

Volume V  
No. 29



Monday  
23rd December, 1963

# PARLIAMENTARY DEBATES

DEWAN RA'AYAT  
(HOUSE OF REPRESENTATIVES)

OFFICIAL REPORT

## CONTENTS

**ORAL ANSWERS TO QUESTIONS [Col. 3005]**

**BILL:**

**The Supply Bill, 1964 (Second Reading) [Col. 3009;  
Col. 3062]**

**EXEMPTED BUSINESS (Motion) [Col. 3063]**

**ANNOUNCEMENTS BY Mr SPEAKER [Col. 3062]**

DI-CHETAK DI-JABATAN CHETAK KERAJAAN  
OLEH THOR BENG CHONG, A.M.N., PENCHETAK KERAJAAN  
KUALA LUMPUR

1964

MALAYSIA  
**DEWAN RA'AYAT**  
(HOUSE OF REPRESENTATIVES)

*Official Report*

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Fifth Session of the First Dewan Ra'ayat

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*Monday, 23rd December, 1963*

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

**PRESENT:**

- The Honourable Mr Speaker, DATO' HAJI MOHAMED NOAH BIN OMAR,  
P.M.N., S.P.M.J., D.P.M.B., P.I.S., J.P.
- „ the Deputy Prime Minister, Minister of Defence and Minister of Rural Development, TUN HAJI ABDUL RAZAK BIN DATO' HUSSAIN, S.M.N. (Pekan).
- „ 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 of Works, Posts and Telecommunications, DATO' V. T. SAMBANTHAN, P.M.N. (Sungai Siput).
- „ the Minister of Transport, DATO' HAJI SARDON BIN HAJI JUBIR, P.M.N. (Pontian Utara).
- „ the Minister of Agriculture and Co-operatives, ENCHE' MOHAMED KHIR BIN JOHARI (Kedah Tengah).
- „ the Minister of Labour and Social Welfare, ENCHE' BAHAMAN BIN SAMSUDIN (Kuala Pilah).
- „ the Minister of Health, ENCHE' ABDUL RAHMAN BIN HAJI TALIB (Kuantan).
- „ the Minister of Commerce and Industry, DR LIM SWEE AUN, J.P. (Larut Selatan).
- „ the Minister of Education, TUN HAJI ABDUL HAMID KHAN BIN HAJI SAKHAWAT ALI KHAN, J.M.N., J.P. (Batang Padang).
- „ the Minister for Sarawak Affairs, DATO TEMENGGONG JUGAH ANAK BARIENG (Sarawak).
- „ the Assistant Minister of the Interior, ENCHE' CHEAH THEAM SWEE (Bukit Bintang).
- „ the Assistant Minister of Labour and Social Welfare, ENCHE' V. MANICKAVASAGAM, J.M.N., P.J.K. (Klang).
- „ the Assistant Minister of Commerce and Industry, TUN HAJI ABDUL KHALID BIN AWANG OSMAN (Kota Star Utara).
- „ the Assistant Minister of Information and Broadcasting, DATU MOHAMED ISMAIL BIN MOHAMED YUSOF, P.D.K. (Jerai).
- „ the Assistant Minister of Rural Development (Sarawak), ENCHE' ABDUL-RAHMAN BIN YA'KUB (Sarawak).

The Honourable ENCHE' ABDUL AZIZ BIN ISHAK (Kuala Langat).

„ ENCHE' ABDUL GHANI BIN ISHAK, A.M.N. (Melaka Utara).

„ ENCHE' ABDUL RAHIM ISHAK (Singapore).

„ ENCHE' ABDUL RAUF BIN A. RAHMAN, K.M.N., P.J.K. (Krian Laut).

„ ENCHE' ABDUL RAZAK BIN HAJI HUSSIN (Lipis).

„ ENCHE' ABDUL SAMAD BIN OSMAN (Sungai Patani).

„ TOH MUDA HAJI ABDULLAH BIN HAJI ABDUL RAOF (Kuala Kangsar).

„ TUAN HAJI ABDULLAH BIN HAJI MOHD. SALLEH, A.M.N., P.I.S. (Segamat Utara).

„ TUAN HAJI AHMAD BIN ABDULLAH (Kota Bharu Hilir).

„ ENCHE' AHMAD BIN ARSHAD, A.M.N. (Muar Utara).

„ ENCHE' AHMAD BIN MOHAMED SHAH, S.M.J. (Johor Bahru Barat).

„ TUAN HAJI AHMAD BIN SAAID (Seberang Utara).

„ ENCHE' AHMAD BIN HAJI YUSOF, P.J.K. (Krian Darat).

„ CHE' AJIBAH BINTI ABOL (Sarawak).

„ O. K. K. DATU ALIUDDIN BIN DATU HARUN, P.D.K. (Sabah).

„ ENCHE' AWANG DAUD BIN MATUSIN (Sarawak).

„ TUAN HAJI AZAHARI BIN HAJI IBRAHIM (Kubang Pasu Barat).

„ ENCHE' AZIZ BIN ISHAK (Muar Dalam).

„ DR BURHANUDDIN BIN MOHD. NOOR (Besut).

„ ENCHE' JONATHAN BANGAU ANAK RENANG (Sarawak).

„ PENGARAH BANYANG (Sarawak).

„ ENCHE' CHAN CHONG WEN, A.M.N. (Kluang Selatan).

„ ENCHE' CHAN SIANG SUN (Bentong).

„ ENCHE' CHAN YOON ONN (Kampar).

„ ENCHE' CHIN SEE YIN (Seremban Timor).

„ ENCHE' DAGOK ANAK RANDEN (Sarawak).

„ ENCHE' EDWIN ANAK TANGKUN (Sarawak).

„ DATIN FATIMAH BINTI HAJI HASHIM, P.M.N. (Jitra-Padang Terap).

„ ENCHE' GANING BIN JANGKAT (Sabah).

„ ENCHE' GEH CHONG KEAT, K.M.N. (Penang Utara).

„ ENCHE' HAMZAH BIN ALANG, A.M.N. (Kapar).

„ ENCHE' HANAFI BIN MOHD. YUNUS, A.M.N. (Kulim Utara).

„ ENCHE' HARUN BIN ABDULLAH, A.M.N. (Baling).

„ ENCHE' HARUN BIN PILUS (Trengganu Tengah).

„ TUAN HAJI HASAN ADLI BIN HAJI ARSHAD (Kuala Trengganu Utara).

„ TUAN HAJI HASSAN BIN HAJI AHMAD (Tumpat).

„ ENCHE' HASSAN BIN MANSOR (Melaka Selatan).

„ ENCHE' STANLEY HO NGUN KHIU, A.D.K. (Sabah).

„ ENCHE' HONG TECK GUAN (Sabah).

„ ENCHE' HUSSEIN BIN TO' MUDA HASSAN (Raub).

„ ENCHE' HUSSEIN BIN MOHD. NOORDIN, A.M.N., P.J.K. (Parit).

- The Honourable TUAN HAJI HUSSAIN RAHIMI BIN HAJI SAMAN (Kota Bharu Hulu).
- ” ENCHE’ IKHWAN ZAINI (Sarawak).
- ” ENCHE’ IBRAHIM BIN ABDUL RAHMAN (Seberang Tengah).
- ” ENCHE’ ISMAIL BIN IDRIS (Penang Selatan).
- ” ENCHE’ ISMAIL BIN HAJI KASSIM (Kuala Trengganu Selatan).
- ” PENGHULU JINGGUT ANAK ATTAN (Sarawak).
- ” ENCHE’ JHUMAH BIN SALIM (Sabah).
- ” ENCHE’ K. KARAM SINGH (Damansara).
- ” CHE’ KHADIJAH BINTI MOHD. SIDEK (Dungun).
- ” ENCHE’ KADAM ANAK KIAI (Sarawak).
- ” ENCHE’ EDMUND LANGGU ANAK SAGA (Sarawak).
- ” ENCHE’ LEE KUAN YEW (Singapore).
- ” ENCHE’ LEE SAN CHOON, K.M.N. (Kluang Utara).
- ” ENCHE’ LEE SIOK YEW, A.M.N. (Sepang).
- ” ENCHE’ AMADEUS MATHEW LEONG, A.D.K. (Sabah).
- ” ENCHE’ LING BENG SIEW (Sarawak).
- ” ENCHE’ LIU YOONG PENG (Rawang).
- ” ENCHE’ PETER LO SU YIN (Sabah).
- ” ENCHE’ T. MAHIMA SINGH, J.P. (Port Dickson).
- ” ENCHE’ MOHAMED BIN UJANG (Jelebu-Jempol).
- ” ENCHE’ MOHAMED ABBAS BIN AHMAD (Hilir Perak).
- ” ENCHE’ MOHD. ARIF SALLEH, A.D.K. (Sabah).
- ” ENCHE’ MOHAMED DAHARI BIN HAJI MOHD. ALI (Kuala Selangor).
- ” ORANG TUA MOHAMMAD DARA BIN LANGPAD (Sabah).
- ” ENCHE’ MOHD. DUN BIN BANIR, A.D.K. (Sabah).
- ” ENCHE’ MOHAMED NOR BIN MOHD. DAHAN (Ulu Perak).
- ” DATO’ MOHAMED HANIFAH BIN HAJI ABDUL GHANI, P.J.K. (Pasar Mas Hulu).
- ” ENCHE’ MOHAMED YUSOF BIN MAHMUD, A.M.N. (Temerloh).
- ” TUAN HAJI MOKHTAR BIN HAJI ISMAIL (Perlis Selatan).
- ” TUAN HAJI MUHAMMAD SU’AUT BIN HAJI MUHD. TAHIR (Sarawak).
- ” ENCHE’ NG ANN TECK (Batu).
- ” ENCHE’ OTHMAN BIN ABDULLAH, A.M.N. (Perlis Utara).
- ” ENCHE’ ABANG OTHMAN BIN ABANG HAJI MOASILI (Sarawak).
- ” ENCHE’ OTHMAN BIN WOK (Singapore).
- ” ENCHE’ S. RAJARATNAM (Singapore).
- ” TUAN HAJI REDZA BIN HAJI MOHD. SAID, J.P. (Rembau-Tampin).
- ” ENCHE’ SANDOM ANAK NYUAK (Sarawak).
- ” ENCHE’ SEAH TENG NGIAB (Muar Pantai).
- ” ENCHE’ SIM BOON LIANG (Sarawak).
- ” ENCHE’ SNG CHIN JOO (Sarawak).
- ” ENCHE’ SONG THIAN CHEOK (Sarawak).
- ” TUAN SYED ESA BIN ALWEE, J.M.N., S.M.J., P.I.S. (Batu Pahat Dalam).

- The Honourable TUAN SYED HASHIM BIN SYED AJAM, A.M.N., P.J.K., J.P.  
(Sabak Bernam).
- „ ENCHE' TAJUDIN BIN ALI, P.J.K. (Larut Utara).
- „ ENCHE' TAN CHENG BEE, J.P. (Bagan).
- „ ENCHE' TAN TSAK YU (Sarawak).
- „ ENCHE' TAN TYE CHEK (Kulim-Bandar Bahru).
- „ TENGKU BESAR INDERA RAJA IBNI AL-MARHUM SULTAN IBRAHIM,  
D.K., P.M.N. (Ulu Kelantan).
- „ DATO' TEOH CHZE CHONG, D.P.M.J., J.P. (Segamat Selatan).
- „ ENCHE' TOO JOON HING (Telok Anson).
- „ PENGHULU FRANCIS UMPAU ANAK EMPAM (Sarawak).
- „ ENCHE' V. VEERAPPEN (Seberang Selatan).
- „ WAN ABDUL RAHMAN BIN DATU TUANKU BUJANG (Sarawak).
- „ WAN SULAIMAN BIN WAN TAM, P.J.K. (Kota Star Selatan).
- „ WAN YAHYA BIN HAJI WAN MOHAMED, K.M.N. (Kemaman).
- „ ENCHE' YAHYA BIN HAJI AHMAD (Bagan Datoh).
- „ ENCHE' YEH PAO TZE (Sabah).
- „ ENCHE' YEOH TAT BENG (Bruas).
- „ ENCHE' YONG WOO MING (Sitiawan).
- „ PUAN HAJJAH ZAIN BINTI SULAIMAN, J.M.N., P.I.S.  
(Pontian Selatan).
- „ TUAN HAJI ZAKARIA BIN HAJI MOHD. TAIB (Langat).
- „ ENCHE' ZULKIFLEE BIN MUHAMMAD (Bachok).

ABSENT:

- The Honourable the Prime Minister, Minister of External Affairs and Minister of  
Information and Broadcasting, Y.T.M. TUNKU ABDUL  
RAHMAN PUTRA AL-HAJ, K.O.M. (Kuala Kedah).
- „ the Minister without Portfolio, DATO' ONG YOKE LIN,  
P.M.N. (Ulu Selangor).
- „ ENCHE' AHMAD BOESTAMAM (Setapak).
- „ ENCHE' CHAN SWEE HO (Ulu Kinta).
- „ ENCHE' CHIA THYE POH (Singapore).
- „ ENCHE' V. DAVID (Bungsar).
- „ DATU GANIE GILONG, P.D.K., J.P. (Sabah).
- „ DR GOH KENG SWEE (Singapore).
- „ ENCHE' HO SEE BENG (Singapore).
- „ ENCHE' JEK YEUN THONG (Singapore).
- „ ENCHE' KANG KOCK SENG (Batu Pahat).
- „ ENCHE' KHONG KOK YAT (Batu Gajah).
- „ ENCHE' KOW KEE SENG (Singapore).
- „ ENCHE' LEE SECK FUN (Tanjong Malim).
- „ ENCHE' CHARLES LINANG (Sarawak).
- „ ENCHE' LIM HUAN BOON (Singapore).
- „ ENCHE' LIM JOO KONG, J.P. (Alor Star).
- „ ENCHE' LIM KEAN SIEW (Dato Kramat).
- „ ENCHE' LIM KIM SAN (Singapore).

- The Honourable O. K. K. HAJI MAHALI BIN O. K. K. MATJAKIR, A.D.K. (Sabah).  
 „ ENCHE' MOHAMED ASRI BIN HAJI MUDA (Pasir Puteh).  
 „ ENCHE' PETER J. MOJUNTIN, A.D.K. (Sabah).  
 „ NIK MAN BIN NIK MOHAMED (Pasir Mas Hilir).  
 „ ENCHE' ONG PANG BOON (Singapore).  
 „ TUAN HAJI OTHMAN BIN ABDULLAH (Tanah Merah).  
 „ ENCHE' QUEK KAI DONG, J.P. (Seremban Barat).  
 „ ENCHE' D. R. SEENIVASAGAM (Ipoh).  
 „ ENCHE' S. P. SEENIVASAGAM (Menglembu).  
 „ DATU DONALD ALOYSIUS STEPHENS, P.D.K. (Sabah).  
 „ TUAN SYED JA'AFAR BIN HASAN ALBAR, J.M.N. (Johor Tenggara).  
 „ ENCHE' TAN KEE GAK (Bandar Melaka).  
 „ ENCHE' TAN PHOCK KIN (Tanjong).  
 „ DR TOH CHIN CHYE (Singapore).  
 „ WAN MUSTAPHA BIN HAJI ALI (Kelantan Hilir).  
 „ ENCHE' WEE TOON BOON (Singapore).  
 „ ENCHE' STEPHEN YONG KUET TZE (Sarawak).  
 „ ENCHE' YONG NYUK LIN (Singapore).

## PRAYERS

(Mr Speaker *in the Chair*)

## ORAL ANSWERS TO QUESTIONS

### PIRACY IN THE STRAITS OF MALACCA—FISHERMEN AND RELIEF MEASURES

**1. Enche' K. Karam Singh (Damansara)** asks the Minister of Agriculture and Co-operatives to give the number of fishermen adversely affected by piracy in the Malacca Straits and to state the steps the Government has taken to enable these displaced fishermen to carry on their work.

**The Minister of Agriculture and Co-operatives (Enche' Mohamed Khir Johari):** Mr Speaker, Sir, it is not possible to state the number of fishermen adversely affected by piracy in the Malacca Straits to the extent of being altogether displaced from the industry because, in spite of the acts of piracy by Indonesians, fishing activities, although limited in areas of operation, are still continuing in the Straits. To combat this piracy, the Government has directed intensive patrolling of the affected areas by boats of the Royal

Navy which are being constantly kept informed of the periods of intensive fishing by the drift net fleets. In addition to maintaining close watch, the Royal Malaysian Navy boats also escort the drift net fleets to and from normal fishing grounds.

**Enche' Abdul Aziz bin Ishak (Kuala Langat):** Mr Speaker, Sir, can the Honourable Minister say how far out from the Malaysian coast the fishing operation takes place?

**Enche' Mohamed Khir Johari:** Sir, I require notice.

**Enche' Abdul Aziz bin Ishak:** Sir, surely the Honourable Minister must be able to say how far these men go out for fishing?

**Enche' Mohamed Khir Johari:** I know, but I require notice, Sir.

**Enche' K. Karam Singh:** Sir, is the Minister aware whether some of these fishermen go and fish in the Indonesian territorial waters, and whether he has warned Malaysian fishermen not to go into the Indonesian territorial waters?

**Enche' Mohamed Khir Johari:** Sir, the Government has repeatedly warned our fishermen through the Press and Radio against going to the territorial

waters of Indonesia. However, sometimes due to circumstances beyond their control some boats might have trespassed into the Indonesian waters, as has happened also in the case of the Indonesian boats coming over into our waters.

**Enche' Abdul Aziz bin Ishak:** Sir, can the Honourable Minister say for certain that the piracy is entirely the work of the Indonesians and not of some of our own people.

**Enche' Mohamed Khir Johari:** Sir, from the evidence that has been gathered, it is certain that the piracy has been the act of the Indonesians. To further strengthen my statement, I would refer the Honourable Member to the speech of the Honourable Prime Minister when he made a statement at the beginning of this session of Parliament.

**Enche' Abdul Aziz bin Ishak:** Sir, the Honourable Prime Minister might remember that long before confrontation, when I was then a Minister, there was piracy taking place in the Straits of Malacca and it was not the work of the Indonesians in those days!

**Enche' K. Karam Singh:** Sir, I want to pursue this point. On this question of piracy, I would first like to know whether the Minister is going to answer the previous question.

**Mr Speaker:** Since the Honourable Member made a statement, he need not answer at all. You can go on with question No. 2!

**Enche' K. Karam Singh:** Sir, since the Minister has said that the pirates are Indonesian pirates, is the Minister aware that pirates are rebels against all laws—whether Malaysian or Indonesian laws—and that once they become pirates, the Government cannot give the impression that the Indonesian Government is directing those pirates?

**Mr Speaker:** That question is out of order!

**2. Enche' K. Karam Singh** asks the Minister of Agriculture and Co-operatives to state what relief measures the Government has taken in this matter.

**Enche' Mohamed Khir Johari:** Mr Speaker, Sir, the Government is now in the course of working out some relief measures in respect of those who are found to be really affected by the confrontation from Indonesia. My Honourable colleague, the Minister of Labour and Social Welfare, has, in fact, made a statement on this in his oral reply to the Honourable Member for Damansara on the 19th December.

**Enche' K. Karam Singh:** Mr Speaker, Sir, the answer of the Honourable Minister of Labour was concerned with workers who are displaced. Now, the question before the House today is in respect of the fishermen adversely affected. So, I would ask the Minister of Agriculture and Co-operatives to state categorically what measures his Ministry has taken in respect of the adversely affected fishermen.

**Enche' Mohamed Khir Johari:** Beyond saying that they are relief measures, I am afraid I am not able to say more at this stage.

**Enche' K. Karam Singh:** Mr Speaker, Sir, do we understand that all the relief measures that Ministers give to adversely affected citizens of this country are nothing but burning effigies and neglecting their duties? (*Interruption*).

**Mr Speaker:** Order! order!

**Enche' V. Veerappen (Seberang Selatan):** Mr Speaker, Sir, could the Minister inform this House whether the Government has considered finding alternative ways and means for the fishermen to earn their living?

**Enche' Mohamed Khir Johari:** Yes, Sir.

**Enche' V. Veerappen:** Would the Minister tell this House what are the alternative ways?

**Enche' Mohamed Khir Johari:** One of the alternative ways is to find land in some other State where they can cultivate the land as well as go fishing.

**Enche' K. Karam Singh:** Mr Speaker, Sir, is the Minister aware that fishermen find it very difficult to cultivate land and that, rather than finding other

fishing waters, to make them farmers is in other words to make them starve?

**Enche' Mohamed Khir Johari:** Sir, this is being done at the request of the fishermen themselves.

## BILL

### THE SUPPLY BILL, 1964

#### Second Reading

Order read for resumption of debate on motion, "That the Bill be now read a second time" (21st December, 1963).

**Dr Burhanuddin bin Mohd. Noor (Besut):** Dato' Yang di-Pertua, menyambong ucapan saya petang Sabtu yang lalu, saya telah menjelaskan bagaimana dengan perbelanjaan yang di-bentangkan ini dapat di-fikirkan general policy-nya di-gunakan dalam negeri kita yang sedang terancam ini. Berdasarkan ucapan Menteri Kewangan yang telah di-jelaskan bangkangan<sup>2</sup>, fikiran<sup>2</sup>, pendapat<sup>2</sup> Ahli<sup>2</sup> Yang Berhormat dari pehak Pembangkang, kesimpulan dari keseluruhan-nya perbahathian yang telah berjalan, pehak Kerajaan Perikatan dan pehak Pembangkang tidak dapat titik pertemuan yang dapat di-harapkan untuk menchari jalan keluar dan membawa negara kita ini kepada jalan selamat di-masa hadapan bagi negara dan bangsa kita. Dato' Yang di-Pertua, yang mendukacitakan saya, tuduh-mendudoh, salah-menyalah, kecham-mengecham, soal pokok menchari jalan keluar dan menyelamatkan negara kita telah ter-nampak. Jika Kerajaan Perikatan terus berdegil dengan langkah yang terbabas itu yang menjadikan keadaan negara saperti sekarang dan pehak Pembangkang terus berdegil dengan keyakinan-nya bagaimana yang telah di-lahirkan itu sa-makin besar-lah jurang bahaya dan binchana-nya akan timbul dalam negeri ini, sedangkan binchana konfrantasi terus berjalan. Makin besar-lah anchaman dan binchana akan menimpa kita bersama. Perikatan dengan pehak Pembangkang berpechah siapa yang beruntung. Kita bertengkar, berbalah, siapa yang beruntung. Perjanjian Pertahanan Malaysia dengan Britain itu-lah yang mendapat keuntungan yang besar

kapada Britain, dapat keuntungan kapada faham penjajah yang sa-lama ini di-tentang oleh ra'ayat dan chita<sup>2</sup> ra'ayat. Penjajah-lah beruntung dan berjaya menjalankan siasatan divide and rules-nya di-dalam negeri kita dan di-luar ia-itu dengan jiran<sup>2</sup> negeri kita.

Sa-makin banyak-lah di-dalam negeri ini orang<sup>2</sup> yang akan di-tahan, di-tangkap, di-bunoh dan sa-bagai-nya, Dato' Yang di-Pertua. Armada Inggeris menambahkan kekuatan bagaimana yang kita lihat, saksi di-dalam siaran<sup>2</sup> surat khabar pada masa<sup>2</sup> yang akhir ini. Dan begitu juga siaran<sup>2</sup> surat khabar yang kita bacha, apa sikap Indonesia menambah kekuatan dan meneruskan lagi azam konfrantasi-nya. Jangankan-lah perbelanjaan pertahanan yang di-untokkan sekarang ini akan chukup bahkan ka-semua perbelanjaan di-dalam semua Head yang kita bahathkan ini bagi perbekalan untuk pertahanan ini pun tidak akan memadai dan sia<sup>2</sup> sahaja.

Dato' Yang di-Pertua, kapada PAS, tanah ayer bumi putera kita ini ia bernama Semenanjung Tanah Melayu atau ia bernama Persekutuan Tanah Melayu atau ia bernama Persekutuan Malaya atau ia bernama di-arahkan kapada Malaysia sa-bagaimana sekarang ini bukan soal pokok kapada perjuangan Persatuan Islam dan bukan soal pokok kapada perjuangan chita<sup>2</sup> ra'ayat bumi putera negeri ini dari semenjak di-lancharkan oleh ra'ayat negeri ini menentang penjajah dari semenjak tahun 1511. Yang menjadi pokok boleh di-tukarkan apa nama yang di-suka<sup>2</sup> oleh ra'ayat. Apa yang di-perjuangkan oleh PAS dan chita<sup>2</sup> ra'ayat bahawa chita<sup>2</sup> perjuangan bumi putera negeri ini pada hari Sabtu yang lalu itu melalui tiga tingkatan yang saya terangkan. Menchapai kemerdekaan mutlak bumi putera di-wilayah masing<sup>2</sup> dalam tiga bentuk penjajah yang dahulu itu dan mendaulatkan Islam itu-lah bagi kedaulatan Al-Kur'an. Yang kedua, membebaskan dan memerdekakan seluroh nusantara dari semua bentuk penjajahan Inggeris, Belanda dan Amerika. Tingkatan yang ketiga menyatukan seluroh nusantara menurut bentuk perkembangan yang

sasuai dengan maksud "perahu lalu kiambang bertaut". Masa perjuangan bumi putera yang pada tingkat pertama dahulu.

**Enche' Aziz bin Ishak (Muar Dalam):** On a point of order. Saya menarek perhatian, Tuan Yang di-Pertua, kepada Peratoran Majlis Meshuarat 44 (1). Beliau itu telah berulang<sup>2</sup> kali menyebutkan "perahu lalu kiambang bertaut" dan pokok<sup>2</sup>. Jadi, saya merayu-lah kepada Tuan Yang di-Pertua, supaya Ahli Yang Berhormat itu tidak dapat mengulangnya, dan beri-lah peluang kepada ahli yang lain berchakap, sebab beliau telah berchakap dua jam.

**Mr Speaker:** Fasal mengulang<sup>2</sup> itu tidak ada kena-mengena dengan Peratoran Meshuarat itu. Please proceed.

**Dr Burhanuddin:** Masa perjuangan bumi putera pada tingkatan pertama dahulu, bukan orang<sup>2</sup> senang yang berjuang, tetapi ra'ayat yang sangsara dan penganjor<sup>2</sup> yang jujor di-dalam jiwa nasionalis Melayu dan dalam jiwa Islam. Tidak ada pada masa itu sosialisem dan tidak ada kominisem di-tanah ayer kita dari semenjak tahun 1511 lagi. Manakala kapitalis dan imperialis masuk telah menjadi kenyataan sejarah seluroh dunia, Tuan Yang di-Pertua. Sosialisem-lah yang menjadi tentangan kapitalis dan imperialisem itu-lah tentangan yang tepat menentang kominisem. Jadi soal kominisem menjadi momok. Kita hendak-lah ketahuī bagaimana yang sabenar-nya perjalanan sejarah. Ra'ayat dalam negeri ini jangan di-tipu dan di-kelirukan dengan momok kominis. Manakala penjajah kuat, bumi putera berjuang terus berabad<sup>2</sup>. Penjajah semakin kuat, maka tenaga perjuangan ra'ayat memoleh nasionalisem dan Islamism menentang penjajah dengan segala bentuk. Tuan Yang di-Pertua, sosialisem dan kominisem datang sesudah penjajah dan kapitalis bertapak dalam negeri ini. Faham sosialisem dan kominisem berkembang dari Eropah. Bentok itu-lah yang menentang penjajah di-tanah ayer ini. Itu-lah ra'ayat terpaksa menukar langkah dengan perkembangan sosialisem, ra'ayat terpaksa menukar langkah dengan

memakai alat<sup>2</sup> faham sosialisem, dan ada yang suka memakai alat kominisem.

Maka dengan itu-lah perjuangan ra'ayat daripada empat chorak isem yang besar tadi menentang penjajahan. Tuan Yang di-Pertua, maka terpaksa-lah penjajah lemah dan terpaksa-lah menghadap perubahan dan kehendak ra'ayat. Itu-lah sebab-nya timbul dua bentok perjuangan ia-itu perjuangan co dan non yang sudah saya terangkan tadi. Saya terpaksa menerangkan perkara itu, Tuan Yang di-Pertua, supaya jelas dan supaya kita dapat bawa negara kita ini benar<sup>2</sup> kepada dasar perjuangan dan dapat kita bawa kepada jalan keluar dan jalan keselamatan negara kita. Parti Perikatan mengambil jalan co, Tuan Yang di-Pertua, sa-belum merdeka, tetapi ra'ayat yang berjuang ada yang terpaksa mengambil jalan non. Parti Perikatan terus co sa-hingga hari ini, Tuan Yang di-Pertua. Perubahan telah tiba. Mahu tidak mahu keadaan masharakat mesti berubah, bentok masharakat terpaksa berubah dan terpaksa di-ubah. Parti Perikatan dengan co-nya tidak mahu berubah, maka bertentang-lah chara perubahan yang di-kehendaki oleh ra'ayat, kerana di-dapati sa-lama ini bahawa kemerdekaan negara kita ini kosong daripada berisi dengan chita<sup>2</sup> ra'ayat, kemudian di-masokkan bidang Perjanjian Pertahanan Malaysia, maka balek-lah Persekutuan bertaraf sama dengan Sabah. Ini-lah perkara<sup>2</sup> dalam Perjanjian London dalam Fasal 6 itu, Tuan Yang di-Pertua. Maka nyata-lah bahawa puncha perbalahan yang besar sa-kali di-dalam negeri ini sekarang oleh pehak Pembangkang dan ra'ayat ia-lah Fasal 6 ini dan fasal ini-lah juga yang menjadi titek puncha perbalahan dengan jiran kita pehak Indonesia dan Filipina. Gulongan<sup>2</sup> perjuangan berusaha untok mengatasi putar-belit penjajah Inggeris. Perjanjian Manila dan Perjanjian Maphilindo di-adakan, Tuan Yang di-Pertua. Sa-sudah ditanda-tangani Perjanjian Manila yang boleh membangkitkan persesuaian tiga negara bagi menurut chita<sup>2</sup> bumi putera nusantara seluroh kepulauan Melayu, Persekutuan Tanah Melayu menandatangani Perjanjian London. Bentok Perjanjian London dan Perjanjian

Manila itu, Tuan Yang di-Pertua, sangat-lah berbeza dan sangat berlawanan dudok-nya.

Manakala kita kaji balek ka-pangkal jalan, tidak ada kuasa yang dapat menahan, Tuan Yang di-Pertua, mana<sup>2</sup> ra'ayat daripada berjuang menurut keyakinan-nya. Ra'ayat mahu berjuang menurut faham nasionalisem-nya, ra'ayat mahu berjuang dengan faham Islamism-nya, ra'ayat mahu berjuang dengan faham sosialisem-nya, kerana ra'ayat akan menentukan nasib-nya mengikut demokrasi—dari ra'ayat, untuk ra'ayat. Sedang perjuangan co hanya untuk sementara dalam bidang menentang penjajah, Tuan Yang di-Pertua, untuk di-bawa kepada chita<sup>2</sup> perjuangan bumi putera. Itu-lah bahagian<sup>2</sup> nasionalisem dan bahagian<sup>2</sup> perjuangan kita peralatkan untuk mencapai chita<sup>2</sup> membawa kepada chita perjuangan bumi putera dan bahagian masing<sup>2</sup> dan akan bergabung di-seluruh nusantara. Tiga bahagian masing<sup>2</sup> daripada bentok penjajah ini kita bebaskan sa-bagaimana saya katakan tadi, dan sa-sudah mereka bebas maka datang-lah chita<sup>2</sup> ra'ayat seluruh nusantara ini untuk bersatu. Ini-lah bentok akar-umbi dalam chita<sup>2</sup> perjuangan ra'ayat di-seluruh nusantara, Tuan Yang di-Pertua.

PAS tegas dengan nasionalisem dan Islamism-nya. Tidak sedikit pun tenaga sosialisem tumpah untuk menghalau penjajah itu. Masing<sup>2</sup> berjuang dengan keyakinan-nya, Tuan Yang di-Pertua. Malaya terkenal dengan anti-komunis-nya, dan memang selalu di-suarakan dan ketara benar bahawa kita ini anti-komunis, tetapi berpaut dan berpegang di-kain penjajah. Kerajaan tidak melengkapkan diri dengan bekalan yang tegoh. Anti-komunis, tetapi takut kepada penjajah tidak ada erti-nya saudara<sup>2</sup> (*Ketawa*)—Tuan Yang di-Pertua. Kerana itu-lah, Tuan Yang di-Pertua, saya mengemukakan untuk jalan kita keluar dan menuju keselamatan negara hendak-lah balek ka-pangkal jalan chita<sup>2</sup> perjuangan bumi putera.

**Mr Speaker:** Saya minta jangan-lah mengulang<sup>2</sup>kan perkara yang sudah di-chakapkan dahulu itu.

**Dr Burhanuddin:** Akhir-nya, Tuan Yang di-Pertua, amat-lah 'aib-nya dan amat-lah kuchar-kachir negeri kita nanti jika berlaku lagi penangkapan<sup>2</sup> terhadap ra'ayat yang meneruskan perjuangan-nya dengan chita<sup>2</sup> perjuangan bumi putera. Di-tangkap dengan tuduhan agent musuh. Di-tangan saya ada surat daripada tentera Kerajaan yang menyatakan tidak setuju kepada polisi Kerajaan. Seluruh pehak Pembangkang sudah menyatakan sikap-nya. Tuan Yang di-Pertua, perkara ini ialah dengan sebab ketara benar dalam masa yang akhir<sup>2</sup> ini pehak Kerajaan sa-makin menggunakan alat<sup>2</sup> negara untuk kepentingan Parti Perikatan hingga kita dapati polis telah digunakan untuk menekan parti<sup>2</sup> lain untuk muslihat kebangkitan Parti Perikatan. Kita juga ketahu<sup>2</sup> bahawa gulungan guru juga di-peralatkan dan alat penerangan negara di-pergunakan juga. Maka sudah tentu-lah bagi pehak orang yang jujur hendak berdiri di-tengah melihat rasa unbias bagi keselamatan negara dan ra'ayat terasa terancham. Ini-lah siasah yang akan membawa lagi keruntuhan dan kerosakan kita, Tuan Yang di-Pertua. Maka pehak Pembangkang telah menyatakan sikap-nya, saya tidak-lah perlu ulangi. Indonesia sudah tegas menyatakan sikap-nya terhadap penubohan Malaysia yang berdasarkan Perjanjian London, bukan Perjanjian Manila.

Dato' Yang di-Pertua, Perdana Menteri Singapura telah pun tegas mengatakan dasar belanjawan sekarang akan menchetuskan dasar revolusi social, ya! penganjor<sup>2</sup> P.M.S. terlibat dengan bunga<sup>2</sup> revolusi social yang telah mula<sup>2</sup> timbul, Dato' Yang di-Pertua. Kata Perdana Menteri Singapura, belanjawan Menteri Kewangan Malaysia itu tidak dapat membentok masharakat yang 'adil. Ini kata<sup>2</sup> dari penyokong Malaysia yang kuat, Dato' Yang di-Pertua, kata<sup>2</sup> dari pehak<sup>2</sup> Pembangkang ta' perlu saya sebut<sup>2</sup>kan lagi.

Dato' Yang di-Pertua, ta' usah-lah kita banyak mempersoalkan tentang Komunis Indonesia, mempersoalkan confrontasi Indonesia, kerana Indonesia itu ada dengan pancha-sila-nya.

General Nasution pernah mengatakan bahawa tidak ada tempat di-Indonesia bagi orang yang tidak ber-Tohan, erti-nya jikalau Komunis Indonesia sanggup membuang satu daripada dasar panca-sila itu, mereka akan menerima nasib-nya. Jadi, kalau seperti ini banyak soal Komunis Indonesia, takut Komunis Indonesia, confrontasi Indonesia itu dan ini, ini-lah kata² bahan yang boleh menjadi bahan kepada kita berfikir bahawa soal mereka biar mereka selesaikan, tetapi betulkan perjalanan politik kita sendiri.

Dato' Yang di-Pertua, balek-lah kita kepada chita² perjuangan bumi putera yang hak dan keadilan itu.

Yang kedua, berdiri dan berpegang tegoh kepada dasar ke-Tohanan Islam, agama rasmi negeri ini dengan terus memperjuangkan kedaulatan Al-Kur'an, itu-lah kubu pertahanan bagi menentang komunis yang sa-habis² kuat dan di-jamin oleh Tohan; bukan-lah dengan Perjanjian London, bukan-lah dengan Perjanjian Malaysia.

Yang ketiga, Kerajaan mesti dengan segera membatalkan Perjanjian Pertahanan London/Malaysia itu dan digantikan dengan yang sa-suai dengan chita² perjuangan bumi putera dan semangat Islam.

Yang keempat, Kerajaan mesti menggunakan dengan segala punca kebijaksanaan mengatasi kesilapan² dan hanyut²an yang telah berjalan sekarang ini pada menyatukan ra'ayat dan hasrat ra'ayat bagi keselamatan negara.

Yang kelima, menchari jalan dan ikhtiar kebijaksanaan pada merapatkan kembali perhubungan dan persaudaraan dengan negara² tetangga kita seperti Indonesia dan Philipina demi keselamatan dan keamanan negara dan bahagian dunia di-Tenggara Asia ini yang berkehendakkan keamanan dan kesejahteraan.

Dato' Yang di-Pertua, kebijaksanaan perlu sa-kali dalam tingkat ini bagi mengatasi anchaman², bagi mengatasi keadaan² dalam negeri kita, bukan-lah sa-mata² dengan menggunakan undang²

kekuatan dalam negeri bagaimana yang telah berjalan sekarang ini yang menjadi alat untuk kepentingan, menjalankan kepentingan² "divide and rule" dalam negeri ini; menggunakan kebijaksanaan demi muslihat bangsa dan demi muslihat negara bagi mengatasi keadaan sekarang ini dengan jalan yang telah saya kemukakan ini. Balek-lah ka-pangkal jalan, jangan berhanyut²an lagi. Balek-lah ka-pangkal jalan dengan chita² bumi putera dan berjuang memperdaulatkan Islam, Dato' Yang di-Pertua. Ini-lah perkara yang saya kemukakan yang saya harap akan mendapat dengan pertimbangan yang tenang dan mendalam dari pihak Kerajaan supaya dapat kita chari jalan keluar dan jalan keselamatan bagi negara kita. Walau pun, Dato' Yang di-Pertua, saya ada lagi enam kajang yang hendak saya chakapkan ini, tetapi ini ada-lah berkenaan dengan policy² bagi beberapa perkara berkenaan dengan Kepala², dan saya fikir biar-lah sampai sa-takat itu sahaja, kerana saya ada-lah menghormati permintaan Dato' Yang di-Pertua dan kemuliaan Rumah ini.

Sa-takat ini-lah sahaja dan rayuan saya yang bersungguh² kepada pihak Kerajaan Perikatan dalam mengatasi keadaan² kita yang sedang terancam sekarang ini. Jalan itu-lah sahaja yang nampak, kalau tidak balek-lah ka-pangkal jalan, kita akan berhanyut²an dan binchana-lah yang akan menimpa kita bersama. Allah sahaja-lah yang akan menyelamatkan kita bersama dengan kita balek kepada jalan yang benar, jalan kepada hak dan keadilan yang di-perjuangkan oleh bumi putera, dan balek kepada jalan yang di-ajar oleh Al-Kur'an kepada kita bersama sa-bagai Islam yang telah kita katakan agama rasmi negeri ini. Sekian, terima kasih.

**Enche' Amadeus Mathew Leong (Sabah):** Mr Speaker, Sir, I have merely stood up to fully support the Budget 1964, for I believe that it is purely meant for the common good of the people of Malaysia as a whole.

**Mr Speaker:** Order, order. Will you please put that paper on the table instead of bringing it up?

**Enche' Amadeus Mathew Leong:** Sir, I have listened to criticisms made by Honourable Members from the Opposition parties stating that the expenditure allocated by the Government on Defence is an unnecessary item, when the sum could be more wisely spent for the development of the country. That idea could be sound, but one should realise that the present situation of our country is beyond the state of being normal: we are being faced and threatened with confrontation from Soekarno, whose main selfish object is to crush Malaysia at all costs. Being in such a situation what could be our response but to find ways and means of trying to defend our country. But to what extent could we do, if we were to remain divided among ourselves. Some even blamed that the formation of Malaysia has brought us to the brink of war. No, surely not Malaysia. Malaysia is innocent in all respects and bears no bad intentions. It is the aggressive tendency of Soekarno and his colleagues that are responsible if blame were to be laid on anybody. Malaysia already exists and will ever remain to exist. Malaysia is our mother soil, our country, so why not divert all the unnecessary blame and jointly support its existence. Our nation with its present situation requires the undivided loyalty of its inhabitants. If die we must to defend Malaysia, we, in Sabah and Sarawak, being in the front line, will die first. I therefore call on the Government to pay much more attention to the Defence programme in the Borneo territories.

Mr Speaker, Sir, after having listened to speech after speech made in this House by Honourable Members from different Parties, I have been made to believe that some are non-democratic in their policy. Due to the fact that Malaysia has existed through the option of the majority of the people of the States concerned, they being the minority still continue to oppose its existence. Moreover, they could be termed as selfish in their nature, when they unceasingly lay the blame entirely on the Government for having invited and included Sabah and Sarawak into

forming Malaysia to the effect that the country is now being seriously confronted by our neighbouring Indonesia. Instead of engaging themselves in confronting the Government, they should have given their full support to face the common enemy of our nation, the enemy that has pledged to destroy and crush our own country, our peace and our happiness. Sabah and Sarawak could have stood up together on their own feet and gained independence, if they were to take that option, but, we, in Sabah and Sarawak, believe in co-existence; we believe in Unity is Strength that we had resolved to join up with Malaya and Singapore to form a bigger, stronger and stabler nation in South-East Asia.

Mr Speaker, Sir, I would like to take this opportunity to touch on Sabah in connection with the formation of Malaysia to the effect of the confrontation of Indonesia. Sabah was not married to Malaysia without really having studied the background and conditions of its interested partners and without having safeguards guaranteed in black and white.

Soekarno's accusation that the formation of Malaysia was contrary to the wishes and self-determination of the people of the Borneo States could be proved to be one of his famous lies to the wide world. It is evidently clear that Indonesia's policy of confrontation to Malaysia is, in fact, the self-determination of Soekarno and his colleagues—the self-determination to crush Malaysia through jealousy and to their own selfish ends.

We the people of all creeds and races in Sabah have more than made up our own self-determination. What extent of self-determination Soekarno and his colleagues require? When the United Nations Survey Team at their own request had made a thorough and satisfactory survey of the wishes of the people of Sabah and the issue that the pro-Malaysia Alliance Party had swept the board in the last country-wide election. We took the option of joining Malaysia merely because the partners concerned in the Federation have similar system of government, of

education, similar culture, similar currency and similar healthy economy.

Sixteen of us are elected to be the representatives of Sabah in this House, and not even a portion of any of us is anti-Malaysia. We, therefore, consider it none of Soekarno or his colleagues' business to interfere. We do not want them to pop their ugly heads into our own affairs. (*Applause*).

As regards Philippines' claim to Sabah, we would like to stress that we strongly oppose it, and we consider the claim as groundless and disgraceful. Sabah is our country. Our ancestors, our ancestors' ancestors were born, lived and were buried in Sabah. We were born and brought up and had never heard of the Philippines having anything to do with our country. So why this sudden claim? If the Philippines were to have any legal right to Sabah, they would have put in their claim long before its joining with Malaysia. We, therefore, call on our Prime Minister to ignore this ridiculous claim.

Mr Speaker, Sir, I still cannot put off from my head the accusation made by the Honourable Member for Teluk Anson on our Chief Minister for having discriminated the Malaysians in spite of the fact that one of our colleagues from Sabah, not from Singapore as he had stated, had already made clear to this House that our Chief Minister had denied to have made such a statement and he will be in soon to clear himself of this matter. And branding us as ungrateful by the Honourable Member from Teluk Anson was indeed mischievous in his behaviour and unusual in his manner. If he were only to have got acquainted with the people in Sabah, he would certainly regret for what he had commented that morning. I hope he would not pick on and randomly attack somebody whom he considers is defenceless. It is a mean policy to adopt. I still doubt had he meant what he had uttered that morning or merely had uttered it for the sake of having a sort of additional flavy into his speech, or he really wished that Sabah be thrown out of the show . . . . .

**Enche' Too Joon Hing:** Mr Speaker, Sir, on a point of clarification.

**Mr Speaker:** Do you give way?

**Enche' Amadeus Mathew Leong:** I won't give way, Sir, because I am just coughing out what is in my stomach. Well, ignore it, Sabah never bites.

So, Mr Speaker, Sir, despite the nasty allegation made by the Honourable Members from the Opposition Parties in this House, we as representatives from Sabah with full confidence trust that the Alliance Government and its Ministers will not be deterred from carrying out their duties as they had successfully done in the past for the advancement and betterment of the new nation of Malaysia, irrespective of the creed, the race or the political party the citizens belong.

To the Opposition Party leaders and Honourable Members, Mr Speaker, Sir, we wish them luck and sincerely hope that they may do equally well, if not better, in discharging their duties to the nation at the time when they come into power, but when and how is left to be seen.

To conclude my short speech, Mr Speaker, Sir, we as representatives of the people in Sabah hereby appeal to this House and the Ministers concerned especially to provide free primary education to children in all schools and to extend the impressive Rural Development Scheme to our far remote Sabah, for the interested people over there are eagerly looking forward to the materialization of these particular privileges.

**Enche' Tan Cheng Bee (Bagan):** Mr Speaker, Sir, after having heard the speech of our Honourable Prime Minister and that of the Honourable Prime Minister of Singapore, I hope the Members of the Opposition, especially the Members of the Socialist Front, who have always been advocating the resumption of negotiations with Dr Soekarno and his clique, would be wiser now in their criticism of the Government about this confrontation policy of Dr Soekarno. I think the Prime Minister has done all he could to negotiate, short of supplanting

himself to Dr Soekarno, and the Government has done all it could to warn our country and our people of the duplicity of Dr Soekarno and the subversive methods practised by Dr Soekarno and his clique against our country; and it is very important now, this morning, that all of us must get united and sink all our political differences, so that we can throw a united front against Soekarno's confrontation.

Sir, I would like to remind the Members of the Opposition that Malaysia has come to stay and they have had the chance to debate on Malaysia when the Malaysia Bill was introduced in this Parliament. I think, if they practise democracy, as they always claim to do, they should accept Malaysia now, and I am sure no amount of yelling and shouting from that side would drive our friends from Sabah, Sarawak and Singapore from this House of Parliament.

Sir, I must now compliment our Honourable Minister of Finance for putting up this very balanced Budget in spite of our vast commitments, our new additional commitments in respect of Sabah and Sarawak, our vigorous rural development programme and in spite of the confrontation of Soekarno and our very promising educational pursuits for next year.

Sir, I have seen in the Estimates that a provision of \$355 million is provided for Education Head next year, which amount is about 30 per cent of the total revenue—a sum which is nearly two and a half times that voted for this year. In view of this, I fail to understand whether the Education Ministry is carrying out rightly the education policy as envisaged by the Government. I have here, Sir, a letter from the Chung Hua Public School, Prai, which says that the Ministry of Education has totally refused to give a grant to the building of the school, because it is partially aided. Sir, in view of the Government's policy of providing free primary education to children of school-going age, I cannot understand how there still exists in the whole of the Federation of Malaya a school which is partially aided,

especially a primary school. I remember, Sir, that in 1961, together with all other schools from Butterworth, the Chung Hua Public School which is a branch of the other Chung Hua Public School in Butterworth . . . .

**Mr Speaker:** Order! order! I would like to remind you to confine your observations on the general policy!

**Enche' Tan Cheng Bee:** I am talking about the policy.

**Mr Speaker:** On general policy—not on the policy of the services, and that will come when we debate in the Committee stage. When the Minister of Education introduces expenditure for his Ministry, then you can speak on that particular item. Now, you had better confine yourself to the general policy, general principle.

**Enche' Tan Cheng Bee:** I will be very brief on this, Sir. I remember that in 1961, together with all other schools, this school also applied for full aid from the Government, and, of course, the other schools got their aid. However, as this private Chung Wah Public School was then housed in a rented attap building, the Chief Education Officer, Penang, then said that he could not consider granting them full aid. I brought this up to the State Education Board of which I was a Member . . . .

**Mr Speaker:** I am reminding you again that you are not to touch on this item.

**AN HONOURABLE MEMBER:** Sir, on a point of order . . . .

**Mr Speaker:** I have already warned him. (*To Enche' Tan Cheng Bee*) He is pointing out that you are not debating on the general policy. I have already warned you on that.

**Enche' Tan Cheng Bee:** Sir, I have to refer to my notes, as other Honourable Members do. I was in the State Education Board when I brought up this matter in Penang. I was told that the policy of the Board was that it will only provide a grant for the school building but not for the site. This information was given to the Board—and it is really surprising—that the School Board collected no less

than \$10,000 to purchase this piece of land. Now, that this had been done, I am sure the State Education Board had made a promise that they would put up the school. Therefore, I really cannot understand how the Chief Education Officer could make his reply to the Board. I hope that the Minister of Education will give serious consideration to this matter.

Sir, there are also other matters of discontentment among Chinese schools, but the special one is on the question of confirmation of Heads of schools, which I hope the Ministry will look into. A lot of teachers have been holding their posts for five years and above but have not been confirmed in their posts. This is really a matter of much grief.

Another matter which I would like to bring up is in respect of the Headmaster of the High School, Bukit Mertajam, of which I am a Member of the School Board. The High School has got a reputation of being one of the best secondary schools in the whole of the Federation at one time, but now it has come down to the status, if I may say so, of one of the secondary schools which have badly deteriorated in the State of Penang. From my experience I have seen that most of the boys get letters from corresponding schools to help them in their education. It is because . . . . .

**Mr Speaker:** Order, order, I must repeat again that you must confine yourself to the general policy.

**Enche' Tan Cheng Bee:** I will be very brief on this. The post of Headmaster there is still hanging fire, and I hope the Minister of Education will see that we get a Headmaster very soon.

**Tuan Haji Abdul Hamid Khan:** Mr Speaker, Sir, on a point of order . . . .

**Mr Speaker:** He has finished on that.

**Enche' Tan Cheng Bee:** Sir, I now come to another subject. Another matter which I would like to touch on is in regard to the policy of the Ministry of Commerce and Industry. I would like to request the Minister to

spread the area of industry to the State of Penang rather than to confine it to the State of Selangor, which is jealously keeping to the policy of expanding Petaling Jaya. As many other speakers have already spoken on this, I am not going to dwell very long on it.

Sir, Petaling Jaya is already full, and there is no more land for expansion. Yet, I am told the Government is trying to seek more land to expand the industrial area. We have in Butterworth the Mak Mandin Industrial Area. The Penang State Government has taken too much time in developing that area, which is really regrettable, and we feel that help must come from the Ministry of Commerce and Industry so as to give this area the success it really deserves. Sir, I suggest that help must come in the form of one or two pioneer industries in the Butterworth area, thereby encouraging developers to come to Butterworth.

The Butterworth area compares very favourably with other sites, and in course of time it will be the only area in the whole of the Federation of Malaysia, other than Singapore, with railway and shipping facilities within three miles of this industrial site. We have enough facilities there for expansion. Shipping, there are enough facilities, and by this I mean the deep sea wharves which are coming up; then the railway station will be brought up to Butterworth. Further, we have enough water to meet rural development by the expansion of our water supply schemes under the Rural Development Scheme; and we have enough of electricity with the construction of the new Power Station in Prai. Sir, from my point of view, Butterworth is really an ideal site for any big manufacturing adventure, and I am surprised that very few entrepreneurs took to it. My feeling is that the State Government has not taken enough measures to sell this area to the people outside Malaysia as other States and countries have done.

It would certainly be a worthwhile proposition for the State Government of Penang to consider setting up a Committee to manage and look after

the Mak Mandin Industrial Area so that more encouraging and fruitful result would be achieved without undue delay.

Sir, now I come to the Ministry of Transport. I would be failing in my duty if I, as a Member for Bagan, do not stand up here to thank the Chairman, the General Manager and other Members of the Penang Port Commission, for implementing the policy which I advocated two years ago in this House of Parliament—that is, giving business to our local ship-building yard. You must have seen in the papers, Sir, that the Penang Port Commission has recently given the contract of building a new ferry worth over \$1,000,000 to the Sungei Nyor Dockyard—and that dockyard exists in Butterworth, which is my constituency (*Laughter*)—in spite of the higher price tendered for the boat. Of course, the difference between the higher price and the price tendered by the Sungei Nyor Dockyard is not beyond five per cent. Sir, it would interest Members of this House to know that the Sungei Nyor Dockyard would, by being granted this contract, be employing not less than 400 employees, in addition to their staff to work for over one year to fulfill this contract.

To our Minister of Transport, Sir, who is always keen to see that nothing slacks in his Ministry, I would like to offer my congratulations (*Applause*) for using his influence to improve the services of the Penang Port Commission by firstly improving the ferry service and then the shipping facilities with the construction of a new terminal worth over one million dollars in Penang, and the deep sea wharves, for which a loan from Germany has recently been signed. Here, Sir, I join the Honourable Minister of Finance in giving our grateful thanks to the German Government for the prompt and smooth manner in which this loan was given. All-in-all, Sir, I feel proud that the Constituency of Bagan has gained tremendously from the generosity of both the Federal and the State Governments. And, with a little more consideration from the Minister of Commerce and Industry over the

little help that I have enunciated just now, I have no doubt that Butterworth will, in course of time, shine like a brilliant star in the firmament of industry and shipping. That is all. Thank you, Sir.

**The Deputy Prime Minister (Tun Haji Abdul Razak):** Mr Speaker, Sir, I rise to reply to some of the allegations and criticisms made by Honourable Members of the Opposition against the Government on the Budget.

First, Sir, I would like to reply to the Honourable Member for Kuala Langat. Some days back I made a statement in the House that as a result of the personal explanation given by the Honourable Member to me that he had no connection with the Jakarta regime I said I was satisfied with the explanation and would not repeat the allegation I made against him that he is an agent of the Jakarta regime. However, Sir, the speech which he made in Parliament a few days ago forces me to change my opinion of him again. It appears obvious to us on this side of the House that the speech he made on the other day was intended for Jakarta. It is more than a coincidence that the day before the Honourable Member made his speech in the House, Radio Jakarta had already announced that the Honourable Member was going to make a speech on the lines he did. (SOME HONOURABLE MEMBERS: Shame!) Radio Jakarta further stated the Honourable Member was arousing the people of this country to revolt against the Government and instigating the youths of Malaya and Singapore to destroy Malaysia. Now, Sir, the connection between the Honourable Member for Kuala Langat and Radio Jakarta seems to be so obvious as to be regarded as more than a mere coincidence. Sir, we know that the Honourable Member's actual stand is. With all this, how could he call himself a loyal Opposition Member? The people of this country will be able to judge where the Honourable Member really stands. We, the Alliance Government, have stated on many occasions that we put forward the idea of Malaysia to free our friends and brothers from Sabah, Sarawak and

Singapore from the yoke of colonialism—to give them freedom and independence together with us here. We are pleased that the people of Sabah, Sarawak and Singapore have responded to our call and decided with freewill and goodwill to throw in their lot with us. We will stand by them, and we shall stand together, and we shall defend the integrity and the honour of our new nation to the utmost (*Applause*).

The Honourable Member for Kuala Langat, despite all that Indonesia has done against us, blames this Government for the present trouble. Everyone knows, Sir, the whole world knows, that we have done everything possible to maintain peace and co-operation in this area. Although we were satisfied with the wishes of the people of Sabah and Sarawak to join Malaysia, we agreed, at the suggestion of Indonesia and the Philippines, to invite the Secretary-General of the United Nations to send his representatives to confirm the wishes of the people of Sabah and Sarawak in support of Malaysia. We also agreed to defer the date of establishing Malaysia from 31st August, 1963, to 16th September with considerable inconvenience to our friends in Sabah, Sarawak and Singapore, to enable the Secretary-General's team to complete their survey in Sabah and Sarawak. Having done all these and the Secretary-General's team having submitted its report confirming the wishes of the people of Sabah and Sarawak, Indonesia and the Philippines have not kept their part of the bargain; they have not fulfilled the promise they made in Manila to welcome Malaysia. On the contrary, Sir, Honourable Members well know that Indonesia started this confrontation against us. Now, can any loyal citizen of this country put the blame for the present state of crisis on the Government of this country? In any democratic country, Sir, although political parties differ in their policies and in their approach to things, if the country is threatened by enemies from outside, they stand together to defend the honour and integrity of the country. But the Honourable Member for Kuala Langat has refused to do this.

**Enche' Abdul Aziz bin Ishak (Kuala Langat):** On a point of explanation, when the time comes we will rally round. Sir, another point of explanation: the Honourable Defence Minister said there was more than a coincidence, but I will reiterate here, Sir, that I have no, absolutely no connection politically with the Indonesian Government! I may have blood relations; most of us are related. Saya ada perhubungan keluarga, itu saya tidak nafikan, tetapi political connection atau pun berbau politik, tidak. Saya tidak ada bersangkutan atau berhubung dengan sa-siapa, dan saya nafikan 100 peratus.

**Mr Speaker:** Please proceed.

**Tun Haji Abdul Razak:** Sir, the time now come. We are in a state of tension, we are facing enemies from outside and the time has now come for every loyal citizen of this country to show his loyalty to this country.

I said that the connection between the Honourable Member and Radio Jakarta is more than a coincidence—not a mere coincidence but more than a coincidence. These are facts, Sir, and we are entitled to make our deduction from all the facts that we have before us. The Honourable Member posed a question—and I quote—“Do they think (‘they’—that means the Government) that our people are such fools as to believe that the Opposition elected by the people are comprised of agents of Soekarno?” Now, Sir, those members of the Opposition who stand with the Government to oppose Indonesia's confrontation can be said to have the interests of the country at heart. But can the people say the same about the Honourable Member for Kuala Langat after what he had said in this House the other day? Sir, some time ago I made an allegation in a political speech that the Honourable Member was working in furtherance of the activities of the Borneo rebels and the Jakarta regime. I do not normally make statements, either in this House or outside, unless I have evidence to support what I say. Sir, the speech of the Honourable Member indicates clearly whether the Honourable Member stand for the

interests of this country or for those outside, who are out to destroy all that we stand for.

Sir, the Honourable Member for Kuala Langat also said that as the British still have their Embassy in Jakarta, despite the fact that the Embassy building was burned down by the mob in Jakarta, we should also have diplomatic representation with Jakarta. Now, Sir, how can we allow the honour and integrity of our country to be so lowered? When people refused to recognise us, when people openly confronted against us, when people openly said that they intend to crush us, we still go on our bended knees and ask that we should have diplomatic representation. Have not we got a sense of honour, a sense of loyalty and a sense of patriotism for our country? We know the Alliance have, and we know the majority of the people of this country have. We stand, Sir, by the action we are taking to meet the confrontation by Indonesia. For what we have done, we are prepared to be judged by the people of this country.

The Honourable Member for Kuala Langat also alleged that the Prime Minister said that we were insulted in Bangkok. The Prime Minister never said this. We were never insulted in Bangkok. We were always treated most cordially. Indeed, the people of Thailand are our closest allies. They have always stood by us and in the present state of tension between us, Indonesia and the Philippines, the Thai Foreign Minister, Tun Thanat Khoman, has tried his best to bring us together again. He did this, Sir, out of friendship and respect for us and also for the peace in this region of South-East Asia.

The Honourable Member also alleged that the Alliance Government is incompetent, is corrupt and subservient to foreign agents. If what the Honourable Member said is true, why did he choose, as the Prime Minister said on Saturday, to remain with the Alliance Government for eight years?

**Enche' Abdul Aziz bin Ishak:** On a point of explanation. The day before yesterday the Prime Minister himself

said that, and I had rebutted that accusation. Sir, if you will bear with me, I will give an explanation.

**Mr Speaker:** Not a long one.

**Enche' Abdul Aziz bin Ishak:** No, not a long one. You see, Sir, two months after Merdeka I sent in my resignation and the Prime Minister himself took over the portfolio for a week. In fact, the resignation was in writing. In fact, I had asked the Prime Minister to forward it to the Yang di-Pertuan Agong, as I could not work together with the Alliance Government because of their policy which was, or is indeed still, backed up by the Colonial Government. Again on another occasion in 1959 I sent in another resignation because of the urea plant. The Prime Minister said, "All right, you can go to Bonn as Ambassador" and later I was asked not to leave.

Again, Sir, eight years is wrong. Actually for seven-and-a-half years I remained in the Government and on two definite occasions I sent in my resignation, but I was persuaded not to leave. And I hoped, Sir, that in so doing I might be able to change the policies of the Alliance Government. But if I have failed, the ra'ayat will also fail.

**Tun Haji Abdul Razak:** As the Honourable the Prime Minister said on Saturday, the Honourable Member occasionally in his temper threatened to resign but soon after that he withdrew his resignation (*Laughter*), and in this particular connection it is true that he wrote to the Prime Minister saying he wanted to resign but a few days after that he withdrew that letter.

Now, Sir, the people throughout this country now know how much the Alliance Government has done over these years. My colleague the Minister of Finance stated that no Government could have done better. In the last three years, we have had no less than 5,000 visitors from overseas who came to our country with the expressed purpose of trying to find out how we have been looking after our country and how we have been carrying out our Development

Plan. Now, Sir, all these visitors sang praises for what we have done and some of them went to the extent of describing us, and I quote, Sir, "as a democratic nation practising democracy with dignity and implementing Development Plan with a deliberate determination and dynamic drive." The Honourable Member for Kuala Langat said our Development Schemes have failed, but the thousands of families, who have benefited by our land development schemes, know how much better off and how much happier they are now, having been given a new way of life and new hopes. People in the kampongs, in the new villages and in the old villages, know the various amenities they have obtained as a result of Rural Development. Our land schemes are there, Sir, for anyone to see and the thousands of visitors from overseas who have visited the schemes, as Honourable Members know, have paid tribute to the way in which we carried out these schemes and many of them have decided to copy our methods of land development. The Honourable Member can say a lot of untrue things in this House and outside, but we know, Sir, deeds speak louder than words and that the people who are benefited by these schemes can themselves speak and deny what the Honourable Member said. The Honourable Member, having failed to do any good thing for the people while he was a Minister, is now envious of the success of the Alliance Government's Development Plan (*Applause*). The people themselves, Sir, know that for the last three years they never had such real progress and development. They have now seen and realized that they have a Government that really serves them. They realise that the development schemes really benefit them.

Now, Sir, the Honourable Member also talks about the failure of the rice crop in certain areas. I suppose, Sir, he meant the failure of padi crop in certain parts of the country due to the extraordinary drought that we have had this year. But this, Sir, is not due to the Alliance Government, and we have taken all necessary steps to help those

who suffered because of this extraordinary drought. The Honourable Member also said that no marketing arrangements have been made for the people. We did not tackle this problem seriously before, Sir, because the Honourable Member, when he was Minister of Agriculture and Co-operatives, wanted to do it himself and he never did a thing. Now that the Government is relieved of the burden of his inefficiency, we have taken steps to tackle this problem in a proper way and in real earnest.

**Enche' Abdul Aziz bin Ishak:** Sir, on a point of explanation. Sir, from the beginning this marketing arrangement was initiated in Selangor and in Malacca—complete countrywide marketing arrangement for padi was done in these two States in 1958 and 1959. When the third scheme was started in Perak, the Prime Minister himself admitted that the middlemen, mainly Chinese—there are also Malay middlemen but mainly Chinese—objected strongly. My third scheme for Perak had to be cancelled, or rather, it was cancelled by the Prime Minister himself. The fourth scheme was to be done in Province Wellesley and Penang and that too was cancelled by the Prime Minister. So it is untrue absolutely—the accusation made by the Deputy Prime Minister that I had not done anything in the way of marketing. In fact I had a countrywide marketing plan so that it would be on a co-operative basis, not on a free-for-all basis as he is trying to do now.

**Tun Haji Abdul Razak:** Now we know, on the admission of the Honourable Member himself, that all his schemes did not succeed (*Laughter*). He talked about a countrywide marketing scheme through co-operatives, but where is this scheme now? He himself admitted that there was no such scheme.

**Enche' Abdul Aziz bin Ishak:** Sir, on a point of explanation. The scheme was torpedoed by the Honourable the Prime Minister and the Deputy Prime Minister himself.

**Tun Haji Abdul Razak:** No. The Honourable the Prime Minister said

on Saturday that in trying to help the Malays, we must not in any way take away what other people have now. I think it is wrong to do that. If we want to try and help the Malays we must do it on our own without taking away what other people have. Now, Sir, I do not think we need prolong this issue. It is obvious that, despite the fact that the Honourable Member was a Minister for 7½ years, there was no marketing scheme at all throughout the country.

The Honourable Member made a serious allegation against the Government and against me personally that at a meeting in my house some time in 1959, we decided to advise the Yang di-Pertuan Agong to suspend the Constitution because of the crisis in the M.C.A. Sir, I can say categorically to this House and to the country that no such decision was made. If we wanted to make such a decision we could have done so, because I was then the Prime Minister, as the Tunku had resigned to prepare for the Elections; but we did not make any decision. It was a high level Party meeting with all the Cabinet Ministers present and I must say that as a Member of Cabinet then, the Honourable Member was sworn to secrecy and he was not supposed to divulge any Cabinet secret even if he is out of the Cabinet. This is an oath and an honour which he must uphold if he has any sense of decency. Anyway, as I said, it was a high level Party meeting and at that time there was a possibility not only of a crisis but also of racial trouble, and the Government has to consider all these possibilities. Obviously it was not possible to hold elections if there was going to be a full scale racial trouble throughout the country. It is not usual for me to explain what happened at high level Party meetings; but the Alliance Government is a responsible and honest Government and we would not take any step or action without giving the matter serious thought. We brought independence to this country, we promulgated this democratic Constitution that we now have, and we firmly and strongly believe in parliamentary

democracy; and, as the Prime Minister said on Saturday, if we consider to take any action, it is not to destroy democracy but to save it. We on this side of the House, Sir, often wonder what would happen to this country if certain political parties were endowed with power, particularly the Party led by the Honourable Member for Kuala Langat: not only will we not have democracy, but we shall have no independence, no honour, and no integrity; in fact, we shall be subordinated by outside powers.

Sir, the Honourable Member for Ipoh made a serious allegation of widespread corruption among Government servants and also allegation of corruption of Ministers and their wives in the Alliance Government. The Honourable Member has the habit of making generalized allegations which he cannot substantiate. He has the habit of making use of this House as a forum for casting aspersions against the Ministers of this Government. The Prime Minister has already informed this House in clear terms that the Director of Anti-Corruption Agency has stated in writing that up-to-date there is no record in the Agency concerning any allegation of bribery or corruption against any Minister or his wife. The Attorney-General has also stated in writing that as far as he is concerned he has not received any report regarding the \$10,000 cheque mentioned by the Honourable Member. There is only one case pending with the Attorney-General and that is the allegation of defamation of character by the Honourable Minister of Health against the Honourable Member for Ipoh himself.

Sir, I consider it most unfair for any Member of this House to make such serious allegations against another Member of this House, whether he be a Minister or not, unless the allegations can be substantiated by facts. It is obvious, Sir, that the Honourable Member for Ipoh cannot substantiate the truth of the allegations and that is why he dare not make a report to the Police, which is his duty as a good citizen to do. Instead he has recourse to take shelter behind the privilege of

this House to smear the good name of the Ministers of this Government. As I have stated earlier, the Director of Anti-Corruption Agency now makes it clear that there is no record of any allegation of bribery or corruption against any Minister or his wife and that the allegation made by the Honourable Member for Ipoh is completely untrue.

The Alliance Government has always stated that it stands for stable and honest Government and that it would take whatever measures necessary to stem out corruption. So far, from 1959 to 1963, two hundred and sixty-three cases of corruption have been brought to Court for trial. The Government has, since 1959, established an Anti-Corruption Agency and a Special Crime Criminal Investigation Department to deal with allegations of corruption. It is, therefore, clear that it is the firm intention of this Government to stem out corruption and to deal with anyone who indulges in this crime whatever his position in Government may be. However, as the House is aware, the success to stem out corruption must depend on the co-operation of the public, because the public must be prepared to come forward to give evidence in order that the culprits will be brought to a Court of Law. It is easy to make an allegation of corruption against persons in Government irrespective of the truth of it, but it is a different matter to get necessary evidence sufficient to bring a charge in a Court of Law. I must say, Sir, that I detest this method of smearing the good name of Members of this House and Members of this Government under the sanctuary of this House while it is known that such allegations are not true and cannot be substantiated by facts.

Now, Sir, a number of Opposition Members, including the Member for Ipoh and a Member from the Barisan Sosialis from Singapore, criticised the Government's Rural Development Programme. The Honourable Member for Ipoh says that our rural development programme has no objective. Obviously, Sir, he does not know what

he is talking about, or else he is worried about the success of our rural development programme. Our rural development programme is intended to provide amenities of life to rural people and to help them to increase their income so that they will enjoy a better and higher standard of living. As I have said previously, it is clear to all, to the rural people themselves, as well as to people who have visited our country from all parts of the world, that our rural development has achieved success. Experts, including officials of the World Bank, commended on the way in which we carried out our Development Programme as well as our Land Development Schemes.

Our land development schemes have given new homes and a new way of life to thousands of families who before that have no means of livelihood. It is true, as the Honourable Member for Bachok has said, there are more people who want to own land, and we are doing our best to provide more schemes for them. We have so far established sixty Land Schemes of 4,000 acres each and we hope, during the course of next year, to start on the Jerantut Triangle in Pahang where it is proposed to open up about 150,000 acres, and this scheme will benefit about 50,000 families. It is true also, Sir, as the Honourable Member for Bachok has stated, that there are people who are left in the old kampongs whose means of livelihood needs improvement. The State Government—Sir, I mean the Alliance State Government—with the guidance and the assistance of the Central Government, opened up thousands of acres of land, now totalling up to 178,455 acres, to improve the existing holdings of people in the villages so that they will have land of economic size. In addition to that, Sir, the Government, through the Ministry of Agriculture and Co-operatives as well as through RIDA is helping the people to start small industries to improve their existing income. All this means that the Government is steadily helping the “have nots” to level up and to have a better and higher standard of living.

Members of the Opposition, of course, will not admit the Government's success of the development programme, but what happened in the villages and rural areas throughout the country speaks for themselves. Now, the Alliance Government's policy to redistribute wealth is by helping the less fortunate of our people to have a better share of the wealth of the country. Our policy, as I have often stated in this House, is to level up the "have nots" and to give the less fortunate of our people a better and higher standard of living. The Honourable Member for Ipoh, as I said, has alleged that our development programme has no objective. But this certainly, Sir, is not true, and this sort of criticism is thrown to the Government by the Opposition because the Government has succeeded in the implementation of the Rural Development Plan and because the rural people have felt the impact of the Rural Development Programme.

The Honourable Member for Ipoh alleged that the statements of expenditure on how the money from the proceeds of the Social and Welfare Services Lotteries Board was spent are no longer available. He wanted to know whether the money was spent on projects strictly within the definition of the Ordinance: he said that it might be that the Government is giving \$10,000 block vote or \$20,000 block vote here and there. He wanted to know where the money had gone to; he said that a number of welfare homes are in a dilapidated condition. I assure the Honourable Member that the money is spent strictly in accordance with the purposes set out in section 5 (4) of the Social and Welfare Services Lotteries Board Act, 1952. There is no such thing as giving block vote to the States. If the Honourable Member wants to know where the money has gone, I would like to refer him to the Report and Accounts of the Social and Welfare Services Lotteries Board for the years 1960, 1961 and 1962. As far as the disbursements of funds as from July, 1962 are concerned, I think I need not produce bulky documents but suffice it for me to say

that funds from the Social and Welfare Services Lotteries Board which had been paid into the Consolidated Fund are utilised strictly for purposes set out in section 5 (4) of the Ordinance, and have been spent in accordance with the established Government rules and procedures. This means that expenditure is subject to the scrutiny of the Auditor-General. The money is spent on various projects throughout the country in the rural areas as well as in the towns. I am sure, Sir, if these Social Welfare Homes, which the Honourable Member has referred to, do apply for funds, their applications will be considered in the normal way. I know also that some of the homes are maintained under this fund by the State Welfare Organisations which draw their allocations from this fund.

Sir, the Honourable Member from the Barisan Sosialis, Singapore, again made a familiar charge, which we have heard before in this House many a time, that the people in the rural areas are exploited by the capitalists and that the gap between the "have-nots" in the rural areas and the capitalists is becoming greater and greater. We have heard this many a time, Sir, in this House, but this charge is certainly not borne out by facts and figures. If the Honourable Member formulated his charge on the basis of the well-known and off-quoted "Sarong Index", I wish to say to him that we measure our success by facts and figures to show tangible results achieved by the Government in the implementation of the Second Five-Year Plan.

Now, Sir, I come to the subject of defence. Here, Sir, there are divergent views among the Members of the Opposition. Some Honourable Member, namely, the Honourable Member for Tanjong, asked the Government to adopt a more reasonable policy in the expansion of our Armed Forces. We will not be able to defend our country alone. In the same way, the Honourable Member from the Barisan Sosialis suggested that instead of spending money on defence we should spend the money on rural development and other projects. However, the Honourable Member for Bachok

criticised us for having a Defence Treaty with the United Kingdom. He asked that we should review our Defence Agreement, we should endeavour to defend ourselves by our own men and by our own resources.

Saperti yang saya telah terangkan, dengan keadaan yang ada sekarang ini tidak ada satu negeri di-dunia ini melainkan negeri America dan Russia sahaja yang boleh mempertahankan negara mereka itu dengan kekuatannya sendiri. Dengan sebab itu-lah terpaksa negeri<sup>2</sup> ini mengadakan Perjanjian Pertahanan dengan negeri<sup>2</sup> lain dengan sebab itu terpaksa diadakan pakatan saperti NATO, CENTO, SEATO dan sa-bagai-nya. Perjanjian Pertahanan kita dan Kerajaan kita ia-lah sa-mata<sup>2</sup> untok mempertahankan negara kita daripada serangan dari luar. Dan Perjanjian Pertahanan ini tidak menghalangkan kita hendak membesarkan tentera kita dengan sa-berapa daya upaya. Dalam Perjanjian itu hanya-lah Kerajaan British menolong kita jika kita berkehendakkan pertolongan. Tetapi kita berhak sebab sa-bagai sa-buah negara yang merdeka dan berdaulat kita mempunyai tanggung-jawab yang penoh bagi mempertahankan negara kita, dan tidak betul kalau hendak katakan Perjanjian Pertahanan ini menyekat perjalanan tentera kita atau menyekat kehendak<sup>2</sup> kita membesarkan dan meluaskan tentera kita. Kita boleh membesarkan dan meluaskan tentera kita dengan sa-berapa daya upaya jika kita ada wang yang di-kehendaki.

Bagitu juga Perjanjian Pertahanan ini tidak patut menyusahkan hati negeri<sup>2</sup> tetangga kita kerana kalau mereka itu tidak ada mempunyai niat yang tidak baik kepada kita Perjanjian Pertahanan ini tidak-lah menjadi halangan apa<sup>2</sup>. Tetapi kalau mereka itu ada niat yang tidak baik hendak menyerang negeri kita, hendak menceroboh kedaulatan dan kemerdekaan kita neschaya Perjanjian Pertahanan ini ada-lah tentera<sup>2</sup> British boleh memberi pertolongan kepada kita. Jadi dengan sebab itu tidak nampak pada diri saya bagaimana hendak di-katakan Perjanjian Pertahanan ini menghalang kita pada

menanamkan semangat ta'at setia kepada negeri dan kaseh sayang kepada negeri. Sebab kita berhak saperti saya kata tadi meluaskan tentera kita dengan sa-berapa daya upaya kita jika kita ada wang, jika kita hendak membesar dan hendak meluaskan tentera kita ini. Jadi Ahli<sup>2</sup> Yang Berhormat tentu-lah mengetahui kita telah mengadakan pendaftaran kepada warga negara yang berumur 21 sampai 28 tahun dan kita dapati sambutan itu sangat memuaskan hati. Jadi ini menunjukkan negara kita ini tidak kurang ra'ayat negeri yang mempunyai ta'at setia kepada negeri ini yang berani mempertahankan negara kita jika kita di-kehendaki.

Bagitu juga Ahli<sup>2</sup> Yang Berhormat mendesak supaya di-perbesarkan dan dapat meluaskan tentera<sup>2</sup> suka-rela—tentera tempatan. Saya telah mengishti-harkan dahulu kita berchadang hendak membesarkan dan meluaskan tentera tempatan dengan menambah lebeh 22,000 orang lagi bilangan-nya. Dan kita akan meneruskan ranchangan ini sebab kita berhajat hendak memberi peluang kepada pemuda<sup>2</sup> di-kampong<sup>2</sup> supaya dapat pelajaran dengan chara memegang dan menggunakan senjata. Dengan ranchangan sekarang ini tiap<sup>2</sup> kampong yang besar boleh dapat mempunyai satu pasokan tentera suka-rela bagi permulaan. Jadi dengan chara itu-lah Kerajaan Perikatan sedang memberi peluang, memberi latehan kepada pemuda<sup>2</sup> yang telah menunjukkan mereka itu sedia dan berani hendak mempertahankan negara kita ini dengan tenaga dan jiwa mereka itu.

Ahli Yang Berhormat kaum ibu dari Sarawak ada menyeru supaya Kerajaan memperkuatkan lagi pertahanan di-sempadan Sabah dan Sarawak kerana menghadapi musuh<sup>2</sup> yang datang dari luar. Saya suka menegaskan di-sini, bahawa pehak Kerajaan telah mengambil langkah bagi memperkuatkan pertahanan kita di-sempadan Sabah dan Sarawak dan pada masa ini Kerajaan puas hati kerana kita ada mempunyai tentera<sup>2</sup> yang chukup di-sempadan dua negara itu bagi mempertahankan Sabah dan Sarawak jika ada apa<sup>2</sup> anchaman dari

iuar. Jadi dengan sebab itu saya harap Ahli Yang Berhormat itu berasa puas hati dengan langkah yang di-ambil oleh Kerajaan pada masa ini dan Kerajaan sedia menyemak perkara ini daripada satu masa ka-satu masa.

Sir, some Honourable Members alleged that we are wasting our money on foreign troops. We are not, Sir, paying for the British troops or the Gurkha troops. The British Government is paying for them. They are here to help us, as I said, to defend Malaysia, if there is external aggression. They are not in any way interfering with the administration of the country. They are here solely under the Treaty and they can be only used within the provision of that Treaty.

Now, Sir, to sum up the comments made by the Members of the Opposition on this Budget, it is clear that the Opposition found it difficult to make any criticism on this Budget; that is why, as the Honourable Prime Minister said on Saturday, they resorted to wild criticisms and to employ "below the belt" tactics merely to put this Government in bad light in the eyes of the people on the eve of the elections. Now, Sir, the people of this country are certainly not moved by such tactics and by all these empty words. The people in Malaya, after six years of Independence and after nine years of Alliance rule, have realised and appreciated the peace and happiness that they have enjoyed. Those who live in the rural areas know that in our Rural Development projects, we have brought to them social amenities, have given them employment, and indeed, we have endeavoured to help them to increase their income. No doubt, Sir, there is more to be done and the Alliance Government is determined to do more to close the gap between the "haves" and the "have-nots". The Alliance has the interest and the welfare of the "have-not" people, whether they are in the rural or urban areas. But because the problems are more pressing and more urgent in the rural areas, that is why during the last four years the Government had given priority to rural development. However, while we are

giving priority to rural development, the "have-nots" in the towns are not being neglected, and they are looked after by other Ministries and Departments. As I have said, Sir, our National Rural Development Programme is intended to bring changes in the rural areas. It is intended to give the rural people a greater share of the wealth of the country. As I have indicated also, we have done much in making the rural people happier and richer, and we have done much towards eliminating poverty, illiteracy and disease in the rural areas, and towards making life in the rural areas happier and more pleasant, but much remain to be done. And, indeed, Sir, other than expenditure for Defence and Internal Security in our Development Plan more than seventy-five per cent of the money voted is intended for the "have-nots", whether they are in the rural or in the urban areas.

There is no doubt, Sir, the Budget shows, as my colleague the Minister of Finance said in his speech, that "during these years of Independence, the Alliance Government has scaled the heights of achievement but our aim is to ascend to higher peaks of endeavour". We have accomplished much, but we intend to do more for the people of this country. It is true, Sir, as the Prime Minister of Singapore said on Saturday, that this Budget has no panoramic sweep of the Malaysian problem. It is obvious, Sir, that it has not been possible in a couple of months to sweep the panorama of the Malaysian horizon. We, in the Alliance Government, believe in doing things properly and we believe in planning things properly. That is why sometimes we do take time in planning, because we believe that it is only through proper planning and through careful planning that we are able to carry out our development schemes in an orderly manner and also able to achieve success. In the field of development, we have not been able to integrate the Development Plans of Sabah and Sarawak, but work towards this end has started and we hope at the completion of our Second Five-Year Development Plan in 1965, we shall

start with our Third Development Plan as the First Malaysian Development Plan.

Our idea and our objective, Sir, is to build a strong and happy Malaysian nation. But nations are made of individuals and before our nation can be happy and strong, each and everyone of its citizens must have the initiative, the drive, the ability and the will to live his own life and to exert efforts to improve his standard of living. This is the aim of the Alliance Government, that is to say to make everyone of the citizens of this country to stand on his own feet, to have a decent and civilized way of life, to be able to live as citizens of a free and independent country. That, Sir, is our aim and we shall continue to do what we can for the people of this country as we have done in the past (*Applause*).

(Mr Deputy Speaker *in the Chair*)

**The Minister of Internal Security (Dato' Dr Ismail):** Mr Speaker, Sir, after the devastating reply of the Prime Minister, supplemented by an eloquent speech by the Deputy Prime Minister, on the political observations made by Members of the Opposition on the Budget speech, I feel it is redundant for me to touch on that aspect of the debate. But I stand here, Sir, because it is the custom of this House to always have a perennial in this House in regard to my Ministry. I speak, of course, Sir, of the Internal Security Act. To those of us who have been in the last Chamber, we have been accustomed to hear the chorus led by the Member for Damansara. The chorus sings the abuse perpetrated by the Alliance in the name of the Internal Security Act. This time, Sir, he has lost that dubious honour to the member representing Barisan Sosialis in this House.

Sir, invariably when Opposition Members speak of the Internal Security Act they put up the argument that the Internal Security Act is a denial of democracy. Sir, let us remember how first of all the Federation of Malaya was born and how recently Malaysia was born.

The Federation of Malaya was born in the midst of the Emergency. At the time the Communists were threatening this country not only by force of arms but by the use of subversion. The Alliance Government in spite of that threat managed to get independence for Malaya then. We realised that the Communists would never stop in their attempts to subvert the country. Militarily they have been defeated and they have been confined to our northern border, but in subversion they will never give up. When Malaysia was born it was born again under the threat of the Communist subversion and the confrontation from Indonesia.

Sir, among the newly independent countries there are few who survive to practice democracy. India is one and ours is the other. For democracy to survive, democracy must be prepared to defend itself. When democracy is threatened by subversion, then democracy must take measures to counteract that subversion. That is why in our Constitution there is enshrined the power to invoke the powers of emergency, and that is under our Constitution this Parliament is allowed to enact a law to preserve our country and our democracy. I mentioned India as the other country who has survived to practice democracy and in India there is a similar Act because it is found necessary in India to have such an Act in order to defend democracy in that country against Communist subversion. I remember when I was in the United Nations at that time talking to the then distinguished representative of India, Mr Krishna Menon. He tried to preach me how we should try to live with the Communists, or how we must try to co-exist with them. I told the then distinguished delegate of India: Co-operation or co-existence, I am always in favour of. But how can you co-exist when at the same time they try to subvert you? You cannot live or co-exist with a country who in the name of co-existence try their very best to subvert you.

The Honourable Member for Ipoh said that this is the type of democracy that the Alliance Government gives to

the people of this country, a democracy in which the Internal Security Act is used blatantly to suppress opposition. The Honourable Member for Kuala Langat—who should know better, being a former member of the Cabinet—also accused the Government of using the Internal Security Act to ensure that the Alliance stayed in power. The Honourable Member for Besut speaking in the national language also accused of the rampant arrests made in order to deplete the Opposition Parties of their leaders.

Sir, let me inform those Members of the Opposition that among the people arrested in the “Cold Store” operation in Singapore were prominent politicians who have gone wrong. They, without my solicitation, without any force by the Police, made voluntary statements to say how they have erred, how they have helped the communists, and how they are now terribly disappointed and have given up politics. Now, let me read extracts of some of these voluntary statements—statements which I say were unsolicited and were never forced by the security forces. In fact, I have never seen any of these people, who have made these statements. They have asked me whether I would be good enough to allow them to make these statements.

Let me read the latest ones from those who have just been released—these are the people who before lent their intelligence, their ability, consciously or unconsciously, to help to further the cause of communism. Now what did Mr Dominic Putucheary say? He says:

“My reason for opposing communism are that it uses violence as a means of achieving ends, contrary to the principles of parliamentary democracy which should be upheld. The activities of the Communist Party of Malaya create difficulties in a multi-racial society such as ours and hinders the practice of democracy. In the Unions they have only helped to frustrate attempts to create a strong and independent trade union movement.”

Then, what did Mr Lim Shee Ping say? He says:

“I deplore the recent violence in Brunei and Sarawak which causes unnecessary suffering to innocent people. Violence is no solution to the problems of our country. I

was in the past critical of the manner Malaysia was set up. Malaysia has now come to stay.”

Again, what did Mr Woodhull say? He began his statement by saying:

“In pursuing my political and trade union activities in the past it is true to say that I was indifferent as to whether there had been communists associated with me. I recognise that this has been helpful to the communist cause which I have no desire to aid.”

Then this is what he says about his disappointment and of his experience in politics:

“In any case if I continued in politics I would only find myself caught in the cross-fire between communists and anti-communists.”

Sir, these are statements of people with intellectual ability whom I greatly admire, more that I admire the intellectual capacity of Opposition Members in this House. Now, these words must be taken very seriously by the people of this country. Not one of these people has condemned us for using the Internal Security Act to suppress subversion (*Applause*).

I would like to inform Honourable Members of the Opposition that if there is abuse of democracy in this country, it is the Opposition Members themselves who abuse them (*Applause*). Instead of practising a decent type of practice of democracy to win seats, they resort to blows, and as the Prime Minister has said, “blows dealt below the belt”. They are so bankrupt that they have adopted the worst tactics employed in democracy to win seats. They are so bankrupt that they are even prepared to use communists and pursue the communist lines in order to achieve their aim (*Applause*).

AN HONOURABLE MEMBER: Shame!

**Dato' Dr Ismail:** Sir, I began my speech by saying that we have been used to hearing the chorus of the Opposition, led by the Member for Damansara, when that chorus sings the song of the Internal Security Act being the denial of democracy in this country. However, the man who has ousted the Member for Damansara—the Member from Barisan Sosialis—is a very sleek performer. When I listened to his speech, Sir, in my room, I was reminded of the time when I was in

the United Nations listening to the communist speakers speaking. I detected the same arrogance, the same manner of twisting facts to suit their case, and the blatant insolence. What did he say in his speech? He said the Internal Security Act is a denial of democracy because over a hundred members of the Barisan Sosialis were arrested. I wish we had acted earlier—and we could have arrested more (*Laughter*). I apologise to this House for having allowed some of them to escape. I have no sympathy for the Barisan Sosialis, and these leaders were there to lead them to further the aims of communism. In fact, my regret was, as I said, I have let some of them escape. It is the height of insolence to say that because we have arrested these communists and these pro-communists, we have deprived the Barisan Sosialis of their leaders. If that is not an admission that that Party is controlled by the communists, what other evidence do we need? That means this insolence goes further than that. As the Honourable the Prime Minister of Singapore said, “the Barisan Sosialis does not recognise Malaysia, but true to communist tactics, the Barisan Sosialis condescends to stay in this House in order to subvert this House.” The Barisan Sosialis is a good example of what the Members of the Opposition have to be aware of before they are engulfed, before their parties are completely run by the communists. They better help me; they better help me to clear their parties of these people who try to make them further the aims of communism.

Sir, invariably, when the Opposition Members speak of the Internal Security Act, as far as I can see, they always bring in two points. One is the one that I have mentioned just now: that the Internal Security Act is the denial of democracy; and I think I have answered that effectively. The second thing they say is that the Internal Security Act is not a democratic Act. Now, Sir, the Internal Security Act was passed by this House and by the Parliament and it was passed by the procedure adopted by all democracies.

The fact that those who did not want this Act to be passed and failed, only shows that they have not got the support of the country because otherwise they would be in the majority in this House and be able to thwart that Act from being passed. The fact that that Act was passed by the Parliament, passed by the majority of the people in the Parliament, shows that it has the support of the country as a whole. Sir, I was challenged by the Members of the Opposition that the country would reject this Internal Security Act. I accept that challenge. In fact, I now issue a counter-challenge: let the Opposition Members make this Internal Security Act as their platform at the next elections; (*Applause*) and let them be quite clear and tell the people that if they get into power, they will do away with the Internal Security Act and not try to delude the people as the Honourable Member for Setapak, who unfortunately is now detained, has said, “If I come to power, I will replace the Internal Security Act by another Act by which I will put my political opponents in detention.” I issue to you a challenge that at the next elections you say to the people at your platform, “If we are elected, we are going to do away with the Internal Security Act; we will release all the people who are detained now; we will release all the communists; and we will embrace all the communists.” I challenge them to do that (*Applause*). If I am defeated on that score, Sir, I shall be happy, but I am quite confident that I will never be defeated (*Applause*) because I know that the people and the country will not like communism in this country. The people of this country will have nothing to do with those politicians who try to further the aims of communism. I challenge them to make this as their party platform at the next elections and make it quite clear to the people that they will repeal the Internal Security Act and have nothing in its place.

Sir, I feel somewhat reluctant to attack the Member for Kuala Langat, because it is not my nature to hit a person when he is completely down,

because this is where I think most of the Members of the Alliance differ from the Honourable Member who in the old days was used to be called a hero because he was used to be called a rat by the then High Commissioner for the Federation of Malaya. But his performance whereby he made use of the inner secrets of the Party to which he belonged, the inner secrets of the Cabinet, in order to denounce us—and the Honourable Members mark this—is an attribute of a rat.

Now, Sir, those who have just joined us in this House of democracy, would probably like me to remind them briefly of the object of this Internal Security Act. I will be very brief and make a very short quotation, i.e. "An Act to provide for the internal security of the Federation, preventive detention, the prevention of subversion, the suppression of organised violence against persons and property in specified areas of the Federation, and for matters incidental thereto." As regards what would be the consequences if we had not had this Act at the time when the Federation of Malaya was born, and even now when Malaysia is born, I have already enumerated them. However, Sir, for the benefit of the Member for Besut and for the others, they will probably want to know what is my concept of this statement "prejudicial to the security of the country." Well, of course, I cannot deal very exhaustively on this thing. But I can just enumerate the principles which I use as my guidance. I would consider the following things as prejudicial to the security of this country: the activities of the communists and their satellites; those who consciously further the cause of communism; those who would put one race at the throat of another and use religion as the pretext; the armed terrorists . . . .

**Dato' Mohamed Hanifah bin Haji Abdul Ghani (Pasir Mas Hulu):** Tuan Yang di-Pertua, memandangkan kepada kegiatan gulongan<sup>2</sup> anti-Melayu dan propaganda yang boleh menimbulkan huru-hara yang lebeh dahshat, apa-kah satu tindakan yang tegas

akan di-ambil oleh Menteri Keselamatan Dalam Negeri?

**Dato' Dr Ismail:** Sir, I will continue: . . . the armed terrorists operating at the Thai/Malaysian border, the gelignite sabotages and their supporters in Singapore and Semenanjung, those who are in the service of the countries hostile to us—it is against these and no others—I repeat "no others"—that action is and will continue to be taken.

Now, Sir, we heard the other day a statement from the Honourable Member for Sarawak who said that his Party, SUPP, will not condone any clandestine subversive organisations. In the same breath, he also admitted that even in his Party there are persons who have given up the idea of a constitutional struggle. Now, Sir, when you are a leader of a political party, it is not enough to condone any clandestine subversive organisations in your Party. You must be more positive if you are a true patriot; you must take steps—and here I am prepared to help you—to get rid of these people who are trying to subvert the country. It is no use just to condone. Sir, this is an example of what I mean by political parties in this country who in order to win elections, or in order to further their political ambition, at the same time further the ambition of the communists to subvert this country. I have said on many an occasion that the Socialist Front has lent itself to the communists. If that is true, it has furthered the aims of the communists. Sir, if that statement was important then, it is more important now, when this country is suffering from confrontation from Indonesia. If I had been lax in using the Internal Security Act in the past, I will try to make amends and make it very effective in the future. (*Applause*).

This confrontation, Sir, is a serious matter. I know that those who oppose Malaysia before are now tumbling one over the other trying to enrol themselves in the national registration. There are, of course, those who will think: where do I stand in this period of confrontation; what will happen to me, if I do not register; will the

Internal Security Act be against me. There are also those who are very genuine, who without thinking just rush up to enrol because of their patriotism. I have no means of telling which is which, Sir. We have to accept them—and I accept them by their deeds, but at the same time I am also vigilant. Again, there are those who try, under the cover of registering in the national registration, to cover up their acts of subversion.

Sir, this confrontation is the act of the Partai Komunis Indonesia. It is the Partai Komunis Indonesia that calls the tune and Dr Soekarno, like the dancing Russian bear, is dancing to that tune. We have known in the past that communism in this country has failed, because it has failed to gain adherents among the Malays. There are indications that the Partai Komunis Indonesia are now taking the initiative. They are trying to get the Malays in this country because of racial affinity, and they hope to disguise under that racial affinity the true aims of communism during this period of confrontation. So, if I have to err in arresting those people, I would rather err on the side of the security of this country, and for the benefit of this country. (*Applause*). So, let me warn the Honourable Members of the Opposition that if by their act they land themselves to his diabolical means of trying to subvert our country, then they will be arrested, not as politicians but because as politicians they try to further the aim of communism and try to defeat the national effort of this country to confront Indonesia in this period of confrontation. This Government is not afraid to lose in elections. (*Applause*). We are not afraid to lose because we are sure that we will win. (*Applause*). But, what we are afraid of is that if we allow you people to further the aims of communism, then we will have to govern a country that is in chaos; (*Applause*) and further we will be defeated in our aim of defeating communism on two fronts—by suppression and by construction. We use the Internal Security Act to suppress the communists from achieving their end; and we use our Five-

Year Development Plan, such as uplifting the standard of living of the rural people, to beat the communists in the end, because we know that communism cannot thrive in a prosperous society. (*Applause*). Communism cannot thrive in a country where the people understand what is at stake—and, of course, for that matter, a politician who tries to lull the people, or try to deceive the people by false promises, will also suffer the same fate as communism, because the people will be clever enough to see through them. When the people in this country know that their standard of living has gone up, when they know the true meaning of Islam, when they can distinguish the right from the wrong, then I can say that when that time comes the PAS will have to change name, and find another way of trying to win the people of this country, so that they can become the Government of Kelantan. The Socialist Front boys, too, will have to learn more about socialism, understand socialism, before they can try to teach the people of this country about socialism. Not by trying to ape the communists, not by trying to adopt the method of communism, can you spread socialism in this country?

The Honourable Member for Sarawak, the Member that represents the Sarawak United Peoples' Party, also criticised the increase in the size of the Sarawak Constabulary. It is a component of the Malaysia Police Force, but the Honourable Member, I am sure, is clever enough to distinguish whether he wants to have security or chaos in Sarawak. Sir, the Honourable S.U.P.P. Member for Sarawak must know that the Sarawak Constabulary, the force which we inherited on Malaysia Day, is manifestly inadequate in size to carry out its task efficiently. Now, just let me give you one example: the township of Belaga with a population of some seven thousand until very recently had its nearest police station at Kapit, which is at least one hundred miles away over a difficult riverine passage. Surely the Honourable Member would agree that the Force should be increased.

Tuan Speaker, jika saya tidak menjawab sa-banyak sedikit tegoran Yang Berhormat dari Besut tentu-lah apa yang di-chakapkan-nya itu akan disangka oleh orang ramai betul. Mithal-nya, dia kata polis menekan ra'ayat. Tangkapan ahli<sup>2</sup> politik makin hari makin merebak. Saya tahu tidak lama lagi pilehan raya akan datang, jadi bagi Yang Berhormat dari Besut tentu-lah hendak modal sedikit untuk menghentam Kerajaan, tetapi saya suka hendak menasihatkan Ahli Yang Berhormat itu ia-itu tangkapan yang di-perbuat ia-lah kerana mereka itu telah membuat kesalahan di-bawah Internal Security Act. Yang menunjukkan undang<sup>2</sup> ini di-jalankan dengan betul Ahli<sup>2</sup> Yang Berhormat tentu-lah telah membaca surat-khabar dan mendengar bagaimana orang yang di-tangkap itu ada juga daripada UMNO sunggoh pun kebanyakan-nya daripada Socialist Front dan banyak juga daripada PAS, tetapi tangkapan di-atas mereka itu bukan-lah kerana mereka itu berpolitik. Jadi dengan menchercha Kerajaan dan kerja<sup>2</sup> yang di-perbuat oleh polis yang hendak menyelamatkan negeri kita berma'ana-lah Yang Berhormat dari Besut berani membuat tegoran<sup>2</sup> yang tidak betul asalkan ada menjadi satu umpan dalam pilehan raya yang akan datang.

Di-sini Yang Berhormat dari Ipoh—The Honourable Member for Ipoh, instead of complimenting me for releasing those two members of the PAS who were released on medical grounds, accused me of releasing those people under false pretences. Sir, long before I became the Minister of Internal Security I was a doctor who took very great interest in psychiatry. Hence my special interest in the PAS—not in the past but in the PAS party. Sir, the first person whom we arrested, when he was made to realise about his guilt he developed a guilt complex and went off the rocker—went mad, Sir. When we had these two people who were arrested under the Internal Security Act—on very good grounds of security—I naturally took the precaution, being a very humane person, to get the Police to watch these people very carefully to see

whether these people could stand the period of detention and then the doctor observed these two detainees very carefully and recommended to me that these two people should be released on compassionate grounds because otherwise these people would be mentally unbalanced. That is the reason, Sir, why, in spite of the security risks, I took on my own discretion to release those people on humanitarian ground. That and for no other purpose and for no other reason have I released those two people—not because they were not security threats to the country. But I would not like to see two more people from Kelantan who, because of the policy adopted by that Government, had been driven to the brink of lunacy. I will not be a party to their policy. In releasing these two people, of course, I also took the precaution that the security of the country will not be jeopardised.

So, now, Sir, to wind up, I just would like to state very briefly my stand on the Internal Security Act. If in the past it was necessary to have this Act, it is more so when this country is being confronted by Indonesia, when we have indications that the P.K.I. are now trying to take the initiative to do subversion in this country, and I will not deter from doing my duty—even though the Honourable Member hoped that I would lose the election, I know I will not lose the election—I will not deter from doing my duty of even arresting political opponents, not because they are politicians but because they further the aims of communism.

**The Minister of Health (Enche' Abdul Rahman bin Haji Talib):** Tuan Yang di-Pertua, dalam perbahathan atas Rang Undang<sup>2</sup> Perbekalan, 1964 sa-lama tiga hari yang lepas, banyak perkataan<sup>2</sup> dan tegoran<sup>2</sup> telah di-ucapkan oleh Ahli<sup>2</sup> Yang Berhormat dalam Dewan ini. Sa-bagaimana biasa, daripada pehak Pembangkang ucapan<sup>2</sup> itu berupa sa-mata<sup>2</sup> selaran<sup>2</sup> terhadap Kerajaan Perikatan, barangkali ke-chuali sa-orang berdua tegoran<sup>2</sup> itu tidak sedikit pun menyentoh fasal Perbekalan Belanjawan, 1964 itu. Tegoran<sup>2</sup> itu sa-mata<sup>2</sup> di-hadapkan

kapada pilehan raya yang akan datang. Kebanyakan menggambarkan bahawa Malaya daripada tahun 1955 (sekarang Malaysia) ada-lah merupakan sa-buah neraka dunia bagi penduduk<sup>2</sup>-nya di-bawah Kerajaan Perikatan. Tudohan<sup>2</sup> itu, Tuan Yang di-Pertua, ada-lah tudohan<sup>2</sup> yang tidak berasas sama sa-kali. Ra'ayat negeri ini mengetahui akan falsu-nya tudohan<sup>2</sup> itu. Dunia juga mengaku<sup>2</sup> akan kemajuan yang telah di-chapai oleh kita semenjak kemerdekaan terlaksana. Orang<sup>2</sup> yang tidak nampak akan kejayaan negara ini ia-lah mereka yang bukan-nya buta mata-nya tetapi buta mata hati-nya. Satu penyakit belum lagi saya sa-bagai Menteri Kesihatan dapat mengadakan pakar yang boleh mengubat-nya, tetapi saya di-beritahu bahawa penyakit buta mata hati ada-lah berpuncha daripada beberapa sebab: sebab tamak, sentiasa hasat dan timbul juga daripada sebab dengki. Ketiga<sup>2</sup> sifat perangai ini-lah sifat perangai yang di-kutok oleh Tuhan. Jadi, Tuan Yang di-Pertua, mereka yang menjalankan usaha<sup>2</sup> yang bersendikan sifat<sup>2</sup> perangai yang terkutok itu lambat-laun-nya mereka sendiri akan terjun masok lubang dan terus mati lemas.

Tuan Yang di-Pertua, saya tidak-lah hendak berchakap panjang menjawab selaran<sup>2</sup> yang di-limparkan oleh semua ahli<sup>2</sup> Pembangkang, tetapi satu perkara yang menarek perhatian saya ia-lah tudohan<sup>2</sup> mereka bahawa kerumitan kewangan kita ia-lah hasil daripada terbentok-nya Malaysia dan konfrantasi yang di-lancharkan oleh Indonesia pada masa ini ada-lah kerana tertuboh-nya Malaysia.

Kalau ada ahli siasah dalam negeri ini yang berpegang kapada pendapat itu, maka saya berani mengatakan dengan tegas-nya bahawa mereka ada-lah orang<sup>2</sup> yang buta siasah. Saya sa-pendapat dengan Yang Berhormat Perdana Menteri Singapura yang mengatakan bahawa confrontation started years before Malaysia.

Tuan Yang di-Pertua, saya suka menyatakan dalam Dewan ini bahawa konfrantasi yang ada ini ada-lah merupakan lanjutan daripada satu bentuk penjajahan yang baharu. Ia

ada-lah hasil dari chita<sup>2</sup> Sukarno yang hendak menjadikan Malaya, Singapura, Sabah dan Sarawak sa-bahagian daripada Indonesia. Chita<sup>2</sup> ini bukan-nya timbul baharu<sup>2</sup> ini. Ada orang yang menyangka bahawa nafsu besar-nya itu hanya timbul sa-telah selesai-nya masaalah Irian Barat. Sangkaan itu ada-lah salah. Saya maseh ingat bahawa pada tahun 1945 sa-belum kemerdekaan Republic Indonesia di-istiharkan, ia ada men-chadangkan supaya Semenanjung Tanah Melayu termasuk Singapura di-jadikan sa-bahagian daripada Indonesia. Bahkan dalam tahun 1959 juga ada sa-orang pembesar yang berkuasa di-Jakarta sekarang ini mengatakan bahawa ta' lama lagi Malaya akan menjadi sa-bahagian daripada Republic Indonesia. Daripada ucapan Ahli Yang Berhormat dari Besut pada hari Sabtu yang lepas telah jelas dan nyata apa tujuan-nya yang sa-benar. Tujuan-nya ta' lain dan ta' bukan ia-lah untuk melaksanakan nafsu besar Sukarno itu ia-itu menyatukan antara Malaysia dengan Indonesia ia-itu apa yang di-katakan-nya tingkat perjuangan bumi putera yang ketiga. Jadi, Tuan Yang di-Pertua, dapat-lah ra'ayat negeri ini mengerti dengan terang ka-mana-kah matlamat perjuangan PAS yang sa-benar-nya. Ini akan membukakan mata penduduk<sup>2</sup> negeri ini.

Masa hadapan mereka ada-lah gelap kalau di-biarkan wakil Besut memandu bahtera PAS itu. Saya perchaya wakil Bachok tentu-lah tidak sa-penoh-nya bersetuju dengan pendapat wakil Besut yang hendak menjadikan kita sakalian anak jajahan sa-kali lagi.

Tuan Yang di-Pertua, di-dalam ucapan-nya yang panjang lebar itu, tetapi berlikar<sup>2</sup> dan berpusu<sup>2</sup> di-atas perjuangan nusantara dan "kiambang bertaup". Ahli Yang Berhormat dari Besut berkokok dengan kuat-nya mengaku diri-nya sa-bagai jagoh politik yang telah memperjuangkan politik nusantara dan "kiambang bertaup" itu. Ia menggambarkan juga bahawa parti yang di-pimpin oleh-nya sekarang ia-itu PAS ada-lah pembela Islam dan pembela bangsa Melayu. Saya tidak-lah hendak berchakap

panjang, dan memakan masa yang lama seperti yang dia buat itu, hanya saya hendak mengingatkan Ahli Yang Berhormat itu dan ra'ayat negeri ini seluruh-nya bahawa parti yang dipimpin oleh-nya dahulu ia-itu M.N.P. telah menjalankan dasar non-cooperation dengan P.K.M. dan akibat-nya ia-lah beribu<sup>2</sup> pemuda dan pemudi negeri ini telah di-sesatkan dan telah terkorban oleh dasar-nya itu. Sa-telah kemerdekaan tercapai, ia berpindah ka-PAS dan sekarang ini memimpin parti itu pula. Ia mengaku pula PAS yang di-pimpin-nya itu ada-lah berjuang untuk menimbulkan bangsa Melayu dan menegakkan ugama Islam.

Tuan Yang di-Pertua, tetapi daripada telatah parti itu semenjak ia di-pimpin oleh-nya, bukti<sup>2</sup> menunjukkan bahawa dalam prektik-nya hasil yang di-chapai ada-lah sa-balek-nya. Bilangan orang<sup>2</sup> Islam telah menjadi kechil, kerana mengikut ta'arif-nya hanya terbatas kepada penyokong<sup>2</sup> PAS sahaja.

**Che' Khadijah binti Mohamed Sidek (Dungun):** Tuan Yang di-Pertua, untuk penjelasan.

**Mr (Deputy) Speaker:** Boleh benar-kan ia hendak memberi penjelasan?

**Enche' Abdul Rahman bin Haji Talib:** Tidak. Banyak bangsa Melayu terkeluar dari ta'arif Melayu kerana di-chap-nya kafir.

Tuan Yang di-Pertua, saya suka menyatakan dengan tidak berkolom bunyi, kalau ada-lah sa-buah parti politik di-dalam negeri ini yang menjadi pengkhianat kepada bangsa Melayu, dan peruntuh ugama Islam, maka parti itu bukan-lah UMNO, tetapi ia-lah PAS.

Kekuatan hanya akan timbul kalau ada-nya perpaduan. Perpechahan tidak menerbitkan kekuatan, tetapi sa-balek-nya keruntohan, perpechahan di-kalangan bangsa Melayu pada masa ini bukan di-sebabkan oleh UMNO, tetapi di-sebabkan oleh PAS. Tuan Yang di-Pertua, sa-takat itu-lah pandangan<sup>2</sup> saya dalam perbahathan 'am.

Sekarang saya suka hendak menjawab tegoran<sup>2</sup> yang berkait dengan Kementerian Kesihatan. Sa-belum

daripada itu saya suka hendak menyatakan bahawa tidak ramai Ahli<sup>2</sup> Yang Berhormat Dewan ini sa-lama tiga hari yang lepas telah menegor dengan tepat-nya atas dasar Kementerian Kesihatan. Salah sa-orang Ahli Yang Berhormat yang menyentoh berkenaan dengan Kementerian Kesihatan ia-lah wakil dari Ipoh, tetapi sa-belum itu wakil dari Ipoh bagaimana biasa telah menyelar Kerajaan dengan lantang sa-mata<sup>2</sup> mengikutkan hawa nafsu dan lidah yang tidak bertulang. Ia membuat tuduhan yang bukan<sup>2</sup> kerana hendak menchari pengaruh dan undi dengan tidak mengirakan perasaan orang lain dan akibat-nya kepada negeri ini. Dengan chara yang bijak dan terlepas daripada Standing Order 36 (2) dia menyindir atas kehormatan diri saya sendiri.

Tuan Yang di-Pertua, saya tidak dapat berchakap panjang atas tuduhan<sup>2</sup> yang melulu yang di-buat oleh-nya itu, hanya yang dapat saya katakan ia-lah hasil daripada tuduhan yang di-buat-nya di-Chinese Assembly Hall satu "writ for slander and libel" telah di-keluarkan guna memberikan peluang kepada-nya untuk membuktikan tuduhan<sup>2</sup> itu, atau sa-balek-nya memberikan peluang kepada saya untuk mengajar Ahli Yang Berhormat itu once for all. Sa-takat itu-lah yang dapat saya katakan pada masa ini kerana saya terkongkong oleh Standing Order 36 (2) itu, tetapi saya suka menjelaskan dalam Dewan ini bahawa saya tidak akan undor barang sa-tapak juga pun dalam usaha untuk menegak dan menchari kebenaran (*Tepok*). Tuan Yang di-Pertua, dalam ucapan-nya atkala membuat tuduhan<sup>2</sup> palsu terhadap Kerajaan Perikatan Ahli Yang Berhormat dari Ipoh telah menyatakan berbagai<sup>2</sup> jenis corruption yang di-lakukan oleh orang<sup>2</sup> Perikatan, dia ada menyebut corrupt practices, corrupt dealings and corrupt distribution of land, barangkali dia sengaja meninggalkan daripada senarai-nya satu jenis corruption yang sangat di-kutok oleh Tuhan dan yang di-benchi oleh masharakat kerana agak-nya jenis corruption itu selalu benar di-lakukan oleh ahli<sup>2</sup> Pembangkang, termasuk-lah Ahli Yang Berhormat dari Ipoh itu sendiri. Tuan

Yang di-Pertua, apa yang saya maksudkan ia-lah moral corruption. Saya berpendapat bahawa sa-patut-nya dalam Dewan yang bertuah ini tidak-lah patut di-adakan tempat bagi orang yang corrupt moral dan fikiran-nya. Tuan Yang di-Pertua, Ahli Yang Berhormat dari Ipoh menjangka bahawa dia-lah jagoh politik yang menjaga kepentingan hak<sup>2</sup> orang yang mendatang ka-negeri ini. Chara dia hendak melaksanakan dasar-nya itu ia-lah dengan jalan menuntut supaya hak<sup>2</sup> istimewa orang Melayu di-hapuskan, multi-lingualism di-jalankan dan sa-bagai-nya. Saya ingin menarek perhatian-nya kepada amaran yang di-berikan oleh Perdana Menteri Singapura, dan juga kepada maksud ucapan yang di-lafazdkan oleh wakil Besut, kalau dia dapat memahamkan isi<sup>2</sup> ucapan itu saya katakan dengan tegas-nya dalam Dewan ini bahawa dasar yang di-jalankan oleh-nya itu ia-lah usaha menggali lubang kubor-nya sendiri, kerana ia akan memperchepatkan lagi hilang-nya keperibadian-nya atau identity Malaysia yang kita chintai itu. Saya katakan begitu kerana dasar yang di-jalankannya itu memberikan bahan propaganda yang besar yang sangat tinggi nilaiannya kepada musuh<sup>2</sup> negara.

Saya suka memberi amaran kapada-nya bahawa politik yang di-jalankan oleh-nya ia-lah politik yang akan menjahanamkan kepentingan orang<sup>2</sup> yang konon-nya hendak di-bela-nya itu. Tuan Yang di-Pertua, wakil Ipoh juga telah membawa aduan yang di-buat oleh Yang Berhormat wakil Setapak atas layanan yang di-berikan kapada-nya di-Hospital Muar. Tuan Yang di-Pertua, aduan itu telah pun di-siasat dengan teliti-nya, maka sa-bagaimana yang telah saya katakan tadi bahawa saya sentiasa berdiri di-atas kebenaran, maka dalam hal ini telah di-dapati bahawa Pembantu Rumah Sakit yang di-nyatakan dalam aduan itu ada-lah di-dapati chuai dalam menjalankan kerja-nya dan tindakan discipline akan di-ambil. Dalam pada itu saya suka-lah menjelaskan kapada Dewan ini ia-itu pada tiap<sup>2</sup> hari ada beratus<sup>2</sup> bahkan beribu<sup>2</sup> khidmat baik yang di-jalankan oleh

pegawai<sup>2</sup> dan kakitangan<sup>2</sup> rumah sakit di-seluruh tanah ayer ini. Alang-kah berbahagia-nya kalau ada Ahli<sup>2</sup> Yang Berhormat yang boleh mengemukakan jasa dan khidmat baik mereka itu di-dalam Dewan ini untok pengetahuan umum. Tuan Yang di-Pertua, oleh kerana pada ingatan saya tidak ada tegoran<sup>2</sup> berkenaan dengan dasar Kementerian Kesihatan, dengan itu saya menutup ucapan saya (*Tepok*).

**The Minister of Commerce and Industry (Dr Lim Swee Aun):** Mr Speaker, Sir, the Honourable Member for Bachok has criticised the Government for not being serious in the diversification of our economy despite the falling prices of rubber. To support his statement, he cited that we are still continuing with our rubber replanting scheme. Time and time again I have tried to explain that despite successful diversification, Malaysia must still be dependent upon rubber as her main earner of foreign exchange for many years to come. We must have foreign exchange to pay for our growing imports. Without foreign exchange, we will not be able to buy the machines that will be required for our industrialisation development programme.

Sir, the economics of rubber is peculiar. Even if we were to stop replanting today, thus reducing the production of rubber, it does not necessarily mean that the price of rubber will shoot up. As a short term policy it might, but in the long term it does not. Unlike sugar where the price rises when the world supply is decreased and the price falls when the world supply is increased, the price of natural rubber is affected by the degree to which synthetic rubber can be a substitute for natural rubber and also the availability and the price of synthetic rubber. That is the problem we are facing in the competition with synthetic rubber—the possibility and the degree of substitution.

Sir, despite the advances in science, we, the producers of natural rubber, are fortunate in that synthetic rubber today—and even in the future—is not likely to be a complete substitute for natural rubber. The main reason for this is that synthetic rubber builds up

There are two types of marketing boards: one to control and stabilise the price of a commodity produced and consumed within the country, and the other attempts to stabilise prices in the International market.

Our scheme, which guarantees the minimum price of padi, is an example of the first type. The Government buys locally produced rice at a guaranteed minimum price and makes up for the loss, i.e., subsidises the loss by committing importers of foreign rice to buy the Government stockpile of local rice at a higher level. This system has kept the price of rice in Malaya stable for many years simply because we consume all the rice we produce.

A Malaysian Rubber Marketing Board, as suggested by the Honourable Member for Tanjong, cannot in any way affect world prices of rubber simply because we have to export practically all our rubber which has to be sold in the world market at world prices. If the world price is below the economic price, no Malaysian Government can afford to subsidise the producers, i.e., the smallholders as well as the European Estates. For every cent a pound below the economic level, the Government will have to subsidise \$19 million to the rubber industry. Honourable Members can surely appreciate the magnitude of this Government subsidy, bearing in mind that the trend of the price of rubber will be downward and not upwards. The subsidy will be greater as the years go by if there were no more replanting as a result of guaranteed minimum price.

Secondly, a Rubber Marketing Board in Malaysia only cannot have the slightest effect on the world prices because, although we are the world's largest producer of natural rubber, we only account for one-third of the world's natural rubber or one-sixth of the world's total rubber, i.e., natural and synthetic. We produce about 780,000 tons a year of natural rubber, and the total world production of both synthetic and natural is round about 4.2 million tons per annum. Even if we try to fix a reasonable price for our rubber, we will not be able to influence the market because of the

smallness of our volume. That is, there will always be some other producer who is prepared to sell at a lower price.

Thirdly, even if all the producers of natural rubber, who produce about half the total world's rubber, were able to join together into one great big Marketing Board, we still cannot fix a fair and stable price for rubber because natural rubber can be substituted to a large extent by synthetic rubber—leave alone the existence of several Government stockpiles of natural rubber.

Are we then to take this lying down? Of course, not. The Alliance Government realises that our salvation is in our own hands. We are tackling this problem in the most dynamic way:

First—by replanting with high yielding rubber so that the cost of production will be lower than synthetic rubber and the world's growing need for natural rubber can be satisfied;

Second—by the use of stimulants and improved tapping methods so that there will be a better yield from the existing rubber trees thus increasing productivity, which means lower costs;

Third—and this is political—at the forthcoming United Nations Conference on Trade and Development to find ways and means to come to terms with synthetic rubber. Malaysia is now a member of the Preparatory Committee for this Conference, and we hope to be able to get all countries producing natural rubber to join together to meet the producers of synthetic rubber under some committee or agency of the United Nations so that we may be able to come to some terms in relation to production and minimum price. Unless this negotiation—it has to be a negotiation—is sponsored by the United Nations, which we trust is a just international body, there is no hope of any long term solution to this struggle between natural and synthetic rubber. There will then be a price war.

Fourth—to diversify our economy both in agriculture and industry so that we will gradually become less dependent upon natural rubber.

**“DIVERSIFY OR DIE”**—I am glad the Honourable Member for Bachok has echoed our policy of the last few years. Our policy of economic diversification received the full support of Professor Rueff and his colleagues, who commended us on the right steps we have taken—the policy of free enterprise, diversification of agriculture and industrialisation.

The Socialist Front and their blood brothers, the Barisan Sosialis, have constantly advocated a state-controlled planned economy. They are against foreign capital. They are against foreign industrialists. They believe that they can industrialise faster and better under their method. They argue that the rate of growth will be faster and the benefits equally shared by all under their system. Is this true?

The Socialist Front ignores the fact that we are a small country with limited capital and virtually no technical “know-how”. They are against private enterprise. They insist that the Government should directly take part in industrialisation by producing the capital. Capital is limited to the Government, and our 1964 revenue is only \$1,343 million. Now, how many factories can they build and how fast can they industrialise? On an average it requires a capital expenditure of about \$10,000 to give employment to one person in industry. With the falling price of rubber and the drain on capital to industrialise, how can the Socialist Front maintain the growing services like education and health, without foreign borrowing? If they do, will they not then in their own words “be economic satellites and subservient to foreign powers”—presumably communist in this case?

Assuming that they are able to find sufficient capital to industrialise where will they get the technical “know-how”? Their answer is simple—employ foreign technicians. But a foreign technician is a very different kettle of fish from a foreign entrepreneur. The

technician works for his salary. He has no responsibility or concern for the success or failure of the factory but on the other hand, the entrepreneur has; because his capital is involved and also because of the profit motive, he will do all he can to make the factory a success. Any loss made by the state-controlled factory is recouped through a higher selling price to the consumer. Under the Socialist Front state-controlled economy, marketing must of necessity be monopolistic. The people must buy what the Government offers them. There is no more freedom of choice in makes or in price. Do we, the people of Malaysia, want this?

The people of Malaysia must not be misled by the wonderful promises of the Socialist Front. We only have to look at East and West Germany. Both these countries were part and parcel of the same pre-war Germany. The people in East and West Germany are the same race. They have the same technical “know-how” and the same opportunities to recover after the war. East Germany, under a Government-controlled, planned, economy is today poorer than when she was under Hitler’s Germany. The people have lost all their freedom though they share equally in one thing—and that is misery and privation. On the other hand, West Germany, under a free market economy, is today one of the most successful industrial countries in the world. The people are free, happy and affluent. Do the people of Malaysia still doubt the benefits of a free market economy? Because we have a limited capital and virtually no technical “know-how”, the Alliance Government has adopted the policy of inviting foreign entrepreneurs to assist us in our industrial development programme through joint ventures. Although the Government does not take a direct part in industries, it does however supply the infrastructure, give tax holidays and tax exemptions plus tariff protection, where necessary, as inducements to entrepreneurs.

As every pioneer certificate given to an industry means loss of revenue to the Government, every application for pioneer status must be carefully

examined to find out whether or not it fulfils certain criteria. Government is only interested in the genuine industrialist who puts up a factory which will benefit the national economy. We want to be certain that the financial standing of the applicant company is sound. We want to ensure that the proposed capital structure contains local capital. We want to be sure that our valuable foreign exchange is not spent on buying second-hand or poor quality machinery. We want to be assured that the cost of production is not unreasonably higher than the imported good. We want to be certain that there is an adequate training programme for our local people, who will ultimately take over from the foreign personnel. We want to see and be sure that the proposed manufacture is not a pretext to avoid taxation.

Sir, this takes time, and on an average a period of two or three months is necessary to process an application. If tariff protection is requested at the time of application, this takes a little bit longer time. Once a pioneer certificate is approved, the applicant is ready to start constructing his factory and we are proud to say that less than two per cent of the number of companies given pioneer status have defaulted.

The complaint made by the Honourable Member for Seremban Timor that there is undue delay in the issue of pioneer certificate is not quite true. More often than not, the delay is due to the applicant company not being able to furnish the required information. They often have to refer to their foreign partners abroad for technical answers, thus further delaying the processing of their application.

Every company that has one hundred per cent local capital is always given preferential treatment, provided everything else being equal. The applicant company cited by the Honourable Member for Temerloh was not given pioneer status because it did not fulfil the required criteria.

Honourable Members no doubt know that those of the goods manufactured in Malaysia were before

imported and distributed by existing commercial houses. Many of these agency houses were the sponsors of the factories manufacturing these products in Malaya today. It is, therefore, natural and logical that the distribution of these locally manufactured goods will be done by them, since our manufactures are, in fact, import substitutes.

The Honourable Member for Temerloh has complained that Malays are not given agencies to distribute these goods. I hope the Honourable Member will appreciate the difficulties of the manufacturers. If the agency houses were not permitted to distribute the locally manufactured goods which they once imported and distributed, and which foreign manufacturers were persuaded by them to set up factories in Malaysia, then these agency houses would go out of business, and so will the existing network of distribution. However, whenever and wherever new agencies are to be set up, I shall certainly request the manufacturers to give a fair share to the Malays.

*"INDUSTRIALISE OR DIE"* could perhaps be our next slogan. A country can only afford to buy with what it earns. Our earnings from the export of rubber will tend to proportionately decrease in relation to our total income despite the increase in volume. We must find some other goods to export; or import less manufactured consumer goods.

We must, therefore, industrialise and industrialise as fast as we can. The whole nation must be enthusiastic about industrialisation. Government alone cannot force the pace. People with capital must be brave enough to invest in industry and not invest in non-productive assets like buying houses. If they want to build houses yes, because they then create employment and use up material manufactured locally. There are still so many things that we can produce locally. Government can assist but entrepreneurs must take the lead. Technical "know-how" can be got through joint venture with foreign firms. Only later will our local youths be sufficiently trained. We have now

reached a stage where we are already exporting manufactured consumer goods. With a free enterprise like ours, where there is profit to be made by the enterprising, our exports can increase, if more and more people with capital will start new industries. Capital, technical "know-how" and hard work are the essentials of successful industrialisation. We only have to harness these resources.

The Honourable Member for Bagan has requested that we should send more industries to the Mak Mandin Scheme. I fully agree with him that Members of Parliament, Members of State Assemblies, and even Members of the Town Councils and Local Councils, should publicise what they have to offer in the form of industrial estates. They must always be ready to help and invite entrepreneurs to go to their home towns to build industries. The Government can assist them but we cannot yet direct industries to whichever pet scheme each member has.

There need be no greater proof in the soundness of our credit than the fact that the World Bank has invested in our Industrial Development and Finance Company, to finance our industrialisation programme. We need no better testimony that our policy of free enterprise is a success and the right one than to cite the tribute paid to us by Asian and African Members of the Commonwealth Parliamentary Association who visited us last month. They are themselves from developing countries and, therefore, have no axe to grind in complimenting us.

Mr Speaker, Sir, we are very happy to have the support of our Honourable friend and critic the leader of the House on that island State south of the Causeway. He supports our efforts to make Malaysia a free and prosperous nation. He has asked for a fair distribution of the benefits of that prosperity. We can assure him that it is the intention of the Alliance Government to work for the prosperity of all in Malaysia. Even before we can reap the harvest, we have given more than our fair share to that island State, when we accepted them into our Common Market. We are happy that the State

Governments of Singapore, Sabah and Sarawak also believe in free enterprise as the surest and quickest way to the prosperity of the nation. Working in full co-operation, come what may—confrontation or no confrontation—with the determination to succeed, Malaysia can emerge as a strong, prosperous, independent entity in South-East Asia. (*Applause*).

**The Minister of Education (Tuan Haji Abdul Hamid Khan bin Haji Sakhawat Ali Khan):** Tuan Yang di-Pertua, dalam membahathkan Rang Undang<sup>2</sup> Perbekalan, 1964 ini satu dua perkara telah di-bangkitkan oleh beberapa Ahli Yang Berhormat Dewan ini.

Tuan Yang di-Pertua, Yang Berhormat dari Bachok telah mengshorkan supaya di-adakan peluang pelajaran menengah kepada semua kanak<sup>2</sup>. Untuk menjawab-nya saya suka menyatakan bahawa masa ini Kerajaan memang sedang menjalankan dasar dua tahun pelajaran lanjutan di-Sekolah<sup>2</sup> Pelajaran Lanjutan dan sa-bagaimana juga saya telah nyatakan dasar ranchangan berhubong dengan pelajaran ini sedang di-kaji dengan tujuan menchapai maksud yang sama sa-bagaimana yang telah di-kemukakan oleh Ahli Yang Berhormat itu.

Berkenaan dengan pelajaran menengah teknik pula, Kementerian saya memang sedar akan mustahak-nya meluaskan pelajaran ini. Angka<sup>2</sup> dan kenyataan<sup>2</sup> yang berikut chukup membuktikan azam Kerajaan. Sekolah Menengah Teknik yang ada dan sedang di-bena atau dalam ranchangan hingga tahun 1965 ada-lah saperti berikut:

Sekolah teknik yang ada	...	2
Sedang di-bena	... ..	1
Dalam ranchangan hingga tahun 1965		2
		—
	Jumlah ...	5
		—
Sekolah pertukangan yang ada		2
Sedang di-bena	... ..	—
Dalam ranchangan hingga tahun 1965		1
		—
	Jumlah ...	3
		—

## Sekolah Lanjutan Kampong :

Bagi murid laki<sup>2</sup>—

Yang ada ... ..	11
Sedang di-bena ... ..	3
Dalam rancangan hingga tahun 1965 ... ..	9
Jumlah ... ..	23

Bagi murid<sup>2</sup> perempuan—

Yang ada ... ..	2
Sedang di-bena ... ..	2
Dalam rancangan hingga tahun 1965 ... ..	6
Jumlah ... ..	10

Jumlah besar Sekolah Teknik ada-lah sa-banyak 41. Selain daripada rancangan di-atas, Kerajaan sedang meluaskan bidang pelajaran Maktab Teknik dan juga jika di-fikirkan mustahak dari segi pembangunan negara bagi menambahkan satu atau dua Maktab<sup>2</sup> Teknik lagi.

Ahli Yang Berhormat itu juga telah meminta Kerajaan menggalakkan perkembangan sekolah<sup>2</sup> kebangsaan beransor<sup>2</sup> untuk mengambil tempat sekolah jenis kebangsaan Inggeris. Bagi menjawab-nya harus saya tegaskan ini ia-lah memang dasar Kerajaan dan usaha<sup>2</sup> untuk menchapai matlamat itu ada-lah sedang di-jalankan.

Ahli Yang Berhormat dari Muar Utara telah mengemukakan supaya banyak bangunan<sup>2</sup> sekolah di-buat dengan harga yang tidak bagitu tinggi, dan dengan jalan ini kata-nya, banyak bangunan<sup>2</sup> sekolah dapat di-dirikan. Dalam hal ini, Tuan Yang di-Pertua, suka-lah saya menyatakan bahawa Kerajaan memang sentiasa menchari jalan bagaimana chara-nya supaya rancangan pembangunan sekolah<sup>2</sup> dapat di-usahakan dengan sa-berapa segera dan dari segi ini dapat-lah saya memberitahu kepada Ahli Yang Berhormat itu bahawa Kerajaan ada-lah sedang melaksanakan satu rancangan pembangunan prefabricated dengan menggunakan bahan<sup>2</sup> tempatan.

Sir, in reply to the Members for Kuala Langat, Seremban Timor and

Bachok, who raised the question of the Government primary/secondary promotion policy, I have indicated many times before that the promotion policy practice is in accordance with the general educational principles—that not all pupils can benefit from an academic form of secondary education. Those not so considered fit are at present given the opportunity to continue their education beyond the primary in the three years secondary continuation schools, but which for the present is cut down initially to two years. I can assure the Honourable House that Government is not adopting a complacent attitude towards the secondary continuation school system at present practised; and as I have indicated in answer to an Oral Question put up by Honourable Members, the secondary continuation school system is at present under active review in order to ensure the best method of providing education to all children up to the age of 15 years. It is not correct to say that the number of promotion passes has been restricted, in fact it has improved from year to year as the following figures will show. For example, in 1962 the percentage of passes from primary to secondary in the Primary Schools' Promotion Examination is as follow:

Malay medium schools ...	34.8%
English .. ..	53.5%
Chinese .. ..	34.4%
Tamil .. ..	28%

In 1963, the figures have improved in all schools. They are:

Malay medium schools ...	36.8%
English .. ..	60.4%
Chinese .. ..	45.2%
Tamil .. ..	37.9%

Now, the point I would like to make, Sir, is that all these pupils who have obtained promotion passes will go up to the secondary academy.

Now, Sir, the Member for Seremban Timor raised the question of extending the use of Chinese as a medium of teaching History and Geography in National Type Secondary Schools. Sir, the policy on the use of Chinese as a

medium in the National Type Secondary Schools is clear-cut, that is, only the teaching of Chinese language and Literature is done. The Member for Seremban Timor also questioned the opportunities of such pupils to proceed for higher education. In reply, Sir, I would like to state that these pupils have the same opportunities to obtain University education in all branches of study, especially Chinese studies, provided they obtained the necessary entrance requirements, that is, the Federation of Malaya Certificate or the Cambridge School Certificate and the Higher School Certificate.

The Honourable Member for Ipoh raised the question of the revocation of teaching certificates without assigning reasons. Sir, such revocation is only in respect of permits to teach, which is renewable from year to year. But in the case of a full registration certificate, whenever this is revoked, the Registrar-General of Teachers does give his reason as provided or required by the Education Act, 1961.

The Honourable Member for Ipoh also raised the question of giving equal treatment to all schools. Sir, in reply I would like to say that the Government, in accordance with its policy, cannot accept the suggestion put up by the Honourable Member.

**The Assistant Minister of the Interior (Enche' Cheah Theam Swee):** Mr Speaker, Sir, in the course of the debate some Members have found it necessary, although in this vital and important issue of the Budget, to trickle a few points which, coincidentally, dripped into the Ministry of Interior which, in normal cases, Mr Speaker, Sir, we would allow them to lie as they are, but for the sake of completeness allow me, Mr Speaker, to clarify the various points that have been raised.

The Honourable Member for Seremban Timor, although in this vital issue of the Budget, found it necessary to touch on the question of the three-digit and four-digit lotteries and advocated that a ban should be imposed. Mr Speaker, Sir, I am sure the House will appreciate—and I would wish it to be

clearly appreciated—that the Government is not in favour, and will never be in favour, of encouraging betting. In passing the legislation, i.e., the Racing Totalisators Board Act, 1961, the Government was merely recognising the fact that there was no enforceable law which could prevent, and I repeat, could prevent persons from betting. It was, therefore, the intention of the Government to endeavour to eradicate illegal bookmaking in the country and at the same time to provide some means of betting on horse-racing which will be subject to a large measure of control in order to prevent abuses, malpractices and the social evils which arise from betting. Sir, the Totalisator Board does not advertise the sale of three-digit lottery tickets nor does it in any way encourage persons to bet. Its policy has been solely to offer facility for the purchase of three-digit lottery tickets to those members of the public who wish to make use of such facilities. Sir, the desire to bet is—I am sure it would be agreed—a question of moral, and no doubt it is an undesirable thing. Perhaps a word or two to say that we frown upon such activities would mean to say that we are asking the public not to bet.

The same Honourable Member also raised the question of conversion fees of agricultural titles into titles whereby buildings could be erected on previously agricultural lands. Sir, this is a matter of land law which I am sure the Honourable Member for Seremban Timor knows fully well, is a State matter. But I do appreciate the point which he submitted and that is that in the event of a holder of an agricultural title intending to develop his land into a housing scheme, the conversion fee he submits is too high. Well, this is a matter of opinion and a matter which, perhaps, the State Government can look into; and I assure him that in our desire to see that more houses are being built so as to enhance the idea of a property owing democracy, we will do what we can in taking this matter up with the State Government.

The Honourable Member for Muar Utara has dwelt on the question of

legislation relating to pawn-brokers and he has said that the legislations relating to pawn-brokers or to the business of pawn-brokers are not satisfactory. Sir, I agree with him that the present enactments and legislations are somewhat outdated and that the laws governing such undertakings are in a way outmoded. But I would like to say that we have long been aware of such a situation and steps, in fact, have been taken by my Ministry with the Legal Department to try and put the matter in its proper perspective.

The Member for Bachok brought up the question of National Service Registration in regard to the period of registration. He indicated that in his opinion the period of one month was not sufficient. Sir, I would like to state here that in an immense undertaking of this nature, the Government is confident that in the present situation, when we are threatened, when our sovereignty is threatened, when our freedom is threatened, the response within this short period could be sufficient for us to mass the people to enrol for National Service. At the same time, we have given maximum publicity and we are doing our best, sparing no efforts whatsoever, to let the people know that registration for National Service is on hand and that we are confident that this call will bring forward all those citizens who are loyal and willing to die for this country.

Sir, the Honourable Member for Ipoh raised one of his pet points with regard to the question of an Enquiry Officer under the Prevention of Crimes Ordinance. Some time ago, he sought the assurance of the Minister responsible to say that the Enquiry Officer appointed to conduct such enquiries should be a legally qualified person. The Minister responsible gave him the assurance that, if it was possible, a most senior and experienced officer would be appointed to do the work. Sir, I am glad to inform the House that we have (although there has been some delay because we have been selective in the appointment) appointed the officer, and the officer is a Barrister-at-Law attached to the

Judicial and Legal Department. It would appear, therefore, that he has the full qualifications to carry out work of a judicial nature.

The same Honourable Member alleged that it was the tendency of the Government to deprive persons of their citizenship certificates when such persons were not in favour of the Government. Sir, I would like to assure the House that the Government has no such tendency whatsoever. The Government does not believe in victimising citizens who do not fall into the Government favour. But, Sir, if a person's citizenship is being deprived for reasons which are embodied in the Constitution and in the Rules, and if such person is also at the same time not in favour of the Government, then it is a regrettable coincidence. But I would like again to assure all citizens that we do not and will never carry out practices of victimisation. Maybe the Honourable Member has found it necessary to bring up this point because of the cases in respect of deprivation of citizenship that are still from time to time *gazetted* for notification to the public.

Sir, I would like to inform the House that most of these cases are cases where citizenships were obtained by false representation, and they were cases of surrendered certificates—certificates surrendered during the amnesty period.

One further point which the Honourable Member for Ipoh made was this. He pointed out that registration for national service was carried out in 1958 and that the money was wasted, because subsequently there was no call-up, and also he was of the opinion that the present registration for national service should be followed up by a call-up of the people for military training. Mr Speaker, Sir, this question was the subject of a question during Question Time in this Session, and the answer given was that a national call-up would be made when the need arises. Mr Speaker, Sir, when the need arises, the Government is confident that the response from the able-bodied men in this country will be generated to such an extent that

we can proudly stand up and say that nobody, no Government, can threaten the sovereignty and security of our country, and I am confident, Sir, in the light of the present threat to our sovereignty, our security and way of life that we are trying to enhance, that the able-bodied men would respond with every endeavour to abolish this threat. Sir, if we fail to abolish this threat, then the threat might abolish us.

**The Assistant Minister of Rural Development (Enche' Abdul-Rahman bin Ya'kub) (Sarawak):** Mr Speaker, Sir, I wish only to say a few words with respect to the observations in the speech made by the Honourable Member from Sarawak, the Secretary-General of the Sarawak United Peoples' Party. I feel that it is necessary, Sir, for me to clarify certain points made by him in his speech.

As a Sarawakian, I am concerned indeed about what he said, I think, yesterday or a few days ago. He has mentioned that the people of Sarawak are being treated by the Central Government as second class citizens. There is nothing further than the truth. In fact, Sarawak has been very fortunate that it has been given all the safeguards before she joined Malaysia—safeguard on the question of immigration, safeguard on the question of land, safeguard on the question of education and other safeguards which can be found in the Report of the Inter-Governmental Committee.

Sir, he went on to say that his Party would continue to fight for safeguards for Sarawak. This is the sort of mental attitude we get amongst the people of the S.U.P.P. in Sarawak. The stress is on the identity of Sarawak as a country—independent and, if possible, separate from the Federation—rather than considering it as part of a larger federation. We know that the S.U.P.P. is opposed to Malaysia, we know the view of the Secretary-General of that Party with regard to Malaysia. His revelation that his Party would continue its emphasis on safeguards for Sarawak betrays a persistent mental attitude towards the Federation.

On the question of British officials still remaining Heads of Departments, virtually in control in Sarawak, this statement merely shows the regard that the Honourable Member has for the Ministers in Sarawak. Heads of Departments in Sarawak are State Officers—and if I remember correctly, he raised the matter in the Legislative Assembly, Council Negri, in Sarawak. One point must be made clear. I feel, as a Sarawakian, not in the sense of citizenship, but in the sense of having been born in Sarawak, that the majority of the people of Sarawak are not anti-expatriate officers and not anti-Europeans, and not anti-anybody. The majority of the people of Sarawak do fully realise the need to retain the services of the expatriate officers as long as the country feels that their services are required for the good of Sarawak. And, in fact, it is the people of Sarawak themselves who, during the negotiations for the establishment of Malaysia, emphasised the necessity to proceed with Borneanisation, or, as we call it today, Malaysiansation in Sarawak gradually rather than at a very fast speed and thereby jeopardising or losing the efficiency that has always been the feature of the Sarawak Civil Service.

Of course, the people of Sarawak would like to see as many of the local people as possible holding high responsible positions. They would like to see rapid Borneanisation, using the term in the right context, but at the same time we do not want to proceed with Borneanisation, if by doing so we will thereby lose the efficient running of the country, which is very essential in any developing emergent nation.

The Federal Government, Sir, has been accused by the Honourable Member from Sarawak, the S.U.P.P. Secretary-General, of many things. Answers have separately been given by the Honourable the Prime Minister in that respect, but there is one other point which I feel I must clarify and that is when he said that the British Government transferred sovereignty of Sarawak to Malaya and that the way it did so was contrary to the nine cardinal principles. Perhaps many of the

Honourable Members who are not Sarawakians do not know what the nine cardinal principles are. The nine cardinal principles, Mr Speaker, Sir, are the principles embodied in the first the Constitution of Sarawak promulgated by the last Rajah on the 24th of September, 1941. They embodied the principles of administration of Sarawak. One of the principles was that the people of Sarawak must be given their rights of self-determination to choose their own destiny; and in that context the Honourable Member from Sarawak has said that the people of Sarawak have not been granted self-determination when Sarawak joined Malaysia. I would like to state here, Mr Speaker, Sir, again as someone who comes from Sarawak, that the people have been and were granted the fullest opportunity to express their views with respect to Malaysia (*Applause*). They were given the opportunity to tell the Cobbold Commission whether or not they wanted to join Malaysia. After that they were again given the opportunity in the last general election which took place between March and June, 1963, whether or not they agreed to join Malaysia and an overwhelming majority of the people of Sarawak voted the Sarawak Alliance on that main issue, namely, to join Malaysia. (*Applause*). Is that not enough for the Sarawak United Peoples' Party, not enough for those who oppose Malaysia, not enough for the Indonesians? They wanted to dictate to us how we should express our views, how we should express our desire, how we should express our aspirations with respect to Malaysia, and how we should tell the whole world in what way we wanted to achieve our independence. The United Nations team came to Sarawak and again confirmed that about 75 per cent of the people of Sarawak wanted Sarawak to join Malaysia. But despite all that proof, despite all the opportunities given to the people of Sarawak to determine their own destiny, despite the clear expression expressed by the people of Sarawak in this matter, still we hear in this Honourable House the Honourable Member from the S.U.P.P. from Sarawak saying that Malaysia is not a

thing which the people of Sarawak wanted—in effect, he said that.

On the question of confrontation, again knowing the local conditions, Mr Speaker, Sir, I would like to say in this House that Indonesia started right from 1959 at the latest; I say 1959 because that was the time when I myself was approached by two Indonesian agents in order to join their subversive activities in Sarawak so that Sarawak could become part and parcel of Indonesia. They did this through various organisations; for example, what we call the Silat Club. The same people toured the various small towns under the pretext that by joining a certain group and by studying certain things and buying certain charms people could become *kebal*—invulnerable—and so forth. At the same time, these Indonesian agents have been poisoning the minds of the local people, so that Indonesia could one day have a very strong group in Sarawak and thereby get Sarawak to join Indonesia. The December insurrection in Sarawak, Mr Speaker, Sir, in Sibuti and in Limbang—was not in truth something against Malaysia. It was not an expression by the people there that they did not want to join Malaysia, but rather the innocent Kadayan people in Sibuti and the ignorant people of Limbang were misled by Azahari. The Kadayan people were told by Azahari and by Azahari's stooges and agents in Sarawak that the insurrection was for the purpose of getting Sarawak ruled by the Sultan of Brunei. During the trial after that insurrection—I prosecuted a number of cases after that—one of the accused persons mentioned in open court that he was told by one of Azahari's agents that if the rebellion were successful the Honourable Member from Sarawak, the Secretary-General of the S.U.P.P. would become the Prime Minister in Sarawak. That was the arrangement. There was cooperation between Azahari's group and the S.U.P.P.

That is all I have to say, Sir, except to repeat one thing. We in Sarawak do feel the change brought about by Malaysia. But as things are, it will

really take time for the people to think like all educated people should think. It would take time for the Sarawak people to really come to that stage—to think that they are all Malaysians and forget that they just belong to Sarawak, or Sabah, or to Malaya or to Singapore. Given time they will prove that they are true Malaysian citizens (*Applause*).

**The Minister of Transport (Dato' Haji Sardon bin Haji Jubir):** Tuan Yang di-Pertua, saya hanya hendak menjawab soalan<sup>2</sup> dan pertanyaan Yang Berhormat dari Ipoh berkenaan dengan tuan<sup>2</sup> punya teksi orang Melayu di-sharat berkehendakkan kapada pemandu-nya orang Melayu. Jadi ini memang menjadi dasar Kerajaan Perikatan yang mana pehak<sup>2</sup> semua bangsa yang berniaga pengangkutan dalam tahun 1958 telah pun bersetuju dengan Kertas Puteh 17 memberi peluang sa-berapa daya yang boleh bagi orang Melayu mengambil bahagian dalam pengangkutan. Oleh kerana banyak sangat “Ali Baba” dan banyak sangat soal jual nama—nama “Ali Baba”—bawa kereta, jadi kami telah siasat daripada pehak Pejabat Kenderaan; tidak ada lain ia-lah membuboh syarat kapada tiap<sup>2</sup> sa-orang Melayu hendak memohon kereta sewa itu; satu daripada syarat-nya ia-lah orang yang hendak memohon itu tahu membawa kereta sendiri, yang kedua-nya apabila permohonan itu dapat surat kebenaran dan permit di-taroh syarat itu sa-bagai dia sendiri membawa-nya atau pun orang Melayu yang lain sa-kira-nya dia uzor.

Kami juga telah menimbangkan ada kala<sup>2</sup>-nya di-tempat<sup>2</sup> yang tidak ada teksi orang Melayu di-benarkan juga buat sementara dengan ada surat akuan doktor yang tuan punya kereta itu sakit kita benarkan sementara. Jadi, ini bukan berma'ana bagi pehak orang Melayu yang punya teksi itu tidak suka memberi kerja kapada pemandu<sup>2</sup> kereta sewa daripada lain bangsa. Ini tidak ada kena-mengena sama sa-kali. Bahkan pada waktu sekarang ini mengikut angka (statistic) yang ada di-hadapan saya ini: pada tahun 1958 bulan Disember orang Melayu yang punya kereta permit

atau kebenaran chuma ada 1,559 daripada 3,634. Berma'ana bangsa<sup>2</sup> asing ada mempunyai 2,075—ini peratus-nya 42.8. Di-seluruh Tanah Melayu, mengikut peratus penduduk<sup>2</sup> orang Melayu-nya 49.8. Jadi pada tahun 1963 ini pada bulan October, tuan<sup>2</sup> punya teksi orang Melayu ada 1,893 daripada 4,024. Ini berma'ana orang bangsa asing ada 2,126 bilangan teksi. Jadi sudah sa-patut-nya-lah dengan sebab hak istimewa orang Melayu di-beri kemudahan untok memohon teksi supaya mereka sendiri membawa, atau kalau mereka<sup>2</sup>, yang punya teksi itu uzor orang lain daripada orang Melayu juga dapat menchari nafkah membawa kereta itu. Dan daripada pengalaman kita yang telah kita chuba samanjak dari tahun 1961 mengenakan syarat<sup>2</sup>, maka ini telah mengurangkan bilangan daripada soal<sup>2</sup> Ali Baba, dan Kerajaan tidak mesti hendak menukar chara<sup>2</sup>-nya, bahkan akan menguatkan lagi chara<sup>2</sup>-nya itu.

Yang ketiga, ada juga orang Melayu yang di-beri permit kereta sewa, atau kebenaran kereta sewa waktu proclamation (pengistiharan) dahulu, tetapi apabila sudah mengikut Undang<sup>2</sup> Lalu-Lintas tahun 1958, Majlis Pelesen apabila membaharui lesen<sup>2</sup> itu juga di-kenakan syarat<sup>2</sup> ini. Ini pun satu syarat yang baik bagi membalekan sa-kira-nya ada sa-tengah<sup>2</sup> taxi itu, barangkali sudah terlepas kapada orang lain, barangkali dengan sebab ada-nya syarat ini maka dapat-lah di-ambil balek dan di-jalankan oleh orang Melayu, dan ada juga sa-benar-nya orang bangsa asing yang menjadi pemandu<sup>2</sup> kereta sewa, maka pehak Kerajaan telah memberi pertimbangan sa-lewat<sup>2</sup>-nya dalam masa enam bulan untok menchari peluang kerja yang lain, dan ta' payah lagi Ahli Yang Berhormat dari Ipoh itu memohon, meminta dan merayu dalam Rumah yang Berhormat ini di-mana dia telah mencheritakan banyak yang telah kena da'awa di-Mahkamah bagitu bagini. Yang sa-benar-nya yang di-da'awa di-Mahkamah Ipoh pun sudah di-persetujukan yang tuan punya teksi orang Melayu itu di-beri tempoh

enam bulan untuk menchari pemandu<sup>2</sup> Melayu, dan dalil-nya tidak ada konon-nya pemandu<sup>2</sup> Melayu di-Ipoh itu, dan pehak Pejabat Kenderaan akan bersedia menolong untuk menchari-nya bersama<sup>2</sup>.

Yang keempat, mustahak-nya ini bagi orang<sup>2</sup> yang telah meng-Ali Baba-kan teksi<sup>2</sup>-nya dan pehak bangsa<sup>2</sup> asing yang dahulu telah membelanjakan wang bagi membeli teksi<sup>2</sup> dan menjadikan driver<sup>2</sup> konon-nya yang sa-benar-nya menjadikan tuan ini-lah yang menjadi cherita konon-nya kita ada pileh kaseh, tuan punya teksi Melayu ta' boleh menggunakan pemandu<sup>2</sup> lain bangsa. Maka ini hendak di-champor-adokkan, dan ini satu chara subversive elements, suroh hendak berlaga antara pemandu<sup>2</sup> kereta sewa yang ta' ada kena-mengena dengan sharat<sup>2</sup> yang di-beri kapada orang<sup>2</sup> Melayu yang mana ini memang hak istimewa orang<sup>2</sup> Melayu.

Kita faham dan tahu yang Ahli Yang Berhormat dari Ipoh ini memang jagoh, jagoh yang paling handal, kerana hendakkan undi—Town Council, atau Municipal Ipoh; itu konon-nya dia mahu sama hak, sama rasa, sa-hingga tergamak konon-nya, kalau hendak suroh lain<sup>2</sup> bangsa itu mendaftarkan diri berjuang dan mempertahankan tanah ayer kita ini, mesti-lah hendak di-fikirkan hak istimewa orang Melayu ini di-hapuskan dan di-beri sama taraf dengan orang<sup>2</sup> yang bukan Melayu. Rupa<sup>2</sup>-nya ada pula bertawar beli, macham beli ikan di-pasar, apabila negara hendak terancham, hendak di-hentam dengan peluru, kata-nya: Engkau beri sama taraf, aku boleh lawan dahulu. Ini-kah yang di-katakan P.P.P. yang mengagong<sup>2</sup>kan akan mempertahankan daripada di-langgar oleh musuh? Kita minta jauh sa-kali Indonesia itu datang menyerang. Dia ta' sasuai dengan keadaan chara Democracy Terpimpin yang di-pimpin oleh President Sukarno, tetapi nampak-nya chakap-nya satu macham, perbuatan-nya lain macham, sharat-nya pula lain macham. Maka saya harap ra'ayat Persekutuan Malaysia ini mesti faham pendirian P.P.P. yang patut tidak dapat lagi sokongan kapada sa-siapa pun yang tidak ta'at

setia dan mempertahankan tanah ayer, biar lebor jadi debu. Itu memang kewajipan sa-bagai ra'ayat yang setia kapada negara, bangsa dan tanah ayer.

Ahli Yang Berhormat dari Besut, saya nampak pada pagi tadi bukan main lagi berchakap, ketawa besar saya mendengar-nya. Kerajaan Persekutuan Malaysia ini memang betul anti-Komunis, itu pendirian kita, tetapi dia mengikut saya kata-nya ikut tepi kain Inggeris. Saya ta' faham Ahli Yang Berhormat dari Besut ini. Kalau sudah kita anti-Komunis, itu pendirian kita, daripada pengalaman kita sa-lama 12 tahun kita berjuang, kita menghadapi peloh, bukan menghadapi chakap<sup>2</sup> sahaja tentang confrontasi saperti yang ada hari ini. Maka daripada pengalaman ini, bukan-lah fasal kita ini mengikut Inggeris anti-Komunis, atau pun Amerika, tidak. Ini pendirian kita daripada orang<sup>2</sup> yang berbangsa Melayu yang beragama Islam yang mengaku ada-nya Tuhan dan bertentangan dengan faham Komunis yang tidak mengaku kapada Tuhan dan tidak berfahaman kapada agama, tetapi di-sini Ahli Yang Berhormat dari Besut itu tergamak mengatakan yang Komunis Indonesia itu sanggup mengikut Pancha Sila, sanggup mengaku ada-nya Tuhan. Kalau Komunis Indonesia itu mengaku dia ada Tuhan, dia bukan Komunis. Tetapi, yang kita tahu, Ketua Komunis Indonesia, Aidit memang dia bukan menghadap Tuhan, tetapi Moscow dan Peking. Apa yang ta' boleh di-lupakan ia-lah waktu Aidit menjadi Ketua Komunis Indonesia, waktu dia tidak masuk menjadi sa-orang Menteri, dia mendesak dan mengugot Kerajaan President Sukarno sa-kembali-nya beliau dari Moscow dan Peking, maka apabila sampai di-Hongkong, apa chakap dia, bukan chakap Aidit tetapi Komunis yang berchakap; bukan Komunis Indonesia, tetapi Komunis China dan Komunis Russia. Apa yang dia chakap: Kita akan leborkan Malaysia. Leborkan pemuda pemudi Malaysia yang bilangan-nya berjumlah lima juta ini dahulu, baharu boleh leborkan tanah ayer yang kita chintai ini. Apa-kah ini tidak terang daripada pehak parti PAS, parti PAS yang

berdasarkan Islam, Islam mahukan perdamaian, Islam mahu menguatkan fahaman beragama, maka kalau sa-bahagian daripada iman kita sa-bagai orang Melayu yang beragama Islam itu mempertahankan tanah ayer-nya, tetapi konon-nya dia mengatakan belum di-langgar, belum lagi kita mempertahankan-nya. Kalau keadaan hari ini Yang Amat Berhormat Perdana Menteri kita telah mengistiharkan supaya berjaga<sup>2</sup> bersiap sedia, maka ini-lah waktu-nya kita menyingkirkan fahaman politik kita, baik PAS, Socialist Front, Barisan Sosialis mahu pun P.P.P. Hal ini, kita yang meng-agong<sup>2</sup>kan democracy, democracy apabila ra'ayat telah memutuskan Kerajaan Perikatan memerintah Malaya dan dengan persetujuan yang telah pun di-saksikan oleh rombongan Bangsa<sup>2</sup> Bersatu, yang Sabah dan Sarawak bersetuju masok Malaysia dan merdeka, bagitu juga saudara<sup>2</sup> kita dari Singapura; tiba<sup>2</sup> kata-nya chara-nya ta' betul, kenapa ta' berunding dengan President Sukarno dahulu, kenapa ta' berunding dengan Indonesia; kalau Indonesia hendak berkawan dengan Komunis Russia, Komunis China, siapa pun kita tidak ganggu, kita tidak tegah dan kita tidak larang, itu soal dia, tetapi apabila kita hendak berbaik<sup>2</sup> dengan Inggeris, atau Amerika, atau dengan mana<sup>2</sup> negeri, fasal apa dia kata dia menudoh pula kita hendak melanggar negeri-nya ra'ayat kita yang berjumlah 10 juta hendak melanggar ra'ayat 100 juta. Dan lagi pada pagi tadi Ahli Yang Berhormat dari Besut mengatakan Perjanjian London ini-lah yang menjadikan confrontasi, bukan-lah perjanjian yang di-buat di-Manila yang telah di-tanda tangani oleh President Sukarno mewakili Indonesia, President Macapagal mewakili Philipina dan Tunku Perdana Menteri mewakili Malaya. Ahli Yang Berhormat dari Besut bukan main lagi sa-malam saya dengar kata-nya dia sudah masok politik samenjak tahun 1935 dua kali sudah masok penjara. Kita pun hormati tentang perjuangan politik-nya, saya pun lama juga masok politik samenjak dalam tahun 1928 di-dalam sekolah pun saya berjuang dalam politik juga, tetapi soal lama politik

itu lain kesah, tetapi saya takut kalau politik yang lama itu, politik yang sudah lapok (*Tepok*). Dia ta' dapat membezakan politik yang ada pada hari ini, Komunis mahu berkuasa di-Tenggara Asia ini. Ahli Yang Berhormat itu mesti mengaku dan tidak boleh menapikan dengan saya pada waktu Taharuddin yang pada waktu itu sa-bagai Ketua Komunis yang memimpin M.N.P. Pada waktu itu tidak ada galangan-nya Komunis, halal Tuan<sup>2</sup> Yang Berhormat pada waktu itu tahun 1945, saya maseh ingat lagi.

**Enche' Zulkiflee bin Muhammad:** Tuan Yang di-Pertua, dia sentiasa memandang kapada PAS sahaja, tidak memandang kapada Speaker.

**Mr (Deputy) Speaker:** Sa-panjang<sup>2</sup> masa nampak-nya dia memandang kapada PAS sahaja, pandang-lah sa-kali sa-kala kapada Speaker (*Ketawa*).

**Dato' Haji Sardon bin Haji Jubir:** Minta ma'af, Tuan Yang di-Pertua.

Jadi, berkenaan dengan M.N.P. yang kita sebut<sup>2</sup>kan itu memang-lah kita tidak napikan, saya hanya beberapa bulan sahaja apabila saya sudah tahu pendirian M.N.P. maka terpaksa-lah saya keluar dan saya menentang yang di-katakan "non-co" atau "co" itu bagaimana yang di-katakan oleh Ahli Yang Berhormat dari Besut menerangkan sa-malam hampir satu jam sa-tengah. Jadi, soal yang ada hari ini, konfrantasi ini ia-lah satu chara hendak melumpuhkan dan hendak mena'aloki negara kita dan hendakkan supaya negara kita menjadi sa-bahagian daripada Republic Indonesia. Jadi, kita tentu-lah sa-bagai parti<sup>2</sup> yang bertang-gong jawab, sa-bagai Ahli<sup>2</sup> Yang Berhormat Dewan Ra'ayat ini, walau pun pehak Pembangkang dalam sa-buah negara yang democratic, kita mesti bersatu-padu mempertahankan negara, soal salah faham, atau pun soal berlainan faham politik, soal di-dalam negeri itu terpaksa kita ketepikan buat sementara. Akan tetapi, malang-nya pehak<sup>2</sup> ini juga yang mendesak membuat da'ayah<sup>2</sup> yang boleh di-gunakan pada pehak yang hendak meruntuhkan kita. Maka ini menunjukkan kapada orang ramai di-mana-kah pendirian parti<sup>2</sup> Pembangkang yang sa-benar<sup>2</sup>-nya

mereka membangkang untok kebaikan negara kita ini, untok membetulkan keadaan Kerajaan bagi menjalankan kerja<sup>2</sup>-nya, tetapi bukan untok melemahkan Kerajaan, untok memberi peluang kepada musoh<sup>2</sup> yang hendak meruntuhkan kita. Kalau runtuh Kerajaan di-ta'alok negara ini, saya hendak tanya daripada pehak<sup>2</sup> Parti PAS baik, P.P.P. baik, Barisan Sosialis baik, Socialist Front baik, ada-kah berpeluang bebas dengan sa-wenang<sup>2</sup>-nya berchakap, sa-wenang<sup>2</sup>-nya menu-doh terutama sa-kali dalam Rumah yang Berhormat ini pada waktu dekat<sup>2</sup> pilehan raya ini macham<sup>2</sup> cherita timbul. Tetapi, kami dari pehak Kerajaan, pehak Perikatan tetap akan mempertahankan hak dan tetap akan menjalankan amanah, amanah yang ra'ayat telah amanahkan kepada kami mahukan merdeka, telah merdeka; konon-nya kosong—bukan merdeka Tanah Melayu sahaja, bahkan bersama<sup>2</sup> dengan Singapura, Sabah dan Sarawak telah pun merdeka juga ia-itu sahabat kita dari tiga buah negeri bersama<sup>2</sup> dengan sa-belas buah negeri, sudah menjadi empat belas buah negeri; itu pun juga kosong, tidak ada semangat kebangsaan, kalau tidak ada semangat kebangsaan masakan Allah Ta'ala izinkan kita merdeka hari ini, masakan kita menjalankan pemerintahan dalam tempoh enam tahun telah mena'lokkan pehak Ingeris; walau macham mana tua di-dalam soal politik-nya, tetapi atas perkara hak dan benar dia menyerahkan kuasa Colonial-nya kepada penduduk<sup>2</sup> ra'ayat Singapura, Sabah dan Sarawak.

Saya fikir bagaimana Yang Berhormat Puan dari Sarawak yang tunggal telah mengatakan ada-kah pehak Pembangkang ini menjadi loyar mempertahankan Indonesia, mahu tiga buah negeri yang sekarang telah merdeka yang masok di-dalam Malaysia ini supaya kekal menjadi tanah jajahan yang di-perintah oleh penjajahan? Kalau tidak, apa sebab yang hari ini apabila kita telah bersatu-padu di-Rumah yang Berhormat ini, patut-nya kita lupakan soal yang sudah, kerana Malaysia ada, Malaysia insha' Allah tetap akan ada, tetap akan aman dan tetap akan ma'amur. Ini sahaja-lah

saya berseru kepada pehak<sup>2</sup> Pembangkang pada waktu yang sekarang ini hendak-nya bersatu-padu untok keamanan negara, untok faedah ra'ayat seluruh-nya yang mana kita berjanji kepada ra'ayat, bekerja kerana ra'ayat. Terima kaseh.

**The Minister for Finance (Enche' Tan Siew Sin):** Mr Speaker, Sir, I rise with pleasure to wind up what has been a very interesting and at times instructive debate. Speaking for the Government, I am grateful for the many expressions of support which have been offered for the Budget which is now under discussion. I shall now try to deal seriatim with the points made by Honourable Members in this debate, which require a reply from me.

The Honourable Member for Kuala Langat made the extraordinary statement that, although the economic impact of Indonesian confrontation on the country as a whole is not beyond our capacity to bear, it would make all the difference between a satisfying meal and going hungry. As I tried, Sir, to point out in my speech on the second reading, the impact is confined to only a few activities in a few clearly defined areas. Singapore is the worst sufferer by far, accounting for more than 80 per cent of those who have been rendered jobless, and the State Government there has already taken a remedial action. I have also given this House an assurance that in the other areas where there are only small pockets of unemployment, similar remedial action will be taken by the Central Government. We certainly cannot do more unless the Honourable Member suggests that we should now go down on bended knees before President Soekarno and the other Indonesian leaders and beg for forgiveness. I shall have more to say on this point later on.

The Honourable Member for Kuala Langat implied—in fact, he more than implied—that the eve of election Alliance crisis in 1959 arose out of a personal quarrel between the then President of the M.C.A., Dr Lim Chong Eu, and myself. As everyone knows, nothing could be further from the truth. That crisis arose as a result of

the differences between Dr Lim Chong Eu as leader of the M.C.A. and UMNO. One can understand the Honourable Member for Kuala Langat for twisting facts which are not so wellknown, but I do not think it was very clever of him to distort something which is known to all the world.

The Honourable Member for Seremban Timor made a number of criticisms on the Government's rubber policy, which have been adequately answered by my colleague, the Minister of Commerce and Industry. I should like, however, to make one general observation because, in referring to a statement in my speech on the second reading that the entire increase in total world rubber consumption in 1963 was supplied by synthetic, he goes on to imply from there that natural rubber is doomed. The Honourable Member for Bachok also made this point. That, in my view, is an unduly pessimistic stand to take. In the first place, it is significant that while every pound of natural rubber produced is sold, there is considerable excess capacity in the synthetic industry. It has been estimated that in 1963 between 20 per cent and 30 per cent of world synthetic capacity is being left idle. In 1912, natural rubber was selling at 12 shillings a pound, which meant that it was about equivalent to its weight in silver in terms of value. In 1931 the price fell to 1½d or 6 cents a pound, exactly one hundred times less. Many people then thought that natural rubber was doomed. Today, more than thirty years later, the planting industry is in a far stronger position than it was then.

Broadly speaking, world consumption has practically doubled itself every decade. It is also ironical that every time foreign experts, particularly those in America, forecast the doom of natural rubber, we get a boom, so much so that when I was in America in 1960, I pleaded with our American friends not to forecast the doom of natural rubber, because I do not like booms, and I do not like a boom because what goes up must come down. The law of gravity applies even to commodity prices! I well remember those days in the 1950's when, as a

back-bencher in the former Federal Legislative Council, I urged the Government of the day to alienate one million acres for the new planting of rubber realising that vigorous growth in world demand for rubber was in the cards for many years to come, and that high-yielding low-cost natural would be able to capture a large part of the future world market. At that time, expert opinion both in this country and overseas scoffed at my proposition because they felt that the future of natural rubber was bleak as a result of competition from synthetic. However, in a speech made by the Chairman of the Rubber Growers' Association in London at its Annual General Meeting on 24th May, 1960, he stated as follows:

"The Government (i.e. the Malayan Government) is clearly not unmindful of the fact that more and more natural rubber will be required in the future. The present Minister of Finance, Mr Tan Siew Sin, who has extensive knowledge of the rubber industry, was, I believe, the first person in the world in recent years to advocate wholesale new planting. (*Applause*) He has done this consistently and only a short time ago he called for another one million acres of rubber plantations in Malaya."

I do not say this to blow my own trumpet but to show how hopelessly wrong were the experts who were so pessimistic about the future of natural rubber even 10 years ago. My optimism about the future of natural rubber is based on two main grounds.

In the first place, even today, and in this connection let us remember that the first synthetic rubber was patented in Germany about 60 years ago and was called "Buna", so-called wonder's synthetic rubber, which incidentally is very expensive to produce, still has not got the elasticity of natural rubber. If you place a lump of synthetic rubber on the table it "runs" 24 hours later, that is, it loses its shape. Natural rubber on the other hand can be stretched but returns to its original shape when it is unstretched or when pressure is removed. In other words, after 60 years the scientists have still not been able to duplicate this amazing quality of natural rubber. One has a feeling that God sometimes is superior to man!

Secondly, let us look at the statistical position. In 1955 annual *per capita* consumption of all rubbers in the United States was about 22 pounds. In the highly industrialised countries of the Western world, like the United Kingdom, West Germany, France, Canada, Australia and New Zealand the figure was 8 to 12 pounds. In Russia it was 0.5 pound, China 0.3 pound and India 0.2 pound. It will, therefore, be seen that if consumption in Russia, China and India, which contains nearly one-half of the population of the world, were to increase significantly as a result of rising living standards, and this is by no means a far-fetched proposition, there would be a famine in rubber at some time in the future. We may also remember that even the gap between the United States on the one hand and the highly industrialised countries in the Western world on the other is still quite large and that gap, too, will narrow with every year that passes.

There is little doubt, therefore, that there is a tremendous future for natural rubber but that future will be secure only if the price and quality are right and that is where our programme of expended and extended research should come in useful. In a price war, there is no doubt as to who will be the loser. Natural rubber from high-yielding trees can be sold at a profit even at 50 cents but at that price a considerable proportion of the synthetic industry would go out of business. All that we ask for is free and fair competition with synthetic and in this respect a suggestion made by the Honourable Member for Bachok has some merit in it. I refer to the suggestion that we should enter into consultation with the governments of countries producing synthetic rubber with a view to restricting their use. Honourable Members will ask me how we can reconcile this request with our statement that all we ask for is free and fair competition with synthetic. The reason is simple. The synthetic industry in many countries has been built up for reasons of national security. In such case, economic considerations play a secondary role in its operations and indeed its future. The costings are secret and one suspects that this is so

in order to conceal the element of direct or indirect subsidy which is given, if not by the Government itself, at least by other sectors of a company's activities which are more profitable. Friendly governments could, therefore, help us in this direction by stipulating, through legislation, that certain goods must have a specified minimum percentage of natural rubber or should not exceed a specified percentage of synthetic rubber. Honourable Members will, however, appreciate that we can urge foreign governments who are friendly to us to take this step but we cannot compel them to do so.

The Honourable Member for Seremban Timor suggests that we should diversify our economy in order to reduce our dependence on rubber for such a large proportion of our export income. This is not only the Government's policy already, as has been pointed out by my Honourable colleague, the Honourable Minister of Commerce and Industry, we have been implementing it for some years past. It will, however, be appreciated that you cannot build Rome in a day, so it is with diversification. It will take at least one generation to make a significant impact on this problem. I say this because of the experience of Australia, to take only one example. In the post-war period, well over £1,000 million sterling capital has been poured into industrial development in that country, whose population is roughly comparable to that of our own. In spite of that, Australia is still heavily dependent on wool prices, though not to the same extent as in the pre-war period, and it will certainly take us some time to reach the position which Australia has now reached in the field of industrialisation. This also answers the point made by the Honourable Member for Bachok who states that we have done nothing yet to diversify our economy. It is clear that for another generation or so we will still have to rely heavily on rubber and hence we should do everything we can to make it more competitive by replanting with high yielding material and by research. We can still diversify our economy while strengthening the competitive position

of the rubber industry at the same time. He also suggests that we should plant more padi, palm oil and coconuts and should encourage the planting of sugar. Sugar was planted in this country long before either of us was born until it was supplanted by coffee and later by rubber. In fact, the first rubber planters were ruined coffee planters. My Honourable colleague, the Minister of Agriculture and Co-operatives, will tell him that we are taking steps to rehabilitate the coconut industry, and we are certainly encouraging the growing of more padi and more palm oil. The Honourable Member for Seremban Timor cites Hong Kong as an example of what industrialisation can achieve. I entirely agree with him, but let us also remember that if we are to build up a really substantial export market, our labour costs will have to come down, and that will not be so easy for us because while we have a strong trade union movement, and this is something which we consider desirable and rightly so, Hong Kong has no trade union movement worth speaking of. Labour costs naturally tend to be lower there.

The Honourable Member for Seremban Timor does not favour the changes proposed in regard to legislation covering the Employees Provident Fund. I am certainly surprised to learn that he does not favour an extension of the benefits of this valuable social measure to every possible employee in this country. One would think that every right-thinking person would welcome such a move. He also suggests that we should allow withdrawals for sickness. We must remember that the whole object of providing for security in old age would be lost if an employee were to be allowed to withdraw his contribution in cases of illness, simply because there will be little or nothing left for him after that, when he gets old and assuming, of course, he recovers from his illness, as in most cases they do. Be that as it may, however, the Fund does provide for withdrawal if it can be medically certified that the state of his health is such that he would be permanently invalided and hence unfit for further work for the rest of his life.

The Honourable Member for Seremban Timor also talks of the dangers of allowing legalised gambling, and says it is far safer to make gambling illegal in which case it is more likely to be less widespread. My Honourable colleague, the Assistant Minister of the Interior, has adequately answered him, but I would like to make one general observation. It is possible to have more than one point of view on this question, and those of us who take a realistic view of this matter, bearing in mind the actual conditions in this country, are not quite sure. We might also bear in mind that illegal gambling which cannot be prevented also means a substantial loss of revenue to the Government.

The Honourable Member for Bachok expressed considerable concern in his two-hour speech about our deficit. We have never run a deficit on current account, at least not since I went to the Treasury, and as far as I can remember not since the Alliance assumed control. The figures which I shall now give are all exclusive of contributions to statutory funds. In 1960, which was my first full year in the Treasury, we achieved a surplus of \$239 million on current account against an estimated deficit of \$9 million—that means I underestimated by \$248 million. In 1961, we managed a surplus of \$194 million against an estimated surplus of \$58 million. In 1962 we had a surplus of \$145 million against an estimated even balance of expenditure and revenue. For 1963 we are likely to obtain a surplus of \$86 million against an estimated deficit of \$15 million. It will, therefore, be seen that not only have we achieved surpluses on current account in every year, these figures also show that I can hardly be accused of over-optimism in my budget calculations. It is true that we are running into deficit on overall account, i.e., after taking development expenditure into account. This is inevitable if we are to accelerate both our rate of economic growth and our social progress. This, in fact, will be the price we will have to pay if, to use the words of the Prime Minister of Singapore, we are to achieve a more just and equal society.

The Honourable Member for Bachok makes the extraordinary statement that our financial future is bleak as a result of our unstable finances. I say the statement is extraordinary, because it is hardly an accurate reflection of the facts, when in spite of greatly increased ordinary and development expenditure, it is likely that the state of the Federal reserves and the burden of the national debt will be no worse at the end of 1965 than was forecast by the planners at the beginning of the Five-Year Plan. In fact, I must admit that I myself am surprised that our economy is so strong and so buoyant that it can take both sharply declining rubber prices and Indonesian confrontation in its stride. To any fair-minded person this is indeed a striking achievement (*Applause*).

The Honourable Member for Bachok also expresses surprise at our preference for foreign rather than domestic borrowing. Here again, I can only assume that, while his motives are laudable, he is clearly ignorant of the facts. Our domestic debt at the end of September stood at \$1,535 million while our foreign debt was only \$425 million. Two facts emerge from this statement. The first is that our domestic debt is many times larger than our external debt. The second thing that emerges is that our external debt is extremely small compared with that of many other countries. It is, however, desirable sometimes to borrow in external markets even when you do not need the money, in order to put our country on the international financial map. We must remember that a small country like ours would find it extremely difficult to borrow on our own credit in the main financial markets of the world, unless we establish our credit long before we really need the money. As an example, Japan is the only country in Asia and Africa which has so far managed to issue a loan on its own credit in the New York or indeed the American money market. If we, in the course of next year, can succeed in raising a loan in that market, and my talks with investment bankers in New York earlier this year have given me every reason to believe that we can, we will

be the only other country in Asia and Africa to achieve this. (*Applause*) When we remember that Japan has been a world power and we achieved our independence only six short years ago, it is not too much to say that this would be a triumph of some magnitude. (*Applause*). The reason for this is simple. Wall Street bankers are not interested in political considerations and to them a developing country is one which should be looked at with even greater care. In the financial jungle of Wall Street only one consideration counts, and that is whether the borrower is a good risk, i.e., whether he can repay the principal and interest and generally fulfil the terms and conditions of the loan. When a country is subjected to that sort of examination, and let us remember that this examination is conducted by the sharpest and shrewdest financial brains in the whole world without an ounce of sentiment, it is something to pass such a test with flying colours. I am by nature a cautious man, but I am prepared to bet that if the Alliance wins the 1964 elections, we will pass this test with flying colours (*Applause*).

The Honourable Member for Bachok also says that there is no emphasis in this Budget on economy of expenditure. This criticism has been aptly answered by the Honourable the Prime Minister of Singapore, who complimented the Government on the way it managed to slash defence expenditure. If the Treasury can be so successful in cutting defence expenditure at a time like this when defence needs are clearly paramount, it is a fair assumption that we have been even stricter with other forms of expenditure. I need say no more than this.

It is rather odd that, in the very next breath, the Honourable Member asserts that our defence treaty with Britain has compelled us to spend more on defence. The deduction one can make from this extraordinary statement is that defencelessness implies safety. I really cannot believe the Honourable Member for Bachok seriously means what he suggests, that is safety lies in being completely

defenceless! I presume that he has apparently never heard of gentlemen like Hitler, Mao Tze Tung and Soekarno.

The Honourable Member for Tanjong still finds it difficult to understand my hesitancy in fixing a ceiling on tax exemption for owner-occupied houses. The reason is ridiculously simple. What figure do you fix? A figure which is right for Kuala Lumpur may be too low for Singapore and too high for Telok Anson. On the other hand, a figure which is right for Singapore would be too high for practically every other place in Malaysia. It will, therefore, be appreciated that in order to achieve equity we might have to have different figures for different areas, and this is obviously administratively cumbersome, and this is also the reason why I have lifted the ceiling for Singapore pending an attempt to work out a permanent solution to this problem. The Prime Minister of Singapore has suggested that I have lifted the existing ceiling in Singapore in order to please our rich friends there. All I have done is to establish uniformity pending a better solution to this problem. In other words, I agree that a ceiling is right in principle, but the question is "How do we implement it in practice".

The Honourable Member for Tanjong has stated that my forecast of the rubber price has always been wrong, and he bases this criticism on the fact that the Five-Year Plan was based on 80 cents rubber. In the first place, it is difficult to say now what the average price for the Plan period will be for the simple reason that it is not over yet. In the second place, although it is likely that the average price in the later 1960's will be less than 80 cents, the man who can forecast the rubber price for the future accurately has not yet been born (*Laughter*), and he is not likely to be born, and it is still possible that rubber prices for 1964 and 1965 may yet confound all our expectations. I have been associated with the rubber industry during most of my working life and if there is one thing I have learnt, that is that it is impossible to

forecast even tomorrow's rubber price sometimes. In the third place, in spite of the fact that 80 cents is likely to be an over-estimate, our reserves at the end of the five-year period, in spite of, as I have previously said, Indonesian confrontation and other adverse factors, will be no worse than was forecast at the beginning. In other words, the end result will be no worse in spite of the slight miscalculation. In regard to the annual estimates, however, I should like to point out that the price which I have used for budget purposes has always been less than the price as it actually turned out to be. In 1960, I based the Budget on 80 cents rubber, the average price actually turned out to be \$1.08 cents. In 1961, the Budget was again based on 80 cents but the actual price turned out to be 84 cents. In 1962, I based the Budget on 75 cents but the actual price turned out to be 78 cents. In 1963, the basis price was 70 cents, but it is likely to be of the order of 72 cents.

The Honourable Member for Tanjong, in a desperate need for ammunition, blamed Indonesian confrontation and the falling rubber price on this Government. One does not need to be an economist to realise that we have no control at all over the rubber price. I wish he could be right, i.e., that we have some control over the price at which we sell our rubber.

He also stated that the repercussions of Indonesian confrontation are far greater than I would like the country to believe. The Honourable Member for Telok Anson also made that point. The figure of \$250 million which I have given would be the result of a full year of complete stoppage of trade. It is the maximum loss of income likely to be incurred, not the minimum. It is not in my nature, as I have said, to be over-optimistic in the field of finance and even the Honourable Member for Tanjong should be aware of this by now.

The Honourable Member for Ipoh says that this Budget is not in balance, that is, it is in deficit, contrary to our election promises. I think I have adequately answered this point already.

He states that we have broken a promise made in our 1955 Election Manifesto to amend the Employees Provident Fund Ordinance. All we said then was that we would amend the Ordinance to enable a contributor to withdraw his contribution or to benefit from his saving—if I remember the exact words used in our Manifesto—in case of genuine need. We have looked into this matter as promised; and as a result, we did invite an International Labour Organisation expert by the name of Mr Goddard, to survey the whole field of social security legislation. He came and he has produced a report, and action will be taken on it.

The lone Barisan Sosialis Member who spoke ran true to form as expected. He indulged in destructive criticism and repeated the parrot cry that our economy was under foreign control. He did not however elaborate, and I must, therefore, assume that he was really speaking for the benefit of his supporters and did not expect his remarks to be taken seriously.

An Honourable Member from Sarawak asked me whether the crash programme for technical training and the proposed sickness insurance scheme would apply to Sarawak as well. The idea is to have a pilot scheme in Malaya first and see how it works. If it works here, we could certainly consider extending it to the rest of Malaysia.

An Honourable Member from Sabah was under the impression that tax exemption for owner-occupied houses would not apply to Sabah. It certainly does. I would refer him to paragraph 98 of my speech which should have left him in no doubt on this point.

The Honourable Member for Telok Anson, describes our attitude towards Indonesia as aggressive and uncompromising. I wonder how he thinks we should behave when someone wants to crush you. Do you say "Yes, please go ahead", or "I beg your pardon, please forgive me for not wanting to be swallowed up".

I wish now to touch on the subject of Indonesian confrontation. One would

have thought that after the recent revelations made by the Honourable the Prime Minister on the extent of Indonesian treachery and aggression, Honourable Members of the Socialist Front would have risen up as one man to denounce what our leader has so aptly described as blatant and barefaced acts of aggression. At least they should have done so if they are to deserve the appellation of a loyal Opposition. What do we see instead? We see instead an apology for the actions of a Government which is not only foreign but clearly hostile to us. It is not only hostile, it is clearly determined to crush this young nation of ours for ever and absolutely, and yet the Honourable Members of the Socialist Front have not dared to raise a single word of protest, nay, not even a feeble word of protest against such undisguised imperialism. They, who shout so often and so loudly against Western imperialism choose to remain silent and to ignore an imperialism which threatens to destroy their young country, even when that imperialism has become so naked, so undisguised, so unashamed and so unabashed as to make it clear for all the world to see, except those who are completely and wilfully blind. That is the measure of their loyalty to this country, that shows how much faith we can place on protestations of loyalty which emanate from their ranks when they are challenged to prove their allegiance to this country. I am aware that they try to counter this accusation by saying that we should not have got into this position in the first place. Let us assume, for the sake of argument, that they are right and that but for our mismanagement we would not have got into this sorry situation today. Where do we go from here? After all, what has been done cannot be undone. What solution do they offer? All they say is that we should adopt a realistic attitude towards Indonesia, but not a single Member of the Opposition who has criticised our policy in this respect has yet offered a constructive alternative apart from vague generalizations about the undesirability of antagonising Indonesia.

Mr Speaker, Sir, those of us in this House whose conscience is clear sincerely hope that there are not in this very House some who would not hesitate to destroy the country which is their home, or should be their home, and which has given them life and sustenance. It is incredible that at what is probably the most critical hour in our history, we may yet find that our enemies within are far more dangerous than our enemies without. History will record that when this young nation was in dire peril and fighting for its very existence, those who should have been for us are against us. It is unbelievable that when we are facing blatant and bare-faced aggression, such aggression should be supported, equally blatantly, from within. Let this be a warning to those of us who have the interests of this country at heart and whose duty it is to safeguard it against all enemies, whether external or internal. I now turn to my old sparring partner, the Honourable the Prime Minister of Singapore, who, unfortunately, is not here. Here again, in so far as the Budget is concerned, he repeats the familiar cry which has been repeated in Malaya again and again by our political opponents, that we are a Government which only caters for the rich and the well-to-do. He has given me a number of compliments, for which I thank him, and if I return the compliments, I hope he will accept them with the same spirit. In the first place, I must concede that although he repeats a well-worn cliché, he has couched it in rather elegant language. As a result, it appears neither well-worn nor a cliché. His main charge, if I understood him correctly, is that basically this Budget is, if I may use a crude expression, a rich man's budget.

The whole world is aware that we have spent and are continuing to spend literally hundreds and hundreds of millions of dollars on our rural population through our rural development programme. I humbly suggest that these figures are not to be sneezed at. These figures represent our determination to redistribute the wealth of this country so that the "have-nots" will have a greater

proportion of it in the present and in the future than they ever had in the past. These figures tell more eloquently than words that the process has started.

It is also the Government's intention to proceed vigorously with our urban housing programme. We have not been able to act as quickly as we would have wished to, as unlike Singapore, administrative procedures here are more cumbersome. As I pointed out in my speech on the second reading, an effective programme of home construction requires three main ingredients, namely, finance, suitable sites and an efficient construction industry. We have an efficient construction industry, the Central Government is prepared to do everything it can to provide the money required, but suitable sites can only be obtained with the active co-operation of the respective State Governments, as land is a State matter under the Constitution. It will, therefore, be seen that though the will to act may be present, speedy action may not always be possible.

I understand that the Central Provident Fund in Singapore pays a lower rate of interest on the accounts standing to the credit of its contributors as compared with the Malayan Employees Provident Fund. According to the latest published Annual Report of the Central Provident Fund of Singapore available in respect of 1962, the Board only paid 2½ per cent on the 1961 opening balances of its contributors. The contributors of our Employees Provident Fund have been credited with 4 per cent as from the beginning of 1960. Further, as already mentioned in my Budget speech, the Employees Provident Fund has recently decided to pay 5 per cent on the accounts standing to the credit of its contributors as at the beginning of this year. I think, Sir, for a so-called right-wing Government, we have not done too badly, particularly when we compare this rate with the rate paid by a socialist Government in Singapore. I humbly suggest that our performance in this respect shows that in practice, and this after all is the acid test, we are, if anything, even more solicitous

about the welfare of the working class (*Applause*).

We are accomplishing, and not only promising, if I may paraphrase a sentence I used in my speech on the second reading. It is because of this massive determination to build a better society that our overall deficit is getting higher and higher with every year that passes, and we finance it partly by running down our reserves and partly by borrowing. It is because of this that our Budget, unlike that of Singapore, shows a deficit on overall account though a surplus on current account. Singapore, on the other hand, shows a surplus on both current and capital account. I am not implying by this that Singapore's will is less, but what I do say is that we are prepared to go to very great lengths to achieve this vital objective.

The case of the Prime Minister of Singapore against us, is, perhaps, based on the relative share of the revenue accounted for by direct as opposed to indirect taxation, because that is the only clue he gives us as to why he regards this Budget as a rich man's Budget. I say this because nowhere in a speech lasting 1½ hours did he tell us how we could have done better. He only said that this was not good enough. Be that as it may, however, it would be interesting to look at this side of the picture. In 1956, the Federation of Malaya collected \$143 million from income tax. This was equivalent to about 18 per cent of total domestic revenue. In 1962, we collected \$237 million, equivalent to about 22 per cent. In 1956, Singapore collected \$68 million in income tax, equivalent to about 27 per cent of total domestic revenue. In 1962, Singapore collected \$88 million, equivalent to about 21 per cent. In other words, Malayan income tax accounted for a slightly greater proportion of total revenue than Singapore income tax. It will, therefore, be seen that Singapore even after four years of socialist Government does not get more from income tax, in proportion to total revenue, than the former Federation of Malaya. Socialist theory has it that income tax is the most equitable form

of taxation because it directly relates to ability to pay. Even in this respect, Singapore is not ahead of the former Federation of Malaya. Now let us look at the actual figures themselves. The Federation collected \$143 million in 1956 and \$237 million six years later, an increase of 66 per cent. Singapore collected \$68 million in 1956 and \$88 million in 1962, an increase of only 29 per cent, i.e. less than half the Malayan rate of increase, and this is in an urban society where the trend should be the other way round.

It may, perhaps, be asked why we have not increased personal income tax rates in the higher income brackets. In order to understand the position fully, I intend to take Honourable Members back to August, 1959 when I went to the Treasury. One of the first things I did then was to send for the then Comptroller-General of Income Tax and ask him for an estimate of the amount lost through tax evasion. He stated that in his opinion the amount was of the order of \$5 million a year. I told him that in my view we would be nearer the mark if we added another zero to his \$5 million. He thought that my estimate was very much on the high side. I then asked him what was the average earning of a doctor in this country. He replied that this had not been worked out. I asked him to go and work out this figure for me. The figure which he eventually submitted to me was about \$800 per doctor per month on an average. I asked if he seriously believed that this was the average earning of a doctor in this country, that is something less than that earned by a Division II officer in the Public Service.

To cut a long story short, we decided to start a serious anti-evasion drive. Honourable Members will remember that a year later, the Government introduced major amendments to the Income Tax Ordinance which had the result of putting more teeth into the law so that the authorities could act decisively and promptly against tax evaders by giving the Government wide powers of inspection and investigation. At the same time,

we offered handsome rewards for information leading to the detection of evasion. We strengthened the staff of the anti-evasion section of the Department of Inland Revenue, both in terms of quality and quantity. The result has been that tax collection practically doubled in two years from \$132 million in 1959 to \$233 million in 1961—two short years later. When the 1961 collection figure was achieved, the Department told me that this was due to other factors, namely the broadening of the tax base and high rubber prices, in 1960. The Comptroller of Inland Revenue further stated that collection would fall off in 1962. In fact, I had a bet with him. He lost the bet because in 1962, it was even higher, it went up to \$237 million as I stated in my Budget speech. The Department then stated that in 1963 it was bound to fall sharply and hence a figure of only \$189 million was given in the Estimates. I am now told that the 1963 collection is likely to exceed \$230 million in spite of the sharp drop in the rubber price.

To sum up, the Government feels that where there is widespread evasion it is far better to collect what should be collected than to bump up rates which are more likely to be honoured in the breach than in the observance. Even today, I feel that although we have made some impact on this problem, we have still a long way to go. We have masses of information now, so much information in fact that it is quite a job keeping up with it. There was one case where a man declared an annual income of \$20,000 and we eventually collected over \$1 million in back taxes and penalty. We have had many number of cases where taxpayers had to pay a sum of six figures in back taxes and penalties. If things like this can happen, Honourable Members can imagine the extent of evasion in this country. I, therefore, feel that if we cannot even collect what we should collect at the present rates, it would be foolish in the extreme to raise rates which would only increase the extent of evasion.

We cannot compare import duties because Singapore is a free port, but

even here we have not done too badly. Import duties accounted for 43.1 per cent of total domestic revenue in the Federation in 1956, but had fallen to 42.7 per cent in 1962. It should, however, be remembered that when the Malaysian common market has been fully established, import duties may account for a larger share of Federal revenue and let us also remember that Singapore is pressing hard for this. In 1962, total Federal revenue accounted for about 18 per cent of the gross domestic product. In Singapore, it accounted for 17 per cent. Both Singapore and the former Federation spend about the same proportion of their budget on education and health.

It will, therefore, be seen that in regard to expenditure on social services we are not behind Singapore. A greater proportion of our revenue is derived from income tax, a form of direct taxation which the Prime Minister of Singapore favours. In practice, therefore, our taxation policies are no less egalitarian than those of Singapore. I readily appreciate that in the context of our present relationship, it is politically impossible for the Prime Minister of Singapore to lavish undiluted praise on this Budget. In the field of politics, his maiden speech was wise and statesmanlike and, therefore, unavoidably flattering to the Alliance Government. So, somewhere he had to criticise, bearing in mind the position in which he was placed. One must sympathise with him because he had no other alternative. The very mildness of his criticism, however, even of our financial and economic policies, and the very vague and general way in which he had chosen to criticise such policies, leads me to conclude that in his heart of hearts, he approves this Budget. (*Applause*). That, in fact, is the general consensus of opinion of the entire Opposition though, in their case, their language is slightly less elegant. The paucity of substantiated criticism, which has been levelled at this Budget, is certainly welcome and must lead us to the inescapable conclusion that the entire House approves this Budget, though some of us understandably cannot say so so openly. (*Applause*).

Mr Speaker, Sir, the achievements of this Government during these eight years of power are there for all the world to see. (*Applause*). No amount of denigration by the Opposition can wipe out one iota of what has been achieved, no amount of ineffective verbiage can wash out the successes which will be credited to our account in the ledger books of history. Malaysia is probably the most stable country in Asia and Africa, both politically and economically. (*Applause*). That single sentence sums

up our solid achievements during the past eight years, and on that we stand. I, therefore, ask this House to approve this Budget with acclamation. (*Applause*).

Question put, and agreed to. (*Applause*).

Bill accordingly read a second time.

**Mr Speaker:** The meeting is adjourned till 10.00 a.m. tomorrow.

*Adjourned at 7.08 p.m.*