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Monday
30th November, 1964

PARLIAMENTARY DEBATES

DEWAN RA'AYAT
(HOUSE OF REPRESENTATIVES)

OFFICIAL REPORT

**FIRST SESSION OF THE SECOND PARLIAMENT
OF MALAYSIA**

CONTENTS

ORAL ANSWERS TO QUESTIONS [Col. 3037]

BILL:

The Supply Bill, 1965 (Second Reading) [Col. 3048]

MALAYSIA
DEWAN RA'AYAT
(HOUSE OF REPRESENTATIVES)

Official Report

First Session of the Second Dewan Ra'ayat

Monday, 30th November, 1964

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

PRESENT:

- The Honourable Mr Speaker, DATO' CHIK MOHAMED YUSUF BIN SHEIKH ABDUL RAHMAN, S.P.M.P., J.P., Dato' Bendahara, Perak.
- „ the Minister of Home Affairs and Minister of Justice, 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 JOHARI (Kedah Tengah).
- „ the Minister of Health, ENCHE' BAHAMAN BIN SAMSUDIN (Kuala Pilah).
- „ the Minister of Education, ENCHE' ABDUL RAHMAN BIN HAJI TALIB, P.J.K. (Kuantan).
- „ the Minister of Commerce and Industry, DR LIM SWEE AUN, J.P. (Larut Selatan).
- „ the Minister for Welfare Services, TUAN 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, P.M.N., P.J.K. (Sarawak).
- „ the Minister of Labour, ENCHE' V. MANICKAVASAGAM, J.M.N., P.J.K. (Klang).
- „ the Minister of Information and Broadcasting, ENCHE' SENU BIN ABDUL RAHMAN (Kubang Pasu Barat).
- „ the Assistant Minister of Commerce and Industry TUAN HAJI ABDUL KHALID BIN AWANG OSMAN (Kota Star Utara).
- „ the Assistant Minister of National and Rural Development and Assistant Minister of Justice, ENCHE' ABDUL-RAHMAN BIN YA'KUB (Sarawak).
- „ the Assistant Minister of Agriculture and Co-operatives, ENCHE' SULAIMAN BIN BULON (Bagan Datoh).

- The Honourable the Assistant Minister of Culture, Youth and Sports,
ENGKU MUHSEIN BIN ABDUL KADIR, J.M.N., S.M.T., P.J.K.
(Trengganu Tengah).
- „ the Assistant Minister of Education, ENCHE' LEE SIOK YEW,
A.M.N., P.J.K. (Sepang).
- „ ENCHE' ABDUL GHANI BIN ISHAK, A.M.N. (Melaka Utara).
- „ ENCHE' ABDUL KARIM BIN ABU, A.M.N. (Melaka Selatan).
- „ WAN ABDUL KADIR BIN ISMAIL, P.P.T.
(Kuala Trengganu Utara).
- „ ENCHE' ABDUL RAHIM ISHAK (Singapore).
- „ WAN ABDUL RAHMAN BIN DATU TUANKU BUJANG (Sarawak).
- „ 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 GUL AHMAD MIANJI
(Pasir Mas Hulu).
- „ Y.A.M. TUNKU ABDULLAH IBNI AL-MARHUM TUANKU ABDUL
RAHMAN, P.P.T. (Rawang).
- „ TUAN HAJI ABDULLAH BIN HAJI MOHD. SALLEH, A.M.N.,
S.M.J., P.I.S. (Segamat Utara).
- „ ENCHE' ABU BAKAR BIN HAMZAH (Bachok).
- „ TUAN HAJI AHMAD BIN ABDULLAH (Kelantan Hilir).
- „ ENCHE' AHMAD BIN ARSHAD, A.M.N. (Muar Utara).
- „ ENCHE' ALI BIN HAJI AHMAD (Pontian Selatan).
- „ ENCHE' AZIZ BIN ISHAK (Muar Dalam).
- „ ENCHE' JONATHAN BANGAU ANAK RENANG, A.B.S. (Sarawak).
- „ ENCHE' CHAN SEONG YOON (Setapak).
- „ ENCHE' CHAN SIANG SUN (Bentong).
- „ ENCHE' CHIA CHIN SHIN, A.B.S. (Sarawak).
- „ ENCHE' FRANCIS CHIA NYUK TONG (Sabah).
- „ ENCHE' CHIA THYE POH (Singapore).
- „ ENCHE' CHIN FOON (Ulu Kinta).
- „ ENCHE' C. V. DEVAN NAIR (Bungsar).
- „ ENCHE' EDWIN ANAK TANGKUN (Sarawak).
- „ TUAN SYED ESA BIN ALWEE, J.M.N., S.M.J., P.I.S.
(Batu Pahat Dalam).
- „ DATIN FATIMAH BINTI HAJI ABDUL MAJID
(Johor Bahru Timor).
- „ DATIN FATIMAH BINTI HAJI HASHIM, P.M.N.
(Jitra-Padang Terap).
- „ ENCHE' S. FAZUL RAHMAN, A.D.K. (Sabah).
- „ ENCHE' GANING BIN JANGKAT (Sabah).
- „ ENCHE' GEH CHONG KEAT, K.M.N. (Penang Utara).
- „ ENCHE' HANAFI BIN MOHD. YUNUS, A.M.N., J.P.
(Kulim Utara).
- „ ENCHE' HANAFIAH BIN HUSSAIN, A.M.N. (Jerai).
- „ ENCHE' HARUN BIN ABDULLAH, A.M.N. (Baling).
- „ WAN HASSAN BIN WAN DAUD (Tumpat).

- The Honourable ENCHE' HUSSEIN BIN To' MUDA HASSAN, A.M.N. (Raub).
- „ ENCHE' HUSSEIN BIN MOHD. NOORDIN, A.M.N., P.J.K. (Parit).
- „ ENCHE' HUSSEIN BIN SULAIMAN (Ulu Kelantan).
- „ 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).
- „ DATO' SYED JA'AFAR BIN HASAN ALBAR, P.M.N.
(Johor Tenggara).
- „ ENCHE' JEK YEUN THONG (Singapore).
- „ PENGHULU JINGGUT ANAK ATTAN, Q.M.C., A.B.S. (Sarawak).
- „ ENCHE' KADAM ANAK KIAI (Sarawak).
- „ ENCHE' KHOO PENG LOONG (Sarawak).
- „ ENCHE' EDMUND LANGGU ANAK SAGA (Sarawak).
- „ ENCHE' LEE KUAN YEW (Singapore).
- „ ENCHE' LEE SAN CHOON, K.M.N. (Segamat Selatan).
- „ ENCHE' LEE SECK FUN (Tanjong Malim).
- „ ENCHE' LIM HUAN BOON (Singapore).
- „ ENCHE' LIM PEE HUNG, P.J.K. (Alor Star).
- „ DR MAHATHIR BIN MOHAMAD (Kota Star Selatan).
- „ ENCHE' T. MAHIMA SINGH, J.P. (Port Dickson).
- „ DATO' DR HAJI MEGAT KHAS, D.P.M.P., J.P., P.J.K.
(Kuala Kangsar).
- „ ENCHE' MOHAMED ASRI BIN HAJI MUDA, P.M.K.
(Pasir Puteh).
- „ ORANG TUA MOHAMMAD DARA BIN LANGPAD (Sabah).
- „ ENCHE' MOHD. DAUD BIN ABDUL SAMAD (Besut).
- „ ENCHE' MOHAMED IDRIS BIN MATSIL, J.M.N., P.J.K., J.P.
(Jelebu-Jempol).
- „ ENCHE' MOHD. TAHIR BIN ABDUL MAJID, S.M.S., P.J.K.
(Kuala Langat).
- „ ENCHE' MOHAMED YUSOF BIN MAHMUD, A.M.N. (Temerloh).
- „ WAN MOKHTAR BIN AHMAD (Kemaman).
- „ TUAN HAJI MOKHTAR BIN HAJI ISMAIL (Perlis Selatan).
- „ ENCHE' MUHAMMAD FAKHRUDDIN BIN HAJI ABDULLAH
(Pasir Mas Hilir).
- „ TUAN HAJI MUHAMMAD SU'AUT BIN HAJI MUHD. TAHIR,
A.B.S. (Sarawak).
- „ DATO' HAJI MUSTAPHA BIN HAJI ABDUL JABAR, D.P.M.S.,
A.M.N., J.P. (Sabak Bernam).
- „ ENCHE' MUSTAPHA BIN AHMAD (Tanah Merah).
- „ DATO' NIK AHMAD KAMIL, D.K., S.P.M.K., S.M.J.K., P.M.N.,
P.Y.G.P., Dato' Sri Setia Raja (Kota Bharu Hilir).
- „ ENCHE' NG FAH YAM (Batu Gajah).
- „ DR NG KAM POH, J.P. (Telok Anson).
- „ ABANG OTHMAN BIN HAJI MOASIL, P.B.S. (Sarawak).

- The Honourable ENCHE' QUEK KAI DONG, J.P. (Seremban Timor).
- „ TUAN HAJI RAHMAT BIN HAJI DAUD, A.M.N. (Johor Bahru Barat).
- „ ENCHE' RAMLI BIN OMAR (Krian Darat).
- „ TUAN HAJI REDZA BIN HAJI MOHD. SAID, P.J.K., J.P. (Rembau-Tampin).
- „ RAJA ROME BIN RAJA MA'AMOR, P.J.K., J.P. (Kuala Selangor).
- „ ENCHE' SANDOM ANAK NYUAK (Sarawak).
- „ ENCHE' SEAH TENG NGIAB, P.I.S. (Muar Pantai).
- „ ENCHE' D. R. SEENIVASAGAM (Ipoh).
- „ ENCHE' SIM BOON LIANG (Sarawak).
- „ ENCHE' SIOW LOONG HIN, P.J.K. (Seremban Barat).
- „ ENCHE' SNAWI BIN ISMAIL, P.J.K. (Seberang Selatan).
- „ ENCHE' SNG CHIN JOO (Sarawak).
- „ ENCHE' SULEIMAN BIN ALI (Dungun).
- „ PENGIRAN TAHIR PETRA (Sabah).
- „ ENCHE' TAJUDIN BIN ALI, P.J.K. (Larut Utara).
- „ ENCHE' TAI KUAN YANG (Kulim-Bandar Bharu).
- „ ENCHE' TAMA WENG TINGGANG WAN (Sarawak).
- „ DR TAN CHEE KHOON (Batu).
- „ ENCHE' TAN CHENG BEE, J.P. (Bagan).
- „ ENCHE' TAN TOH HONG (Bukit Bintang).
- „ ENCHE' TAN TSAK YU (Sarawak).
- „ ENCHE' TIAH ENG BEE (Kluang Utara).
- „ PENGHULU FRANCIS UMPAU ANAK EMPAM (Sarawak).
- „ ENCHE' YEOH TAT BENG (Bruas).
- „ ENCHE' STEPHEN YONG KUET TZE (Sarawak).
- „ TUAN HAJI ZAKARIA BIN HAJI MOHD. TAIB, P.J.K. (Langat).

ABSENT:

- The Honourable the Prime Minister, Minister of External Affairs and Minister of Culture, Youth and Sports, Y.T.M. TUNKU ABDUL RAHMAN PUTRA AL-HAJ, K.O.M. (Kuala Kedah).
- „ the Deputy Prime Minister, Minister of Defence, Minister of National and Rural Development, TUN HAJI ABDUL RAZAK BIN DATO' HUSSAIN, S.M.N. (Pekan).
- „ the Minister for Local Government and Housing, ENCHE' KHAW KAI-BOH, P.J.K. (Ulu Selangor).
- „ the Minister of Lands and Mines, TUAN HAJI MOHD. GHAZALI BIN HAJI JAWI (Ulu Perak).
- „ the Minister without Portfolio, ENCHE' PETER LO SU YIN (Sabah).
- „ TUAN HAJI ABDUL RASHID BIN HAJI JAIS (Sabah).
- „ DATO' ABDULLAH BIN ABDULRAHMAN, Dato' Bijaya di-Raja (Kuala Trengganu Selatan).
- „ TUAN HAJI AHMAD BIN SAAID, J.P. (Seberang Utara).
- „ CHE' AJIBAH BINTI ABOL (Sarawak).

- The Honourable O. K. K. DATU ALIUDDIN BIN DATU HARUN, P.D.K. (Sabah).
- „ DR AWANG BIN HASSAN, S.M.J. (Muar Selatan).
- „ PENGARAH BANYANG ANAK JANTING, P.B.S. (Sarawak).
- „ ENCHE' E. W. BARKER (Singapore).
- „ ENCHE' CHAN CHONG WEN, A.M.N. (Kluang Selatan).
- „ ENCHE' CHEN WING SUM (Damansara).
- „ DATU GANIE GILONG, P.D.K., J.P. (Sabah).
- „ DR GOH KENG SWEE (Singapore).
- „ ENCHE' HAMZAH BIN ALANG, A.M.N., P.J.K. (Kapar).
- „ ENCHE' STANLEY HO NYUN KHIU, A.D.K. (Sabah).
- „ ENCHE' KAM WOON WAH, J.P. (Sitiawan).
- „ DATU KHOO SIAK CHIEW, P.D.K. (Sabah).
- „ ENCHE' KOW KEE SENG (Singapore).
- „ ENCHE' AMADEUS METHEW LEONG, A.D.K., J.P. (Sabah).
- „ DATO' LING BENG SIEW, P.N.B.S. (Sarawak).
- „ DR LIM CHONG EU (Tanjong).
- „ ENCHE' LIM KEAN SIEW (Dato Kramat).
- „ DATO' LIM KIM SAN, D.U.T., J.M.K., D.J.M.K. (Singapore).
- „ ENCHE' JOSEPH DAVID MANJAJI (Sabah).
- „ ENCHE' MOHD. ARIF SALLEH, A.D.K. (Sabah).
- „ ENCHE' MOHD. ZAHIR BIN HAJI ISMAIL, J.M.N. (Sungai Patani).
- „ ENCHE' ONG KEE HUI (Sarawak).
- „ ENCHE' ONG PANG BOON (Singapore).
- „ TUAN HAJI OTHMAN BIN ABDULLAH (Hilir Perak).
- „ ENCHE' OTHMAN BIN ABDULLAH, A.M.N. (Perlis Utara).
- „ ENCHE' OTHMAN BIN WOK (Singapore).
- „ ENCHE' S. RAJARATNAM (Singapore).
- „ ENCHE' S. P. SEENIVASAGAM (Menglembu).
- „ ENCHE' SOH AH TECK (Batu Pahat).
- „ DATU DONALD ALOYSIUS STEPHENS, P.D.K. (Sabah).
- „ ENCHE' TAN KEE GAK (Bandar Melaka).
- „ DR TOH CHIN CHYE (Singapore).
- „ ENCHE' TOH THEAM HOCK (Kampar).
- „ ENCHE' WEE TOON BOON (Singapore).
- „ ENCHE' YEH PAO TZE (Sabah).
- „ ENCHE' YONG NYUK LIN (Singapore).

ORAL ANSWERS TO QUESTIONS

(Mr Speaker *in the Chair*)

PRAYERS

RANCHANGAN MENANAM KELAPA SA-MULA DI-SELANGOR

1. Dato' Haji Mustapha bin Abdul Jabar (Sabak Bernam) bertanya kepada Menteri Pertanian dan Sharikat

Kerjasama bila-kah Kerajaan akan mengadakan ranchangan menanam kelapa sa-mula di-negeri Selangor sa-bagaimana ranchangan yang telah di-jalankan di-Johor dan Perak.

The Assistant Minister of Agriculture and Co-operatives (Enche' Sulaiman bin Bulon): Tuan Yang di-Pertua, pada masa ini Kementerian ini sedang menjalankan tiga buah ranchangan perintis ia-itu pilot scheme bagi menanam sa-mula kelapa di-Perak, Johor dan Kelantan. Tidak-lah dapat

kita hendak menetapkan bila hendak di-buat satu ranchangan seperti ini di-Selangor sa-lagi kita tidak dapat hasil daripada tiga buah ranchangan yang sedang kita selenggarakan sekarang. Jadi untuk hendak mengadakan satu di-Selangor atau pun di-kawasan² yang lain, maka terpaksa-lah, buat sementara ini, kita menunggu hasil daripada tiga buah ranchangan yang tersebut itu. Terima kasih.

STABILISATION OF PRICE OF COPRA

2. Dato' Haji Mustafa bin Haji Abdul Jabar asks the Minister of Commerce and Industry to state if he is aware of the fluctuations in price of copra in this country and if so, whether Government would take action to stabilise the price of copra as is done with padi.

The Minister of Commerce and Industry (Dr Lim Swee Aun): Mr Speaker, Sir, according to available statistics, the price of copra for the first eleven months of this year has been subject to very slight fluctuations, which are quite normal. During this period the monthly average price paid by local millers has been between \$30.19 and \$33.06 per picul.

For the present the Government has no plan to establish a stabilisation scheme for copra on the same line as that for padi.

RANCHANGAN KERAJAAN MENINGGIKAN TARAF KEHIDUPAN DAN MORALE DI-NEGERI² KEDAH, KELANTAN DAN PERAK

3. Enche' Hussein bin Sulaiman (Ulu Kelantan) bertanya kepada Menteri Kemajuan Negara dan Luar Bandar oleh kerana Kerajaan Pusat telah menchurahkan berjuta² ringgit dalam Ranchangan Pembangunan Luar Bandar dalam negeri² yang bersempadan dengan negeri asing ia-itu Sabah dan Sarawak untuk memenangi jiwa dan hati ra'ayat dalam bidang melawan konfrantasi Indonesia, apa pula ranchangan Kerajaan untuk meningkatkan taraf kehidupan dan morale ra'ayat

di-negeri² yang bersempadan dengan Siam ia-itu Kedah, Kelantan dan Perak.

The Assistant Minister of National and Rural Development and Assistant Minister of Justice (Enche' Abdul-Rahman bin Ya'kub): Tuan Yang di-Pertua, soalan ini ada menyangka ia-itu Ranchangan Pembangunan Luar Bandar ada-lah di-buat untuk memenangi jiwa dan hati ra'ayat dalam bidang melawan konfrantasi Indonesia di-Sarawak dan di-Sabah. Saya suka menerangkan di-sini bahawa ini tidak-lah betul. Tidak perlu bagi Kerajaan mengadakan ranchangan ini untuk memenangi jiwa mereka itu kerana mereka itu memang setuju dengan Malaysia dan memang menentang Sukarno. Ada pun tujuan Ranchangan Pembangunan Luar Bandar ia-lah untuk meninggikan taraf kehidupan ra'ayat. Ini dia tujuan Ranchangan Pembangunan Negara dan Luar Bandar. Sa-benar-nya, ranchangan kita di-Malaya, Sarawak dan Sabah kita adakan walau pun Sukarno belum menjalankan konfrantasi lagi. Walau pun konfrantasi itu berhenti kita terus jalankan Ranchangan Pembangunan Negara dan Luar Bandar ini. Tuan Yang di-Pertua, beberapa buah ranchangan telah di-jalankan oleh Kerajaan Pusat dan Kerajaan² Negeri bagi meninggikan taraf kehidupan penduduk² di-Malaya ini, termasuk-lah di-negeri² yang di-sebutkan dalam soalan ini, ia-itu Kedah, Kelantan dan Perak. Di-Kedah kita mempunyai 6 ranchangan getah, di-Perak 5 dan Kelantan 1 di-Ayer Lanas. Kita chuma dapat mengadakan satu ranchangan di-Kelantan, oleh kerana dahulu-nya Kerajaan Negeri Kelantan tidak menerima ranchangan² yang sesuai dengan fahaman Kerajaan Pusat, tetapi di-sini saya suka-lah menerangkan bahawa dengan ada-nya pertukaran fikiran Kerajaan Negeri Kelantan pada masa ini, kita telah dengar dalam surat-khabar dan lain², ia-itu Kerajaan Kelantan telah bersetuju akan menerima ranchangan² yang akan di-usahakan oleh Kerajaan Pusat, kita harap akan mengadakan ranchangan di-Kelantan itu lebih banyak lagi.

Tuan Haji Ahmad bin Abdullah (Kelantan Hilir): Tuan Yang di-Pertua, kalau sa-kira-nya Kerajaan Kelantan tidak menerima untuk mengadakan ranchangan getah itu bagaimana-kah sa-buah kilang getah telah di-buat di-Machang?

Enche' Abdul-Rahman bin Ya'kub: Soal itu saya berkehendakkan notis. Kalau Kerajaan Kelantan tidak menerima ranchangan Kerajaan Pusat tidak dapat-lah kita hendak buat apa², kerana tidak ada tanah tidak-lah boleh kita hendak tanam getah dan tidak-lah boleh kita hendak tanam kelapa sawit.

Tuan Haji Ahmad bin Abdullah: Barangkali Yang Berhormat Menteri kurang faham soalan saya. Dalam kenyataan-nya ia berkata bahawa chuma satu sahaja ranchangan getah di-sana yang di-buat oleh Kerajaan Pusat ia-itu kilang getah. di-sabalek itu dia berkata bahawa Kerajaan Kelantan tidak menerima ranchangan Kerajaan Pusat. Kalau sa-kira-nya Kerajaan Negeri Kelantan tidak menerima ranchangan Kerajaan Pusat bagaimana-kah sa-buah kilang itu dapat di-dirikan?

Enche' Abdul-Rahman bin Ya'kub: Soalan itu ada-lah mengenai soal tanah, bukan soal kilang getah, ini lain; di-Kelantan kita ketahui ada Ranchangan Ayer Lanas. Kita ketahui dahulu-nya faham Kerajaan Negeri Kelantan terhadap ranchangan ini ada-lah berlainan dengan fahaman Kerajaan Pusat. Bagaimana pun, kalau kita hendak binchangkan lebih panjang lagi soalan ini yang berlainan daripada soalan pokok ini tadi, saya menghendaki notis terlebih dahulu.

IMPROVEMENT OF ROAD SYSTEM IN/THAILAND/KELANTAN BORDER AREAS

4. Enche' Hussein bin Sulaiman asks the Minister of Defence to state in view of the vast area of secondary jungles converging the border areas of Thailand/Kelantan where communication is most difficult (a) what urgent steps are being taken by the Ministry of Defence to tar existing roads such as Jalan Dabong/Jeli, Jalan Tanah

Merah/Batu Melintang and Jalan Pasir Mas/ Rantau Panjang; (b) whether Government has planned to have a more satisfactory communication system than the present in order that any Indonesian and Communist infiltration from Southern Thailand could be contained immediately and successfully.

The Minister of Home Affairs and Minister of Justice (Dato' Dr Ismail bin Dato' Haji Abdul Rahman): Mr Speaker, Sir, the improvement of the roads mentioned is a matter for the Public Works Department and must fit in with the overall road development programme. There is, however, no immediate plan to tar them.

The Government considers that the present communication system is adequate to contain any infiltration.

Dato' Nik Ahmad Kamil (Kota Bharu Hilir): Would the Honourable Minister concerned assure the House that these roads will be completed in due course even before tarring them. Sir, because we know that they are not completed?

Dato' Dr Ismail: Well, I think that is, strictly speaking, another question which is not supplementary to this question, because the question as asked in the Order Paper is (a) whether steps have been taken by the Ministry of Defence to tar existing roads and (b) whether the Government has planned to have more satisfactory communication system. So, I do not see how the question asked by the Honourable Member for Kota Bharu Hilir can be a supplementary question. I assume that the Honourable Member is quite satisfied that the roads in question do exist and that what he is not satisfied is the tarring of the roads.

Enche' Hussein bin Sulaiman: Soalan tambahan, Tuan Yang di-Pertua. Saya rasa jalan² yang di-adakan dalam soalan ini tidak menchukupi, saya rasa Jalan Dabong/Jeli itu patut-lah di-baiki sa-kurang²-nya kalau tidak di-tar pun patut-nya boleh di-lalu-lintas untuk keselamatan.

DEVELOPMENT OF BATANG BARAM, SARAWAK

5. Enche' Chia Chin Shin (Sarawak) asks the Minister of National and Rural Development to state whether Government has any provisions for developing Batang Baram for the benefit of the people of Baram.

Enche' Abdul-Rahman bin Ya'kub: Mr Speaker, Sir, it is hoped that the area of Batang Baram will derive as much benefit from the provisions in the Sarawak Five Year Development Plan, as all other areas in Sarawak.

IMPROVEMENT OF PADI PLANTATION IN SEBUTI, SARAWAK

6. Enche' Chia Chin Shin asks the Minister of National and Rural Development to state whether Government will consider improving the Padi Plantation in Sebuti with a view to increasing the crops of padi in Sebuti and also introduce other Development Schemes there.

Enche' Abdul-Rahman bin Ya'kub: Mr Speaker, Sir, this question should have, in fact, been addressed to the Honourable Minister of Agriculture and Co-operatives. However, I would like to state here that there is considerable provision for the improvement of agriculture in Sarawak under its Five Year Development Plan, with an expected expenditure of over \$100 million which includes expenditure on the improvement of the planting of padi.

ESTABLISHMENT OF RUBBER FACTORY IN BINTULU, SARAWAK

7. Enche' Chia Chin Shin asks the Minister of Commerce and Industry to state, in view of the large area of high-yielding rubber owned by smallholders in Bintulu which is now tappable, whether Government will consider a Rubber Factory in the locality.

Dr Lim Swee Aun: Mr Speaker, Sir, arrangements are being made by the Sarawak Government to set up a medium-sized processing plant to be run on a co-operative basis in the area. The problem of setting up other plants

in Bintulu on a co-operative basis will be investigated after some experience has been gained from the establishment of the first plant.

PURCHASES OF GOODS THROUGH CROWN AGENTS—GOVERNMENT DEPARTMENTS

8. Enche' C. V. Devan Nair asks the Minister of Finance to state—

- (a) the number of Government Departments, including Railways, which still order their requirements through Crown Agents in London;
- (b) the amount spent on commissions to Crown Agents through such purchases; and
- (c) whether several of the items ordered could not be purchased more economically either locally or from other countries.

The Minister of Finance (Enche' Tan Siew Sin): Mr Speaker, Sir, the answer is—

- (a) Government Departments including the Malayan Railway only order their requirements through the Crown Agents in London when such goods or articles can be obtained more advantageously through them. It should be noted, however, that the buying operations of the Crown Agents are not confined to the United Kingdom, but extend to Europe, America, Japan and elsewhere, depending on the goods or articles required.
- (b) The amount of fees paid to the Crown Agents by the Federal Government in 1963 was \$919,890.42.
- (c) It is the policy of the Government that preference should be given to goods or articles produced at home even if the cost of such goods is higher than that of similar foreign-made goods by up to 5%, provided that the quality of the home-produced goods is satisfactory. This policy, in fact, has already been implemented and is embodied in General Circular Memorandum

No. 5 of 1963 dated 1st June, 1963. Even in the case of goods or articles which can be obtained only from overseas, purchases are made through agents in Malaysia if they can be obtained here more economically or as advantageously as through the Crown Agents in London.

AIR-RAID DRILLS FOR CIVILIAN POPULATION

9. Enche' C. V. Devan Nair asks the Minister for Local Government and Housing whether the Government would consider working out and implementing air-raid drills for the benefit of the civilian population and especially school-children in order to prepare them for any eventuality that may arise.

The Minister of Works, Posts and Telecommunications (Dato' V. T. Sambanthan): Mr Speaker, Sir, instructions have already been sent to all schools by the Ministry of Education as to the measures to be taken in the event of an air raid. The question of conducting air-raid drills for the civilian population is under consideration. In the meanwhile, pamphlets are being prepared to advise the public on what precautionary measures they should take in the event of an air raid.

PURCHASE OF WARDIEBURN ESTATE, SELANGOR

10. Enche' C. V. Devan Nair asks the Minister for Local Government and Housing to give an account of the negotiations, if any, for the purchase of Wardieburn Estate in the State of Selangor for the announced purpose of building low-cost housing, and when it is expected to begin the project.

Dato' V. T. Sambanthan: Mr Speaker, Sir, 719 acres of land in Wardieburn were acquired by the State Government on the 23rd of September, 1964, for the Ministry of Local Government and Housing under the provisions of the Land Acquisition Act. The Government did not negotiate for purchase. It is intended that the land should be developed for low-cost housing and the house-purchase scheme

for Government employees. The latter scheme is under preparation and it is not possible to say when exactly development can commence.

Enche' C. V. Devan Nair: Mr Speaker, Sir, would the Minister kindly indicate whether, after the announcement of the Government's intention to purchase this estate for housing programme, this estate had been purchased from the previous owner by anybody else?

Dato' V. T. Sambanthan: This is, I think, a new question, Sir. The question of the Honourable Member was to ask whether we had negotiated for purchase. My answer is that the Government did not negotiate, but it had been acquired by the Selangor Government for the Ministry for Local Government and Housing.

Enche' C. V. Devan Nair: Mr Speaker, Sir, could I then put it this way for the Minister. Did the Government acquire it from the person who was in possession of this estate before the announcement of the Government's intention to acquire this was made, or did the Government acquire it from a different person?

Dato' V. T. Sambanthan: Negotiation had been going on for some time with the State Government and with the Municipality for this site. This is all I know.

NEW BRIDGE OVER SARAWAK RIVER—REPLACEMENT OF SATOK BRIDGE, SARAWAK

11. Abang Othman bin Haji Moasili (Sarawak) asks the Minister of Works, Posts and Telecommunications to state if Government proposes to build a suspension bridge over Sarawak River to replace the present Satok Bridge.

Dato' V. T. Sambanthan: Mr Speaker, Sir, this is a matter for the Sarawak Government. The Sarawak Government does not at present propose to replace the existing suspension bridge nor construct a new bridge over the Sarawak River at new location with the present Development Plan. The existing suspension bridge which was originally built to carry two 12" water mains and

pedestrian traffic only, does not justify the expense which would be involved to improve it to such an extent as to enable it to carry motor traffic.

At present, pedestrians, cyclists and light motor cycles are permitted to use the suspension bridge, and the rest of the traffic is served by ferry which operates 24 hours a day. The ferry can adequately cope with all existing traffic, and the density of traffic in the foreseeable future which would derive benefit from the building of a bridge at this crossing does not justify, at this stage, the expense that would be involved in constructing a bridge.

BANTUAN WANG KAPADA MAJLIS KEBAJIKAN MASHARAKAT—SARAWAK

12. Enche' Sim Boon Liang bertanya kepada Menteri Kebajikan 'Am adakah Kerajaan Pusat akan berchadang memberi bantuan wang terus kepada Majlis Kebajikan Masharakat Sarawak yang telah menolong menjaga orang² miskin (tua dan buta) dan serba kekurangan yang akan tinggal tidak berjaga jika sa-kira-nya Majlis Kebajikan Masharakat Sarawak kehabisan wang.

Tuan Haji Abdul Hamid Khan bin Haji Sakhawat Ali Khan: Tuan Yang di-Pertua, perkhidmatan² kebajikan salain daripada peratoran² memileh budak² nakal dan burok akhlak dan budak² yang salah, mengikut Perlembagaan Persekutuan Tanah Melayu yang di-pinda oleh Undang² Malaysia, ia-lah tanggong-jawab Kerajaan negeri Sarawak. Kerajaan Sarawak ada terima sa-banyak \$250,000 sa-tahun sa-bagai pemberian daripada Kerajaan Pusat untuk perkhidmatan² kebajikan di-negeri itu. Saya chadangkan Lembaga Kebajikan Masharakat Sarawak membuat permohonan-nya untuk mendapatkan bantuan wang sa-umpama itu daripada bantuan yang di-beri oleh Kerajaan Pusat kepada Kerajaan Sarawak.

SAGO PLANTING SCHEME, SARAWAK—INCLUSION IN FIVE YEAR DEVELOPMENT PLAN

13. Enche' Sim Boon Liang (Sarawak) asks the Minister of National and Rural

Development whether the Central Government will consider increasing the development grant for Sarawak in order to include Sago Planting Scheme in the Five-Year Development Plan for Mukah, Dalat and Balingian in the Third Division in the same way as rubber, padi and coconut planting schemes since the people in these districts are all depending on Sago for their living.

Enche' Abdul-Rahman bin Ya'kub: Mr Speaker, Sir, the first Malaysia's Five-Year Plan which will incorporate the Sarawak Plan is at present under preparation and the question of finding ways and means to assist the peoples of Mukah, Dalat and Balingian will be given every consideration in this Plan. However, an economic appreciation will have to be made before details of such schemes are finalised.

THE SUPPLY BILL, 1965

Second Reading

Order read for resumption of debate on Question, "That the Bill be now read a second time (28th November, 1964).

Mr Speaker: Saya suka hendak mengingatkan kepada Ahli² Yang Berhormat kalau boleh pendek²kan-lah sedikit ucapan masing² kerana esok di-untokkan bagi Menteri² menjawab-nya. Jadi itu-lah ingatan saya.

Enche' Mohamed Yusof bin Mahmud (Temerloh): Tuan Yang di-Pertua, bagi menyambut rayuan Tuan Yang di-Pertua, saya chuba sa-boleh²-nya menghadkan dan memendekkan apa yang saya telah chakapkan dalam Dewan ini. Bagi menyambong ucapan saya pada hari Sabtu yang sudah maka saya sekarang masuk kepada Kementerian Pembangunan Negara dan Luar Bandar dan juga Kementerian Pertanian. Tuan Yang di-Pertua, ini dua Kementerian pada masa yang lampau telah menyediakan bahan² atau pun jalan² bagaimana hendak meninggikan taraf hidup ra'ayat yang menderita ia-itu di-luar bandar saperti menyediakan jalan², ranchangan tanah, tali² ayer dan sa-bagai-nya. Dalam ranchangan tanah yang sa-chara terkumpul saya berharap satu perkara yang saya dapati ia-itu, sa-paroh-nya, tidak semua sa-kali,

dalam ranchangan FLDA maseh ada lagi suara² yang mengatakan ranchangan tanah FLDA ini bukan-lah untuk peserta², ia-itu, ada yang mengatakan ini-lah ranchangan tanah Tun Abdul Razak. Jadi itu rasa saya, hasil daripada kurang penerangan dan juga kurang perhatian yang di-dapati daripada pegawai² yang mengelolakan mereka. Kurang perhatian oleh pegawai² tempatan ia-lah di-sebabkan, saya percaya dan saya ada pengalaman ia-itu mereka² yang berkhidmat dalam ranchangan FLDA itu yang mengertikan kerja²-nya tidak berasa yang mereka itu sa-bahagian daripada ahli² dalam ranchangan itu.

Yang kedua pegawai² tempatan maseh lagi churiga kedudukan mereka, ia-itu sa-bagai pekerja, atau sa-bagai pegawai dalam ranchangan² itu. Pada masa yang lampau boleh di-katakan pegawai² tempatan ini boleh di-berhentikan kerja mengikut "whims and fancy" atau kesukaan Resident Manager atau orang² yang di-atas mereka, segala rayuan di-buat oleh pegawai² tempatan terhadap chara² itu tidak mendapat pandangan oleh sebab tentulah pegawai² yang di-atas akan memandang berat segala penyata yang di-buat oleh Resident Manager. Jadi ini membuat pegawai² yang dalam ranchangan itu tidak berasa yang mereka tetap dalam jawatan itu. Jadi, saya berharap supaya pegawai² yang bekerja dalam Ranchangan Luar Bandar atau FLDA ini mendapat perhatian daripada P.S.C. Ada pegawai tempatan yang merasa tidak puas hati terhadap layanan atau pun tindakan yang di-buat oleh pegawai² tinggi daripada FLDA itu. Saya ada satu pengalaman, ia-itu dalam kawasan saya ada sa-orang pegawai di-berhentikan dengan alasan yang di-beri oleh ketua daerah itu sahaja dan tidak ada peluang bagi pegawai tempatan ini merayu dengan lebeh lanjut supaya dapat pertimbangan yang 'adil atas keberhentian-nya itu.

Sa-lain daripada itu, Tuan Yang di-Pertua, pegawai² tempatan itu sa-tengah² tempat tidak di-beri rumah² yang baik, mereka terpaksa duduk dipondok². Saya ada melawat dua minggu dahulu di-satu tempat, jadi itu-lah saya rasa, pegawai² itu tidak

merasakan jaminan Kerajaan dan tidak dapat layanan yang baik di-tempat-nya dan dengan ini mereka itu tidak dapat lebeh rapat dengan peserta² supaya boleh menerangkan dasar Kerajaan. Jadi rasa saya untuk kepentingan dan kebaikan ranchangan melichinkan lagi apa yang di-buat, perkara ini hendaklah di-ambil berat. Tuan Yang di-Pertua, kita telah juga mendengar ia-itu ranchangan FLDA, ranchangan tanah dan sa-bagai-nya, boleh di-katakan telah berjalan dengan baik, terutama sa-kali di-negeri saya, Tuan Yang di-Pertua, ia-itu ranchangan pinggir, ranchangan FLDA boleh di-katakan baik. Patut sampai-lah masa-nya persediaan², Tuan Yang di-Pertua, bagaimana-kah peserta² boleh mengambil langkah supaya ranchangan luar bandar ini boleh di-terima dengan baik dan mereka menumpahkan segala usaha dan tenaga mereka untuk memajukan ranchangan ini. Pada masa ini saya tahu pehak Kementerian Pertanian ada mengambil berat dengan mengadakan Persatuan Peladang supaya pengeluaran barang² daripada segala ranchangan itu dan juga pengelola²-nya daripada peserta² itu dapat di-perbaiki, tidak lagi bagaimana pada masa yang lampau, Tuan Yang di-Pertua, ada orang tengah menjadi lintah darat dalam perkara itu. Jadi ini saya menegaskan supaya ranchangan yang di-jalankan oleh Kementerian Pertanian dengan Persatuan Peladang itu di-jalankan dengan sa-penoh²-nya. Kita tidak mahu menjalankan kerja² sa-paroh, Tuan Yang di-Pertua, sebab sa-paroh² kerja itu tidak memuaskan hati, baik di-atas atau pun di-bawah. Jadi rasa saya tiap² kampung, tiap² ranchangan FLDA dan ranchangan pinggir hendak-lah di-adakan unit² atau bahagian² Persatuan Peladang di-tubuhkan oleh Kerajaan. Bagi sementara tiga empat tahun permulaan, perkhidmatan mengadakan pegawai² persatuan hendak-lah di-kelolakan oleh Kerajaan di-mana orang² di-daerah itu di-satukan dalam Persatuan itu supaya mengelolakan bahan² dan barang² yang di-keluarkan oleh mereka itu tidak lagi melalui orang tengah.

Jadi dengan chara itu rasa saya dapat-lah yang peladang² itu berusaha

lebih lagi dan pendapatan-nya pun lebih pula. Ini-lah saya berharap pada masa ini Pembangunan Luar Bandar melebihi pengeluaran wang bermiliun² terhadap ranchangan tanah dan FLDA, maka rasa saya tentu-lah juga boleh, melalui Persatuan Peladang ini di-beri pertolongan seperti barang² yang di-perlukan oleh pak tani kita seperti tractor dan juga baja, yang mana boleh di-dahulukan wang² membeli barang keperluan petani² sa-bagaimana yang telah di-buat ranchangan² pembangunan luar bandar yang dahulu. Dengan ini kita boleh dapat keuntungan yang besar dan terjamin ia-itu pak² tani kita yang di-luar bandar itu mendapat hasil yang baik terhadap tenaga mereka. Perkara itu ada berjalan, ada contoh yang saya boleh tunjukkan, yang saya perchaya Yang Berhormat Menteri Pertanian telah melawat di-sabuah negeri—saya ta' payah sebutkan negeri itu, tetapi saya tahu, saya perchaya dia ada melihat bagaimana kemajuan negeri itu telah di-jalankan, menghabiskan dan menghapuskan orang² tengah dengan chara mengadakan Persatuan² Peladang di-tiap² kampung dalam negeri itu.

Yang kedua, Tuan Yang di-Pertua, sa-lain daripada itu ia-lah usaha² di-dua² Kementerian ini ia-itu chara² pak² tani kita yang ada pada masa ini di-tanah ayer kita belum lagi sampai mendapat perhatian yang sa-wajar-nya. Pada masa sekarang, Tuan Yang di-Pertua, perusahaan² ini, jikalau tidak di-modenkan, atau di-modenisekan, atau di-jalankan dengan chara baharu dengan menggunakan mesin², maka pendapatan² pak² tani kita tidak mungkin boleh tinggi. Maka ini-lah rasa saya di-harap akan di-usahakan oleh Kementerian Pertanian dan juga Kementerian Pembangunan Luar Bandar terhadap ranchangan² bagi orang² yang dudok di-luar bandar itu.

Dan lagi, Tuan Yang di-Pertua, berkenaan dengan barang² yang masuk dari luar negeri patut-lah mendapat perhatian yang berat ia-itu terhadap padi dan gula. Ini boleh kita tanam dan di-usahakan oleh negeri kita sendiri. Padi pada masa ini, Tuan Yang di-Pertua, mengikut ucapan Yang Berhormat Menteri Pertanian mengatakan 35% daripada barang² makanan beras

kita yang kita import itu datang dari-luar, jadi rasa saya, kalau usaha ini dapat di-jalankan dengan chara memodernkan dengan menggunakan mesin² dan baja² yang baik dan di-ranchangkan sa-chara besar²an seperti dalam negeri saya di-mana banyak tempat² yang boleh di-buat, rasa saya ini akan lebih lagi memberi kebaikan pada negara kita pada segi barang² makanan. Begitu juga dengan gula ia-itu tebu yang boleh kita tanam dalam negeri kita. Saya perchaya pakar² kita boleh menjalankan hal ini, sebab saya katakan begitu, kalau-lah negara kita sekarang ini chukup makan dengan ada-nya beras, kita tidak risau lagi tentang keadaan anchaman² daripada musuh² dari luar negeri sa-bagaimana yang kita hadapi pada masa ini dan ra'ayat tidak khuatir lagi sa-bagaimana mereka telah mengalami pada masa pemerintahan Jepun di-negeri kita dahulu. Dan juga dengan chara ini, Tuan Yang di-Pertua, pengeluaran padi di-tanah ayer kita ini boleh Kerajaan mengadakan stock pile-nya supaya harga² tidak dapat lagi orang² tengah, atau pun capitalist², mendapat untong yang lebih dengan chara barang² yang penting ini dapat di-simpan stock pile-nya dan jikalau harga barang² itu naik tinggi, maka stock pile ini dapat di-releasekan, dan harga barang² itu akan turun balek. Ini telah ada, rasa saya, yang telah di-buat oleh negara² jiran kita juga. Begitu juga, Tuan Yang di-Pertua, satu perkara lagi tentang keuntungan yang besar berkenaan dengan Persatuan Peladang ini terhadap pak² tani kita, nelayan² kita yang pada masa ini di-hempit oleh orang² tengah. Tentulah, Tuan Yang di-Pertua perchaya, ia-itu barang² yang di-beli oleh orang² tengah daripada pekebun² kita, baik sayor, baik ikan—tidak mendapat harga yang betul, kerana apa, Tuan Yang di-Pertua, gulungan yang ada di-tanah ayer kita yang memegang tampok yang besar ia-itu pak² tani kita tidak mendapat harga yang tinggi daripada barang² mereka. Mereka², ia-itu gulungan ini, ada di-Kuala Lumpur ini, Tuan Yang di-Pertua, yang boleh menetapkan harga-nya bagaimana kehendak mereka bagi seluruh tanah ayer kita, ia-itu daripada Kedah terus ka-Johor.

Saya mengambil satu contoh, Tuan Yang di-Pertua, suatu usaha yang lain daripada lengkongan ini yang hendak menjual ikan² dari pantai timor ka-Kuala Lumpur. Maka usaha ini telah gagal, pada hal modal ada, barang²-nya ada, tetapi gagal, oleh sebab mereka² gulongan yang besar ini dapat mengatasi, dapat memerah, dapat menekan usaha ini—jikalau tidak terang² dapat mereka jalankan, mereka jalankan dengan chara gelap. Tuan Yang di-Pertua, ada usaha datang daripada pantai timor yang menghantar ikan² di-Kuala Lumpur ini—apa yang telah jadi, mereka ini menjalankan usaha ini sa-lama satu bulan dengan baik dan elok, tetapi apabila masuk bulan yang kedua, tiap² trip datang ka-Kuala Lumpur empat² tyre lori-nya pechah di-potong—saya ta' mahu terangkan ini, Tuan Yang di-Pertua, ini tentu-lah sa-gulongan daripada orang yang ada dalam lengkongan ini. Maka dengan ada-nya chara yang saya sebutkan ini, Persatuan Peladang ini akan dapat menjamin yang nelayan², pekebun², baik apa bangsa sa-kali pun—kita tahu di-Cameron Highlands kobis² tidak lebeh daripada 15 sen pada satu kati, pada hal di-sini di-jual oleh orang² tengah 35 sen pada satu kati. Ini satu contoh, Tuan Yang di-Pertua, yang saya beratkan terhadap usaha Kerajaan bagi chara² ranchangan untuk menguatkan lagi Persatuan Peladang ini.

Sa-lain daripada itu saya tidak lagi hendak memanjangkan ucapan saya dalam perkara itu, dan saya sekarang masuk kapada Kementerian Kerja Raya.

Baharu² ini, Tuan Yang di-Pertua, pejabat ini, ia-itu dalam negeri saya telah mengambil tindakan yang saya fikir sangat-lah memushkilkan dengan memberhentikan sa-bilangan besar daripada pekerja² dari Pejabat Kerja Raya. Boleh di-katakan di-seluruh negeri Pahang, Tuan Yang di-Pertua, ta' kurang daripada 200 orang dengan alasan yang mereka² ini di-berhentikan oleh sebab pembangunan luar bandar ta' ada lagi dalam Pejabat Kerja Raya ini. Itu alasan-nya, pada hal, Tuan Yang di-Pertua, orang² yang di-berhentikan ini ia-lah orang² yang bekerja dan berkhidmat dari tahun 1948 yang

ta' ada kena-mengena dengan Rancangan Pembangunan Luar Bandar langsung. Sa-patut-nya pejabat ini jikalau mengetahui yang pembangunan luar bandar itu tidak chupuk wang, beri tahu, yang mereka itu di-tetapkan untuk kerja² pembangunan luar bandar sahaja, jikalau sudah habis, di-berhentikan—ini tidak, Tuan Yang di-Pertua, dan saya berasa mushkil dalam perkara ini, sebab saya tahu, Tuan Yang di-Pertua, banyak kerja² yang ada boleh di-buat oleh Pejabat Kerja Raya, tetapi tindakan yang telah diambil oleh pejabat ini supaya kerja² itu semua di-jalankan dengan sa-chara konterek. Di-sini saya tidak hendak mencheritakan, sebab saya tidak ada keterangan yang penoh, tetapi apa sebab, mengapa yang di-jalankan dengan sa-chara konterek ini, tentu-lah ada faedah kapada sa-gelintir manusia dalam perkara ini, pada hal terlantar beberapa ratus orang buroh tidak bekerja, yang akan berhenti, pada 15 haribulan ini, lagi dua minggu mereka² itu akan di-berhentikan.

Jadi, saya harap Kementerian ini akan mengambil perhatian berat dalam perkara ini, kalau hendak memberhentikan mereka, mesti-lah dengan chara yang terator. Kalau kita tahu kita tidak ada wang, berikan peluang dengan chara yang terator—beri peluang mereka, masukkan ka-pejabat² lain ia-itu dengan kerjasama Pejabat Buroh dapat-lah kerja² yang baharu yang di-minta oleh pejabat lain bagi mereka yang akan di-berhentikan itu dapat di-salurkan kapada tempat² itu. Tidak-lah, Tuan Yang di-Pertua, dengan memberi notis yang begitu singkat, kerana mereka² ini ada anak tiga empat orang, dan lebeh tanggungan yang berat, maka dalam masa tiga bulan hendak menchari kerja yang lain, ini satu perkara yang betul² sangat mendukachitakan, Tuan Yang di-Pertua.

Jadi, saya harap segala kerja yang boleh, yang ada kerja, yang boleh di-jalankan, ambil-lah satu langkah jangan di-jalan dengan konterek. Saya tahu, Tuan Yang di-Pertua, di-Bentong, umpama-nya membuat satu jalan raya yang jauh lebeh kurang tiga batu, Pejabat Kerja Raya ini

tidak sanggup hendak membuat-nya sendiri, dan di-keluarkan tender untuk di-konterek.

Jadi, ini rasa saya, ini satu langkah yang tidak bijak. Jadi, saya harap Kementerian ini patut-lah mengambil pandangan yang berat terhadap buroh² kita yang ada dalam negeri ini, dan begitu juga saya tahu, sekarang ini kita telah menubuhkan Malaysia ya'ani negeri² Sabah dan Sarawak berkehendakkan buroh² yang banyak, mengapa tidak buroh² kita ini di-beri peluang pergi ka-tempat² itu. Saya tidak tahu-lah, undang² negeri Sabah yang tidak mahu mengambil buroh² ini daripada negara kita ini, tetapi saya perhatikan dalam surat² khabar, Sabah sanggup mengambil buroh² yang bukan ra'ayat Malaysia ia-itu ra'ayat daripada Philipina yang beratus² orang yang ada bekerja di-Sabah. Mengapa mereka tidak boleh memilih ra'ayat Malaysia sendiri, ambil-lah buroh² yang tidak ada kerja di-sini, yang ada di-pejabat² Kerajaan yang di-berhentikan supaya di-masokkan ka-tempat² itu. Saya perchaya perkara ini dapat di-jalankan dan di-salorkan.

Sekarang saya masok, Tuan Yang di-Pertua, kapada Kementerian Pengangkutan, ia-itu berkenaan hal teksi. Saya mendapat rayuan² daripada Persatuan² Teksi ia-itu mereka sangat gelisah terhadap teksi sapu (pirate taxi). Mengapa banyak sangat pirate taxi di-tiap² tempat? Di-Kuala Lumpur, kalau Tuan Yang di-Pertua ada senang, lalu-lah di-Pudu Road dekat seteshen teksi, akan dapati teksi hitam atau pirate taxi ini berpuluh² di-situ. Kenapa-kah tindakan tidak dapat di-ambil? Ini saya tidak tahu. Jadi kalau keadaan-nya macham ini, maka jaminan terhadap perkhidmatan ini tentu-lah belum lagi memuaskan hati. Sebab yang pertama-nya ia-lah terhadap lesen² teksi ini, ia-itu satu² tempat berkehendakkan 10 teksi, tetapi oleh sebab jawatan-kuasa memikirkan tidak patut beri dua teksi sahaja di-tempat itu. Tuan Yang di-Pertua, kita sa-bagai orang ramai mahu perkhidmatan yang chekap. Kalau sa-kira-nya di-adakan peratoran yang teksi itu tidak boleh pusing dalam bandar menchari pas-

senger, saya rasa bagi orang awam yang mahu perkhidmatan teksi tentu-lah tidak mahu pergi ka-seteshen teksi menchari teksi. Kalau hendak teksi umpama-nya saya tunggu di-tepi jalan sahaja dan saya sanggup menerima apa juga perkhidmatan yang datang. Umpama-nya di-Ipoh, pirate taxi ini bukan-nya daripada kereta² yang kecil tetapi kereta saperti Mercedes Benz, datang sendiri bertanya saya, tuan hendak ka-mana? Kalau hendak ka-Ipoh mari naik kereta saya. Saya tanya berapa tambang-nya, jawab-nya 20-30 sen. Saya tanya kereta awak ini bagus-kah, jawab-nya jangan takut kereta saya ini baharu. Ini-lah keadaan-nya, Tuan Yang di-Pertua. Jadi, kalau kita hadkan lesen² teksi yang di-kehendaki oleh sa-suatu tempat atau daerah itu dengan undang² yang ketat sa-macham ini, maka sampai bila pun tidak dapat di-hapuskan pirate taxi ini. Jadi, saya harap, Tuan Yang di-Pertua, satu sistem di-fikirkan bagaimana kita hendak menghapuskan pirate taxi ini.

Sa-lain daripada rayuan², juga, sampai kapada saya rungutan berkenaan dengan hal keputusan² yang di-buat oleh pegawai² yang meluluskan lesen² teksi atau bas yang membolehkan bas dan lori berjalan. Jadi, keputusan itu, ada masa-nya tidak memuaskan hati orang yang punya bas atau lori itu. Oleh kerana tidak ada tempat mereka hendak merayu, maka perkara "makan suap" pun tiba-lah, kerana berkehendakkan chepat perkhidmatan itu, boleh jadi sa-bagaimana kita dengar di-kedai kopi, Tuan Yang di-Pertua, untuk memereksa satu bas atau lori kepunyaan persaorangan terkapsa membayar \$20, pada hal satu kam-peni yang chukup perkhidmatan-nya saperti Seri Jaya di-Kuala Lumpur ini tidak siapa boleh usek, sebab dia ada engineer, kalau kata kereta tidak baik, dia boleh periksa, tetapi orang awam, Tuan Yang di-Pertua, apa akan jadi? Ini saya rasa patut mendapat pandangan yang berat daripada Menteri yang berkenaan. Sunggoh pun saya tidak dapat menerangkan dengan jelas perkara ini, tetapi ini bualan² yang ada di-kedai kopi yang saya terima.

Sekarang, Tuan Yang di-Pertua, saya masuk kepada Kementerian yang sangat penting ia-itu Kementerian Hal Ehwal Dalam Negeri dan Kementerian Pertahanan, sebab apa Kementerian ini sangat² penting ia-lah hidup-nya negara kita dan elok-nya negara kita dan tenteram-nya negara kita bergantung-lah kepada Kementerian ini. Dan kita tahu perbelanjaan yang banyak sa-kali telah di-sediakan dalam Kementerian ini, boleh kata \$1 juta sa-hari di-untukkan kepada Kementerian ini. Jadi, dalam hal ini kita ucapkan terima kasih kerana menghadapi musoh yang besar yang saya anggap kita ada tiga musoh ia-itu musoh luar negeri, mara-nya pengarah² atau fahaman² kominis di-Tenggara Asia dan musoh yang ada dalam negeri kita yang sama² menyokong musoh² di-luar negeri, yang sama² menyokong fahaman² kominis dalam negeri ini dan yang sama² menyokong untuk menjahanamkan negara kita. Maka usaha yang di-jalankan oleh kedua Kementerian ini kita memberi kepujian yang tinggi, sebab kita hari ini dalam Dewan ini selamat, ia-lah hasil yang chekap dari Kementerian² ini. Kita tengok musoh² di-luar negeri dapat kita hapuskan dengan serta-merta, tetapi dalam usaha ini yang saya pandang penting, Tuan Yang di-Pertua, ia-lah musoh² yang ada dalam negeri ini, musoh² yang suka hendak membangunkan perasaan tidak puas hati dan benchi antara satu sama lain.

Tuan Yang di-Pertua, usaha Kerajaan ia-lah supaya dalam negara ini semua bangsa hidup dengan aman dan baik dan di-nasihatkan jangan-lah kita bangkitkan perasaan² yang boleh membangkitkan pergaduhan. Di-dalam Dewan in juga, Tuan Yang di-Pertua, jika ada satu² pihak chuba hendak membangkitkan perasaan ini, ada undang² ia-itu Standing Orders. Tetapi, Tuan Yang di-Pertua, yang saya sangat muskilkan bukan-nya daripada orang yang kecil, tetapi datang-nya daripada orang yang besar, orang yang berpengaruh, dan orang yang di-pandang tinggi, chuba membangkitkan perasaan itu. Satu perkara saya suka memberitahu, ia-itu satu ucapan yang di-buat di-luar negeri yang mengatakan apa

faedah-nya hak istimewa orang Melayu ini di-adakan untuk memajukan Malaysia? Ini, Tuan Yang di-Pertua, datang-nya daripada satu orang yang berpengaruh, satu orang yang kita harap boleh memimpin negara kita, tetapi terang² membuat ucapan yang membangkitkan semangat benchi antara satu sama lain. Apa-kah tindakan Kerajaan kita dan tindakan Kementerian Keselamatan terhadap mereka? Ada-kah kita orang Melayu diam sahaja dan terima sahaja tempeleng ini? Ini-lah, saya minta, pada masa hadapan Kerajaan tegas mengambil tindakan terhadap perkara² macham ini, terutama mereka² yang anti hak istimewa orang Melayu, yang suka membangkitkan perkara² ini dan mereka yang tidak bersetuju tentang Kerahan Tenaga Ra'ayat sa-bagaimana yang di-bawa oleh Ahli Barisan Sosialis dari Singapura. Mengapa tindakan² tidak di-ambil terhadap mereka yang terang² anti-nasional, anti-kerajaan dan anti-Malaysia? Perkara ini daripada kecil kita hendak jaga. Ambil tindakan supaya jangan merebak. Jadi, saya harap, chara² yang di-ambil sa-lain daripada ditangkap mengikut undang² kita dengan keterangan yang penoh dan sa-bagai-nya, tetapi, satu tindakan yang di-jalankan oleh Kerajaan Singapura terhadap sa-orang hartawan yang terang² menyebelah satu faham yang tidak di-ingini dalam negeri ini, mengambil kera'ayatan-nya, maka tindakan sa-macham itu patut di-jalankan dalam negara ini. Mereka yang anti-kebangsaan, anti-bahasa kebangsaan dan anti-kerahan tenaga ra'ayat patut di-ambil tindakan dengan mengambil kera'ayatan mereka itu, kalau mereka itu daripada ra'ayat yang mendapat kera'ayatan negeri ini sa-chara pendaftaran. Kalau ra'ayat tulin negeri ini buat begitu, kita asingkan di-tempat yang tertentu di-mana orang² ini tidak boleh mengachau negeri ini. Ini tidak kira, Tuan Yang di-Pertua, daripada keturunan mana sa-kali pun, baik daripada keturunan China-kah, Indian-kah atau Indonesia-kah, sebab anasir² ini mengancham negara kita yang mana patut Kerajaan mengambil tindakan yang tegas terhadap mereka² itu.

Tuan Yang di-Pertua, oleh sebab saya memberi pandangan tentang Kementerian Hal Ehwal Dalam Negeri ada satu perkara lagi yang saya hendak chakapkan ia-itu saya harap pegawai² dalam Pejabat Polis seperti pegawai C.I.D. menjalankan kerja-nya dengan tegas dan baik. Saya tidak mahu dengar yang mengatakan, bila ada suatu perkara yang tidak di-ingini terjadi, banyak senjata keluar daripada tempat² pergaduhan berbangkit itu. Senjata² itu banyak keluar daripada kelab² dan daripada tempat² ibadah. Ada-lah senjata² itu senjata² seperti parang, lembing dan sa-bagai-nya. Pada hal kalau pegawai² ini menjalankan tugas dengan baik, tentu dapat di-ketahui di-mana senjata² itu tersimpan.

Bagitu juga gangster² tidak timbul lagi pada masa yang akan datang dengan wang yang banyak di-untukkan. Jadi usaha ini sungguh pun saya rasa susah, saya percaya usaha Kementerian dalam perkara ini dapat di-atasi dengan sedikit demi sedikit. Sungguh pun tohmah²—tuduhan² mengatakan, oh, apa boleh kita buat, oleh kerana orang awam tidak dapat memberi penerangan dan sa-bagai-nya kepada pehak yang tertentu. Tetapi ini kewajiban penyelidekan daripada pegawai² kita yang berkhidmat di-dalam perkhidmatan ini. Kalau saya sa-orang awam boleh pergi ka-Singapura dan dalam masa dua hari boleh melihat siapa-kah kepala gangster² itu dan rakan²-nya, saya percaya pegawai² yang berkhidmat di-dalam jabatan ini boleh mendapat ma'lumat lebeh terang kalau mereka mahu. Jadi saya rasa ini-lah perkara yang sangat besar untuk perhatian Kementerian ini, supaya selamat chara demokrasi yang kita adakan Parlimen kita sa-macam ini. Kalau sa-kira-nya perkara ini tidak di-ambil tindakan yang kuat, saya percaya kita tidak ada keadaan aman yang sa-macam ini.

Penyudah-nya, Tuan Yang di-Pertua, menyimpulkan ucapan saya—ia-itu dalam seluroh ucapan saya, saya telah menegaskan bagaimana-kah patut kita menjimatkan perbelanjaan, dan bagaimana patut kita mengatasi perkara² berkenaan dengan anasir² yang tidak di-ingini, dan sa-kali lagi

saya minta perhatian berat terhadap Kerajaan perkara² yang saya telah sebutkan tadi.

Satu perkara yang saya hendak berchakap tetapi saya berasa malu, ia-itu perkara ini saya tujukan kepada Yang Amat Berhormat Perdana Menteri berkenaan khalwat, kerana saya fikir Perdana Menteri sahaja yang boleh mengambil tindakan dengan membawa perkara ini kepada Majlis Raja². Rang Undang² khalwat pada masa ini, Tuan Yang di-Pertua, di-jalankan oleh Majlis Ugama, saya merasa malu, sebab kalau Undang² itu di-jalankan berdasarkan kepada Ugama Islam tentu-lah ada Undang² Islam yang menentukan yang boleh menghukum orang² Islam yang salah dalam perkara ini.

Dato' Haji Sardon bin Haji Jubir: Tuan Yang di-Pertua, itu perkara lain.

Mr Speaker: Saya minta Ahli Yang Berhormat tujukan kepada asas² 'am pentadbiran Kerajaan sahaja; kalau tidak panjang nanti lagi meshuarat ini. Jadi tepatkan ucapan Yang Berhormat itu kepada asas² 'am pentadbiran Kerajaan sahaja.

Enche' Mohamed bin Yusof: Terima kaseh, Tuan Yang di-Pertua. Jadi saya minta-lah kepada Perdana Menteri menimbangkan dan saya akan berchakap lagi apabila sampai membahathkan allowance Yang Berhormat Perdana Menteri nanti. Jadi saya tidak panjangkan lagi dalam perkara ini sebab dalam dasar 'am saya tidak dapat beruchap tetapi saya mengambil peluang besok di-atas perkhidmatan Yang Berhormat Perdana Menteri, saya akan berchakap dalam perkara ini, terima kaseh.

Enche' Lee Kuan Yew (Singapore): Mr Speaker, Sir, may I preface my observations on the financial and fiscal policy of the Government by a plea that Standing Orders should allow Members more than just two days' time to study the implications of tax changes upon which the Finance Minister and his Ministry must have spent long months of cogitation and planning? In Singapore we allow an interval of a week before debate. I hope next year we may be allowed through an amendment to Standing

Orders, more time to give the Honourable Finance Minister's proposals the courtesy of the careful and thorough examination that they deserve. My colleague, Dr Goh, is, even up till this moment still working on the implications of these new taxes, and he hopes it may be possible to express some of his views in this House tomorrow morning before the three-day debate ends.

Sir, my first comment is that the classification in the Budget speech between direct and indirect taxes has been less than frank. A direct tax is one where the tax cannot be passed on, such as income tax, estate duty, and now the capital gains tax. In his speech the Honourable Minister gave us the impression that of the additional taxes to be raised, estimated at \$147 million, only \$54 million were from indirect taxes like sugar, diesel and fuel oils, in Singapore, and crown corks, and now dried mushrooms in the Peninsula. He has classified turnover tax, estimated at \$45 million, and payroll tax, estimated at \$21 million, under direct taxation.

A careful scrutiny of the incidence of these two taxes has led my colleagues and I to the conclusion that both turn over and payroll taxes will in the majority of cases, be passed on to the consumer and its incidence has no relation to the capacity to pay of the person who is being taxed.

Sir, if we are to help to narrow the gap between the haves and the have-nots, then to equalise opportunity, the cost of running the Government, the provision of social, medical and educational services must more and more be paid by the "haves" rather than by the "have-nots". In this way, we create a more just society. This is usually achieved by having taxes based on the capacity to pay such as direct taxation on income, capital gains and profits, rather than by choosing taxes because of the facility of their collection, such as indirect taxes which are spread over the whole community equally, making the have-nots pay more in proportion much more of their incomes.

Sir, I agree with the Honourable Finance Minister that we must build a prosperous society, and that for this we must encourage thrift and hard work, qualities which will make for a high rate of capital investment and growth in industry and in agriculture. He has exhorted the House to emulate the examples of Japan and Germany. In this process, we should bear in mind that one of the objectives is to help as many as possible of the have-nots to come closer to the haves. So, I congratulate the Minister for having proclaimed as his minimum ideal the man who, on his death, leaves behind a minimum of \$25,000 on which he will now be asked to pay no estate duty. But I fear that having acknowledged the validity of these goals, the Honourable Minister has got lost in a maze of differing decisions, brought about by conflicts between conscience to do what is right and the desire to help one's own kind. In the end temptation was stronger than conscience and he ended by doing, in most cases, what was the easiest thing to do.

So while he introduces the capital gains tax, he could not at the same time resist the temptation to squeeze \$8.2 million from the have-nots through a new tax on crown corks—Coca Cola, Pepsi-Cola. Every bottle of soft drink consumed in the Peninsula now carries a 5 cent duty.

Even in the capital gains tax, he has been careful to ensure that all those properties, which are transferred by way of gifts, e.g., from father to son, the son need not pay capital gains tax of 20%. There is a proviso, I think, in para. 62 of the Command Paper, whereby the son could put himself in the place of the father and assume the purchase price as at the date of acquisition of the estate.

Enche' Tan Siew Sin: I don't think the Honourable Member from Singapore has got this right. The idea is exactly the opposite of what I think the Honourable Member pre-supposes. The idea of putting the donee in the place of the donor in the case of his death is to enable the capital gains tax to be levied on the donee eventually.

Enche' Lee Kuan Yew: I am grateful for the explanation. If rubber magnate "A" gives his estate five years before death to his son, and with a good physician one can safely predict, barring accidents, when this moment would arrive; there is no capital tax on this, although if the rubber estate were bought today and given to the son in say, ten years time, it would have appreciated a great deal in value and, if sold would attract capital gains tax. Am I right? But if given to the donee it will not attract capital gains tax until the donee sells. Now, Sir, supposing the donee instead of selling keeps on giving to his son and from the grandson to the great grandson, at no time is a capital gains tax levied. It may well be that it is an oversight in the Treasury which can be corrected. But it does seem to me, Sir, an anomalous iniquity, because what it really means is that the new rich is less favourably treated than the old rich—and the old rich, of course, deserves special consideration. Quite rightly, the Minister has pointed out that in Australia and New Zealand the rates of estate duty are not as high. He has conveniently forgotten to mention that in Australia and New Zealand, every gift *inter vivos*, without any limitation of five years, carries a tax commensurate to the estate duty.

It is true that we have made a step forward now in the Peninsula by making gifts *inter vivos* within five years taxable, as it has always been in Singapore. But the limitation in Singapore was because if we had made it limitless, people of property would have transferred both their holdings and their domicile to the Peninsula and hence escaped duty in Singapore. So there were limits within which we could improve on the social values in fiscal policy between Singapore and the old Federation. But now there is no such danger when the taxes are uniform throughout Malaysia. Sir, I trust the Minister will slowly be persuaded to close this loophole through which a wealthy man can give his property away to his children and escape estate duty provided he does so five years before death.

I would like now, if I may, to test the new tax proposals that have been introduced, changes which have been regressive. For instance, in Singapore the change in income tax is regressive, making the poor pay more, giving money back to the rich, from 55% to 50%.

Let us see whether they do in fact encourage these two qualities of thrift and hard work. If you want people to work hard, if you want them to save, you must give the incentive. The Minister would like the ideal of family of a man, wife and five children—tax free until five—to try and have a minimum of \$25,000 worth of property—a commendable, if somewhat limited, objective. But we agree with this encouragement to the emergence of a broad lower middle class of what the Honourable Minister once labelled, quoting from the Tory Party's programme ten years ago, a property-owning democracy. We have tried, without calling it by such a comprehensive name, because we know the limitations of the economy within which we operate. Over the last five years, we have tried to make it possible for people in Singapore who work hard and are thrifty to come closer to the ranks of the "haves", and the ideal is the family that owns a terrace house, usually on an instalment basis, a refrigerator, a radio and television set and perhaps a small car. Such a family must have a combined family income of between five and eight hundred dollars per month, or between six thousand and nine thousand dollars a year. Then one can reside in a housing estates like Serangoon Garden, Sennett Estate and so on.

Unfortunately, the changes that have been introduced have hit this particular group—the \$500 to \$800 a month—the hardest. The income tax in Singapore for them has gone up by 44.6 per cent, not much in terms of cash, but in percentage terms, it expresses vividly the iniquity of the tax changes introduced. And where the incomes were earned by the two spouses and were before separately assessed for the wife who was working—not for the wife who was

drawing profits from unearned effort through investment,) but who was working.

Enche' Tan Siew Sin: He was referring to the spouses who are working. The reason is quite simple. This government does not feel that a family, where both husband and wife earn should be treated better than the family where only the husband is earning. The Honourable Member from Singapore has misled the House somewhat in that he has omitted to point out that this case applies only to a family where both husband and wife are earning. It does not apply to a family where there is only one bread winner.

Enche' Lee Kuan Yew: Quite right, because it only applies to the wife's earned income, not the unearned income. Her income derived from investment goes on the lump total assessment for the family. And for this particular group, the people who earn between \$6,000 and \$9,000 a year, the lower middle class which is slowly emerging, the tax incidence has gone up, for a couple earning \$7,000 a year by 375% and for a couple earning \$9,000 a year by 293%. We have worked out the tables and for the convenience of the Finance Minister, rather than put his staff to the unpleasant duty of computing this, we will supply members with copies: and, of course, it goes down until for couples who earn \$100,000, the increase is a negligible 16%.

Now, Mr Speaker, Sir, I want to declare my interests in this, I have a wife and she works and I will be hit in the higher income ranges. But I am concerned not with my position or the position of my colleagues, but with 10,000 families, largely wives who are nurses and teachers, the emerging lower middle class whose tax now goes up by 375% at \$7,000 income a year going down to 293% at \$9,000 income a year.

Sir, far from encouraging the small man to emerge as the owner of a \$25,000-worth of property, the changes in the income tax have been regressive and worse. By reducing the maximum

already obtaining in Singapore from 55% to 50%, instead of raising the tax for the wealthy in Malaya to 55%, the Minister has given back to these people with incomes of \$100,000 to \$200,000 per annum 3.5% of their incomes and those with incomes of over \$200,000 per annum 18.5%. This giving of money away (\$400,000) for no rhyme or reason, I find it difficult to understand. On the basis of equalisation with the Peninsula to give money away? People were happily paying this tax, knowing full well that this was to ensure the security of their future, that more community centres, more of the amenities of civilisation in the poorer areas, more schools, more middle class homes springing up, mean a more stable society prepared to support the democratic system. In simple language, Sir, the very rich now are made richer and the small man in the housing estate has had things made more difficult for him.

To encourage thrift and hard work, surely what the Honourable Minister could have done was to have followed the more progressive rates obtainable in Singapore, and so harmonise and equalise to help the emergence of more communities like the Serangoon Gardens Estate. But instead he has increased the burdens for Serangoon Gardens' community and made it as heavy as Petaling Jaya's. He could have made things easier for Petaling Jaya and helped more Petaling Jayas to emerge. Had he done that, equalise the Singapore's rates and harmonise on Singapore's allowances and separate assessments, he would have created, he would have helped an estimated 25,000 women teachers, nurses, stenographers and clerks in the Peninsula who might begin to emerge into the ranks of the "haves".

Sir, I must confess that before Malaysia we knew that we had to take one step backwards to go two steps forward. We had hoped that instead of Singapore having to equalise by introducing taxes on sugar, diesel and fuel oils, and a whole host of other commodities which in the last published figures for 1962, produced \$122 million two years ago—it must be \$140 million

perhaps this year, or over 11% of the total revenue collected from things like textiles, feeding bottles and a few other very essential commodities for everyday life as the Minister of Commerce and Industry must understand, we had hoped that perhaps a more progressive step would have been taken by gradually abandoning some of these taxes in the Peninsula. When confrontation intensified, we knew that such expectations could not be realistic. Although we could have held up these duties on sugar and diesel and fuel oils in Singapore, according to the Constitutional Agreement, for another four years up to 1968, we have agreed to these two taxes. Only two, Mr Speaker, Sir, I would like to make this clear because all the other taxes we were not consulted upon, nor did we agree to them. The presentation in the press sometimes may lead people to believe that my colleague, Dr Goh, was taken into the confidence of the Minister of Finance and that we have agreed to all these tax increases. In fact we had not, we agreed to only these two.

Enche' Tan Siew Sin: I should make it quite clear that all these import duties imposed in Singapore were agreed to by the Singapore Finance Minister, all import duties.

Enche' Lee Kuan Yew: In Singapore?

Enche' Tan Siew Sin: Yes in Singapore. And there are more than two taxes. It is not correct to say there are only two.

Enche' Lee Kuan Yew: There are two main ones. They are going to produce about \$15 million.

Enche' Tan Siew Sin: Two main ones. There are not only two.

Enche' Lee Kuan Yew: No, there is a slight one, evasion on chocolates, saccharine. There are minor peripheral taxes—but not crown corks and mushrooms I hope.

Enche' Tan Siew Sin: Mr Speaker, Sir, the Prime Minister of Singapore need not worry because this agreement was embodied in an exchange of

letters between Dr Goh Keng Swee and myself.

Enche' Lee Kuan Yew: I am indeed relieved to hear, by implication, that some of these things do not apply to Singapore as yet. But I think he should give us some credit for having agreed to these taxes, so that the burden will be more fairly shared throughout Malaysia. We could have—in spite of the personal inclinations and the good nature of our Finance Minister, the rest of the Cabinet might have been recalcitrant but we were not. Well, I hope also—of course we are honest men—this will simplify the implementation of the common market arrangements for those goods where sugar or power was an appreciable part of the cost of production. Moreover, in the case of sugar, there is one refinery about to commence production in Prai and another we hope to commence production next year in Jurong.

I now turn to the two new taxes—turnover tax expected to yield \$45 million and payroll tax expected to yield \$21 million. In the majority of cases, these taxes can and will be passed on to the ultimate consumer, although there will be some unfortunate employers, whose products are nearly all for export, and who will therefore be unable to pass on either the $\frac{1}{2}$ % turnover tax or the 2% payroll tax. He can if his products reach the Malaysian consumer. If his products or services are consumed in this country, the temptation for the employer, or the businessman to pass on these increased burdens to the consumer will become too strong to resist.

I would like first to take the turnover tax, because it is the bigger one. This tax has created quite a disturbance, particularly to the sensitive entrepot economy—like Singapore and Penang. One doubts whether sufficient advertence has been afforded to the psychological upset it would cause, the sapping of business confidence in a merchant community, who have already had to bear the brunt of confrontation, and who up till now have done so with considerable resilience. One would

have thought that people, who have borne confrontation so cheerfully, deserved more gentle treatment than the shock now administered to businesses with large volumes and small profit margins. This turnover tax may have a depressing effect on our economy unless time is spent on explanation and care is taken in the administration of the tax to avoid hardships.

Reading the Budget Speech and the explanation given in the Command Paper, it appears that the tax follows the pattern of the German Multi-Stage Cumulative Tax on all sales at all levels. In Germany all basic necessities, in which the Germans include water, gas and electricity, are exempt from this tax, but the Minister unlike the German pattern on the other hand proposes to include public utilities, water, gas and electricity, in his yield on a widely spread net based on the argument that it is a small $\frac{1}{2}$ cent.

In this connection, may I mention the case of the Malaysian Railways. In spite of the optimistic estimates, it is anticipated to make a loss of some \$5 million next year. One wonders whether the Minister proposes to exempt Malaysian Railways from this turnover tax and so put road transport at a further disadvantage. In any case, we find it difficult to justify a turnover tax on public utilities—electricity, water and gas—and consumer products all of which must inevitably be passed on to the consumer. We, therefore, begin to wonder whether it is the intention to collect taxes from public corporations like the Central Electricity Board and the Singapore Public Utilities Board, and then perhaps the Central Electricity Board gets a quiet subsidy whilst the Public Utilities Board just a straight-forward cut. I have not expressed any particulars. It is just a question which we hope will be clarified in due course of time in a fair and equitable manner. But in the result, let us be frank, a turnover tax is in fact a commodity tax. It is repressive and regressive, because it takes a larger percentage of the smaller income, and increases the gap in income inequalities.

Next, because the turnover tax is imposed at each stage, the vertically integrated firm, e.g. the importer, who can constitute his company, so that he is the whole-saler and also the retailer, the big company, is at an advantage, because it is easier for them to integrate vertically and make themselves one company at different levels. So sales from a principal to branch agencies throughout Malaysia can all be done by indenting without paying the sale or turnover tax of half per cent tax at each stage. An importing firm in Singapore, or Kuala Lumpur, which converts itself into a mere agent of itself in other parts of Malaysia, from one's reading of the Command Paper, can avoid this turnover tax. The larger the firm the more easily can the tax be avoided by vertical integration. In Malaysia it means in effect that the advantage is with the bigger firms, mostly foreign-owned. The small local firms which cannot integrate vertically must be at a disadvantage.

Enche' Tan Toh Hong (Bukit Bintang): On a point of clarification, is the Honourable Member aware that smaller businesses whose turnover does not exceed \$36,000 a year are exempted from the turnover tax?

Enche' Lee Kuan Yew: There are very few shops anywhere in Malaysia whose annual turnover does not exceed \$50,000—very few shops. You have to be a road side vendor, who does not keep accounts and who can then claim that his annual turnover is under \$36,000—Annual turnover which means a monthly turnover of less than \$3,000. But the point I wanted to make, which I am quite sure the Member for Bukit Bintang, being an accountant, will follow, is that if you are a small firm and you have got a big importer, as you sell ovaltine, television, or whatever it is—right down the line, you pay each time—3 stages or four stages as the case may be. But, if you are a big firm, William Jacks, Caldbeck MacGregors, then you are Hongkong incorporated, which is also Singapore, Kuala Lumpur incorporated, which is also importer, wholesaler and retailer, then you do it by the indent. So you have got, at least if three stages are

involved, 1½% advantage on the turnover against a small firm. Perhaps, in his advice to his clients, he must bear that in mind. (*Laughter*).

Next, the payroll tax—Here again, I think the Honourable Minister was greatly attracted by the simplicity of collection through the machinery of the Provident Fund agency in the Peninsula and Singapore. It is very hard for Finance Ministers to resist easy instruments like this, and this is where our problem arises, because it will end up by the tax having a detrimental effect on labour intensive industries.

The Minister's point may be this, that it is only 2 per cent and it is a negligible part of the total cost of a product. Assuming the labour component is 30%, two per cent of 30% is .7 of the total cost. But this will not allay the employers' fears unless the Minister makes a very categorical statement quite soon. In planning ahead employers must take into consideration this factor—the ease of the collection of this tax tempting the Government to further exploitation of this simple source of revenue. Industries about to be established, or to be expanded, will inevitably tend to keep an eye on cutting down the labour cost of their products. My colleague Dr Goh, I hope, will have an opportunity to expand further on this but, to say the least, the payroll tax is not going to help create more jobs.

We agree that the policy of the Government must be to encourage the growth of industries, but the Government has taken steps, admittedly small ones to start with, to make these industries less competitive in the export market by increasing the price of power by the tax on fuel oils, turnover tax again on public utilities—electricity, water and gas—of which the industries are the biggest consumers, and increasing the cost of labour through the payroll tax.

Enche' Tan Siew Sin: The turnover tax will not be levied on such commodities subject to export duties or products which will be exported.

Enche' Lee Kuan Yew: I was coming to that, and I was hoping to persuade the Minister for wider rebates to encourage the export industries. Competition in the export market needs not only this rebate; in Australia they receive handsome subsidies to make them match the cheap labour component of Japanese and Hongkong products. The point, I think, the Honourable Minister will have to admit is that all this really is blunting the competitive edge of our industries as against Hongkong or Japan.

The tax on fuel oils, although it means only an increase of .6 cents per unit of electricity, would have long-term implications in making power more expensive and penalising the power-intensive industries—steel mills, aluminium, bauxite later on and the like, penalising them particularly in their effort to break into the export market.

One other factor is the cost of labour, and countries that have had cheap labour to start with have been at an advantage like Japan, when it started, and Hongkong. So, however small the initial impact is, the payroll tax is in its conception likely to increase the whole of the labour component and in the long-run will have a depressive effect on labour intensive industries. This plus the labour and power, the two major components of any industrialisation programme, must, I hope, make his Treasury officials think carefully before these taxes are further exploited.

We have not been fortunately endowed with hydro-electric potentials, except perhaps in Sabah, and any tax that tends to increase the cost of power is basically detrimental for our long-term interest. Perhaps, on another occasion the Minister may consider giving rebates to those industries, which are power intensive, in order that they can become more competitive. Once again, may I commend to him the example of Australia, where the government heavily subsidises industries for the export market.

Sir, despite several sycophantic expressions of support in some section

of the press, we have to be honest and say that there has been a considerable degree of uncertainty and, consequently, uneasiness about these two new taxes—turnover and payroll. He can help ease off these anxieties, first, by the explanation, second, by taking care, in their implementation, to make adjustments to avoid hardships.

So if I may sum up, first, the classification between direct and indirect taxes were so off the mark that it led one newspaper editor in a moment of exuberance to compare the Minister to Robin Hood. In a caption the editor made his apologies to Vicky the cartoonist. I would have thought that the apology was owed to Robin Hood and his followers in Sherwood Forest and his many other followers on T.V. Malaysia. Our classification of the taxes, from the Minister's own breakdown estimates, shows: (a) direct taxes—14.6%, (b) indirect taxes—80.6%, (c) road transport (licence fees and registration fees)—4.8%. I think the Minister may like to check the figures:

(a) Direct taxes, excluding estimates for Capital Gains Tax and Estate duty for which no estimates were given	..	..	\$ 21.5 million—14.6%
(b) Indirect taxes, all the new commodities here and the commodities in Singapore including Turnover and Payroll taxes, which we can show must be passed on to the commodity prices and to the consumer	118.5 million—80.6%		
(c) Road transport:			
Licence fees	\$5.7 million		
Registration fee	1.3 million	7.0 million—4.8%	

The indirect taxes represent all which will passed on to the consumers, the majority of whom are have-nots. Once again, I would like to remind the Minister, that the turnover tax, even in his own opening speech on the Budget, may work freak and inequitable results on businesses with large turnovers but small profit margins, like land-brokers, stock-brokers and commission agents. By way of illustration, Mr Speaker, Sir, a land-broker gets two per cent, usually of the sales made. Now, if he is to be taxed 2% of the 2% that is all right. But, if he is going to be taxed on 2% of the sale price of the land, that means he may find himself owing money to the Treasury.

The payroll tax may also make it more difficult for the unions to press their claims since every claim will carry a government tax of 2 per cent. Secondly, as I have stated, it will discourage labour-intensive industries in favour of capital-intensive industries. And thirdly, it will reduce the competitive edge of our industries for the export market.

So, in the other sector in income tax, instead of encouraging thrift and hard work, the changes have penalised those who work hard and are thrifty by increasing the incidence of taxation in the lower income brackets and reducing it in the top income brackets, and combining the income of working wives with their husbands for taxation on a higher scale in Singapore. He could have done it the other way and given it back to Petaling Jaya. What we want to encourage is a society where people find it worth their while to work hard and help create that prosperity for all. If we want to emulate the Japanese and the Germans, then like them we must tap the labour resources of half the population, who are women.

But really most unconscionable of all is this give-away of 60% to 50% in estate duty, a give away of \$172,000 on a \$2 million estate, and thereafter another \$100,000 for every extra million. I could imagine how much would have been lost to the State had a well-known multi-millionaire, who was also a philanthropist, had he just lived on till after last Wednesday. I find it difficult to believe the argument that whatever the rate of duty that is imposed the yield is always the same, because the Estate Duty Office is unable to prevent evasion. Then the give-away of 55% to 50% in Singapore; then the exempting of capital gains tax, where property is transferred by gifts, as from father to son; then \$8.2 million for every bottle of soft drink opened.

Increase in taxation we all accept. With confrontation and the increased burdens in Malaysia revenue must be increased—we accept—that and the country is reconciled, but it could have been presented in a way that would

have made the have-nots feel emotionally less outraged. The really big estates, those who have owned properties more than 10 years ago, if they sell tomorrow they pay no capital gains tax. The new estates you buy tomorrow—I hope the Minister will correct me if I'm wrong, I went through a very careful reading of the Command Paper—if you buy a big estate tomorrow and you hold it for 10 years and you sell you pay tax. So, there is a clear cut distinction between old rich and new rich. Old rich, 10 years ago rich man—all's well: sell, do anything—safe; can convert the property, from tin mines to housing estates, from housing estates to tin mines and vice versa. Then 5 years before that, one gives it away to the son, carrying again no capital gains tax, because the son then steps in the shoes of the father by agreement between donor and recipient. So, all along the line you missed him. Then, son again repeats performance—to son, to grandson. At this rate all the stately homes of England would never have opened their doors to the public at 2s. 6d. a time to have a look at all the picture galleries, I am quite sure this must have been an oversight somewhere and, perhaps, somebody missed something in the calculation and the remedies are relatively simple. We acknowledge that in an industrialised economy we cannot expect to get all revenue from the haves—it is not realistic; and the have-nots and those in between the haves and the have-nots will also have to make a contribution. Perhaps, it was inevitable also that the increases were postponed by the Minister till after the last general elections. Such is the way of life and governments and politics. But, what we do not accept is that the burden could not have been spread more fairly. However, the act is done, but we hope that there will be time in future for reconsideration of some of the harsh incidence of this tax changes, and I hope even more, that discretion and flexibility will be exercised by the Inland Revenue Department, if unjust results are to be avoided in the incidence of new taxations and if also we are to avoid unfavourable reactions

on the development of our young industries. We have expected before Malaysia to take one step backwards before going two steps forward. By this Budget, we took one step forward in order to go two steps backwards.

Sitting suspended at 11.45 a.m.

The sitting resumed at 12.05 p.m.

Enche' Hanafiah bin Hussain (Jera): Tuan Yang di-Pertua

Dr Tan Chee Khoo (Batu): Sir, on a point of order. I think we have no quorum.

(Division Bell rung—26 Members present).

Enche' Hanafiah bin Hussain: Tuan Yang di-Pertua, saya mengalu²kan langkah² yang telah di-ulas satu persatu-nya oleh Yang Berhormat Menteri Kewangan untuk mendapat hasil yang berjumlah bermelion ringgit itu kerana belanjawan negara kita Malaysia untuk tahun 1965. Saya sudah meneliti satu persatu-nya akan langkah² mengambil chukai yang di-chadangkan itu dan saya dapati segala langkah² yang baharu itu sudah kena pada tempat-nya dan sudah tepat pada masanya. Surat² khabar dalam negeri kita keseluruhan-nya telah pun menyuarakan perasaan terperanjat-nya atas sate² chadangan mengenakan chukai atas “turnover”, “payroll” dan “capital gain” kerana chukai² yang sa-demikian rupa kebiasaan-nya terkena atas orang² kaya dan peniaga² yang sampai sekarang sedang hidup dengan mewah-nya. Terperanjat mereka itu bukan kerana mereka tidak mampu membayar, tetapi kerana mereka tidak sangka sa-kali² bahawa Kerajaan Perikatan bersedia menggunakan kuasa-nya untuk melebe²hkan chukai ka-atas kaum kapitalis² demi kepentingan negara di-sa'at negara kita di-ancham oleh musuh. Tetapi walau pun begitu, Tuan Yang di-Pertua, saya suka hendak menarek perhatian Yang Berhormat Menteri Kewangan kepada beberapa perkara yang telah di-sebutkan oleh beliau dalam Budget Speech-nya. Pertama atas soal “borrowing” ya'ani meminjam—meminjam wang untuk ranchangan kemajuan.

Sa-sunggoh-nya segala² ranchangan kemajuan untuk negara kita ada-lah berkehendakkan modal² yang banyak, maka walau pun kebanyakan daripada modal² tersebut terpaksa di-pinjam dari luar negeri, tetapi jangan-lah kita lupa dan lalai dari usaha² untuk mengumpulkan beberapa banyak modal² tersebut dari kalangan ra'ayat negara kita. Kerana sa-bagai satu negara yang baharu merdeka dan sedang maju menggunakan wang² dalam negeri untuk menjadi modal² bagi perusahaan² ada-lah mustahak dan perlu dari segi dasar ekonomi dan fiscal negara. Kalau modal² itu terdiri dari wang² yang di-pinjam dari kalangan anak negeri sendiri, maka (a) faedah²-nya dan bunga² yang akan di-bayar kelak tentu akan di-nekmati oleh anak negeri sendiri dan tidak di-kirim ka-luar negeri dan (b) wang² yang di-pinjam oleh ra'ayat kita sendiri akan menjadi modal² yang sangat mustahak untuk pembayaran dan tidak akan dapat oleh yang empunya wang menggunakan-nya bagi membeli barang² hari² yang akan membazir sahaja. Oleh yang demikian, maka di-sini saya menhadangkan supaya Kerajaan memperhebatkan lagi penerangan² dan diayah² kapada sakalian ra'ayat jelata terutama sa-kali dari kalangan murid² dan pelajar², di-sekolah², di-maktab² serta di-kalangan pekerja² di-dalam kilang², fabrik², pejabat², lombong² dan ladang² getah, kelapa sawit dan sa-bagai-nya. Dan penerangan² itu mesti-lah yang bersemangat dan yang menghasongkan sakalian ra'ayat supaya berjimat di-dalam segala segi perbelanjaan dan segala wang² yang di-jimatkan itu di-pinjamkan pula kapada negara.

Saya berchadang, Tuan Yang di-Pertua, supaya Solidarity Bond yang berharga \$1.00 satu keping di-jualkan di-tiap² sekolah, di-kilang² dan kapada seluroh ra'ayat jelata dengan hadiah² yang tertentu, tiap² tiga bulan sa-kali atau sa-umpama-nya saperti mana premium bond di-negeri Ingeris sana. Dan saya perchaya dengan ada-nya penerangan² dan diayah² yang bersemangat dan menarek perhatian sambutan dari segala ra'ayat mesti memuaskan. Usaha² untuk memujuk, menghasong dan menggalakkan ra'ayat

jelata berjimat chermat dan menyimpan wang² yang tidak di-belanjakan itu mesti-lah di-perhebatkan lagi dari kalangan orang² Islam. Maka usaha² mempergalakkan lagi menyimpan wang dalam Perbadanan Wang Simpanan Bakal² Haji ia-itu Tabong Haji, mesti-lah mendapat perhatian yang berat daripada Menteri Kewangan. Chara² sekarang Tabong Haji menggalakkan orang² Islam menyimpan wang sangat elok, tetapi pada hemat saya boleh di-perelokkan lagi.

Tiap² tahun tidak kurang dari 5,000 bakal² haji yang pergi ka-Mekah. Tiap² sa-orang bakal haji itu membelanjakan tidak kurang dari \$2,000 banyak-nya—lebeh dari \$2,000 sa-orang. Ini berma'ana bahawa tiap² tahun jumlah wang² yang di-gunakan oleh bakal² haji itu meningkat lebeh 10 million ringgit, tetapi wang yang 10 million ringgit ini tidak di-simpan di-dalam bank² dan tidak dapat di-gunakan oleh negara kita. Wang 10 million ringgit ini berada sekarang di-tangan bakal² haji masing². Alang-kah elok-nya, Tuan Yang di-Pertua, kalau wang yang 10 million ringgit itu, tiap² tahun dapat di-simpan dalam Tabong Haji. Sa-bagai satu usaha menggalakkan orang² Islam menyimpan wang dalam Tabong Haji dan supaya wang² yang lebeh dari 10 million ringgit itu tiap² tahun dapat di-gunakan oleh negara ini untuk kepentingan orang² Islam khas-nya, maka di-sini saya menhadangkan supaya Kerajaan mengadakan satu Undang² yang menghendaki tiap² bakal haji menunjukkan keterangan² yang rasmi bahawa wang perbelanjaan ka-Mekah itu sudah ada tersimpan di-dalam Tabong Haji sa-kurang²-nya satu tahun sa-belum hari permohonan-nya minta pass haji itu. Dan wang simpanan-nya dalam Tabong Haji itu boleh di-kembalikan dengan keuntongan²-nya sa-kali sa-masa permohonan-nya meminta pass itu di-luluskan oleh Kerajaan. Dengan chara bagini maka negara kita akan dapat mengumpul dan menggunakan dengan terator-nya sa-kurang²-nya 10 million ringgit tiap² tahun dan ra'ayat jelata terutama sa-kali bagi mereka yang tinggal di-luar bandar dapat di-tunjuk

ajar sedikit demi sedikit akan elok dan munafa'at simpan menyimpan dan jimat menchermat ini.

Tuan Yang di-Pertua, Yang Berhormat Menteri Kewangan telah menyatakan harapan-nya mengutip hasil mahsul dalam negara kita ini bagi tahun 1965 yang berjumlah lebih kurang sa-juta lima ratus ribu ringgit dan angka ini tidak akan menchukupi bagi kesemua perbelanjaan² bagi tahun ini—bagi tahun 1965. Saya tidak shak lagi, Tuan Yang di-Pertua, bahawa perbelanjaan² bagi tahun² hadapan akan meningkat lebih lagi dan lagi sa-kali kita akan keloh kesah menchari chukai hasil² untuk kegunaan negara. Tetapi ada-kah tuan tahu bahawa negara kita ada kemungkinan, ada kebolehan untuk mendapatkan hasil dan chukai berlipat ganda? Chuba kita lihat analisa orang² yang membayar chukai. Boleh di-katakan kebanyakan chukai yang di-pungut chuma orang² dari keturunan China dan lain² yang bukan keturunan Melayu atau keturunan Iban atau keturunan Kadazan. Orang Melayu, Iban dan Kadazan berjumlah lebih dari sa-tengah bahagian daripada penduduk² dalam negara Malaysia ini. Alang-kah elok-nya sa-bahagian besar daripada orang² Melayu, Iban, Kadazan dan lain²-nya itu dapat mengeluarkan chukai sama banyak-nya yang telah di-kutip daripada bangsa² lain. Tetapi bagaimana-kah orang² ini dapat membayar sa-banyak²-nya jikalau pendapatan mereka tetap kecil, kedudukan ekonomi mereka tetap rendah. Bukan-kah keadaan ekonomi tidak saimbang ini yang mana sa-tengah ra'ayat jelata miskin dan melarat akan membawa kapada akibat yang burok pada satu hari kelak. Saya merayu kapada Kerajaan pada hari ini, hendaklah betul² mengamalkan dan melaksanakan janji² hendak meninggikan taraf hidup orang² Melayu, Kadazan, Iban dan lain² lagi yang miskin. Dan biarlah tanda²-nya ada nampak jelas dan terang dalam masa dua, tiga tahun lagi. Dalam usaha kita memberi peluang kapada orang² yang tinggal di-luar bandar—orang² Melayu, Iban, Kadazan dan lain² lagi untuk berkechimpong di-dalam medan per-

niagaan dan perusahaan, tunjok ajar dan bimbingan daripada Kerajaan adalah sa-mesti-nya.

Kita sekarang menjalankan dasar free enterprise. Pada hemat saya dasar free enterprise ini boleh di-jalankan bagi medan² perniagaan dalam bandar. Tetapi bagi menjalankan satu² dasar ekonomi untuk luar bandar, saya perchaya mesti kita menjalankan-nya dengan satu chara jalan planned economy. Jadi berma'ana dia, negara kita mesti berdasarkan mix-enterprise. Maka untuk membetulkan orang² yang tinggal di-luar bandar—orang Melayu, Iban dan Kadazan dan lain² lagi berkechimpong di-dalam medan perniagaan dan perusahaan, saya di-sini suka hendak menyatakan beberapa chadangan untuk perhatian Kerajaan.

Pertama sa-kali, kalau kita hendak menjalankan kerja, jalankan-lah kerja itu dengan betul² yang belum lagi saya nampak. Bahawa satu Kementerian khas patut di-bentok. Tugas-nya samata² untuk membangunkan, menghasongkan dan menggalakkan perekonomian dan perniagaan perusahaan orang² yang belum dapat berpeluang masok ka-dalam-nya. Sa-sudah Kementerian itu di-bentok satu State Commercial Bank patut di-adakan, yang menjalankan chara² yang telah di-jalankan di-negeri India dan Australia. Dan dari State Commercial Bank ini boleh-lah di-tunjok-ajarkan bagi orang² Melayu, Kadazan, Iban dan lain² lagi dalam usaha chara menjalankan perniagaan itu. Dan Malay Secretariat yang kita adakan sekarang di-merata² negeri dan juga di-Kuala Lumpur hendak-lah di-ubah sedikit chorak tugas-nya—chorak perjalanan-nya. Biar-lah mereka ikut chara² Economic Development Board Singapura yang menjalankan kerja-nya. Kerana orang² di-luar bandar mereka kurang faham chara menjalankan perniagaan—kurang bijak dalam perekonomian. Maka Malay Secretariat atau pun National Secretariat perniagaan ini-lah mesti menjalankan kerja menyediakan segala² ranchangan sampai kapada worksheets kemudian serahkan kapada orang di-luar bandar, "Ini dia chara menjalankan, awak jalan, semua sudah chupuk".

Sa-lain daripada tiga perkara ini yang sangat mustahak, satu Kementerian Khas, State Commercial Bank dan Secretariat yang telah di-orientasikan untuk national participation in commerce, mahu-lah ada satu pengarah-an national yang di-namakan National Directive daripada atas sa-kali kepada sakalian pejabat² Kerajaan menyuruh memberikan ke-utamaan kepada orang² yang belum lagi mendapat bahagian dalam per-niagaan dan perekonomian. Dan juga segala ranchangan² kerjasama—co-operative, mesti di-bawah Kementerian ini di-masokkan untuk pertama kali menitek beratkan soal² penyelidekan dan pendidekan chara ber-co-operative. Kementerian ini mesti mengadakan wang untuk memberi advance credit kepada petani² dan orang² yang tidak mampu mengadakan wang. Dan petani² yang berkehendakkan mesin, mesin di-berikan dengan chara hire-purchase, dan barang² keluaran-nya itu di-adakan pasaran yang tertentu dengan harga yang tertentu. Itu ada-lah satu chara untuk membanyakkan lagi hasil negara supaya daripada hasil² itu-lah kita boleh chukaikan mereka itu semua.

Sekarang di-luar bandar baik pun di-Sarawak, di-Sabah dan di-Tanah Melayu, kita dapati banyak orang² yang menganggor tidak ada kerja, mereka bukan tidak mahu bekerja tetapi tidak ada kerja. Mereka rajin, tenaga kuat tetapi tidak ada kerja. Pada hal umpama di-negeri Kedah, Tuan Yang di-Pertua, 6 bulan bendang² yang beribu ekar itu tertinggal tidak dapat di-gunakan. Bukan kerana bendang di-sana tidak mahu di-kerjakan tetapi tanah di-tepi rumah dia itu bukan tanah dia, tanah Pak Haji Awang yang ada memileki 70, 80 ekar tanah tetapi dia sendiri yang dudok di-rumah, orang miskin tadi tidak boleh buat apa² kerana Pak Awang tidak benar-kan. Masa Jepun dahulu ada memberi chontoh kepada kita, masa Jepun perang.

Sa-sudah habis padi di-potong semua orang kampung yang tidak ada bendang masok bendang tanam padi, jadi dua kali tanam, tidak peduli tanah siapa itu. Ini boleh kita buat juga, Kerajaan boleh mengadakan satu Lem-

baga Menanam Padi yang khas, yang istimewa, yang boleh memberi kebe-naran kepada-nya mengambil tanah bendang itu sa-sudah habis harvest time, masok tanam jagong dan tanam apa juga yang sudah di-selideki oleh Kerajaan patut di-tanam. Habis di-tanam dalam masa empat lima bulan macham tanam jagong, serahkan balek tanah itu kepada yang empunya ben-dang itu, maka dengan chara itu tentu-lah hasil mahsul akan lebeh berlipat ganda lagi dan chukai² kita boleh ambil daripada mereka untuk kepen-tingan negara. Dan berapa-kah keka-yaan tin, bijeh dalam Malay Reserva-tion! Maka ini kepada Kerajaan saya minta tolong jagakan-lah. Waktu sekarang kita lihat banyak pembesar² kita sendiri mengexploitkan orang² yang tinggal dalam Malay Reservation itu, terutama sa-kali dalam negeri Perak sekarang ini (*Tepok*), mereka gunakan pengaruh mereka, mereka gunakan kebolehan mereka, ilmu mereka yang mereka dapat tahu dari-pada Jabatan Galian untuk memberi dua tiga ribu ringgit kepada pendudok² dalam tanah itu dengan tidak men-cheritakan di-bawah bumi-nya itu ada harta beribu² meliun ringgit. Tetapi sayang-nya patut masa-nya kita meng-ambil tindakan, saya chadangkan di-sini bahawa Kerajaan mengadakan Lembaga Bijeh untuk mengexploit bijeh in Malay Reservation Area. Satu jalan itu-lah yang boleh kita jalankan supaya harta orang Melayu itu akan di-ne'emati oleh orang² Melayu.

Apa ma'ana-nya Malay privilege? Tujuan utama privilege ia-lah pertama kali untuk membolehkan kita dengan senang-nya meninggikan taraf hidup orang² yang melarat dalam Malay Reservation Area. Yang kedua-nya dengan Malay privilege itu, "self confidence" di-berikan kepada dia dan "self respect"; itu Lembaga yang saya chadangkan untuk mengexploit-kan bijeh dalam Malay Reservation Area baik di-mana negeri pun saperti di-Perak, di-Selangor, boleh mengada-kan modal sa-chara, kata-lah, dengan "X dollar ordinary stock" dengan kuasa² untuk meminjamkan wang dengan "Government Guarantee". Ini

Corporation juga mesti ada hak istimewa, hak tunggal untuk membolehkan memperospekkan mine itu dalam Malay Reservation, dan kuasa mesti di-berikan kepada Corporation untuk membeli dengan chara paksa segala tanah² dalam Malay Reservation dengan bayaran cash atau pun dengan resettlement, maka Board of Directors yang kecil itu mesti di-bantu oleh satu Jawatan-kuasa Technical dan boleh jadi juga pada awal mula²-nya Board ini atau lembaga ini boleh menggunakan beberapa orang mining consultants dan gunakan-lah orang² yang empunya itu di-mana sahaja pun untuk mengeksploitkan tin itu dan mengajar orang² Melayu pula bagaimana chara² dalam mining engineering. Dan dengan keuntongan itu lembaga ini tiap² tahun sa-sudah di-tolakkan keluaran keuntongan atas sher capital itu 7%, yang lain-nya di-bahagikan kepada Reserve Fund dan Malay Trust Fund. Ini Trust Fund sangat mustahak. Saya sudah kajikan dalam Malay Mining Reservation, katakan-lah 0.3 kati sahaja per-cubic yard di-beri, berpuluh² ribu ekar tanah bijeh yang boleh di-exploitkan; kalau kita exploitkan, ada lebih daripada \$20 ribu million harta orang² Melayu, ini ada-lah satu harta yang berada dalam tanah yang kalau kita betul² boleh menjalankan akan boleh menggunakan untuk kepentingan orang² Melayu semua-nya. Sampai sekarang kita churiga² kalau kita hendak menolongkan orang² Melayu, Kadazan, Iban untuk menjalankan perindustrian dan perniagaan, modal tidak ada, ini dia modal \$20 ribu million dalam Malay Reservation, apa-kah kita tunggukan lagi?

Lagi satu chadangan saya untuk menghasilkan dan mempercepatkan perasaan muhibbah di-antara segala kaum. Dalam tiap² perniagaan di-mana sahaja boleh menghasilkan, boleh menggalakkan Sino Malay Venture, Ali Baba, tetapi Ali Baba yang betul², Ali Baba pada hakikat-nya. Kalau umpama-nya kita menghasongkan pergaulan di-antara murid² sekolah, tetapi pada satu pihak lagi belum kita galakkan ia-lah pergaulan di-antara orang² berniaga chara di-atas. Sebab kebanyakan orang² yang ber-

niaga, orang² China mereka ada-lah melepaskan sekolah² China dan banyak pula orang² berniaga orang² Melayu sekarang banyak melepaskan sekolah² Melayu. Darpada itu mereka tidak pernah berchantum dan bergaul dengan orang² bangsa asing, orang² bangsa lain daripada bangsa mereka itu sendiri, maka itu-lah satu chara mereka mengambil risk dalam perniagaan supaya perasaan pergaulan persaudaraan itu akan tertanam dalam hati sanubari mereka sendiri.

Pada penghabisan sa-kali chadangan saya bagaimana-kah kita boleh menggalakkan perniagaan dan perusahaan di-kalangan orang² Melayu, itu bahasa kebangsaan mesti di-beri nilai "give it the economic value". Tuan bcha Utusan Melayu pagi ini? Betul katanya, datang Jepun tiga tahun sahaja semua belajar bahasa Jepun, tahu bahasa Jepun kerja ada, gaji lebih, ini juga kita mesti adakan sekarang (*Tepok*). Boleh jadi, Tuan Yang di-Pertua, chadangan yang saya katakan tadi chara constructive, saya tidak criticise for the sake of criticising, boleh jadi tuan² katakan ini susah menjalankan kerja, tetapi macham Yang Berhormat Menteri Kewangan sendiri mengatakan dalam surat khabar there is a Chinese proverb "perform difficult tasks while they are still easy". Tuan Yang di-Pertua, saya sangat² tertarek kepada ulasan Yang Berhormat Menteri Kewangan di-dalam perenggan 32 dalam ucapan Budget-nya itu, di-sini saya suka menegaskan lagi, sekarang ini saya tegaskan terutama kepada mereka ra'ayat Inggeris yang tinggal di-Borneo dan di-Malaya ini juga, dan juga kepada pihak Inggeris yang berkuasa, bahawa bantuan² yang kita minta kepada Kerajaan Inggeris dengan banyak-nya itu ada-lah merupakan bantuan² untuk ra'ayat di-Sabah dan di-Sarawak yang sa-waktu zaman penjajahan tidak sa-bagitu di-ambil berat, walhal ra'ayat² di-kedua buah wilayah itu sudah lama patut mene-emati kemudahan² yang sa-imbang dengan negara yang bertamaddun.

Tuan Yang di-Pertua, bersabit dengan chukai², maka perhatian saya tertarek dengan satu chukai baharu yang akan di-kenakan atas jualan bijeh,

harga-nya sudah meningkat tinggi sejak peperangan Korea. Pada hemat saya hasil chukai yang di-perolehi dari chara yang terbaharu itu, anggaran Yang Berhormat Menteri ia-lah chuma \$5 million. Mengikut perenggan 136 ada-lah sangat tidak berpatutan dengan jumlah keuntungan² yang di-perolehi dari Sharikat Bijeh, hasil daripada kenaikan harga bijeh. Saya mentaksirkan bahawa dengan keluaran bijeh sa-banyak 59 ribu ton sa-tahun, dan dengan harga bijeh pukul rata \$700 satu pikul atau \$750 satu pikul sekarang, katakan-lah \$700 satu pikul, keuntungan-nya melampau \$500 pada satu pikul—itu chuma berjumlah hampir² \$200 million. Ini keuntungan dari kenaikan harga bijeh, bukan di-perolehi dari tenaga atau pun buah fikiran kompeni² bijeh. Oleh yang demikian negara patut mengambil sa-bahagian yang lebeh besar dari \$5 million itu. Saya berchadang sa-kurang-nya keuntungan dari \$200 million itu ya'ani \$50 million patut di-perolehi oleh negara. Oleh itu saya minta Yang Berhormat Menteri dalam rundingan-nya dengan orang² kaya bijeh itu supaya menekankan kapada mereka peri mustahak-nya keuntungan yang banyak itu di-ne'emati oleh negara. Bukan \$5 million ringgit, tetapi \$50 million, sama dengan harga satu University College di-Pulau Pinang. Jikalau tidak melebehi dari \$5 million, Tuan Yang di-Pertua, maka lebeh elok Yang Berhormat menumpukan tenaga dan fikiran-nya bersama² dengan Menteri Pengangkutan untuk memperolehi hasil dan chukai yang tidak di-bayar oleh dekat sepuluh ribu pirate² taxi di-Pulau Singapura yang mengikut anggaran saya negara kita telah rugi dan hilang hampir² \$3 million sa-tahun.

Pirate taxi di-Pulau tersebut sedang bermaharaja-lela dengan tidak memperdulikan polis dan pegawai² penchegah, tetapi kecham saya di-sini bukan-lah sangat dengan kerugian hasil chukai taxi yang tidak di-bayar langsung oleh pirate taxi itu, tetapi dengan chara tuan² punya dan tuan² pemandu taxi itu berfikir dan chara² mereka menunjokkan keberanian melanggar undang² di-hadapan khalayak

ramai. Saya bimbang jikalau satu langkah yang tegas tidak di-ambil dari sekarang, maka kerosakan moral dan chara berfikir menta'ati undang² akan merebak dan berleluasa.

Pada rasa saya untuk menchegah speculators dan dari berleluasa itu-lah, maka sebab Yang Berhormat Menteri mengadakan capital gains tax—mengekan capital gains tax. Sunggohnya kita ingat akan peristiwa Malayan Cables di-waktu mana beratus² ribu untong capital telah di-nekmati oleh sa-tengah² pemegang saham dan bagitu juga banyak yang menderita kerugian.

Baharu² ini pula banyak juga speculators yang chuba menchari keuntungan yang chepat dengan chara menjual dengan banyak-nya di-Stock Exchange, tetapi banyak dari mereka itu telah kerugian dan banyak mendapat keuntungan, kerana apa, ta' semena² Jawatan-kuasa Stock Exchange ini telah mengarahkan dengan satu arahan tempoh buying-in sa-lama empat hari, kemudian di-longgar kapada tujuh hari, kemudian kembali sa-mula kapada 14 hari. Di-sini, saya suka menarek perhatian Yang Berhormat Menteri Kewangan bahawa saya sendiri berasa churiga, ada-kah langkah² yang telah di-ambil oleh Stock Exchange Committee itu dalam keadaan² yang tersebut, kerana sa-mata² untuk kepentingan dan kemuslihatan orang ramai, atau untuk menjaga kemuslihatan sa-tengah² ahli yang menjadi ahli Jawatan-kuasa tersebut.

Saya churiga, Tuan Yang di-Pertua, oleh kerana kesemua-nya Ahli² Jawatan-kuasa itu tersusun dari stock brokers—dari stock brokers belaka, dan tiada sa-orang pun yang di-pileh dari kalangan² yang bukan stock brokers dan ada-lah di-ketahu² umum bahawa beberapa stock brokers sendiri ada terlibat dalam peristiwa Malayan Cables itu, wal hal kiraan yang elok biar-lah sa-kurang² nya 51 peratus dari ahli² Jawatan-kuasa Stock Exchange itu tersusun dari orang² yang kenamaan, jujur dan bukan stock brokers.

Tuan Yang di-Pertua, sa-bagai Wakil Ra'ayat bagi kawasan Jerai

yang penduduk²-nya kebanyakan-nya terkandung dari petani² dan ra'ayat² yang miskin, saya bimbang kalau² chukai² baharu yang di-kenakan itu menjadi sebab dan memberi daleh dan peluang kepada peniaga² bagi menaikkan barang² sa-hari² dan barang² runchit. Dalam usaha kita memper-sama-ratakan bebanan negara di-waktu negara kita berkehendakkan belanjawan yang sa-bagitu banyak, biar yang mewah dan kaya raya mendokong bebanan dengan lebeh, tetapi dengan kerana putar belit peniaga² dan orang² kaya, maka bebanan itu di-tindas ka-atas bahu orang² miskin. Kalau bagitu terjadi, maka langkah² mesti-lah di-ambil dengan tegas-nya untuk mempersama-ratakan kembali bebanan itu. Perhatian² yang kuat hendak-lah di-tumpukan kepada wholesalers, black marketers, dan hoarders, kerana mereka-lah yang akan merosakkan ekonomi negara, lebeh jahat lagi dari retailers.

Saya minta Yang Berhormat Menteri Kewangan menggunakan pengaruh dan jasa baik-nya dengan Dewan² Perniagaan China, Eropah dan India untuk mendapatkan kerjasama yang penoh dari segala peniaga² demi kepentingan dan ketegohan ekonomi negara, kerana dengan ketegohan ekonomi negara-lah, maka kita sa-bagai sa-buah negara yang berdaulat dapat mengatasi dengan bangga-nya apa jua segala kechaman², serangan² dan kesulitan² yang di-datangkan oleh neo-imperialist Indonesia.

Mr Speaker, Sir, may I be given a few minutes to speak on behalf of the ordinary taxpayers who in our country number thousands of them. They are all different. Some are young, some are old; they may be married or single; they may be rich or poor; they may be honest or negligent, or even fraudulent; they may be clever or dull; but whatever they are, Mr Speaker, Sir, they are all real persons who were born into this world and eventually leave it. I am, therefore, pleading to the Inland Revenue officers not to depersonalise them as taxpayers, nor to treat them as mere machines for the collection of tributes. I don't say

that our Inland Revenue officers are inhuman, but with the tendency for the Government to impose new taxes and the necessity thereby to institute an effective machinery of control and collection, the need for the revenue officers to continue to be human, friendly and understanding in their dealings with taxpayers is becoming more evident so that in spite of the taxes, payers will continue to pay up willingly and dutifully.

Sir, experience in other countries has shown that a great deal of the modern discontent is discontent in taxation. In America, for example, the three main causes of death have been described as sex, cancer and taxation (*Laughter*). Some doctors many times have felt inclined to sign a death certificate—but they were prevented from doing so—but they feel inclined to sign a death certificate in these terms—Cause of Death: Coronary thrombosis induced as a result of an income tax investigation which lasted for three years (*Laughter*). I also ask of the revenue officers to understand ordinary human weakness and to show plenty of reasonableness. Please do not emulate the story of the Customs officer, who after watching some survivors struggle ashore from a ship which had just been wrecked, went up to them with the question, "Have you anything to declare?" (*Laughter*).

Of course, the taxpayer is not left without aid in a no man's land, which is our taxation today. A great number of accountants have sprung up in the last few years (*Laughter*) who will enter the arena armed in the defence of the taxpayer and ready to do their battles with the Inland Revenue officers. Occasionally there is the man of courage who will engage the whole might of the Inland Revenue Department even without the aid of learned counsel. Some have fought their way into the courts in their own defence, but for the most part they break off engagement after the first round or two, wondering what has hit them. It is safer, and probably cheaper, Sir, in the end to engage a professional accountant to do battle for him

(*Laughter*) and even to advise some doctors on diagnosis.

Sir, it reminds me of the story of an accountant who was phoned by his client's wife. She appeared to be in a great state of nervous agitation, because her husband was in a nursing home and the surgeon wanted her written authority to perform a brain operation. The accountant, as usual, dropped everything and went post-haste with the lady to the nursing home where they had a meeting with the surgeon. The accountant advised the lady not to sign anything under any circumstances as the operation was completely unnecessary. The surgeon, of course, was highly indignant that a mere man of figures should seek to interfere in what appeared to be a purely medical matter.

"I suppose you know more about this matter than I do?" The surgeon said to the accountant.

"You will probably think it is presumptuous of me, Sir, but with the greatest respect, I do", replied the accountant.

"And what is he suffering from?" asked the surgeon. The accountant said, "Tax troubles, Sir". (*Laughter*). The surgeon looked at him in amazement. This was a disease which had not so far found its way into the medical vocabulary—tax troubles. The accountant added, "And if you do not mind, Mr Surgeon, I should like to have a go at curing it myself before it is past all cure". So the accountant was allowed to see the patient. He told the patient that the tax enquiry which had been dragging on for years and years was at an end, that there was no danger of his spending the rest of his life in prison, that the sum agreed upon with the authorities was well within his means to pay and that if he would write out a cheque for this sum, he (the accountant) would be happy to convey it to the proper authorities, which the patient did. Shortly afterwards, he was able to resume life normally without having had to be sent to the surgeon's knife. Thank you. (*Laughter*).

Datin Fatimah binti Haji Hashim (Jitra-Padang Terap): Tuan Yang di-Pertua, saya ada-lah juga bersama² memberi sokongan saya terhadap Rang Undang² yang di-kemukakan oleh Yang Berhormat Menteri Kewangan ia-itu Anggaran Belanjawan bagi tahun 1965 ini. Tuan Yang di-Pertua, saya juga perchaya sa-belum Yang Berhormat Menteri itu membuat ucapan-nya yang penting berkenaan dengan Anggaran Belanjawan ini semua ra'ayat negeri Malaysia ini, terutama-nya ra'ayat yang berpendapatan kecil dan kaum² ibu merasa sangat bimbang kalau² beban chukai² yang akan di-kenakan akan di-tanggung dengan berat-nya oleh ra'ayat yang berpendapatan kecil. Masing² itu memang sedar tanggung-jawab-nya terhadap negara yang sedang berkehendakkan perbelanjaan yang bertambah besar bagi pertahanan dan keselamatan negara, tetapi apakala telah mendengar ucapan Yang Berhormat yang penting itu berkenaan dengan keadaan kewangan dan Anggaran Belanjawan negara tahun 1965 ini saya dan ra'ayat yang berpendapatan kecil berasa lapang sadikit, kerana pada pendapat saya pada keseluruhan-nya chukai² yang di-naikkan dan chukai² yang baharu itu tidak-lah sangat berat di-pikul oleh ra'ayat yang miskin dan yang berpendapatan kecil.

Saya sangat² puas hati berkenaan dengan chadangan melepaskan chukai harta si-mati yang berharga kurang daripada \$25,000. Tidak shak lagi ini ada-lah satu pertolongan yang besar kapada sa-bahagian besar ra'ayat negeri ini, dengan ini warith² si-mati tidak-lah terpaksa menggadai sa-bahagian daripada harta pusaka itu untuk membayar chukai harta pusaka. Tetapi saya juga, Tuan Yang di-Pertua, tidak begitu puas hati atas keterangan² yang telah di-beri oleh Yang Berhormat Menteri Kewangan berkenaan dengan sebab² beliau menurunkan chukai harta pusaka yang lebih daripada \$2 juta daripada 60% kapada 50%, kerana pada pendapat saya banyak lagi di-negeri ini ada orang kaya yang ada harta lebih dari \$2 juta. Tuan Yang di-Pertua, sa-kira-nya mereka itu, bagaimana yang di-nyatakan oleh Yang

Berhormat itu, maseh boleh dengan senang mengelakkan terkena chukai harta pusaka, maka tindakan patut diambil, bukan-lah mengurangkan peratus-nya tetapi hendak-lah di-perbaiki atau di-ketatkan lagi undang² yang ada sekarang ini. Bagaimana pun saya mengucapkan tahniah atas kebijaksanaan Yang Berhormat itu yang telah mengadakan chukai² baharu yang bebanan-nya di-tanggung oleh majikan yang sa-lama ini telah mendapat nikmat dan laba yang besar. Dalam hal ini, Tuan Yang di-Pertua, saya juga bermohon kepada Kerajaan mesti memberi penerangan yang chukup dan luas kepada pekerja² kerana saya berpendapat sekarang pehak majikan di-negeri ini sedang sebok menjalankan di'ayah-nya melalui ruangan² akhbar konon-nya chukai peroleh penoh dari perniagaan dan perusahaan dan chukai pembayaran gaji oleh majikan akan kelak menyusahkan kaum² buroh dan pekerja² untuk mendapat gaji yang lebih lagi.

Pendek-nya, Tuan Yang di-Pertua, pehak majikan akan menggunakan chukai² baharu ini sa-bagai satu helah atau sebab mereka itu tidak menunaikan kehendak kaum buroh dan pekerja oleh kerana belanja-nya telah bertambah dengan perbuatan Kerajaan, konon. Dengan itu dia berharap kaum buroh dan pekerja² akan menyalahkan Kerajaan pula, bukan-nya majikan. Nampak-nya pehak majikan tidak dapat mempengaruhi Kerajaan, tetapi mereka itu akan mempengaruhi polisi Kerajaan dengan mengelirukan kaum buroh dan pekerja dengan harapan mereka itu kelak akan mendesak Kerajaan supaya menarek balek chukai² baharu itu. Ini ada-lah tanda yang terang yang pehak majikan tidak sanggup mengorbankan sedikit daripada keuntongan-nya itu untuk pertahanan negara. Bagaimana pun mereka mesti menchuba menolak bebanan ini kepada pekerja² orang umum dan kalau boleh menyalahkan Kerajaan. Di-sini saya harap pehak buroh dan pekerja sedar dan faham akan tujuan Kerajaan dan tidak dengan senang-nya menerima hujah² dan helah yang kelak akan di-gunakan oleh majikan dalam masa perundingan berke-

naan dengan kenaikan gaji dan lain² faedah.

Saya juga hendak berchakap berkenaan dengan tuntutan gaji sama oleh pehak wanita dalam perkhidmatan Kerajaan, Tuan Yang di-Pertua. Sungoh pun Kerajaan telah lama membiarkan tuntutan mereka itu, tetapi sa-hingga sekarang ini belum lagi-lah Kerajaan melaksanakan pembayarannya. Saya berharap mulai tahun hadapan ini Kerajaan hendak-lah memulakan pembayaran gaji sama mereka itu.

Saya maseh ingat empat tahun dahulu saya telah menyuarakan perkara ini, tetapi sa-hingga hari ini belum lagi Kerajaan dapat menyelesaikan.

Lagi satu perkara, Tuan Yang di-Pertua, yang hendak saya kemukakan ia-lah berkenaan dengan tangga-gaji baharu doktor dan pegawai perubatan yang Kerajaan telah luluskan. Saya dapat tahu chuma doktor dan pegawai perubatan yang bekerja tetap sahaja yang dapat nikmat tangga-gaji yang telah di-luluskan itu, doktor² yang lain saperti mereka yang berkhidmat dengan perjanjian atau contract atau yang bekerja sementara saperti doktor² perempuan yang bersuami tidak dibenarkan menikmati bayaran gaji baharu itu konon-nya mereka itu tidak bekerja tetap atau bekerja mengikut perjanjian yang asal-nya. Pada fikiran saya, Tuan Yang di-Pertua, pelaksanaan tangga-gaji dengan sa-chara ini tidak-lah adil dan kelak akan merugikan kita, kerana mereka yang terlibat itu tentu-lah ada berperasaan tidak puas hati dengan ada-nya perbezaan tangga-gaji ini, pada hal tanggung-jawab dan pekerjaan mereka itu ada-lah sama. Dengan yang demikian boleh jadi perasaan tidak puas hati mereka itu akan mengurangkan kechergasan-nya dalam kewajipan-nya, atau pun kelak meletakkan jawatannya. Pada hal negeri ini semua-nya tahu ada-lah sangat² kurang doktor dalam perkhidmatan Kerajaan. Walau pun Kerajaan memikirkan mereka itu tidak ada hak menuntut tangga-gaji baharu dari segi undang², tetapi saya harap dari segi keadilan dan kepentingan negara dan kesihatan, Kerajaan akan segera mengambil langkah untuk

membetulkan perkara itu sa-belum berlaku satu² perkara yang tidak di-ingini. Pada fikiran saya Kerajaan berchermat tidak kena pada tempat-nya.

Tuan Yang di-Pertua, ada satu lagi perkara yang saya hendak kemukakan juga berkenaan dengan guru² atau nasib guru² bantuan sa-paroh. Apa-kah langkah-nya yang saya hendak tahu atau persediaan Kerajaan terhadap guru² itu yang mana sedang terancham ia-itu akan di-rentikan tidak lama lagi apabila masa-nya telah tiba ia-itu waktu guru² yang terlatah telah banyak kelak? Tuan Yang di-Pertua, guru² ra'ayat ini pendek-nya banyak terdapat dalam negeri² Kedah, Kelantan dan Trengganu, dan di-dalam seluroh negeri Kedah ada 96 orang. Saya mengshorkan supaya pehak yang berkenaan membuka peluang kepada mereka supaya di-beri mereka memasoki darjah perguruan guna melayakkan diri mereka menjadi guru yang terlatah dengan sa-chara ini mereka akan dapat meneruskan perjuangan hidup mereka sa-bagai pendidik. Sa-kira-nya nasib mereka ini semua tidak mahu di-bela, maka keadaan mereka akan terbiar dan terancham. Ini sudah tentu juga-lah menjadi satu beban dan tanggungjawab Kerajaan juga, bagi menyelesaikan. Demikian-lah sahaja. Terima kaseh.

Enche' D. R. Seenivasagam (Ipoh):

Mr Speaker, Sir, this morning we heard the Honourable the Prime Minister of Singapore give us a very critical analysis of the tax proposals set out, in this House, by the Honourable the Finance Minister. With that analysis, I do not think any reasonable person can complain—and with that I am in full agreement. The Honourable the Prime Minister of Singapore then went on to carry out a devastating attack on the fiscal policies of the Alliance Government, and with that devastating attack I think he has successfully torn to shreds the attempt by the Honourable Minister of Finance to try and cloak in sweet words the true intent of the tax proposals, i.e., to tax the poor to the extreme and save taxation for the rich.

Mr Speaker, Sir, the taxation, as put forward in those proposals, does not end there, because in the speech of the Minister of Finance there is indication that further taxation at the State level will be added on to the people of this country, particularly the poorer class people of this country, as appears on page 36 of the printed speech, where the Honourable Minister of Finance has advised State Governments to increase taxation wherever possible within State constitutional powers. To those increases already set out, one must bear in mind the increases in postage and, I say, perhaps other increases which will be made in this country without reference to Parliament but legally—by regulations and other methods. All these things taken together indicate one thing: that Malaya is passing through a period of history where crisis is present as never before.

Before I deal with a number of points, I would like to endorse fully what the Honourable the Prime Minister of Singapore said with regard to the adjournment of two days to study tax proposals. I would go further than that and say that under our Standing Orders, the period of three days allotted for the debate on general principle is now hardly sufficient, in view of the increased number of Members in this House and, undoubtedly, the increased number of parties now representing the people of Malaysia in this House. I do hope that before the next Budget Day comes along, the Committee responsible for Standing Orders will consider increasing the number of days for the debate on general principle.

Mr Speaker, Sir, in the course of the last two days, we have heard in this debate—although this is a debate on fiscal policies, not surprisingly most of us would not be too competent to speak much on the fiscal policies, but would rather confine ourselves to subjects on which we are more familiar and leave fiscal matters to experts such as the Prime Minister of Singapore—subjects ranging from padi to international communism and then back down to pirate taxis; and all these are

matters of importance to the people of this country and they should be heard in this Parliament. Now, one thing we must all bear in mind, and that is this: that whatever we do must be done in the interests and welfare of the Malaysian people—and I emphasise the words “Malaysian people”. It is with regret that I have to stand up in this House and say that for the last two days I have never heard any speaker on the Alliance side using the words “Malaysian people” or “Malayan people”. But, I have heard words which would indicate that the interests of the Alliance Party is centred only on sections of the Malaysian people. That is clear from the speeches made by Members of the Alliance Party in this House, because any reference to the people of this country was reference to a particular race and not to the Malaysian people. I would not like to take that further at this stage, but at a later stage I would certainly have to comment in more detail on that.

Mr Speaker, Sir, for the first time since independence, blood has been shed on our soil in a war, and I use the word “war” because there is today war in this land. I am not the only one who says that. The Prime Minister of this country himself has said it during Solidarity Week—that we are in actual fact in a state of undeclared war. Now we are in a state of undeclared war with Indonesia; and at the last meeting of this House I made a suggestion that Indonesians captured on Malayan soil should be treated as prisoners of war. That proposal was not acceptable to this Government at that time and it was suggested that I was not right in saying that they could be or should be so treated. Now, I understand that there is a difference of opinion on this constitutional issue, but there are, I understand, even within the Government ranks people who support the view that that is the proper way Indonesian soldiers should be treated when captured in this undeclared war. I gave my reasons why we should do that, and I have no doubt that those reasons are still good reasons and, as time goes on and the situation worsens, it will become more urgent

that the Government should declare to the world that that is the manner in which Indonesian soldiers, if they land on our soil and are captured, will be treated. Otherwise, I say that in the eyes of the world we would not be held in high esteem, if we treat them under the ordinary laws of this land.

Mr Speaker, Sir, before Malaysia was formed, sections of the Malayan people and sections of what are now the Malaysian people opposed the formation of Malaysia. I mention this because one Honourable speaker—the first speaker this morning—suggested to this House that the Minister of Internal Security should lock up anybody, who opposes Malaysia, or who does not—I think he said it—respect the national language. Mr Speaker, Sir, I stand up here to say that I was one of those who opposed the formation of Malaysia and my opinion that Malaysia should not have been formed is still the same, and for the information of that Honourable Member it will remain the same. Mr Speaker, Sir, but Malaysia was formed and it became an accomplished fact. After that the stand of the people of this country has been that the Government did the wrong thing. But having got us into this mess, let us try to get ourselves out of it by standing together.

Mr Speaker, Sir, before Malaysia was formed the wealth of this nation, the enormous wealth of this nation, was diverted to the betterment of the living conditions of the people of this country. After the formation of Malaysia and with the coming of confrontation, as we all know, a large portion of the wealth and revenue of this land goes towards the defence of this land. Now, I am not saying that we should not spend this money on the defence of this land. We should spend it because the land has to be defended, because it is our land and we must defend it. But what I am saying to the nation is this: on whose head, on whose shoulders must the blame rest for the state of affairs that this country has now got into? For whose glory, for whose vanity, for whose senselessness are the people of this nation now being asked to pay the price? For

whose stupidity, I say, should the people of this country now be called upon to sacrifice their children in the defence of this land? Honourable Members who sat in this House when the debate on Malaysia took place will recall what the Opposition warned the Government. What were the words that we used when you started this thing on Malaysia? We said you would bring war to this land; we said you would bring misery and heartbreak to the people of this country. Have you not brought war to this land? Have you not brought misery to the people of this country? Have you not brought heartbreaks to the people of this country? I ask you to answer those questions yourself. The fact that . . .

Mr Speaker: Order! order! The time is now one o'clock. The sitting is suspended till 4.30 p.m. today.

Sitting resumed at 4.30 p.m.

(Mr Speaker in the Chair)

THE SUPPLY BILL, 1965

Second Reading

Debate resumed.

Enche' D. R. Seenivasagam: Mr Speaker, Sir, at the rising of the House for lunch, I had said that the formation of Malaysia had brought no appreciable good fortunes to the peoples of this nation but, on the other hand, it had brought with it trials and tribulations. Mr Speaker, Sir, that position having arrived now, the people of this nation have been asked to be ready to sacrifice everything in the defence of their land. This clarion call has, according to the Government, been answered almost 100% by the loyal citizens of the country and that, therefore, has brought once again to the forefront the question which many asked when independence came to Malaya. And the question was, "For obligations and for sacrifices, what are we going to get as citizens of this land", or in other words, "What are our constitutional rights in return for our constitutional obligations which we are going to shoulder?" Mr Speaker, Sir, time and again in this

House and outside this House, parliamentarians, politicians, statesmen and citizens of the land have been asking this question, and it has been answered in several ways. But the most pertinent answers have come both from the Prime Minister of this country and the Deputy Prime Minister of this country, as recorded in Hansards or the Official Reports of the House of Representatives from time to time. Whenever the question was posed that in a democracy for equal obligations there should be equal status and equal rights for citizens, the answer given on every occasion without exception was, "Let aliens who have become citizens of this country prove their loyalty, and then we shall consider the question of equal rights for them." The immediate retort from the Opposition Bench at that time was, "You shall presume loyalty, you shall not presume disloyalty." Be that as it may, Mr Speaker, Sir, now that the call to loyalty has been answered, I think, in sincerity it is time that the Prime Minister of this country honour his word and look into the question of equal rights for equal obligations under the Constitution of this country. It is no use of us trying to say that there are equal rights in this land, because there are no equal rights. That is a fact—and facts will always remain facts however much you may try to white-wash them. Sir, I think we, who are privileged to sit in this House, owe it to this nation to see that we lay the foundation now for an equal society for the future of this country. It is fully appreciated that the Constitution contains clauses which confer special rights, or special privileges as they are commonly called, on certain classes of people in this land. Also in the Constitution it is provided that those clauses conferring those rights shall be reviewed at the end of a certain period. Sir, I call upon the Government, in the interests of the nation and in fairness to the citizens of this country, whatever their origin, whatever their descent, that those clauses should be reviewed not with a view to extending them but with a view to expunging them from the Constitution of this country because, Mr Speaker, Sir, they are objectionable

clauses hardly found in the Constitution of any democratic country in the world. It is a fact—and here I hesitate to use the words—that the “underprivileged communities” in some countries are assisted, but they are assisted administratively and not by inclusion in the Constitutions of those countries. It is a matter of abhorrence to have such clauses in the Constitution of a modern democracy such as ours is supposed to be. Mr Speaker, Sir, the stand of my Party has always been that; and once again, as in the past, I reiterate the call to review those clauses with a view to expunging them from the Constitution of our land.

Mr Speaker, Sir, today in our troubles with Indonesia, as I have said, the faults for which must lie squarely on the shoulders of the Government, we have come to a position where, instead of building a powerful Asian force in the world, we have performed or carried out an act whereby there is discontent, disagreement and disunity in this part of the world, I say, to the delight of the western powers. Sir, in the days of trouble we look to friends and, whilst I do not stand here to deny that there is friendship shown from countries like Australia, New Zealand, England and America, I say this—that the Afro-Asian nations should have been more closely contacted before our troubles began. I say that Malaya should have fostered more friendship, should have had more connections with the Afro-Asian nations so that, if we did have them, in these days of trouble there would not have been this urgent necessity to try to foster friendship with the Afro-Asian nations at this late hour of the day. We would have got their support willingly if we had fostered their friendship very much earlier, when the Government was indeed warned to do so by the Opposition Benches in this House.

Mr Speaker, Sir, speaking again on matters such as this, we come to the United Nations and our permanent representatives of the United Nations. It is true that when Malaya became independent we started sending people to the United Nations, perhaps, as a matter of giving experience to a large

number of persons, and they were changed from time to time. However, I do not think it is a good thing to change representatives *in toto* or completely from the United Nations, because there is no continuity and there is no stability as far as our representatives are concerned. I would, therefore, urge that serious consideration be given to at least some of the permanent representatives remaining in the United Nations for longer periods of time than has been experienced in the past because, Sir, such important questions as the entry of Red China into the United Nations will arise.

Mr Speaker, Sir, I raise this matter because we heard an Honourable Member of this House, the Honourable Member from Pasir Puteh, speaking about an alleged statement by the Honourable Prime Minister of this nation where he imputed that the Honourable Prime Minister said that we were fighting Communist aggression and not the Communist ideology, and the Honourable speaker did not agree with that statement and said that we should fight both the Communist ideology and Communist aggression, and he in fact said that we should ban both the Communist ideology and Communist aggression. Mr Speaker, Sir, I do not know whether any such statement was ever made, but if it was made, I say it was a correct statement because what any democratic nation does is not to ban an ideology. You do not ban an ideology; you cannot fight an ideology by banning it. It is meaningless to ban an ideology, because if you ban an ideology you ban something which becomes violent and that is what happened in Malaya and that is why Communism as such was outlawed in Malaya.

Mr Speaker, Sir, whilst it must be appreciated that the people of Malaya are no lovers of Communism, it must also be appreciated by everybody concerned that no democratic country can afford to ban an ideology—and in fact no democratic country has banned the Communist ideology. It exists in England, it exists in America, it exists in India, it exists in Ceylon, it exists in all democratic countries in the

world. But in all democratic countries in the world Communism is fought against—it is fought against not with weapons, it is fought against by democratic process and it has been successfully contained and kept at bay, and I would say that I disagree with the Member for Pasir Puteh when he says that such a statement is wrong. Such a statement is the correct approach to the problem of international Communism and I am sure that any government when the danger of armed aggression is off will have to recognise Communism as an ideology, and so too in Malaya. The day will come when the Government will have to recognise that there is such an ideology known as Communism and it will have to be combated by proper and legitimate means.

Mr Speaker, Sir, that brings me to the point of Red China's entry into the United Nations, which has been going on year in and year out in the United Nations. Sometimes our representatives abstain; sometimes I think they voted against. What are they going to do in the future? What should they do in the future? It is pertinent to ask ourselves. In recent months our Government has decided that consular representation as far as Formosa or Taiwan is concerned will be established. Now, many have asked and many have posed the question: what is the objective? What is the reason? Why is it that the Government of Malaysia has now agreed to have consular representation as between Taiwan and Malaysia? Does it mean that Malaysia only recognises the existence of Taiwan for China? Or what does it mean? What is the reason? Why this consular representation which is now going to become a fact as between Taiwan and Malaysia? I do not know the answer. Only those who have done it will know the answer and will know the reason. But I would say this: that there could be a number of reasons, but I think it is fair to the nation to be told why this step has been taken and I do hope that before this debate is over an explanation will be given by the Honourable Minister concerned so far as this issue is concerned. If the

question of China's entry into the United Nations comes up, I would suggest that our delegation vote in favour of Red China being a member of the United Nations—for one good reason, that with China in the United Nations, then you can expect her, and rightly expect her, to follow the established principles of the United Nations. If you bar her from the United Nations, then you have no right to criticise her if she does not follow the established practices or principles of the United Nations. That is our stand in brief. I am not going to elaborate on it, because, Mr Speaker, Sir, you have said that many speakers want to speak and we should cut our speeches as short as possible; but I have given detailed reasons in previous years in this very House.

Mr Speaker, Sir, let me come to matters of more local interest, or interest in our own home here in Malaya. We start off with the question of education and language.

A call has been made by the Honourable Member from the United Democratic Party who sits in this House for a review of the education policy. I support that call and the Honourable Member also said that the question of education and the question of language should be kept distinct from each other. Mr Speaker, Sir, with that statement I am not in full agreement, because the purpose of a review of the education policy here must surely be to consider requests which have been made by guilds and associations of Chinese organisations, Indian organisations and Malay organisations—and most of the requests are linked up with the question of language. Therefore, if any review of the education policy is going to be made, it must be made with the view to consider whether the requests which have been made by these educationists, accepted leaders in their fields, are to be considered or not to be considered. Whether the demands for official languages other than Malay, or in addition to Malay, will be considered by this Government must surely go hand in hand with the question of the education policy and here one will

recall that the demand has been—I use the word “demand” to say a democratic demand, I do not mean demand by force—that Chinese, Tamil and English should be official languages just as they are in the island of Singapore. This demand was made from time to time, year in and year out, but for the last few years nothing was done. A few months back some powerful organisation of the Chinese passed a resolution saying “We want Chinese as an official language in this country.” That resolution, Mr Speaker, Sir, according to the newspapers was to be forwarded to the president . . .

Enche’ Tan Siew Sin: Mr Speaker, Sir, the Honourable Member for Ipoh should at least get his facts straight. I am presuming that he refers to the M.C.A.; but the M.C.A. has never passed such a resolution.

Enche’ D. R. Seenivasagam: I did not say M.C.A. and if you had listened to me you would have known I did not say M.C.A. I said a powerful organisation of the Chinese passed a resolution demanding that Chinese be an official language and according to newspaper reports that powerful organisation—and I did not say M.C.A. because it is not a powerful organisation (*Laughter*)—according to newspaper reports that resolution was to be forwarded to the president of the M.C.A. to be placed before the Alliance Cabinet for consideration and approval. Thereafter, there has been complete silence and people are interested to know whether such a resolution was ever forwarded to the president of the M.C.A., whether such a resolution ever reached the Cabinet, and whether such a resolution was under consideration or study by any Government body. That is one of the issues which the people ask in return for their loyalty.

Mr Speaker, Sir, here I stand up to congratulate the Honourable Member for Melaka Bandar, I think, who is such a powerful fighter for Chinese language and Chinese education in this country—and, in fact, today’s newspaper gives him great credit. In fact, he says to Tuan Syed Nasir, “Mind your own business; we want recogni-

tion of the Nanyang University; we want it, and we want it quickly.” I do hope that he, as an influential member of his Party, reflects at least a large proportion of the voice of the Party to which he belongs—that they want recognition of the degrees of the Nanyang University by the Central Government and they want it quickly.

The same Honourable Member, Mr Speaker, Sir, gave great hopes to the people of this country when, a few months back, he made a statement saying that he supported the recognition of Chinese and Tamil as official languages of this country. Coming from a member of the Alliance Party who has been elected on an Alliance ticket, there can be nothing more heartening to those who have struggled for this objective for so long, and I do hope that the Honourable Member will keep up the battle whatever the cost may be to his future political status within his Party. However, I hope he speaks with a voice of authority within his Party.

Mr Speaker, Sir, an Honourable Member speaking in this House earlier this morning has said that people who speak of these things should be dealt with by the Honourable Minister of Internal Security. That brings to mind the very sad case of Mr Lim Lian Geok—this case is no longer *sub judice* and can now, therefore, be spoken about in this House. This man, who was a teacher in this country, has had his citizenship revoked, has had his teacher’s certificate cancelled and he therefore now just stays in this country at the mercy of the Government of this land. Mr Speaker, Sir, what are the protections that citizens have in this country? It will be recalled that I have always said to the people of this country, “Your citizenship which you get by application is not worth the paper it is written on, because the security attached to it is *nil*”; and the case of Lim Lian Geok proves my point more than any other case can ever prove it.

Mr Speaker, Sir, the allegation against Mr Lim Lian Geok was that he had made statements which were

prejudicial to public safety and a thousand and one other allegations which would be covered, if true, if there was evidence to that effect, by a number of established laws of this country—laws of sedition, laws of treason, the Penal Code—where you will find offences with which he could have been charged. Mr Speaker, Sir, yet the Government did not charge this man in any court with anyone of the criminal offences—a number of which he could have been charged with if the allegations against him had one iota of truth. Mr Speaker, Sir, yet without a trial, without a charge, with a stroke of the pen, the Minister of Home Affairs took away his citizenship. An inquiry was held in camera. Nobody knows it. The question I ask, and the question that thousands upon thousands of citizens by application ask is, if it can happen to Lim Lian Geok, it can happen to anybody else in this land who says anything that the Alliance Government may not like. Mr Speaker, Sir. . . .

The Assistant Minister of Commerce and Industry (Tuan Haji Abdul Khalid bin Awang Osman): Mr Speaker, Sir, on a point of clarification—was this not raised at the Privy Council?

Enche' D. R. Seenivasagam: The question raised at the Privy Council was not the question of his citizenship. The matter raised at the Privy Council was on a technical point of procedure. It is too difficult for me to explain to the Honourable Assistant Minister, but it was certainly not the question of the matter I am now raising here—it was a question of procedure which was raised. Mr Speaker, Sir, I mention this question only to elaborate that the citizenship laws of this country are not satisfactory, if citizenships can be revoked in such an arbitrary manner by the Minister of Home Affairs. Mr Speaker, Sir, this man has no remedy. He can go to no further court. He cannot challenge that ruling anywhere. He will not even be told—a Committee sat to enquire into the allegations against him—what their recommendations were to the Minister of Home Affairs. This man will not be told.

His solicitors will not be told. He will never know whether the Committee recommended that his citizenship should not be cancelled or should be cancelled, and whether the Minister of Home Affairs acted in accordance with the recommendations of the Committee or not. He will not be told, because under our Constitution the Minister of Home Affairs can throw those recommendations overboard, if he so desires to do. Mr Speaker, Sir, I say that that case, which has evoked considerable public interest among certain sections of the Malayan people, is a matter which is causing great distress among those circles—the manner in which the case has ended up today. I do say that this Government does not bring credit upon itself but brings discredit by actions of this nature, and the challenge thrown by the Opposition from time to time to the Government, “If you have any evidence, charge the man in court” is as good a challenge thrown now as it was before. If you have the evidence, the proper thing to do is to charge him, convict him, and take away his citizenship, and nobody can say a word against it. If you choose to act arbitrarily, then you cannot blame others for having suspicions at your action, but I say that by doing this you have not diminished the desire to carry on a struggle which was started, perhaps, by Mr Lim Lian Geok together with the Member for Melaka Bandar who at that time, I suppose, was with Mr Lim Lian Geok. That struggle will go on, and the more acts of this nature you perform will only fortify the struggle to carry on with greater strength and with greater fury in the future.

Mr Speaker, Sir, the question of taxi was also raised in this House—the question of the number of increasing pirate taxis. Now, that is the problem, but why is the problem caused? How is it that the problem is now increasing? Has anybody tried to analyse it? Why is it? Why is it that people try to use pirate taxis? Why is it that so many pirate taxis can exist in a town like Kuala Lumpur?

The answer is simple: it is because you will not give licences to those who want to operate taxis. If you do not give licences to those who want to operate taxis, you do not expect them to starve, you do not expect them to jump into the river; they must earn a living, either they must go and rob, or they must do something less offensive than that. Mr Speaker, Sir, why is that you will not give licences? Is it because the Constitution says that there shall be special privileges? And under the clause on special privileges, you say, "So-and-so" and "So-and-So" cannot get a licence; only "So-and-So" and "So-and-So" can get it. But "So-and-So" and "So-and-So" do not want it, but still "So-and-So" and "So-and-So" cannot get it.

The Minister of Transport (Dato' Haji Sardon bin Haji Jubir): Mr Speaker, Sir, I would like to clarify to my Honourable friend from Ipoh. It is not a matter of privileges; it is a recommendation by the Advisory Committee of that district or of that State. I do not want the Honourable Member to be confused with the Malay special privileges.

Enche' D. R. Seenivasagam: May I have that clarification repeated?

Dato' Haji Sardon: The Advisory Committee of the district or State would put up recommendation as to how many taxis are recommended, and this matter has nothing to do with the Malay special privileges, which is a quota system and is a different matter.

Enche' D. R. Seenivasagam: I am really surprised, Mr Speaker, Sir, that the Honourable Minister after so much expenditure should say that this has nothing to do with special privileges, because obviously any board or authority, if given the power to decide what is what and how many taxis are required in any given area, acts in accordance with the Constitution and the intent and purpose of the Constitution. If there is a commission to say how much mining land must be allotted in a certain area, surely they act in accordance with the Constitution and say so much in percentage

or so much in ratio. That is the basis of all committees that work; otherwise, it is unthinkable to say that it has nothing to do with the question of privileges because any committee must . . .

Dato' Haji Sardon: May I explain again, Sir? In the State of Perak where the Honourable Member comes from—as he represents Ipoh—the quota system there is full, but still there are hundreds and thousands of pirate taxis—not only in Malaya but also in Singapore—because operators of pirate taxis find it economical to operate such taxis as they do not have to pay tax, they do not have to pay insurance. Even if we were to issue 1,000 taxi licences in Kuala Lumpur, there will still be 1,000 to 2,000 illegal pirate taxis.

Enche' D. R. Seenivasagam: Mr Speaker, Sir, that illustrates my point very, very clearly—there are not enough licences to go round. The need for taxis is there, because pirate taxis are not lying down on the road; they are used. If they are used, then the need for them exists. If the need for them does not exist they are not stupid enough to park their cars and sit in the middle of the road. Mr Speaker, Sir, it is a clear fact that there are not enough licences issued. And to make it worse, the recent regulations sent out by the Minister of Transport or the Road Transport Department where a non-Malay cannot drive a taxi for a Malay have thrown the Chinese out of employment—men who have driven motor cars all their lives are thrown out of employment. What you want them to do? They cannot get a licence, the Malay is kind enough to employ them, you passed a resolution and say, "A Malay cannot employ a non-Malay. If you do so, your licence will be cancelled." He goes on to the streets. You want him to be a clerk, he cannot. What do you want him to become? He must get another car somewhere and drive, and that is one more cause of the increase of pirate taxis in this country. It is not easy for a man who has driven a car for ten or twelve years

suddenly to be thrown out of employment and say, "Go and become some other businessman." These are things of human interests which the Minister should have considered. What would be the effects of such an order? What would be the statistics? How many persons would be affected by such an order? Could we accommodate these persons who are so affected? But no such thing—if I am wrong I would be corrected—has been ever done, and that is the reason why the situation is deteriorating. I do not blame the Minister at all; in fact, I do not think it is fair to blame him. But the situation has arisen and something has to be done about it. I suggest that the most appropriate thing would be, if these Boards are not alive to the position, to send a directive to them and advise them to re-investigate the position in their areas and make further recommendations to solve these problems.

Mr Speaker, Sir, I was glad to hear the Honourable Member sitting opposite me—with his indulgence may I describe him as a learned accountant; I cannot get the name of his constituency—who spoke this morning and indeed he must be congratulated for his hard-hitting speech. It was a speech which was straight off the cuff where he made a significant statement when he said this—if I am wrong I am subject to correction—"that Malay participation in business, improvement and advancement of the Malays mean the advancement of a handful of Malays in this country, of exploitation by a handful of the Malay ra'ayats of this country." That was the sum total of his speech and in fact almost a repetition, a word for word repetition of the Member for Batu. It shows how closely, how powerfully, public opinion has been crystallized as time goes on. Not only the Opposition says it; today even the Government Benches say that the special privilege is used not for the benefit of the ra'ayats; it brings no appreciable benefit to the ra'ayats. It builds up a capitalist group of Malay gentlemen to equal the capitalist group of the Chinese gentlemen

in this country. That is all that the special privileges have done in this country over the length of years—one to one. The ra'ayats, Malays, Chinese or Indians, remain the same—forgotten, unwanted; such are the conditions that exist. Mr Speaker, Sir, there could have been no greater condemnation of governmental policy than the speech made by the Honourable Member this morning; there could be no greater call for a reassessment of your policies than the speech made by that Honourable Member this morning; and he was indeed a courageous man to make that speech and he deserves the full support of this House in endorsing the views that he made this morning.

Mr Speaker, Sir, pay, salaries for Government servants have been increased from time to time and it is appreciated by all concerned, but one category of employees has been completely forgotten as far as increases are concerned, and that is the temporaries. As far as I can recall, nobody seems to have been bothered about the temporaries. Taxes go up, price of food goes up, other people's salaries go up, but temporaries remain as they are; and they are a large body of persons. They are a body of persons doing a job without whom it will be difficult to carry on the administration of this country. They are temporaries not by choice but by necessity; for obvious reasons they have to become temporaries. I do suggest that the Honourable Minister of Labour at least would look into the question of these temporaries and see that something is done for them. I have great confidence that he will try to do something for them. It just struck me, as I was sitting here, that it is a matter of regret that they are a forgotten class—all by themselves, nobody bothers about them. And where other things go up, I think something should be done. It is appreciated that they are temporaries, but they are temporaries year in and year out; and I do hope that something tangible will be done for their benefit.

Mr Speaker, Sir, I do not wish to say anything more except to summarise very, very briefly the stand of my Party on the constitutional issue. We stand for equality in this land. We stand against special privileges. We stand for multi-lingualism in this country. We stand for equal citizenship laws with security attached to that citizenship. From those principles we shall never depart. If we are defeated in our fight for these principles, we will be glad to be defeated. If we succeed in our fight for those principles, we will give those principles to the people of this land, as the people of Singapore have now got it already.

Mr Speaker, Sir, I think that is all I wish to say.

Datin Fatimah binti Haji Abdul Majid (Johor Bahru Timor): Yang Berhormat, Tuan Yang di-Pertua, saya mengambil peluang mengucapkan terima kasih dan sa-tinggi² tahniah kepada Menteri Kewangan yang telah membentangkan peruntokan belanjawan bagi tahun 1965. Kerana dengan ada-nya keberanian dan kecekapan Kementerian yang dianggap sa-bagai nyawa yang menggerakkan wujud-nya 'alam Malaysia yang maju dan jaya dalam segala bentuk penghidupan ra'ayat serta chorak pentadbiran negara ini, maka lahir-lah satu peranggaran belanjawan yang sangat² menasabah dan patut di-beri sokongan oleh kawan dan lawan yang ada di-Dewan ini demi kepentingan negara dan kemudahan² bagi seluroh ra'ayat Malaysia.

Sa-lain daripada itu saya juga mengucapkan sa-tinggi² tahniah kepada Kerajaan yang telah menganjorkan Minggu Perpaduan kerana dengan ada-nya pelancaran Minggu Perpaduan yang tersebut maka terbukti-lah perpaduan ra'ayat yang tidak ragu² lagi berdiri tegoh di-belakang Kerajaan. Dan dengan ada-nya Minggu Perpaduan juga dapat-lah kita mengukor sa-juah mana sakalian ra'ayat yang berpura² mengaku berjuang kerana ra'ayat dan negara. Apabila mereka, kita dapati, tidak mahu menyertai ikrar Minggu Perpaduan

itu, saya berharap Kerajaan tidak akan melupakan kapada orang² itu atau pun parti² yang bersikap demikian. Kalau patut bagi pehak kita, elok-lah rebus, elok-lah mereka itu di-rebus sekarang juga. Apa guna-nya kita simpan orang² sa-rupa itu kalau sudah kita dapati ia-itu pepat di-luar tetapi ranchong di-dalam.

Tuan Yang di-Pertua, mengenai wang pertahanan negara yang telah bertambah berlipat ganda sa-bagaimana ucapan Yang Berhormat Menteri Kewangan tadi, saya mengucapkan sa-tinggi² tahniah ka-atas tentera pertahanan negara kita yang telah berjuang dengan tugas²-nya mempertahankan kehormatan dan kedaulatan negara kita yang mana kejayaan² tersebut ada-lah terbukti dengan kecekapan² dan keberanian² angkatan bersenjata dengan di-bantu oleh ra'ayat² yang tegoh ta'at setia-nya. Di-samping itu saya minta kapada pehak Kerajaan mempertimbangkan bagi pasokan² pengawal kampung, walau pun perkara kesulitan yang di-hadapi oleh pengawal kampung itu telah di-majukan oleh rakan² saya di-dalam meshuarat yang telah lalu, tetapi oleh sebab belum ada apa² tindakan telah di-ambil maka saya terpaksa mengulangi perkara ini sa-mula. Sa-bagaimana yang saya tahu bahawa tiap² kampung itu menjalankan ikhtiar² sendiri bagi memenohi keperluan² berjaga.

Tetapi ada sa-tengah² tempat yang tidak dapat di-jalankan ikhtiar untuk mengadakan lampu² pichit dan lain² alatan, termasuk-lah juga pondok² perhentian berkawal sa-daya²-nya mereka hanya dapat mendirikan pondok² yang tidak berapa kaki sahaja besar-nya ia-itu bila hujan kebasahan-lah mereka yang mungkin pula mengakibatkan demam pada besok hari-nya. Yang demikian apakala mereka di-ganggu² oleh sakit demam maka terganggu-lah pula giliran² kawalan yang di-perlukan kapada mereka itu. Walau pun demikian kalau dapat di-berikan sedikit peruntokan kerana mendirikan pondok² kawalan itu dapat-lah terjamin kesihatan ra'ayat yang bertugas bersuka-rela mengawal keselamatan kampung dan negeri kita.

Tuan Yang di-Pertua, dengan sebab itu saya harap supaya Kerajaan bertimbang rasa kepada perkara yang saya sebutkan tadi.

Berchakap dalam soal kenaikan harga barang² keperluan hari², saya merayu dengan sa-tinggi² harapan supaya Kerajaan bertindak mengawal harga barang² makanan yang di-perlukan oleh ra'ayat biasa. Ia-itu ra'ayat yang penghidupan-nya sederhana dan pendapatan kechil kerana gulungan mereka-lah yang benar² terdesak dengan kemahalan barang² yang melambong tinggi dengan serta-merta. Perkara menaikkan chukai belum lagi selesai dibinchangkan dalam Dewan yang mulia ini, tetapi pedagang² kechil dan besar yang di-pekan² dan kampong² telah berlumba² menggunakan kesempatan menambah keuntungan berlipat ganda, pada hal mereka belum lagi menerima perintah membayar chukai baharu yang akan di-kenakan kepada barang² yang akan naik, tetapi malang-nya ra'ayat telah menderita di-tangan penjual² kerana harga minyak telah naik 5 sen pada sa-botol dan \$3 pada satu tin.

Sa-lain daripada itu beberapa jenis lagi barang yang tertentu telah di-naikkan harga-nya, juga harga gula di-Persekutuan tidak di-ishtiharkan naik, tetapi pekedai² kechil telah menaikkan satu kati 5 sen, maka yang kita binchangkan di-sini tentang chukai minuman keras itu pun hanya dua jenis sahaja yang di-kenakan chukai. Sedangkan yang lain tinggal saperti biasa. Pihak penjual menaikkan harga semua jenis barang². Alang-kah kejarnya dasar mereka, sedangkan Kerajaan berhemat² hendak memutuskan sa-suatu perkara bagi menambah hasil negara.

Dengan tujuan hendak memberikan pertimbangan yang tidak akan terlalu memberikan keuntungan kepada kaum pemodal negeri ini, tetapi yang aneh-nya kaum pemodal tidak langsung bertimbang rasa kepada ra'ayat yang sentiasa memberikan keuntungan dan kemajuan kepada perniagaan, kepada Kementerian yang berkenaan saya minta supaya chukai minuman keras itu di-kenakan kepada semua jenis

minuman dengan tidak di-kechualikan, kerana minuman² ini tidak-lah di-perlukan oleh ra'ayat biasa, hanya-lah yang mampu sahaja yang sanggup menghabiskan wang-nya dengan minuman tersebut. Yang demikian kenaikan chukai ka-atas minuman² keras ini tidak-lah akan menyakitkan penjual dan juga tidak mengganggu ekonomi ra'ayat dalam negeri ini. Bagi orang kaya pula saya rasa boleh mendatangkan banyak faedah ia-itu apabila mereka berasa agak mahal dan terpaksa berbelanja besar kerana minuman keras itu, mereka akan chuba menjauhkan diri daripada meja² minuman yang tersebut dan akhir-nya bukan sahaja wang mereka boleh selamat, bahkan kesihatan dan peribadi mereka terjamin baik dan mulia.

Tuan Yang Di-Pertua, memandang kepada dasar Kerajaan pula untuk mengembangkan penggunaan bahasa kebangsaan dengan tujuan hendak menjadikan bahasa rasmi yang tunggal dalam tahun 1967, maka patut-lah bagi pihak Kerajaan mengambil berat atas pelajar² 'ilmu Terengkas Melayu. Sa-bagaimana kita sedia ma'alum, 'ilmu Terengkas Melayu pada masa sekarang ini sedang berkembang dengan pesatnya dan pelajar² yang telah lulus didalam peperiksaan makin bertambah bilangan daripada sa-hari ka-sahari. Akan tetapi malang-nya mereka² yang lulus ini tidak dapat mengikuti sharat² masok perkhidmat hendak menjadi Juru Terengkas Melayu, di-sebabkan pada masa sekarang ada-lah sa-orang chalon itu mesti-lah lulus sa-kurang²-nya Sijil Persekolahan Persekutuan dengan mendapat kepujian dalam bahasa Melayu. Kelulusan yang di-kehendaki itu adalah terlalu tinggi kerana kebanyakan daripada pelajar² Terengkas yang ada pada masa ini hanya mempunyai kelulusan L.C.E. atau pun Tingkatan IV, ia-itu bagi memberi peluang kepada kalangan pelajar² itu patut-lah pihak Kerajaan memberi pertimbangan untuk melonggarkan sharat² tersebut saperti yang telah di-buat dalam tahun 1962. Ini ada-lah di-fikirkan satu daripada chara yang sesuai dan berkesan untuk meluangkan bagi kegunaan bahasa kebangsaan, walau pun begitu kita mesti menggalakkan juga pelajar² itu

untuk mendapat kelulusan yang agak lebeh tinggi lagi.

Sa-lain daripada itu saya telah difahamkan ia-itu ada pejabat² yang tidak dapat menggunakan surat-menyerurat dalam bahasa kebangsaan di-sebabkan tidak ada Juru Terengkas dalam bahasa kebangsaan. Saya per-chaya dengan melonggarkan sharat² kelulusan yang ada ini buat sementara waktu tentu-lah kesulitan itu dapat di-atasi.

Tuan Yang Di-Pertua, berchakap berkenaan dengan Jabatan Kesihatan, kita tahu ia-lah segala anggaran belanja bagi tahun 1965 ini telah di-tambah. Bagi tingkatan gaji Merinyu Kesihatan, menurut apa yang saya telah di-fahamkan, bahawa pada mula²-nya jumlah Merinyu Kesihatan atau pun Health Inspector di-seluruh Tanah Melayu ini ia-lah 250 orang, tetapi sekarang hanya tinggal 129 orang sahaja, kerana 121 orang lagi telah berhenti kerana di-sebabkan rasa tidak puas hati dalam soal tingkatan gaji. Mereka mengatakan gaji peringkat akhir atau gaji mati bagi sa-saorang kerani di-Pejabat Kesihatan lebeh tinggi daripada peringkat akhir sa-orang Merinyu Kesihatan.

Bagaimana yang kita ketahui kesi-hatan ra'ayat ada-lah datang-nya dari kebersehan negeri, maka tugas² men-jaga kebersehan pula ada-lah tanggung jawab Merinyu² Kesihatan kalau makin hari sa-makin kurang bilangan pegawai² itu maka apa akan jadi pada kebersehan dalam bandar serta negeri yang mana akibat dari kebiaran itu ada-lah mengganggu ketenteraman hidup ra'ayat, dan di-sini saya berharap pehak yang berkenaan supaya memberi pertimbangan kapada pegawai² yang telah ada mempunyai pengalaman, dari-pada pehak Kerajaan mengambil orang baharu untuk menggantikan jawatan² yang kosong itu. Soal kekurangan gaji mendatangkan tidak puas hati hingga menyebabkan ada pusat² kesi-hatan, yang telah di-sediakan oleh Kerajaan dengan memakan belanja yang banyak dan bangunan² yang chan-tek, tidak dapat di-adakan doktor² untuk menunggu orang yang memerlu-kan rawatan, umpama-nya, mengenai

gigi yang mana ada orang ramai ter-paksa pergi ka-klinik luar. Pada orang yang berada, tidak menjadi keberatan, tetapi orang yang tidak mampu tentu-lah tidak terdaya mendapatkan rawatan di-luar.

Tuan Yang di-Pertua, sa-benar-nya ada anak² negeri ini yang telah lulus dalam kedokteran, tetapi saya telah di-fahamkan ia-itu oleh sebab soal gaji yang tidak puas hati maka terpaksa mereka pergi bekerja di-negeri² lain, dan juga ada sa-tengah-nya telah membuka kelinik² sendiri. Dari itu saya berharap supaya dapat di-pertimbang-kan perkara ini kerana negara kita ada-lah sangat kekurangan doktor. Jadi, rasa saya memada²-lah sa-takat ini ucapan saya bagi memberikan so-kongan pada Estimate Belanjawan pada tahun 1965 ini.

Enche' Hanafiah bin Hussain: I rise to clarify certain things said by the Honourable Member for Ipoh. He touched on what I said about Malay participation and Malay privileges. I think it is my duty to clarify the point, because it was so damaging. I said a different thing, he translated it differently.

What I said about Malay partici-pation is that some influential people are trying to make use of their position in the tin mining industry for exploiting tin—not exploiting people. Number two, about Malay privileges: I supported Malay privi-leges. I said you must use the privi-leges to raise your economic standard and maintain your self-respect and self-confidence. Thank you.

Enche' Lim Huan Boon (Singapore): Mr Speaker, Sir, there is not a word of happiness or prosperity in the speech of the Honourable the Minis-ter of Finance. On the contrary, the whole speech was full of pessimistic terms and indications of a bleak future. It is, of course, not difficult to understand the economic position of Malaysia. The Honourable Minister of Finance knows only too well that Malaysia has brought us nothing but hardships, political instability and financial difficulties.

Mr Speaker, Sir, the 1965 Budget, inclusive of development expenditure, shows a total deficit of \$653 million. Since the formation of Malaysia the financial deficit has increased tremendously. From the statistics given by the Honourable Minister of Finance, there was a surplus of \$29 million in 1961 current and capital account. However, there was a deficit of \$31 million in 1962 and this deficit increased to \$665 million in 1963. The Minister of Finance could not but admit that it was an exceptional current account deficit. Mr Speaker, Sir, now the 1964 current account deficit is expected to be \$650 millions. Mr Speaker, Sir, from the statistics it is too clear and evident that there is a rapid run down of our financial position. Sir, now the Government has to impose all kinds of taxes. At the same time, Government's assets have been considerably reduced. The Minister of Finance may use such excuses like a drop in the prices of rubber, confrontation of Indonesia, etc. to cover up the misdoings of the Government. But the fact remains that the Alliance Government has failed in its economic and political policies. The Government cannot but bear the full responsibilities of such a situation. The Alliance Government had in the past made such statements like Malaysia is a heaven on earth and that no Government can do better than the Alliance, but such boastful talk can in no way stand the test of reality.

Mr Speaker, Sir, it is impossible to disconnect the present situation with the basic policy of the Government and the formation of Malaysia. Thousands of workers in Singapore have lost their jobs after the formation of Malaysia and even more are underemployed. The Minister of Finance said that most of them had been absorbed by other activities, but in actual fact those who are affected by Malaysia and confrontation are still in a tantalizing situation. It is an undeniable fact that economic confrontation has caused Singapore to lose 31% of export trade and a reduction of 23% in import trade. As a result, the trade of most businesses is greatly

decreased. In respect of living conditions the ordinary labourers, the hawkers and the taxi drivers, who are indirectly affected, are even in greater difficulties. Such a situation was never witnessed before the formation of Malaysia.

Sir, the violent and repressive rule of the British has led to the open revolt of the people of North Borneo. Now the Alliance Government, which is responsible for the formation of Malaysia, has joined forces with the British. It has with fixed bayonet carried on a war to suppress the people of North Borneo. Mr Speaker, Sir, as a result of the Alliance Government's willingness to fight for the interests of the British, defence expenses have increased tremendously. In 1962 the total capital and recurrent expenditure for defence and internal security came to \$201 million, or 15% of the total expenditure. In 1963 the comparative figures were \$258 million and 17%. In 1964 they are estimated to be \$440 million and 21%. But in 1965 they will come to \$589 million and 25%. That is to say, the Government intends to spend \$1.6 million per day in order to carry on the fight in North Borneo.

Mr Speaker, Sir, the Honourable Minister of Finance stated that "this is the measure of our will to survive, whatever the cost may be." As a matter of fact, this is not the only way by which we can survive. There are, of course, other courses which we can take. However, the Government in a bid to save its political face insists on the continuation of the Malaysia plot. Mr Speaker, Sir, \$1.6 million per day could be spent far more wisely on other social services beneficial to the welfare of the people. With this sum of money more schools could be built and more aid could be given to the peasants. But instead of doing all these services, the Government is only too willing to transfer the money to the pockets of the foreign armour manufacturers.

Sir, British military experts have predicted that the North Borneo war might last from 8 to 10 years. It is

definitely a long struggling war. In fact, if the Malaysia issue could not be reasonably resolved, the war would last even longer. Under such circumstances the country would be torn and tattered and not a single cent would be left in the Treasury. Mr Speaker, Sir, the Minister of Finance has admitted that the estimated overall deficit in 1964 not covered by borrowing will lead to a reduction in the Federal Government's accumulated assets, which are thus estimated to decline by \$212 million. The Honourable Minister of Finance also stated that the total foreign exchange reserves of the country are expected to fall by \$88 million.

Mr Speaker: Is the Honourable Member reading from his speech? He is not allowed to read from his speech. You might make references, but not read.

Enche' Lim Huan Boon: Yes, Mr Speaker, Sir. In the current situation he said the expenditure is increasing more than twice as fast as revenue. Sir, the Alliance Government is now facing a very difficult economic situation, which they can find no means to solve but to resort to the following measures.

The Increment in Taxation: There are a lot of new taxations and increase of duties introduced by the Honourable Minister of Finance, such as, turnover tax, payroll tax, import duty on sugar, duties on tobacco and cigarettes, increase of driving licence fees, estate duties, etc. The Government hopes that by imposing such taxations it can at least solve the present difficulties. Therefore, they cracked their heads on how to raise taxation with all possible means. Yet, through all these heavy taxations, the Government could only raise \$110 million compared with the total deficit of \$653 million—and this is still a long way to go. It is only too clear that the Government is doomed to fail in solving the economic problems by heavy taxation. Sir, besides the present situation, the burden of the taxpayers is already too heavy, and instead of lightening their burden and bettering their living conditions the Government is robbing more

money from the people who are already poor.

Sir, I will deal with the defects of proposed changes of taxation in detail later. Now, I would like to point out that the Government had also decided to freeze certain vacancies in Government Departments besides imposing more taxes. This is to say the Government closed the door for certain new employment of Government servants. Sir, this will lead to an increased burden on civil servants and it is bound to affect the efficiency of the Services.

Dependence on foreign aid, including foreign capital and military aids: To cover up the deficit the Government has also to depend on foreign loans and demand more aid from Western countries. At the present moment, the Government not only has to beg for United States and United Kingdom loans and aids but also it has to ask pitifully for aid from Australia, New Zealand and Canada.

The Honourable Minister of Finance said:

"In the Borneo States the problems with which we have presently to deal and which will cost massive amounts of money are those which are inherited from Britain."

He continued to say:

"It is therefore not improper that we should now seek assistance on this score."

The Honourable Minister has bluntly admitted that the war in the Borneo States is one that is inherited from the British. Why should the Government inherit such an evil and dirty job which cost us massive amounts of money and in turn the Government has to beg for aid from Britain who is the creator of this sinful war in Borneo? Mr Speaker, Sir, the Government is begging the United States and the United Kingdom and even Canada, Australia and New Zealand for more military aids. They have sent military representatives here to study the situation and are ready to sell military equipment to the Alliance Government. They have also agreed to send military experts to train our youths. This is indeed very dangerous, Mr Speaker, Sir. It is too naive to think that Britain and the United

States will protect us. In fact, they have their own selfish intentions. By allowing foreign military men and arms to flow into this territory, the Government is indeed turning the country into an arena of the foreign military competition, and if the war were to be continued and expanded—and this very possible, Mr Speaker, Sir—it is only the people who will suffer. South Vietnam is one of the vivid examples, and we must not fall into it. We urge the Government to think twice or even thrice before falling into the imperialists' trap. Sir, only by getting rid of foreign influence, solving the Malaysia issue politically and returning the basic rights and freedom to the people can the present difficulty be solved. If the Government, under various pretexts, continue to expand military expenditures and resort to more repressive measures against the people, such as mass arrests of political opponents, then there is no solution for the Government to the economic as well as political problems.

Sir, the Honourable Minister of Finance in putting forth the new federal taxation proposals said that the general criteria and objectives in saving the proposals are: (1)

Dato' Haji Mustapha bin Abdul Jabar (Sabak Bernam): Tuan Yang di-Pertua, nampak-nya Ahli Yang Berhormat itu membacha ucapan-nya. Mengikut Peratoran Meshuarat 35 (6) "sa-saorang Ahli tidak boleh membacha ucapan-nya tetapi boleh dibacha-nya chabutan²" Dia tidak patut membacha ucapan-nya, sebab salah mengikut peratoran.

Mr Speaker: (To *Enche' Lim Huan Boon*) May I draw your attention once again? You are not allowed to read from your notes.

Enche' Lim Huan Boon: Now, I come to the major criteria and objectives in shaping the proposals, which have already been put up by the Honourable Minister of Finance:

- (1) The major objective has been the generation of substantial new revenue, that is, to raise rates on some existing taxes already producing significant revenues;

- (2) to move towards harmonisation as an important step in the creation of a common market;
- (3) the level of federal taxation in the Borneo States should be brought up to the States of Malaya level in graduated steps;
- (4) revenue duties enforced in Singapore on 1-7-63 were to be harmonised with the corresponding duties of the States of Malaya and imposition of new revenue duties subject to the consent of the Singapore Government according to Annexure "J" of the Malaysian Agreement, and so on.

Mr Speaker, Sir, owing to the great amount of deficit that will occur, the Minister of Finance admitted that imposition of heavier duties will be mainly on those items which bring in large sums of revenue. Sir, it is inevitable that those items which are so closely connected with the broad masses will be levied a heavy duty. There is a Chinese saying that "the wool comes from the sheep"; no matter how the Government increases the taxes, whether direct taxation or indirect taxation, those who suffer most are the wage-earners and the ordinary "have-nots".

Mr Speaker, Sir, such luxurious items like whisky, gin and brandy, which are mainly consumed by the rich few, cannot bring in large revenue even if an increment of tax is imposed; in this connection the rich can go on drinking whisky and the like without having to pay for more taxes. Hence, no matter what the Government says in that the burden of taxation will be shared equally, the "have-notes" are the ones who will bear the burden.

Mr Speaker, Sir, now I would like to deal with the defect as caused by the increase in some of the taxes: (1) *Turnover Tax*—The most hard hit by the imposition of the turnover tax would be the businessmen, especially smaller business owners in Singapore. As a result of economic confrontation, the small businessmen have already been facing the threat of closing down

their enterprises. If the Government were to levy a $\frac{1}{2}\%$ on turnover, irrespective of whether a business is making a profit or suffering a loss, it will only help to quicken the closing of more enterprises. (2) *Payroll Tax*—The Government has proposed to levy a 2% tax on the payroll. The implementation of such a tax will only result in further hardships suffered by the wage-earners; most of them will be threatened with retrenchment and reduction in salaries. At the same time, the factories may not take in any new workers. The imposition of the afore-said taxes will eventually have the same result as imposing indirect taxes and the burden will in turn be passed on to the consumers at large.

Mr Speaker, Sir, the increase in duty on sugar, diesel and lubricating oil and changes proposed for licence fees will affect the lower stratum of society to a very great extent. The price of sugar, one of the essential foodstuffs, has already been raised by 13 cents or even more in Singapore. The Minister of Finance and the Prime Minister of Singapore have said that the proposed imposition of import duty on sugar is inevitable as there would be a Common Market. But in Sarawak the duty on sugar is only \$56 per ton while in Singapore the duty is \$224 per ton, and the Common Market will not come into being in the very near future.

Mr Speaker, Sir, an extra expenditure of about \$35 will have to be incurred by every taxi driver per month when the tax on lubricating and diesel oil is increased. The Government said that the special tax, i.e., the annual rate per passenger, will be reduced by \$50. However, this will in no way help those who are non-taxi owners.

Mr Speaker, Sir, the ordinary man in the street and the businessmen in Singapore are much concerned about the proposed increase in taxes. The Government should have a better understanding of the people and change its policy. The Government should know that the present hardship is brought about by itself and should rectify its misdoings instead of finding scapegoats in the people.

Sir, from the whole Budget statement it can be seen that the future of Malaysia is bleak. The Minister of Finance could not but admit that the financial excess will be declining rapidly. I have already pointed out the two solutions proposed by the Government, i.e., increasing revenue by every possible means and seeking external aid, will not solve the problems but will worsen the situation. The Government might think that it can stay on in this manner. However, I would like to give a word of advice. The end of Malaysia will come when the discontent of the people develop into a climax. Sir, it is not too late now to redress.

Finally, I have this to say to the Government. The sunshine will definitely come but much more definitely it will not come from the West.

Enche' C. V. Devan Nair (Bungsar): Mr Speaker, Sir, peoples from various walks of life have spoken in this Chamber, in this debate, but possibly I can claim the distinction of being the only trade unionist who will speak in this House from a trade union angle. I do not, of course, propose to deal with labour matters as such but to give the views of a trade unionist on the Budget. I shall be, of course, very critical of the Budget, Mr Speaker, Sir, but unlike the previous speaker from the Barisan Soekarno. (*Laughter*), the Barisan Sosialis, I shall speak and be critical of the Malaysian Budget but as a patriotic Malaysian. What the previous speaker had said, Sir, what we have heard, was the voice of the Communist underground in this Chamber. (*Applause*). The only question that we need ask him is not to try and tell us about the Malaysian Budget, because only Malaysians can criticise the Malaysian Budget—and possibly he might do better by commenting on the Indonesian Budget. They do not talk about tax on crown corks, but in the Indonesian Budget proposals Soekarno will probably very soon have to levy a tax on rat skins, and he is not likely to collect much that way because, we understand, that at the rate rats are being consumed they will very soon be in short supply. (*Laughter*).

Sir, finally, in his last remarks, the Member for Barisan Sosialis said that the sunshine shall not come from the West. It will not come from the West, Sir, but neither will it come from Indonesia. It will come from Malaysia and from the people of Malaysia. (*Applause*).

Now I come to the Budget proper. Sir, there is a fundamental prerequisite for a fair and just national budget, and that is that the burden of running this nation should be equitably distributed among all classes of the population. The poorer man must not be made to pay proportionately more than the rich man.

It would be impossible, of course, Sir, to expect our Minister of Finance to echo the inspiring call uttered two thousand years ago on the shores of Galilee—"Come unto me, all ye that labour and are heavy laden, and I shall give ye rest". Quite apart from the fact, Sir, that it would be ludicrous, quite ludicrous, to credit our Finance Minister with any divine attribute or capacity, the brute fact remains that the survival of the Malaysian nation demands that all Malaysian citizens should be prepared to shoulder greater burdens.

In the circumstances, Sir, the Minister's call therefore should have been not to offer rest and peace and solace, because in this, the circumstances and the time that we live in, that will not be possible, but to say—"Come unto me all ye who do not labour, who are already well served and well serviced, and I shall give ye your appropriate burdens". But, in point of fact, what he has done, Sir, is to say—"Come unto me all ye that are poor, and are already heavily laden, and I shall load more on to you", accompanied by a call to the multi-millionaires, millionaires and demi-millionaires, the class to which, I understand, the Honourable Minister himself has the good fortune to belong, as follows—"Come unto me, ye affluent ones who are lightly laden, and I shall make it even lighter for ye".

Sir, even a cursory examination of the new income tax provisions of the Budget will bear out this contention.

For instance, Singapore's millionaires and demi-millionaires will, for instance, enjoy a windfall reduction of 5%, from 55% to 50% on incomes over \$50,000, and an over-all decrease in tax burden of 18.35% if he were a person with an income of \$200,000 and over. The historians of the future will in all likelihood call this windfall, when they come to write the history of these times and of this Budget, as "Mr Tan's bonus to the millionaires".

Singapore's higher income strata, Sir, had never complained very bitterly—had never complained—about their 55% tax burden. Singapore's economy had not suffered as a result—millionaires continued to be millionaires. By and large, those who are obliged to pay, who could afford to pay this 55% tax did cough up the 55%, to the over-all benefit of the State's revenues, and without any harm to the effective size of their purses. Sir, does the Minister of Finance seriously contend that Malaya's upper income strata, the millionaires, the multi-millionaires and the demi-millionaires, could not have contributed what their Singapore counterparts had contributed readily enough and without prejudice to themselves or to their businesses, over the past few years? Was it really necessary to achieve "harmonisation" as he calls it, by bringing the 55% tax burden for the upper income strata down to 50%? Could he not have achieved harmonisation the other way round—by bringing the tax burden of Malaya's upper income strata to Singapore's level? Indeed, Sir, would it not have been feasible to have increased the tax burden on the upper income strata, on our millionaires, from 55% to 60%. Would that not have been practicable and would the millionaires not have continued to be millionaires even if they had to bear a 60% tax burden? But, Sir, if they had been made to pay this 60%, they would have, while remaining millionaires, contributed more to the burden Malaysia faces as a result of Indonesian confrontation. The question I, as a trade unionist, would ask, Sir, is this: why this tenderness for the millionaires, this disinclination to place burdens on shoulders which can bear

these burdens in comparative comfort and ease? Is it because of the Minister's class affinity with the millionaires and is it because of the ruling party's touching solicitude for the M.C.A. stalwarts, many of whom belong to this select class? These are the inevitable conclusions that members of the public must draw from the income tax provisions in the Budget. Very significantly, Sir, there is no similar solicitude displayed by the Honourable Minister for those in the lower income brackets.

The taxation policy in Singapore in the past—and this, in my view, is a more enlightened policy—had provided for a separate assessment of the husband's and the wife's earnings. This arrangement had, in fact, encouraged women to get away from the role of parasitical wives, to take on jobs and to become wage-earners themselves. The teacher married to the nurse and the clerk married to the salesgirl earning a combined modest annual income in the \$7,000 to \$8,000 bracket, had relief because they were separately assessed. These were the couples who could look forward, in due time, by dint of thrift and hard work, to the ultimate \$25,000 house in the suburbs. Here was an arrangement in Singapore which would have permitted the emergence of what the Honourable Minister claims is close to his heart, a property-owning democracy. One would have thought, Sir, that if the Minister sincerely believed in this ideal, based on opportunities for the middle and the lower-middle class sectors of the population, he might have adopted the provision which had obtained in Singapore for separate assessment of the earnings of husband and wife. In short, Sir, as the Honourable Prime Minister of Singapore has pointed out this morning, he might have introduced into Petaling Jaya, which happens to be in my constituency, the same hopes and aspirations which had up to now propped up the inhabitants of Singapore's Serangoon Gardens. But that is not to be. Serangoon Gardens has to learn to live with the miseries to which Petaling Jaya had already been subjected. Separate and less exorbitant assessments of husband-and-wife in-

comes are out. The teacher married to the nurse, the clerk married to the salesgirl, in short the middle and lower-middle class groups as a whole, now look to a future where the hope of a \$25,000 house in the suburbs disappears into the "never never", and life becomes a grind.

Sir, let us take a look at some of these tax figures. The result of the abolition of separate assessments, assuming the wife's income is two-thirds of the husband's, for a couple with \$7,000, means an increase of 375% in taxation; for a couple with \$9,000, an increase of 292%; for a couple with \$12,500 an increase of 133% and so on till a couple with \$200,000 an increase of 16%. Again, the smaller man bears proportionately the heavier burden.

Let me try and put it in slightly more vivid terms. The junior bank clerk, married to a salesgirl in Singapore and both earning a combined income of \$7,000 a year, faces an increase of 375% in taxation, while the bank Director say somebody like my old opponent Mr Tan Chin Tuan, against whom I had the pleasure of calling some strikes, gets off with a negligible increase of 16%. Do not let us forget that Mr Tan Chin Tuan's tax burden is no longer 55% but has been reduced by 5%—from the previous 55% to 50%. That should mean a windfall of a few hundred thousand dollars for the bank Director. Perhaps, Sir, it is no wonder that Mr Tan Chin Tuan is able to pay \$50,000 as a patriotic gesture towards the National Solidarity Fund. Basking, as he does, under a very comfortable tax windfall of hundreds of thousands of dollars, patriotism becomes a very comfortable and a very convenient pastime; but for the bank clerk married to the salesgirl, whose taxation rate has gone up to an increase of 375% he cannot now even consider the modest \$10 which he might have contributed to the National Solidarity Fund otherwise.

Is all this really in the interests of the nation? Are we to place a premium on the development of Petaling Jaya and Serangoon Gardens and Sennett Estates in the future? How is it possible

to encourage women to take to careers if the modest income of the nurse, the typist, the telephone operator and the teacher, which by itself would largely be free from taxation, becomes subject to taxation when intergrated with the income of the husband? In many cases, Sir, under these circumstances, the working wife becomes a liability to the husband.

Let us now take a look at the Honourable Minister's proposals for estate duty. Not only does the Honourable Finance Minister appear to be sympathetic to the millionaires, but also to those who will ultimately inherit the millions and who have made no contribution to the nation and to its welfare. Probably he feels, and perhaps rightly, that they are so effete that they need this protection.

Estates worth more than \$2 million will only be taxed at the rate of 50% and not 60%, which was the previous rate in Singapore. This represents a substantial saving of 10% for millionaires in the class to which several of the M.C.A. stalwarts belong.

Let us take, Sir, the case of a person who has been nurtured by a father who owns \$4 million and who comes into this inheritance. It would appear that according to the Minister for Finance, and these are from his calculations, \$1.6 million is deemed insufficient to keep this person in the estate to which he has been accustomed. This Minister now prefers to assess his need at \$272,000 more. Naturally and logically, this means \$272,000 less for the revenue of the State in respect of this one example only. And yet we hear astonishing talk in some circles that this is a "soak-the-rich" budget. In point of fact, Sir, the rich are progressively unsoaked; and if anybody is soaked, it is the lower middle class and the poor.

Then, of course, there is this question of gifts *inter vivos*—such gifts will escape duty if made during a period of five years before death. This follows the position in Singapore and is a progressive step—only, as

far as I am concerned, it is not progressive enough and Singapore itself has not been progressive enough in this respect. I would have liked the Minister to have been more progressive than Singapore. There would have been no complaints if he had had the courage to extend the period to ten or even fifteen years. This would surely have made evasion of death duties even more difficult.

As things stand, there is hardly a millionaire who would not contrive to escape estate duty by the simple expedient of transferring substantial parts of his estate to his relatives in good time in order to escape this duty. As it stands at present, this provision in the Bill can be regarded as an open invitation to millionaires to take the hint, as it were, whereby they may legally avoid the discharge of their proper responsibilities and contributions to the nation.

Now, for the turnover tax. The Minister of Finance, with all respects, Sir, appears to have a monotonous mind, with but a single obsession—that the rich must at all costs be preserved in the enjoyment of their fortunes and that the poor should be required to carry the burdens. Sir, the Minister assures us that the turnover tax at $\frac{1}{2}\%$ is very low and should not increase prices. The real facts of the case are that the turnover tax, in the Honourable Minister's own words, "is expected to yield \$45 million," i.e. approximately one-third of the total increase in the Budget.

\$45 million must come from somewhere, it must be paid for, and it is ludicrous to expect that the employers are going to produce \$45 million from their own pockets. They must inevitably pass it on to the consumers, and human nature being what it is, they must inevitably make their own profit on the operation of passing this tax on to the consumer. And it won't be just $\frac{1}{2}\%$ on turnover, as the Minister would have us believe, but $\frac{1}{2}\%$ escalated by the number of times that a particular commodity is transferred through a whole series of middlemen before it finally gets into

the hands of the consumer at the bottom.

Thus, Sir, the Malay peasant living in the kampong, living perhaps on \$30 to \$40 per month, will in all probability find his cost of living rising by at least one or two dollars a month. The labourer in the P.W.D., surely one of the most depressed employees in the Government, living in the urban areas will find his cost of living rising by at least \$4 or \$5 per month or perhaps more as a result of this so-called direct tax.

And in this connection, let us not forget the 5 cent tax on crown corks. Every time the Malay peasant in the countryside, the P.W.D. labourer or the factory worker in the urban areas quenches his thirst with a bottle of Pepsi Cola, 7-Up, Red Lion and so forth, he will have to pay 5 cents more. The wealthy, the Tan Chin Tuans and so on, in so far as they bear the effects of the turnover tax, will probably pay approximately \$100 per month on an annual income of, say, \$50,000. Even the blind can see, Sir, where the burdens fall.

Now, Sir, as a trade unionist, the tax which worries me most of all is the payroll tax. Sir, in his Budget speech the Honourable Minister of Finance observed, rather ostentatiously, as follows:—

“Payroll taxes are not an uncommon feature of taxation in other countries and are usually levied in order to help finance Government expenditure and social services.”

I quoted the Honourable Minister's words in his speech. Sir, indeed payroll taxes are not an uncommon feature of taxation in advanced industrialised countries of the West. I believe that this tax was imposed by the Tory Government in the United Kingdom some time ago in a situation when there existed full or possibly over-full employment and the whole purpose of this imposition in the United Kingdom by the Tory Government was (i) to keep wage levels down and (ii) to encourage modernisation of industry—automation and so forth. That was the purpose which

they had in mind when they introduced this payroll tax.

What the Minister failed to mention was that payroll taxes are an extremely uncommon feature, if not entirely non-existent, in the developing countries, where the emphasis is on labour-intensive as distinct from capital-intensive projects, in order to absorb as many as possible of the unemployed masses into employment, and it is altogether incredible that the Finance Minister of a developing nation like Malaysia, where the primary need is to encourage labour-intensive programmes in order to provide employment for the unemployed masses, should think up a payroll tax which can only achieve precisely the opposite effect of encouraging capital-intensive programmes. The major problem in Malaysia is to provide gainful employment for human beings, and not employment for machines and for mechanical devices.

Sir, the payroll tax is inevitably bound to place a premium on the employment of labour, and this can have quite unhappy and unforeseen consequences on the labour situation in this country.

The Honourable Minister estimates the payroll tax to bring in approximately \$21 million in 1965. Sir, heaven alone knows how many managements of labour-intensive undertakings in the country will succumb to the irresistible temptation to avoid payment of this tax by resorting to the simple expedient of cutting down on staff, the number of workers they employ. We may, in fact, be faced with a spate of retrenchment together with the inevitable industrial unrest which is bound to ensue in such circumstances. Sir, let us take, for example, a typical labour-intensive industry, like the public transport industry. Public transport companies, Sir, particularly in Singapore, will find themselves burdened not only with the payroll tax, but also with the turnover tax and the tax on diesel fuel. My fear is that these companies will be sorely tempted to react to this conglomeration of taxes

in a manner which will have most unhappy consequences for their employees. The Minister of Finance, we may be certain, Sir, is not going to be there when it comes to the problem of finding new employment for workers who had been retrenched as a result of these incredible taxes—a tax against employment of labour.

Sir, I have said that the thing to do in an underdeveloped country with an underdeveloped economy like Malaysia would be to encourage public transport companies to take relief conductors to serve each bus during peak periods. Now, this would provide more employment with more people finding jobs as conductors. Now, Sir, with this tax, the Honourable Minister will have succeeded in manufacturing a situation in which it is conceivable that bus companies will decide to dispense with conductors altogether. They can easily come to an arrangement as they have in some European countries where there is no conductor; there is only the bus driver. The passenger gets in, puts the coin into the machine and the machine produces a ticket. The driver alone would be good enough. If that kind of situation is what we want to seek in this country, then it is not our problem to find more employment and more employment. Is this what the Minister wants: less employment and not more employment? If that kind of situation arises, then, Sir, the trade unions will know where to place the blame fairly and squarely.

Sir, it will be appreciated that I am not over sympathetic to employers. But when the interests of managements of labour-intensive undertakings are likely to be seriously prejudiced, so that they are tempted, as inevitably they will be, through the working of this payroll tax, to retrench workers, then in the name of the labour movement, Sir, I must protest and protest most vehemently.

Sir, the Honourable Minister may be able to point to payroll taxes as being a common feature of taxation in the advanced and industrialised

countries of the West. But I would challenge him now to show where such payroll taxes are features of taxation in the developing countries of Africa and Asia. An examination of taxation in the developing countries will undoubtedly show that payroll taxes are uncommon in developing countries with developing economies. The workers of a developing country like Malaysia have every right to expect that their Finance Minister will behave like a Finance Minister of a developing country in which labour-intensive programmes must be given priority and precedence and every encouragement, and not like the Finance Minister of an advanced industrial country.

All in all, Mr Speaker, Sir, having regard to the developmental requirements of Malaysia's economy, particularly to the urgent need to provide more and not less employment, this payroll tax must be denounced as altogether inept and as altogether misconceived. It is in essence an anti-labour tax, and when labour reacts strongly to the inevitable consequences of this tax—retrenchment and so forth—then I hope our Honourable Minister of Finance will be ready to face the unpleasant consequences.

Sir, in the name of Malaysia's progress and advancement, and in the cause of greater employment opportunities in this country, let us by all means have taxes based on profitability, but not a tax like this which is aimed against the employment of more labour.

Next, Sir, I come to the profits tax on tin. The Honourable Minister has managed to notice that tin mining these days has become extremely lucrative and profitable. Indeed, Sir, he could not have failed to do so, however disinclined he, or anyone else, may have been to notice such a phenomenon, when the newspapers are filled with reports of the affluence which has been brought to tin miners as a result of the increasing world price of tin. It is common knowledge in business circles that the profits

accruing from this recent spectacular increase in price is of the order of \$250 million.

The Honourable Minister believes that an equitable tax on this staggering sum should be a meagre \$5 million, or approximately just 2 per cent, which compares with the iniquitous payroll tax of 2 per cent, with however this significant difference. Whereas the payroll tax applies equally to the profitable, less profitable and even unprofitable undertakings, this profits tax applies at a ridiculously low level, to an industry which fortuitously has made undreamed-of profits through no particular effort or genius on the part of the owners of these profitable mines.

In short, Sir, the tin mine Croesus goes off for all practical purposes Scot-free, and as an old school master, Sir, I might take the opportunity to explain that Croesus is a legendary name of a fabulously wealthy person. So the tin mine Croesus goes off practically Scot-free. The Croesus does not feel the pinch, while the Ahmads, the Ah Kows and the Ramaswamys at ground levels feel the pinch at several places simultaneously.

Why again, Sir, I may ask, this tenderness, this solicitude, this compassion for Croesus as displayed by this Budget? We will not go far wrong, Sir, if we hazarded a guess that this is merely a case of one Croesus, or an Alliance consortium of Croesuses, showing kinship for fellow Croesuses.

Sir, the inescapable conclusion of any unprejudiced reader of the Budget speech would be that this is a big business budget, designed by those whose prejudices and sympathies are those of big business, for big business.

The Malaysian economic scene has, in this Budget speech, been viewed through big business spectacles. It is essentially a Budget which fails to reveal thinking of a high and responsible order. On the contrary, it displays a poverty of thought as well as of good intentions. It reveals thinking, I regret to say, of an extremely narrow and pedestrian kind.

The Malaysian tragedy, Sir, is this. Our Minister of Finance had magnificent opportunities, had he the will or the capacity to seize these opportunities to rally the nation as one shouldering burdens together equally, and meeting confrontation therefore in unity, with determination, courage and fortitude. Such a situation, however, could only have arisen had the Minister risen to the challenge and chosen to distribute the burdens of confrontation in proportion to the capacity to bear these burdens. The opportunity has been lost and the nation, though it may prove richer by \$153 million (although this, Sir, is problematical) will prove infinitely poorer in morale, through these ill-conceived taxes, except for the big businessmen, who alone and by themselves are totally incapable of meeting the challenge of confrontation.

Sir, I said that the opportunity has been lost. I may correct myself and say that it still need not be lost, provided the Honourable the Minister of Finance will consider most sincerely and seriously the criticisms, the constructive criticisms, that have been offered in this Chamber. I do not refer in this sense to criticisms coming from anti-Malaysian pro-communist sources but criticisms coming from sincere, patriotic Malaysian citizens who want Malaysia to succeed. Thank you, Mr Speaker, Sir.

Enche' Stephen Yong Kuet Tze: Mr Speaker, Sir, the Honourable the Finance Minister in his speech referred to the economic recovery of Japan and Germany; he attributed this to thrift and hard work. That, of course, Sir, is essential if not basic in any economic development of any country. There are, however, Sir, other factors equally important. The first is that these countries are industrial countries and, secondly, they have been able to find the markets for their products. Whether or not Malaysia can be an industrial country in South-East Asia is one thing, but it is vital that we can find markets with economic prices for our products. It is obvious that unless we can find economic prices for our products, even though the production

may be increased, there will not be corresponding increase in the earnings. Heretofore, our economy has been tied to the Western bloc and the price of rubber has been controlled by the United States and the United Kingdom. Then we may ask: Why cannot we sell our rubber to the Eastern bloc?

During the Budget speech last year the Honourable Minister of Finance told us that the Government was sending a rubber trade mission abroad, including communist countries. Well, what has happened to this mission? We have not heard anything nor have we any report about the success or otherwise of this mission. Again, was there any approach being made to sell rubber to Communist China? If people say it is wrong to trade with communist countries, then I would say that we would be unnecessarily involving ourselves in the cold war. After all, the United Kingdom and other Commonwealth countries found it nothing wrong to trade, incidentally in a big way, with communist countries including China. We all know it is only through trade that we can expect to establish friendly relations with other countries.

Our foreign policy has been one of neutrality although we are militarily dependent on Britain. By virtue of the Defence Treaty, we have been able to keep out of joining any military pact, such as SEATO and the like. The recent events, however, seem to suggest that this policy may be changed. Whereas other Commonwealth countries are trying to disengage themselves from the cold war and establish normal relationship with the Eastern bloc, we seem to get closer and closer into plunging into the cold war. If we do, Sir, how can we claim to be one of the non-aligned Afro-Asian countries, if we are

prepared to be led by the nose by the United States of America and the United Kingdom and have no independent foreign policy of our own?

Mr Speaker, Sir, I now come to the balance of payment question. Last year, in the Budget speech, the Finance Minister informed this House that there had been a deterioration of 20 per cent in the term of trade since 1960. "The current account deficit," he said, "is increasing year by year." Since this adverse trend has begun in 1960, that is to say before Indonesian confrontation, it is obvious that it was not caused—though we admit it may be worsened—by confrontation. The question is, what measures are being taken by the Government to arrest this trend? For 1964, the current deficit is expected to amount to about \$650 million. The drain on Government reserves seems to be very heavy indeed and the members of the public—and ourselves—want to know what the Government is proposing to do about it. The Honourable the Finance Minister told this House last year that it would be possible to raise \$30 million to \$45 million in the New York market at a suitable time, and the Government has appointed a firm of investment bankers in New York as our sole agent in the United States of America for this purpose. Well, what has become of this proposed loan?

In connection with the raising of loans, Mr Speaker, Sir, I think the Government must make it as the declared policy that if there is a necessity for loans, it should raise such loans locally instead of from foreign sources.

Mr Speaker: Order! order! The time is up. The House is adjourned to 10 o'clock tomorrow morning.

Adjourned at 6.30 p.m.