



malaysia 1969

BUKU RASMI TAHUNAN
OFFICIAL YEAR BOOK

THEIR MAJESTIES

His Majesty the Yang Di-Pertuan Agong Tuanku Ismail Nasiruddin Shah ibni Al-Marhum Sultan Zainal Abidin, D.K., D.M.N., S.P.M.T., D.K. (Kelantan), D.K. (Selangor) and Her Majesty the Raja Permaisuri Agong Tuanku Intan Zaharah binti Al-Marhum Tengku Sri Setia Raja.

With effect from September 21, 1970, Their Majesties terminated their official duties as the Yang Di-Pertuan Agong and the Raja Permaisuri Agong. The Timbalan Yang Di-Pertuan Agong H.R.H. Sultan Abdul Halim Mu'adzam Shah ibni Al-Marhum Sultan Badlishah, D.K., D.M.N., D.U.K., S.P.M.K., has been elected the new Yang Di-Pertuan Agong by the Conference of Rulers. His Consort is the Sultanah of Kedah, Tunku Bahiyah binti Al-Marhum Tuanku Abdul Rahman.



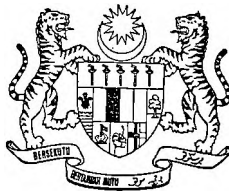


MALAYSIA

OFFICIAL

YEAR BOOK

1969



VOLUME NINE

PUSTAKA PERDANA



1006199



PERDANA
LEADERSHIP
FOUNDATION
VAYASAN
KEPIMPINAN
PERDANA

Malaysian Government Copyright

Printed at the Government Press
by Mohd. Daud bin Abdul Rahman,
Acting Government Printer,
1971

PREFACE

The Malaysia Official Year Book 1969 is the 9th edition in the series, prepared and extensively revised each year by the staff of the Publications Division of the Federal Department of Information, Ministry of Information and Culture, Malaysia, with the co-operation of other government ministries and departments as well as many national organisations and statutory bodies.

This Official Year Book is widely known as an established work of reference and is the mainstay of the reference facility provided by the Federal Department of Information in many countries. It is widely distributed to world libraries and Malaysian missions abroad.

The 1969 edition, which covers events up to December 1969, gives a factual account of the administration and the national economy of Malaysia. It describes the activities of many of the national institutions, both government and quasi-government and shows the part played by the Government in the life of the community. The contents of this book are intended for easy reference with tabulated statistical data, both in the text wherever relevant as well as in the Appendices. Readers who require more detailed information should consult the Annual Statistical Bulletin and the Quarterly Bulletin compiled by the Statistics Department, Malaysia.

Unless otherwise mentioned, all illustrations in this Year Book are the work of official photographers of the Federal Department of Information, Malaysia.

The Government reserves the copyright of this book but the contents may be freely quoted with or without acknowledgement.

The Federal Department of Information wishes to thank all ministries and departments as well as all other organisations and statutory bodies for having contributed textual and other statistical data for this Year Book.

Requests to reproduce any of the illustrations should be directed to the Director-General of Information Services, Federal Department of Information, Ministry of Information and Culture, Angkasapuri, Kuala Lumpur, Malaysia.



CONTENTS

CHAPTER	Page
1. REVIEW	1
<i>Economic Growth; New Economic Policy; Industrialisation; CIC; Education; Power for Progress; Tourism; Infrastructure; General Elections; Fostering Racial Harmony and National Unity; Towards the Seventies.</i>	
2. THE LAND AND THE PEOPLE.....	9
GEOGRAPHICAL BACKGROUND .. 9	
<i>Climate; Flora and Fauna; Wild Life.</i>	
HISTORICAL OUTLINE..... 10	
<i>Early History; Advent of the British; British Adviser; Malay Leaders; The Second World War; Post War; The Emergency; Independence; North Borneo; Sarawak.</i>	
FORMATION OF MALAYSIA 19	
<i>The Cobbold Commission; Sabah; Political Parties; Sarawak; London Agreement; Separation of Singapore; Peace Pact; Sabah Issue.</i>	
DEMOGRAPHIC BACKGROUND. . . 24	
<i>Racial Composition; Sarawak; Sabah; Population and Housing Census.</i>	
3. THE NATION.....	29
The Yang Di-Pertuan Agong .. 29	
<i>States; Election of King; Conference of Rulers; The Prime Minister; Cabinet and Ministers; The Assistant Ministers.</i>	
THE FEDERAL PARLIAMENT 34	
<i>Functions of Parliament; Members; The Dewan Ra'ayat; The Dewan Negara. (For NOC and its functions, refer to Chapter 4).</i>	

THE ADMINISTRATIVE MACHINERY ..	38
<i>West Malaysia; East Malaysia; Staffing; Local Government.</i>	
Elections Commission	39
<i>Legislation; Electorate; General Elections 1969; Sabah and Sarawak; Position of States; Percentage of Votes; Nomination Day; Candidates.</i>	
PUBLIC SERVICES COMMISSION ..	55
THE CIVIL SERVICE.....	57
<i>Functions; Pay and Allowances Division; Establishment Division; Estimates; Schemes of Service Division; Management Analyst and Inspectorate; Service Division; Promotion and Disciplinary Section; Pensions Section; Widows and Orphans Unit; Common-User Service Section; Other Services Section; Examinations; Records; Training and Career Development Division; The Training Directorate; Staff Training Centre.</i>	
PRIME MINISTER'S DEPARTMENT ..	68
Economic Planning Unit	70
<i>National Economic and Planning Division; Regional Planning Division; Sectoral Planning; Projects Division.</i>	
THE DEVELOPMENT ADMINISTRATION UNIT	73
<i>Functions; Training.</i>	
NATIONAL COUNCIL FOR ISLAMIC AFFAIRS, WEST MALAYSIA	74
NATIONAL GOODWILL COUNCIL ..	76
<i>Functions; Directives; Secretariat; Fund; Registration; Formation of National, State and District / Division Residency Goodwill Councils; Reorganisations of Goodwill Committees; Programmes.</i>	
NATIONAL FAMILY PLANNING BOARD	79
<i>Services and Supplies; Acceptance and Response; Training Programme; Sex Education.</i>	

CONTENTS

vii

Page

NATIONAL ARCHIVES.....	81
<i>Records Service; Archives Service; Research and Publications Services; Repository and Technical Services; National Library Service.</i>	
4. NATIONAL OPERATIONS COUNCIL	85
<i>NOC Members; The Emergency Cabinet; Composition of NOC; Chief Executive Officer; Functions of the Secretariat.</i>	
CIVIL AFFAIRS SECRETARIAT/DEPARTMENT OF NATIONAL UNITY	88
<i>Main Functions; Promotion of National Unity; Research; Servicing Committees and Sub-committees.</i>	
5. JUSTICE, LAW AND ORDER.....	91
THE JUDICIAL DEPARTMENT	91
<i>Federal Court; High Court; Chief Registrar; Sessions Courts; Magistrates' Court; Penghulu's Court; East Malaysia; Revenue; Judges.</i>	
THE ROYAL MALAYSIA POLICE .. .	95
<i>Communist Threat; Crime; Police Field Force; Federal Reserve Units; Training; Marine; Armaments; Signals; Transport; Auxiliaries; Supplies; Works and Development; Building Schemes in Progress; Detective Training School; "Salleh System".</i>	
PRISONS.....	108
<i>Prison System; Centres of Protective Custody; West Malaysia; Sarawak; Sabah; Prisoners; Prison Population; Training; Types of Prisoners; Recreational Facilities; Rehabilitation Centre.</i>	

IMMIGRATION.....	112
<i>Organisation and Responsibilities; Clearing of Passenger Traffic—1969; Border Travel; Travel Documents Issued; Illegal Entry; Revenue Collected; Staff; Visa.</i>	
NATIONAL REGISTRATION	119
<i>Identity Cards; Other Functions; Citizenship; West Malaysia; East Malaysia; Headquarters.</i>	
REGISTRAR OF SOCIETIES .. .	121
<i>Societies Act; Function; Principal Duties; Head of Registry; Annual Returns of Societies; Fees.</i>	
ANTI-CORRUPTION AGENCY	125
<i>Functions; Discipline; Research on Corrupt Practices.</i>	
6. DEFENCE	129
THE Army	129
<i>Territorial Army.</i>	
The Royal Malaysian Navy ..	130
<i>History; Organisation; Personnel.</i>	
THE ROYAL MALAYSIAN AIR FORCE	131
<i>Development; Future.</i>	
THE ROYAL MILITARY COLLEGE ..	132
THE ARMED FORCES APPRENTICE TRADE SCHOOL (AFATS)	132
7...THE NATIONAL ECONOMY	133
ECONOMIC TREND 1969	133
<i>Gross National Product; Public Sector; Exports; Imports; Balance of Payments; Gross Domestic Product; Agricultural Sector; Manufacturing Sector; Construction; Government Expenditure; Budget 1969; Fiscal and Monetary Development; Unemployment; A New Economic Policy.</i>	



CONTENTS

ix

	<i>Page</i>
8. BANKING AND CURRENCY	143
BANK NEGARA MALAYSIA	143
<i>Amendments to Legislation; Monetary Policy; Currency; Other Activities; Balance Sheet.</i>	
COMMERCIAL BANKING	152
<i>Banking Network; Sources and Uses of Funds; Current Deposits; Capital and Reserves; Loans and Advances; Bank Holdings; Commercial Bank Interest Rates; Bank Liquidity Requirements; Discount House.</i>	
POST OFFICE SAVINGS BANK ..	173
<i>Volume; Total Investments.</i>	
9. PUBLIC FINANCE.....	177
<i>Financial Position; Total Public Debt; Public Sector Development Expenditure.</i>	
CONTROL OF EXPENDITURE	182
<i>Treasury Control; Departmental Control; Audit.</i>	
INLAND REVENUE	184
<i>Organisation; Revenue Legislations; Double Taxation Agreement; Revenue Collected; Prosecutions in West Malaysia.</i>	
CUSTOMS and EXCISE	190
<i>Organisation; Function; Administration; Revenue Collection; Preventive; Excise; Training; Legislation.</i>	
10. TRADE AND INDUSTRY	195
<i>Industries Division; Progress of Industrialisation during the year; Trade Division; Export Commodities Division.</i>	

Rubber	201
<i>Structure of the Industry; Research for the Producer; Standard Malaysian Rubber; Producers' Organisations; Market; Quality Control; Replanting and Newplanting; East Malaysia; Rubber Statistics.</i>	
TIN	205
<i>Organisation of the Industry; Research.</i>	
TIMBER.....	207
<i>Production in 1969; Malaysian Timber Export Industry Board.</i>	
OIL PALM	208
<i>Production in 1969; Export in 1969.</i>	
PINEAPPLE	209
<i>Production of Fresh and Canned Pineapples; Export.</i>	
Tourism	211
<i>Tourist Facilities and Amenities; Transportation; Travel Formalities; Publicity; Travel and Trade Fairs.</i>	
FEDERAL INDUSTRIAL DEVELOPMENT AUTHORITY	213
STANDARDS INSTITUTION OF MALAYSIA (S.I.M.)	216
<i>Functions; Standardisation.</i>	
NATIONAL PRODUCTIVITY CENTRE ..	217
<i>Functions; Training Courses; Progress.</i>	
REGISTRY OF COMPANIES MALAYSIA	219
 11. AGRICULTURE, FISHERIES AND LIVESTOCK	 221
AGRICULTURE.....	221
<i>Rice; Oil Palm; Coconut; Pineapple; Other Crops.</i>	

CONTENTS

xi

Page

FAMA	226
<i>Marketing Surveys and Investigations; Marketing Improvement Schemes; Marketing Research and Promotions.</i>	
Mardi	231
DRAINAGE AND IRRIGATION ..	232
<i>Areas Irrigated; Muda Irrigation Project; Kemubu Irrigation Scheme.</i>	
CO-OPERATIVE DEVELOPMENT ..	234
<i>Loans; Apex Bank; Number of Societies; East Malaysia; Training.</i>	
Fisheries	238
<i>Development of the Fishing Industry; Training of Fisheries Personnel; Research; Development Projects; Deep-Sea Long-Line Fishing for Tuna.</i>	
VETERINARY	242
<i>Diseases; Research and Training; Centralisation of Abattoirs.</i>	
12. FOREIGN RELATIONS	245
<i>Policy; Overseas Missions; External Information Division; Faith in the U.N.; Non-alignment; Malaysia / Indonesia Relations; Malaysia/Philippines Relations; Malaysia/Thailand Relations; Five-Power Talks; Relations with U.K. / Commonwealth; Relations with Western Europe; Relations with Communist Bloc.</i>	
REGIONAL CO-OPERATION	254
<i>ASEAN; ASPAC; Ministerial Conference for Economic Development of Southeast Asia.</i>	

	<i>Page</i>
13. MASS MEDIA.....	257
FEDERAL DEPARTMENT OF INFORMATION 257	
<i>Communication; Field Services; Public Address Talks;</i>	
<i>Cinema Shows; Training; Civics Education; Visual</i>	
<i>Publicity; Press and Liaison; Research and Reference;</i>	
<i>Publications; Photo Library; Distribution; Special</i>	
<i>Division.</i>	
DEPARTMENT OF BROADCASTING .. 263	
RADIO..... 264	
<i>Brief History; Home Service; Rural Broadcast Service;</i>	
<i>Talks and Features Service; Music Service; Overseas</i>	
<i>Service; Schools Broadcast; News; Sabah; Programme</i>	
<i>Content; News; Brief History; Sarawak; Programme</i>	
<i>Content; News; Brief History.</i>	
TELEVISION 271	
<i>Brief History; Coverage; Licensing; Pilot Project;</i>	
<i>Second Network; Hours of Transmission; Languages;</i>	
<i>News; Films.</i>	
FILEM NEGARA MALAYSIA 273	
<i>History; Production; Distribution; Achievements; Film</i>	
<i>Series for General Elections; Nation-building.</i>	
THE PRESS 275	
14. NATIONAL AND RURAL DEVELOPMENT .. 279	
<i>Community Development and Adult Education Division;</i>	
<i>Village Development Committees; “Gerakan Maju”</i>	
<i>Projects; Jayadiri or Self-efficiency; Adult Education/</i>	
<i>Community Development; Home Economics Training;</i>	
<i>Muslim Pilgrimage Control and Savings Corporation,</i>	
FEDERAL LAND DEVELOPMENT AUTHORITY 286	
<i>Corporate Body; Policy; Number of Schemes; Number</i>	
<i>of Families; Jengka Triangle.</i>	

MAJLIS AMANAH RA'AYAT (MARA) 288	
<i>Training; Credit Finance Division and Advisory Division; Industry and Commerce Division; Puspamara; Transport.</i>	
15. LANDS AND MINES	295
<i>Commissioner of Lands; National Land Code; Land System; Land Tenure; Land Utilisation; Land Legislation; Collection of Land Revenue; Revision of Land Rent; Records of Federal Lands; Land Offices; Titles Issued; Conferences for Land Commissioners; Training.</i>	
TIMBER	300
<i>Wood Processing Industry; Quality Control of Export Timber; Forest Industries Development Programme; Pilot Plantation for Quick Growing Industrial Tree Species Project.</i>	
MINERALS AND MINING	304
<i>Production; Price Fluctuations; International Tin Agreement; Offshore Mining; Fund to Help Bumi-putras; Copper Deposits.</i>	
16. EDUCATION.....	309
EDUCATION IN WEST MALAYSIA ..	309
<i>First English School; Malay College; Vernacular Schools; Progress; Educational System; Secondary Education; Primary Education; Secondary Vocational Schools; Secondary Technical Schools; Ungku Omar Polytechnic; Technical College, Kuala Lumpur; Science Education; Muslim Religious Education; Special Education; Further Education; Audio Visual Aid; Teacher Training—Primary; Teacher Training—Secondary; Examinations; Federal Inspectorate of Schools; Educational Planning and Research; Text Book Bureau; National Commission of UNESCO Malaysia,</i>	

EDUCATION IN SABAH 328

The System; Medium of Instruction; Development Expenditure; Primary Education; Secondary Education; Teacher Training and Supply; Number of Teachers; In-Service Courses; Technical and Vocational Education; Higher Education; The Teaching Aid Centre; Adult Education; The Inspectorate; Curriculum Development; Vocational Guidance; Examinations; Home Science; Physical Education; Native Scholarships; Further Education Classes; Special Project Classes.

Education in Sarawak 343

Primary Education; Secondary Education; Teacher Training; Vocational Education.

DEWAN BAHASA DAN PUSTAKA .. 344

Publications; Development of Language and Literature; Literary Research; Research Library.

UNIVERSITY of MALAYA 346

Development; Faculty of Agriculture; Faculty of Arts; Faculty of Economics and Administration; Faculty of Education; Faculty of Engineering; Faculty of Medicine; Faculty of Science; Library; Staffing; Students' Activities.

UNIVERSITY of PENANG 353

17. HEALTH 355

Rural Health; Dental Service; Expansion Programme, Public Health Campaigns; Training Programme; Planning and Research.

CONTENTS

xv

	<i>Page</i>
18. LOCAL GOVERNMENT AND HOUSING ..	359
LOCAL GOVERNMENT.....	359
<i>Origins, City and Municipal Councils; Town Boards and Town Councils; Rural District Councils; Local Councils; The Electoral System; Relationship with the Federal and State Governments.</i>	
LOW-COST HOUSING.....	365
<i>Housing Needs; Crash Programme; Number of Units.</i>	
TOWN AND COUNTRY PLANNING ..	367
<i>Rural Planning; Regional Planning; Committees; New Legislation.</i>	
FIRE SERVICES.....	370
<i>The Inspectorate of Fire Services; Central Fire Training School.</i>	
FEDERAL CAPITAL COMMISSION ..	371
<i>Administration; Members of the Advisory Board; Heads of Departments; Assessment Rates; Urban Renewal; Low-Cost Housing Schemes; Maternity and Child Health Clinics; Municipal Markets; Anti-Litter By-laws; Cattle By-laws; Enforcement Unit; Roadworks; Private Street Works; Open Spaces; Main Drainage and Sewerage.</i>	
19. SOCIAL WELFARE SERVICES	375
<i>Relief Work; Flood Victims; Welfare of Children; Reformatory Service and Approved Schools; Vocational Training; Staffing; Women and Girls Protection; Handicapped Persons Service; Welfare for the Aged; Welfare for the Chronically III; Beggars and Vagrants; Training Service; Voluntary Welfare Organisations.</i>	

	<i>Page</i>
20. LABOUR AND EMPLOYMENT.....	383
<i>Labour Legislation; Workmen's Compensation; Worker's Housing; Wages Council; Social Security; Industrial Relations; Trade Unions; Machinery Department; Manpower Department; Training Service; Employment Service; Registration; Placements; Migration of Workers; Employment Permits; Youth Employment Section; Labour Market Information Service; Occupational Research; Special Studies.</i>	
EMPLOYEES PROVIDENT FUND ..	393
<i>Contributions; Number of Registered Accounts; Total Remittances and Withdrawals; Total Investment; Rate of Interest.</i>	
21. TRANSPORT AND COMMUNICATIONS ..	395
ROAD TRANSPORT	395
<i>Testing and Inspection; Taxation; Commercial Transport; Buses; Taxis.</i>	
MALAYAN RAILWAY	397
<i>Railway System; Management; Rolling Stock; Traffic; Facilities; International Express; Concessions; Special Service; Railway Workshops; Development Projects in the Second Malaysia Five- Year Plan.</i>	
CIVIL AVIATION	401
<i>Organisation and Functions; West Malaysia; Airports/ Aerodromes; Kuala Lumpur International Airport; Passengers.</i>	
PORTS AND SHIPPING	403
<i>Penang Port Commission; Port Swettenham; Marine Department (West Malaysia); Lights and Lighthouses; Pilotage; Marine Welfare; Marine Surveys; Sarawak Ports; Port Development; Marine Department; Survey of Ships; Hydrography; Sabah Ports; Marine Department; Lights and Lighthouses; Pilotage.</i>	



	<i>Page</i>
ROADS AND BRIDGES.....	409
<i>Highway Planning Unit; Improvements to Routes I, II and III; Improvement to Other Federal Roads; The Karak-Manchis Road; Pekan Batu Balek Road; Road over Rail Bridge at Padang Besar, Perlis; Jalan Langsong; Sabah; Sarawak.</i>	
METEOROLOGICAL SERVICES .. .	413
<i>Services to Aviation; Weather Forecasts; Climatological Division; Training Division.</i>	
22. POSTAL SERVICES AND TELECOMMUNICATIONS	417
POSTAL SERVICES	417
<i>Post Offices; Postal Agencies; Delivery Services; Revenue and Expenditure; Cash Turnover; Post office Savings Bank; Sabah; Sarawak.</i>	
TELECOMMUNICATIONS .. .	421
<i>Inland Telephone Service; East Malaysia; Inland Telegraph Service; Overseas Telephone, Telegraph and Telex Service; Civil Radio Services; Marine Radio Services; Television Service; Civil Aviation Communication and Radio Navigational Aids; Mobile Radio Telephone Service; Fixed Radio Telephone Service; Press Reception and other Services; Frequency Monitoring; Detection of Radio Frequency Interference; Licensing of Radio Stations and Network; Registration of Radio Frequencies; Certificates for Ship Operators; Training Centre.</i>	
23. PUBLIC UTILITIES	429
NATIONAL ELECTRICITY BOARD ..	429
<i>Completed Schemes; New Schemes; Total Units; General Administration; Rural Electrification 1969; Capital Development; Financial Results.</i>	

	<i>Page</i>
WATER SUPPLY	434
<i>West Malaysia; Sabah; Sarawak.</i>	
24. CULTURE, YOUTH AND SPORTS ..	439
CULTURE	439
<i>Tours; Research.</i>	
MUSEUMS	440
<i>Library; Museums; Ethnology; Antiquity; Natural History; School Services; Administration.</i>	
YOUTH.....	442
<i>Ministry of Culture, Youth and Sports; National Youth Day; Land Schemes for Youths; Clubs and Associations; National Youth Pioneer Corps; National Development Corps.</i>	
SPORTS.....	446
<i>SEAP Games; Soccer; 12th Anniversary Football Competition in 1969; Friendly Matches; 1969 Malaysia Cup Competition; 1969 FAM Cup Competition; 1969 Burnley Cup Competition; 1969 Fifth SEAP Games; First FIFA Training School in Tokyo; Badminton; Pesta Badminton; Athletics; Sepak Raga; Volleyball; Physical Education; Weight Lifting; Tenpin Bowling; University; Cycling; Hockey; Golf; Boxing; National Sports Awards; Basketball; Motor Racing; Conclusion.</i>	
25. AWARDS AND DECORATIONS	459
<i>Order of Precedence; Dress; How to wear Insignia; Family of Insignia and Description of Orders, Decorations and Medals.</i>	

CONTENTS

xix

Page

APPENDICES—

I	GENERAL INFORMATION	476
II	STATISTICS	501
III	HIGHLIGHTS OF THE YEAR.....	515
IV	MALAYSIAN DIPLOMATIC MISSIONS OVERSEAS..	527
V	COMMONWEALTH AND FOREIGN DIPLOMATIC MISSIONS IN MALAYSIA.....	531
VI	BIBLIOGRAPHY.....	535



CHAPTER 1

Review

A survey of progress over the last decade shows that Malaysia has achieved much progress in many fields since Merdeka (Independence) in 1957. There has been for instance impressive economic growth and financial stability. By comparison with other developing countries in Southeast Asia, Malaysia has reached an advanced stage in per capita production and standard of living.

Economic Growth

The overall economic growth in 1969 showed an upward trend in various activities. In trade and port activities, in manufacturing output, in building construction, in bank deposits and in power consumption, indications were that the year 1969 had been a good year.

In 1969, the fourth year in the implementation of the First Malaysia Plan (1966-70), the Malaysian economy achieved a high growth rate of 9 per cent. This compares favourably with the growth rate of 6.4 per cent in 1968.

The higher rate of growth in Gross National Product relative to population increase resulted in a steady rise per capita Gross National Product from \$845 in 1963 to \$1,000 in 1968 and \$1,060 in 1969.

The primary production and export sectors provided the main stimulus to economic expansion during the year. Output in the industrial sector also increased considerably, maintaining its share in the Gross Domestic Product. Output in other major sectors generally showed satisfactory rates of growth.

New Economic Policy

In spite of the satisfactory rate of growth in the economy, it was found that the unemployment situation in West Malaysia continued to deteriorate. A new economic policy was therefore promulgated by the Government with a view to alleviating this serious social and economic problem. This new policy emphasises the need for an accelerated programme of industrial development through the

use of appropriate incentives and simplification of the administrative procedures in dealing with applications for these incentives.

Geared towards the objectives of achieving national unity, the new economic policy also calls for closer co-operation between the Federal and State Governments, a greater dispersal of industries to the smaller towns and rural areas and the adoption of a crash training programme to provide youths, especially rural youths with the necessary training in industrial skills. At the same time, the new policy continues to emphasise the need to open up more land for agricultural development and land settlement schemes.

Industrialisation

By embarking on an economic diversification and industrialisation policy, the Malaysian Government has augmented the country's growth programme with a new development strategy. Instead of relying mainly on rubber and tin and the initiative of the private sector to carry out investment and establish industries, the Government is taking on a more positive and aggressive approach to woo both local and foreign investors.

Mindful of the potentials which industrialisation can offer to the country, the Government as early as 1958, has decided to grant pioneer status to manufacturing industries. This was improved upon in 1968 with the passing of the Investment Incentives Act which introduced a more comprehensive system of tax relief in various forms—ranging from total tax exemption over a period of two to eight years to investment tax credit and accelerated depreciation allowances.

Within a relatively short period of over a decade, Malaysia's efforts at wooing foreign investors have already bore fruits. Along the major towns of West Malaysia, hundreds of factories manufacturing "Made-in-Malaysia" goods ranging from refined sugar to steel pipes, from all kinds of foodstuffs to all kinds of petroleum and chemical products have been established.

At present, manufacturing activity contributed approximately 11 per cent of the country's Gross Domestic Product. With greater acceleration of the industrialisation policy, there is little doubt that there will be a definite upward trend in the near future,

Plenty of opportunities still abound for the potential investors. The Government realises that industrialisation is the best means of channelling the country's resources into the right directions and to solve the growth problems of unemployment both in the rural and the urban areas.

CIC

The Capital Investment Committee (CIC) was formed in June 1969 with Tun Tan Siew Sin, the then Minister with Special Functions as Chairman, to provide a top level review of the country's industrial development policies and programmes, with a view to co-ordinate the efforts of the Central and State Governments into a stronger, more consistent and more integrated development strategy. Particular attention is being given by the CIC to encourage labour-intensive industries and those industries which have strong export potentials.

Prospects for the future appear to be bright. Malaysia is still one of the most attractive countries for foreign investors looking for profitable projects. As long as political and economic stability can maintain a perfect equilibrium, and indications are that the present Government can and in fact has already established the right climate favourable for investment, there is little doubt that industrial activity will play an increasingly important role in the country's dynamic development programme now and in the years to come.

Education

In the field of education there is an ever increasing demand for higher education. This has led to the establishment of two new universities, namely the University of Penang and the University Kebangsaan.

The emphasis on present-day education is on technical skill and science. In early June this year, the first batch of 61 doctors graduated from the faculty of Medicine of the University of Malaya. From a small beginning in 1957, when the University had only 320 students, it has grown, in just over a decade, to a fully-fledged community of nearly 7,000 students and over 400 members of the teaching staff.

One has only to look back at past statistics to gauge the colossal increase in school population. In East Malaysia enrolment in schools had increased from 314,970 in 1968 to 317,369 in 1969. In West Malaysia the corresponding figures were 1,861,842 in 1968 and 1,908,344 in 1969.

An important landmark in education in East Malaysia was the introduction of free primary education from January 1966. The growing appreciation of the importance of education was evidenced by the rapid rate of school construction and the increase in pupil enrolment in recent years. In 1969, the total ordinary expenditure on education exceeded 438.7 million. Apart from this, a sum of \$42.5 million was spent on construction of school buildings and expansion of existing facilities.

Enrolments in secondary vocational, trade and technical schools increased from 10,809 in 1968 to 17,340 in 1969. For the first time, students sat for the Malaysian Vocational Certificate of Education this year. This was in keeping with the national policy for more technically skilled men and women to take over jobs from the non-citizens.

Power for Progress

As education is the acknowledged sign of progress in many advanced countries of the world, so also is electricity another accepted symbol of development and enlightenment. In a sophisticated era where progress is measured in terms of adult literacy and electric power, Malaysia finds herself among the leading nations in Asia. Great steel pylons traverse the countryside, supporting miles of cables that speed electricity to thousands of homes in the rural areas, bringing light where there was none.

A total of 71 schemes involving 91 villages and benefiting some 9,700 rural homes were approved by the NEB during the calendar year of 1969. Nearly 1,000 villages in West Malaysia have been supplied with electricity as compared to 25 villages at the attainment of Independence in 1957. The total number of consumers rose from 387,114 to 422,724, representing an increase of 9.2 per cent over the previous year's figures. Total number of units generated in West Malaysia for the year were 3,156 million units.



The NEB will continue to play a vital role in the nation's development. In the last 13 years since Independence, electricity supplies have increased more than three-fold. This is indicative proof that the nation is now reaching the economic "take-off" point to bring more prosperity and well-being for the people.

Tourism

Malaysia is situated in a region which has great tourist potential. According to a recent survey conducted by the Pacific Area Travel Association (PATA), the regions of Southeast Asia and South Pacific have the fastest growing tourist trade. Early in 1969, Malaysia was successful in bidding for the honour to host the PATA Conference of 1972 in Kuala Lumpur. It is estimated that 1,000 travel agents, major tours operators, hoteliers and international airline and other tourist promoters from the Pacific region will gather for the PATA Conference.

The announcement of incentives and even prior to this, the increased emphasis laid by the CIC in public announcements on the development of tourist resort complexes such as Mimaland in Selangor, the tourist centres on Pulau Pangkor and Pulau Langkawi on the West Coast of West Malaysia, Pulau Tioman and Pulau Perhentian on the East Coast also of West Malaysia and the tourist complex in Genting Highlands have all generated increased interest in this industry. The CIC set up a sub-committee known as the Private Sector Advisory Panel (PSAP) in 1969 with a view to make recommendations to the CIC on measures that could be taken to further improve the tourist industry in Malaysia.

According to the Progress Report of the CIC, from May to October of 1969, there had been an upsurge of activity in the tourist and hotel industry. With the CIC's assurance that the Government would be willing to provide the necessary infrastructure facilities for any approved tourist resort complex that would be set up in specified areas, it is envisaged that there would be greater increase of tourist trade and allied industries, in the next few years.

Infrastructure

Throughout the public sector, figures illustrated the general and steady growth of the basic structure of the facilities provided for the individual and for the economy.

Employees Provident Fund membership increased to 1.85 million members and contributions reached the record figure of \$164.5 million. More than 7,000 units of low-cost houses have been completed by the end of 1969 by the Government in its crash programme.

The number of telephone stations in West Malaysia increased to 146,212 while the number of private motor-cars increased to 213,247 vehicles.

Traffic at the international airport at Subang also increased considerably during the year. The number of passengers landed on internal flights were 138,787 while the number of passengers landed on international flights were 179,298.

The major ports of Malaysia increased their activities and facilities. Four thousand eight hundred and twenty-three vessels with a total tonnage of 19,628,000 net registered tons entered and cleared the ports during the year. A total of 7,530,407 tons of cargo were discharged while 7,091,384 tons were loaded at principal ports of call in West Malaysia.

General Elections

On May 10, 1969 Malaysia held its third General Elections since Merdeka (Independence) in 1957. Following the General Elections in West Malaysia on May 10, disturbances erupted in the Federal capital on May 13.

The Government acted quickly and a state of Emergency was declared on May 14, parliamentary democracy was suspended and elections in East Malaysia were indefinitely postponed. Tun Abdul Razak was made the Director of Operations of the National Operations Council (NOC) which was established to restore law and order, to ensure smooth administration and to restore harmony and mutual trust among the various races.

Fostering Racial Harmony and National Unity

The disturbances which occurred in May eroded some of the traditional racial harmony and goodwill of the country. Malaysians in all walks of life learnt an important lesson from the May 13 incident. They realised that racial harmony and a spirit of "give and take" should be fostered in order that Malaysia could survive as one united and viable nation.



The will to survive as a multi-racial nation was reflected in concerted action by the leaders of the people. Goodwill committees were formed with lightning speed throughout the length and breadth of the country and the Tunku himself headed the National Goodwill Council to spread goodwill to all Malaysians. Confidence was indeed restored in quick time before the enemies of the State could do any more harm.

Following the May disturbances, the Government under the National Operations Council took immediate action to set up the Civil Affairs Secretariat/Department of National Unity. The Chief of Civil Affairs was made responsible for co-ordinating all matters relating to civil administration and empowered to keep under constant review Government objectives and policies with a view to formulate new ones, so as to be in line with national objectives.

Soon after the establishment of the Civil Affairs Secretariat, the Director of Operations announced the formation of the Department of National Unity. This new Department was entrusted with the responsibilities of reviewing Government policies and their implementation thereof to ensure that they contribute to the promotion of national unity.

Another important stride towards national unity and racial harmony was the formation of the National Consultative Council (NCC) which came into effect in early 1970. Formed for the purpose of establishing positive and practical guidelines for inter-racial co-operation and social integration for the growth of a Malaysian national unity, the NCC represents all shades of political, religious and other opinions.

At the inaugural meeting of the NCC in the Federal capital on January 27, 1970, the Director of Operations and Chairman of the National Consultative Council said that “the time has come for Malaysians to rise above sectional and group interests and to think of the larger interests of the nation as a whole. To do this, it is essential for the people to rededicate themselves to certain ideas that transcend race, religion, culture, class and political affiliations. In fact, the very survival of the nation rests on the need for Malaysians to think afresh and construct a political



framework that is realistic and takes full account of the economic aspirations of the people".

Since its formation in the early seventies, the NCC had demonstrated that the Malaysian people whatever their political beliefs, can find common ground for agreement on vital national issues. This augurs well for the future of a united and prosperous Malaysia for all.

Towards the Seventies

As the nation entered the seventies, a new sense of confidence was engendered through the genuine and concerted efforts of both the Government and the people to live in peace and harmony. Also, towards the seventies, a national ideology as embodied in the RUKUNEGARA came into being, thus further strengthening our faith in national solidarity and unity.



CHAPTER 2

The Land and The People

GEOGRAPHICAL BACKGROUND

Malaysia covers an area of about 130,000 square miles, occupying the Malay Peninsula (West Malaysia) and the north-western coastal area of Borneo Island (East Malaysia). The two regions are separated by about 400 miles of the South China Sea. West Malaysia covering 52,000 square miles has its frontiers with Thailand while East Malaysia about 78,000 square miles borders the territory of Indonesian West Borneo.

The Federation of Malaysia consists of the following States: Perlis, Kedah, Penang, Perak, Selangor, Negri Sembilan, Malacca, Johore, Kelantan, Trengganu and Pahang in West Malaysia and Sabah and Sarawak in East Malaysia.

Climate

Malaysia lies near the equator between latitudes 1° and 7° north and longitudes 100° and 119° East. Malaysia is subject to maritime influences and the interplay of wind systems which originate in the Indian Ocean and the South China Sea. The year is commonly divided into the South-west and North-east monsoon seasons.

The average daily temperature throughout Malaysia varies from 70°F to 90°F. Humidity is high.

Flora and Fauna

Slightly over 70 per cent of the whole of Malaysia is covered with tropical rain forest. In the forests are immense trees, 120 ft to 150 ft and sometimes 200 ft high with large cylindrical trunks and massive crowns which form an evergreen canopy. Below this there are many smaller trees and the ground is thinly covered with small shrubs and seedlings.

It is estimated that the flora of Malaysia may contain 15,000 species of flowering plants of which 6,000 are trees. The most important



