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No. 7



Saturday
3rd February, 1962

PARLIAMENTARY DEBATES

DEWAN NEGARA (SENATE)

OFFICIAL REPORT

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FEDERATION OF MALAYA
DEWAN NEGARA (SENATE)

VOTES AND PROCEEDINGS

Third Session

Vol. III

Saturday, 3rd February, 1962

No. 7

The Senate met at 10 o'clock a.m.

PRESENT:

- The Honourable Mr. President, DATO' HAJI ABDUL RAHMAN BIN MOHAMED YASIN, S.P.M.J., P.I.S., J.P. (Johor).
- „ the Minister of Justice, TUN LEONG YEW KOH, S.M.N. (Appointed).
- „ TUAN HAJI ABBAS BIN HAJI MOHAMED (Trengganu).
- „ ENCHE' ABDUL HAMID BIN MAHMUD, J.M.N. (Appointed).
- „ ENCHE' AHMAD BIN SAID, A.M.N (Perak).
- „ ENCHE' A. M. ABU BAKAR, J.M.N. (Appointed).
- „ ENCHE' ABDULLAH BIN ISHAK (Perlis).
- „ ENCHE' ABDUL WAHAB BIN IDUS, P.J.K. (Negri Sembilan).
- „ ENCHE' AMALUDDIN BIN DARUS (Kelantan).
- „ ENCHE' CHAN KWONG HON, A.M.N., J.P. (Selangor).
- „ ENCHE' CHEAH SENG KHIM, J.P. (Penang).
- „ DATO' DR. CHEAH TOON LOK, J.M.N., J.P., Dato' Maha Kurnia (Appointed).
- „ ENCHE' CHOO KOK LEONG (Appointed).
- „ DATO' J. E. S. CRAWFORD, J.M.N., J.P., Dato' Kurnia Indera (Appointed).
- „ ENCHE' DA ABDUL JALIL BIN HAJI AWANG (Trengganu).
- „ ENCHE' HASHIM BIN AWANG, J.P. (Penang).
- „ ENCHE' KOH KIM LENG (Melaka).
- „ DATO' LEE FOONG YEE, J.M.N., P.P.T., J.P. (Negri Sembilan).
- „ ENCHE' LIM HEE HONG, A.M.N. (Appointed).
- „ ENCHE' MOHD. SALLEH BIN MOHAMED ARIFF (Melaka).
- „ ENCHE' MOHD. ZAHIR BIN HAJI ISMAIL (Kedah).
- „ ENSKU MUHSEIN BIN ABDUL KADIR, J.M.N., P.J.K. (Appointed).
- „ ENCHE' ATHI NAHAPPAN (Appointed).
- „ ENCHE' S. P. S. NATHAN (Appointed).
- „ NIK HASSAN BIN HAJI NIK YAHYA, J.M.N. (Appointed).
- „ TUAN HAJI NIK MOHD. ADEEB BIN HAJI NIK MOHAMED (Kelantan).

The Honourable TOK PANGKU PANDAK HAMID BIN PUTEH JALI, P.J.K.
(Appointed).

- „ DATO' SHEIKH ABU BAKAR BIN YAHYA, D.P.M.J., P.I.S., J.P.
(Johor).
- „ TUAN SYED AHMAD BIN SYED MAHMUD SHAHABUDIN, J.M.N.
(Kedah).
- „ ENCHE' T. H. TAN, J.M.N. (Appointed).
- „ DATO' E. E. C. THURASINGHAM, D.P.M.J., J.P. (Appointed).
- „ ENCHE' S. O. K. UBaidULLA, J.M.N. (Appointed).
- „ WAN AHMAD BIN WAN DAUD, J.M.N., P.J.K., J.P. (Perlis).
- „ DATO' WAN IBRAHIM BIN WAN TANJONG, J.M.N., P.J.K.,
Orang Kaya Indera Maharaja Purba Jelai (Pahang).
- „ ENCHE' YAP KHEN VAN, A.M.N., J.P. (Pahang).
- „ ENCHE' YEOH KIAN TEIK (Perak).

ABSENT:

- The Honourable RAJA RASTAM SHAHROME BIN RAJA SAID TAUPHY (Selangor).
- „ DATO' G. SHELLEY, P.M.N., J.P. (Appointed).

IN ATTENDANCE:

- The Honourable the Minister of Internal Security and Minister of the Interior,
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 without portfolio, DATO' SULEIMAN BIN DATO' HAJI ABDUL RAHMAN, P.M.N. (Muar Selatan).
- „ the Assistant Minister of Rural Development, TUAN HAJI ABDUL KHALID BIN AWANG OSMAN (Kota Star Utara).
- „ the Assistant Minister of Commerce and Industry, ENCHE' CHEAH THEAM SWEE (Bukit Bintang).

PRAYERS

(Mr. President *in the Chair*)

ADJOURNMENT *SINE DIE*

(MOTION)

The Minister of Justice (Tun Leong Yew Koh): Mr. President, Sir, I beg to move—

That at its rising this day the House doth stand adjourned *sine die*.

Enche' T. H. Tan: Sir, I beg to second the motion.

Question put, and agreed to.

Resolved,

That at its rising this day the House doth stand adjourned *sine die*.

BILL

**THE CONSTITUTION (AMEND-
MENT) BILL**

Committee

House immediately resolved itself into a Committee of the whole House.

(Mr. President *in the Chair*)

Bill considered in Committee.

Clauses 1 to 34 inclusive ordered to stand part of the Bill.

Schedule ordered to stand part of the Bill.

House resumes.

Third Reading

Tun Leong Yew Koh: Mr. President, Sir, I beg to report that the Bill has been considered in Committee and agreed to without amendment, and I accordingly move that it be read the third time and passed.

Enche' T. H. Tan: Sir, I beg to second the motion.

Question put: the House divided: Ayes—32, Noes—Nil, Abstention—Nil.

AYES

Tun Leong Yew Koh
Enche' T. H. Tan
Dato' Wan Ibrahim
Enche' Yap Khen Van
Enche' Abdul Wahab
Dato' Lee Foong Yee
Enche' Chan Kwong Hon
Dato' Sheikh Abu Bakar
Enche' Ahmad Said
Enche' Yeoh Kian Teik
Wan Ahmad

Enche' Cheah Seng Khim
Enche' Hashim Awang
Enche' Mohamed Salleh
Enche' Koh Kim Leng
Enche' Abdullah bin Ishak
Tuan Haji Nik Mohamed Adeeb
Enche' Da Abdul Jalil
Tuan Haji Abbas
Enche' Lim Hee Hong
Nik Hassan
Engku Muhsein bin Abdul Kadir
Enche' Choo Kok Leong
Dato' J. E. S. Crawford
Tok Pangku Pandak Hamid
Dato' Dr. Cheah Toon Lok
Enche' S. O. K. Ubaidulla
Dato' E. E. C. Thuraingham
Enche' S. P. S. Nathan
Enche' Abdul Hamid bin Mahmud
Enche' A. M. Abu Bakar
Enche' Athi Nahappan

NOES

Nil

ABSTENTIONS

Nil

Bill accordingly read the third time and passed.

**THE RUBBER RESEARCH
INSTITUTE OF MALAYA BILL**

Second Reading

Tun Leong Yew Koh: Sir, I beg to move that the Rubber Research Institute of Malaya Bill be read a second time.

Enche' T. H. Tan: Sir, I beg to second the motion.

The Assistant Minister of Commerce and Industry (Enche' Cheah Theam Swee): Mr. President, Sir, I do not intend to say as much as I did when I introduced this Bill in the Lower House as I am well aware that Honourable Members in the Upper House are more in keeping with the progress and activities of the Government in respect of the Rubber Research Institute.

The Rubber Research Institute is at present constituted under the Rubber Research Institute of Malaya Enactment, 1934. Since then, it has been found that with the setting up of the Malayan Rubber Fund Board in 1959, whereby control of the research policy of the organisations financed by the Malayan Rubber Fund is now vested in the Malayan Rubber Fund Board under the chairmanship of the Controller of Rubber Research, it is now necessary for the Rubber Research Institute to be reconstituted to fall in line with this major reorganisation.

The new features in the Bill are:

firstly, the composition of the new Board of the Rubber Research Institute of Malaya provides for a more balanced distribution between Government and industry representatives;

secondly, the authority of the Board of the Rubber Research Institute to consider and approve the budget of the Institute has been transferred to the Malayan Rubber Fund Board. It is the duty of the new Board, however, to ensure that expenditure is in accordance with the estimates approved by the Malayan Rubber Fund Board;

thirdly, decisions relating to salaries and terms of appointment of the Director and the senior staff of the Institute are now vested in the Malayan Rubber Fund Board; and

lastly, the Director and Deputy Directors of the Institute are now appointed by the Minister on the recommendation of the Malayan Rubber Fund Board after consultation with the Co-ordinating Advisory Committee.

Mr. President, Sir, I would like to emphasise that there was very close consultation with the Rubber Producers Council and the Malayan Rubber Fund Board during the drafting of this Bill and I am glad to say that these bodies representing the rubber industry have agreed to the Bill in every detail.

Question put, and agreed to.

Bill accordingly read a second time and committed to a Committee of the whole House.

House immediately resolved itself into a Committee on the Bill.

Bill considered in Committee.

(Mr. President *in the Chair*)

Clauses 1 to 15 ordered to stand part of the Bill.

Bill reported without amendment: read the third time and passed.

THE RUBBER INDUSTRY (RE-PLANTING) FUND (AMENDMENT) BILL

Second Reading

Tun Leong Yew Koh: Sir, I beg to move that the Rubber Industry (Replanting) Fund (Amendment) Bill be read a second time.

Engku Muhsein bin Abdul Kadir: Tuan Yang di-Pertua, saya menyokong.

Enche' Cheah Theam Swee: Mr. President, Sir, the Bill provides for two amendments to the Rubber Industry (Replanting) Fund Ordinance, 1952, which are found to be necessary with the introduction of the Rubber Export Duty (Penang) Act, 1961, and the new Section 13 (2) of the Financial Procedure Ordinance, 1957.

The purpose of the amendment in Clause 2 is to enable a cess under Section 7 of the Rubber Industry (Replanting) Fund Ordinance, 1952, to be levied on rubber exported from

Penang. At present, the replanting cess under Section 7 of the Ordinance is collected on rubber produced in Penang and on rubber exported from the Federation other than Penang. Previously, Penang rubber was not subjected to payment of export duty but with the introduction of the Rubber Export Duty (Penang) Act, 1961, which became effective from 1st January, 1962, rubber exported from Penang now attracted duty at the same rate as that exported from the Principal Customs Area of the Federation. Hence, in order to enable the collection of replanting cess to be made legally, Section 7 of the Rubber Industry (Replanting) Fund Ordinance, 1952, has to be amended to provide for the replanting cess to be levied on rubber exported from Penang.

The purpose of the amendment in Clause 3 is to re-word Sub-section (1) of Section 15 of the Ordinance to conform to present practice. The section as at present worded states that funds required for the purpose of the Government Rubber Replanting Schemes are charged on the revenues of the Federation. Under the Financial Procedure Ordinance, 1957, all Charged Expenditure should be paid from the Consolidated Fund and accounted in the Consolidated Revenue Account, unless a law allows it to be paid from moneys accounted in the Consolidated Loan Account or the Consolidated Trust Account. At present, funds for the replanting schemes are made available from the Development Fund as these schemes are essentially of an investment nature. But the Development Fund is accounted in the Consolidated Trust Account. In order to regularise the present practice, it is now proposed that the section be amended so that funds required for the replanting schemes should be paid from the Development Fund, and if there is insufficient money in the Development Fund, the expenditure may be met from moneys accounted in the Consolidated Revenue Account. The amendment is merely consequential and involves no change of policy or

intention. The amendment has been made to take effect retrospectively from 1st January, 1961, as this is the date of the coming into force of the amended Section 13 (2) of the Financial Procedure Ordinance, 1957.

Question put, and agreed to.

Bill accordingly read a second time and committed to a Committee of the whole House.

House immediately resolved itself into a Committee on the Bill.

Bill considered in Committee.

(Mr. President *in the Chair*)

Clauses 1 to 3 inclusive ordered to stand part of the Bill.

Bill reported without amendment: read the third time and passed.

THE FEDERATION OF MALAYA RUBBER EXCHANGE (INCORPORATION) BILL

Second Reading

Tun Leong Yew Koh: Mr. President, Sir, I beg to move that the Federation of Malaya Rubber Exchange (Incorporation) Bill be read a second time.

Engku Muhsein: Sir, I beg to second the motion.

Enche' Cheah Theam Swee: Mr. President, Sir, whilst trading in rubber has been in existence in various parts of the country for as many years as rubber has been produced, such trading has been governed by rules formulated by the trade associations themselves, and experience in the last few years has shown that these rules not only require the discipline of members to abide by but also lack the force of law. As the world's largest producer of natural rubber, it is therefore necessary for a marketing organisation to be set up to provide facilities to enable the rubber produced in this country to be marketed on sound lines

which would be acceptable in international trading circles throughout the world.

I am sure Honourable Members have been following the various stages from the time of the Government's announcement in February, 1960, to set up a Rubber Exchange and the work that has been done till the publication of the Bill. Therefore, I do not propose to outline these stages, except to say that wide publicity has already been given to the Government's views on the establishment of the Rubber Exchange—these have been well received by the rubber trade and industry in this country.

Mr. President, Sir, it is needless for me to emphasise that control of the Federation Rubber Exchange must be vested in the hands of persons, who are ordinarily resident in this country. Ordinary membership of the Exchange should be limited in the case of individuals to persons carrying on business and are ordinarily resident in the Federation, or in the case of corporations to those that are either incorporated in or registered under any written law of the Federation. However, in order to maintain the Pan-Malayan character of the rubber trade, the Exchange will operate on parallel lines with the Singapore Chamber of Commerce Rubber Association in providing contracts, discipline in trade, arbitration, price fixing, etc., including facilities for ordinary dealings in physical rubber and for what is commonly known as hedging. Members of the Singapore Chamber of Commerce Rubber Association in Singapore will, therefore, be accorded associate membership of the Exchange, and it is hoped that there is reciprocity from Singapore. In order to induce overseas traders to participate in the Exchange, provision has also been made for such traders to become overseas members of the Exchange.

The Government considers that it is necessary, particularly in the initial years of the Exchange, that the first Board of Directors should be persons

appointed by the Minister but whose terms of office would cease with the coming into force of the first elected Board of Directors. I have said it before, but I would like to reiterate it here, that Government does not wish to control, nor interfere with, the working of the Exchange, but it is accepted that in the interest of the trade that in the early stages there should be the maximum liaison between the Government and the Exchange. For this reason, there is provision for a Government Director to serve on the first Board of Directors, and it is obvious that a single Government Director out of a total of twelve Directors cannot in any way bring about any Government control or interference in the affairs of the Exchange.

With regard to the choice of the members of the first Board of Directors, the Honourable Minister has, in consultation with the Rubber Producers' Council and the Federation of Malaya Rubber Trade Association, appointed persons whom he knows are persons of standing and knowledge in the rubber trade and industry. All the Directors are persons ordinarily resident in the Federation. It is the prime concern of Government to ensure that the Exchange, in its infancy, should be entrusted to persons, who are able, through their knowledge and experience and their influence within the rubber trade, to operate the Exchange successfully. Consideration has also been given to selecting persons to represent the five different classes of members: namely, producers, estate selling agents, manufacturers' buying agents, brokers and dealers. The geographical distribution of the persons selected as Directors has also been taken into account. There is provision for a Director to be nominated by the Rubber Producers' Council to represent the producers' class.

Sir, one of the greatest shortcomings in the present rubber market in Malaya is that there is no statutory force behind the contracts entered into under the rules of the trade associations.

Provision has, therefore, been incorporated in the Bill to ensure the enforceability of brokers' contracts, and any broker who intends to conduct guarantee business through the Exchange would be required to furnish and maintain a continuing security to the Exchange. This is a far-reaching innovation.

Another important innovation, which has been introduced into the Federation Rubber Exchange, is the provision for the setting up of a Guarantee Fund to meet claims arising in the event of the failure of a guarantee broker. A Clause has been included in the rules of the Exchange to enable such a Guarantee Fund to be set up. The rules provide that the Guarantee Fund should be built up to an amount in the region of \$2,000,000 by levies on transactions, but the Government realises that it will take a long time to build up this Fund. In order to ensure that the Exchange gets off to a good start, Government is therefore prepared to guarantee the \$2,000,000 required to set up the Fund, provided that the amount of levy on transactions is to be fixed by Government so long as the guarantee has not been liquidated. The Government is also aware that in the initial years of the Exchange, it may not be able to accumulate sufficient funds to meet the cost of running the Exchange, and the Government is also prepared to provide a guarantee in the region of \$150,000 to meet the administration expenses so as to ensure that the Rubber Exchange will operate successfully right from the beginning.

Nik Hassan bin Haji Nik Yahya: Tuan Yang di-Pertua, saya tidak hendak berchakap panjang berkenaan Undang² ini. Tetapi, saya suka bertanya kepada Menteri yang berkenaan dalam perkara melantek Badan Pengarah yang beliau sebutkan tadi. Kalau sa-kira-nya benar siaran yang di-keluarkan oleh *Straits Times* yang telah mengemukakan 12 nama bagi menjadi Ahli Badan Pengarah ini, apabila saya baca penyata yang di-keluarkan itu saya dapati tidak ada sa-orang pun orang Melayu yang

di-lantek menjadi sa-orang daripada Badan Pengarah itu. Pada hal kalau di-kaji dengan chermat boleh di-katakan sa-jumlah besar daripada orang² Melayu-lah yang menjadi tuan² punya kebun² kechil dalam Tanah Melayu ini, dan tidak kurang pula broker dan pedagang² kechil daripada ahli² perniagaan Melayu. Jadi kalau sa-kira-nya benar sa-bagaimana siaran akhbar yang mengatakan dari 12 orang ahli yang dudok sa-bagai ahli yang di-lantek bagi permulaan kali-nya oleh Kementerian ini, tidak mengandongi sa-orang pun ahli perdagangan Melayu, pada hal dalam undang² ini kira-nya di-kaji pengasas-nya ada terdiri 2 nama daripada orang Melayu ia-itu Abdul Jalil dan Haji Abdul Rahman daripada jumlah 59 ahli yang menjadi pengasas kepada Badan ini. Ada dua anggota terdiri daripada ahli² perniagaan atau pun pekebun getah daripada bangsa Melayu.

Jadi saya rasa sangat dukachita kira-nya benar siaran akhar itu saya mintalah supaya Kementerian yang berkenaan menimbangkan sa-mula dalam perlantekan itu, dan kira-nya dapat sungguh pun perlantekan ini telah dibuat dengan perundingan terlebih dahulu dengan Badan yang di-panggil Rubber Producers' Council tetapi saya rasa Badan ini tidak ada galangan kira-nya perlantekan itu hendak dilakukan oleh Kementerian yang berkenaan. Oleh itu, saya harap dapat penjelasan, dan kira-nya dapat disebutkan nama²-nya di-sini untuk mengesahkan perlantekan itu.

Enche' Cheah Theam Swee: Mr. President, Sir, this is a very simple question to answer, and if the Honourable Member had been following the debate in the Lower House, perhaps, he would have been clear by now.

The Bill provides for a nominee from the Rubber Producers' Council; and when the Bill was published and when the appointments were being considered, we were given to understand by the Rubber Producers' Council that they would send in a Malay as their nominee; and also we

are given to understand now that the alternate to the Malay will also be another Malay.

Question put, and agreed to.

Bill accordingly read a second time and committed to a Committee of the whole House.

House immediately resolved itself into a Committee on the Bill.

Bill considered in Committee.

(Mr. President *in the Chair*)

Clauses 1 to 19 inclusive ordered to stand part of the Bill.

First Schedule ordered to stand part of the Bill.

Second Schedule ordered to stand part of the Bill.

Bill reported without amendment: read the third time and passed.

THE ARMS (AMENDMENT) BILL

Second Reading

Tun Leong Yew Koh: Mr. President, Sir, I beg to move that a Bill intituled "an Act to amend the Arms Act, 1960" be read a second time.

Engku Muhsein: Sir, I beg to second the motion.

The Minister of Internal Security and Minister of the Interior (Dato' Dr. Ismail): Mr. President, Sir, I regret that the Arms Act, 1960, which was approved in June, 1960, has not been brought into force. This is because much preparatory work had to be completed particularly in regard to the drafting of new forms which we have printed for the first time in the National Language as well as in English and also for the reason that when the arrangements were being made for bringing this Act into force, some practical difficulties were encountered, and they had to be overcome.

The amendments proposed in this Bill will, we hope, remove these difficulties which would have impeded the smooth administration of the new Act and also in some respects have inconvenienced the public.

I do not intend to spend much of the time in detailed explanation of the new Clauses, the reason for which is apparent from the reading of the Bill.

Question put, and agreed to.

Bill accordingly read a second time and committed to a Committee of the whole House.

House immediately resolved itself into a Committee on the Bill.

Bill considered in Committee.

(Mr. President *in the Chair*)

Clauses 1 to 5 inclusive ordered to stand part of the Bill.

Bill reported without amendment: read the third time and passed.

THE INTERNAL SECURITY (AMENDMENT) BILL

Second Reading

Tun Leong Yew Koh: Sir, I beg to move that a Bill intituled "an Act to amend the Internal Security Act, 1960" be read a second time.

Enche' T. H. Tan: Sir, I beg to second the motion.

Dato' Dr. Ismail bin Dato' Haji Abdul Rahman: Mr. President, Sir, there are two amendments to the Internal Security Act, 1960, as proposed in this Bill. They are as follows—

Section 41A: it provides that the Minister charged with the responsibility for internal security may by order direct a statutory body to refer the question of any appointment to that body to him; and it also confers power

on him to veto an appointment which is, in his opinion, prejudicial to the interests of the Federation. The purpose of this section is to ensure the exclusion, from the staff of a statutory body, of persons with communist connections or other serious character defects. It is a necessary measure for safeguarding against subversion, espionage, leakage of information and sabotage of vital installations. In view of the importance of statutory bodies to the country and of their close connection with the Government, it is considered that similar security safeguards as are now adopted in respect of appointments to the Government service should be applicable to these bodies.

Sir, at this stage I would like to take the opportunity to assure the House that it is never the intention of the Government to veto applications from candidates for appointment purely on political grounds. The provisions of this proposed amendment will, however, be invoked against persons, who are considered to be a security threat to the country, whatever their political affiliations.

Section 41B: provisions similar to the proposed amendment were previously contained in the Education Ordinance of 1957—Sub-section (4) of Section 59 of this Ordinance provides that the Registrar, if he was satisfied at any time that a school was being used for purposes detrimental to the interests of the Federation, or of the public, or for the purpose of instruction that is detrimental to the interests of the public or of the pupils, or as a meeting place of an unlawful society, and that circumstances so required, may declare the school to be unlawful and such declaration could take effect forthwith. Before the repeal of the Education Ordinance, 1957, it was the intention of the Government to retain the provisions of Sub-section (4) of Section 59 in the Education Act, 1961. However, on advice, this sub-section was omitted from the Education Act, 1961, as it was felt that it would be more appropriate in the Internal

Security Act, in view of the fact that the subject matter of the sub-section related mainly to subversion. Thus it can be seen that the purpose of this amendment is not to seek new power, but merely to transfer the power to order the immediate closing down of a school—which could have been retained in the Education Act of 1961—to the Internal Security Act. It may also be pointed out that under the Education Ordinance, 1957, this power was exercisable by a Registrar of Schools, and under that law he exercised his power by declaring the school to be unlawful and striking it off the Register, whereby the school ceased to exist as such. It is felt that the closing of public institutions such as a school is a matter of grave public concern and, therefore, it would be more appropriate that the closure of such an institution could be only for so long as circumstances require and that the power to close it should be conferred on a Minister.

Enche' Yeoh Kian Teik: Mr. President, Sir, on a point of clarification. Sub-section (2) of Section 41B provides for an appeal against the decision of the Minister to the Yang di-Pertuan Agong. May I find out from the Honourable Minister of Internal Security whether it is advisable to have this appeal to the Yang di-Pertuan Agong and whether there is any provision for delegation of the power by the Yang di-Pertuan Agong to any person.—I mean whether it would not be more advisable to refer the appeal to another body.

Dato' Dr. Ismail: Sir, when this appeal is made to the Yang di-Pertuan Agong it is, of course, considered by the Cabinet first. Now, when the Minister acts to close a school under this Act, he acts on his own responsibility. He may or may not refer it to the Cabinet. But if an appeal is made against his decision, then the matter is referred to the Cabinet to advise the Yang di-Pertuan Agong whether to reject or accept his decision. So I see no difficulty in this matter, because this is a matter of internal

security and I think the Government should be the power to decide in a matter of threat or espionage against this country.

Question put, and agreed to.

Bill accordingly read a second time and committed to a Committee of the whole House.

House immediately resolved itself into Committee on the Bill.

Bill considered in Committee.

(Mr. President *in the Chair*)

Clauses 1 and 2 ordered to stand part of the Bill.

Bill reported without amendment: read the third time and passed.

THE LAND DEVELOPMENT (AMENDMENT) BILL

Second Reading

Tun Leong Yew Koh: Sir, I beg to move that a Bill intituled "an Act to amend the Land Development Ordinance, 1956" be read a second time.

Enche' T. H. Tan: Sir, I beg to second the motion.

The Assistant Minister of Rural Development (Tuan Haji Abdul Khalid bin Awang Osman): Mr. President, Sir, this Bill, the Land Development (Amendment) Bill, is designed to amend Section 8 of the Land Development Ordinance, 1956, covers the financial policy of the Federal Land Development Authority. Amendments to Sections 2 and 5 are consequential to the amendment of Section 8.

As Members of the House are aware, Section 8 of the Land Development Ordinance, 1956, as it now stands lays down that the Federal Land Development Authority must balance its accounts taking one year with another.

It is, therefore, imperative for the Authority to recover every cent that it spends on the development of any scheme from the settlers whether the expenditure is for the provision of basic services, development of individual holdings, maintenance or administrative expenses.

Mr. President, Sir, Clause 4 of this Bill will enable the Authority, on the direction of the Minister of Rural Development and with the concurrence of the Treasury, to split this expenditure into recoverable and non-recoverable expenditure. Recoverable expenditure will include subsistence allowance, cost of houses and the direct cost of developing their individual holdings together with interest thereon. Irrecoverable expenditure includes the cost of managing F.L.D.A. schemes and the provision of basic facilities, such as roads, office buildings, health centres, etc., etc. Clause 4 is in actual fact aimed at lightening the burden of debt that is likely to be shouldered by the settlers and I think it is only right and fair that settlers should not be called upon to pay the administrative expenses of running the Federal Land Development Authority schemes and the provision of the basic amenities. These should be the responsibility of the Government and it is proposed that the Government would give annual subvention to the Authority. The settlers should only be asked to pay the subsistence allowance, cost of houses and the direct cost of developing their individual holdings together with interest thereon.

I hope this House will give its support to this Bill, which is designed to lighten the burden of debt of settlers in F.L.D.A. schemes.

Question put, and agreed to.

Bill accordingly read a second time and committed to a Committee of the whole House.

House immediately resolved itself into a Committee on the Bill.

Bill considered in Committee.

(Mr. President *in the Chair*)

Clauses 1 to 5 inclusive ordered to stand part of the Bill.

Bill reported without amendment: read the third time and passed.

THE RAILWAY (AMENDMENT) BILL

(Second Reading)

Tun Leong Yew Koh: Sir, I beg to move that the Railway (Amendment) Bill be read a second time.

Sir, my Honourable and learned friend the Minister of Transport has hoped to be in this House today to explain this non-controversial Bill but unfortunately he has been called away on urgent business, and he has asked me to speak on his behalf.

Sir, under the Railway Ordinance, the Chambers of Commerce have a statutory right to elect one representative each to the Port Swettenham Board. This Bill now sets out to give this representation as a right to the Associated Malay Chambers of Commerce of Malaya, which was hitherto unrepresented on the Board. I am sure that Honourable Senators will welcome this amendment, not only because it reflects the Government's policy on Malay participation, but principally because it ensures that the Malays, through their representatives in commercial organisations, will in fact so be represented.

Sir, I beg to move.

Enche' T. H. Tan: Sir, I beg to second the motion.

Nik Hassan bin Haji Nik Yahya: Dato' Yang di-Pertua, saya mengucapkan tahniah kepada Yang Berhormat Menteri yang telah membuat atau membawa pindaan ini bagi memasukkan satu daripada wakil

Dewan Perniagaan Melayu Malaya menjadi salah satu atau salah sa-orang daripada anggota badan ini. Sungguh pun betiaau tidak ada di-sini, tetapi suka-lah saya memberi ucapan terima kaseh dan tahniah kepada langkah yang baik itu. Saya perchaya lain² Kementerian akan mengambil langkah yang sa-umpama itu dalam apa juga gerakan yang ada hubungan-nya dengan perniagaan dan perusahaan dalam negeri ini. Terutama-nya kepada Kementerian Perdagangan dan perusahaan yang mana pada biasa-nya sentiasa menghantarkan rombongan² keluar negeri untuk membuat berbagai² perhubungan perniagaan dan perdagangan keluar negeri, jadi tiap² rombongan yang keluar untuk menghubungkan perdagangan di-antara Tanah Melayu dengan lain² negeri itu sentiasalah saya dapati tidak ada sa-orang pun daripada wakil sa-bagai ahli perniagaan atau pun wakil badan perniagaan dari Tanah Melayu ini. Jadi, langkah yang di-ambil oleh Menteri ini akan mendorong Kementerian Perdagangan dan Perusahaan manakala hendak menghantar wakil²-nya untuk berhubung dengan ahli² perdagangan di-luar negeri itu hendak menghubungkan usaha perdagangan Tanah Melayu ini dengan negeri² lain masukkan-lah salah sa-orang atau beberapa orang nama ahli² perdagangan Melayu atau pun wakil daripada badan perdagangan Melayu, sa-umpama wakil daripada Dewan Perniagaan Sa-Malaya itu supaya tidak-lah akan di-pandang serong olah ahli perniagaan Melayu Tanah Melayu itu dan mereka harus di-letakkan sama taraf-nya dengan badan² perniagaan yang lain seperti Associated Chinese Chambers of Commerce atau pun lain² badan lagi.

Ini-lah usaha yang paling baik yang patut di-jalankan dan saya ucapkan sa-tinggi² tahniah kepada Kementerian ini dan saya minta supaya Kementerian yang lain mengikut contoh dan tauladan yang di-berikan oleh Kementerian ini. Sakian-lah sahaja.

Question put, and agreed to.

Bill accordingly read a second time and committed to a Committee of the whole House.

House immediately resolved itself into a Committee on the Bill.

Bill considered in Committee.

(Mr. President *in the Chair*)

Clauses 1 and 2 ordered to stand part of the Bill.

Bill reported without amendment: read the third time and passed.

THE PARLIAMENT (MEMBERS' REMUNERATION) (AMENDMENT) BILL

Second Reading

Tun Leong Yew Koh: Mr. President, Sir, I beg to move that the Parliament (Members' Remuneration) (Amendment) Bill be read a second time.

Enche' T. H. Tan: Sir, I beg to second the motion.

Enche' Cheah Seng Kim: Mr. President, Sir, in exactly one hour we have passed eight Bills, and in a few minutes we will be passing the ninth and last one. Sir, I rise not to oppose this Bill, but I would like to say that it is a matter of prestige to this House that the Members of this House are not given the same privileges as the Members of the Lower House. The reason is very clear and simple. Most of the Members here belong to the same Party and, therefore, we have not taken the Ministers to task. The second reason is that the Opposition is feeble (*Laughter*).

Enche' S. O. K. Ubaidulla: There is none here.

AN HONOURABLE MEMBER: There is one here.

Enche' Cheah Seng Khim: The Opposition, I say again, is feeble.

Therefore, it is very clear that we always use our rubber stamps, of which we have been accused, and then go back home. I think, Sir, the power that may be in charge of this matter should consider raising the allowances in respect of yourself, Sir, and your remuneration, so that the President of this Senate will have the same allowances and remuneration as those applicable to the Lower House. In all the big countries of the world, like the U.S.A. and Australia, Senators and Congressmen are treated equally, and I see no reason why we should be treated in an inferior manner. I have said earlier that I am not going to oppose this Bill, but if I can I would like to differ—but I cannot (*Laughter*).

Dato' J. E. S. Crawford: Mr. President, Sir, in principle only I support the previous speaker. If the Government insists on making different rates for the two Houses, then I think it should change the names of the Houses—this should be the Lower House and the other one should be the Upper House, because of more money. Thank you.

Enche' T. H. Tan: Mr. President, Sir, I rise to support only on principle, but unlike the previous speaker (*the Honourable Enche' Cheah Seng Khim*) I must disagree with what he said—that we are using the rubber stamp—and I am quite sure that that is not so. We could also argue at great length on a variety of subjects but I think the public knows pretty well now that we do not argue for the sake of argument; when we do argue we put forward criticisms or suggestions useful to the Government. It is not our intention to waste the time of the House or of the Government in scurrilous argument. But that notwithstanding, I would like to express regret that the Government did not think fit to consider allowances to both Houses at par (*Applause*).

Tun Leong Yew Koh: Mr. President, Sir, I would like to thank Honourable Members for their support of this Bill. In regard to the representations about

the difference in treatment between the Senators and Representatives of the Lower House, I am sure their representations will be taken into consideration by the Government (*Applause*).

Dato' Dr. Cheah Toon Lok: Mr. President, Sir, I wish to thank the last speaker for his assurance, (*Laughter*) because this matter reflects on the dignity of this House. The President of the Senate is getting \$4,800 less than the Speaker of the Dewan Ra'ayat, and I do not think it fair that people doing the same capacity of work with the same type of intelligence should be differentiated in that way. Thank you.

Nik Hassan bin Haji Nik Yahya: Tuan Yang di-Pertua, saya suka juga champor sa-patah dua kata dalam perbahathan ini supaya perbahathan kita ini menimbulkan satu perkara yang lebeh baik. Bagi saya, nampak-nya Undang² ini kita dapat-lah bersetuju pada dasar-nya kerana sakira-nya kita tahankan Undang² ini, kita berhak berbuat demikian boleh kita serahkan perkara ini kepada Select Committee umpama-nya tetapi kita tidak mahu berbuat demikian kerana memandangkan banyak lagi pekerjaan yang lain yang harus di-jalankan. Tetapi saya rasa alasan yang diberikan dalam Dewan Ra'ayat yang telah menyatakan bahawa Ahli Dewan Negara ini tidak begitu banyak tanggungan saperti yang di-buat oleh Dewan Ra'ayat mempunyai penganut²-nya terpaksa menjalankan kerja. Tetapi saya rasa tiap² Ahli Dewan Negara di-sini ada-lah sama tanggungan-nya sa-bagaimana Ahli Dewan Ra'ayat. Saya di-Kelantan tumpuan ra'ayat ada-lah sama di-tumpukan kepada Ahli Dewan Negara saperti yang mereka menumpukan kepada Ahli Dewan Ra'ayat. Kalau sa-orang ra'ayat mendapat kesusahan mereka tidak menemui wakil ra'ayat daripada Pati Islam sa-Tanah Melayu, kerana mereka itu tidak mahu berjumpa lagi

dan sa-tengah daripada ra'ayat itu terpaksa berpusing timpuan-nya kepada Ahli Dewan Negara yang terdiri dari Ahli² Perikatan. Jadi, Ahli Dewan Negara yang berada di-Kelantan-lah yang paling pahit menjalankan kerja kerana mereka terpaksa melayani ra'ayat yang telah hampa dengan janji² Pati Islam sa-Tanah Melayu. Kalau sa-kira-nya hendak di-pandang pada segi kerjasama, pada segi usaha maka Ahli² Dewan Negara di-Kelantan ada-lah paling pahit sa-kali menjalankan kerja kerana mereka terpaksa melayani ra'ayat yang telah hampa itu. Dukachita saya pula kerana Ahli² PAS tidak ada di-sini untuk menjawab soalan saya ini. Saya rasa, tanggungan itu ada-lah sama dan tidak berbedza. Jadi, ini-lah satu daripada hujah saya yang patut di-berikan pertimbangan yang sama dan saya bangun bukan-lah untuk menuntut pendapatan yang lebeh tetapi saya rasa ada-lah baik sakira-nya perkara ini dapat pertimbangan dan perhatian daripada Kerajaan supaya mudah²an ra'ayat akan memandangkan bahawa Dewan Ra'ayat dan Dewan Negara ada-lah mempunyai satu taraf dan kedudukan yang sama dan tidak di-perhinakan oleh ra'ayat dalam negeri ini, sekian, terima kaseh.

Question put, and agreed to.

Bill accordingly read a second time and committed to a Committee of the whole House.

House immediately resolved itself into a Committee on the Bill.

Bill considered in Committee.

(Mr. President *in the Chair*)

Clauses 1 and 2 ordered to stand part of the Bill.

Bill reported without amendment; read the third time and passed.

Adjourned sine die at 11.10 a.m.