

SPEECH BY THE DEPUTY PRIME MINISTER AT THE MEETING OF THE STANDING COMMITTEE ON THE IMPLEMENTATION OF THE RESOLUTIONS OF THE CONGRESS ECONOMY BUMIPUTERA ON 17TH SEPTEMBER, 1965

Gentlemen,

I wish to thank you for your willingness to serve on this Standing Committee and for sparing your valuable time to attend the first meeting of the Committee today. As you are well aware that the establishment of this Committee has been in pursuance with one of the resolutions of the Congress Economy Bumiputera which met in June this year. The purpose of establishing this Committee is to see to it that the 69 resolutions of the Congress Economy Bumiputera which have been accepted by the Government are fully implemented so as to give the Bumiputera of this country their full and effective part in the economic life of this country.

The Committee is also to find the best ways and means of implementing the resolutions of the Congress in the most speedy and efficient manner. I feel that you will have a lot of contributions to make in the direction of realising the Government's aim to obtain maximum and effective participation by the Bumiputera in the economic life of the country, particularly in the fields of commerce and industry.

The Government's Second Five-Year Plan has been an outstanding success particularly in the rural areas. The Government has provided essential amenities in the rural areas, opened up lands for the landless through the Federal Land Development Authority, and through the various efforts of the State Governments. The Government has also encouraged the growth of the sense of responsibility and self-reliance among the rural people of the country by launching the second phase of the Rural Development Programme which pays particular attention to the promotion of the self-help spirit. This success must be backed up with effective follow-up action. One of the major follow-up activities undertaken by the Government is the establishment of the Federal Agricultural Marketing Authority which will cater for the marketing of certain agriculture produce of the rural areas.

Another follow-up action which is being undertaken by the Government is the establishment of an Authority called the Land Rehabili-

tation and Consolidation Authority which carries out rehabilitation and consolidation of land schemes and uneconomic holdings.

The First Malaysia Plan is in the final stage of preparation and it is the intention of the Government to bring this Plan to Parliament at the end of this year. In the First Malaysia Plan economic projects designed to increase productivity will be given priority.

Under the Plan, it is envisaged that more lands will be opened up for agriculture. In this respect, the Federal Land Development Authority is expected to achieve the target of opening up 50,000 acres of land per year. The Government is, in fact, sparing no efforts in assisting the rural people in getting a better share in the fruits of their labour.

Coming back to the more immediate objective of our meeting today, I would like to take this opportunity to enlighten you with the progress on the implementation of a number of the key resolutions of the Congress.

The Government is now finalising the reorganisation of the old RIDA so that it will be given a new life, image and vitality. It is my intention that the new organisation (MARA) emerging from the reorganisation exercise, will have vigour and push. It will devote its attention to the work of assisting the Bumiputera to participate effectively in the fields of commerce and industry. Although the Majlis Amanah Rakyat Act (MARA's Act) has not been passed by Parliament, the MARA has now started to function in accordance with the new spirit. It has 7 separate Divisions headed by 7 Directors who are solely responsible for the implementation of the policy decisions of the Organisation. The Division are:—

- (i) the Administration Division;
- (ii) the Accounts Division;
- (iii) the Commerce and Industry Division;
- (iv) the Credit Finance Division;
- (v) the Management and Advisory Service Division;
- (vi) the Training Division; and
- (vii) the Transport Division.

To give MARA new blood, we are recruiting young, energetic and qualified persons into the Organisation.

Since MARA is going to have a range of important activities, I have already given instructions that a "Planning Unit" within MARA for the purpose of forecasting and formulating the future policy and

direction of the MARA be established. This Unit is also expected to collate and assess data pertaining to the activities of the Organisation so that these data could be of use for planning purposes. This "Planning Unit" of the MARA will also be expected to carry out feasibility and viability studies of certain projects so that the MARA will not waste and spend its energies, time and money on wasteful projects.

Another aspect of the reorganisation of the old RIDA is the shedding-off some of its former activities in which RIDA has proved that it has no competence. The functions that have been weaned-off or in the process of being weaned-off are:—

- (i) the Rubber Processing Factories; and
- (ii) the Rubber Group Processing Centres.

With regard to the Rubber Processing Factories, I have made a decision that these factories should be closed or sold to individuals who want to run them. The Rubber Group Processing Centres will be taken over by the Rubber Research Institute.

If we go through the resolutions of the Congress Economy Bumiputera, we find that the main burden of implementing them lies with the MARA. I have, therefore, instructed the Directors of each of the operating Divisions to prepare the plans of action of each Division consistent with the new image of the MARA. I understand that these plans are well in hand and will be ready by the beginning of next year. In the meantime, I have also instructed the appropriate Divisions of the MARA to carry out some crash programmes so that no time is wasted in getting started in the direction of implementing the resolutions of the Congress.

This Act has been read for the first time in the House of Representatives in the last sitting of the Parliament. I hope to carry the Bill through in the November Parliamentary Session.

I feel that, in order to achieve full and effective participation by the Bumiputera in the economic life of this country, their training in business and similar fields is vital. The Training Division of the MARA is now looking into this aspect of the problem and I understand that the Training Division of the MARA will start carrying out the training of small businessmen in management and other aspects of the business before the end of the year. In this connection, the MARA has also established its Management and Advisory Services Division in order to cope up with the work of giving or making available advice on management and other technical matters to the Bumiputera of this country.

With regard to the establishment of a National Corporation for Timber and Forest Products within the MARA's Act, this Corporation will be carried out on a joint venture basis with Bumiputera companies.

I am glad to inform you that the Bank Bumiputera will be launched on 1st October, 1965. I have also found a local man to become the Managing Director of the Bank and I will announce his name later.

With regard to the operation of this Bank, I would like to stress that it should operate on commercial and business lines.

The Malay Secretariat in the Ministry of Commerce* and Industry will be closed down and the MARA is now in the process of taking over the functions of the Division.

I have already written to the various Menteri-Menteri Besar/Chief Ministers urging them to establish a similar Committee to this one at the State level for the purpose of coordinating and carrying follow-ups on the implementation of the resolutions of the Congress. They will maintain liaison with the Federal Government on the setting up and implementation of the MARA's policy. Their members will be as follows:—

Chairman	—	Menteri Besar
Deputy Chairman and Secretary	—	State Development Officer
2 or 3 Exco Members		
Commissioner of Lands		
State Engineer		
State Forest Officer		
State Agricultural Officer		

I am happy to say that the progress on implementation of the resolutions of the Congress Economy Bumiputera has been very substantial. I hope, in the course of our meeting today, you will contribute useful ideas on this subject.