

SPEECH BY THE DEPUTY PRIME MINISTER
IN MOVING THE EXPENDITURES OF THE
DEVELOPMENT ESTIMATES, 1963 AT DEWAN
RAKYAT, ON 22ND DECEMBER, 1962

Mr Chairman, Sir,

I beg to move that the expenditures shown under Heads 126 to 129 be approved.

Sir, I have already spoken at length in the general debate on the position of the Ministry of Rural Development, so I do not propose to speak very much longer on the subject. Also, during the debate on the Estimates, I have explained the position of the Federal Land Development Authority, and how much success has been achieved by the Federal Land Development Authority in opening up new areas throughout the country.

Now, parallel to the success achieved by the F.L.D.A., State Governments have now intensified their respective programme under Group and Fringe Alienation Schemes for areas of under 2,000 acres, either subsidised or non-subsidised schemes. In 1961, there were 29 subsidised Fringe Alienation Schemes involving 17,431 acres and 70 non-subsidised schemes involving 46,403 acres. In 1962, there are 154 subsidised schemes with an acreage of 59,565 acres and 159 non-subsidised schemes with an acreage of 113,419 acres. Under Head 126, Sir, there is a sum of \$5 million provided for this purpose. This money is intended to be a loan from the Federal Government to State Governments to assist the State Governments for felling, clearing and burning of the jungle areas under development and this grant of money has been of great help to the State Governments. I am not sure whether this \$5 million would be sufficient to meet the ambitions of the various State Governments on these schemes but it is hoped that State Government will be able to contribute from their own resources too.

Now, Sir, with regard to RIDA I have also explained this at length previously. Since the establishment of the Ministry of Rural Development the scope and responsibility of RIDA have now been narrowed down to the main functions of providing credit

facilities to small industries, providing **marketing** facilities for rural produce, and encouraging rural industries, either by directly managing or participating in such rural industries as rubber processing centres, bus services, fruits canning and other miscellaneous cottage industries.

Now, in the field of rural credit facilities, RIDA has up to date given out over \$20 million on loans and has collected the repayment of over \$14 million and the circulation of this vast sum of money has been of great help to small businessmen throughout the country.

At kampong level, RIDA provided in 1962 more than 100 new Pekan-pekan **Sehari**, and in 1963 it is intended to carry on with this programme.

Now turning to Rural Industries, RIDA has established thirteen rubber processing factories and sixty-one rubber group processing centres throughout the country; and also, on Rural **Bus Services**, RIDA has taken an active part in no less than eleven rural transport services.

Now I come to Geological Survey. Geological Survey is one of the most important departments of Government in that it provides research of available mineral resources throughout the country and I think any money spent on this department is well worth because it will bring revenue to the country and employment to our people. To illustrate only one example, the recent discovery by the Geological Survey of the new iron-ore field in **Pahang** will, I am sure, bring considerable revenue not only to the Federal Government but to the State Government.

With regard to Head 128, the Research Division of the Department of Mines undertakes research on practical improvements to methods of mining and mineral dressing. This is also a worth-while expenditure, and so far in 1962 mineral clearance has been given to over 114,000 acres.

Also under Head 128, there is expenditure on Mineral Investigation Grilling Unit. As I have explained previously, it is the Government's policy to investigate areas in Malay Reservations in order to encourage Malay participation in the mining industry.

Lastly, Sir, I come to Head 129, Survey. I am pleased to report to the House that the Survey Department has been doing most excellent work in our Rural Development. In spite of heavy pressure of work in connection with our rural development programme, the Survey Department has continued to maintain the high standard for which it has always been known. This department has devoted its energies exclusively to Rural Development projects. We have recently recruited 250 technicians to help to increase the staff in this department. I think with the increase of staff and also with the help that we are getting from the New Zealand Government under the Colombo Plan—to which, I must say, we are indeed very grateful—this department has been able to cope with the very heavy pressure of work, the steadily increasing amount of work in our land development schemes organised both by the Federal Government as well as the State Governments.

Sir, I beg to move.