 30% pekerja ² Melayu ...	22
(b) Mempunyai tidak kurang daripada 40% pekerja ² Melayu ...	2
(c) Mempunyai tidak kurang daripada 50% pekerja ² Melayu ...	7
(d) Mempunyai kadar bilangan pekerja ² Melayu yang setimbang	13
Jumlah ...	44

Batek Industry

5. Tuan Haji Ahmad bin Abdullah bertanya kepada Menteri Perdagangan dan Perusahaan bila-kah mula berjalan-nya perlindungan (protection) kepada perusahaan Kain Batek Tanah Melayu dan apa-kah langkah² yang telah di-ambil ka-atas Kain Batek yang datang dari Thailand.

Dr Lim Swee Aun: Perlindungan sa-chara langsung tidak ada di-berikan kepada bidang perusahaan batek. Tetapi perusahaan ini di-beri bantuan dalam soal cukai, mulai daripada bulan November 1959, ia-itu melalui Lembaga Perusahaan dan Kemajuan Kampong (RIDA), kerana cukai ka-atas kain² puteh yang di-impot ka-negeri ini, untuk di-bahagi²kan kepada pengechap² kain batek di-Pantai Timor. Dalam hal tersebut, kebebasan penoh daripada cukai impot di-berikan dalam mengimpot kain² puteh yang di-keluarkan di-Negeri² dalam Commonwealth. Kain² yang di-keluarkan di-Negeri² yang tidak masuk dalam Commonwealth, sa-bahagian cukai impot di-kenakan, ia-itu sa-banyak 10% daripada harga asal-nya.

Dalam menimbang hendak memberi apa² perlindungan kepada perusahaan batek, ada-lah mustahak, pada mula²-nya, untuk mendapat rekod² yang betul menunjukkan berapa banyak batek² yang di-impot, yang pada masa ini tidak di-asing²kan. Sa-buah Jawatan-kuasa yang terdiri daripada Pegawai² Kerajaan sekarang sudah pun menyiap-kan suatu ta'rif teknikal berkenaan

dengan "batek" dengan tujuan untuk memasokkan-nya dalam suatu bahagian yang bersendirian dalam jadual perang-kaan dan pengenaan cukai.

Malay Secretariat

6. Tuan Haji Ahmad bin Abdullah bertanya kepada Menteri Perdagangan dan Perusahaan, dalam tahun berapa Kerajaan Pusat telah mendirikan pejabat Malay Secretariat untuk menolong dan menggalakkan orang² Melayu di-dalam perdagangan dan apa-kah kemajuan yang telah dapat di-chapai sa-lama ini.

Dr Lim Swee Aun: Ibu Pejabat Melayu telah di-tubuhkan dalam Kementerian Perdagangan dan Perusahaan dalam bulan Februari tahun 1961. Bagi menggalakkan orang² Melayu mengambil bahagian berkesan dalam perdagangan dan perusahaan, Ibu Pejabat ini telah menolong menganjorkan sabilangan daripada projek²; mithal-nya:

(a) *Menjalankan modal dan Mengadakan modal—*

(i) Menubuhkan Sharikat Permodalan Kebangsaan Berhad, sa-buah sharikat kewangan Melayu semua sa-kali, yang menyalorkan wang simpanan Melayu ka-dalam tanaman modal yang tegap dan mendatangkan keuntungan terutama sa-kali dalam perusahaan perintis dan lain² usaha perniagaan termasuk melombong;

(ii) Menubuhkan Sharikat Kewangan Melayu Berhad bagi mengadakan puncha modal tambahan bagi perniagaan² Melayu.

(b) *Pembinaan—*

(iii) Menubuhkan sharikat National Construction Company Limited, suatu usaha bersama antara sa-buah Sharikat Pembinaan Melayu yang ahli²-nya terbuka kepada semua konterek² Melayu dan sa-buah Sharikat Pembinaan Australia yang terkenal, dengan sharikat Melayu itu memegang saham terbanyak. Melalui Sharikat ini, konterek² Melayu akan dapat mengambil bahagian dalam tender² besar dan mendapat pertolongan teknikal.

(c) *Kayu Balak*—

(iv) Menubuhkan sharikat National Timber Industries Limited, sa-buah lagi sharikat berkongsi antara sa-buah Sharikat Kayu Balak Melayu, yang ahli²-nya terbuka kepada semua perniaga² balak Melayu dan tuan² punya kilang papan Melayu, dengan sharikat Melayu itu memegang saham terbanyak. Di-harapkan Sharikat ini akan menegohkan dan meluaskan bahagian Melayu dalam perusahaan kayu balak.

(d) *Impot dan Ekspot*—

(v) Menubuhkan wakilan impot dan pembahagi², sa-buah Sharikat berkongsi bagi memberikan pemborong² Melayu dan perunchit² Melayu dalam bandar² dan kawasan² luar bandar dengan barang dengan murah dan chukup, dan dengan jalan ini mengokohkan dan meluaskan bahagian Melayu dalam perniagaan membahagi²kan barang².

(e) *Konterek² kechil*—

(vi) Ibu Pejabat Melayu ini, bersama² dengan RIDA, PWD dan DID, telah melancarkan suatu ranchangan bagi menolong konterek² Melayu.

(f) *Buku Panduan*—

(vii) Ibu Pejabat ini telah menyusun sa-buah buku panduan dalam bahasa kebangsaan yang dinamakan "Panduan Memulakan Perniagaan Bagi Orang² Melayu Yang Hendak Berniaga". Buku ini telah di-keluarkan oleh RIDA dan boleh di-dapati dengan harga 50 sen sa-buah;

(g) *Filem*—

(viii) Ibu Pejabat Melayu ini telah mengeluarkan sa-buah filem yang di-namakan "Berniaga Sebagai Mata Pencharian". Filem ini menunjukkan chontoh perniagaan Melayu yang maju dan apa yang boleh di-buat oleh orang² Melayu dalam perniagaan. Tujuan mengeluarkan filem ini ia-lah menggalakkan banyak lagi orang² Melayu masuk medan berniaga. Filem ini di-tunjokkan di-seluruh negeri; dan

(h) *Bantuan 'Am*—

(ix) Ibu Pejabat ini menolong orang² Melayu pada menchari kerja dengan gudang² saudagar dan gudang² perusahaan terutama sekali dengan gudang² yang telah di-beri taraf perintis, mendapat jadi ejen membahagi²kan barang dan menolong dan menasihatkan perniaga² Melayu dalam kesusahan² mereka.

Financial Assistance to Native Businessmen

7. Datu Aliuddin bin Datu Harun

bertanya kepada Menteri Perdagangan dan Perusahaan ada-kah Kerajaan Pusat berchadang hendak memberi bantuan kewangan kepada ahli² pedagang anak negeri Sabah, jika diminta; jika ada, bagaimana-kah chara bantuan yang akan di-berikan itu.

Dr Lim Swee Aun: Kerajaan Pusat tidak ada chadangan demikian itu. Sedangkan dalam Negeri² di-Tanah Melayu, Kerajaan tidak memberi bantuan wang chara langsung kepada perniaga² Melayu. Bantuan ada di-beri oleh RIDA dengan jalan pinjaman. Langkah² sedang di-ambil hendak mengadakan pergerakan² RIDA ka-Sabah dan Sarawak, dan perniaga² bumiputera dalam Sabah dan Sarawak boleh mendapat faedah daripada pinjaman² daripada RIDA.

Trade between Malaysia and Israel

8. Enche' Abu Bakar bin Hamzah

bertanya kepada Menteri Perdagangan:

(a) berapa Trade Balance berkenaan Ekspot dan Impot perdagangan di-antara Malaysia dengan Israel bagi tahun 1963-1964;

(b) berapa banyak bijeh timah dan getah, telah di-ekspotkan ka-Negara Israel dalam tahun 1963 dan 1964;

(c) apa Sharikat² Perniagaan di-Malaysia yang telah dan sedang membuat perhubungan dengan negara Israel.

Dr Lim Swee Aun:

(a) Pengimbangan kira² perniagaan di-antara Negeri² di-Tanah

Melayu dengan Israel bagi tahun 1963-64 ada-lah saperti berikut (angka² yang lengkap bagi Malaysia semua sa-kali belum ada):

Tahun	Pengimbangan kira ² perniagaan (\$)
1963	- 3,113,020
1964 (Jan. hingga Julai)	- 1,437,820

Peringatan: — yang tidak menguntongkan.
+ yang menguntongkan.

- (b) Jumlah banyak-nya bijeh timah dan getah dengan kiraan harganya, yang di-eksepotkan ka-Israel daripada Negeri² di-Tanah Melayu ada-lah saperti berikut:

Tahun	(Dalam \$'000 Tanah Melayu)	
	Bijeh Timah	Getah
1963	38.47	30.37
1964 (Jan. hingga Julai)	—	599.38

- (c) Kerajaan tidak menyimpan butir² rekod mengenai sharikat² perniagaan di-Malaysia yang telah ada atau yang maseh ada perhubungan² perdagangan dengan Israel. Kerajaan tidak biasa menyimpan rekod² mengenai sharikat² perniagaan di-Malaysia dan dengan siapa sharikat² itu menjalankan perniagaan.

Shares held by Malays

9. Dr. Tan Chee Khoon asks the Minister of Commerce and Industry to state whether there are any measures by which shares purchased by Malays remain in the hands of the purchasers and are not sold to other well-to-do Malays or to Non-Malays.

Dr Lim Swee Aun: There are no measures prohibiting or limiting the liberty of the Malays from subsequently selling shares purchased by them to any other Malay or non-Malay whether well-to-do or otherwise. In order to ensure genuine Malay participation in pioneer companies, shares reserved by these companies for Malay participation are normally allotted to Malay companies or institutions nominated by Government. These companies and institutions may subsequently sell such shares if it is in their interest to do so and after consultation with the Ministry of Commerce and Industry.

Purchase of Rice by Government

10. Dr Tan Chee Khoon asks the Minister of Commerce and Industry to state whether Government would consider buying rice direct from other countries instead of through local rice millers in view of the heavy adulteration in the rice delivered to Government.

Dr Lim Swee Aun: Although there had been rumours that rice delivered to Government had been heavily adulterated, no such evidence has been produced nor have special extra checks by staff of the Ministry revealed adulteration.

Every bag of rice delivered under a miller's contract is sampled and the samples examined by the firm of independent surveyors, who give detailed certificates of accepted and rejected rice after comparison with the sealed samples.

Incoming rice is also subjected to examination by the godown staff and to random scrutiny by inspectors and senior Supplies staff.

Rice stacks, during course of storage in godown, are under continual examination for condition and quality both by godown staff and by senior officers of the Supplies Section of the Trade Division.

In addition to the above checks, it is open to any purchaser of Government rice to object, before taking delivery from a Government godown, to the rice offered to him, if it is deteriorated or adulterated. Any such objection has to be investigated by a senior official. The fact that such objections are so rare as to be practically non-existent is proof that the measures taken to maintain quality are successful.

Local rice is bought from local rice millers in order to honour the Government's guarantee of a minimum price for padi—a measure to assist padi farmers to obtain fair returns for their crops. One result, therefore, if Government were to buy imported rice only for its Reserve Stock would be that the Government's guaranteed price to the padi growers could not be fulfilled and the price of local rice and padi would

fall with a resulting fall in production. Is it the wish of the Hon'ble Member that Government should not help the farmers to maintain a high level of income and obtain fair returns for their crops? The Alliance Government wants to increase the production of padi and at the same time improve the standard of living of the padi growers. As such the Government cannot consider this proposal.

Sugar Importers and Quantity Imported

11. Dr Tan Chee Khoon asks the Minister of Commerce and Industry to state the names of the companies and the amount of sugar each has been permitted to import since the restriction placed on imports of sugar.*

Dr Lim Swee Aun: Import licences have been issued for the importation of a total of 79,000 metric tons of sugar since the restriction was placed on imports of the item. The amount of sugar each importer has been permitted to import ranged from 0.1 to 20,460 tons.

Stocks of Sugar

12. Dr Tan Chee Khoon asks the Minister of Commerce and Industry to state the names of the companies and the amount of sugar held in stock by each of them at the time of the imposition of restriction of sugar.*

Dr Lim Swee Aun: The amount of sugar held in stock by importers at the time of the imposition of restriction on imports of the item totalled 4,481 metric tons. The amount of stock held by each importer ranged from 0.25 tons to 1,675 tons.

*Note—The approval of Mr Speaker under S.O. 23 (4) has been obtained by the Minister to refuse to disclose the names of the Companies concerned, on the grounds of public interest.

Shares offered by Pioneer Companies

13. Dr Tan Chee Khoon asks the Minister of Commerce and Industry to state the total value of shares offered for public subscription by pioneer companies so far, and of this, the amount of shares purchased by Sharikat Permodalan Kebangsaan.

Dr Lim Swee Aun: The total value of shares offered so far for public subscription by pioneer companies is \$36,109,207 out of which a total of \$9,243,000 was reserved for Malay participation. Of this amount the Sharikat Permodalan Kebangsaan Berhad has subscribed \$892,923.

Hire-Purchase

14. Enche' Lee Seck Fun asks the Minister of Commerce and Industry to state whether his Ministry has drafted legislation on Hire-Purchase to enable the Government to take steps to ensure that the Hire-Purchase Finance Companies abide by the rule that, when Hirers have paid one-half of the Hire-Purchase price of the goods and if they have not put an end to the agreement even though they are not paying their monthly instalments promptly, they can only repossess the goods provided an Order of the Court is obtained and also the rate of interest should be as that charged by Licensed Money Lenders.

Dr Lim Swee Aun: My Ministry has already prepared a first draft of a Hire-Purchase Bill with the following main objectives:

- (i) Consumer protection.
- (ii) The regulation of the operation of Hire-Purchase companies.

The point raised by the Honourable Member has already been embodied in the draft.

Electricity Supply—Tapah to Tanjong Malim

15. Enche' Lee Seck Fun: To ask the Minister of Commerce and Industry to state if he will consider taking steps to tap current from the High-Tension Lines, Cameron Highland Hydro-Supply and erect sub-stations where necessary and supply electricity to all the towns, villages and kampongs from Tapah to Tanjong Malim through which the said High-Tension Lines pass, and if High-Tension Transformers are not available in United Kingdom, to get such Transformers from any other countries early.

Dr Lim Swee Aun: The 132,000 volt transmission lines referred to have been constructed for the sole purpose

of carrying bulk supplies of electricity from the Cameron Highlands Hydro-Electric project to Rawang and Connaught Bridge Power Station where they are interconnected with the Central Electricity Board's other transmission and distribution networks which supply Kuala Lumpur and the South. It is therefore not possible for these 132,000 volt bulk supply transmission lines to be utilised for supplying towns, villages and kampongs between Tapah and Tanjong Malim as suggested.

The Perak River Hydro-Electric Power Co. Ltd operates a 22,000 volt overhead distribution network for supplying towns, villages, kampongs and mines, etc., which extends from the North to Tapah and down to Slim River; similarly the C.E.B. operates a 33,000 volt overhead distribution network which extends from the South up to Tanjong Malim and which supplies towns, villages, kampongs and mines en route. This C.E.B. distribution network will in all probability be extended up to Slim River at some time in the future when it becomes an economic proposition to do so.

The question of supply of transformers does not arise.

MINISTRY OF CULTURE, YOUTH AND SPORTS

Cultural Bodies from Israel

16. Enche' Abu Bakar bin Hamzah bertanya kepada Menteri Kebudayaan, Belia dan Sukan:

- (a) Sudah berapa kali-kah badan² kebudayaan atau pehak lain² dari Israel di-undang atas nama Kerajaan kita ka-negeri ini;
- (b) Ada-kah Kerajaan sedar bahawa ada pehak² dalam negeri ini telah mengundang pehak Israel datang membuat lawatan ka-negeri ini atas nama urusan kebudayaan; dan sebutkan pehak² yang mengundang itu.

Perdana Menteri:

- (a) Belum ada lagi badan² kebudayaan atau pehak lain² dari Israel yang telah di-undang ka-negeri ini atas nama Kerajaan kita;

- (b) Sa-panjang yang di-ketahui sa-menjak wujud-nya Malaysia tiada-lah ada pehak² dalam negeri ini yang telah mengundang pehak Israel datang membuat lawatan ka-negeri ini atas nama urusan kebudayaan.

MINISTRY OF DEFENCE

Manpower Registration

17. Dr Tan Chee Khoon asks the Minister of Defence to state the number of persons registered under the Manpower Registration, by age groups and race in the States of Malaya, Singapore, Sabah and Sarawak, and whether he will make a full analysis of the data collected, for its value in planning employment.

The Minister of Defence (Tun Haji Abdul Razak): The figures showing the number of persons registered under the National Service Ordinance in the States of Malaya, Singapore and Sabah by age groups are given below:

MALAYA—				Males	Females
Age Group				Registrants	
21-22	...	...	100,022	228	
23-24	...	...	124,926	234	
25-26	...	...	112,029	170	
27-28	...	...	59,891	117	
Total	...	...	396,868	749	
				Volunteers	
29-34	...	...	11,991	226	
35-40	...	...	5,599	190	
41-50	...	...	4,587	173	
51 and over	...	...	1,948	49	
Total	...	...	24,125	638	
Not Stated	...	...	235	—	
All Ages	...	...	421,228	1,387	
GRAND TOTAL	...	...	422,615		

SINGAPORE—				Males	Females
Age Group				Registrants	
21-22	...	...	18,064	12	
23-24	...	...	22,510	8	
25-26	...	...	19,062	4	
27-28	...	...	17,282	4	
Total	...	...	76,918	28	

SINGAPORE—(cont.)

Age Group	Volunteers	
	Males	Females
29-34	1,588	3
35-40	243	—
41-50	96	—
51 and over ...	28	4
Total	1,955	4
Not Stated ...	96	—
All Ages	78,969	32
GRAND TOTAL ...	79,001	

SABAH—

Age Group	Registrants	
	Males	Females
21-22	7,525	116
23-24	5,851	88
25-26	5,888	96
27-28	4,793	70
Total	24,957	370
	Volunteers	
	Males	Females
29-34	4,819	127
35-40	3,001	129
41-50	1,926	82
51 and over ...	811	29
Total	10,557	367
All Ages	34,614	737
GRAND TOTAL ...	35,351	

The figures for Sarawak are not available yet as the cards are still being processed. The total number of persons who have registered so far in Sarawak is 59,492.

The registration has not been processed by race groups and such figures are not therefore available.

The data collected is being analysed in as much detail as is practicable, and will be used by the Government as a guide not only for planning employment but also for development purposes.

MINISTRY OF EDUCATION

Free Primary Education in Sabah

18. Datu Aliuddin bin Datu Harun bertanya kepada Menteri Pelajaran adakah di-chadang hendak memulakan Pelajaran Rendah Perchuma (Free Pri-

mary Education) di-Sabah. Jika ada, bila.

Menteri Pelajaran (Enche' Abdul Rahman bin Haji Talib): Kementerian Pelajaran belum lagi menerima perutusan rasmi dari Kerajaan Negeri Sabah untuk mengadakan Pelajaran Rendah Perchuma di-negeri itu. Oleh yang demikian perkara itu belum-lah di-rundingkan lagi.

Language media in Schools

19. Enche' Mohd. Idris bin Matsil bertanya kepada Menteri Pelajaran apakah perdirian Kerajaan berkenaan dengan desakan² daripada sa-gulongan ra'ayat negeri ini supaya Kerajaan bersetuju menerima bahawa bahasa² lain daripada Melayu dan Inggeris di-jadikan bahasa penghantar di-Sekolah² Menengah Jenis Kebangsaan dan Sekolah² Aneka Jurusan negeri ini.

Enche' Abdul Rahman bin Haji Talib: Pendirian Kerajaan berhubung bahasa penghantar Sekolah² Menengah yang di-bantu ada-lah sa-bagaimana yang telah di-tentukan ketika Penyata Jawatan-kuasa Penyemak Pelajaran 1960 di-terima oleh Dewan ini. Kerajaan akan berpegang kepada keputusan tersebut yang mengakui hanya dua bahasa penghantar ia-itu bahasa² rasmi Melayu dan Inggeris.

Graduates from Technical Trade Schools

20. Enche' C. V. Devan Nair asks the Minister of Education:

- to provide figures of the number of students graduated from the Technical Trade schools in the country over the last three years;
- state how many of these graduates are at present employed in trades and occupations for which they have been trained; and
- consider conducting a survey to assess the amount of avoidable wastage in technical man-power arising from lack of adequate planning to equate supply with demand for such man-power and also arising from unattractive terms and conditions of employment for technically-trained personnel.

Enche' Abdul Rahman bin Haji Talib:

- (a) There are no technical trade schools in the States of Malaya. There are trade schools and secondary technical schools. If the information required is in respect of trade schools, then the total number of students who have completed the courses conducted by the trade schools in Malaya over the last three years is 302.
- (b) From the information available, it is known that more than 80 per cent have found employment.
- (c) A study is in progress to assess any avoidable wastage in technical manpower arising from the lack of adequate planning. This study is connected with the Higher Education Planning Committee and with the reorganisation of secondary education with its emphasis on technical education.

I.L.O. Social and Economic Conditions of Teachers

21. Enche' C. V. Devan Nair asks the Minister of Education:

- (a) whether he has received the Report and recommendations of the meeting of the International Labour Organisation Experts on Social and Economic conditions of teachers in primary and secondary schools;
- (b) if so, whether he has communicated the text of the Report and recommendations to the professional and trade unions organisations of teachers in the country, and
- (c) what action the Ministry proposes to take to implement the recommendations and conclusions of the ILO experts.

Enche' Abdul Rahman bin Haji Talib:

- (a) Yes.
- (b) Not yet. Before transmitting the Report to the organisations

concerned, the Ministry would like to study and consider its implications.

- (c) The Report is being studied by the Ministry of Education and its recommendations and conclusions are under consideration.

Medical and Housing Facilities for Teachers

22. Enche' C. V. Devan Nair asks the Minister of Education whether the Government will consider providing medical and housing facilities to all teachers in the Unified Teaching Scheme, and if not, will the Minister state the reasons for not providing such facilities.

Enche' Abdul Rahman bin Haji Talib: The question of providing medical and housing facilities to all teachers in the U.T.S. is now the subject of negotiation in the National Joint Council for Teachers. Due consideration will be given by my Ministry on the recommendations of the Council once the negotiation is completed.

Trashy Reading Material

23. Enche' C. V. Devan Nair asks the Minister of Education whether he is aware of complaints from several parents in the country that a multitude of cheap paper-back editions of books of dubious morality and quality are freely and easily available in local book-shops and that such trashy reading material can have harmful effects on the moral development of teenagers, and, if so, whether the Ministry of Education will consider measures aimed at keeping cheap and vulgar reading material away from susceptible teenage students.

Enche' Abdul Rahman bin Haji Talib: The Ministry of Education has not received any representations from parents concerning paper-back editions of books of dubious morality and quality being freely and easily available in the local book-shops. The control of the sale of such books comes within the responsibility of the police who keeps a constant watch for such books and takes whatever measures are considered as being necessary and appropriate in the circumstances of each case

discovered. As the Hon'ble Member is aware, court convictions are not easy to obtain in cases of this nature and so it is not always possible to take steps to curb the sale of books which may be considered as being harmful to children by some while not by others.

As far as the Ministry of Education is concerned, a constant watch is kept by Chief Education Officers and Principals and Heads of schools and disciplinary action is taken immediately a case is found of dubious reading material being circulated freely among school children.

Islamic Religious Schools

24. Tuan Haji Rahmat bin Haji Daud bertanya kepada Menteri Pelajaran berapa buah negeri dalam Tanah Melayu yang ada Sekolah² Ugama yang menjalankan pengajian Ugama Islam dengan sa-penoh masa, saperti di-negeri Johor.

Enche' Abdul Rahman bin Haji Talib: Sekolah² Ugama saperti yang dijalankan oleh Kerajaan Johor pada sa-belah petang di-bangunan² Sekolah Kerajaan itu, tidak ada di-negeri lain dalam Tanah Melayu.

Transfer of Teachers

25. Dr Tan Chee Khoon asks the Minister of Education to state why transfers of teachers between schools in the same or different states of Malaya have still to be approved by the Chief Education Officers when the policy envisaged by the Razak Report on Education envisaged direct employment by schools or school boards.

Enche' Abdul Rahman bin Haji Talib: Teachers other than those who are directable by this Ministry and Government teachers are not normally transferable, as they are employees of the School Board. If such a teacher wishes to move from one school to another, he will have to submit his resignation to the Board of the school where he currently works and apply to the Board of the school where he wishes to work. The Chief Education Officer must be informed of the resignation and the employment by the respective Boards as he is responsible

for the payment of the grant in aid to the schools.

A teacher is directable during the period of five years after he has completed his training during which period he is under contractual legal obligation to the Government to serve as a teacher.

Admission to Form VI Classes

26. Dr Tan Chee Khoon asks the Minister of Education to state whether he would give an assurance that all suitably qualified pupils would be given a place in the Form VI classes in 1965.

Enche' Abdul Rahman bin Haji Talib: I regret that I am not able to give an unqualified assurance sought for by the Honourable Member. But subject to the availability of teachers and places the Ministry of Education would arrange for the accommodation of those qualified pupils in Form VI classes. For those not given places in the normal Form VI classes, Sixth Form education is open to them in Further Education Classes conducted by the Ministry.

MINISTRY OF EXTERNAL AFFAIRS

Conference of Anti-Communist States

27. Dato' Haji Mustafa bin Haji Abdul Jabar bertanya kepada Perdana Menteri ada-kah beliau sedar bahawa suasana di-Tenggara Asia ini sangat membimbangkan di-sebabkan oleh anchaman² Kominis; dan jika sedar, tidak-kah patut Kerajaan menganjorkan satu Persidangan Negara² anti-Kominis, untuk menguatkan perpaduan Negara² anti-Kominis di-Tenggara Asia ini.

Perdana Menteri: Saya sedar bahawa kedudukan di-Tenggara Asia di-sebabkan oleh anchaman² Kominis sangat² membimbangkan. Walau bagaimana pun, saya suka hendak memberitahu Majlis ini bahawa Kerajaan bersetuju dengan dasar hidup bersama, tetapi akan mempertahankan negeri ini daripada sa-barang gerakan sabversib dan penyusupan Kominis. Oleh sebab itu faham kita terhadap dasar hidup bersama ia-lah supaya semua Negeri hendak-lah hormat-menghormati kebebasan politik dan kedaulatan antara sa-buah negeri dengan sa-buah negeri.

Apa jenis Kerajaan yang di-pilih oleh tiap² satu Negeri ia-lah terpulang kepada negeri itu sendiri.

Malaysia's Recognition of Israel

28. Enche' Abu Bakar bin Hamzah bertanya kepada Perdana Menteri apakah langkah² yang sudah, sedang dan akan di-buat untuk mengkaji sa-mula peng'itirafan Kerajaan Malaysia kepada Kerajaan Israel dengan tujuan untuk menarek balek peng'itirafan itu?

Perdana Menteri: Peng'itirafan Malaysia atas Israel kekal sa-bagai peng'itirafan ka-atas Negara Israel tetapi bukan ka-atas Kerajaan Israel, dan Kerajaan Malaysia tidak berchadang hendak meng'itiraf Kerajaan Israel sa-bagai sa-buah Kerajaan sa-lagi Kerajaan Perikatan berkuasa. Erti-nya kita tidak berchadang menubuhkan perhubungan diplomat atau apa² jua chara perhubungan dengan Kerajaan Israel.

Israel sa-bagai sa-buah Negara telah wujud dengan berkat Bangsa² Bersatu. Maka oleh kerana satu daripada asas aula dasar luar negeri Kerajaan ia-lah menyokong Bangsa² Bersatu dan Pia-gam-nya, Kerajaan Malaysia telah memberikan peng'itirafan kepada Israel dengan melalui proses masok sa-bagai ahli Bangsa² Bersatu dalam bulan September 1957.

Dalam undang² antarabangsa, meng'itiraf sa-sabuah Negara tiada boleh di-tarek balek kechuali jika hal² yang membawa kepada wujud-nya Negara itu tidak ada lagi, sa-umpama negeri itu tidak wujud lagi.

Cairo Meeting of Non-aligned Nations

29. Enche' Abu Bakar bin Hamzah bertanya kepada Perdana Menteri apakah sebab²-nya maka Malaysia tidak di-terima sa-bagai anggota rasmi dalam sidang Negara² Berkechuali di-Cairo baharu² ini?

Perdana Menteri: Malaysia tidak hadir dalam Sidang Negara² Berkechuali di-Cairo ia-lah oleh sebab bangkangan Indonesia. Menurut per-atoran yang telah di-jalankan, segala jemputan kepada negara² untuk hadir dalam Persidangan itu mesti-lah dengan persetujuan sebulat suara. Dengan ada-nya Indonesia menentang ke-

hadziran Malaysia, maka jemputan kepada Malaysia tidak dapat di-hantar sunggoh pun Malaysia mempunyai penoh syarat² supaya membolehkan ia-nya hadir ka-Persidangan itu.

Malaysian Embassies or Consulates in Africa

30. Enche' Abu Bakar bin Hamzah bertanya kepada Menteri Luar Negeri berapa buah negara² Afrika yang Malaysia sudah mempunyai Kedutaan atau konsol dan bila-kah hal itu akan di-adakan jika ia-nya belum?

Perdana Menteri: Malaysia mempunyai satu sahaja perwakilan di-Afrika; ia-itu di-Khahirah (Cairo). Tetapi Kerajaan telah pun memutuskan dan ranchangan² sedang di-buat, untuk menubuhkan beberapa perwakilan di-Afrika dalam tahun 1965 ini. Selagi ranchangan² ini belum dapat ketetapan dengan kerajaan² yang berkenaan, maka menurut atoran diplomatik tidak-lah dapat di-nyatakan sekarang ini dengan pasti nama² negeri di-Afrika di-mana perwakilan diplomatik Malaysia itu akan di-tubuhkan.

MINISTRY OF FINANCE

Crown Agents

31. Tuan Haji Ahmad bin Abdullah bertanya kepada Menteri Kewangan berapa banyak wang yang telah di-bayar oleh Kerajaan Pusat tiap² tahun yang tersebut di-bawah ini kepada Crown Agent kerana pesanan² yang di-buat dalam tiap² tahun saperti di-bawah ini:

1957, 1958, 1959, 1960, 1961, 1962 dan 1963.

Menteri Kewangan (Enche' Tan Siew Sin): Jumlah bayaran yang di-bayar oleh Kerajaan kepada Crown Agents kerana perkhidmatan Crown Agents berkenaan dengan barang² yang di-beli daripada-nya ia-lah saperti di-bawah ini:

1957	...	...	\$450,576.99
1958	...	...	256,704.49
1959	...	...	248,312.81
1960	...	...	263,590.48
1961	...	...	590,036.72
1962	...	...	779,545.45
1963	...	...	919,890.42

Withdrawals from E.P.F.

32. Enche' C. V. Devan Nair asks the Minister of Finance if he is aware of undue delays and difficulties encountered by contributors to Employees Provident Fund when they apply for their final withdrawal on the grounds of leaving the country for good even after they have satisfied statutory requirements governing such withdrawals, and whether he is aware that a number of contributors have left the country for good without being able to withdraw their entitlements, and if so, will he consider instituting an enquiry into the entire system of withdrawals by Employees Provident Fund contributors of their entitlements and devise a procedure with a view to minimising the difficulties of the applicants when they apply for their final withdrawals.

Enche' Tan Siew Sin: There has been no unjustifiable delay in dealing with withdrawal applications on the ground of leaving Malaysia permanently. All such applications are dealt with, and payment made, within 5-14 days if the validity of the claim is established.

As this ground of withdrawal is widely abused, the most careful consideration is given to every application, and where there is reasonable cause to doubt the *bona fides* of any claim, clarification or verification has to be obtained, and time is necessarily taken in order to ensure compliance with the provisions of the Ordinance. A close watch has been kept on such applications and vigilance has resulted in reducing the number of fraudulent withdrawal applications.

Where applications are received very late, the applicants are advised to proceed to their overseas destinations without waiting for payment. In all such cases every endeavour is made to pay the applicants before they leave and only in cases where owing to lack of time, payment cannot be made, is a bank draft sent to the applicant at his overseas address.

The procedure for approving withdrawal and making payment is very simple and has been found to be efficient. Where there has been delay, it

has been caused by the necessity to obtain further information or verification. The Government does not consider it necessary therefore to institute an enquiry into the system employed by the Employees Provident Fund with regard to the approval and payment of claims for withdrawal from the Fund.

Duty on Sugar

33. Dr Tan Chee Khoon asks the Minister of Finance to state whether he would consider abolishing or at least reducing the tax on sugar as it is an essential commodity in all homes and as the price itself is already high.

Enche' Tan Siew Sin: The Government sees no reason for complying with the suggestion of the Honourable Member, as the incidence of the tax is marginal, in so far as the cost of living is concerned, and the revenue implications are substantial.

Further, there have been violent fluctuations in world prices for sugar. The London price has declined from £101 per ton c.i.f. on 25th May, 1963 to £32. 10s. 0d. per ton on 7th November, 1964. The price paid by wholesalers in the States of Malaya to importers has declined from \$62.50 per pikul to \$39.50 per pikul during the same period so that the present price of sugar is not unduly high.

Owners of Fragmented Estates under the Registration of Businesses Ordinance

34. Dr Tan Chee Khoon asks the Minister of Finance to state whether fragmentation or sub-division of estates as a business comes under the Registration of Business Ordinance and, if so, to state the number of fragmentors registered; if not would Government take steps to see that this form of enterprise comes under the said Ordinance.

Enche' Tan Siew Sin: The owner of a rubber estate of more than 50 acres is required to register under the Registration of Businesses Ordinance, 1956, unless the owner is a limited company which is required to register under the Companies Ordinance, 1946. It is not possible to provide details of the number of persons owning rubber estates registered under the Registration of

Businesses Ordinance, who have subsequently fragmented such estates. As stated earlier, however, any person who acquires a rubber estate of more than 50 acres is required to register under this Ordinance, excepting where the owner is a limited company.

Turf Clubs and Lotteries

35. Enche' Abu Bakar bin Hamzah bertanya kepada Menteri Kewangan bila-kah dan apa-kah langkah² yang di-buat untuk memasukkan wang² hasil loteri, lomba kuda dan loteri² yang lain ka-dalam Tabong Wang Negara saperti mana yang telah di-buat bagi hasil loteri Kebajikan Masharakat?

Enche' Tan Siew Sin: Berkenaan dengan loteri² lumba kuda yang di-majukan oleh mana² kelab lumba kuda atau persatuan daripada keputusan lumba kuda, chukai ada-lah di-kenakan sa-banyak dua puluh peratus daripada jumlah wang yang di-bayar kepada loteri ini. Chukai ini di-masokkan ka-dalam hasil Kerajaan Persekutuan menurut Undang² Chukai Pertarohan dan Loteri² Lumba Kuda tahun 1948. Berkenaan dengan loteri² yang lain, chukai sa-banyak dua puluh peratus atas jumlah wang yang di-dapati daripada sa-barang loteri ada-lah di-kenakan menurut Undang² Loteri tahun 1952. Oleh yang demikian soal memasukkan keuntongan² loteri lumba kuda sa-lain dari keuntongan loteri Perkhidmatan Kebajikan Masharakat ka-dalam hasil Kerajaan tidak-lah berbangkit oleh sebab loteri² ini ada-lah di-jalankan oleh Pertubohan² sendiri dan menurut Undang² mesti di-kenakan chukai yang tertentu.

MINISTRY OF HEALTH

Training of Nurses Overseas

36. Tuan Haji Ahmad bin Abdullah bertanya kepada Menteri Kesihatan berapa orang pelajar² yang telah di-hantar oleh Kerajaan Pusat ka-seberang laut untuk belajar dan berlatih sabagai jururawat dalam tahun 1962, 1963 dan sa-hingga bulan Julai, 1964, dan ka-negeri mana mereka di-hantar.

Menteri Kesihatan (Enche' Bahaman bin Samsudin): Bilangan pelajar² yang di-hantar belajar dan berlatih sebagai jururawat dalam tahun 1962, 1963 dan

sa-hingga bulan Julai 1964 ada-lah seperti berikut:

<i>Tahun</i>	<i>Bil. Pelajar</i>	<i>Negeri Tempat Belajar</i>
1962	... 152 ...	United Kingdom
	... 16 ...	Australia
1963	... 35 ...	United Kingdom
	... 12 ...	Australia
1964	... 8 ...	United Kingdom
	... 5 ...	Australia

Motor Vehicles in Medical Department, Johore

37. Tuan Haji Rahmat bin Haji Daud bertanya kepada Menteri Kesihatan berapa bilangan kenderaan² yang berikuk di-bawah, dalam Pejabat Kesihatan dan Perubatan Negeri Johor:

- (a) Kereta Sakit (Ambulance);
- (b) Kereta Ubat (Travelling Disp.);
- (c) Lori Pengangkutan (Transport Lorry).

Enche' Bahaman bin Samsudin: Bilangan kenderaan² tersebut dalam Pejabat Perubatan dan Kesihatan Negeri Johor ada-lah seperti berikut:

- (a) Kereta Sakit 15
- (b) Kereta Ubat 13
- (c) Lori Pengangkutan 11

Nurses and Assistant Nurses

38. Enche' Sulaiman bin Ali bertanya kepada Menteri Kesihatan berapa bilangan jururawat² dan penolong² jururawat di-seluruh Tanah Melayu dengan menyebut bilangan satu²-nya bagi sa-sabuaah negeri dalam Persekutuan Tanah Melayu.

Enche' Bahaman bin Samsudin: Angka²-nya ada-lah seperti berikut:

	<i>Jururawat</i>	<i>Penolong Jururawat</i>
Johor (termasuk Rumah Sakit Tampoi)	190	147
Kedah	110	158
Kelantan	52	84
Melaka	92	107
Negri Sembilan	104	138
Pahang	75	150
Pulau Pinang	204	77
Perak (termasuk Rumah Sakit Tg. Rambutan) ...	285	326
Perlis	22	36
Selangor (termasuk Sungai Buloh dan Klinik Tibi)	294	246
Trengganu	43	69
Dalam latehan di-Sekolah ² Latehan ...	768	—
Jumlah	2,239	1,538

Mid-wives

39. Enche' Sulaiman bin Ali bertanya kepada Menteri Kesihatan apakah dasar dan kelayakan² yang perlu bagi membolehkan di-terima perempuan² menjadi Bidan.

Enche' Bahaman bin Samsudin: Kementerian Kesihatan ada-lah mengutamakan pemilihan peminta² bagi jawatan Bidan daripada mereka² yang datang daripada kawasan yang berkehendakkan Bidan² itu dengan syarat mereka itu mempunyai kelayakkan yang tertentu. Mereka² itu sa-telah ter-lateh akan di-hantar balek ka-kawasan mereka itu datang. Kelayakkan² yang perlu, ia-itu menurut Sekim Perkhidmatan, ia-lah chalun itu mesti sudah berumur 18 tahun dan lulus sekurang²-nya darjah IV atau boleh menulis dan membaca dalam bahasa masing² dan boleh berchapak Bahasa Melayu.

Mental Patients

40. Dr Tan Chee Khoon asks the Minister of Health to state the number of patients re-admitted to the mental hospitals in the country after being treated and discharged.

Enche' Bahaman bin Samsudin: Generally, about 35% of the patients are re-admitted after being treated in and discharged by the mental hospitals, in this country. As the question does not specify period it is not possible to give the exact figures.

41. Dr Tan Chee Khoon asks the Minister of Health to state whether all patients discharged from the mental hospitals in the country are certified cured and fit for normal occupations.

Enche' Bahaman bin Samsudin: Patients discharged from the mental hospitals are not certified cured and fit for normal occupations. Patients are discharged when the Medical Officer is satisfied that the patients:

- (a) are capable of looking after themselves;
- (b) have shown improvements and relatives undertake to look after them;
- (c) are fit for out-patient treatment at the General Hospitals in this country.

District Hospital, Sungei Bakap

42. Dr Tan Chee Khoon asks the Minister of Health to state whether he is aware that on 3rd November, 1964, no medical supplies were available for the treatment of patients especially emergency cases at the District Hospital, Sungei Bakap, Province Wellesley, and whether he would take steps to see that ample stocks exist and that the supplies from the store are easily available even on holidays.

Enche' Bahaman bin Samsudin: It is not true to say that no medical supplies were available in the District Hospital, Sungei Bakap, on 3rd November, 1964. Adequate stocks and supplies are easily available even during holidays.

Government Dispensary, Slim Village

43. Enche' Lee Seck Fun asks the Minister of Health to state if he is aware that the Government Dispensary in Slim Village, a thickly Malay populated area, is housed in a rented building which has a floor area of 600 sq feet and if so, when the Government will put up its own building.

Enche' Bahaman bin Samsudin: The Ministry is aware of the position, but it is considered adequate to serve the area for the present. The construction of a Rural Health Unit for the village will be considered for inclusion in a future plan, as the need arises.

Tanjong Malim District Hospital

44. Enche' Lee Seck Fun asks the Minister of Health to state if he will give top priority for the construction of an Administrative Block, an Operating Theatre and X-Ray Room at Tanjong Malim District Hospital, which serves a population of over 80,000 people, so that out-patients will in future have a proper waiting room, lives of casualty patients who usually die in the Hospital Ambulance on their way to the General Hospital, Kuala Lumpur, which is 52 miles away, may be saved, and transport expenditure for taking X-Ray cases by the local

Hospital Ambulance to Kuala Lumpur be reduced.

Enche' Bahaman bin Samsudin: These projects are included in the Development Plan for construction in 1965.

Dental Nurses at Sub-Health Centres

45. Enche' Lee Seck Fun asks the Minister of Health to state whether he intends to post Assistant Dental Nurses at the Sub-Head Centre, Bidor, Sungkai and Slim River.

Enche' Bahaman bin Samsudin: It is not proposed to post Assistant Dental Nurses at the Sub-Health Centres, Bidor, Sungkai and Slim River, as there are no resident Dental Officers at these centres. Assistant Nurses accompany the Dental Officers when they visit these centres once a week.

MINISTRY OF HOME AFFAIRS

Aliens

46. Tuan Haji Ahmad bin Abdullah bertanya kepada Menteri Hal Ehwal Dalam Negeri berapa bilangan orang² asing yang telah masuk ka-Tanah Melayu dalam tahun 1961, 1962, 1963 dan hingga bulan Ogos, 1964, dengan (a) mendapat kebenaran sementara, dan (b) mendapat kebenaran untuk tinggal tetap.

Menteri Hal Ehwal Dalam Negeri (Dato' Dr Ismail bin Dato' Haji Abdul Rahman): Keterangan² yang di-pinta oleh Ahli Yang Berhormat itu ia-lah seperti berikut:

(a) *Kebenaran untuk tinggal sementara (kebenaran sementara)*—

1961	...	...	...	2,192
1962	...	...	...	2,312
1963	...	...	...	2,676
1964 (hingga 31hb Ogos)	—			1,386

Angka² ini tidak termasuk penduduk² yang masuk dengan mendapat pas² Sempadan kerana membuat lawatan singkat, penumpang² negeri asing yang dibenarkan mendarat sa-masa kapal² berlaboh di-pelabuhan dan tidak

pula termasuk pelawat² asing yang di-berikan visa oleh Perwakilan² Malaysia di-seberang laut kerana membuat lawatan singkat.

(b) *Kebenaran Masuk kerana kekal bermastautin*—

Tahun	Dewasa	Kanak ²	Jumlah
1961	...	622	204
1962	...	658	135
1963	...	627	141
1964 (hingga 31hb Ogos)	...	162	44
			206

Kebanyakan daripada orang² yang telah di-berikan Kebenaran Masuk (kerana menetap di-sini) ada-lah terdiri daripada isteri dan anak warganegara yang berumur enam tahun ka-bawah dan orang² yang telah di-berikan kebenaran dengan sebab belas-kasehan kepada-nya.

Enche' Tan Lark Sye

47. Tuan Haji Ahmad bin Abdullah bertanya kepada Menteri Hal Ehwal Dalam Negeri ada-kah sivil kera'ayatan Enche' Tan Lark Sye telah di-batalkan dan jika sudah, apa-kah sebab-nya beliau terus di-benarkan tinggal di-Tanah Melayu; jika belum di-batalkan, sa-takat mana-kah telah di-ambil tindakan untuk membatalkan sivil kera'ayatan-nya itu.

Dato' Dr Ismail: Ya, dengan perantah Timbalan Perdana Menteri Singapura. Hal mengenai Enche' Tan Lark Sye itu termasuk dalam erti² kata syarat² dalam fasal (7) kepada Perkara 28A dalam Perlembagaan Malaysia dan menurut fasal Perlembagaan tersebut itu, saya telah menyerahkan kuasa saya kepada Timbalan Perdana Menteri Singapura seperti yang tersebut dalam L.N. 39/6-2-64.

Dengan terlucut-nya kewarganegaraan itu tidak pula berarti bahawa Enche' Tan Lark Sye tidak boleh terus tinggal dalam negeri ini.

Nanyang University Students

48. Tuan Haji Ahmad bin Abdullah bertanya kepada Menteri Hal Ehwal Dalam Negeri berapa orang daripada penuntut² Nanyang University yang telah di-tahan oleh Kerajaan Pusat kerana terlibat dalam pergerakan

haram (Communist) dan berapa orang daripada mereka yang telah di-bebasikan daripada tahanan.

Dato' Dr Ismail: Jumlah bilangan penuntut² yang di-tangkap ia-lah 75 orang, yang mana 35 orang daripada mereka telah di-bebasikan sa-lepas di-soal oleh pihak polis. Daripada 40 orang yang tinggal lagi, 13 orang telah di-kenakan Perintah Sekatan (Restricted Orders) dan 27 orang di-tahan di-bawah Perintah Tahanan (Detention Orders). Daripada 27 orang yang di-tahan itu, 4 orang telah di-bebasikan sa-hingga ini, ia-itu di-gantungkan dengan bersyarat Perintah Tahanan yang di-kenakan terhadap mereka.

Kampung Sungei Choh—Ulu Selangor

49. Tunku Abdullah ibni Al-marhum Tuanku Abdul Rahman asks the Minister of Home Affairs, whether he is aware of the number of road accidents resulting in casualties to the people of Kampung Sungei Choh in the District of Ulu Selangor, and if so, whether he would take action to impose a speed limit of 30 mph on the main road passing through that Kampong.

Dato' Dr Ismail: I am aware that there have been road accidents along the main road passing through Kampong Sungei Choh since 1st January this year, resulting in 11 persons injured and 2 killed. The responsibility for imposing speed limits however, lies with the Minister charged with the responsibility for transport, as provided in section 60 of the Road Traffic Ordinance and I am having the matter referred to the Ministry of Transport for their necessary actions.

Inflammatory Speeches

50. Dato' Haji Mustafa bin Haji Abdul Jabar bertanya kepada Menteri Hal Ehwal Dalam Negeri ada-kah Kerajaan akan mengambil tindakan yang tegas terhadap sa-tengah² pemimpin siasah yang maseh membuat ucapan² yang bertujuan menyalakan semangat perkauman kerana mereka ini juga ada-lah sangat² merbahaya kepada keselamatan negeri, pada masa Tanah Ayer berkehendakkan perpa-

duan dari segala lapisan ra'ayat bagi menentang musuh dari luar dan dalam negeri.

Dato' Dr Ismail: Kerajaan tidak akan ragu² lagi daripada menjalankan syarat² Undang² Keselamatan Dalam Negeri tahun 1960, apabila sa-saorang, dengan tidak kira sama ada orang itu sa-orang pemimpin siasah atau bukan pemimpin siasah, telah di-buktikan dengan memberi puas hati, bahawa ia telah berbuat atau akan berbuat, atau harus akan berbuat sa-suatu dengan chara yang boleh mengancam keselamatan negeri.

Ahli Yang Berhormat di-jemput menengok Sekshen 73 dan Sekshen 8 dalam Undang² Keselamatan Dalam Negeri No. 18 tahun 1960.

Regulations for Vigilante Corps and Coast Guards

51. Enche' Mohd. Idris bin Matsil bertanya kepada Menteri Hal Ehwal Dalam Negeri ada-kah Kerajaan akan mengadakan satu peratoran yang tetap bagi Pasokan² Kawalan Kampong dan Pantai dalam negeri ini; dan jika ada, sudah-kah peratoran ini di-sediakan atau akan di-sediakan bagi di-sampaikan ka-tiap² negeri untuk di-jalankan.

Dato' Dr Ismail: Perentah² 'am telah di-keluarkan kepada Kerajaan² Negeri bagi memandu Kerajaan² Negeri dalam chara menubuhkan Pasokan² Kawalan Kampong dan Pantai, Kementerian ini sekarang sedang menimbangkan suatu Risalah yang di-hantar oleh Pengarah Pasokan Kawalan Kampong berkenaan dengan mengator Pasokan ini; jika dan bila Risalah ini telah di-perkenankan oleh Kerajaan, Risalah ini akan di-hantar kepada semua Kerajaan Negeri bagi di-jalankan.

Political Detainees

52. Dr Tan Chee Khoon asks the Minister of Home Affairs if he would take steps to improve conditions of political detainees particularly with regard to accommodation facilities, for visits and increasing the allowance for food.

Dato' Dr Ismail: The Ministry is actively considering the building of a

proper detention camp and the provision for better form of accommodation will not be overlooked.

With regard to visits to detained persons, these are subject to Rule 81 of the Internal Security (Detained Persons) Rules, 1960, which is as follows:

"81. (1) (a) A detained person shall, consistent with the proper discipline of the place of detention and subject as hereinafter provided, be entitled to visits from his relatives and legal adviser.

(b) A detained person may, consistent with the proper discipline of the place of detention and subject as hereinafter provided, with the express permission of the Superintendent whose decision shall, subject to an appeal to the Officer-in-Charge, be final, receive visits from persons other than his relatives and legal adviser.

(2) No detained person shall, except with the express permission of the Superintendent, receive more than one visit a week.

(3) Not more than two persons shall be admitted to visit a detained person at any one time.

(4) No visit shall last more than 30 minutes.

(5) A Superintendent or an officer, or in the case of a visit to a female, a wardress, shall, together with an interpreter in any case where such officer does not understand the language spoken, be in sight and hearing during the whole of any visit to a detained person, unless the Superintendent by an order in writing sees fit to dispense with any of the above requirements.

(6) A Superintendent may remove from a place of detention any visitor to a detained person if the conduct of such visitor or detained person is improper."

On the question of increasing the diet scale, the existing scale provided under Rule 24 of the Internal Security (Detained Persons) Rules, 1960, as quoted below and which has been determined on the advice of the Ministry of Health, is considered to be adequate.

SECOND SCHEDULE

(Rule 24)

1. Diet for detained persons, other than those categories listed below:

Rice (under-milled) ...	14 5/6 oz
Salt	1 "
Coconut oil	2 "
Red palm oil	½ "
Curry stuff	½ "
Meat or fresh or dried fish	4 "
Green or leafy vegetables	6 "
Pumpkins or squash, etc.	4 "
Kachang hijau, beans or pulses	4 "
Banana	1 daily
Bread	4 oz
Tea	¼ "
Sugar	1 "

2. Diet for European and Eurasian detained persons:

Bread	16 oz
Fresh meat or fish ...	8 "
Green vegetables (kangkong, bayam, sawi, etc.)	4 "
Non-leafy vegetables...	3 "
Fresh fruit	4 "
Lard	1 "
Tea	¼ "
Salt	½ "
Sugar	1 "
Milk	2 "
Butter or margarine ...	1 "
Cheese	1 "
Jam	2 "
Legume (dried green peas, kachang hijau, dhall, etc.)	3 "
Potatoes	8 "
Edible cooking oil ...	½ "
Cocoa	½ " (3 times weekly)
Onions	1 " (4 times weekly)

3. Diet for Northern Indians, Pathans and Sikhs:

Rice (under-milled) ...	9 5/6 oz
Bread	4 "
Salt	1 "
Ghee in lieu of coconut and red palm oil...	1 "
Curry stuff	½ "
Meat or fresh or dried fish	3 "
Flour	10½ "
Green leafy vegetables	6 "
Edible oil	½ "

Pumpkins or squash, etc.	4	oz
Kachang hijau, beans or pulses	4	"
Banana	1	daily
Tea	$\frac{1}{4}$	oz
Sugar	1	"
4. Special diet for Brahmin vegetarian detained persons:		
Rice (under-milled) ...	2½	oz
Sugar	6	" weekly
Milk (liquid)	10	" 4 times a week
Legume	4	" daily
Wheat flour	14	" "
Ghee	1½	" "
Coconut oil	$\frac{1}{4}$	" "
Green leafy vegetables	6	" "
Non-leafy vegetables...	6	" "
Curry stuff	$\frac{1}{2}$	" "
Salt	1	" "
Banana	1	daily
Tea	$\frac{1}{4}$	oz daily

5. Punishment diet for all classes of detained persons:

Bread	18	oz
Cheese	2	"

Citizens

53. Dr Tan Chee Khoon asks the Minister of Home Affairs to state the total number of registered citizens by race.

Dato' Dr Ismail: The total number of registered citizens as on 30th September, 1964 is 2,044,371 and the breakdown of this figure by States is shown in the Statement below.

It is regretted that no record of registered citizens, by race, is being maintained.

STATEMENT OF PERSONS WHO HAVE BECOME CITIZENS OF MALAYSIA AS ON 30TH SEPTEMBER, 1964

States	Before Merdeka Day	After Merdeka Day up to 30-9-1964			Grand Total
		Registration and Naturalisation	Article 30	Total	
Selangor	4,297	403,204	64,263	467,467	471,764
Negri Sembilan	1,703	90,071	4,593	94,664	96,367
Kelantan	298	14,272	3,285	17,557	17,855
Penang	10,754	91,916	99,001	190,917	201,671
Malacca	5,207	38,602	19,331	57,933	63,140
Pahang	695	64,401	864	65,265	65,960
Perak	5,530	344,622	54,164	398,786	404,316
Johore	1,200	211,720	18,128	229,848	231,048
Trengganu	26	12,144	1,570	13,714	13,740
Kedah	1,336	108,156	9,099	117,215	118,551
Perlis	—	12,392	707	13,099	13,099
Headquarters	—	5,956	133	6,089	6,089
Singapore	—	426	—	426	426
Sarawak	—	1	—	1	1
Sabah	—	4	—	4	4
Federation (prior to 1952) ..	340,340*	—	—	—	340,340
Total ..	371,386	1,397,887	275,098	1,672,985	2,044,371

* Breakdown figures by States are not available.

Permit for Music at Funeral Processions

54. Enche' Lee Seck Fun asks the Minister of Home Affairs to state whether he will take action to delegate the power of issuing permit for playing music at funeral processions to Police Inspectors in Charge of Police Stations within a Police District, so that the people of Tanjong Malim, Behrang Station, Slim Village, and the people of Bidor and Sungkai do not have to travel long distances to obtain such a permit from the O.C.P.D. of Slim River and Tapah respectively.

Dato' Dr Ismail: The Government is aware of the inconvenience experienced by those living in the outlying areas and to alleviate the situation government has in fact taken necessary administrative steps to enable all Police Inspectors in charge of police stations to issue such permits on behalf of O.C.P.Ds.

Three-digit Lottery

55. Enche' Lee Seck Fun asks the Minister of Home Affairs to state the amount of tax received by the Government from the Three-Digit Lottery Tickets run by the Perak Turf Club and the Selangor Turf Club respectively since the operation of these lotteries and also to name the areas where such Three-Digit lottery Agencies or Operators exist.

Dato' Dr Ismail: The tax paid to Government by the two turf clubs in respect of 3-Digit Lotteries since their inception up to October 1964 is:

Perak Turf Club ...	\$5,420,725.98
Selangor Turf Club ...	5,415,201.08

The areas where such 3-Digit Lotteries exist are as follows:

UNDER PERAK TURF CLUB

1. Ipoh	9. Sitiawan
2. Taiping	10. Parit
3. Telok Anson	11. Tapah
4. Kampar	12. Bidor
5. Kuala Kangsar	13. Tanjong Malim
6. Bagan Serai	14. Alor Star
7. Grik	15. Kangar
8. Sungei Siput	16. Sabak Bernam.

UNDER SELANGOR TURF CLUB

1. Kuala Lumpur	12. Serdang Bharu
2. Klang	13. Rasa
3. Kajang	14. 4½ Mile Klang Road
4. Rawang	15. Seremban
5. Banting	16. Kuala Pilah
6. Kuala Kubu Bharu	17. Segamat
7. Batang Berjuntai	18. Johore Bahru
8. Tanjong Karang	19. Malacca
9. Jinjang	20. Muar
10. Salak South	21. Batu Pahat.
11. Petaling Jaya	

MINISTRY OF INFORMATION AND BROADCASTING

Malaysian Film Unit

56. Dr Tan Chee Khoon asks the Minister of Information and Broadcasting to state whether the Malayan Film Unit has made any films for foreign Governments and Embassies. If so, would the Minister state the length of each film made and the amount charged.

The Minister of Information and Broadcasting (Enche' Senu bin Abdul Rahman): For the information of the Hon'ble Member, the correct name of the Department now is Malaysian Film Unit and not Malayan Film Unit. The answer to the Hon'ble Member's question is Yes! The Malaysian Film Unit has made several films for other Governments over the years on contract basis and the monies earned entered into revenue.

The films and the charges are listed below:

BRUNEI GOVERNMENT—

	Ft	
Brunei in Colour ...	1,680	\$55,000.00
Askar Melayu Brunei	1,656	20,000.00
Titah Tuanku ...	760	12,300.00
Wartawan ² Borneo Melawat ...	306	2,500.00
Installation of the Crown Prince of Brunei	1,300	13,000.00

SINGAPORE GOVERNMENT—

(Prior to formation of Malaysia)

Singapore Referendum Bill ...	455	16,502.60
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SINGAPORE GOVERNMENT—(cont.)		Ft	
Singapore The Lion City	1,407	\$24,000.00	
Singapore Statehood ...	1,898	32,383.00	
Singapore District Council Elections ...	915	10,004.00	
We of Singapore ...	631	6,226.00	
Singapore Merdeka Mission	557	4,305.00	
SARAWAK GOVERNMENT—			
(Prior to formation of Malaysia)			
Progress in Sarawak	2,189	43,000.00	
Tunning in	1,850	40,000.00	
NORTH BORNEO GOVERNMENT—			
Sabah	2,481	55,000.00	
WAR OFFICE BRITAIN—			
Keeping The Peace I	3,900	57,000.00	
Keeping The Peace II	5,653	60,000.00	
Jungle Warfare ...	2,742	45,000.00	
COMMISSIONER GENERAL'S OFFICE, SINGAPORE—			
Summer School in Singapore	1,240	5,500.00	
A Lesson in Adventure	1,413	19,625.00	
USIS K.L.—			
Biddy Basket Ball ...	900	15,000.00	
Let's Swim With Chris	901	11,250.00	
Play it Right	1,307	9,250.00	
Friends of Malaysians	1,504	9,900.00	
Training in Perfection	956	9,075.00	
Dancing Jazz & Joget	962	9,075.00	
U.S. Athletic Coach	960	9,075.00	
Friendly Mission ...	1,542	9,090.00	
Total ...		\$602,810.60	

MINISTRY OF LABOUR

Persons registered with Employment Exchanges

57. Tuan Haji Ahmad bin Abdullah bertanya kepada Menteri Buroh berapa banyak orang yang telah mendaftarkan nama² mereka di-Pusat² Menchari Kerja di-dalam Tanah Melayu dan berapa banyak daripada mereka yang terdiri dari orang² Melayu, China dan India, masing².

Menteri Buroh (Enche' V. Manickavasagam): Dalam bulan Oktober, 1964, ada sa-ramai 87,470 orang² yang men-

chari kerja yang telah di-daftarkan dalam 20 buah Pusat² Pekerjaan dalam negeri ini. Tidak ada daftar² yang disimpan berasing² bagi satu² bangsa.

Shop-Assistants in Departmental Stores

58. Enche' C. V. Devan Nair asks the Minister of Labour if he is aware of the sub-human working conditions of shop-assistants in many departmental stores in the country especially in Kuala Lumpur and if so, will he state:

- the progress made so far by the Wages Council which went into the working condition of the Shop-Assistants;
- what he proposes to do to bring to book those erring employers;
- whether he will instruct his Departmental officers to institute surprise checks on these stores.

Enche' V. Manickavasagam: Appreciating that the terms and conditions of employment in shops, including most departmental stores, were unsatisfactory, a Wages Council was set up following the recommendations made by the Commission of Inquiry. The Wages Regulation Order which sets out the statutory minimum wage and fringe benefits has been operative with effect from 1st January, 1964, covering most of the State capitals in the country, including Kuala Lumpur.

To ensure that the provisions of the Wages Regulation Order are being complied with, regular inspections by way of surprise checks have been conducted by officers of the Department of Labour and Industrial Relations and court proceedings will be instituted against any employers for wilful infringement of any of the provisions of the Order.

Industrial Health Unit

59. Enche' C. V. Devan Nair asks the Minister of Labour to state whether he has received any proposals from an ILO expert who was recently in the country for the setting up of an Industrial Health Unit and if so, what would be the Government's attitude to such proposals.

Enche' V. Manickavasagam: The Government has received the Report of Dr Kingsley Kay, the ILO Expert, containing recommendations on measures to improve industrial health.

The Government has carefully studied the recommendations and is considering the establishment of an Industrial Health Planning Unit as a nucleus to work out a plan for an industrial health service in this country.

National Union for Petro-chemical Workers

60. Enche' C. V. Devan Nair asks the Minister of Labour if he is aware that in most industrialised countries, Petro-chemical is considered as a single industry and if so, could the Minister explain why the Registrar of Trade Unions has consistently refused to register amendments to the Rules of the National Union of Petroleum Industry Workers and thereby prejudiced the establishment of a single national union for Petro-chemical workers, which would be in consonance with the Hon'ble Minister's recent advice to organise National Unions.

Enche' V. Manickavasagam: The Union has appealed to me in accordance with the law against the decision of the Registrar and the appeal is now under consideration.

Wages Council for Workers in Small Estates

61. Dr Tan Chee Khoon asks the Minister of Labour to state whether Government would consider setting up a wages council for workers in small estates in which it is not possible to have negotiated wage agreements.

Enche' V. Manickavasagam: Since there is in existence a well established trade union catering for workers employed in all estates, whether large or small, which is considered to be capable of securing negotiated wage agreements on behalf of its members, the Government does not consider it necessary to set up a wages council specifically for workers in small estates.

Maternity Benefits

62. Dr Tan Chee Khoon asks the Minister of Labour to state whether he is aware that employers prefer to employ spinsters and women above 45 to save the payment of maternity benefits and what steps his Ministry proposes to take to see that married women are not unduly penalised.

Enche' V. Manickavasagam: Although there might have been cases of employers preferring to employ spinsters and women above 45 years of age, as far as I am aware, married women do not appear to have been placed at an undue disadvantage. However, the provisions of the Employment Ordinance, 1955, relating to the payment of maternity allowances to female workers do cover spinsters and women above 45 years of age. As a matter of fact, several cases had occurred in which the spinsters and women above 45 years of age had qualified for and have been paid maternity allowances payable under the Ordinance.

Hazards to Health in fragmented Estates

63. Dr Tan Chee Khoon asks the Minister of Labour to state what steps have been taken to minimise hazards to health in fragmented or subdivided estates as recommended by the committee on the sub-division of estates.

Enche' V. Manickavasagam: A Committee consisting of representatives from the Ministry of Agriculture and Co-operatives, Ministry of Labour, Ministry of Commerce and Industry, Ministry of Health, Ministry of Finance and the Commissioner of Lands, to study the ill-effects of subdivision of estates including Health Services had met several times and made certain preliminary recommendations on this matter and they are as follows:

(i) Hospitals and Dispensaries—

Ministry of Health to continue to accept responsibility as it had been doing before.

(ii) *Water*—

State Rural Development Committee to solve this problem in consultation with the Health Authority.

(iii) *Sanitation*—

To be left in the care of State Government.

The final recommendations of this Committee will be submitted to the Government.

Women Officials at Labour Exchanges

64. Datin Fatimah binti Haji Abdul Majid bertanya kepada Menteri Buroh boleh-kah Kementerian Buroh mengadakan satu chawangan khas di-pejabat buroh di-tiap² Negeri, sa-orang wanita yang bertugas menyelenggarakan hal ehwal permohonan² kerja daripada kaum wanita sahaja supaya dengan ini:

- (a) dapat di-ketahui betul² angka yang sa-benar-nya penganggoran di-kalangan wanita;
- (b) dapat di-uruskan dengan Kilang yang memerlukan tenaga kaum wanita dengan mengadakan sa-bberapa ramai yang di-kehendaki oleh kilang² itu;
- (c) dengan chara ini juga dapat menyelamatkan wanita² muda daripada menghalakan mata pencharian-nya ka-tempat² yang tidak di-ingini.

Enche' V. Manickavasagam: Ada-lah menjadi tujuan saya hendak mengadakan satu Bahagian Wanita dalam pejabat² buroh, tetapi saya terpaksa menimbangkan chadangan itu dengan teliti sa-belum dapat di-jalankan apa² tindakan tegas.

Pada masa ini, sudah ada pun kerani² perempuan di-Pusat² Pekerjaan yang besar² dalam negeri ini, yang di-ambil bekerja khas untok mendaftarkan penchari² kerja dari kaum wanita dan juga untok memberi penchari² kerja ini, segala apa nasihat dan panduan yang terdapat berkenaan dengan memilih kerja.

1. Ayer Hitam Land Development Scheme, P.O. Box 506, Kluang, Johore
2. Ayer Lanas Land Development Scheme, Tanah Merah, Kota Bharu, Kelantan

MINISTRY FOR LOCAL GOVERNMENT AND HOUSING**Low-cost Housing Schemes in Perak**

65. Enche' Lee Seck Fun asks the Minister for Local Government and Housing whether he is aware that Bidor, Tanjong Malim, Slim River and Sungkai have set aside State land or land to be acquired for implementation of low-cost housing schemes and if so, when will such schemes be implemented by his Ministry.

The Minister for Local Government and Housing (Enche' Khaw Kai-Boh): The question of setting aside State land or acquiring land for low cost housing schemes is a matter for the State Government. Under existing policy the Federal Government only becomes aware of land having been set aside for low cost housing as and when applications for loan funds are received from the State Government. Loan bids for low cost housing in 1965 have been received from State Governments and are being processed for my approval. I am not in a position to say at this stage which schemes will be implemented and where.

MINISTRY OF NATIONAL AND RURAL DEVELOPMENT**F.L.D.A. Schemes**

66. Tuan Haji Ahmad bin Abdullah bertanya kepada Menteri Kemajuan Negara dan Luar Bandar berapa banyak ranchangan F.L.D.A. yang telah di-lancharkan oleh Kerajaan Pusat sa-hingga tahun 1963 dan dimana tempat² ranchangan ini dan siapa nama Pengurus² ranchangan yang tersebut.

Menteri Pembangunan Negara dan Luar Bandar (Tun Haji Abdul Razak): Lembaga Kemajuan Tanah Persekutuan telah melancharkan sa-banyak 60 Ranchangan sa-hingga penghujung tahun 1963.

Tempat, 'alamat dan nama Pengurus Ranchangan² itu ada-lah saperti berikut:

- | |
|---|
| John Evan Jones <i>alias</i> Yunus bin Abdullah |
| Hussain bin Taib |

3. Bersia Land Development Scheme, Grik P.O., Upper Perak Abd. Rahman bin Jahid
4. Bilut Valley Land Development Scheme, Bentong P.O., Pahang W. E. Toft
5. Batu Lapan Land Development Scheme, Postal Agency, Kubang Pasu, Kedah Kassim bin Lisut
6. Bukit Tembaga Land Development Scheme, Kuala Nerang P.O., Kedah Yahya bin Din
7. Bukit Rokan Land Development Scheme, Batang Malacca P.O., Negri Sembilan J. P. W. Brereton
8. Bukit Serampang Land Development Scheme, Jementah P.O., Segamat, Johore Musa bin Abd. Talib
9. Belara Land Development Scheme, c/o Chalok Land Development Scheme, Batu 35, Chalok, Kuala Trengganu, Trengganu Mohd. Hussain bin Iskandar
10. Bukit Batu Land Development Scheme, c/o Postal Agency, Bukit Batu, Kulai, Johore Jalaluddin bin Jaafar
11. Chalok Land Development Scheme, Batu 35, Chalok, Kuala Trengganu, Trengganu Zainal Abidin bin Baharuddin
12. Chemplak Land Development Scheme, P.O. Box No. 6, Labis, Johore Shariff bin Rasipan
13. Endau Land Development Scheme, P.O. Box No. 102, Endau, Johore S. Suleiman bin S. Abd. Kadir
14. Guar Napai Land Development Scheme, Jitra, Kedah G. Y. Tyrrell
15. Gedangsa Land Development Scheme, Slim River, Perak Johari bin Abbas
16. Hutan Percha Land Development Scheme, Alor Gajah, Malacca Saw Sim Hock
17. Ijok Land Development Scheme, Selama, Perak Zainal Abidin bin Jawi
18. Jerangau Oil Palm Scheme, Postal Agency Ajil, Ulu Trengganu, Trengganu F. W. G. Francis
19. Kampong Awah Land Development Scheme, Jalan Maran, Temerloh, Pahang
20. Kampong New Zealand Land Development Scheme, Sungei Kertam, Kuantan, Pahang Mokhtar bin Mulop
21. Kampong Pasir Besar Land Development Scheme, Gemas, Negri Sembilan M. Madhavan
22. Kemendore Land Development Scheme, Jasin, Malacca John Ibrahim Axford *alias* Ibrahim bin Abdullah
23. Klau Valley Land Development Scheme, c/o District Office, Raub, Pahang G. A. Pye *alias* Rahmat Pye
24. Kong Kong Land Development Scheme, Masai P.O., Johore C. H. A. Duson
25. Kulai Smallholders Oil Palm Scheme, P.O. Box No. 111, Kulai, Johore Abd. Kadir bin Baharom
26. Labu Jaya Land Development Scheme, Nilai P.O., Negri Sembilan M. C. Cole
27. Lasah Land Development Scheme, c/o Post Master, Sungei Siput (N), Perak R. A. E. Morris *alias* Moulay Idris
28. Lenga Land Development Scheme, Batu 27, Lenga, Johore Yatim bin Alang
29. Machap Land Development Scheme, Alor Gajah P.O., Malacca Ismail bin Mahidin
30. Medoi Land Development Scheme, P.O. Box 510, Segamat, Johore Haji Mohd. Noor bin Ismail
31. Pasak Land Development Scheme, Kota Tinggi, Johore Yahya bin Dato' Abd. Rahman
32. Pasir Raja Land Development Scheme, Kulai P.O., Johore Zain bin Hussain

33. Parit Haji Idris Land Development Scheme, Grisek, Muar, Johore Abd. Majid bin Uyob
34. Sendayan Land Development Scheme, Postal Agency, Labu, Negri Sembilan J. T. Beven
35. Seberang Taylor Land Development Scheme, Post Office, Kemaman, Trengganu F. D. Warren *alias* Abd. Wahid bin Abdullah
36. Solok Menggong Land Development Scheme, Alor Gajah P.O., Malacca Osman bin Ahmad
37. Sungei Buaya Land Development Scheme, District Office, Rawang, Selangor Tengku Rashid bin T. Kassim
38. Sungei Klah Land Development Scheme, Slim River P.O., Perak G. P. O'Holohan
39. Sungei Tiram Land Development Scheme, Ulu Tiram Post Office, Johore Bahru, Johore Abu bin Saban
40. Sungei Lui Land Development Scheme, Via Bahau, Negri Sembilan Chua Peng Geok
41. Sungei Tekam Land Development Scheme, P.O. Box 205, Jerantut, Pahang Hashim bin Abdullah
42. Sungei Tiang Land Development Scheme, c/o G.P.O., Alor Star, Kedah Chik bin Hanif
43. Teloi Kanan Land Development Scheme, Kuala Ketil P.O., Kedah Robert Sloan
44. Tenang Land Development Scheme, P.O. Box 4, Labis, Johore Yang Peng Cheong
45. Tenang Besut Land Development Scheme, c/o Post Office Jerteh, Besut, Trengganu Ismail bin Haji Mohd. Noor
46. Kemelah Land Development Scheme, P.O. Box 516, Segamat, Johore Abdullah bin Mohamed
47. Teck Wah Heng Land Development Scheme, Layang Layang P.O., Johore Ahmad bin Haji Mohamed
48. Sungei Dusun Land Development Scheme, Slim River P.O., Perak Mori Katsunori
49. Ulu Jempol Oil Palm Scheme, c/o Chenor Oil Palm Estate, Jerantut P.O., Pahang Mohd. Salleh bin Baba
50. Bukit Besar Land Development Scheme, P.O. Box 111, Kulai, Johore Mohd. Yusoff bin Shariff
51. Bukit Serampang Utara Land Development Scheme, c/o Bukit Serampang Land Development Scheme, Jementah P.O., Segamat, Johore Tay Seng Pang
52. Bukit Jaloh Land Development Scheme, c/o Postal Agency Ayer Kuning South, Gemas P.O., Negri Sembilan A. Aloysius
53. Bukit Payong Land Development Scheme, c/o Jerangau Land Development Scheme, Postal Agency Ajil, Ulu Trengganu, Trengganu Ahmad bin Dahwan
54. Lubok Merbau Land Development Scheme, c/o Regional Secretary (FLDA) Kedah/Perlis Region, District Office Building, Kota Star, Jalan Langgar, Alor Star, Kedah N. V. Singam
55. Sungei Berang Land Development Scheme, Slim River, Perak Theophilus John
56. Sungei Kelamah Land Development Scheme, Gemas P.O., Negri Sembilan Koh Tien Teck
57. Sungei Nerek Land Development Scheme, c/o Kg. Awah Land Development Scheme, Jalan Maran, Temerloh, Pahang Hashim bin Mat Jan
58. Kampong Sertek Land Development Scheme, c/o District Office, Bentong, Pahang Hamzah bin Mohamed
59. Bukit Tajau Land Development Scheme, Batu 55, Jalan Maran, d/a Wakil Pos, Maran, Pahang Megat Ahmad bin M. Yunus
60. Ulu Tebrau/Ulu Tiram Land Development Scheme, Ulu Tiram P.O. Johore Bahru, Johore Ramli bin Haji Salleh

67. Dr Tan Chee Khoon asks the Minister of National and Rural Development

- (a) the number of F.L.D.A. Schemes,
 (b) the acreage of each, and
 (c) the number of settlers by race in each scheme.

Tun Haji Abdul Razak:

- (a) Total number of F.L.D.A. Schemes at present is 60.
 (b) The acreage of each, and
 (c) The number of settlers in each scheme is shown in the Table below:

No.	Scheme	State	Eventual Acreage	Acreage Planted/ under Development	Eventual No. of Malaysian Settlers	Malaysian Settlers already settled as at 30-9-64
1.	Batu Lapan	Kedah	750	691	86	86
2.	Bukit Tembaga	"	1,500	1,170	152	152
3.	Guar Napai	"	1,500	1,006	144	144
4.	Sungei Tiang	"	4,800	3,180	530	511
5.	Teloi Kanan	"	2,700	1,755	200	—
6.	Lubok Merbau	"	6,563	1,350	400	—
7.	Ijok	Perak	5,500	2,599	500	233
8.	Bersia	"	4,400	2,212	400	144
9.	Sungei Klah	"	5,580	2,050	400	105
10.	Lasah	"	7,800	1,000	400	—
11.	Sungei Berang	"	6,712	1,200	400	—
12.	Gedangsa	Selangor	8,350	3,387	600	188
13.	Sungei Buaya	"	5,500	2,050	400	59
14.	Sungei Dusun	"	5,800	2,080	400	—
15.	Sungei Lui	Negeri Sembilan	1,060	750	125	125
16.	Labu Jaya	"	7,134	3,343	540	233
17.	Sendayan	"	6,683	3,490	497	252
18.	Bukit Rokan	"	4,350	2,150	400	109
19.	Pasir Besar	"	6,200	2,000	400	—
20.	Bukit Jalor	"	5,145	1,200	421	—
21.	Sungei Kelamah	"	5,209	1,150	426	—
22.	Hutan Percha	Malacca	3,200	2,410	300	239
23.	Kemendore	"	4,237	2,568	380	379
24.	Machap	"	1,000	800	120	120
25.	Solok Menggong	"	1,086	700	97	97
26.	Ayer Hitam	Johore	3,788	2,690	300	225
27.	Bukit Serampang	"	4,100	2,824	350	230
28.	Endau	"	2,900	1,677	255	255
29.	Kong Kong	"	4,200	3,303	430	428
30.	Kulai Oil Palm	"	5,000	4,162	400	221
31.	Parit Haji Idris	"	253	253	54	54
32.	Sungei Tiram	"	550	550	110	110
33.	Tenang	"	4,010	3,310	350	201
34.	Chemplak	"	6,400	1,699	400	113
35.	Lenga	"	2,100	1,804	200	121
36.	Medoi	"	2,767	2,100	260	220
37.	Teck Wah Heng	"	2,700	2,350	250	170
38.	Kemelah	"	4,880	2,113	400	79
39.	Pasir Raja	"	5,000	2,119	400	—
40.	Pasak	"	2,510	2,000	200	—
41.	Bukit Batu	"	2,850	1,670	200	—
42.	Ulu Terbah	"	6,313	1,440	400	—
43.	Bukit Besar	"	5,922	1,600	400	—
44.	Bukit Serampang Utara	"	3,633	1,100	294	—
45.	Bilut Valley	Pahang	6,600	4,242	600	591
46.	Kampung Awah	"	4,500	2,623	400	255

No.	Scheme	State	Eventual Acreage	Acreage Planted/ under Develop- ment	Eventual No. of Malaysian Settlers	Malaysian Settlers already settled as at 30-9-64
47.	Kampung New Zealand	Pahang	.. 2,560	1,776	270	216
48.	Sungei Tekam .. ..	.. ..	.. 4,630	2,081	400	118
49.	Ulu Jempol .. ..	.. ..	.. 5,000	2,170	400	—
50.	Klau Valley .. ..	.. ..	.. 6,130	2,150	400	—
51.	Kampung Sertik .. ..	.. ..	.. 4,995	1,270	400	—
52.	Sungei Nerek .. ..	.. ..	.. 5,088	1,200	400	—
53.	Bukit Tajau .. ..	.. ..	.. 5,075	1,250	400	—
54.	Ayer Lanas	Kelantan	.. 4,445	2,746	400	374
55.	Chalok	Trengganu	.. 5,000	2,700	400	372
56.	Tenang Besut .. ..	.. ..	.. 3,600	530	250	—
57.	Seberang Taylor .. ..	.. ..	.. 2,771	1,870	200	—
58.	Jerangau .. ..	.. ..	.. 7,636	4,031	400	—
59.	Belara .. ..	.. ..	.. 2,788	2,000	220	—
60.	Bukit Payong .. ..	.. ..	.. 5,150	1,500	362	—
TOTAL ..			258,603	115,119	20,473	7,526

RIDA

68. Tuan Haji Ahmad bin Abdullah bertanya kepada Menteri Kemajuan Negara dan Luar Bandar (i) pada tahun berapa Jabatan RIDA telah di-dirikan dan semenjak terdiri-nya Jabatan ini sa-hingga sekarang berapa banyak hutang telah di-beri tiap² tahun, (ii) berapa banyak kilang belachan yang maseh berjalan lagi sa-hingga hari ini dan berapa banyak kilang yang telah di-tutup saperti kilang tali sabut dan kilang memasokkan buah²an dalam tin.

Tun Haji Abdul Razak: (i) (a) Pejabat RIDA telah di-tubuhkan pada bulan Ogos, 1950.

(b) Wang pinjaman yang telah di-beri pada tiap² tahun ia-lah saperti berikut:

Tahun	Bilangan	Jumlah
1951	... 18	\$ 354,054.00
1952	... 87	1,271,027.85
1953	... 286	2,376,934.71
1954	... 749	2,520,657.38
1955	... 622	1,231,521.12
1956	... 692	1,580,197.00
1957	... 595	1,856,709.00
1958	... 379	1,412,622.00
1959	... 412	726,672.00
1960	... 612	873,617.07
1961	... 1,054	1,784,219.93
1962	... 1,204	4,443,630.65
1963	... 699	3,337,425.97
1964*	... 849	3,010,101.60
	8,258	\$26,779,390.28

* (Sa-hingga akhir bulan Oktober sahaja).

(ii) Jawapan yang di-kehendakki ia-lah saperti berikut:

	Kilang ² yang maseh berjalan lagi	Kilang ² yang telah di-tutup
(a) Kilang Belachan	3*	...
(b) Kilang Sabut	...	7
(c) Kilang Mengetin Buah ² an	...	2

* (Dua daripada kilang² ini telah di-serahkan kepada penduduk² di-situ dan maseh berjalan lagi).

Berkenaan dengan perusahaan (ii) (a) dan (b) tugas RIDA ia-lah mengadakan kemudahan² dan latehan dalam chara² membuat belachan dan barang² dari sabut kelapa dengan tujuan penduduk² di-luar bandar meneruskan perusahaan² itu dengan sendiri mereka sa-telah mengalami latehan² itu. Selepas itu ter-serah-lah kepada penduduk² itu untuk menjalankan perusahaan² itu.

Berkenaan dengan perusahaan mengetin buah²an, RIDA telah menjalankan perusahaan ini hanya sebagai satu ranchangan perchubaaan. Pada masa ini RIDA sedang berhubung dengan Kementerian Pertanian dan Sharikat Kerjasama untuk menyerahkan ranchangan ini kepada Kementerian itu oleh kerana Kementerian itu mempunyai sa-orang pakar ia-itu Dr Sidkey yang berkelulusan lagi berpengalaman dalam perkara ini. Kementerian itu ada-lah sedang membuat satu ranchangan untuk menjalankan perusahaan mengetin buah²an di-Negeri ini dengan kerjasama RIDA.

RIDA and FLDA Schemes in Sabah

69. Datu Aliuddin bin Datu Harun bertanya kepada Menteri Kemajuan Negara dan Luar Bandar bila-kah ranchangan² RIDA dan FLDA akan di-mulakan di-Sabah.

Tun Haji Abdul Razak: Ranchangan LKKP dan LKTP akan di-lanjutkan ka-Sabah sa-baik² sahaja kedua² Undang²—Undang² LKKP 1953 (Bil. 48/53) dan Undang² LKTP 1956 (Bil. 20/56) di-pinda untuk membenarkan kedua² Lembaga ini melanjutkan tugas²-nya ka-Sabah. Tindakan² yang sewajar-nya telah pun di-ambil bagi meminda kedua² Undang² ini. Ada-lah di-harapkan bahawa pindaan Undang² ini akan dapat di-selesaikan dengan sa-berapa segera-nya, boleh jadi pada akhir tahun ini dan selewat-lewat-nya pada awal tahun hadapan.

Adult Education in Sabah

70. Datu Aliuddin bin Datu Harun bertanya kepada Menteri Kemajuan Negara dan Luar Bandar ada-kah di-chadangkan hendak mengadakan Pelajaran Dewasa (Adult Education) di-Sabah. Jika ada, bila.

Tun Haji Abdul Razak: Pelajaran Dewasa akan di-lanjutkan ka-Sabah pada awal tahun hadapan. Segala per-sediaan telah pun di-buat untuk me-mulai kelas² Pelajaran Dewasa di-beberapa tempat di-Sabah. Dengan kerjasama Kerajaan Sabah ada-lah di-harapkan bahawa kelas² Pelajaran Dewasa ini akan mendapat kejayaan di-Sabah.

Development Projects in Sarawak and Sabah

71. Enche' Mohd. Idris bin Matsil bertanya kepada Menteri Kemajuan Negara dan Luar Bandar apa-kah ranchangan² pembangunan yang telah siap dan yang akan di-selenggarakan lagi di-Sarawak dan Sabah semenjak kedua-dua wilayah ini masuk Persekutuan Malaysia dan tolong nyatakan jumlah wang yang telah di-belanjakan atau di-utokkan oleh Kerajaan Pusat bagi maksud ini sa-hingga 31hb Disember, 1964 ini.

Tun Haji Abdul Razak: Ranchangan² Pembangunan berkenaan dengan

Kesihatan, Pelajaran, Penyiaran, Jalan² Raya, Penerbangan 'Awam, Rumah² Kerajaan, Projek² Pembangunan Luar Bandar, Perumahan, Pertanian dan lain² yang telah siap dan yang akan di-selenggarakan di-Sarawak dan Sabah terlalu sangat banyak bagi di-huraikan satu-persatu bagi menjawab pertanyaan ini.

Huraian projek² yang akan di-jalankan ada terchatit di-dalam Anggaran Ranchangan Pembangunan Persekutuan dan juga di-dalam Ranchangan Lima Tahun Negeri Sabah dan Sarawak.

Jumlah wang yang akan di-belanjakan dari peruntukan Persekutuan sahingga 31hb Disember, 1964, ia-lah:

Sarawak	...	\$43	Juta
Sabah	...	16.8	..

Jumlah ... \$58.8 Juta

Land Schemes by State Development Boards

72. Dr Tan Chee Khoon asks the Minister of National and Rural Development to state whether his Ministry has already taken over all land schemes started by State Development Boards as decided earlier and because of the failure of such schemes.

Tun Haji Abdul Razak: In accordance with the decision of the National Land Council in 1961, the Federal Land Development Authority took over the management of all FLDA-financed State Land Development Board Schemes except Ayer Lanas Land Development Scheme in Kelantan.

Assistance to Settlers in Land Development Schemes

73. Dr Tan Chee Khoon asks the Minister of National and Rural Development to state the steps that are being taken to assist settlers in land development schemes like the Bilut Valley to augment their meagre allowances by income from short-term crops and whether arrangements have been made for the sale and marketing of these crops.

Tun Haji Abdul Razak: Settlers in FLDA schemes are given every encouragement to supplement their subsistence allowances of \$50-100 per month not only in their cultivation of short-term crops in specified areas but also through participation in small economic projects depending on the locality of the land schemes.

With regard to marketing, every help and encouragement is given to settlers for the marketing of the produce from their crops, and it is hoped that with the eventual setting up of the Federal Marketing Board, even greater assistance to settlers will be given by Government to help them raise their income.

Special Rural Development Schemes for Widows, etc.

74. Datin Fatimah binti Haji Abdul Majid bertanya kepada Menteri Kemajuan Negara dan Luar Bandar:

- (a) boleh-kah Kerajaan memberi peluang kepada Kaum Wanita, umpama janda² yang mempunyai tanggungan, atau isteri yang ada suami yang berumur lebih daripada 50 tahun, yang tidak di-bolehan meminta tanah Rancangan, atau isteri yang ada suami yang chachat tiada upaya bekerja, hingga tidak boleh membuat apa² pekerjaan, maka di-benarkan wanita² yang seperti ini meminta tanah Rancangan Luar Bandar;
- (b) kira-nya Kerajaan tidak boleh membenarkan wanita yang disebutkan di-atas tadi memileki tanah² Rancangan yang ada sekarang, ada-kah Kerajaan berchadang akan menyediakan satu Rancangan khas kerana mereka.

Tun Haji Abdul Razak:

- (a) Kerajaan tidak melarang:
 - (i) Janda² yang mempunyai tanggungan;
 - (ii) Isteri² yang mempunyai suami yang berumur lebih daripada 50 tahun, atau

(iii) Isteri yang mempunyai suami yang chachat anggota-nya, meminta tanah di-dalam rancangan tanah FLDA, akan tetapi keutamaan akan di-beri kepada pemohon² yang mempunyai kelayakan dan kebolehan mengikut Arahan Yang Kedua di-dalam Buku Merah.

- (b) Berkenaan dengan rancangan tanah FLDA ia-itu rancangan tanah yang di-selenggarakan oleh Kerajaan Pusat, kelayakan dan kebolehan² pemohon² adalah di-nyatakan di-dalam Arahan Yang Kedua di-dalam Buku Merah. Pada masa ini Kerajaan Pusat belum ada chadangan meminda kelayakan dan kebolehan² ini supaya dapat memberi keutamaan atau menyediakan satu rancangan khas bagi mereka² yang tersebut di-atas. Kerajaan Pusat ada menjalankan chuma rancangan tanah FLDA sahaja. Rancangan tanah yang lain seperti Rancangan Pinggir dan Rancangan Tanah Terkawal adalah di-jalankan oleh Kerajaan Negeri. Rancangan² tanah Negeri ini ada juga mengambil mereka² yang tersebut jika ada kelayakan.

MINISTRY OF TRANSPORT

Carrier and Public Service Licences

75. Tunku Abdullah ibni Al-marhum Tuanku Abdul Rahman asks the Minister of Transport to state the number of Carrier Licences under Classes A, B and C and also Public Service Licences in respect of buses and taxis granted since 31st August, 1957 to (1) Malays, (2) Malays in conjunction with non-Malays and (3) non-Malays.

The Minister of Transport (Dato' Haji Sardon bin Haji Jubir): The number of Carriers Licences (Classes A, B and C) are as shown in Statement "A" below.

The number of Public Service Licences in respect of taxis are as shown in Statement "B" below.

The number of Public Service Licences in respect of buses are as shown in Statement "C" below.

STATEMENT "A"

CARRIER'S LICENCES ISSUED DURING PERIOD 31-8-1957 TO 31-8-1964

MALAYS											
Year	A				B		C		D		
	Normal Contract										
	VEH	LIC	VEH	LIC	VEH	LIC	VEH	LIC	VEH	LIC	
31st August, 1957	88	52	3	1	160	130	232	195	—	—	
31st August, 1964	142	119	30	10	341	289	743	640	1	1	
Increase	54	67	27	9	181	159	511	445	1	1	

MIXED											
Year	A				B		C		D		
	Normal Contract										
	VEH	LIC	VEH	LIC	VEH	LIC	VEH	LIC	VEH	LIC	
31st August, 1957	—	—	—	—	—	—	—	—	—	—	
31st August, 1964	145	69	38	8	23	4	94	42	—	—	
Increase	145	69	38	8	23	4	94	42	—	—	

STATEMENT "B"

TAXIS AND HIRE CARS LICENCES
ISSUED DURING PERIOD 31-8-57
TO 31-8-64

Year	Licences issued to Malays	
31-8-1957	1,355	
31-8-1964	2,014	
Increase	659	

STATEMENT "C"

BUS LICENCES ISSUED AS AT
31ST OCTOBER, 1964

The progress in Malay Participation in the operation of buses is as follows:

(a) 100% Malay Companies	1957	As at 31-10-64
No. of Companies	... 12	... 27*
No. of Routes	... 53	... 166
(b) Mixed Companies		
No. of Companies	... 57	... 65
No. of Routes	... 392	... 400

* Including RIDA.

76. Tunku Abdullah ibni Al-marhum Tuanku Abdul Rahman asks the Minister of Transport to state the number of applications made by Malays for Carrier Licences in the various Classes and Public Service Licences in respect of buses and taxis since 31st August, 1957 and the results thereof.

Dato' Haji Sardon bin Haji Jubir: Numerous applications were received from Malays. It is regretted that in view of the short notice it is not possible to supply the details of the "results thereof" as it will take a long time to extract them (the number of grants and the number of refusals) from records of the various regional offices. However, the number of successful applications from Malays are reflected in the Statements A, B and C referred to in the reply to Question No. 75.

International Airports Kuala Lumpur and Singapore

77. Enche' C. V. Devan Nair asks the Minister of Transport to state:

(a) the volumes of international air traffic handled respectively at

Kuala Lumpur and Singapore international airports over the last two years;

- (b) whether any estimates are available relating to expected increase in the volume of international air traffic to be handled respectively by the two international airports aforementioned over the next two years;
- (c) the amount to be expended on the capital outlay for the new international airport at Kuala Lumpur, the estimated annual maintenance costs and the estimates annual revenue from the new airport.

Dato' Haji Sardon bin Haji Jubir:

- (a) International passenger traffic embarked and disembarked by scheduled air services at Singapore and Kuala Lumpur Airports in 1962 and 1963 was:

	1962	1963
Singapore ...	296,279	212,516
Kuala Lumpur ...	24,593	31,838

- (b) International air traffic in the South-East Asia area has in recent years been increasing at about 20% per annum although this was not the case at Singapore Airport in 1963. In 1964 present indications are that the growth rate has been considerably reduced possibly owing to the disturbed political situation in the area. It is not possible to give any reliable figure for future growth.
- (c) The capital expenditure for the new Kuala Lumpur International Airport is estimated at \$46,681,363 exclusive of the approach road which will form part of the Federal Highway system and the water supply scheme which will be available for general use in the area. The estimated cost of operation and maintenance for the first 12 months of the new Airport is \$1,512,000, the estimated revenue for the same period is \$1,350,000.

Kuala Lumpur Aerodrome

78. Enche' C. V. Devan Nair asks the Minister of Transport to state what he intends to do with the present Kuala Lumpur airport when the new international airport is completed.

Dato' Haji Sardon bin Haji Jubir: It is the intention that the present Aerodrome at Kuala Lumpur be handed over to the Ministry of Defence for use by the expanding Royal Malaysian Air Force.

Driving Licences

79. Enche' C. V. Devan Nair asks the Minister of Transport if he will consider tightening procedures for the strict testing of drivers before driving licences are issued in view of the ease with which driving licences appear to be obtained these days and having regard to the suspicions entertained by many members of the public that malpractices exist in the organisation and running of this particular department of the Ministry.

Dato' Haji Sardon bin Haji Jubir: Rule 6 of the Motor Vehicles (Driving Licence) Rules, 1959, L.N. 172 lays down the procedure relating to driving tests. It is considered that this rule provides a high standard of test. There is no evidence that driving tests are not being carried out strictly according to the rule and if there is any evidence of malpractices, it is suggested that the matter be reported to the Police or the Commissioner for Road Transport.

Railway Employees as Government Servants

80. Enche' C. V. Devan Nair asks the Minister of Transport to explain how, when and in what fashion the Government proposes to translate into tangible and intelligible terms the decision already made to concede recognition to railway employees as bona fide Government servants.

Dato' Haji Sardon bin Haji Jubir: Since the Government is now actively examining this matter from all angles it is not possible at this juncture to explain how, when or in what manner the Government proposes to determine

how the rights and privileges enjoyed by other Government servants can be made applicable to Railway servants.

Workers in Passenger-bus Transport Companies

81. Enche' C. V. Devan Nair asks the Minister of Transport whether the Minister will consider liaising with the Honourable the Minister of Labour in order to introduce a special Employment Ordinance to cover working hours, rest days and other conditions of employment for workers employed in passenger-bus transport companies in the country.

Dato' Haji Sardon bin Haji Jubir: The Minister of Transport has liaised with the Minister of Labour regarding the introduction of a legislation to govern the working hours, etc., of employees in the road transport industry, and the matter is not yet finalised.

Reduced Licence fees for Vehicles used by petty traders

82. Dr Tan Chee Khoon asks the Minister of Transport to state whether he would consider reducing the licence fees on motor cars and small vans used for the purpose of carrying own goods as such transport is used by small traders for earning a living.

Dato' Haji Sardon bin Haji Jubir: With the coming into force on 12-11-64 of the Motor Vehicles (Registration and Licensing) (Amendment No. 3) Rules, 1964—L.N. 369—the licence fees of all motor vehicles authorised for the carriage of goods will be based on their maximum permissible laden weight (MPLW). Under this rule, the smaller the vehicle the lower would be the licence fee. Under the old rate, the minimum licence fee for a "Goods" vehicle was \$140 for 12 months whereas under the new rate, the minimum fee is \$80 for the same period for small vehicles up to MPLW 5 cwt. This is so because the Minister of Transport has made provision to allow small vehicles used by petty traders and hawkers to pay a lower rate of licence fee.

Taxi Licences for operators in Estates

83. Dr Tan Chee Khoon asks the Minister of Transport to state whether he would consider granting taxi licences to operators in estates as is done in the case of kampongs, villages and towns.

Dato' Haji Sardon bin Haji Jubir: At each administrative district in each State in Malaya, there is a District Advisory Board whose Chairman is the District Officer. Other members of the Board include the representative of the providers of transport and the representative of the users of transport in the district. The function of this Board is to recommend to the Minister of Transport, through a similar Board at State level, the taxi requirements in the district. Under this set-up, taxi licences have been granted to operators in estates as is the case of operators in kampongs, new villages and towns.

MINISTRY OF WELFARE SERVICES

Control of Beggars

84. Enche' Abu Bakar bin Hamzah bertanya kepada Menteri Kebajikan 'Am untuk menyediakan satu rang undang² atas perkara "Pengemis" sebagaimana yang telah di-janjikan oleh Kerajaan baharu² ini, ada-kah Kementerian Kebajikan 'Am hendak menggunakan orang² dari parti pembangkang turut serta dalam merangka rang itu?

Menteri Kebajikan 'Am (Tuan Haji Abdul Hamid Khan): Jawab-nya "tidak". Draf bagi Undang² itu sudah di-gubalkan dan Rang Undang² bertajok "Vagrancy Act" akan dibentangkan di-Dewan Ra'ayat ini tidak berapa lama lagi.

Public Assistance to needy and Aged

85. Dr Tan Chee Khoon asks the Minister for Welfare Services to state whether Government has considered any schemes for giving public assistance to the needy, the aged and the under-privileged. If so, to state the scheme; if not to state the reasons for not doing so.

Tuan Haji Abdul Hamid Khan: Public Assistance is a State matter. The State Governments have in fact such a scheme to assist persons in need which includes the aged and the underprivileged.

Each State has its own scheme and relief is conditional upon examination of means and proven needs. The rates of relief may vary from State to State, but generally the rates are \$15 per person per month subject to a maximum of \$75 per family per month.

MINISTRY OF WORKS, POSTS AND TELECOMMUNICATIONS

Road from Perupok to Kota Bharu

86. Enche' Abu Bakar bin Hamzah bertanya kepada Menteri Kerja Raya, Pos dan Talikom bila-kah Kerajaan Pusat akan meneruskan pelaksanaan jalan dari Perupok, Bachok, ka-Kota Bharu yang kini terbelangkalai itu?

Menteri Kerja Raya, Pos dan Talikom (Dato' V. T. Sambanthan): Ini akan bergantung kepada ada tidaknya wang.

Kota Bharu Bridge

87. Enche' Abu Bakar bin Hamzah bertanya kepada Menteri Kerja Raya, Pos dan Talikom bila-kah Kerajaan Pusat akan memberi wang untuk Jambatan Kota Bharu dalam erti semangat kerjasama di-antara Kerajaan Pusat dengan Kerajaan Negeri Kelantan seperti mana kerjasama dalam membina jalan Federal di-Dabong, Kelantan dahulu?

Dato' V. T. Sambanthan: Bantuan wang atau pinjaman² ada-lah di-beri sa-belum projek² di-mulakan. Berkenaan dengan jambatan ini, kerja telah di-jalankan dan projek ini, di-fahamkan, telah pun siap. Bantuan dari Kerajaan Persekutuan pada peringkat ini akan menjadi luar biasa dan bagi mengadakan bantuan kepada satu projek yang sudah di-mulakan seperti ini ia-lah satu perkara yang di-luar Kementerian ini.

Post Office Savings Bank

88. Dr Tan Chee Khoo asks the Minister of Works, Posts and Telecom-

munications to state by race the number of accounts and the amount in each in the Post Office Savings Bank as at 31st December, 1963.

Dato' V. T. Sambanthan: The total amount of money deposited in Post Office Savings Bank at the end of 1963 is \$172,106,440. Details of amounts at each Post Office are not available.

Ipoh Road dual Carriage-way

89. Dr Tan Chee Khoo asks the Minister of Works, Posts and Telecommunications to state whether the dual carriage-way along Ipoh Road, Kuala Lumpur would be extended at least up to Batu Village in view of the heavy congestion of traffic along the remaining section of the road.

Dato' V. T. Sambanthan: Yes. This is the plan.

Postage Stamp Vending Machines

90. Enche' Lee Seck Fun asks the Minister of Works, Posts and Telecommunications to state whether he will introduce similar coin-operated postage stamps vending machines as those in England and America, in Post Offices, in Towns, Villages and Kampongs.

Dato' V. T. Sambanthan: It is intended to introduced coin-operated postage stamp vending machines in busy Post Offices. Two such machines were installed at each of the General Post Offices, Penang, Ipoh, Johore Bahru, Seremban, Kuala Lumpur and Post Office, Petaling Jaya in July, 1962.

PRIME MINISTER'S DEPARTMENT

National Economic Development Council

91. Tuan Haji Ahmad bin Abdullah bertanya kepada Perdana Menteri siapa nama Pengerusi dan ahli² Majlis Pembangunan Ekonomik Negara.

Perdana Menteri: Sa-benar-nya tidak ada Majlis yang bergelar Majlis Pembangunan Ekonomi Negara. Yang ada ia-lah Jawatan-kuasa Perancang Pembangunan Negara. Nama Pengerusi

dan Ahli² Jawatan-kuasa Peranchang Pembangunan Negara itu ada-lah seperti berikut:

Dato' Abdul Jamil bin Abdul Rais,
P.M.N.—*Pengerusi*

Dua orang wakil daripada Bahagian Peranchang Ekonomi;

Ketua Perangkaan;

Dua orang wakil daripada Perbendaharaan;

Gabnor, Bank Negara, Malaysia;

Sa-orang wakil daripada Kementerian Pembangunan Negara dan Luar Bandar;

Setia-usaha, Kementerian Perdagangan dan Perusahaan;

Penasehat Peranchang, Singapura;

Ketua Pegawai Peranchang, Sarawak; dan Ketua Pegawai Peranchang, Sabah.

Malaysia's attitude towards Indonesian Confrontation

92. Dato' Haji Mustafa bin Haji Abdul Jabar bertanya kepada Perdana Menteri ada-kah Kerajaan akan sa-mata² bersikap bertahan sahaja menghadapi pencerobohan Indonesia atau ada-kah apa² tindakan dalam fikiran Kerajaan yang lebih berkesan lagi bagi menentang Indonesia, sa-bagai pengajaran kepada-nya.

Perdana Menteri: Tidak baik bagi kejayaan tindakan kita menerangkan gerakan² yang di-ambil dan yang akan di-ambil untuk mempertahankan negara kita daripada pencerobohan Indonesia, tetapi Ahli² Yang Berhormat boleh berasa yakin bahawa Kerajaan akan mengambil langkah² yang di-fikirkan mustahak dan seimbang dengan keazaman kita hendak mempertahankan keselamatan dan kedaulatan negara kita.

Indonesian Aggression

93. Dato' Haji Mustafa bin Haji Abdul Jabar bertanya kepada Perdana Menteri ada-kah Kerajaan akan menganjurkan perjumpaan Ketua² Ugama dalam Malaysia ini bagi maksud mendesak tiap² ugama supaya bangun serentak memberi penerangan kepada pengikut²-

nya yang mana pencerobohan Indonesia ini bukan sahaja bertujuan menjajah Malaysia, tetapi, juga bertujuan menghancurkan kepercayaan agama dalam negeri ini, sa-bagaimana mengikut kepercayaan Kominis yang tidak mengakui ada-nya Tuhan.

Perdana Menteri: Ketua² Ugama di-Malaysia sedar akan ada-nya suasana yang tegang di-Malaysia dan mereka telah di-minta supaya meminta do'a kerana keamanan. Belum lagi di-umumkan bahawa satu daripada tujuan² pencerobohan Indonesia sa-lain dari menjajah Malaysia ia-lah hendak menghancurkan ugama dan oleh sebab itu tidak-lah sesuai di-chadang hendak mengadakan satu perjumpaan yang seperti itu.

M.C.S. Officers

94. Enche' Mohd. Idris bin Matsil bertanya kepada Perdana Menteri ada-kah benar bahawa, pegawai² pentadbir M.C.S. negeri ini lebih jauh kurang bilangan-nya jika di-bandingkan dengan pegawai² bertaualiah Polis Di-Raja Malaysia. Jika benar, ada-kah Kerajaan akan mengambil langkah untuk menambah bilangan pegawai² pentadbir M.C.S. itu dengan segera.

Perdana Menteri: Memang benar bahawa bilangan pegawai² M.C.S. adalah kurang daripada bilangan pegawai² Polis yang bertaualiah dalam Negeri² dalam Tanah Melayu, tetapi tidak-lah berapa jauh sangat kurang-nya. Menurut angka, pada 1-10-64 ada 370 orang pegawai² M.C.S. dan 423 orang Pegawai² Polis yang bertaualiah dalam Negeri² dalam Tanah Melayu. Tetapi patut di-ingatkan ia-itu jawatan² tadbir dalam Negeri² dalam Tanah Melayu tidak-lah terkhas kepada pegawai² M.C.S. sahaja, tetapi di-penohkan juga oleh Pegawai² Tadbir Melayu dan pegawai² dalam Perkhidmatan 'Awam Negeri; sa-balek-nya Pegawai² Polis pula, mereka ada-lah memenohkan semua jawatan² polis di-seluruh Tanah Melayu.

Jawatan² dalam sa-suatu perkhidmatan akan di-adakan apabila nyata perlu di-adakan, dan bukan untuk menyamakan bilangan pegawai² dalam

sa-suatu perkhidmatan dengan bilangan pegawai² dalam perkhidmatan yang lain.

Registration of Voters and Party Symbols

95. Enche' C. V. Devan Nair asks the Prime Minister:

- (a) whether he is aware of the insistence by certain officials of the Elections Office during the period of registration of voters last month that all voters application forms submitted by political parties must bear the respective party symbols;
- (b) whether instructions to this effect were given to the Elections Office by the Hon'ble Minister and, if so, why such instructions were given and, if not, whether the Minister will institute an enquiry into this matter in order to prevent such recurrences in future.

The Prime Minister:

- (a) I am not aware of the insistence by any official of the Election Commission who had been engaged as Registering Officers and Assistant Registering Officers during the last revision period that application forms for registration as electors, which were submitted by political parties, must bear the respective party symbols.
- (b) No instructions to this effect were given to the Election Commission or to any Election Authorities by the Government or by me. The Election Commission has however, informed me that the only instructions given by the Election Commission to its officials regarding this matter were that political parties submitting application forms on behalf of electors *may* stamp their official *chops* on the forms they have completed. (Note the words "may" and "chops"). Secretaries of political parties, as far back as August, 1963, have also been informed that they may stamp the official chops of their respective parties

on the forms they have completed. The reason for requesting political parties to stamp their official chops on such forms is to prevent the applicant from submitting more than one application. The duplication of applications from certain applicants had been quite frequent in the past. Whether this was done deliberately or not is not known, but the resultant effect was that in such cases of irregularities the Election Commission was often put to blame and answerable for the irregularities. It is therefore, necessary for the Election Commission to devise a means of detecting such cases of duplication. In any case, the operative word is "may" and it is not obligatory upon any political party to follow the instructions.

I do not consider it justifiable to institute any enquiry into this matter.

Registered Voters

96. Dr Tan Chee Khoon asks the Prime Minister the total number of registered voters by race.

The Prime Minister: It is against the policy of the Election Commission to divulge the break-down of the total number of registered electors by race.

Low-Cost Housing for Federal Officers

97. Tuan Haji Rahmat bin Haji Daud bertanya kepada Perdana Menteri ada-kah Kerajaan Pusat mengetahui ia-itu Kerajaan Negeri Johor ada membuat rumah² murah untuk di-jual dengan bayaran beransor² kepada Pegawai² Kerajaan Negeri Johor, dan Pegawai² Kerajaan Pusat tidak boleh membeli rumah² murah tersebut, kerana rumah² itu hanya-lah khas bagi pegawai² Kerajaan Negeri sahaja. Jika mengetahui, ada-kah Kerajaan Pusat berchadang hendak membuat rumah² saperti itu untuk di-jual kepada Pegawai² Kerajaan Pusat yang bekerja dalam Jabatan² di-bawah kuasa Kerajaan Pusat di-Negeri Johor dan juga di-lain² Negeri; kalau ada, bila-kah ranchangan itu akan di-mulakan.

Perdana Menteri: Kerajaan Pusat sedar ia-itu Kerajaan Johor telah membuat rumah² untok di-jual kepada pegawai² Kerajaan Johor.

Sampai sekarang, Kerajaan Pusat tiada dapat melaksanakan dasar perumahan bagi kakitangan Kerajaan yang berasaskan Penyata Atkinson dari kerana perundingan yang telah berjalan memanjang dengan Pihak Kakitangan Majlis Whitley.

Memang tujuan Kerajaan hendak menolong pegawai² Kerajaan memileki rumah sendiri, ia-itu bersejalan dengan dasar Kerajaan hendak menggalakkan "demokrasi mempunyai—harta." Suatu Ranchangan menggalakkan kakitangan Kerajaan memileki rumah sendiri sedang di-chadangkan.

Malaysia as Islamic State

98. Enche' Abu Bakar bin Hamzah bertanya kepada Perdana Menteri apa-kah langkah² yang sudah, sedang dan akan di-buat untok mengubah chorak Negara Malaysia dari chorak *Secular State* kepada *Islamic State* sesuai dengan Islam sa-bagai ugama rasmi negara ini?

Perdana Menteri: Kerajaan sentiasa menegaskan berulang² kali ia-itu Kerajaan akan menjunjung taraf ugama Islam sa-bagaimana yang terkandung dalam Perkara 3 (1) dalam Perlembagaan.

Widows and Orphans' Pension Scheme

99. Dr Tan Chee Khoon asks the Prime Minister to state:

- (a) the total amount standing to the credit or the total amount contributed towards the Widows and Orphans' Pensions Scheme,
- (b) the present total number of contributors to the scheme,
- (c) the rate of contributions,
- (d) the total contributed in 1963 to the scheme,
- (e) the number of widows and orphans receiving pensions from the scheme,
- (f) the total paid out as pensions from the scheme for the year 1963.

The Prime Minister:

- (a) The figure giving the total amount which have been contributed to the Widows and Orphans' Pensions Scheme from the time it was first introduced in as long ago as in 1896 is not available without considerable research. However, as a guide, the amounts contributed for the last ten years are as follows:

1954 ...	\$1,697,300 (actual)
1955 ...	1,810,914 ..
1956 ...	1,801,222 ..
1957 ...	1,960,733 ..
1958 ...	1,711,790 ..
1959 ...	2,104,370 ..
1960 ...	2,070,431 ..
1961 ...	1,875,423 ..
1962 ...	1,975,190 ..
1963 ...	1,882,509 ..
1964 ...	1,900,000 (estimated)

(b) 8,324.

(c) 4% of pensionable emoluments.

(d) \$1,882,509.

(e) 4,380.

(f) \$1,764,689. This figure does not include Cost of Living Allowance on the pensions.

Malayanisation

100. Dr Tan Chee Khoon asks the Prime Minister to state the estimated cost of Malayanisation, the total amount paid or advanced so far towards this and the estimate amount required to Malayanise the existing remaining posts.

The Prime Minister: It was estimated in 1956 that if every entitled officer retired on the operative date, under the compensation terms i.e. 1st July, 1957, the cost of Malayanisation would be about \$74,367,000. So far a sum of \$92,951,427 has been paid or loaned to entitled officers. It is estimated that a further sum of \$3,098,418 would be required to pay the remaining entitled officers when they retire under Malayanisation terms.

Housing Allowances for Married Women

101. Dr Tan Chee Khoon asks the Prime Minister to state why married women officers are not paid housing allowances even when they are the sole bread-winners and have to support their husbands.

The Prime Minister: Married women officers are eligible for housing allowances if:

- (i) they are not living with their husbands, fathers or other male relatives (other than their own children or other dependants under the age of 18 years),
- (ii) they can demonstrate that they are not receiving any financial assistance from their husbands or other male relatives, and
- (iii) their husbands are incapable of earning a livelihood.

National Incomes Survey

102. Dr Tan Chee Khoon asks the Prime Minister to state whether Government would consider carrying out an incomes survey in the country to assess the distribution of income and to carry out measures that would bring about a fairer distribution of the income of the country.

The Prime Minister: As part of its regular work in estimating the national income of the country, the Department of Statistics produces estimates of distribution of the gross domestic product/income of the economy by industry of origin. It is presumed, however, that the question does not relate to this distribution but rather to the distribution of total personal income by income groups in order to determine the extent of the inequality in the distribution of total personal income. Some information on the latter is available to Government from the annual income tax returns to the Department of Inland Revenue. Some additional information is also available from the published Household Budget Survey of the Federation of Malaya, 1957-58. The next Household Budget Survey will be conducted during the period of the First Malaysia Plan, 1966-70.

It should be clearly obvious that the extent of the problem of the inequality of the income distribution in the country is fully appreciated by this Government. The very object of the massive rural development program which is being successfully undertaken and the progressive nature of the income tax is to level up the income of the lower income groups with that of the higher.

Training of Malay Teachers from Sabah in Malaya

103. Orang Tua Mohd. Dara Langpad (Sabah) asks the Minister of Education to state if Malay Teachers from Sabah could be sent for training in secondary schools in Malaya.

The Minister of Education (Enche' Abdul Rahman bin Haji Talib): Malay teachers from Sabah can be trained in Malaya if such training can be only or better provided in Malaya.

104. Orang Tua Mohd. Dara Langpad asks the Minister of Education to state if Malay teachers in Sabah could be given training in Malaya instead of sending them to Australia for one year, as the cost of training one student in Australia could be used for training two students in Malaya.

Enche' Abdul Rahman bin Haji Talib: I agree from the point of view of course that it would be cheaper to train teachers in Malaya or in Sabah itself. This is, in fact, the policy of the Ministry of Education except where the facilities for certain types of training are only available in foreign countries.

Assistance for Secondary English School Students in Sabah (Higher Education in the University of Malaya and continuation in School Certificate Class)

105. Orang Tua Mohd. Dara Langpad asks the Minister of Education to state if students in Secondary English Schools in Sabah who have passed their School Certificate could be given financial assistance to enable them to further their studies in the University of Malaya, and whether those who failed to pass their School Certificate examination could also be given assistance to enable them to remain in

school until they pass the School Certificate examination.

Enche' Abdul Rahman bin Haji Talib: In accordance with the Government's objective of training Malaysians to fill administrative and other posts in public service it has always been the Government's policy to provide as

much assistance as possible to those qualified to proceed for higher education including education at the University of Malaya.

Every opportunity and assistance is also given to those who possess the necessary qualifications and who satisfy the necessary requirements to repeat the School Certificate.