

SPEECH BY THE DEPUTY PRIME MINISTER
ON THE SECOND READING OF THE SUPPLE-
MENTARY SUPPLY (No. 4) BILL AT THE
DEWAN RAKYAT ON 12TH DECEMBER, 1963

Mr. Speaker, Sir, I beg to move that a Bill intituled "An Act to apply a sum out of the Consolidated Fund for additional expenditure for the service of the year 1963 and to appropriate such sum for certain purposes" be read a second time.

Clause 2 of the Bill seeks authority for additional expenditure of \$182,891,803 for the service of the year 1963 and this is shown in the Schedule to the Bill and also in the Supply Expenditure Section of the Fourth Supplementary Estimates, 1963, tabled as Command Paper No. 43 of 1963.

The original Estimates approved by Parliament for 1963 amounted to \$1,087.8 million. Taking into account the three Supplementary Estimates already approved by Parliament and the Fourth Supplement now required, the total appropriation for 1963 will now come to \$1,393.3 million. Of the supplement of nearly \$183 million now required, a sum of \$16,477,929 has already been advanced from the contingencies Fund to meet urgent expenditures, and this has now to be recouped.

Although the present supplement appears to be very large, \$150 million of the \$183 million sought for is required for transfer to the Development Fund. This sum compares with \$70 million similarly transferred at the end of last year, and represents the use of our reserve balances for development expenditure as envisaged in the Second Five-Year Plan. Apart from this, the other big items of expenditure required involve nine Heads of Expenditure. Head S. 1—Parliament requires a supplement of \$497,536 as a result of the need to provide funds to meet expenses connected with the recent Commonwealth Parliamentary Association Conference in

Kuala Lumpur. The Prime Minister's Department needs \$3,757,192. Of that sum, \$201,014 is required to establish the offices of the Federal Secretary in Kuching and Jesselton, \$2,853,625 is required to meet the expenditure in connection with the Malaysia celebrations and \$536,538 is required for the purchase of Rumah Persekutuan in Singapore. The Ministry of Agriculture and Co-operatives seeks a supplement of \$650,040 of which \$400,000 will provide financial assistance to padi planters affected by the prolonged drought in Kedah, Perlis and Perak. The Ministry of Commerce and Industry seeks \$1,070,000 to meet the payment on work done on the Malaysian stand at the New York World Fair. A very large supplement, as Hon'ble Members will observe, amounting to \$14 million, is sought for the Ministry of Education to meet the payment of grants-in-aid to primary and secondary schools. The likelihood of such a supplement being required, in view of the difficulty of forecasting school enrolments with accuracy, was mentioned in the Budget speech last year. A sum of \$1,195,248 is required by the Ministry of External Affairs from the establishment of a new Embassy in Vietnam and for certain other purposes.

There are also a number of contributions to various statutory funds and one or two other items which are described in the Treasury memorandum tabled as Command Paper No. 44 of 1963. The various Ministers concerned will give further explanation if required during the Committee stage.

Sir, I beg to move.

Dewan Rakyat have been met by the issue of advances from the Contingencies Reserve. These advances require to be recouped. For these reasons it is necessary to present the Development (Supplementary) (No. 3) Estimates, 1963.

The largest amount required is \$45,716,000 in respect of Head 114—Federation Armed Forces. As I have already stated, this has been met from the ordinary Recurrent Estimates and has now to be transferred to the Development Fund. No additional money is therefore involved. In the same way, out of the sum of \$528,307 required for Head 103—Broadcasting, to provide for studios and equipment in Penang and the necessary expansion of the Overseas Broadcasting Service, \$390,500 has been met out of the ordinary Recurrent Estimates and is now to be transferred to the Development Fund.

One of the larger supplements needed is in respect of Head 122—Education, amounting to \$4,732,800, to provide additional funds for the primary and secondary school programmes and the secondary continuation school programme, for teacher training and for the building of more hostels as a result of the increase in school enrolments.

Of the smaller supplementary items, a sum of \$476,566 is required for Head 118—Royal Federation of Malaya Police, to meet the cost of land required for building accommodation for the Federal Reserve Units which have recently been sent to Singapore.

Honourable Members will observe that a sum of \$4,285,714 has been entered to create a new Head 154—Development Projects in Sarawak and Sabah. This money is required to make provision for the period 16th September to 31st December, 1963, so as to continue schemes which were previously financed by British Colonial Development and Welfare Grants and, secondly, to provide for the extension of the runway at Jesselton Airport. Against this expenditure items, we shall be receiving from the British Government before the end of the year a corresponding instalment of £500,000 of the grant for the development of the Borneo territories as promised in the Malaysia Agreement.

There is only one other item of loan expenditure amounting to \$380,000 which is required to provide additional funds under Head 138 for the Malacca Municipal Water Extension Scheme.

The rest of the items requiring supplements are relatively small. In the case of three items, Head 120—Customs and Excise, Head 144—Telecommunications and Head 147—Civil Aviation, only token votes are required for the purpose of obtaining the approval of the House for changes in the total estimated cost of the projects concerned.

Further details of the expenditure required will be given by the Ministers concerned in the Committee stage, and it is therefore not necessary for me to elaborate further on these matters.

Sir, I beg to move.

That pursuant to Standing Order 67c the following Motion be referred to a Committee of the whole House.

That this House resolves that an additional sum not exceeding \$56,246,744 be expended out of the Development Fund in respect of the financial year 1963, and that, to meet the purpose of the Heads and Sub-heads set out in the second column of the Statement laid on the Table as Command Paper No. 45 of 1963, there be appropriated the sums specified opposite such Heads and Sub-heads in the eighth and ninth columns thereof.