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PARLIAMENTARY DEBATES

DEWAN RA'AYAT
(HOUSE OF REPRESENTATIVES)

OFFICIAL REPORT

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KUALA LUMPUR
1967

MALAYSIA

DEWAN RA'AYAT

(HOUSE OF REPRESENTATIVES)

Official Report

Second Session of the Second Dewan Ra'ayat

Friday, 26th November, 1965

The House met at half-past nine 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 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 of Finance, ENCHE' TAN SIEW SIN, J.P. (Melaka Tengah).

„ the Minister of Transport, DATO' HAJI SARDON BIN HAJI JUBIR, P.M.N. (Pontian Utara).

„ the Minister of Health, ENCHE' BAHAMAN BIN SAMSUDIN (Kuala Pilah).

„ 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 Local Government and Housing, ENCHE' KHAW KAI-BOH, P.J.K. (Ulu Selangor).

„ the Minister for Sarawak Affairs, DATO' TEMENGGONG JUGAH ANAK BARIENG, P.M.N., P.D.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 Minister of Lands and Mines, ENCHE' ABDUL-RAHMAN BIN YA'KUB (Sarawak).

„ the Assistant Minister of National and Rural Development, ENCHE' SULAIMAN BIN BULON (Bagan Datoh).

„ 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 Honourable the Assistant Minister of Education, ENCHE' LEE SIOK YEW, A.M.N., P.J.K. (Sepang).

„ the Assistant Minister of Finance, DR NG KAM POH, J.P. (Telok Anson).

„ the Parliamentary Secretary to the Minister of Health, ENCHE' IBRAHIM BIN ABDUL RAHMAN (Seberang Tengah).

„ the Parliamentary Secretary to the Minister of Labour, ENCHE' LEE SAN CHOON, K.M.N. (Segamat Selatan).

„ the Parliamentary Secretary to the Minister of Finance, ENCHE' ALI BIN HAJI AHMAD (Pontian Selatan).

„ the Parliamentary Secretary to the Deputy Prime Minister, ENCHE' CHEN WING SUM (Damansara).

„ ENCHE' ABDUL GHANI BIN ISHAK, A.M.N. (Melaka Utara).

„ WAN ABDUL KADIR BIN ISMAIL, P.P.T. (Kuala Trengganu Utara).

„ WAN ABDUL RAHMAN BIN DATU TUANKU BUJANG (Sarawak).

„ ENCHE' ABDUL RAZAK BIN HAJI HUSSIN (Lipis).

„ ENCHE' ABDUL SAMAD BIN GUL AHMAD MIANJI (Pasir Mas Hulu).

„ DATO' ABDULLAH BIN ABDULRAHMAN, Dato' Bijaya di-Raja (Kuala Trengganu Selatan).

„ 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).

„ CHE' AJIBAH BINTI ABOL (Sarawak).

„ O.K.K. DATU ALIUDDIN BIN DATU HARUN, P.D.K. (Sabah).

„ ENCHE' JONATHAN BANGAU ANAK RENANG, A.B.S. (Sarawak).

„ PENGARAH BANYANG ANAK JANTING, P.B.S. (Sarawak).

„ ENCHE' CHAN CHONG WEN, A.M.N. (Kluang Selatan).

„ 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' CHIN FOON (Ulu Kinta).

„ ENCHE' D. A. DAGO ANAK RANDAN *alias* DAGOK ANAK RANDEN (Sarawak).

„ ENCHE' EDWIN ANAK TANGKUN (Sarawak).

„ TUAN SYED ESA BIN ALWEE, J.M.N., S.M.J., P.I.S. (Batu Pahat Dalam).

„ DATIN HAJJAH 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).

The Honourable TUAN HAJI HAMZAH BIN ALANG, A.M.N., P.J.K. (Kapar).
„ ENCHE' HANAFI BIN MOHD. YUNUS, A.M.N., J.P. (Kulim Utara).
„ ENCHE' HARUN BIN ABDULLAH, A.M.N. (Baling).
„ WAN HASSAN BIN WAN DAUD (Tumpat).
„ ENCHE' STANLEY HO NGUN KHIU, A.D.K. (Sabah).
„ ENCHE' HUSSEIN BIN TO' MUDA HASSAN, A.M.N. (Raub).
„ DATO' HAJI HUSSEIN BIN MOHD. NOORDIN, D.P.M.P., 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' ISMAIL BIN IDRIS (Penang Selatan).
„ PENGHULU JINGGUT ANAK ATTAN, Q.M.C., A.B.S. (Sarawak).
„ ENCHE' KADAM ANAK KIAI (Sarawak).
„ ENCHE' THOMAS KANA (Sarawak).
„ ENCHE' KHOO PENG LOONG (Sarawak).
„ ENCHE' LEE SECK FUN (Tanjong Malim).
„ ENCHE' AMADEUS MATHEW LEONG, A.D.K., J.P. (Sabah).
„ DATO' LING BENG SIEW, P.N.B.S. (Sarawak).
„ DR MAHATHIR BIN MOHAMAD (Kota Star Selatan).
„ ENCHE' T. MAHIMA SINGH, J.P. (Port Dickson).
„ ENCHE' JOSEPH DAVID MANJAJI (Sabah).
„ DATO' DR HAJI MEGAT KHAS, D.P.M.P., J.P., P.J.K. (Kuala Kangsar).
„ ENCHE' MOHD. ARIF SALLEH, A.D.K. (Sabah).
„ DATO' 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.J.M.K., P.M.N., P.Y.G.P., Dato' Sri Setia Raja (Kota Bharu Hilir).
„ ENCHE' NG FAH YAM (Batu Gajah).

The Honourable TUAN HAJI OTHMAN BIN ABDULLAH (Hilir Perak).
" ENCHE' OTHMAN BIN ABDULLAH, A.M.N. (Perlis Utara).
" 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' SIM BOON LIANG (Sarawak).
" ENCHE' SENAWI BIN ISMAIL, P.J.K. (Seberang Selatan).
" ENCHE' SNG CHIN JOO (Sarawak).
" ENCHE' SOH AH TECK (Batu Pahat).
" ENCHE' SULAIMAN 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' TIAH ENG BEE (Kluang Utara).
" ENCHE' TOH THEAM HOCK (Kampar).
" ENCHE' YEH PAO TZE (Sabah).
" ENCHE' YEOH TAT BENG (Bruas).
" TUAN HAJI ZAKARIA BIN HAJI MOHD. TAIB, P.J.K. (Langat).

ABSENT:

The Honourable 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 Works, Posts and Telecommunications, DATO' V. T. SAMBANTHAN, P.M.N. (Sungei Siput).
" the Minister of Education, ENCHE' MOHAMED KHIR JOHARI (Kedah Tengah).
" the Minister of Agriculture and Co-operatives, TUAN HAJI MOHD. GHAZALI BIN HAJI JAWI (Ulu Perak).
" TUAN HAJI ABDUL KHALID BIN AWANG OSMAN, Assistant Minister (Kota Star Utara).
" ENCHE' ABDUL KARIM BIN ABU, A.M.N. (Melaka Selatan).
" ENCHE' ABDUL RAHMAN BIN HAJI TALIB, P.J.K. (Kuantan).
" ENCHE' ABDUL RAUF BIN A. RAHMAN, K.M.N., P.J.K. (Krian Laut).
" Y.A.M. TUNKU ABDULLAH IBNI AL-MARHUM TUANKU ABDUL RAHMAN, P.P.T. (Rawang).

The Honourable TUAN HAJI AHMAD BIN SAAID, J.P. (Seberang Utara).
„ DR AWANG BIN HASSAN, S.M.J. (Muar Selatan).
„ ENCHE' AZIZ BIN ISHAK (Muar Dalam).
„ ENCHE' C. V. DEVAN NAIR (Bungsar).
„ DATU GANIE GILONG, P.D.K., J.P. (Sabah).
„ ENCHE' HANAFIAH BIN HUSSAIN, A.M.N. (Jerai).
„ DATO' SYED JA'AFAR BIN HASAN ALBAR, P.M.N. (Johor Tenggara).
„ ENCHE' KAM WOON WAH, J.P. (Sitiawan).
„ DATU KHOO SIAK CHIEW, P.D.K. (Sabah).
„ ENCHE' EDMUND LANGGU ANAK SAGA (Sarawak).
„ DR LIM CHONG EU (Tanjong).
„ ENCHE' LIM KEAN SIEW (Dato Kramat).
„ ENCHE' LIM PEE HUNG, P.J.K. (Alor Star).
„ ENCHE' PETER LO SU YIN (Sabah).
„ ENCHE' MOHD. ZAHIR BIN HAJI ISMAIL, J.M.N. (Sungai Patani).
„ ENCHE' ONG KEE HUI (Sarawak).
„ ENCHE' QUEK KAI DONG, J.P. (Seremban Timor).
„ ENCHE' D. R. SEENIVASAGAM (Ipoh).
„ DATO' S. P. SEENIVASAGAM, D.P.M.P., P.M.P., J.P. (Menglembu).
„ ENCHE' SIOW LOONG HIN, P.J.K. (Seremban Barat).
„ ENCHE' TAN KEE GAK (Bandar Melaka).
„ ENCHE' TAN TSAK YU (Sarawak).
„ ENCHE' STEPHEN YONG KUET TZE (Sarawak).

PRAYERS

(Mr. Speaker *in the Chair*)

ORAL ANSWERS TO QUESTIONS

EMPLOYEES' PROVIDENT FUND

(Appointment of Manager)

1. Enche' Khoo Peng Loong (Sarawak) (*under Standing Order 24 (2)*) asks the Minister of Finance to state if recruitment to the post of Manager, Employees Provident Fund advertised last May has been made and, if so, the date of appointment, the name, qualifications, and salary and allowances of the successful candidate.

The Minister of Finance (Enche' Tan Siew Sin): Mr Speaker, Sir, no appointment to the post of Manager, Employees' Provident Fund, advertised last May, has yet been made, though suitable candidates have been short-listed and were interviewed earlier this month. A final decision should be made soon. The appointment of all officers of the Fund is a matter coming within the jurisdiction of the Employees' Provident Fund Board which, when it has chosen a suitable candidate, will make an announcement to that effect. No specific academic qualifications were laid down for the post since the responsibilities involved would require administrative experience and ability, and accordingly the only qualification laid down was that the applicants should be persons with extensive administrative experience. The all-inclusive salary for the post as advertised was fixed at $2,750 per month with no allowances of any kind being payable, plus gratuity at the rate of 17½ per cent of the salary for

every month of completed service, which would be payable on completion of the three-year term of the appointment.

EMPLOYEES' PROVIDENT FUND BOARD—NAMES OF MEMBERS

2. Enche' Khoo Peng Loong (*under Standing Order 24 (2)*) asks the Minister of Finance to give the full list of names of members of the E.P.F. Board under (*a*) Government representatives; (*b*) Employers' representatives; and (*c*) Workers' representatives; indicating term of office with dates in respect of each case.

Enche' Tan Siew Sin: Mr Speaker, Sir, the *Setia-usaha Perbendaharaan,* the *Pesurohjaya Buroh,* the *Peguamchara Negara,* the *Ketua Pos Negara,* the *Pengurus Besar, Keretapi Tanah Melayu* and the *Pengarah Kerja Raya* are the six persons holding offices of emoluments under the Government appointed to the Employees' Provident Fund Board and have been members of the Board since the inception of the Fund, their appointments dating back to October, 1951. These appointments were made by office and are not subject to any fixed term.

The six persons representing employers appointed as members of the Board are:

1. Enche' Y. C. Foo who was re-appointed on 11-11-65 for a term of three years;
2. Y. B. Dato' J. E. S. Crawford who was appointed on 12-11-63 for a term of two years;
3. Y. B. Dato' Abdul Jalil bin Haji Aminudin who was re-appointed on 8-10-65 for a term of two years;
4. Y. B. Enche' Gan Teck Yeow who was appointed on 25-6-63 for a term of three years;
5. Y. B. Dato' Philip Kuok Hock Khee who was appointed on 12-11-63 for a term of three years; and
6. Enche' Joseph Eu who was appointed on 16-1-64 for a term of three years.

The six persons representing employees appointed as members of the Board are:

1. Enche' P. P. Narayanan who was appointed on 21-12-64 for a term of three years;
2. Enche' Ibrahim bin Musa who was re-appointed on 24-4-65 for a term of three years;
3. Enche' Donald U'ren who was appointed on 2-4-64 for a term of three years;
4. Enche' S. J. H. Zaidi who was appointed on 2-4-64 for a term of three years;
5. Enche' Yeoh Teck Chye who was appointed on 2-4-64 for a term of three years; and
6. Enche' A. B. Gomez who was appointed on 2-4-64 for a term of three years.

EMPLOYEES' PROVIDENT FUND BOARD—ATTENDANCE OF WORKERS' REPRESENTATIVES AT BOARD AND COMMITTEE MEETINGS

3. Enche' Khoo Peng Loong (*under Standing Order 24 (2)*) asks the Minister of Finance to give details of individual attendance of workers' representatives at meeting of the E.P.F. Board and its various committees showing the dates of meetings held during 1964 and the first nine months of 1965.

Enche' Tan Siew Sin: Mr Speaker, Sir, it would consume too much time to give details of the individual attendance of employees' representatives of the Employees' Provident Fund Board at Board and Committee meetings, and I have accordingly summarised the position as follows for the period from January 1964 to September 1965:

1. Enche' Ibrahim bin Musa attended 28 out of 36 possible meetings;
2. Enche' G. Thangaraj attended 21 out of 27 possible meetings up to 9-12-64;
3. Enche' Donald U'ren attended 7 out of 12 possible meetings;
4. Enche' S. J. H. Zaidi attended 27 out of 46 possible meetings;

5. Enche' Yeoh Teck Chye attended 13 out of 23 possible meetings;
6. Enche' A. B. Gomez attended 54 out of 72 possible meetings; and
7. Enche' P. P. Narayanan attended 4 out of 18 possible meetings.

The above meetings included those of the Board and the following 8 Committees, 2 of which were wound up earlier this year:

1. Staffing Committee.
2. Finance Committee.
3. Investment Committee.
4. Enforcement Committee.
5. Working Party.
6. Advisory Committee on Legislation.
7. Accommodation Committee.
8. Special Committee.

BILL

THE SUPPLY (1966) BILL

Second Reading

Order read for resumption of debate on Question, "That the Bill be now read a second time". (25th November, 1965).

Enche' Tan Siew Sin: Mr Speaker, Sir, in the first place, I would like to thank those Honourable Members, who have spoken in support of the Budget. Honourable Members of the Opposition who have spoken have naturally criticised it. Many of them have gone so far as to say that there is nothing good about it. If I may say so, such blatant exaggeration defeats its very purpose, because, as far as all of us know, nothing in this world is completely good or completely bad. Be that as it may, I shall try to deal with the points seriatim.

The Honourable Member for Dato Kramat stated as follows:

> "Perhaps, the Minister of Finance is sitting in an ivory tower in the Cabinet room and does not go shopping himself . . . . . but the ordinary housewife has a lot to complain about the rising cost of living".

He mentioned, *inter alia,* that people had to pay more for coffee now, because the duty had been increased. His observation was not altogether correct. Only duty on coffee powder and coffee extracts was increased from 10 cents to 20 cents per pound. Such coffee is generally consumed by the higher income group. Duty on coffee *beans,* not roasted or roasted, generally intended for the lower income group remains unchanged. The rate of duty in each case is still 5 cents per pound.

In the latter part of his speech, the Honourable Member for Dato Kramat touched upon Penang Island. He raised the following points:

(i) He emphasized that Penang should be treated as a special case. Goods from the Island should be treated like those from the Principal Customs Area, since part of the State, i.e., Province Wellesley, is already inside this Area. In this respect, it is most unfortunate that the Honourable Member has lost sight of the definition of the term "Principal Customs Area", from which Penang is specifically excluded by the express wish of the inhabitants of the Penang Island itself. In any case, it is clearly not possible for the people of Penang Island to have their cake and yet eat it. I am sure, however, that the overwhelming majority of the Island's population recognises that this must be so. The Honourable Member for Dato Kramat apparently thinks otherwise. This is not surprising, because having his feet firmly planted on the clouds comes naturally to him.

(ii) He opined that Penang should be made an industrial area and concessions accorded. If any duty was imposed on the raw materials used in manufacture, then full drawback of duty should be paid on goods which were subsequently exported. This is, in fact, underway and, in fact, I have already stated in my Budget speech that manufactured goods, on export from Malaysia to a place abroad, will be eligible for 100% drawback of duty paid. It is, of course,

typical of the Honourable Member for Dato Kramat that he should belabour a point which has already been conceded. In other words, it is clear that he did not even bother to read my speech, otherwise he would have known that the Government has already accepted this principle about which he is shouting needlessly.

The Honourable Member for Dato Kramat made several suggestions ostensibly designed to improve the economy of Penang. His proposal that goods manufactured on Penang Island should not be taxed as finished products but rather on the dutiable raw components used in their manufacture, will have the effect of putting similar industries on the mainland in a disadvantageous position, e.g. Penang industries pay duty on the actual cost of the raw materials consumed, whereas mainland industries pay duty on all raw materials imported including wastage. It is clear that Penang manufacturers should not be assisted at the expense of those on the mainland, and it would be better if all industries in the country could operate under identical circumstances. In such case, Penang manufacturers may still have an edge over the others because of their proximity to a good port. As regards duty drawback, I have dealt with this point already in so far as such duty is paid on raw materials used in the manufacture of goods intended for export, and this treatment is clearly sufficiently generous.

It should be explained to the Honourable Member for Dato Kramat that the operation of the Customs Department outside the prescribed times would be uneconomic. If importers were to space out the movement of their goods throughout the day, rather than queue up just before the Department opens for business, there should not be the sort of congestion described by the Honourable Members who have touched on this point.

On the question of valuation of goods imported from Penang, Honourable Members should note that such goods when moved to the mainland should by right be dutiable on the Penang open market value which would include overhead charges as well as the Penang profit element, but special provisions have been added in the Definition of Value (Penang) Order, 1953 to allow goods imported from Penang to be assessed on Federation open market value. This will ensure that goods imported from Penang are not treated less favourably than goods imported through ports on the mainland.

EDUCATION RATE

The Honourable Member for Ipoh charged that the Government had gone back on its word in regard to the provision of free primary education, because it has now imposed an education rate. He maintained that he never believed the Alliance promise to provide free primary education and stated that the imposition of the education rate was not mentioned in my speech. On the contrary, I made a specific reference to this levy in paragraph 125 of my Budget speech. It is, of course, natural for Honourable Members of the Opposition to state incorrect facts. In this case, this particular Honourable Member did not even know that I specifically touched upon this matter in my speech. One can now assess the value of his observations based, as they clearly are, on ignorance of the real facts. The imposition of a modest education rate does not detract from the fact that free primary education is provided. In any case, it is not possible to get anything in this world free—someone has to pay for it. Things may be different in the next world, but for the moment, we shall confine ourselves to the planet on which we are now living. The parents of children attending primary schools do not have to pay fees. The education rate is imposed on landowners and will be collected by States and Local Authorities in Malaya as already announced. For holdings outside Local Authorities, the rate will be 10% of the annual quit rent subject to a minimum of $1 per lot and exemption for all padi holdings of under five acres, while the levy on holdings of more than 100 acres will be subject to a minimum of

60 cents per acre. The levy on mining titles will be $1 per acre or part thereof. Such a modest levy cannot be considered too heavy a burden on those who own land.

GOVERNMENT FINANCE

The Government is charged by the Honourable Member for Tanjong for painting too rosy a picture of the present without taking measures to meet the dark clouds ahead especially as a result of the situation arising from the separation of Singapore. He charges the Government for presenting an "austerity" budget instead of a "booster" budget. He complains of the new tax measures, asks for repeal of the turnover and payroll taxes, and grumbles over the new telephone charges. At the same time, he points to the disappearing current account surplus and the rising public debt as evidence of financial mismanagement.

I would like to clarify the broad implications of this Budget which seem to have been misunderstood, intentionally or unintentionally. As regards revenue, Honourable Members will note that the tax increases imposed in last year's Budget were estimated to yield $87 million from Malaya, Sarawak and Sabah. The tax measures proposed in this Budget are estimated to yield $49 million of additional revenue. Taking the two years together, it may be said that the tax changes of two years would produce $136 million a year. However, we should make some adjustment to this figure. The profits tax on tin for 1966 is estimated at $15 million or $10 million more than similar revenue estimated for 1965. Similarly, payroll tax is estimated to yield $20 million in 1966 instead of the $14 million originally estimated for 1965. Making only these adjustments, it can be said that over $152 million of the estimated revenue for 1966 accrue from tax changes made in the 1965 and 1966 Budgets. This represents some 10% of total revenue for 1966 or some 1.7% of 1965 G.N.P. If we can consolidate the tax changes yielding this amount in this coming year, it will be no mean achievement.

The more moderate tax exercise for 1966 has been accompanied by a vigorous effort to restrain recurrent expenditure. A number of Honourable Members gave their support to this effort since it is clear that recurrent expenditure cannot be allowed to increase at the rate it has in the past without causing financial instability. I cannot help but take up the cudgels against the Honourable Members for Batu for his curious but strongly worded charges that the Government's anxiety about increasing recurrent expenditure is mere "financial jugglery" to cheat the people and the whole world by pretending that the Government is spending more money every year for the people. This rather brazen charge is based on his misinterpretation of the fact that actual Ordinary Budget expenditure for 1964 is $1,708 million while the revised estimate for 1965 is $1,580 million. It is, however, clear from the relevant passages in my Budget speech that the 1964 Ordinary Budget expenditure includes transfers totalling $270 million to the Development Fund compared to only $50 million made in 1965. Furthermore, the 1965 expenditure figure also includes Federal expenditure in Singapore only for the first seven months of the year. After exhibiting apparent erudition on other passages of the Budget speech, he cannot really have believed that recurrent expenditure has been increasing rapidly, and yet he dared to castigate the Government in such strong language.

Several other Honourable Members complained that the Government is not providing a sufficient boost to development. Other Honourable Members even felt that the Government was neglecting rural development. I would like to emphasise that this Budget is not only providing substantial increases in recurrent expenditure for defence and education, this Government is also intensifying its development effort. Although the 1966 Development Budget is to be presented at a later sitting of this House, I have stated in my Budget speech that the 1966 development proposals will total $880 million which is 10% higher than the $801 million

appropriated for 1965. I may also add that while the proposal for defence capital expenditure will again be very large, amounting to $150 million, the whole of the increase proposed will, however, be for economic and social development. The Government is certainly very conscious of the need to accelerate development sufficiently to meet the aspirations of our people and the problems of a rapid population increase.

Many Honourable Members had commented on the high rate of unemployment among the youngest age groups of the working population, i.e. the school leavers. This is the most compelling reason for accelerating the rate of growth. This problem can only be eased but not really met by simple expedients. It is in recognition of this need that the Government is insistent that in spite of the defence burden, the development effort must be pressed forward. We are prepared to do this even if we have to seek some 40% of the resources required to finance the new Plan, from abroad. But these points will, no doubt, be further debated when the new Plan and the 1966 Development Budget are presented to this House.

It is clear from what I have said that the Government will restrain the increase in recurrent expenditure, push on with its economy drive, cut out unnecessary spending and low priority projects, ensure minimum functional construction standards, but press ahead with its development effort. In framing the 1966 tax proposals, I was particularly conscious of the role that the private sector plays in this country. In spite of the natural speculation and some degree of uncertainty that followed the separation of Singapore, I look to the private sector to forge ahead and respond to the incentives provided by the Government to develop the Malaysian economy.

Family Planning

The Honourable Member for Tanjong and the Honourable Member for Bachok attacked the Government's intention to embark upon a programme of family planning. This issue clearly has social, religious and economic aspects. Yet, it is possible to maintain that very large families, particularly among the lower income groups, and a rapid population increase, raise acute economic and social problems. The Malaysian rate of population growth of over 3% is among the highest in the world. Family planning offers an apportunity to reduce the very high birth rate and alleviate social problems as well as increasing the level of economic well being. The goal of lowering a very high rate of population increase is accepted by most developing countries, and it is one of the issues taken up in the First Malaysia Plan which will soon be tabled in this House.

Telephone Charges

Various criticisms have been levelled at the proposal to levy a charge of 10 cents per call on local calls that exceed 100 per month as it has been suggested that this is inequitable. As I have already explained previously, it is necessary for the telephone services to pay their way and the introduction of a call charge for local calls beyond a certain number a month is not a novel system. This is a system adopted in many other countries.

In fact, in many countries there is no free allowance at all and every local call has to be paid for. I must say that I am amazed that this proposal should be criticised at all. Those Honourable Members, who have criticised this proposal, must have seen Press reports that a number of coffee shops, for example, charge 10 cents per call for those persons making local calls from the instruments installed on their premises. In other words, such coffee shops are making money out of the Government but such Honourable Members apparently think that though it is right that coffee shops should make money out of a service which hitherto has been provided at merely nominal charges, it is not right for the Government to collect what is, in fact, legitimately due to the Government itself. To say the least, this logic is astonishing.

Neither can it be argued that this proposal will hit those who can least afford it. A householder who can afford a telephone in his residence is clearly not a poor man and, if he chooses to put through more than 100 local calls a month, it is only right that he should pay for such calls. A business concern has even less reason to complain. If a businessman cannot afford to pay 10 cents a call for every call which he makes over and above 100 calls per month, all I can say is that he has no right to be in business, and this kind of business is no credit either to himself, or to his country, which could well afford to be without this type of businessman. I also have an uneasy suspicion that the people who are complaining loudest are those who are probably evading income tax in a big way, and they are furious at the thought that they may have to disgorge a small part of the amount evaded in the form of increased charges for their telephones.

The Honourable Member for Pulau Pinang Utara has made an unfair attack on the Inland Revenue Department. Before I reply to his accusations, I should like to assure this House that the officers of the Inland Revenue Department are very conscious of the rights of all taxpayers, and are required by the Treasury not only to explain these rights to taxpayers but to give the taxpayers every assistance with their income tax affairs. Instructions to this effect have, in fact, been issued by the Comptroller-General.

However, human nature being what it is, there may of course be cases of the individual officers exceeding their duty through over-keenness. It is always difficult when one is dealing with investigation cases to know which taxpayer is telling the truth and which one in not. At the same time if the officers of the Department were not keen to catch the tax evader, the honest members of the tax-paying public would be the first to criticise the Department and rightly so.

The real problem, therefore, is where to draw the line, so that the honest man is not troubled with unnecessary questions, but the dishonest one does not get away with tax evasion either. It is perhaps as well to remind the Honourable Member that the Department has a duty to the Government as well as to the public, and that duty includes the stamping out of tax evasion. The Honourable Member has raised the question of persecution of taxpayers by certain income tax officers and asks what steps are taken within Department to check this sort of thing. Every attempt is made by the Comptroller-General, the Comptroller and senior officers of the Department to avoid discourtesy or unfair treatment. If any taxpayer feels that he is being unjustly dealt with, he can at any time write to me, or to the Comptroller-General, or the Comptroller in Kuala Lumpur with the knowledge that his allegations will be fully investigated. If is essential, however, that the full facts of the case must be quoted.

Listening to the Honourable Member's statement on prosecutions of taxpayers, one could well imagine that major prosecutions are a daily occurrence and that the Inland Revenue Department delights in making taxpayers go bankrupt. This is, of course, far from being the true picture and, in fact, during 1965 out of a total of 286 prosecutions only 3 could be classified as major prosecutions. These were:

(i) failure to supply information;

(ii) false declarations in a certificate of full disclosure;

(iii) refusal to supply books to the Comptroller.

The minor offences which totalled 283 were for failure to give notice of chargeability or to make a return.

I would not seek to minimise the Honourable Member's accusations, but I can only reiterate that, if any taxpayer feels he is being unjustly treated, he should write to me or to the Comptroller-General supplying the full facts of his complaint. I want however facts and not rumours.

Having said all these, I would like to make it clear, absolutely clear, that I have complete confidence in the

Department of Inland Revenue and its officers as a whole, and I would like to take this opportunity to pay a tribute to the sterling work done by them in this field. They have done much to reduce income tax evasion, though I would be the first to admit that there is much more to be done. I should, however, also like to make it equally clear that it is not their fault that more has not been achieved. The Department has been bedevilled by staff shortages all these years, and without adequate staff the stamping of evasion is not all that easy, because it requires a tremendous amount of work to bring a case to its desired conclusion. It will readily be appreciated that work of this nature is unattractive for at least two reasons. In the first place, this is not exactly a glamorous kind of job, on the contrary it is hard and solid work for which the officer concerned gets little credit even if he has done a first class job. Secondly, and this is perhaps the more important disadvantage, this job is obviously likely to make the officer concerned highly unpopular with the members of the community with whom he deals. After all, the tax collector in any country is not exactly the most popular man in the community. It is, therefore, clear that the Department has done a very good job under very trying circumstances, as I have said earlier.

I do not mind telling the House that I have told the Department in no uncertain terms that so long as they are tough but fair, they can be assured of my complete support, but if they are soft, they will be uncertain of such support. I should like to make it clear to the Honourable Member concerned that I do not regard it as my job to assist tax evasion in this country, and I sincerely hope that he does not regard it as his job either to assist such evasion.

MOTOR VEHICLE LICENCE FEES

Whilst the Honourable Member for Batu has welcomed the new system for vehicle licence fees, and states that the Socialist Front agrees with this system, he thinks that the bigger cars should be taxed on a sliding scale going as high as 20 cents per cubic centimetre. It should be mentioned that the present rate of 10 cents per cubic centimetre has been imposed, so that the resultant increase in motor vehicle licence fees may not be too high as compared to rates which had prevailed before 18th November this year. Now that a rational basis for this tax has been established, it would be a simple operation for the future, should circumstances justify it, for this rate to be increased. The tax is already a progressive one as the more luxurious cars are bearing a heavier tax than cars of the more popular makes that are used by the lower income groups.

CIGARETTES

It has already been explained that the import duty increase on unmanufactured tobacco is part of the tariff harmonisation exercise between the States of Malaya, Sarawak and Sabah. Whilst it may appear desirable for import duty on unmanufactured tobacco to be raised even further, it is apparent that a very high import duty on this product will only make it more attractive to smugglers. The excise duty now imposed on cigarettes manufactured in this country has the advantage in that all tobacco, whether smuggled or otherwise, will bear this excise duty when it is converted into cigarettes.

LIQUOR

The criticism that liquor duties have not been raised has also been made by the Honourable Member for Batu in the last Budget. What he has said on this occasion is a repetition of his familiar refrain that this is designed to cater for what he terms the capitalists and business tycoons. It should be realised, however, that here again a harmonisation exercise is being carried out and once this is done, it should be possible in future to gauge whether or not further increases in import duty should be imposed on liquor generally.

I should, however, repeat what I have said previously, in this connection, and that is that the law of diminishing

returns operates when import duties are raised beyond a certain level. It is true that the rich man can afford to pay the extra duty, but one must never forget that the bulk of the duties are collected not from the well-to-do class as a whole, but from the ordinary men and women of this country. A man may be 100 times richer than his neighbour, but he clearly cannot drink 100 times as much merely because he is 100 times richer. Quite often, he may drink even less because his system cannot take as much. Duties which are increased beyond a certain level will, therefore, defeat their very purpose and could actually result in a lower yield in the aggregate. As I have informed Honourable Members previously, this is already happening to us in a few cases and is common experience in other countries also.

G.N.P. GROWTH

Several Opposition Members questioned the 8½% rate of growth in the Malaysian gross national product during the current year. They made the point that this growth arose out of fortuitous price movements in respect of two of our major export commodities, viz. rubber and tin. Although the prices of rubber and tin are estimated to be 1% and 13% respectively higher in 1965 compared to 1964, and have contributed towards a more favourable out-turn, it is pertinent to note that in so far as the States of Malaya are concerned, the gross domestic product in terms of constant 1960 prices grew by 7%, and this compares with a growth of 7.8% in current prices. The real growth in production took place in all the major sectors of the economy. For instance, the real or physical increase in the rubber industry was of the order of 4%, in manufacturing 12%, construction 12%, banking, insurance and real estate 9%, public administration and defence 6%. It is true to say that this progress has been achieved through factors that were not under the control of the Government. For instance, the growth in the output of rubber was clearly the fruit of farsighted Government policies, as evidenced by the long-term programme of replacing derelict rubber with higher yielding trees. Similarly, in the manufacturing sector, the Government's policy aimed at developing manufacturing activity through the provision of inducements and incentives are clear evidence of Government action. Opposition Members should perhaps note that some countries despite favourable export price movements still suffer continuing declines in their export receipts and income because of unwise economic policies.

G.N.P. DISTRIBUTION

A number of Opposition Members also questioned whether the benefits of the expanding national product were fairly distributed and benefited the population at large. I fully agree that the *per capita* income indicator is a simple arithmetical average. However, it is internationally accepted as a summary index, and an increase in *per capita* income does not imply anything in regard to the distribution pattern of total income. Statistics of the pattern of income distributions are not available to show categorically whether the gap between the haves and the have-nots has widened or narrowed, but we do know for a fact that large number of people in this country over the last five years have benefited from the increase in the size of the national cake. One must believe that the favourable performance of rubber benefited at least some of the smallholders, while increasing rice harvests have also benefited the rural population. I should add that there have been increases in wage rates in both the public and the private sectors. The increases in the public sector since 1963 amount to over $65 million per year, while the increase in the private sector has also been significant.

The pattern of income distribution is also affected by tax measures and through Government expenditures. I believe it is fair to assert that the millionaire today pays a bigger share of his income in tax than he did five years ago, while a large number in the lowest income groups today enjoy, for example, increased educational facilities and the provision of better and more

effective medical services leading to a decline in the death rate which today is one of the lowest among developing countries. One can also argue that the very significant growth in the number of motor cycles, motor scooters and small-sized cars in the country, the large increase in the consumption of electricity for domestic use and so on, point to the fact that a sizeable number in the nation are benefiting from income growth. For the information of the Honourable Member for Bungsar, the increase in the consumption of electricity for domestic uses for the first 7 months of 1965 compared to the corresponding period of last year amounted to 11%.

The Honourable Member for Dato Kramat and others charged that a large proportion of the growth in gross national product has been taken out of the country by foreign capitalists. I would merely say that the amount of dividends and profits remitted abroad in 1960 amounted to $382 million. This figure declined for the next two years and then increased again, but the estimate of profits and dividends remitted abroad for 1965 is $370 million, and this is still slightly less than the amount in 1960, whereas G.N.P. has increased by 42% during the last five years. The Honourable Member for Batu also labours under another misconception. Pointing to the amount or profits and dividends remitted abroad, he urged the Government to ask these foreign capitalists to plough back at least a portion of this sum back into Malaysia for building more factories, for opening more plantations, for developing more land, and so on, but he seems to be oblivious of the fact that this has been and is happening and a sizeable part of this "outflow" comes back as capital "inflows" in the balance of payments capital account to finance replanting, capital expansion and construction.

INCREMENTAL CAPITAL OUTPUT RATIO

The Honourable Member for Batu questioned the estimates of G.N.P. and gross capital formation given in the Budget speech and implied that they were subject to serious errors. His suspicion was based primarily on his discovery that the Incremental Capital output Ratio—I shall refer to this hereinafter as I.C.O.R.—as he calculated it from the estimates given fluctuated widely from 3.3 to 2.3 for the years 1963 and 1965. He was surprised to find that the I.C.O.R. for Malaysia at present is less than that for Japan (around 4-3½) or as originally envisaged in the Second Malayan Five-Year Plan, which was 4, or that assumed in the last Singapore Plan, which was 3.5.

The incremental capital output ratio concept assumes a relationship between investment made in any one year and the increase in output in the following year. This relationship cannot always be true because there can be varying lags between the time an investment is made and the time when the additional output is produced. In the case of rubber, for example, last year's investment will bear no relation to the increase in output this year, since the latter will depend primarily on the extent of new planting and replanting undertaken some six to seven years ago. Changes in inventories, which are included in the gross capital formation figure can cause significant changes in the I.C.O.R. for any two years. Similarly, if the Government spends an additional $10 million on education or defence this year, G.N.P. this year will be higher to that extent, quite independently of the level of investment made last year. In other words, in an economy such as ours, where long gestation periods are involved as will happen in the rubber replanting programme, the building up of infrastructure and the development of manpower resources through an educational programme, an unstable relationship between investment and increment in output must result. A further factor explaining the instability in the I.C.O.R. is the ever changing pattern of investment from year to year. In computing capital—output ratios it is customary to base the calculations on constant price national accounts data. The Honourable Member for Batu has fallen in to the trap of calculating an

I.C.O.R. based on current price series. Instead of believing that such an I.C.O.R. should not fluctuate from year to year, he should really be surprised it remains stable. This is surely the basic theoretical point. The available data for a number of developed and developing countries indicate that the I.C.O.R. rarely remains stable at least in the short run.

He can try by making calculations similar to the one he made from data given in the International Financial Statistics and note that for Thailand such an I.C.O.R. turned out to be 3.0 for 1961, but only 1.9 for 1962 and 2.0 for 1963; while in the Philippines, where prices were rising, such an I.C.O.R. turned out to be more stable at 0.9, 1.2 and 0.9 for the same three years. By quoting the Japanese I.C.O.R. range of 4 to 3½, the Honourable Member is implicitly admitting that I.C.O.R.s do vary.

It is unfortunate that computations at constant prices cannot be made for Malaysia as a whole. The Honourable Member for Batu may, however, be interested to know that for the States of Malaya, if the computations are made on the basis of constant price series, the I.C.O.R.s are 3.0, 3.2 and 3.0 for 1963, 1964 and 1965 respectively. A corresponding calculation for Malaya on the basis of current price data shows I.C.O.R.s of 3.0, 2.7 and 2.5 for the same three years.

If the Honourable Member for Batu is surprised to find that the I.C.O.R. for Malaysia is so low, I would refer him to the data for Thailand, and the Philippines which I mentioned earlier. Then again I should quote Paul Alpert from his book entitled "Economic Development—Objectives and Methods":

". . . . . Thus for postwar years capital—output ratios have been found to be 2.6 for Ceylon, 2.3 for India . . . . . ."

It is true that the I.C.O.R. originally envisaged in the Second Malayan Development Plan was 4, but the Malayan economy has performed better than was originally envisaged.

In making reference to the British rate of growth target of 4% per annum, he implied that if a developed country could only aim at a low rate of growth, how was it possible for a developing country such as Malaysia to achieve a higher rate of growth. It may be pertinent to point out that Japan, also a developed country, has achieved rates of growth exceeding 10%. The comparison therefore is not a valid one. I can assure him that various developing countries have exceeded this growth rate. However, he may also reflect that a 4% increase on a high level of income may mean a greater ABSOLUTE increase than an 8½% increase from a lower base.

DEPARTMENT OF STATISTICS

The Honourable Member for Batu expressed concern at the inadequacy of resources at the disposal of the Department of Statistics. He went on to point to the gaps in the statistical data produced by the Department of Statistics.

I would like to point out to the Honourable Member that the Department of Statistics has grown four-fold in the last five years. Government is fully conscious of the vital role of the Department in national development. If I can anticipate the debates on the First Malaysia Plan and the 1966 Development Estimates, I would like to state that the Department of Statistics will be allocated a sum of $6 million for the period 1966-1970. This sum will include funds for the purchase of an electronic computer, and the undertaking of numerous studies and surveys.

RETAIL PRICE INDEX

The retail price index came in for an undue share of criticism from Opposition Members. The index which is calculated on the basis of the 1957-1958 household budget survey has remained stable. This fact cannot be challenged. The index is calculated on the basis of price data for some 250 essential items of consumption priced at 49 centres throughout the country and is statistically unassailable. In this index, food, which is the most important group of commodities, is given the greatest weight, or to put it simply, is given major importance. For the group as a whole, since

January of this year, the price of sugar has declined very substantially. Prices of fish, meat and poultry have also shown some decline. Yet, another important group of commodities, cooking oils and fats, have also declined in price. All in all, the index has declined from 104 in January this year to 102 in September. The import price index which reflects the prices of imported goods has also shown relative stability. In the year 1959 which is utilised as the base year, the index stood at 100. At the end of the second quarter of 1965, the index stood at 99. These statistics are calculated on a proper basis and cannot be disputed. Members of the Opposition who point to the experiences of housewives are perhaps referring to a particular class of commodities which do not form an essential part of the average consumer's purchases. Here again, individual changes in the prices of some items must not be used as a general yardstick with which to measure the general price level.

The Honourable Member for Dato Kramat made great play of the graph in the Quarterly Economic Review of the Economist Intelligence Unit which magnified a two point increase over two years. The facts are not in dispute for we are all talking about the retail price index published by the Department of Statistics. The annual indices are 100 for 1959, 100 for 1962, 103 for 1963, 102 for 1964 and possibly the same figure for 1965. The Honourable Member should also refer to the Quarterly Economic Review for Indonesia and pay attention to the scale used in the graph. The consumer price index reads 100 for 1958, 711 for the 4th quarter of 1962, 1,610 for 4th quarter of 1963 and 5,347 for 4th quarter of 1964. That means that for the 4th quarter of 1964, it had increased 54 times, compared to 1958. In such a case he can forget to look at the scale used, for there is no need to magnify such an obvious change.

UNEMPLOYMENT

A number of Honourable Members from the Opposition benches exaggerated the level of unemployment in the country. A figure of 50% was quoted. I would like to refer them to paragraph 38 of my Budget speech where I stated that the pattern of unemployment had not altered significantly during the recent past. Unemployment in the major urban areas of the mainland was no higher than 6% of the labour force, a rate comparable to those prevailing in many advanced countries. What I said was that of the numbers unemployed, some 50% had been jobless for 6 months or more. Therefore, to twist this statement to indicate that 50% of the people were unemployed is totally misleading and mischievous.

Remarks about rural unemployment were also made by certain speakers. The 1962 National Unemployment Survey indicated that the incidence of unemployment was higher in the urban areas and that the problem was not as significant in the rural areas. There are no indications whatsoever that the pattern has changed. If anything, as a result of the opening up of thousands of acres of new land in the rural areas, there should be a lowering of the rate of unemployment in the rural areas.

I cautioned Honourable Members in the use of the numbers registered at employment exchanges and indicated clearly that these figures do not tell the whole story. Yet, Honourable Members have picked on these figures to attack the Government. If I may, I would like to explain that workers registered at an exchange are not necessarily unemployed, as some register with a view to obtaining a better job; then again females who were not seeking employment in a previous reference period may have registered and thus swelled the numbers. Yet another reason explaining the numbers registered at labour exchanges is the growth in the number of exchanges throughout the country. It is also pertinent to point out that as the labour exchanges increase their effectiveness, larger numbers of workers register themselves there. All these factors taken together tend to create an illusion that the number of unemployed has increased.

STATUS OF PENANG ISLAND

If I may go again to the status of Penang Island. I have noted the observations made by the Honourable Member for Dato Kramat and also the Honourable Member for Penang Utara on what they call the special position of Penang Island. At this stage perhaps it may not be fruitful to prolong discussion on this particular topic as more heat than light may be generated thereby. As I have stated previously, the World Bank has been asked to assist by sending a mission to this country to advise on the future of Penang Island. Honourable Members will have read in the *Straits Times* of 24th November that Mr R. J. Goodman, Deputy Director of the Far East Department of the World Bank who is visiting this country has stated that the problems of the Island's economic development "are not so much very large as they are complicated and extremely controversial". Mr Goodman had talks with the Penang State authorities when he was in Penang on 23rd and 24th November and it may be best in these circumstances not to prejudice the work of the World Bank Mission as to the economic future of Penang by enlarging on its problems at this stage. I have no doubt that the Chief Minister of Penang would have taken the opportunity of briefing Mr Goodman on the situation. Honourable Members will also have seen from the *Straits Times* of the same day that the Chief Minister of Penang has expressed the hope that when the team from the World Bank visits Penang, it will be able to form some economic plan for that Island which will fit into the national pattern. It may be best in the circumstances for this controversy to die down at this juncture pending the arrival of the expert team from the World Bank.

INCREASED EXPORT RECEIPTS FROM RUBBER AND TIN

The Honourable Member for Bungsar alleges that the better prices for rubber and tin estimated to yield additional export receipts of $11 million and $136 million respectively during 1965 will only accrue to foreign capitalists in increased profits. This is typical of the exaggerated bias he uses in his arguments. He should, however, note that 671,800 tons is equivalent to 1,505 million lb and *not* 1,129 million lb as stated in his speech. The one-cent increase in price between 1965 and 1964 then means an increase of $15 million and not $11 million in export receipts from rubber. This is an indication of the care which the Honourable Member exercises when quoting facts and figures. He cannot do even simple arithmetic (*Laughter*) and yet he has the nerve to base his conclusions on his wrong arithmetic. One should not, however, judge him too harshly because although I am aware that he is completely at home shouting cliches and slogans from a public platform, I am not so sure that he is used to dabbling in facts and figures on a subject about which he clearly has scant knowledge. Let us now consider his assertion without going into too great detail. An increase in rubber export receipts of $15 million at 1965 price levels will immediately generate an increased export duty yield of some $4 million. Of the remaining $11 million, some $4.4 million will accrue to smallholders since they account for more than 40% of total production. The estate sector will, therefore, obtain gross receipts amounting to $6.6 million. Even if one assumes that costs remain unaffected by the higher prices—and this is not so—and the $6.6 million represents additional profits, the Government would collect some $2.6 million of that in company tax. The European capitalists (since we have no data classifying Singaporeans as foreigners) will probably obtain $1.8 million or 70% of the $2.6 million profit after tax since their production accounts for some 70% of estate production. Even this may be overstated since the rubber industry's wage scales are tied to rubber price movements, and yet the Honourable Member for Bungsar simply suggests that foreign capitalists pocket all the purported $11 million derived on increased export receipts.

In this light, one should consider his assertion that all the benefits from the higher tin price go into the pockets

of foreign capitalists. An increase of tin export duty receipts of $136 million will generate over $15 million in export duty which amounts to about 11% *ad valorem* at present price levels. A sizeable portion, however, of the *increased* production is accounted for by the opening of marginal mines. I had stated in my Budget speech that the number of gravel pump mines and the number employed by the tin industry rose during the first nine months of 1965 by 220 mines and 5,230 workers respectively. The gross profits of the tin industry will have increased by much less than the $116 million receipts less export duty. It should also be noted that higher profits would most likely attract a profits tax liability of $15 million, and of the balance, an additional 40% will be collected as company tax. The amount accruing to foreign capitalists will thus not be as large as he alleges. He may as well note that "European" tin mines account for 60% and not for total production. This is another example of the Honourable Member's brilliant arithmetic on which his conclusions are based. In this connection, I would remind the Honourable Member of a story which was once told in the British House of Commons. A back-bencher wanted to make a speech on a subject with which he was not too familiar. He, therefore, asked his Prime Minister whether he should speak on that subject. His Prime Minister advised him that it was far better to remain silent and be thought a fool rather than open his mouth and thus remove all doubt (*Laughter*).

Enche' Abu Bakar bin Hamzah (Bachok): Tuan Yang di-Pertua, adakah uchapan Yang Berhormat Menteri Kewangan kita ini sa-bagai satu amaran dan ajaran kapada *back-benchers*?

Enche' Tan Siew Sin: In reply I may add that all the wrong arithmetic so far has come from that side of the House.

RETAIL PRICES

The Honourable Member for Bungsar, who unfortunately is not here now, gave us a lecture on the differences between the retail price index and the cost of living index. In my Budget speech, I did not equate the two indices. I merely drew the attention of the House to the fact that there has been a remarkable stability in retail prices during the first 9 months of this year, and from this general thesis, I pointed out that there appeared to be no rise in the cost of living. The Honourable Member described the retail price index as merely an index which shows the movement of prices of a given number of commodities, and further, contended that none of these commodities had been weighted to give even a resemblance of the needs of a cost of living index.

The Special Advisory Committee on Cost of Living Indices in its "Report on the Proposals for New Retail Price Indices" in April, 1959, clearly stated in its recommendations as follows—

"The term 'cost-of-living index' should be avoided and the term 'retail price index' substituted. Indices of this type measure the changing cost, over time, of a fixed basket of goods and it is misleading to imply that these indices also take into account the changes in income, family size and consumption patterns, which have to be considered in evaluating changes in the cost-of-living."

Another recommendation of this Committee was that the weights for the new indices should be based on consumption or expenditure patterns derived from a comprehensive Household Budget Survey. Therefore, I would ask the Honourable Member for Bungsar to study carefully the report I have referred to. I would like to impress upon him that the retail price index is a weighted index contrary to what he claims. I may also mention that modern practice calls for retail price indices and not cost of living indices.

EMPLOYMENT BY INDUSTRY

The Honourable Member for Bungsar misinterprets my statement relating to employment by occupational groups. He concludes that there has been a drop in employment in various sectors of the economy. The figures that I quoted in paragraph 39 of my Budget speech refer to the pattern of employment. A changing pattern of employment must necessarily mean increased

importance for certain sectors while other sectors decline in importance. In paragraph 38, I clearly indicated that hardly any change in the overall employment and unemployment situation has taken place. This clearly implied that the rate of unemployment had not altered. Nevertheless, the implication is clear that the total number of workers employed has grown. This must necessarily be so if the number of workers in the economy has increased and the percentage of unemployed has not altered.

CAPITAL FORMATION

The Honourable Member for Bungsar in making reference to the gross capital formation estimates given in my speech asked where and how these figures were compiled. To this rather glib question, I should perhaps say that estimating procedures are not usually explained in Budget speeches, which as Honourable Members are only too well aware, are long enough without them, but I could add that the Department of Statistics is responsible for these estimates. Furthermore, I would like to point out that the method employed is basically the one recommended in various United Nations manuals on the compilation of national accounts. He goes on to question the validity of the estimates in respect of Sabah and Sarawak. I would like to state categorically that the estimates are the best available. There are other indicators, perhaps somewhat subjective, which clearly show that substantial increases in the level of capital formation have taken place in Sabah and Sarawak in recent years.

He then goes on to take me to task for having compared Malaysia's *per capita* income level with that of Japan, and for not having made the comparison with this country's nearest neighbour, namely, Singapore. I would have been happy to make a comparison but, unfortunately, I did not have access to the estimates of Singapore's gross national product which are not available in published form. Perhaps, the Honourable Member for Bungsar would be kind enough to obtain the data for my use from his masters across the Causeway (*Laughter*). Moreover, the comparison of the *per capita* income levels of Malaysia with that of Singapore is not all that meaningful since the latter is a mere city State with an area of about 220 square miles at low tide—or high tide, I am not quite sure which!

DIRECT AND INDIRECT TAXATION

The Honourable Member for Bungsar states that the new tax changes rely heavily on indirect taxation. This is true. We have made quite a substantial increase in the rates of income tax for Malaya, Sarawak and Sabah in the 1965 Budget, and we have adjudged it inappropriate to make a further increase this year, except by reducing the rate of abatement in the Borneo States. But his more general assertion that, in most progressive countries, modern thinking is that revenue is best obtained from direct taxation cannot be satisfactorily maintained or substantiated. In most countries, revenue receipts from sources other than direct taxes account for the bulk of their public revenue, and even the most extreme socialist countries have not repealed all their indirect taxes to be replaced by direct taxes only. He may, of course, be aware that the Union of Soviet Socialist Russia, a country which, I am sure, he admires intensely, indirect taxes account for the bulk of the revenue. If this House will permit me, I shall elaborate on this point, and I will quote an extract from the *Malay Mail* of Tuesday, 25th September, 1965:

> "*Moscow.* The Soviet Union yesterday halted its scheme for gradually abolishing income tax for internal reasons and because of the 'increase of their aggressive actions of imperialism.' The suspension, 'until further notice', was announced in a decree by the Supreme Soviet (Parliament) Presidium published in *Izvestia,* the Soviet Government newspaper. It was hoped to abolish income tax in the Soviet Union by 1965, according to an announcement by Mr Krushchev in May, 1960."

Personal income tax forms only about ten per cent of the annual revenue which is more dependent on the turnover tax on goods in the Union of Soviet Socialist Republic. The maximum Russian rate of tax is thirteen

per cent slightly more than Hongkong and Sarawak before Sarawak came into Malaysia.

The proposition therefore, that the greater the amount collected from direct taxation, the more progressive a country is, is not a valid one. It is not necessarily true that all indirect taxes tend to be regressive. It is the totality of the tax structure which should be taken into account in judging the progressiveness or otherwise of the tax system. In evolving a suitable tax structure to subserve economic and social objectives, efforts ought to be made to strike a reasonable balance between direct and indirect sources of revenue and, as Honourable Members may be aware, in most of the developing countries, for a variety of reasons, there is a limit beyond which the increasing needs for revenue cannot be met from direct taxes alone. The effect of any tax on the willingness to save and invest must be a paramount consideration in choosing the form of taxation required. It is, in fact, necessary to judge the tax structure in terms of its effect on income distribution, in terms of its impact on incentives and production, and in terms of collection costs and efficiencies. The Honourable Member should ascertain himself to what extent his most progressive countries have increased their reliance on direct taxes, and to what extent Western European countries have increased their reliance on indirect taxes in recent years.

For the Honourable Member for Bungsar to assert gleefully that this year's Budget "contains an almost complete withdrawal from the tax innovations made in 1964" (to use his exact words) is to indulge again in his usual bias towards blatant exaggeration. He should note that the profits tax on tin and the payroll tax remain unaltered while the latter is now extended to Sabah and Sarawak. He does not hesitate to descend to saying something which is so obviously untrue when he stated that payroll tax has been "drastically modified". As Honourable Members already know, no change has been made here at all apart from its extension to the Borneo States and I made this clear in my Budget speech. If a man can tell such a blatant lie, even though such a lie can be easily proved, one can readily assess the value of his observations. The previous multi-stage turnover tax has been converted into a single stage tax which is not quite the same thing as a withdrawal. The Government has decided to postpone the imposition of the capital gains tax to a more opportune time. The duty on crown corks has been withdrawn though the tax burden on beer and stout has been retained. While the Government has not been adamant to all arguments against particular tax changes, Honourable Members may, perhaps, note that we will be collecting the same, if not slightly more revenue than we aimed to collect in the first place.

The Honourable Member for Bungsar would like to appear as a champion for Sabah and Sarawak, and repeatedly stressed their woes. He is concerned that even the cup to drown their woes will cost more. They will have to pay more for their beers and gins. He does not seem to like the 10% reduction in the 40% abatement of income tax for the first $50,000 for the Borneo States to leave the income tax level there still 30% lower than in Malaya. He wishes to ensure that if there is to be integration in a Malaysian customs area the States of Malaya should pay a price, which presumably Singapore was not willing to pay. He fears that harmonisation makes Sabah and Sarawak bear more than a proportionate burden. His concern seems to have motives other than those immediately apparent as the official spokesmen of these two States present their cases with more balance.

But I should repeat here that I have borne in mind the letter as well as the spirit of the I.G.C. recommendations in formulating the tax proposals. As Honourable Members will note, of the $49 million of additional revenue estimated to accrue from the tax changes, Sabah and Sarawak are estimated to contribute around $5 million each while the balance of $39 million is to come from Malaya. It is well to remember, in this connection, that the people of the States of

Malaya are being taxed more heavily than they otherwise would, in order to pay for economic and social development in the Borneo States. The Borneo States, on the other hand, are not contributing one cent towards development in the rest of Malaysia. In other words, the Central Government is putting into Sarawak and Sabah far more money than it is getting out of them in the form of revenue. The people of these two States therefore, have little to complain about because even with a slightly greater contribution in 1966 they are still being heavily subsidised by the people of the States of Malaya.

The Honourable Chief Minister of Sabah has suggested that in view of the alarming inflationary tendencies which have become more noticeable in that State recently, we might go slow on tax harmonisation there. As Honourable Members may be aware, the generally accepted remedy for inflation is not lesser but increased taxation in order to remove excess purchasing power. If, therefore, the Chief Minister's assessment of the position there is correct, the remedy would appear to lie in something which is the exact opposite of what he has advocated.

The Honourable Member for Bungsar does not appear to be even conscious of the distinction between Ordinary and Development expenditure for he goes to the Ordinary Expenditure estimated for proposals for rural electrification and water schemes, for the building of schools as well as the provision of teachers, and seems to feel that the bulk of the ordinary instead of the development expenditure proposals should be for economic and social services.

Rice

While I concede that it is possible that there has been some smuggling of rice across the Thai-Malaysian border, the Honourable Member for Bungsar has exaggerated the situation in quoting a figure of 100,000 tons.

His attempt at juggling fails miserably as he only tells us one side of the story. Although the net imports were lower by 41% or 183,300 tons during the first 9 months of 1965, domestic rice production during 1965 is estimated to have increased by some 98,300 tons. Then again, imports in 1963 and 1964 had been abnormally high compared to the levels of previous years. Between 1962 and 1963, imports increased by 88,600 tons, and a further increase of 10,000 tons took place in 1964. Surely, the Honourable Member for Bungsar is not suggesting that Malaysians suddenly increased their consumption of rice overnight in 1963? The facts of the matter are simply that substantial stock building took place during those two years, and in 1965 there has apparently been a drawing down of stocks. Therefore, to suggest that substantial smuggling has taken place, is both mischievous and misleading. All I suggested in my Budget speech was that some smuggling could have taken place.

Public Debt

The Honourable Members for Bungsar, Batu and a few others made much ado about our national debt which at the end of October, 1965 stood at $2,592 million. This is equivalent to 29.6 per cent of the G.N.P. and $278 *per capita*. Given Malaysia's present income, stage of development, and the composition of the debt, all the experts agree that there is no cause for alarm.

I should point out that there is some considerable difference in the significance of foreign as opposed to domestic debt. Domestic debt and its service burden represent liabilities and transfers between the public and private sectors of the economy. Foreign debt and its service burden represent liabilities and transfer between the national economy and foreign institutions and individuals abroad.

Malaysia's present external debt is modest by international standards. In percentage terms, our total external debt is about 5 per cent of the gross national product. Economists and international financiers generally agree that the external debt service figure is of utmost importance. The etxernal debt service figures for any country are

normally measured against its annual export earnings. The external debt service ratio for Malaysia is less than 2 per cent of annual export earnings. This debt service figure includes not only the external debt of the Government but also of all public authorities in Malaysia. The World Bank agrees with us that an external debt services ratio of less than 2 per cent does not justify the panic-stricken statements made by Honourable Members of the Opposition, and I suggest that they know more about this subject than Honourable Members opposite.

The most reliable yardstick of our credit worthiness, however, is that only seven months ago we raised a loan in the New York market, which must be one of the toughest money markets in the world, consisting as it does of hard-headed and utterly realistic financiers. I suggest that if they regard us as credit-worthy, what the Opposition says does not matter. What they say and what they do are utterly irrelevant because they certainly have neither the power nor the means to assist us in any way. In other words, they just do not count and we can afford to ignore them.

The Government will soon be presenting the First Malaysian Development Plan, 1966-70. Since the bulk of investment in both our previous Five-Year plans were in projects requiring long gestation periods, the result of the present heavy investment is unlikely to be felt until the early 1970's. It is simply not possible to finance the entire total investment requirements for the next five years from domestic sources. Therefore, a portion will have to be financed from foreign grants, while the balance will have to be financed by foreign borrowing and a gradual draw down of our reserves.

It is our firm belief, and this belief is supported by foreign experts, that even if our external debt service were to treble and reach 6 per cent of our 1975 export earnings, there would even then be a substantial margin of credit-worthiness for Malaysia.

The bulk of the Federal Government's debt is domestic. The service charges represent income transfers within the economy, for interest and capital repayments come out of revenue. The Government raises revenue from taxation and pays the holders of Government securities. Since the E.P.F. is the major holder of Government Securities, and the E.P.F. belongs to workers earning less than $500 per month, Honourable Members may wish to note that there can be important income re-distribution effects of the Government's domestic debt operations. As regards the size of the domestic debt, there is still no danger in its continued growth.

Having said all these things, it is clear that this Budget has received not only the approbation of this House as a whole, barring of course those Honourable Members of the Opposition to whom the Government . . . .

Dr Tan Chee Khoon (Batu): Mr Speaker, Sir, on a point of clarification, is the Minister not aware that not only we on this side of the House, but several back-benchers, feel concerned in this heavy national debt, foreign to the extent of $510 million, or domestic to the extent of $2,000 million-plus?

Enche' Tan Siew Sin: Mr Speaker, Sir, unfortunately the Honourable Member for Batu has only come in towards the end of my speech and so he is not aware of what I have said previously. If I may, Sir, I would repeat what I said before he interrupted me in the middle of a sentence.

Having said all these things—it is clear that this Budget has received not only the approbation of this House as a whole, barring, of course—I say it again—those Honourable Members of the Opposition, to whom the Government must always be wrong all the time on everything, and this . . . .

Dr Tan Chee Khoon: On a point of further clarification, Mr Speaker, Sir, I have supported the Minister on several of his tax measures, if he had cared to listen to my speech, and I have also gone further and suggested to the Honourable Minister of Finance in what ways he can raise more revenue to wipe off this $581 million overall

deficit. We have supported, Sir, the Minister of Finance.

Enche' Tan Siew Sin: Mr Speaker, Sir, I suggest that the Honourable Member for Batu should not be unduly sensitive. When I speak of the Opposition, I speak of the Opposition as a whole, and I have not chosen the Honourable Member for Batu for my observations—nor singled him out for special observations. Since again, I am interrupted in the middle of the sentence, I am afraid I will have to start all over again. (*Laughter*).

Having said all these things, Mr Speaker, Sir, it is clear that this Budget has received not only the approbation of this House as a whole, barring of course those Honourable Members of the Opposition to whom the Government must always be wrong all the time on everything—they have criticised it in very unbalanced and immoderate language, and this sort of fixed and unreasonable prejudice is not likely to cut any ice with those who are fair-minded and impartial—but this Budget has received also the approbation of the entire country as a whole. In fact, there have not been many occasions in the past when a Federal Budget has been acclaimed so universally. One has only to look at the reactions of the stock market to realise that this Budget may yet start a minor boom in this country. Since 17th November, the share market has been in an extremely buoyant mood, and this contrasts vividly with its previous lethargy. For example, three days after my speech, a Press report had this to say:

"Share fever has again gripped the Stock Exchange and this morning abnormally large turnovers were recorded for a Saturday.

Without precedent in exchange history for a Saturday morning it was necessary to suspend business for 10 minutes between 10.40 and 10.50 to allow clerks to catch up with writing contracts."

Note the words "without precedent in exchange history."

There is a saying that the proof of the pudding is in the eating. The very fact that the people who should know most, i.e., the investors, large and small, who should know where the shoe pinches, have acclaimed this Budget not in words, but in deeds, by rushing to invest in the industrial and commercial enterprises of this country, is a resounding vindication of this Budget. As a result, this Budget might even exceed the modest and cautious hopes which I expressed when I spoke eight days ago. These reactions, coming from investors, are weighty because, unlike the Honourable Members of the Opposition, they will have to pay for their mistakes if they have mis-calculated. If past experience is any guide, however, they are not likely to have mis-calculated, and I can wish for no better tribute for this Budget, which I shall now ask the House to approve in no uncertain terms (*Applause*).

Question put and agreed to.

Bill accordingly read a second time.

Mr Speaker: The meeting is suspended.

Sitting suspended at 11.08 a.m.

Sitting resumed at 11.25 a.m.

(Mr Speaker *in the Chair*)

MOTIONS

THE CUSTOMS ORDINANCE, 1952

The Customs Duties (Amendment) (No. 9) Order, 1965

Enche' Tan Siew Sin: Mr Speaker, Sir, I beg to move the motion standing in my name, viz:

That this House resolves that in accordance with the powers vested in it by virtue of sub-section (2) of section 10 of the Customs Ordinance, 1952, the Customs Duties (Amendment) (No. 9) Order, 1965, which has been laid before the House as Statute Paper No. 158 of 1965 be confirmed.

This Order implements the changes in the States of Malaya to customs duties which were announced in my Budget speech on the 17th November. The reasons for these changes have already been explained on that occasion, and it is not therefore necessary to elaborate further on this subject.

The Minister of Commerce and Industry (Dr Lim Swee Aun): Sir, I beg to second the motion:

Question put, and agreed to.

Resolved,

That this House resolves that in accordance with the powers vested in it by virtue of sub-section (2) of section 10 of the Customs Ordinance, 1952, the Customs Duties (Amendment) (No. 9) Order, 1965, which has been laid before the House as Statute Paper No. 158 of 1965 be confirmed.

THE CUSTOMS ORDINANCE (SABAH) (CAP. 33)

The Customs Duties (Sabah) (Amendment) (No. 8) Order, 1965

Enche' Tan Siew Sin: Mr Speaker, Sir, I beg to move the motion standing in my name on the Order Paper, viz:

That this House resolves that in accordance with the powers vested in it by virtue of sub-section (3) of section 8 of the Customs Ordinance (Sabah) (Cap. 33), the Customs Duties (Sabah) (Amendment) (No. 8) Order, 1965, which has been laid before the House as Statute Paper No. 159 of 1965 be confirmed.

This Order relates to changes in customs duties in Sabah that were announced in my Budget speech on 17th November. As the reasons for these changes have already been explained, there is no need to repeat them now.

Sir, I beg to move.

Dr Lim Swee Aun: Sir, I beg to second the motion.

Enche' Abu Bakar bin Hamzah (Bachok): Tuan Yang di-Pertua, saya tidak ada apa[2] hendak berchakap, chuma saya hendak buat *remark* satu sahaja. Waktu kita bahathkan motion yang pertama tadi *quorum* kita tidak chukup.

(Division bell rung; count taken and 26 Members present).

Question put, and agreed to.

Resolved,

That this House resolves that in accordance with the powers vested in it by virtue of sub-section (3) of section 8 of the Customs Ordinance (Sabah) (Cap. 33), the Customs Duties (Sabah) (Amendment) (No. 8) Order, 1965, which has been laid before the House as Statute Paper No. 159 of 1965 be confirmed.

THE CUSTOMS ORDINANCE (SARAWAK) (CAP. 26)

The Customs (Import and Export) Duties (Amendment) (No. 5) Order, 1965

Enche' Tan Siew Sin: Mr Speaker, Sir, I beg to move the motion standing in my name on the Order Paper, viz:

"That this House resolves that in accordance with the powers vested in it by virtue of sub-section (3) of section 8 of the Customs Ordinance (Sarawak) (Cap. 26), the Customs (Import and Export) Duties (Amendment) (No. 5) Order, 1965, which has been laid before the House as Statute Paper No. 160 of 1965 be confirmed."

Changes in customs duties as these apply to Sarawak have already been explained in my Budget speech on 17th November, and this Order relates to such changes.

Sir, I beg to move.

Dr Lim Swee Aun: Sir, I beg to second the motion.

Question put, and agreed to.

Resolved,

That this House resolves that in accordance with the powers vested in it by virtue of sub-section (3) of section 8 of the Customs Ordinance (Sarawak) (Cap. 26), the Customs (Import and Export) Duties (Amendment) (No. 5) Order, 1965, which has been laid before the House as Statute Paper No. 160 of 1965 be confirmed.

THE EXCISE ACT, 1961

The Excise Duties (Amendment) (No. 2) Order, 1965

Enche' Tan Siew Sin: Mr Speaker, Sir, I beg to move the motion standing in my name on the Order Paper, viz:

"That this House resolves that in accordance with the powers vested in it by virtue of sub-section (2) of section 7 of the Excise Act, 1961, the Excise Duties (Amendment) (No. 2) Order, 1965, which has been laid before the House as Statute Paper No. 161 of 1965 be confirmed."

Changes in excise duties on certain products in the States of Malaya were announced in my Budget speech on 17th November and the Order referred to in this motion relates to these changes which have already been explained previously.

Sir, I beg to move.

Dr Lim Swee Aun: Sir, I beg to second the motion.

Question put, and agreed to.

Resolved,

That this House resolves that in accordance with the powers vested in it by virtue of sub-section (2) of section 7 of the Excise Act, 1961, the Excise Duties (Amendment) (No. 2) Order, 1965, which has been laid before the House as Statute Paper No. 161 of 1965 be confirmed.

THE EXCISE ORDINANCE (SABAH) 1959

The Excise Duties (Amendment) Order, 1965

Enche' Tan Siew Sin: Mr Speaker, Sir, I beg to move the motion standing in my name on the Order Paper, viz:

That this House resolves that in accordance with the powers vested in it by virtue of sub-section (2) of section 3 of the Excise Ordinance (Sabah), 1959, the Excise Duties (Amendment) Order, 1965, which has been laid before the House as Statute Paper No. 162 of 1965 be confirmed.

Changes in excise duties in so far as these relate to certain products in Sabah were announced in my Budget speech of 17th November, and this Order implements such changes.

Sir, I beg to move.

Dr Lim Swee Aun: Sir, I beg to second the motion.

Question put, and agreed to.

Resolved,

That this House resolves that in accordance with the powers vested in it by virtue of sub-section (2) of section 3 of the Excise Ordinance (Sabah), 1959, the Excise Duties (Amendment) Order, 1965, which has been laid before the House as Statute Paper No. 162 of 1965 be confirmed.

THE EXCISE ORDINANCE (SARAWAK) (CAP. 27)

The Excise Duties Order, 1965

Enche' Tan Siew Sin: Mr Speaker, Sir, I beg to move the motion standing in my name on the Order Paper, viz:

That this House resolves that in accordance with the powers vested in it by virtue of sub-section (2) of section 3 of the Excise Ordinance (Sarawak) (Cap. 27), the Excise Duties Order, 1965, which has been laid before the House as Statute Paper No. 163 of 1965 be confirmed.

Changes in excise duties in so far as these apply to Sarawak have been explained in my Budget speech of 17th November and this order implements such changes. I need not therefore elaborate further on the subject. I also mentioned at that time that the opportunity has been taken of consolidating all the Excise Duty Orders in force in Sarawak into one document and the Order before the House effects this consolidation as well.

Sir, I beg to move.

Dr Lim Swee Aun: Sir, I beg to second the motion.

Question put, and agreed to.

Resolved,

That this House resolves that in accordance with the powers vested in it by virtue of sub-section (2) of section 3 of the Excise Ordinance (Sarawak) (Cap. 27), the Excise Duties Order, 1965, which has been laid before the House as Statute Paper No. 163 of 1965 be confirmed.

THE TURNOVER TAX (AMENDMENT) BILL

Second Reading

Enche' Tan Siew Sin: Mr Speaker, Sir, I beg to move that a Bill intituled "An Act to amend the Turnover Tax Act, 1965" be read a second time.

In my Budget speech of 17th November, I stated that the Government had decided to convert the existing turnover tax from multi-stage to a single stage tax with effect from 1st January, 1966, by limiting the scope of the tax to the scale of imported goods only. The purpose of this Bill is therefore to amend the Turnover Tax Act, 1965, in order to implement this proposal.

The various amendments proposed are contained in the Schedule to the Bill and as these amendments appear to be somewhat complicated, I shall touch upon the salient points of this single stage tax, so that such amendments may be more easily understood. The tax will be levied on moneys

receivable from the sale of goods imported into Malaysia, but where such goods are not immediately sold but are processed or manufactured in Malaysia for subsequent sale, the tax will apply only to that part of the sale proceeds which relate to the imported content of the goods; and this liability to tax also includes the imported contents of goods going into the manufacture of pioneer products.

Where goods imported into the country are subsequently exported to another country, no tax will be levied on such sales. The sales of goods manufactured in one component part of Malaysia and imported directly or indirectly, e.g., via Singapore, into another component will be exempted from tax in the hands of the importer in that other component. Proceeds from other activities which are chargeable to turnover tax under the existing multi-stage tax will no longer be liable to this tax from the year of assessment 1966 onwards.

Under the existing multi-stage tax the rate of charge is ½% of the taxable turnover, but under the single stage tax the rate has been increased to 2% thereon. Where any goods are manufactured or processed in Malaysia and such manufactured goods sold, consist partly of imported goods, it is necessary to determine that part of the sale moneys appropriate to the imported content of the goods, and to levy tax on those moneys only and not on the entire sale price. The moneys chargeable shall be such proportion of the total sale price as the c.i.f. value (including customs and excise duty) of the imported part, bears to the total cost (including such duty). In other words, if an article costs $10 and the c.i.f. value of the imported part was $5 then if the total sale price was $16, the taxable turnover would be 5/10 of 16, i.e., $8.

Under the multi-stage tax, a turnover of $36,000 or less a year is exempted from tax, but since the tax is only on the moneys receivable from the sale of imported goods, and since most of these importers are generally large businesses, it is unlikely that the turnover will be less than $36,000 a year. The exemption is therefore being repealed.

The other amendments are consequential in nature in view of the change in the scope of the tax and others arise from the separation of Singapore. Details of the tax can also be found in the Explanatory Statement at the end of the Bill, and I need not therefore elaborate further on them.

Sir, I beg to move.

Dr Lim Swee Aun: Sir, I beg to second the motion.

Dr Tan Chee Khoon: Mr Speaker, Sir, when I spoke the other day, unfortunately, both the Minister of Finance and his Assistant Minister were not present. So, I hope both of them will bear with me, if I cover a little of the old ground that I have covered before.

Mr Speaker, Sir, as I stated before, any Minister of Finance should think very, very, carefully of all the possible consequences of any new tax proposal before he introduces it to this House and before he imflicts himself not only on this House but on the whole country. Now, Mr Speaker, Sir, the fact that this turnover tax has raised howls of protest not only from all sections of the community, including those in the UMNO, M.I.C. and M.C.A., but has led to an internal revolt in the M.C.A., it is evident that this tax has not been thought of carefully, at least the consequences of this tax have not been thought of carefully. For any Minister of Finance to withdraw a tax proposal, however meritorious that action may be, is an admission of failure. I do hope, Mr Speaker, Sir, that the Minister of Finance, in the years to come, will be more careful of the sensitivities of the people of this country before he introduces any new tax.

Now, Mr Speaker, Sir, I take it that the Minister now realises that this multi-stage tax is an iniquitous tax as all of us have said, and I take it that no doubt that the people of Ayer Itam had a good deal to do with the withdrawal of the turnover tax, the multi-stage one. Now Mr Speaker,

Sir, this single stage tax is one that we, in the Socialist Front, say is not an equitable one, because it does favour the capitalists. Where the capitalists save a little money, in order to export more for this country, we, in the Socialists Front, will agree to it, because it will earn more foreign exchange for this country that is urgently needed, but nevertheless we do not maintain that this single stage tax of 2%—½% multiplied by four times bringing it up to 2%—is an equitable one, because it hits the poor more than it hits the rich. Now, Mr Speaker, Sir, it does not need an economist to know that under this single stage tax, the tax on rice, on sugar, on salt and on all the other commodities that are daily necessities that are being used . . . .

Dr Lim Swee Aun: There is no tax on rice . . . .

Dr Tan Chee Khoon: I withdraw that. Is it true that there is no tax on rice from Siam, for example? (*Pause*) I see that there is a little hesitancy on the part of the Minister, so I think I am right. (*Laughter*) Perhaps, the Minister of Commerce and Industry needs a piece of paper passed to him before he confirms that I am right and he is wrong.

For the purpose of this turnover tax, it does not mention exemption of rice. I see here that it only mentions "where articles that are used for the manufacture of goods" only are exempted; I do not see any exemption, it is not at least spelt out in this Bill, in respect of rice, sugar, salt—all these commodities that are daily necessities! These are the commodities that the humble housewife, when she goes to the market, will query: "Apa pula, harga ini naik—bukan dua sen, lima sen sudah naik?" Itu-lah Yang di-Pertua, that is why I say that this is going to hit the poor housewife, who goes to the market. Perhaps, the Minister of Finance does not go to market and does not know the side effects, shall I say, of this new single stage tax. I do maintain, and I think Members of that side of the House or this side of the House, will agree that this is going to hit the poor more than the rich—and as such, it is an iniquitous tax and should be withdrawn.

We, in the Socialist Front, propose that there should be a tax on luxury goods coming in. There is a vast difference between luxury goods and the daily necessities of life. Now, if a person wants to powder the face or, what you call, to rub the lips to be a little more rosy, I do not see why she should not pay a little more for these things; or if a person wants to have a better tie than this humble one of mine, or a posher coat than this coat of mine that has lasted for nearly ten years, I do not see why he should not pay more for it. But, I do maintain that the daily necessities of life should not be taxed, and the Government taxes the daily necessities of life at its own peril. Rahang may well decide for the Government, in this instance, or any other future by-elections. Consequently, Mr Speaker, Sir, I do hope that the Government instead of mulishly sticking to the previous turnover tax will not equally mulishly stick to this single stage 2% tax but introduce a tax on luxury goods whereby, if the rich want to enjoy the luxuries of life, *orang yang hendak hidup dengan mewah, mesti membayar lebeh*. Therefore, if they want to enjoy the luxuries of life, they should pay, and I for one say that well deserve it if they want to have a little more than what the *ra'ayat jelata* who can never hope to get that. Mr Speaker, Sir, we in this House have heard of the danger of harmonisation to the people of Sabah and Sarawak. None other than the Chief Minister of Sabah has said that this single stage tax is going to increase further the cost of living of the people of Sabah, which is already very high. It is already 40% higher than here and with this additional tax, the economy there will go haywire.

If I remember rightly, the Honourable Member from Sarawak who sits behind me said that what is required is not a harmonisation of taxes but a hormonisation of taxes, that the Minister of Finance should inject hormones into the economy of Sarawak, so that it can spring to life again instead of dying a lingering death, as possible the Minister

of Finance wishes it to be. I do hope—and if I remember rightly many other Members from Sarawak and Sabah have spoken out against this danger of harmonisation and the need for hormonisation—that this iniquitous tax of 2% should be withdrawn, or at least should need a little re-thinking, and to that extent I fully support their request.

Enche' Abu Bakar bin Hamzah (Bachok): Tuan Yang di-Pertua, dengan izin tuan, saya turut berchakap sadikit atas Rang Undang[2] berkenaan meminda Undang[2] Turnover Tax tahun 1965 ini. Pada mula-nya, saya juga amat-lah dukachita sangat berkenaan dengan Turnover Tax yang di-jalankan oleh Kerajaan kita semenjak bulan November tahun yang lalu. Tetapi apabila di-adakan pindaan[2] yang sa-macham ini, maka kebimbangan sa-makin-lah dapat di-ubati. Tetapi, Tuan Yang di-Pertua, apa yang sampai kapada pengetahuan saya, sebab[2]-nya Kerajaan meminda Undang[2] Turnover Tax ini, amat-lah mendukachitakan.

Tuan Yang di-Pertua, Menteri Kewangan boleh-lah menjawab ia-itu Turnover Tax ini tidak pun pernah di-niatkan oleh Kerajaan untok membuang atau meminda-nya melainkan sa-telah satu rombongan daripada ahli[2] perniagaan yang kebetulan pula boleh jadi sahabat[2] baik Menteri kita ini, bertemu dengan Menteri kita. Oleh kerana belas kasehan Menteri kita ini kapada ketua[2] kapitalis, itu-lah maka di-chuba di-pinda Turnover Tax ini.

Tuan Yang di-Pertua, walau bagaimana pun sa-lagi ada jenis Turnover Tax ini, maka dia akan menimbulkan banyak lagi indirect tax yang tidak official. Apabila kita mengenakan Turnover Tax kapada saudagar[2] kaya atau pun importers[2], sa-kali pun dia tidak mengenakan tax kapada orang lain, kapada consumers, kapada ra'ayat, dan sa-kali pun Kerajaan sendiri tidak mengenakan tax[2] yang sa-macham itu, tetapi itu-lah peluang-nya timbul berbagai[2] indirect tax kapada consumers[2] yang hendak membeli barang. Jadi, ini ada-lah berlawan dengan asas yang Menteri kita berpegang di-ketika dia mengemukakan Budget kita yang mengatakan *per capita* income kita itu betul tidak boleh di-jadikan neracha kapada kema'moran ra'ayat kita kalau di-pandang dari segi distribution. Jadi sa-lagi Turnover Tax ini berjalan dengan hujjah[2] yang saya akan kemukakan, maka kata[2] Menteri Kewangan kita yang sedap bunyi-nya, yang kita boleh bacha di-dalam butir yang kedua dalam uchapan-nya ini, ada-lah berlawan dengan spirit dan tujuan Turnover Tax yang kita buat ini.

Tuan Yang di-Pertua, saya chatit sadikit kata-nya:

> "The principal target set by this plan has been exceeded and as a result the people of this country are enjoying a progressively higher standard of living."

Jadi, ini, Tuan Yang di-Pertua, satu statement yang berlawan dengan kerja[2] dan Bil[2] yang kita kemukakan ini. Tuan Yang di-Pertua, satu chara yang baik-nya yang saya pun mengaku ia-itu boleh-lah saya katakan the best among the worst dalam ini, ia-itu Menteri kita telah memberi peluang kapada ra'ayat jelata mengetahui ia-itu Turnover Tax ini di-kenakan ka-atas barang[2] yang tertentu. Jadi ada-lah satu jagaan di-situ ia-itu selected component dengan selected period. Dengan chara ada dua perkara ini, Menteri kita chuba-lah hendak menarek hati ra'ayat walau pun mereka itu menanggong indirect tax yang mereka itu kena bayar dan terbeban dengan sa-chara tidak sedar akan akibat daripada Turnover Tax ini.

Tuan Yang di-Pertua, sa-bagai hendak mengganti chukai ini, Menteri Kewangan kita tidak mengenakan sa-barang tax atau pun Turnover Tax kapada barang[2] yang kita bawa masok, tetapi di-kenakan atas barang[2] yang kita hendak re-export ka-luar negeri. Itu tidak kena, mengikut penerangan perkara 7 di-sini, kata-nya "import re-exported abroad will continue to be exempted".

Jadi ini, Tuan Yang di-Pertua, satu masaalah-nya kalau-lah dengan chara kita mengampunkan tax jenis ini kapada barang[2] yang kita bawa masok, yang kita import, dengan harapan barang[2] ini di-usahakan, di-jadikan satu usaha[2] process industry, kemudian di-re-export balek, maka tidak di-kenakan chukai

dan ini, tidak ada pula di-samping itu Menteri kita mengemukakan satu protective tariff kapada barang[2] luar yang sa-jenis dengan barang itu. Jadi, Tuan Yang di-Pertua, mengadakan satu ampunan tax ka-atas satu benda yang di-bawa dengan harapan supaya barang itu di-process dan di-re-export dengan tidak mengadakan protective tariff, saya rasa, ini ada-lah satu perkara memain[2]-kan sahaja ia-itu menipu ra'ayat sahaja.

Tuan Yang di-Pertua, kemudian daripada itu, ra'ayat akan bertanya, salah satu daripada tujuan Rang Undang[2] ini di-adakan ia-lah, kononnya, Kerajaan tidak mahu-lah hendak ada multi-stage berkenaan dengan tax ini; kalau bagitu, hendak buat satu sahaja. Tuan Yang di-Pertua, ra'ayat tidak ada kena mengena dengan single-stage, multi-stages-kah—tidak ada kena mengena. Apa yang mereka itu mengena ia-lah kesusahan yang mereka itu akan tanggong di-dalam hidup-nya di-ketika Turnover Tax ini di-kenakan kapada importers dan kapada tauke yang kaya apabila mereka itu hendak membeli barang itu di-pernaikkan harga oleh tauke[2] dan importers[2]—itu yang mereka itu concerned, tidak dengan multi-stages atau pun single stages. Jadi ini-lah, Tuan Yang di-Pertua, saya perchaya saya menyeru-lah kapada pehak[2] yang pernah berjumpa Yang Berhormat Menteri kita ini supaya di-pinda Undang[2] ini. Saya menyeru lagi sa-kali mereka itu supaya membawa kain[2] dan pergi berjumpa dengan Menteri kita merayu supaya Turnover Tax ini di-buang langsong dan saya perchaya sa-bagai sa-orang yang sudah champion di-dalam membuat tax ini, taxation ini, Menteri kita boleh berfikir lebeh jauh dengan menghapuskan Turnover Tax ini dengan mengenakan direct tax saperti income tax dan lain[2].

Tuan Yang di-Pertua, dalam uchapan gulongan oleh Menteri Kewangan kita tadi, sa-olah[2]-nya Menteri Kewangan kita berkata tidak ada dalam dunia ini sa-buah negara pun yang boleh hidup dengan tidak ada tax, dan kita tidak boleh berharap kapada direct tax sa-mata[2]. Sebab itu-lah kita terpaksa kena ada indirect tax. Jadi kerana itu-lah mengadakan Turnover Tax ini. Tetapi, Tuan Yang di-Pertua, alasan ini tidak di-terangkan sebab[2]-nya. Negara[2] yang mengadakan Turnover Tax yang dengan sendiri-nya mengenakan indirect tax kapada ra'ayat jelata, dari segi social, negeri[2] itu lebeh progressive dari kita sa-hingga di-negeri[2] yang menjalankan Turnover Tax ini mereka itu ada membuat Undang[2] yang di-namakan "Social Security Act" yang kita di-sini ada Pejabat Social Welfare ia-itu bila kita senang kita tolong, bila kita tidak senang, tidak tolong. Tetapi negeri[2] yang mengenakan Turnover Tax ini ia-lah sa-bagai hendak membayar sagu hati kapada ra'ayat dan menggunakan Social Security Act. Ada Undang[2] itu menyuroh ra'ayat, tetapi negara kita tidak ada hal itu.

Jadi ini, Tuan Yang di-Pertua, ada-lah satu perkara yang saya tidak tahu sa-belum daripada saya datang ka-dalam Dewan ini. Entah-kah kerja[2] sa-macham ini banyak di-lakukan, saya tidak tahu. Saya baharu datang di-sini, tetapi daripada chara[2] lajak chakap-nya, maka kerja[2] yang sa-macham itu sudah lama di-jalankan oleh Menteri ini ka-atas ra'ayat jelata. Tuan Yang di-Pertua, apabila Menteri kita mengaku bahawa *per capita* income itu sa-bagai satu simple arithmetic, ia-itu dari segi menghitong masok sahaja kewangan G.N.P. tetapi bukan dari segi distribution kapada ra'ayat yang betul[2] hendak merasa, maka ini bererti Menteri kita itu sudah dengan sendiri-nya menchallenge statement-nya dan mengaku bahawa dengan sa-mata[2] bergantong kapada angka *per capita* income itu, tidak-lah dapat menjamin kema'moran kita. Jadi, dengan demikian, saya tidak hendak menchallenge Menteri Kewangan, tetapi saya minta beliau lagi sa-kali mengulang balek di-atas Turnover Tax ini, kalau pada kali ini Menteri itu sanggup menginsafi kemiskinin ra'ayat jelata dengan jalan meminda Undang[2] ini, saya rasa empat lima bulan lagi ia-itu sa-bagai satu selected period, saya kemukakan kapada-nya supaya dia tarek balek semua sa-kali tax ini. Terima kaseh.

Dr Lim Swee Aun: Mr Speaker, Sir, I want to clear a misunderstanding and

that is that there is no import duty on rice or salt. However, there is a protective duty on sugar.

Enche' Sim Boon Liang (Sarawak): Mr Speaker, Sir, I have read through this Amendment on the Turnover Tax Act, and I would like to say something about this Bill. Sir, I have seen from this Bill that the rate of tax of two per cent (the single stage tax) also applies to Sarawak. On the 24th November, during the debate on the Budget, I had proposed to the Honourable Minister of Finance to consider this rate for Sarawak, because the people in Sarawak nowadays are quite financially hard pressed as the majority of the people in Sarawak are farmers and labourers. So, if we apply the same rate of tax to Sarawak as that which we apply to the States of Malaya, then the price of goods in Sarawak will increase day by day and the poor people will suffer. Therefore, Sir, I would like to suggest to the Minister of Finance that this tax should not be applied to Sarawak at the same rate of two per cent—it should be less than two per cent. In this respect, if possible, I would like to urge the Minister of Finance to consider this and add another amendment to this Bill: namely, "less two per cent for Sarawak". Thank you, Sir.

Dato' Ling Beng Siew (Sarawak): Mr Speaker, Sir, further to what I have stated in the House yesterday, I have received a telegram from the Kuching Chinese Chamber of Commerce this morning and the telegram reads as follows:

"Turnover tax two per cent. Too high. Chambers and trade associations met this afternoon unanimously resolved to request Central Government for reduction to one per cent to be paid on every shipment together with the import duty at time of importation of goods into Sarawak instead of being levied on the sale of the imported goods."

Mr Speaker, Sir, in view of the hardships experienced by the businessmen and the poor people in Sarawak, they cannot afford to meet this heavy tax. May I call on the Honourable Minister to consider this tax carefully? As we requested yesterday, I would like the tax to be reduced to one per cent. In the meantime, I would suggest that this tax should be levied on the goods together with the import duty at the time of importation of goods into Sarawak—instead of being levied on the sale of the imported goods.

Enche' Tan Siew Sin: Mr Speaker, Sir, the Honourable Member for Batu says that this tax is inequitable, but he does not say what are the inequitable features of this tax. I agree that he has referred to rice but it should be pointed out that certain rice sales under the old tax would have attracted a turnover tax at a rate of half per cent. I should point out that home-produced rice will not bear any tax at all and, I think, it cannot be denied that this tax on imported rice will at least stimulate, or should at least stimulate, the production of home-grown rice. So, I think this tax will, in fact, do a lot of good to our home producers.

The Honourable Member for Bachok has referred again to the demerits of indirect taxation on the ground that such a tax will hit the lower income groups. In the reply, which I made while winding up the debate on the second reading of the Supply Bill, I dealt at some length on this point and showed that even in the more advanced countries of Western Europe, even in the Union of Soviet Socialist Republic, there is in fact an increasing reliance on indirect taxation as a means of financing the national expenditure. I, therefore, feel that there is no need for me to go further into this matter.

He also belabours the point that although our national income has grown, it has not benefited the *"have-nots"* of this country. In the speech which I made about half an hour ago, I did say that, although we cannot pin-point exactly which sectors of the lower income groups have benefited, it is unmistakably clear that many sectors have benefited from the examples which I gave in my speech. I, therefore, think it is not necessary for the Honourable Member for Bachok, I think, to distort what I actually said on this occasion. I think there is not the slightest doubt that many persons in the

lower income groups, particularly those in the rural areas, have benefited, and some very considerably, from the steady increase in our national income over the last few years.

I shall now deal with the two Honourable Members from Sarawak who have asked that this tax should either not be extended to Sarawak at all or that a reduced rate should apply to Sarawak. They, of course, have made a plea on the ground that this tax will hit the poor. If I may say so, I am rather sceptical of that plea. It is very significant that the plea has come not from the representatives of the rural areas but that plea has come from business representatives, and I am sorry to say that, in my view, they are more interested in their own pockets than in the welfare of the people in the rural areas or those in the lower income groups.

Dr Tan Chee Khoon: On a point of clarification—If the Minister has no regard for the sensibilities of the Chambers of Commerce who presumably are wealthy people, why does he not impose a bigger load on them on taxes such as Company tax and personal income tax and raise them by ten per cent. That will then make howl justifiably more.

Enche' Tan Siew Sin: I think the Honourable Member for Batu has got a very short memory. If he could recall the position as it was, say, thirteen months ago, he would have realised that the highest income tax rate in Sarawak was, until the last Budget, ten per cent. It is fifty per cent today. I think a jump from ten per cent to fifty per cent in one go is a fairly good jump. That probably is the reason why the businessmen of Sarawak are not terribly happy about. I can well appreciate that point.

Question put, and agreed to.

Bill accordingly read a second time.

Mr Speaker: The meeting is suspended until 4.00 p.m. today.

Sitting suspended at 12.00 noon.

Sitting resumed at 4 p.m.

(Mr Speaker *in the Chair*)

THE TURNOVER TAX (AMENDMENT) BILL

Committee

House immediately resolved itself into a Committee of the whole House.

Bill considered in Committee.

(Mr Speaker *in the Chair*)

Clauses 1 and 2 ordered to stand part of the Bill.

Schedule—

Enche' Tan Siew Sin: Mr Chairman, Sir, I beg to move an amendment to paragraph 1 (*g*) of the Schedule in the manner indicated in the amendment slip, which has already been circulated to Honourable Members. The amendment reads:

Substitute the word "property" for the word "goods" under the definition of "importer".

The reason for the amendment is given in the Explanatory Note at the bottom of the slip.

Amendment put, and agreed to.

Schedule, as amended, ordered to stand part of the Bill.

Bill reported with amendment: read the third time and passed.

THE INCOME TAX LAWS (MALAYSIA) (AMENDMENT) (No. 2) BILL

Second Reading

Enche' Tan Siew Sin: Mr Speaker, Sir, I beg to move that a Bill intituled "an Act to amend further the laws relating to income tax of Sabah, Sarawak and the States of Malaya" be read a second time.

The purpose of this Bill is to amend further Income Tax Ordinance, 1947, of the States of Malaya, the Income Tax Ordinance, 1956, of Sabah and the Inland Revenue Ordinance, 1960, of Sarawak, in order to implement the proposals announced in my Budget speech of 17th November relating to Income Tax.

The opportunity is also taken to make minor amendments to streamline the operation of existing legislation. In my Budget speech, I stated that the abatement of the rates of tax in respect of the first $50,000 of chargeable income derived in Sarawak and Sabah would be reduced from 40% to 30% with effect from 1st January, 1966, in respect of Sarawak, and with effect from 1st July, 1966, in respect of Sabah. In order to give effect to this proposal the respective income tax laws of Sabah and Sarawak have to be amended, and this has been done in paragraph 3 of the First Schedule to the Bill in respect of Sabah, and in paragraph 2 of the Second Schedule in respect of Sarawak.

I have also stated that in order to encourage investment in new planting in Sabah, the existing provision relating to capital depreciation in Sabah will be amended to bring it into line with the existing provision in the States of Malaya. In Sabah, capital expenditure incurred on new planting may be written off in 10 years, whereas in the States of Malaya such capital expenditure may be written off in two years. The ten years' depreciation period in Sabah will now be reduced to two years with effect from 1st January, 1965. Paragraph 1 of the First Schedule to the Bill effects this amendment.

The opportunity is also taken in this Bill to transfer the power of exempting any person or class of persons from income tax, from the Dewan Ra'ayat to the Minister of Finance. Such exemption will be made by the Minister of Finance by means of an Order which will have to be laid before the House. The latter will have the power to revoke the Order wholly, or in part, at the meeting of the House at which the Order is laid, or at its next meeting. The transfer of this power is considered reasonable as, *in most cases* these exemptions are purely routine in nature and considerable administrative delay is experienced at the moment in waiting for the House to convene before any exemption can be approved. I should emphasise that, if the House considers that any decision of the Minister should be revoked, it still has the power to do so when such Order is laid before it.

The other amendments incorporated in the Bill are minor and technical in nature and are designed to redefine Federal tax as excluding tax paid in Singapore after 1965 and to make clear the position of companies becoming resident, or ceasing to be resident, in the States of Malaya during the year.

Sir, I beg to move.

Tun Haji Abdul Razak: Sir, I beg to second the motion.

Enche' Abu Bakar bin Hamzah (Bachok): Tuan Yang di-Pertua, dengan izin tuan, saya hendak berchakap sadikit berkenaan dengan lanjutan pindaan kapada Undang[2] berkenaan dengan income tax di-Sabah dan Sarawak.

Tuan Yang di-Pertua, apabila Menteri kita menurunkan income tax, sama ada dengan alasan hendak harmonise atau pun dengan apa sa-kali pun, langkah menurunkan percentage income tax itu bererti menuju kapada menolong ra'ayat. Tetapi, Tuan Yang di-Pertua, saya tidak-lah bersetuju penoh, kalau sa-kira-nya sa-mata[2] kita hendak menurunkan atau pun hendak meminda Undang[2] Income Tax ini dengan sa-mata[2] hendak harmonise, kerana kedudokan negeri kita tidak sama—Sabah dan Sarawak dari segi perolehan-nya tidak sama. Kalau-lah kita katakan Sabah dan Sarawak itu sa-bagai negeri yang merdeka sa-belum dia attached ka-Malaysia ini, G.N.P. dia terlalu-lah rendah di-bandingkan dengan kita. Jadi, chara kita hendak harmonise itu erti-nya hendak menyamakan kedudokan orang yang ada dengan orang yang tidak ada, saya rasa alasan itu tidak bagitu kuat.

Yang kedua, Tuan Yang di-Pertua, saya sendiri tentu-lah tidak tahu alasan[2] yang sa-benar-nya mengapa Undang[2] ini di-pinda, dan masa yang di-beri itu pun sudah berlain daripada masa yang lalu. Tetapi satu perkara yang Menteri kita sendiri mencheritakan yang kuasa memberi perkechualian atau exemption sekarang ini, sudah di-serahkan kapada

Menteri Kewangan. Jadi nampak-nya, Menteri kita ini, daripada satu masa ka-satu masa, dapat kuasa sa-makin banyak dan kuasa ini kalau banyak sangat dia tidak-lah hendak menyalah gunakan kuasa itu. Tetapi kalau terlalu banyak sangat kuasa-nya, dia kadang[2] tersilap menjalankan kuasa itu, maka di-masa itu pula-lah dia hendak bawa Bill itu mari ka-sini, hendak minta di-revoke balek. Saya lebeh suka kalau sa-kira-nya kuasa itu tidak di-beri langsong kapada Menteri ini, tetapi, dalam Clause itu boleh kita pinda bahawa Menteri kita itu boleh menggunakan kuasa exemption itu—tetapi tidak di-beri sa-penoh-nya. Ini bukan berma'ana saya tidak perchaya kapada Menteri kita ini. Chara kita membuat Undang[2] itu lebeh selamat daripada kesilapan dan lebeh selamat daripada serangan yang di-beri oleh pehak Opposition ini. Saya kata bagitu walau pun saya sa-orang, tetapi attack itu tidak berhenti juga daripada Opposition ini. Jangan-lah bimbang, kata sadikit ini tidak ada attack—makin banyak lagi, Tuan Yang di-Pertua.

Lagi satu, ada kena-mengena dengan income tax ini—sempit-lah kalau saya hendak berchakap, sebab-nya Bill yang kita maksudkan ini hendak pinda di-Sabah dan Sarawak. Tetapi dari segi policy, saya rasa Menteri kita akan suka-lah juga mendengar satu perkara, ia-itu kalau kita tengok di-dalam Bill yang telah lalu ini, dan beberapa Bill lagi berkenaan dengan income tax yang kita kenakan ini, ia-itu income tax ini termasok-lah dalam direct tax, tetapi Tuan Yang di-Pertua, ada satu di-dalam masharakat kita ini yang di-namakan "Hindu Joint Family". Jadi income tax ini, apabila di-kenakan, katakan-lah saya sa-orang Hindu, kemudian perolehan saya itu patut di-kenakan income tax. Tetapi oleh kerana ada 'adat Hindu Joint Family ini, saya boleh memberi statement kapada Menteri kita, bahawa saya ada beberapa family yang di-keliling dengan saya ini. Jadi patut-lah saya ini di-kechualikan daripada tax itu. Kebetulan pula saya, sa-bagai kawan kapada Menteri kita ini, Menteri Kewangan, yang dia pula baharu dapat kuasa—baharu di-transfer sekarang ini, dia kata O.K.-lah Mr "A", you punya joint family ini, I boleh exempt—boleh ampun. Ini satu perkara. Kalau-lah tiap[2] race, tiap[2] kaum dalam negeri ini mengadakan—China, dia mengadakan Chinese Joint Family, dan saya pula Melayu, mengadakan Malay Joint Family, kemudian orang Jawa pula, Javanese Joint Family—jadi kalau tiap[2] satu suku dalam bangsa kita ini adopt joint family ini, di-mana-lah Menteri kita ini hendak mendapat duit income tax itu—kesemua orang melarikan dengan jalan itu.

Tuan Yang di-Pertua, boleh jadi-lah pehak Menteri kita atau pun pehak yang lain menjawab, bahawa Hindu Joint Family ini sudah menjadi 'adat yang lama. Ya! Tetapi itu bukan dalam Malaysia! Dalam Malaysia, 'adat[2] yang bukan menjadi ugama betul, yang menjadi 'adat sahaja, yang akan boleh memberi satu[2] gangguan kapada policy national kita, saya rasa 'adat yang sa-macham itu tidak patut kita hidupkan dalam negara Malaysia kita ini. Negara Malaysia kita ini tidak akan menjadi sa-buah negara yang sehat, yang betul[2] bersatu kalau masing[2] itu maseh menghidupkan 'adat[2] yang bukan sahaja di-dalam segi ugama dan 'adat-isti'adat biasa, tetapi juga terlibat di-dalam income tax dan bagitu, bagini. Malah saya lebeh jauh lagi daripada segi policy ini, Tuan Yang di-Pertua. Saya lebeh berani lagi, kalau sa-kira-nya Menteri kita ini berani mengemukakan dalam Dewan ini bahawa satu percentage—peratus—yang tertentu dalam income tax ini di-kenakan. Mengikut Islam, dua sa-tengah peratus di-kenakan sa-bagai satu Undang[2] bagi law negeri ini—tidak peduli Islam, tidak peduli bukan Islam. Dengan demikian, segala sekatan[2] sa-bagaimana Hindu Joint Family, Malay Joint Family, Chinese Joint Family, Javanese Joint Family, tidak ada lagi dalam masharakat kita. Dengan bagitu dapat-lah kita harmonisekan rate atau pun kadar income kita yang kita hendak kenakan itu. Jadi ini, saya rasa-lah, satu benda yang saya kemukakan pada Menteri ini, di-ketika dia membuat Undang[2] Income Tax atau pun memikirkan hendak meminda ini, ada-kah Menteri kita memikirkan juga berkenaan dengan hendak memperbaiki

kedudokan Hindu Joint Family, dari segi hendak mengenakan income tax.

Ada lagi Bill di-hadapan, Tuan Yang di-Pertua, yang saya hendak chakap— yang ini sa-takat itu sahaja, terima kaseh.

Enche' Tan Siew Sin: Mr Speaker, Sir, I should explain to the Honourable Member for Bachok that the residents of Sarawak and Sabah, at least those residents who have a chargeable income of less than $50,000.00, have not been harmonised with those of the States of Malaya in so far as the payment of income tax is concerned, because up till now they pay 40% less, and the purpose of this Bill is to reduce the abatement by 10% to 30%. But it will be seen that even with this reduction those living in the two Borneo States will still pay 30% less than those residents in the States of Malaya earning the same levels of income. In regard to those, who have a chargeable income of more than $50,000 they pay exactly the same rate. I, therefore, think that it is fair to say that the people in the Borneo States still have an edge over the people of the States of Malaya in so far as income tax is concerned.

He tells us that he feels rather uneasy about this transfer of exemption power from the Dewan Ra'ayat to the Minister of Finance. There is nothing very mysterious about this. These bodies, which are normally covered by this Clause, are statutory bodies, quasi-Government bodies, which normally are exempted almost as a matter of course and, as the Honourable Member himself may recall, these motions which come before Parliament are almost formal in nature. As I have pointed out, however, this change does not in anyway derogate from the powers of Parliament, because these Orders have to be submitted to Parliament and it will then be open to this House, the Lower House, the Dewan Ra'ayat, either to revoke it, or to amend it, or to deal with it in anyway it deems desirable. I, therefore, do not think that the Honourable Member need have any qualms on this aspect of the matter.

In regard to his uneasiness about the Hindu Joint Family, I really do not know how it originated, but I think the Honourable Member is aware that this is a very old institution, and I do not think that this system in anyway gives the Hindus an edge over the others. I think this is a matter of mechanics and the Hindus in this country pay as much tax as anybody else provided they earn the same amount. This is, I think, a very old established custom and, as I have said already, the preservation of this institution in our income tax legislation does not give the Hindus advantage over anybody else.

Question put, and agreed to.

Bill accordingly read a second time and committed to a Committee of the whole House.

House immediately resolved itself into a Committee on the Bill.

Bill considered in Committee.

(Mr Speaker *in the Chair*)

Clauses 1 and 2 ordered to stand part of the Bill.

First Schedule ordered to stand part of the Bill.

Second Schedule ordered to stand part of the Bill.

Third Schedule ordered to stand part of the Bill.

Bill reported without amendment: read the third time and passed.

THE EXCISE (AMENDMENT) BILL

Second Reading

Enche' Tan Siew Sin: Mr Speaker, Sir, I beg to move that a Bill entitled "an Act to amend the Excise Act, 1961" be read a second time.

Honourable Members will recall that in my Budget speech of 17th November I stated that in order to give more freedom of action to our own tobacco growers, who are now handicapped in that they can sell their produce to only licensed dealers, it was intended to

remove such a restriction, so that growers would secure the best price possible by selling to the highest bidder. I also mentioned at that time that when the appropriate legislation had been amended to this effect, the present licence fee of $240 per annum charged for a dealer's licence would be abolished.

The Bill before this House seeks to amend the Excise Act, 1961, accordingly, so that tobacco grown in the Federation will no longer be subject to the payment of excise duty. The manufacturer of tobacco will continue to be licensed as usual, and the Excise Act is amended to confer power on the Minister to impose excise duties on cigarettes manufactured in the Federation.

The amendments relate, in particular, to Part VI of the existing Excise Act, 1961, pertaining to the collection of excise duty on tobacco and dealings in tobacco grown in the Federation. Honourable Members will note from Clause 5 of the Bill that Part VI of the Excise Act, 1961, is to be removed *in toto*. The other amendments in the Bill are consequential to the decision not to restrict tobacco growers in the sale of their produce and the abolition of the excise hitherto imposed on home grown tobacco and uncured leaf tobacco.

Sir, I beg to move.

Tun Haji Abdul Razak: Sir, I beg to second the motion.

Enche' Abu Bakar bin Hamzah: Tuan Yang di-Pertua, saya bersetuju dengan langkah Kerajaan hendak memansokhkan chukai tembakau yang di-tanam di-dalam negeri ini, malah apa juga tanaman yang dapat kita tanam dalam negeri ini, yang boleh memberi faedah, jika di-fikirkan mustahak di-mansokhkan chukai, saya bersedia-lah menyokong pada bila[2] masa. Tetapi ada satu perkara, Tuan Yang di-Pertua, ia-itu pada dzahir-nya kita pandang ia-lah kita tidak mengambil chukai atas tembakau yang di-tanam dalam negeri ini dengan niat menolong *growers* itu, menolong penanam[2] itu. Tetapi Menteri kita tentu-lah sebok dengan hendak menjaga kewangan negeri ini, barangkali dia kurang dapat ma'lumat daripada Menteri Pertanian atau pun Menteri Perdagangan yang kebanyakan *tobacco factories* di-sini bukan anak negeri kita punya ia-itu modal di-luar, modal[2] dari luar datang. Jadi saya tidak tahu-lah kompani ini kebanyakan daripada taraf perintis-kah atau pun kompani yang penoh betul, tetapi kalau kita lihat tentu-lah kita dapati *factory*[2] tembakau ini terdiri daripada modal luar negeri. Ada orang[2] Melayu kita atau pun orang local citizen kita di-sini yang mengambil chergas dalam *factory*[2] tembakau, tetapi orang kita ini juga kita kasehan sebab dia sa-tinggi[2]-nya dapat jadi manager makan gaji sahaja, bukan dia punya juga. Jadi di-sini, Tuan Yang di-Pertua, kalau kita fikirkan tembakau kita *self-sufficient* dalam tembakau erti-nya kita boleh mengeluarkan sendiri tembakau untok negeri kita, patut-lah kita mengenakan juga chukai yang kalau sekira-nya *factory* itu bukan modal kita sendiri, kechuali-lah kita tanam di-sini dan *factory* kita pun di-sini di-masa itu boleh kita *free* kesemua-nya dan untok menjaga kedudokan tembakau kita dan *growers*, penanam-nya[2]—dan factory-nya, boleh-lah kita kenakan *protective tariff* pula kapada tembakau[2] yang hendak di-bawa masok ka-dalam negeri ini.

Tetapi kita, pada masa ini, maseh lagi belum boleh berbuat bagitu. Kalau bagitu, saya minta-lah perhatian Kerajaan dan Menteri kita, kerana Undang[2] ini pun walau kita pinda, dia maseh juga "subject to amendment"—erti-nya kita boleh pinda pada masa yang lain ia-itu kalau kita fikir dengan jalan ini, betul[2] boleh menolong "income" negeri kita dan anak negeri kita sendiri, boleh-lah kita lanjutkan pengampunan chukai ini, kalau tidak kita "re-impose" balek.

Lagi satu, Tuan Yang di-Pertua, tembakau ini, sunggoh pun tidak merupakan satu benda yang "necessity" dalam ekonomi, tetapi benda itu tentu-lah "relative" ia-itu pada sa-tengah[2] orang dia memikir tembakau ini sudah "necessity", lebeh daripada nasi lagi, bila dia tidak ada tembakau dia tidak

boleh meshuarat dan tidak boleh bekerja banyak. Majlis kita yang kosong ini ia-lah kerana ahli[2]-nya keluar menghisap rokok semua (*Ketawa*).

Jadi, Tuan Yang di-Pertua, kita tahu-lah bahawa satu[2] benda itu, walau pun asal-nya bukan "necessity", tetapi oleh kerana perbezaan social pada satu masa ka-satu masa, benda yang "luxury" bagitu pun sudah menjadi "necessity" sama-lah juga dengan lipstick, bedak. Pada kita benda ini "luxury", tetapi sa-tengah[2] puak dalam Malaysia kita, ini lebeh daripada "necessity" lagi. Jadi saya rasa kita tidak-lah dapat hendak mengikut chara berfikir masharakat kita, ia-itu benda luxury kita pandang-kan sa-bagai necessity, tambah[2] pula tembakau ini atau menghisap rokok ini membahayakan kapada kesihatan sa-suatu bangsa, sebab itu-lah Menteri kita sendiri pun tidak menghisap rokok; Banyak negeri[2] yang sudah membuat undang[2]—legislation—, ia-itu orang[2] yang memegang jawatan yang tinggi, Menteri[2], Panglima[2] Perang—orang itu tidak boleh minum arak dan tidak boleh minum rokok! (*Ketawa*). Orang[2] ini tidak boleh menghisap rokok, bukan tidak boleh minum rokok—tidak boleh menghisap rokok. Jadi erti-nya, dari segi kesihatan, Tuan Yang di-Pertua, ada juga faedah-nya kalau kita sekat sa-macham itu. Tetapi kalau kita sudah fikir bahawa benda ini terpaksa kita mengakuï sa-bagai "necessity" di-dalam "stage" ini, saya lebeh suka-lah Menteri kita ini menghalusi bahawa "factory[2]" yang ada betul[2] di-punyaï oleh kita dan di-masa itu kita jalan-kan—jikalau tidak, kita tanggohkan undang[2] ini walau pun kita luluskan pada hari ini, tetapi kita tengok kalau hak negeri kita itu kita ampunkan-lah. Yang bukan hak negeri kita, kita kena-kan banyak sadikit—untong-lah duit kita, ya! Itu sahaja, Tuan Yang di-Pertua, saya hendak chakap.

The Minister of Finance (Enche' Tan Siew Sin): Mr Speaker, Sir, I think the Honourable Member for Bachok is perhaps not aware that although there are 175 factories manufacturing tobacco and cigarettes in this country, only two are foreign owned. But even in the case of these two factories, shares have been sold to Malaysian citizens.

In regard to the other point that we should encourage the growing of tobacco for manufacture into cigarettes, I believe, although it does not come within my portfolio, that some of the larger firms are making attempts to grow tobacco in this country. I believe Kelantan is one place where experiments have taken place. I am not a tobacco expert, but I believe it is not so easy to grow tobacco, because you require certain types of soil, and I think the dry season must be marked because otherwise I think the leaf does not mature properly. In any case, I have no doubt that the larger firms in this country will be only too glad, if they can, to grow their own tobacco. It is obviously good economics and I do not see why they should not try their best to do so, if the conditions are right and if the necessary encouragement is forthcoming from the Kelantan State Government, for example. So, I hope the Honourable Member will do everything he can to help in this objective, which I thing both of us see eye to eye.

Question put and agreed to.

Bill accordingly read a second time and committed to a Committee of the whole House.

House immediately resolved itself into a Committee on the Bill.

Bill considered in Committee.

(Mr Speaker *in the Chair*)

Clauses 1 to 8 inclusive ordered to stand part of the Bill.

Bill reported without amendment: read the third time and passed.

THE MINISTERS, ASSISTANT MINISTERS AND PARLIAMENTARY SECRETARIES (REMUNERATIONS) (AMENDMENT) BILL

Committee Stage

House immediately resolved itself into a Committee on the Bill.

Bill considered in Committee.

(Mr Speaker *in the Chair*)

Clauses 1 and 2—

Dr Tan Chee Khoon: Mr Chairman, Sir, I would like to speak on Clauses 1 and 2 and I hope you will allow me a little more latitude than is usual, and the Government will bear with me. Now, Mr Chairman, Sir, last year when we considered the *ex-gratia* payment of $40,000 to the late Dato' Suleiman, I produced various documents on various practices elsewhere and I said that the Government should think in terms of providing a scheme—I would not call it a pension scheme because pension does not go well with politics, as it is a very hazardous occupation, full of occupational hazards (*Laughter*) and one does not associate the word with it; if you have a scheme and if the scheme includes not just the Prime Minister, as in Clause 1 of the Schedule but also the Ministers and also Members of Parliament, it will be more in accord with the spirit of what is in Clause 1.

Mr Chairman, Sir, we all recognise that the Prime Minister is *primus inter pares* (*Laughter*), but I am sure he will not want to be *primus inter pares* in this and claims this for himself, to the exclusion of all the other Ministers of the Crown, they do not get anything—and all the other Members of Parliament, who have served, and some have served in the old Federal Legislative Council—some have served since 1959—and some tender-foots like me.

Mr Chairman, Sir, I think the Government, with due respect, has not thought deeply on this matter and this *ad hoc* arrangement of providing only for the Prime Minister—we were told the other night that he himself did not want it—is wrong. The Government should think more deeply on this and try to work out a scheme whereby not only the Prime Minister but also the Ministers, Assistant Ministers, Parliamentary Secretaries and Members of Parliament can, for the years that they have put in, in the service of the nation, will have something to look forward to in the evening of their day. After all, you know, an ordinary worker in this country is covered by the E.P.F.—he is covered by 5 per cent, either way—and parliamentarians are not covered. Consequently, Mr Chairman, Sir, I hope that the Government will think of a scheme based on the length of service that they have put in in this House, whether as a Prime Minister, whether as a Minister, whether as an Assistant Minister, or whether as a lowly Member of Parliament. Then, I think it will be in accord with this First Schedule that is written down here.

Mr Chairman, Sir, I find a few extraordinary principles that are being enunciated here in the First Schedule. In the first place, Mr Chairman, Sir, may I comment that of late we have been told by the Prime Minister that there have been extremists wanting to kick him out—"topple him" the exact words he used. I do not know whether this is just a kiss of death, the kiss of Judas. One may conveniently put him away and pension him off, I do not know, Mr Chairman, Sir (*Laughter*). I do not know whether they have been cruel to be kind to him by providing this pension of $2,000 for him. (*Interruption*) Well, I do not know, Mr Chairman, Sir, we haven't come into power yet. I can understand the first one, which says that "any person who has served as Prime Minister shall be entitled to a pension 'for' (*a*) of not less than five years—$2,000 per month". That, I can understand. What I can't understand is (*b*) and (*c*) which says that of more than three years but less than five years, he gets $1,500 and of less than three years, he gets $1,000. What is extraordinary, apart from this, is that these benefits will come into force from the date of signature by the Yang di-Pertuan Agong and service put in before or after the passing of this Bill counts towards these benefits.

Now, Mr Chairman, Sir, I shall take (*b*) and (*c*) first. For three to five years a Prime Minister is entitled to $1,500. Now, I cannot think of anybody else but the Honourable the Prime Minister now. It says here "of less than three years"—I do not know whether this House realises that the Deputy Prime Minister stands to benefit by $1,000—I do not know whether he himself realises it. (*Laughter*) Now, Mr Chairman, Sir, this can lead to a game

of musical chairs. (*Laughter*) You will be Prime Minister for three months, I am Prime Minister for three months, and so it goes on and everybody gets $1,000 for the rest of his life. I am sure that it is not the intention of the Government to provide this game of musical chairs for the highest office in the land. Consequently, I would like Government to think of safeguards regarding this sub-clause (*c*), because, as I have stated, the Honourable the Deputy Prime Minister, if this Bill is passed, stands to gain $1,000 for the rest of his life, if he decides to retire to Pekan for a more salubrious and less hectic life down there—I do not know.

Another thing, Mr Chairman, Sir, this principle "from the date that this Act is passed, service before and service after" establishes a very important principle. I do not know whether the Government knows this. It is an accepted principle in Government negotiations with its staff that when an agreement is reached, usually the Government says, "the date of implementation is the first day of the following month". This is what the Government has always insisted on, unless there are exceptional cases—and these cases are bitterly fought, concessions are bitterly fought for. Here in this House, willynilly, we pass it through like this and say service before counts any number of years and service before, even if it is six months in 1959, that counts. So it is $1,000 for one person.

Mr Chairman, Sir, in all humility, I wish the Government to think of these two things, service before the services of less than three years, because, if this House passes this Bill, I am quite certain that the people in CUEPACS and the like—they are not dumbbells, Sir—they will say, "Oh, very well, you go and pass a thing just like that and say that whatever service before the passing of this Act counts. You all benefit. But we have got to fight very hard to get a little concession from you and the date of implementation is only the first day of the following month". Now, I do hope, Mr Chairman, Sir, that the Government will think of these two things: (1) "less than three years" will give rise to a game of musical chairs; and (2) "service before" will give rise to Government servants—and I see a whole heap of them behind there and they are not dumbbells and they know what this means to them—asking for the same principle to be applied to them.

Finally, I hope the Government will provide a more comprehensive scheme for all of us in this House and not just the Prime Minister.

Enche' Abu Bakar bin Hamzah: Tuan Pengerusi, saya hendak berchakap sadikit sahaja ia-itu saya menyokong-lah apa yang di-katakan oleh Ahli Yang Berhormat daripada Batu, ia-itu patut-lah, sa-lain daripada Menteri[2] Muda itu, Member[2] of Parliament pun di-fikirkan juga dalam perkara ini. Kerana, Tuan Pengerusi, kalau di-beri pun, pehak kami di-sini juga tidak banyak yang hendak dapat, kalau yang hendak dapat-nya pun orang di-sana juga yang banyak. Chuma satu sahaja yang saya nampak pada hari ini di-sini, ia-itu saya menguchapkan tahniah banyak[2]-lah kapada Ahli Yang Berhormat daripada Batu ini kerana dia chukup cherdek, tidak kurang daripada Parti Perikatan juga tentang hendak pusingkan law (*Ketawa*). Jadi, erti-nya dengan ada-nya Ahli Yang Berhormat daripada Batu, apa yang hendak di-tipu oleh Perikatan itu dia sedar. Jadi, kedua[2] ini orang pandai menipu dan kami dapat-lah faedah[2] daripada-nya (*Ketawa*).

Dr Tan Chee Khoon: Mr Chairman, Sir, if I may speak a little bit more: this is the *Straits Times* of today and it is written there in bold letters:

> *"A protest by 108 Malaysian students in Singapore".*

It says that, "Malaysian students studying in the University of Singapore today said they noted with 'grave concern' the Malaysian Government's 'attempt to squander public money'.

In a circular, signed by 108 of the 200 Malaysian under-graduates in the University, they criticised the Malaysian Government for"—They criticised about the Abdul Rahman Talib expenditure, that is passed—they say—

> "ATTEMPTING to vote 'vast sums of money in the form of compensation for

Ministers, Assistant Ministers, Parliamentary Secretaries, and Members of Parliament in case of death, disablement, or partial and temporary disability, and handsome pensions for Ministers when they retire, or are turned out of office."

"They call on the Government to: SHOW more restraint, respect, and responsibility when appropriating public funds; WITHDRAW the proposal for awarding monetary benefits to Ministers and others.

The students also endorsed the stand taken by the University of Malaya Students Union in opposing the payment to Enche' Rahman Talib".

Dr Lim Swee Aun: Mr Chairman, Sir, I think there is an error in the statement of facts: we are not asking for pension for all Ministers.

Dr Tan Chee Khoon: Mr Chairman, Sir, I did mention just now that the Ministers are unfortunately left out of this Bill. (*Laughter*).

Enche' Tan Siew Sin: Mr Chairman, Sir, if the Honourable Member from Bachok does not mind, I shall deal with his last point first. (*Laughter*).

I might add that this disability benefit scheme is, in fact, based on the Singapore Government system. In fact, I myself was not aware, until a year or two ago, that this system had been in existence in Singapore for quite some time. But in accordance with the usual genius for being silent about the things they wish to keep silent about, I think very few people know about this scheme. Probably, the Honourable Member may be interested if I read out the scheme—this is the Singapore Government scheme:

"*Covers:* It extends to Ministers as well as civil servants.

Benefits: Death—adults $200,000: children $10,000.

(*b*) Loss of two or more limbs by actual separation at or above the wrist, or ankle, or the total and irrevocable loss of all sight or both eyes, or the loss of one or more limbs as above defines, accompanied by the loss of sight of one or both eyes as above defined, occurring within 12 calendar months of bodily injury afore-mentioned—In this case it is $400,000 for adults, children $20,000.

(*c*) Loss of one limb, or sight of one eye as above-defined—adults $200,000: children $10,000.

(*d*) Any injury not specified above which permanently and totally prevents the insured from engaging in, or giving attention to any profession or occupation—$400,000 for adults; children $20,000.

(*e*) (i) Temporary total disablement from engaging in, or giving attention to normal profession or occupation, normal weekly earnings not exceeding $2,000 per week.—As there are 52 weeks in one year, it means $100,000 a year: children—Nil.

(ii) Temporary partial disablement from engaging in or giving attention to normal profession or occupation, two fifths of normal weekly earnings not exceeding $800 per week for adults: children—Nil."

In fact, in regard to temporary total disablement, the benefits we propose are only one quarter of that provided for by the Singapore Government. And I, therefore, suggest that those Singapore residents who wrote to the *Straits Times*, should address a much stronger letter to the Government of Singapore. (*Laughter*).

Dr Tan Chee Khoon: Mr Chairman, Sir, on a point of clarification—these are not Singapore residents; these are Malaysian students studying in Singapore.

Mr Chairman, Sir, if I may take up a little more time of this House: I think it was some time this year that I wrote two questions for written answers by the Government. Mr Chairman, Sir, this Bill says that being Ministers and Parliamentary Secretaries has now become a hazardous occupation because of the hazards of travelling in orbit all the time. Mr Chairman, Sir, some time this year, I asked, "What about senior Government servants sitting behind the Ministers—I said that they too, in the course of their duties, rather in order to help this country to get money, for example, they have flown to Bonn, they have flown to Bangkok, they have flown to New York—What about taking out insurance for them, when they go out on such official duties?" Mr Chairman, Sir, the answer was a flat "No" from the Government. I do not know whether the Government officials who are sitting behind the Ministers know that. It was a flat "No". Now I also asked, Mr Chairman, Sir, "If non-Government

servants go on official business, would they be covered by insurance?" The answer was a flat "No" also—now in the latter case I pointed out that in the case of Government servants, in case a stray ship were to go into the depths of the sea, they presumably got pensions and the like, but for non-Government servants, if they go on official business, they get nothing. So, they have to take out insurance on their own behalf. Now, if this Government is so generous with all these categories of people, what about the senior Government servants, what about non-Government servants, who go on official business on behalf of the Government?

Enche' Tan Siew Sin: Mr Chairman, Sir, it is rather unfortunate that the Honourable Member, who is normally very thorough, I think, seems to have caught hold of the wrong end of the stick. Again, if I may answer his last point first: both Government servants and civilians, that is unofficials, who suffer death or injury as a result of being engaged in official duties, will be compensated for in the Bill, which will follow this Bill and which will be introduced by my Honourable Friend, the Deputy Prime Minister.

Dr Tan Chee Khoon: I can't see the Bill here.

Enche' Tan Siew Sin: It is in the Order Paper. It has been lying there for weeks (*Laughter*). Got it?

Dr Tan Chee Khon: It says only of Ministers and Parliamentary Secretaries.

Enche' Tan Siew Sin: Mr Chairman, Sir, I can assure the Honourable Member that it includes not only civil servants but members of public, who suffer death or injury as a result of Government work. I should know that, because the Bill originated in the Treasury. I do not also remember any occasion, as alleged by the Honourable Member, when the Government refused to compensate the families of civil servants, who died in the course of Government duty. In fact if I may say so, this compensation scheme for civil servants was put forward on the initiative of the Treasury, and I cannot remember any occasion when we said "No" to a request from the body of civil servants or from any association of civil servants.

Dr Tan Chee Khoon: I wish to quote an incident, Mr Chairman, Sir. Years ago in Seremban there was a doctor by the name of Roy, I think. He was asked to go on a mercy mission and he travelled in a helicopter. When he alighted from the helicopter, unfortunately he got caught in the propellors and he was killed immediately. There was a long tangle with the Government and it was after that, I think that the Government thought of a small scheme. But what is in dispute is the quantum of compensation. I do know that Government servants, if they die in the course of their duty, get one year's salary, if I am not mistaken. That is small comfort to any senior Government servant who, perhaps, may command thousands in industry.

Enche' Tan Siew Sin: If I may deal with the other point by the Honourable Member for Batu, and that is this scheme does mean a squandering of public funds: I would like to point out to the Honourable Member that although the amount would seem very large, there will in fact be no expenditure as such, as these amounts will only be paid in case of accident. For the interest of Honourable Members, let us assume that this scheme had been in existence from 1948, for the last 17 years. As far as I can remember—and I have been in this House for the last 17 years—if we had this scheme for the last 17 years, the Government would have had to pay only one in the case of Ministers, or *quasi* Ministers, and probably twice in the case of Members of Parliament. It will, therefore be seen that this scheme is going to cost far less than it appears on paper. I should also make it clear that there is no intention on the part of the Government to take out any insurance policies, because, as Honourable Members are aware, the Government carries its own insurance, and time has proved that it is far cheaper to operate in this way.

I would like, however, to express the appreciation, I think, not only of the Honourable Members on this side of

the House but also on the other side of the House for the Honourable Member for Batu's suggestion that the Government should consider some sort of scheme—I do not know what he called it: old age or pension scheme, he does not like the word pension—not only for the Prime Minister but for Ministers, Assistant Ministers, Parliamentary Secretaries and ordinary Members of Parliament. The reason why we have not put forward a scheme is because we are aware that the country is facing financial difficulties, but if it is the wish of the Honourable Member that we should consider this scheme we shall certainly do so. I think there is a lot of merit to be said for this suggestion, because I think we should aim to do things in such a way that not only the rich but also those of lesser means can take part in politics. As the Honourable Member so rightly pointed out, politics is a very hazardous game; you never know when you are out on your ears and I think it is good to know that if you are out, you will at least get some recognition for the work you have given in the service of the country: I think we can certainly accept the principle of this suggestion.

The Honourable Member for Batu also takes us to task for the differential rates. I think there is a reason for this differential rate. One of them, I can assure the Honourable Member, is not to enable the Government to play what he calls, musical chairs. I think the Honourable Member is aware that this Party has been in power for the last ten years, and during this time he has seen for himself that we have not indulged in this game of musical chairs, and I am sure the passage of this Bill will not change our attitude in this respect. After all, we are far too responsible a Party to indulge in this sort of thing, and this Bill is certainly not sufficient incentive, although he may think otherwise. There is, of course, a reason why we have divided it into three parts. I agree this is rather arbitrary, but we have to have some sort of division, so that an ex-Prime Minister who has served longer gets more than one who has served rather less. But the principle behind the scheme is that anyone, who has risen to the highest political office in the land should not have to worry about a job on his retirement and, as I have pointed out, this is not novel, because it is done for ex-British Prime Ministers and ex-Presidents of the United States. He made the point that . . . . . .

Dr Tan Chee Khoon: To be a Prime Minister even for one month would qualify?

Enche' Tan Siew Sin: Yes, I think once you have reached the highest office in the land, I do not think it matters whether you have been Prime Minister for one month or eleven months. I think the amount is practically the same. But not many people in this country are likely to be Prime Minister even for three days (*Laughter*).

The Honourable Member made the other point about the effective date of this scheme. I do not think his remarks are relevant. It is true that the Government insists under normal circumstances that salary increases should only take effect in the month following the date of acceptance. But this is not a salary increase; this is a pension scheme and as far as pension schemes are concerned we have to go back. Otherwise it does not make any sense at all. I think the Honourable Member cannot be serious about this criticism, because he must be aware there is quite a difference between a pension scheme and salary increases.

Dr Tan Chee Khoon: Sir, all that I wish to say is that when it suits the Government, it will coat the bitter pill with sugar and make it more palatable to the humble Government civil servants sitting behind them (*Laughter*).

Enche' Tan Siew Sin: I think, Mr Chairman, Sir, the Honourable Member must realise that in the last two years—the exact figure escapes my memory—we must have given something of the order of $50 to $60 million per annum in pay increases alone to various sectors of the public services. I do not think we are as hard hearted as he makes us out to be.

Question put, and agreed to.

Clauses 1 and 2 ordered to stand part of the Bill.

First Schedule—

Enche' Tan Siew Sin: I would like to move the following amendments which have been specified in the Amendment Slip which has already been circulated to Honourable Members:

(1) Insert the following as paragraph 2 of the First Schedule:

"2. There shall be substituted for item 4 of the Schedule thereto the following item—

'4. MEDICAL FACILITIES:

A Minister shall be exempted from the payment of hospital ward charges and shall be entitled to the same medical facilities as for Division I officers of the general public service of the Federation.

Where by reason of an emergency a Minister if forced to obtain treatment (other than dental treatment) at a hospital not being a Government hospital, there shall be re-imbursed to the Minister any sum paid by him to the said hospital in respect of the treatment.

In this paragraph, the expression 'Minister' includes the spouse and children, if any, of such Minister.' ".

(2) Renumber existing paragraph 2 of the First Schedule as paragraph 3.

As I stated in my speech when moving the Second Reading of this Bill, this concerns medical facilities which in any case are already enjoyed by Ministers, Assistant Ministers and Parliamentary Secretaries. The object of these amendments is to regularise the existing position.

Question put, and agreed to.

First Schedule, as amended, ordered to stand part of the Bill.

Second Schedule—

Enche' Tan Siew Sin: Mr Chairman, Sir, I beg to move the following amendment indicated in the Amendment Slip which has already been circulated to Honourable Members. The purpose of this amendment is similar to that of the other two amendments specified in the same Amendment Slip.

Insert the following as paragraph 1 of the Second Schedule—

"There shall be substituted for item 2 of the Schedule thereto the following item—

'2. MEDICAL FACILITIES:

An Assistant Minister shall be exempted from the payment of hospital ward charges and shall be entitled to the same medical facilities as for Division I officers of the general public service of the Federation.

Where by reason of an emergency an Assistant Minister is forced to obtain treatment (other than dental treatment) at a hospital not being a Government hospital, there shall be re-imbursed to the Assistant Minister any sum paid by him to the said hospital in respect of the treatment.

In this paragraph, the expression 'Assistant Minister' includes the spouse and children, if any, of such Assistant Minister.' ".

Number the existing paragraph 1 of the Second Schedule as paragraph 2.

Question put, and agreed to.

Second Schedule, as amended, ordered to stand part of the Bill.

Third Schedule ordered to stand part of the Bill.

Bill reported with amendments: read the third time and passed.

MOTION

THE PARLIAMENT (MEMBERS' REMUNERATION) ACT, 1960

(Amendment to Schedule)

The Deputy Prime Minister (Tun Haji Abdul Razak): Tuan Yang di-Pertua, saya mohon menchadangkan satu usul meminda jadual kapada Parliament (Members Remuneration) Act, tahun 1960, sa-bagaimana yang tertulis di-atas nama saya dalam urusan meshuarat pada hari ini: Usul ini ia-lah mengenai chadangan hendak mengada-kan insuran[2] kemalangan peribadi pada Ahli[2] Parlimen. Tuan Yang di-Pertua, insuran bagi Ahli[2] Parlimen ini ada-lah sa-rupa juga dengan insuran bagi Menteri[2], Menteri[2] Muda dan Setia-usaha[2] Parlimen yang telah di-kemukakan dalam Dewan ini oleh Yang Berhormat Menteri Kewangan yang telah pun di-luluskan oleh Dewan ini

baharu[2] ini. Hanya jumlah bayarannya sahaja yang berbeza. Oleh yang demikian saya tidak-lah berchadang hendak berchakap panjang dalam hal ini. Sebab[2]-nya di-adakan insuran ini telah pun di-terangkan oleh Menteri Kewangan saperti Menteri[2], Menteri[2] Muda dan juga Setia-usaha[2] Parlimen, Ahli[2] Parlimen juga terpaksa melawat ka-merata[2] tempat untok menjalankan tugas dan kewajipan mereka itu sa-bagai Ahli[2] Parlimen. Ada pula masa-nya mereka itu di-kehendaki bertugas di-luar negeri. Oleh yang demikian di-fikirkan sangat-lah munasabah di-adakan insuran kemalangan bagi Ahli[2] Parlimen.

Yang demikian, Tuan Yang di-Pertua, saya mohon menchadangkan usul ini yang berbunyi:

That this House, pursuant to the provisions of section 4 of the Parliament (Member's Remuneration) Act, 1960, resolves that the following amendments be made to the Schedule to that Act—Insert the following new items immediately after item 10 of the Schedule—

"11. *Death benefits applicable to members (other than Ministers, Assistant Ministers and Parliamentary Secretaries):*

Where death is caused by an injury sustained in an accident, there shall be paid to his dependants or, if there are no dependants, to his legal personal representatives, the sum of sixty thousand (60,000) dollars;

Provided that where his dependants or his legal personal representatives are entitled to receive benefits similar to those provided in this item under any scheme operated by the Government of any State or under any State law, such dependants or legal personal representatives shall be entitled at their option to receive one benefit only.

12. *Permanent disablement benefits applicable to members (other than Ministers, Assistant Ministers and Parliamentary Secretaries):*

Where permanent disablement is caused by an injury sustained in an accident and such disablement occurs within twelve calendar months of the said accident, there shall be paid to him one of the following sums—

1. Where the injury results in the loss of two or more limbs by actual separation at or above the wrist or ankle or the total and irrecoverable loss of all sight of both eyes or the loss of one limb accompanied by the loss of sight of one eye, the sum of one hundred and twenty thousand (120,000) dollars;

2. Where the injury results in the loss of one limb by actual separation at or above the wrist or ankle or the the total and irrecoverable loss of the sight of one eye, the sum of sixty thousand (60,000) dollars;

3. Where injury results in permanent disablements other than any of those specified in (1) and (2) above:

(*a*) in the case of a disablement which totally prevents him from engaging in or giving attention to any profession or occupation, the sum of one hundred and twenty thousand (120,000) dollars; or

(*b*) in the case of a disablement which partially prevents him from engaging in or giving attention to any profession or occupation, such sum as may be arrived at by multiplying the said sum of one hundred and twenty thousand (120,000) dollars with the percentage of the degree of disablement which is to be determined by a Medical Board to be appointed for the purpose by the Government:

Provided that where a member is entitled to receive benefits similar to those provided in this item under any scheme operated by the Government of any State or under any State law, such member shall be entitled at this option to receive one benefit only.

13. *Temporary disablement benefits applicable to members (other than Ministers, Assistant Ministers and Parliamentary Secretaries):*

1. Where an injury sustained in an accident has caused temporary disablement preventing him from engaging in, or giving attention to, his normal profession or occupation, subject to paragraph (2) there shall be paid a temporary disablement benefit calculated in the manner following—

(*a*) in the case of total disablement, a sum equal to the amount which, but for the said total disablement, he would have earned provided that such sum shall not exceed the rate of five hundred (500) dollars per week; or

(*b*) in the case of partial disablement, a sum equal to two-fifths of the amount which, but for the said partial disablement, he would have earned provided that such sum shall not exceed the rate of two hundred (200) dollars per week.

2. The said temporary disablement benefit shall not become payable unless and until the sum mentioned in paragraph (1) has been ascertained and agreed upon; and shall not be paid for a period longer than one hundred and

four (104) weeks commencing from the date of the accident in which the injury causing the said temporary disablement was sustained:

Provided that where a member is entitled to receive benefits similar to those provided in this item under any scheme operated by the Government of any State or under any State law, such member shall be entitled at his option to receive one benefit only."

Enche' Tan Siew Sin: Sir, I beg to second the motion.

Dr Tan Chee Khoon: Mr Speaker, Sir, I notice that in this motion that has been introduced by the Honourable Deputy Prime Minister, where before there were no, I would not say safeguards, but there were no benefits at all, now the Government has jumped to the other end by providing so many benefits. Now, the grouse that my Party has with this is that there is no safeguard in this: it says that if you are disabled or suffer permanent disablement, and the like, you get this and that. Now, Mr Speaker, Sir, it is wellknown that at least one Member of this House is a very reckless driver (*Laughter*)—he became a cropper and landed himself in a certain hospital. It had nothing to do with the business of this House. Now, if this motion were passed, he would get $500 a week; and if he had not disregarded the advice of his doctor and had remained in the hospital—in this case his doctor would probably have asked him to remain in hospital for a good part of the year—he would get $2,000 plus a month and, consequently he would get about nearly $25,000 a year. I do not know whether this House realises that there are so many of us who come under this one—for temporary disablement, one gets $500 a week. Now, as I said, from zero you swing to the other extreme. Now, let me take an example. Nowhere are there any qualifications as to how these benefits can be given. Presumably if I have a mistress and I go on a drive in the evening with her and I put my arm around her and use one hand to drive and I knock against a tree, can I qualify under this? (*Laughter*).

Dr Lim Swee Aun: Mr Speaker, Sir, as a good Christian, he should have a mistress! (*Laughter*).

Dr Tan Chee Khoon: Mr Speaker, Sir, I did not say I have a mistress. (*Laughter*) I said "If I were to have a mistress". I must tell the Honourable Minister of Commerce and Industry that it is against my religion to have a mistress. As I said, if I were a person who has a mistress and I go on a spree and I use one hand to drive and another hand I put around my companion, I knock against a tree, I qualify under this? Surely, it is not the intention of the Government to provide for contingencies of this nature, nor is it the intention of the Government to provide for people who get big cars and go driving at about 150 miles an hour around the country-side and knocking into somebody. So, consequently, I would ask the Government to have second thoughts on this however difficult you may find in interpreting "while on official business", I think that safeguard should be written in—however difficult you may find in practice to implement it. At least there is one safeguard. Suppose it happens to me and I am honest now about it, I will say "I do not qualify under this", and I will not want to burden myself on the taxpayer, and there are lots of honest people in this House, Mr Speaker, Sir. (*Laughter*) If this is passed *in toto*, then I will claim; my conscience will be clear. But if there is a clause saying "while a person is on official duty", then I will honestly say that if I do not qualify I will not claim. Now, I will commend this to the Government: let it not be said of the Government that anything that emanates from this side of the House will be rejected by them because it comes from this side of the House. I say there is a merit in this suggestion or proposal of mine and I say we must not inflict ourselves on the taxpayers. That is why the Malaysian students in Singapore said, "Do not squander public funds".

Dato' Mohamed Asri bin Haji Muda (Pasir Puteh): Tuan Yang di-Pertua, saya bukan-lah hendak berchakap banyak dalam perkara ini. Walau macham mana sa-kali pun, chadangan ini akan di-luluskan-lah, sebab nampaknya wakil dari Batu pun menyokong

juga, chuma ada beberapa pandangan yang dia berikan. Mengikut pandangan saya, pandangan-nya itu ada juga menasabah-nya yang patut mendapat perhatian.

Saya hendak berchakap, Tuan Yang di-Pertua, berkenaan dengan tarikh berjalan-nya kuat-kuasa pindaan ini, sebab patut-lah saya beritahu bahawa saya tidak sebutkan perkara Ahli dari Ipoh yang telah berlaku accident itu, tetapi sa-orang ahli daripada pehak parti saya yang telah berlaku satu kemalangan jalan raya sa-lepas daripada pilehan raya tahun 1964 ia-itu-lah Ahli dari Bachok, Enche' Zulkiflee Muhammad. Jadi, dalam soal menentukan tarikh perlaksanaan, atau berjalannya pindaan undang[2] ini, elok-lah dibuat, mengikut pada pandangan saya, di-kebelakangkan supaya keluarga Yang Berhormat, anak[2] Yang Berhormat yang telah meninggal (Enche' Zulkiflee) itu, mendapat habuan, atau pun mendapat perlindongan daripada faedah ini, lebeh[2] lagi satu masa dahulu pernah Dewan ini menguchapkan ta'ziah atas kematian Enche' Zulkiflee Muhammad itu dan pehak Yang Teramat Mulia Tunku Perdana Menteri sendiri telah memberi satu uchapan yang panjang lebar dengan menyatakan bahawa beliau sa-bagai sa-orang daripada pahlawan demokrasi dalam negeri ini dan telah meninggal dunia dalam satu kemalangan sa-sudah beliau itu berjaya mendapat kemenangan dalam pilehan raya di-Bachok, bahkan pehak Perdana Menteri sendiri pun telah memberi pengakuan bahawa Kerajaan akan memberi pertolongan untok hadiah pelajaran, atau sa-bagainya kapada dua orang anak-nya yang tinggal sekarang ini.

Jadi, kalau sa-kira-nya undang[2] ini di-undorkan perlaksanaan-nya ka-belakang, kata-lah pada hari pilehan raya pada bulan April tahun 1964 itu perlaksanaan ini berjalan, saya perchaya bahawa kedua[2] anak-nya itu akan dapat menerima faedah daripada pindaan undang[2] ini.

Dato' Nik Ahmad Kamil (Kota Bharu Hilir): Mr Speaker, Sir, I think the Honourable Member for Batu has raised a very important issue of principle. I entirely agree that Members of Parliament should not impose themselves on the generosity of the country and use taxpayers' money. But I believe it is a bit difficult to define between whether a person or a Member of Parliament is travelling on official duty, or on non-official duty. I should like to feel, Sir, that once a person is elected to be a Member of Parliament, he is a Member of Parliament for twenty-four hours of the day and wherever he travels he travels as a Member of Parliament. Now, how can we assess whether he is travelling from point "A" to point "B" on official duty? Who is going to issue a certificate that Mr "A", a Member of Parliament, is travelling on official duty? Take, for example, Sir, wayback in the kampong, in Kelantan, somebody comes into the kampong and says, "Please come along, somebody is very ill in the kampong. Please come in your car and take him to the hospital". That Member of Parliament at three o'clock in the night travels to the kampong and unfortunately he gets knocked down by a lorry and he gets killed or disabled. Now, he could not at three o'clock in the morning go to somebody and have a certificate to say, "I am travelling on official duty. May I have a certificate to go to that particular kampong to pick up a member of my constituency who is very ill, to go to hospital?" So, as I said, it is a very important issue of principle. As I said, Sir, a Member of Parliament once elected is always a Member of Parliament for twenty-four hours of the day. When he goes to a cinema, for example, he cannot rightly claim that he has gone there on duty, but he may, after the cinema, probably have to go and visit a member of his constituency. So if in the course of his travel between his home to go to the home of a member of his constituency, he happens to go and spend a couple of hours in the cinema or intends to spend a couple of hours in the cinema, but he gets knocked down on the way before he gets to the cinema, then, I submit, Sir, that he could be regarded as having started from his home to travel on his parliamentary duty to call on a member of his constituency. So,

owing to the difficulty of defining or drawing a limit between official duty and non-official travel, I would suggest that the motion be not amended and be left as drawn up. Thank you.

Dr Tan Chee Khoon (Batu): I notice that the member for Kota Bharu Hilir, while saying that there is merit in what I have said, nevertheless thinks because of the difficulties of implementation of what I have proposed, it should not be considered by the Government benchers. I think—I do not know whether he knows it—that he is unwittingly casting a slur on our integrity . . . . .

Mr Speaker: We are in the House. Is the Hon'ble Member speaking twice?

Dr Tan Chee Khoon: I can't hear.

Mr Speaker: Is the Honourable Member speaking twice? We are in the House, and not in Committee.

Dr Tan Chee Khoon: We are not in Committee, I am sorry. (*Laughter.*)

Enche' Abu Bakar bin Hamzah: Tuan Yang di-Pertua, saya juga sama sa-pendapat dengan Ahli Yang Berhormat daripada Pasir Puteh, ia-itu apabila Undang[2] ini kita luluskan, patut-lah masa yang di-mulakan itu, kita mulakan mengikut term Parlimen kita ini sa-kurang[2]-nya daripada pilehan raya tahun 1964, supaya kuat-kuasa Undang[2] ini, apabila berjalan, terta'alok-lah kapada nasib sa-orang daripada Ahli Parlimen ini, ia-itu yang kebetulan-nya daripada Bachok—tempat saya ganti itu. Saya tidak-lah pula hendak memikirkan saya hendak mati pula supaya saya dapat. Tetapi saya memandang benda itu ada-lah kerana Kerajaan sendiri pun terok[2] sangat menguchapkan ta'ziah. Tetapi menguchap ta'ziah itu boleh kita buat dalam sa-tengah jam atau lima belas minit. Tetapi, kalau lebeh, bererti ta'ziah itu kalau kita back-datedkan kuat-kuasa Undang[2] yang ada ini pada masa yang berlaku ini.

Yang kedua, Tuan Yang di-Pertua, saya juga pada mula-nya, kalau saya tidak silap faham daripada uchapan Ahli Yang Berhormat daripada Batu, ia-itu mula[2]-nya saya bimbang berkenaan dengan kita hendak memberi wang mengikut nasehat daripada doktor, ia-itu kalau dia tidak boleh membuat apa[2] berkenaan dengan $500 kita bagi pada sa-minggu dan kalau dia boleh separoh sahaja bekerja-nya—kalau dia boleh buat sadikit, tidak semua-lah sakit-nya, kita bagi $200 ia-itu kita takut pula kalau[2] ada doktor[2] barangkali dia berpakat dengan Member itu.

Dr Tan Chee Khoon: Tuan Yang di-Pertua, ta' ada doktor yang buat bagitu! (*Ketawa.*)

Enche' Abu Bakar bin Hamzah: Tuan Yang di-Pertua, ini saya presume bagitu sahaja. Mithal-nya, kita takut pula Member ini pergi berkira dengan doktor itu, maka dia dapat-lah sa-minggu $500—sa-minggu $500—jadi kalau sa-bulan dia boleh dapat $2,000—lebeh banyak lagi daripada elaun bulan[2] yang dia dapat itu. Tetapi sa-masa ini pula, saya hilang was[2] itu, sebab saya fikir ta' ada-lah doktor[2] yang hendak buat bagitu, kechuali doktor[2] yang macham Front Socialist barangkali (*Ketawa*). Jadi kita perchaya-lah kapada doktor[2] yang ada dalam negara kita.

Dr Tan Chee Khoon: Tuan Yang di-Pertua, saya sa-bagai ketua doktor[2] private di-negeri Selangor, boleh berjanji ta' ada doktor di-Selangor boleh membuat bagitu—demikian. (*Ketawa.*)

Enche' Abu Bakar bin Hamzah: Terima kaseh-lah. Saya takut barangkali kalau sa-kira-nya Ahli ini dapat memisahkan diri daripada tactic dan policy parti-nya, saya terima kaseh banyak-lah.

Yang akhir sa-kali, ia-itu, barangkali tidak ada siapa-lah di-dalam Dewan ini yang hendak membangkang—chuma ada satu, Tuan Yang di-Pertua, nampak-nya yang kita hendak dapat ini—mati dahulu baharu dapat. (*Ketawa.*) Jadi kalau mati, mati di-sebabkan satu[2] chedera dalam accident—hendak dapat $60,000. Pada hal yang Member Parlimen ini berhajat ia-lah waktu dia hendak bekerja itu. Jadi ini sudah jadi satu perangai—saya minta ma'af—hendak kata satu bangsa yang lain, yang saya tahu-lah, ia-itu bangsa Jepun—membahagi bintang, dia mesti mati dahulu dalam perang baharu

dapat pangkat. Jadi biar-lah Member[2] Parlimen ini mendapat accident dahulu, mati dahulu, patah kepala—baharu bagi duit (*Ketawa*). Jadi, Tuan Yang di-Pertua, saya, kalau sudah mati, baharu hendak bagi duit, ta' ada buat apa pada masa itu! Sudah tentu kita ta' dapat merasa! Kemudian daripada itu, Tuan Yang di-Pertua, kita berasa sakit hati di-dalam kubor pula. (*Ketawa*). Kalau-lah di-takdirkan Tuhan, barangkali Member[2] ini ketawa sebab Ahli[2] kita ini tidak nampak apa yang dalam kubor. Sebab-nya, Tuan Yang di-Pertua, saya mithalkan, kata-lah mana[2] Ahli-lah—saya ta' mahu sebut. Dia mendapat accident—mati! Kita bagi $60,000—dia di-kebumikan. Dia meninggalkan janda muda lagi (*Ketawa*), baharu anak satu (*Ketawa*). Duit ada $60,000! Jadi tentu-lah orang bawa duit itu dengan janda! Dia dalam kubor dia pun marah! (*Ketawa*).

Dan lagi pula, Tuan Yang di-Pertua, tidak di-sebut di-sini pula, ia-itu kalau $60,000 ini di-beri kapada, tidak kapada isteri, tetapi dependent. Ini, Tuan Yang di-Pertua, kalau orang itu beristeri dua—hendak bahagi macham mana? Tidak ada law pula di-sini, Tuan Yang di-Pertua. Sa-patut-nya kita mesti specific dalam perkara ini, supaya orang itu jangan bergadoh. Sebab-nya, boleh jadi sa-tengah[2] Member Parlimen kita—dia kahwin dia tidak cherita bila na' kahwin. Bila na' tuntut $60,000 (*Ketawa*), dia kata kami ta' tahu! Dia kahwin di-sana senyap[2] jadi . . . . . .

Dr Tan Chee Khoon: Tuan Yang di-Pertua, saya hendak bertanya—ada-kah wakil dari Bachok beristeri dua? (*Ketawa.*)

Enche' Abu Bakar bin Hamzah: Saya tidak, Tuan Yang di-Pertua—isteri satu. Tetapi saya mithalkan—jadi erti-nya boleh jadi ada ahli[2] dalam Dewan kita ini. Jadi akan bergadoh pula dalam perkara ini. Jadi, ini patut-lah juga kita memikirkan dalam hal ini. (*Pause*) Ta' ada-lah, Tuan Yang di-Pertua (*Ketawa*).

Dato' Dr Haji Megat Khas (Kuala Kangsar): Tuan Yang di-Pertua, saya suka hendak mengambil bahagian di-dalam perbahathan berkenaan dengan Bill di-hadapan kita pada petang ini, kerana sa-benar-nya-lah ia-itu peruntokan telah di-perbuat dan nampak-nya daripada gelak ketawa yang telah kita dengar di-dalam Rumah yang berbahgia ini tidak ada-lah ahli[2] Yang Berhormat akan menentang dengan sa-keras[2]-nya akan perjalanan Bill kita ini . . . . . .

Mr Speaker: Bukan Bill—ini motion.

Dato' Dr Haji Megat Khas: Motion ini. Tetapi Tuan Yang di-Pertua, saya suka memberi pandangan saya sendiri ia-itu sunggoh pun di-dalam motion ini di-adakan peruntokan bagi Ahli[2] Yang Berhormat daripada ahli biasa, daripada Menteri, daripada Penolong Menteri dan segala lapisan di-dalam Rumah yang berbahgia ini, tetapi chuma untok kematian yang di-dapati dengan kechemasan, bak kata Ahli Yang Berhormat daripada Bachok—dia kena langgar oleh motokar dahulu, dia kena memanjat pokok dengan motokar baharu-lah dapat—dapat kapada orang yang tinggal. Tetapi kalau sa-kira-nya di-bandingkan keadaan ahli[2] yang bertugas di-dalam Rumah ini, tentu-lah kita boleh perchaya, sa-bagaimana yang telah di-katakan oleh Yang Teramat Mulia Perdana Menteri sendiri, walau sa-kali pun Menteri, tetapi pendapatan-nya itu chuma sadikit, chuma menchukupi bagi perbelanjaan daripada sa-hari ka-sa-hari dan itu-lah sebab-nya yang kita telah membenarkan peruntokan untok menolong dan membantu ahli[2] atau pun Menteri[2] yang telah mempertahan-kan nama baik Kementerian dan Kerajaan.

Kalau sa-kira-nya Menteri berpendapat yang demikian, tentu sa-kali-lah ta' dapat tidak ahli[2] yang sa-bagai kami, "back-benchers" di-sini, dan di-sebelah sana, dan juga sa-belah parti pembangkang di-sana yang mendapat lebeh kurang—kurang daripada chukup. Dan dalam peratoran Kerajaan sa-memang-lah kita tahu ia-itu apabila pegawai Kerajaan itu mendapat kematian dengan takdir Ilahi, bukan-nya kerana jatoh motokar, atau di-bakar api, di-timpa rumah—bukan bagitu, bukan dengan sebab kekerasan—tetapi dengan sebab sakit, mithalan-nya, dan dengan tidak sengaja dengan takdir dia

meninggal dunia. Ada-kah Kerajaan hendak membahagikan peruntokan sa-bagaimana yang telah di-bahagi kapada kakitangan Kerajaan ia-itu warith[2] ahli Yang Berhormat yang mati sa-macham itu akan di-bahagi sa-tahun gaji atau pun sa-tahun elaun. Ini satu soalan yang barangkali berkaitan dengan mati dengan kena kechederaan yang macham ada di-dalam "motion" ini, dan bukan-nya dengan kerana meninggal dunia dengan sebab[2] yang lain[2].

Jadi dengan itu saya minta-lah Yang Amat Berhormat Timbalan Perdana Menteri memberi sadikit masa pada memikirkan keadaan yang sa-macham ini supaya dapat-lah keadaan ahli[2] yang bertugas di-dalam Rumah yang berbahagia ini bak kata Ahli Yang Berhormat dari Kota Bahru, tadi, 24 jam dalam satu hari, dapat-lah dia memikirkan kalau-lah sa-kira-nya ahli itu mati ini hari, tengah malam, anak[2] dan isteri-nya dapat-lah barangkali bernyawa, kalau sa-kira-nya ada peruntokan untok di-beri macham juga kakitangan[2] Kerajaan yang mati dalam masa berkhidmat. Itu-lah sahaja pandangan saya dan saya harapkan akan mendapat timbangan.

Enche' Hussein bin To' Muda Hassan (Raub): Tuan Yang di-Pertua, saya suka hendak menarek perhatian Yang Amat Berhormat Timbalan Perdana Menteri di-atas ayat yang ka-sebelas "where there is a cause of injury sustained in an accident." Jikalau Yang Amat Berhormat Timbalan Perdana Menteri, bersetuju dengan saya, saya suka menchadangkan di-potong perkataan "injury sustained" jadi yang tinggal ayat itu hanya "where death is caused by an accident."

Sebab-nya, pada pendapat saya, mati terkejut ini pun accident juga, sebab-nya Ahli Parlimen, kadang[2] petang itu elok berjalan, melawat kawasan-nya, tiba[2] malam itu pukul 4 pagi, dengar[2] dia sudah mati. Jadi saya fikirkan mati kerana accident juga, sa-bagaimana terjadi kapada sa-orang bekas Ahli Parlimen dahulu, Yang Berhormat Enche' Sulong. Pada petang sa-belum dia mati, dia ada berjalan[2], bersiar[2], tiba[2] malam itu dalam pukul 11, atau 12 lebeh kurang orang tahu dia sudah mati. Jadi saya fikirkan ini pun kematian accident.

Lagi pula, bagaimana pendapat sahabat saya Yang Berhormat daripada Kota Bahru Hilir tadi, ia-itu Ahli Parlimen ini menjalankan tugas-nya dalam 24 jam. Saya, bagaimana yang di-alami oleh Ahli Yang Berhormat, sahabat saya dari Kota Bahru Hilir ini, sa-rupa juga-lah bagaimana yang saya alami, ta' tentu tengah malam, ta' tentu pagi petang, orang ada-lah minta tolong, panggil, dengan ada kesusahan masing[2]. Jadi, pada satu masa, saya terpaksa menyeberang sa-buah sungai dan tergelichek pada batang, mujor ta' putus urat bagaimana yang di-alami oleh Menteri Tanah dan Galian itu. Kalau sa-kira-nya putus urat kaki, berjalan-lah saya macham mana Yang Berhormat Menteri Tanah dan Galian itu. Itu pun satu daripada ta' boleh menjalankan kerja sa-bagaimana kerja biasa. Jadi bagaimana yang di-deritai oleh Yang Berhormat Menteri Tanah dan Galian itu, satu daripada perkara yang patut di-masokkan ka-dalam usul yang di-bawa oleh Yang Amat Berhormat Timbalan Perdana Menteri ini. Jadi-nya sunggoh pun kita masa jadi ahli Parlimen ini sa-belum putus urat kaki itu boleh-lah berlari sa-ratus ela, maka sekarang bila masok Parlimen, pakai tongkat, na' naik kereta pun kena nanti kereta sampai dekat kita baharu boleh masok kereta, ini pun satu daripada sebab masa kita menjalankan tugas sa-bagai Ahli Parlimen sudah mengurangkan kekuatan anggota kita. Jadi saya berharap di-atas pandangan saya ini Yang Amat Berhormat Timbalan Perdana Menteri tolong-lah timbang dengan sa-halus[2]-nya. Terima kaseh.

Dato' Abdullah bin Abdulrahman (Kuala Trengganu Selatan): Mr Speaker, Sir, I wish to speak about the desirability of having a provision for appeal against the decision of the Medical Board appointed by the Government in this case. Now, Section 3 (*b*) reads:

"In the case of disablement which partially prevents him from engaging in or giving attention to any profession or occupation, such sum as may be arrived at by multiplying the said sum of $120,000 with the percentage of the degree of disablement

which is to be determined by a Medical Board to be appointed for the purpose by the Government."

Now, this point of degree of disablement is at times in dispute. A disabled Member of Parliament may not be satisfied with the determination or decision of the Medical Board. My feeling is that it may be desirable to have a provision in this motion, whereby the Government is entitled to appoint another tribunal or body to which the decision of the Medical Board can be referred to by way of appeal, in case the Member is not satisfied with the decision of that Board in respect of the degree of disablement.

Mr Speaker, Sir, as the motion stands, I feel that a Member, who is not satisfied with the decision of the Board, can bring the matter up to the High Court by way of declaration. But, Mr Speaker, Sir, at times the amount involved may not be very big and to indulge in litigation with the Government may be very expensive and at times undesirable; and, thus, I hope the Government can look into this matter of inserting another provision here for the appointment of a tribunal, as I said, or a body to which the decision of the Medical Board can be referred to in case a Member of Parliament is not satisfied with the decision of that Board.

Enche' Abdul Razak bin Haji Hussin (Lipis): Dato' Yang di-Pertua, saya mengambil peluang pada petang ini membahathkan chadangan Yang Berhormat Timbalan Perdana Menteri berhubong dengan perkara Insuran Ahli[2] Dewan. Saya rasa chadangan ini ada-lah satu chadangan sederhana, sa-kali pun saya sendiri berasa berat hendak menerima chadangan ini walau pun ada di-nyatakan kalau sa-saorang Ahli Dewan itu sendiri manakala kemalangan, sama ada kehilangan tangan, mata dan sa-bagai-nya akan mendapat beberapa ribu ringgit. Saya fikir, Dato' Yang di-Pertua, tidak ada sa-orang Ahli Dewan dalam Rumah yang mulia ini akan hendak menukarkan keindahan anggota-nya dengan nilai wang. Tetapi saya menyokong chadangan ini ia-lah di-sifatkan penghargaan khidmat Ahli Dewan ini bila mana menjalankan tugas-nya apabila mendapat kemalangan maka di-beri satu timbangan hadiah dan sa-bagai-nya, maka saya rasa atas penghargaan itu-lah saya sokong.

Tiga tahun dahulu, Tuan Yang di-Pertua, pernah saya bangkitkan masa-alah ini berkenaan dengan khidmat Ahli Dewan ini ia-itu Ahli Dewan yang telah meninggal dunia dalam masa tempoh perkhidmatan-nya patut Kerajaan kita memberi hadiah sagu hati atas khidmat Ahli[2] Dewan itu. Tetapi dalam Dewan ini, Tuan Yang di-Pertua, dalam Undang[2] ini, dalam "motion" ini, tidak pun dapat di-masokkan apa yang saya nyatakan tiga tahun dahulu itu. Sa-sunggoh-nya saya faham perkara[2] itu akan dapat kajian-timbangan—pada masa yang akan datang, tetapi walau macham mana pun kawan[2] saya telah pun berchakap dalam masaalah ini maka saya tidak-lah berkehendak berchakap lagi, tetapi hanya yang saya menyatakan pada petang ini, Tuan Yang di-Pertua, ia-itu chadangan ini yang di-datangkan oleh Yang Berhormat Timbalan Perdana Menteri ia-itu sa-penghargaan kapada khidmat Ahli Dewan dalam mana masa di-beri menjalankan khidmat, mungkin bila masa boleh jadi berlaku, terkena, menemui kemalangan[2]. Jadi, saya rasa dengan sebab penghargaan ini Ahli Dewan ini akan dapat menunjokkan khidmat yang lebeh kapada ra'ayat yang mengundi-nya dan kapada negeri-nya. Tetapi walau macham mana pun saya tidak bersetuju dengan hujah yang di-kemukakan oleh Yang Berhormat dari Bachok, wang-nya dapat, Ahli[2] Yang Berhormat ini akan nanti menya-lah gunakan duit ini. Saya fikir uchapan itu satu perkara yang memalukan kaum ibu yang lain[2]. Dalam Dewan yang mulia ini sindiran yang sa-macham itu tidak patut kita keluarkan sa-kali pun dengan tujuan main[2].

Kaum wanita kita ada lebeh banyak, ada lebeh ramai yang berikhlak tinggi. Dalam dunia sekarang ini pun ada banyak kaum wanita memegang peranan penting, tidak-lah bagitu elok dalam kita membahathkan chadangan ini kita boleh menjatohkan pandangan kita kapada satu puak—satu gulongan

atau pun satu jenis gulongan yang kita fikir lemah. Saya rasa, Tuan Yang di-Pertua, dalam masaalah ini saya harap ra'ayat tidak akan salah faham; sebab timbul-nya chadangan ini, sa-bagaimana di-bacha oleh Wakil Batu tadi, bahawa tidak patut duit ra'ayat di-gunakan bagi membayar penchen Menteri, Perdana Menteri atau memberi satu sagu hati kerana kemalangan kapada Menteri[2], bagitu juga wakil[2] ra'ayat. Yang sa-benar-nya, Tuan Yang di-Pertua, wakil ra'ayat itu tidak mahu perkara ini. Sa-bagai saya sa-orang wakil ra'ayat, saya tidak bagitu mahu perkara ini; yang saya mahu penghargaan daripada ra'ayat, bahawa saya dudok di-kerusi ini ada-lah dengan hantaran dan undian ra'ayat dan kita akan berjuang bersama ra'ayat. Kalau Yang Berhormat Timbalan Perdana Menteri sendiri pun menchadangkan $400,000 sa-bagaimana yang Singapura buat, saya ampun, Tuan Yang di-Pertua, saya lebeh suka dzaif daripada mendapat duit sa-banyak itu daripada kehilangan dua tangan—saya lebeh megah dalam keadaan sekarang ini. Tetapi yang saya terima undang[2] dan saya sokong ini-lah penghargaan Kerajaan kapada Ahli[2] Dewan dari ra'ayat. Jadi di-situ-lah saya minta, Tuan Yang di-Pertua, kapada ra'ayat umum-nya, kapada semua pehak, supaya memandang dan memberi pandangan yang sederhana dalam masaalah ini. Saya tahu, Tuan Yang di-Pertua, Wakil Batu baharu sa-kali—baharu sa-bentar tadi sudah membachakan surat, surat khabar bantahan daripada penuntut Malaysia di-Singapura yang saya fikir ia-nya mewakili penuntut itu. Tetapi dalam pada itu pun saya ta' fikir dia sanggup menjadi satu alat, satu wakil menyampaikan suara itu yang dia sendiri faham bahawa perkara yang di-datangkan oleh Kerajaan ini ia-lah atas dasar penghargaan kapada wakil ra'ayat sahaja.

Jadi ini-lah dalam masa saya berchakap sekarang ini, Tuan Yang di-Pertua, saya sendiri menerima chadangan ini dengan berasa perasaan berat tetapi walau macham mana pun saya menerima, penghargaan ra'ayat, dan penghargaan Kerajaan pada tugas wakil ra'ayat, dan saya harap pada pehak orang ramai supaya tidak menyalah fahamkan bila mana chadangan ini telah di-luluskan oleh Kerajaan. Terima kaseh.

Dr Mahathir bin Mohamad (Kota Star Selatan): Mr Chairman, Sir, I wish to point out that we are living at a time when bomb throwing and planting of bombs are becoming rather frequent and it is just possible that bombs may not be just planted at random but may be directed at various Members of Parliament, and in this motion we have no provision for paying any Member who probably dies of being murdered. We know also that rather sophisticated method of assassination are creeping nearer to this country, and this too should be taken into account.

There is another thing which is not provided here which I think should be of interest to Members of the Opposition who are getting more and more frustrated. No compensation will be paid, should they commit suicide because of frustration. (*Laughter*). Sir, I feel that there should be some provisions made in this motion, so that Members who might die through murder, through assassination, which is something that may become frequent around here, and also through committing suicide, should also receive some form of compensation. (*Laughter*).

Dr Tan Chee Khoon (Batu): Sir, on a point of clarification, I do not know whether the Member for Kota Star Selatan is trying to encourage the Members of this House to commit suicide. (*Laughter*).

Wan Abdul Kadir bin Ismail (Kuala Trengganu Utara): Tuan Yang di-Pertua, saya hendak berchakap sadikit sahaja, dan perkara yang hendak saya kemukakan hampir sa-rupa sahaja dengan di-utarakan oleh wakil daripada Kota Star Selatan. Tetapi, bukan sahaja mati dengan bom, Tuan Yang di-Pertua. Dalam keadaan politik kita hari ini kalau mati dengan kapak kechil bagaimana—ada-kah di-kira accident atau tidak? Musoh politik membunoh Ahli Parlimen—Ahli Politik dengan kapak kechil, di-tembak-kah dan ada-kah di-pukul, di-upah pukul, ada-kah ini di-kira accident?

Kemudian dalam keadaan konfrontasi kita sekarang, mungkin Ahli[2] Parlimen kita di-Sarawak atau Sabah di-cholek oleh musoh[2] Indonesia dan tidak ada akhbar berita-nya, ada-kah mereka juga termasok dalam istilah accident ini atau tidak dan berhak-kah mereka menerima pembayaran sagu hati? Jadi, kalau ini dapat di-berikan penjelasan dan ada pengertian atau pun di-tambah penjelasan, tentu-lah usul ini akan lebeh memuaskan hati.

Juga sa-orang yang mati dalam masa mempertahankan diri, katakan sa-orang politik dia bergadoh-kah, dalam masa bergadoh mati, bagaimana kedudokan kematian itu, ada-kah termasok accident atau tidak? Terima kaseh.

The Deputy Prime Minister (Tun Haji Abdul Razak): Mr Speaker, Sir, the Honourable Member for Batu suggested that there should be a safeguard to this provision of insurance for Members of Parliament, that is to say, the benefit should only accrue in the course of duties or attributable to discharge of duties. Well, Sir, we in the Government have given this matter some thought, and the view of the Government is that it should be so confined. However, as this matter affects Members of this House, we thought it would be better to leave to the Members of this House to express their views and, as the views of the Honourable Member from Batu coincide with the majority view of the Government I would like to accept the suggestion, Sir, to confine the benefits to accident occurring in the course of duties or attributable to the discharge of duties of Members of Parliament.

I would like to say that one of the difficulties in this, as pointed out by the Honourable Member for Kota Bharu Hilir, is to define the actual course of duty. But, if it is the wish of Honourable Members that there should be this safeguard, we on the Government will do our best to be as fair as possible in defining this safeguard; and I would, therefore, like to move, Sir, that paragraph 11, line 2, after the word "accident", the following words be added: "where death is caused by an injury sustained in an accident occurring in the course of or attributable to the discharge of his duties as a Member of Parliament (hereinafter referred to as an accident)". So with those words "hereinafter referred to as an accident", it will mean that there is no need to amend the subsequent clauses. With this amendment, Sir, I hope, we meet the suggestion by the Honourable Member for Batu.

Now, the Honourable Member for Kuala Trengganu Selatan, enquired whether there is any provision of appeal against the decision of the Medical Board. Well, Sir, as has been explained by my Honourable colleague, the Minister of Finance, Government carries its own insurance. This would be a matter for Government to decide and, I think, the appeal in these cases should lie with the Government. I know, in cases of insurance compensation, the matter can go to Court and also I think in some cases it is possible to appoint an arbitrator. But I think in these cases where Government carries its own insurance, it would be a matter for Government to decide.

Now, the Honourable Member for Kota Star Selatan suggested about the death caused by throwing of a bomb. I would like to get a legal advice on this, Sir, but I feel that we could stretch the definition of accident to include accident caused by throwing of a bomb, but certainly it cannot include death by committing suicide, and as the Honourable Member from Batu said, if we were to include that it would probably mean encouraging Members of this House to commit suicide at the expense of the Government.

Tuan Yang di-Pertua, Ahli Yang Berhormat daripada Pasir Puteh dan juga Ahli Yang Berhormat dari Bachok ada menchadangkan elok-lah usul ini di-jalankan kuat-kuasa-nya kebelakang sadikit ia-itu daripada mula persidangan Dewan ini ia-itu sa-lepas pilehan raya bulan April tahun 1964.

Tuan Yang di-Pertua, pada fikiran saya, tentu susah sadikit hendak di-jalankan kuat-kuasa-nya kebelakangan atas perkara yang sa-macham ini.

Kalau hendak di-kebelakangkan sampai bulan April, tentu kita kena kebelakang lagi sampai awal Parlimen ini. Akan tetapi berkenaan dengan Allah Yarham Ahli Yang Berhormat dari Bachok dahulu, pehak Kerajaan sangat mengetahuï yang kematian itu berlaku dalam keadaan yang sangat mendukachitakan kita, dan Kerajaan pun tahu Ahli Yang Berhormat itu tidak ada mempunyaï pendapatan—sa-orang yang tidak ada mempunyaï wang. Jadi, bagi pehak Kerajaan sukachita hendak menimbangkan bayaran sagu hati untok Ahli Yang Berhormat Allah Yarham Enche' Zulkiflee dari Bachok (*Tepok*).

Ahli Yang Berhormat daripada Kuala Kangsar menchadangkan patut kita timbangkan Ahli Yang Berhormat yang mendapat kematian di-sebabkan sakit ia-itu kata orang puteh *natural death*. Jadi usul ini tidak-lah termasok mati dengan sebab sakit atau sebab tua atau pun mati terkejut. Pada fikiran Kerajaan perkara ini boleh-lah kita atasi dengan memberi bayaran sagu hati atau *ex-gratia* menurut keadaan tiap[2] Ahli Dewan ini. Jadi, Kerajaan akan menimbangkan tiap[2] Ahli yang mendapat kematian di-sebabkan sakit dan sa-bagai-nya, kalau di-dapati anak isteri dan warith[2]-nya itu berkeadaan susah dan patut sangat-lah Ahli Yang Berhormat itu di-beri bantuan sagu hati saperti yang telah kita jalankan pada masa yang telah lalu.

Ahli Yang Berhormat dari Raub menchadangkan ia-itu perkataan *caused by an injury* itu di-potong. Jadi accident itu termasok-lah mati terkejut—itu pun accident. Jadi accident ini kita kena tafsirkan mengikut Undang[2], sunggoh pun barangkali, chakap kasar-nya, kalau orang mati terkejut itu mati accident, tetapi itu tidak termasok dalam Undang[2]. Accident ini ma'ana-nya sebab kemalangan sama ada di-langgar oleh motokar, jatoh dari kapal terbang atau kemalangan kena bom dan sa-bagai-nya.

Jadi saya dukachita-lah tidak dapat di-pinda saperti kehendak Ahli Yang Berhormat itu. Ahli Yang Berhormat dari Kuala Lipis mengatakan yang pehak diri-nya menerima, menyokong usul ini sebab pemberian ini atau pun pemberian insuran ini ia-lah kerana Kerajaan menghargakan jasa[2] Ahli[2] Yang Berhormat Dewan ini. Jadi sa-benar-nya tentu-lah kita tidak boleh hendak hargakan kemalangan atau kehilangan kaki tangan bagi sa-orang itu tentu tidak dapat di-hargakan, jadi Kerajaan membuat satu[2] ranchangan yang sa-macham ini, memberi faedah ini sebab menghargakan jasa[2] Ahli[2] Dewan ini. Bagitu juga-lah kapada pegawai[2] Kerajaan dan Menteri[2] juga. Jadi dengan ini, Tuan Yang di-Pertua, saya sukachita mengemukakan usul ini saperti yang saya chadangkan pindaan itu tadi.

Enche' Tan Siew Sin: Sir, I beg to second the amendment.

Enche' Hussin bin To' Muda Hassan: Mengikut Yang Amat Berhormat Timbalan Perdana Menteri tadi, jikalau masa kita elok[2] jadi Ahli Parlimen ini apabila kita dapat kemalangan jatoh patah kaki, jadi jalan kita pun tempang, ada-kah itu di-bilangkan accident masa menjalankan kerja itu.

Tun Haji Abdul Razak: Hendak kena timbang itu-lah, mengikut tafsir-nya jadi itu kena-lah di-timbangkan oleh Attorney-General dan saya suka tegaskan pehak Kerajaan akan memberi timbang rasa yang sa-berapa boleh dalam perkara itu kerana tujuan kita hendak menolong, bukan menyusahkan Ahli[2] Yang Berhormat.

Amendment put, and agreed to.

Motion, as amended, put and agreed to.

Resolved,

That this House, pursuant to the provisions of section 4 of the Parliament (Members' Remuneration) Act 1960, resolves that the following amendments be made to the Schedule to that Act:

Insert the following new items immediately after item 10 of the Schedule:

"11. *Death benefits applicable to members (other than Ministers, Assistant Ministers and Parliamentary Secretaries):*

Where death is caused by an injury sustained in an accident, where death is caused by an injury sustained in an accident occurring in the cause of or attributable to the discharge of his duty as a Member of Parliament (hereinafter referred to as an accident), there shall be paid to his dependants or, if there are no

dependants, to his legal personal representatives, the sum of sixty thousand (60,000) dollars; Provided that where his dependants or his legal personal representatives are entitled to receive benefits similar to those provided in this item under any scheme operated by the Government of any State or under any State law, such dependants or legal personal representatives shall be entitled at their option to receive one benefit only.

12. *Permanent disablement benefits applicable to members (other than Ministers, Assistant Ministers and Parliamentary Secretaries):*

Where permanent disablement is caused by an injury sustained in an accident and such disablement occurs within twelve calendar months of the said accident, there shall be paid to him one of the following sums—

(1) Where the injury results in the loss of two or more limbs by actual separation at or above the wrist or ankle or the total and irrecoverable loss of all sight of both eyes or the loss of one limb accompanied by the loss of sight of one eye, the sum of one hundred and twenty thousand (120,000) dollars;

(2) where the injury results in the loss of one limb by actual separation at or above the wrist or ankle or the total and irrecoverable loss of the sight of one eye, the sum of sixty thousand (60,000) dollars;

(3) where injury results in permanent disablements other than any of those specified in (1) and (2) above—

(*a*) in the case of a disablement which totally prevents him from engaging in or giving attention to any profession or occupation, the sum of one hundred and twenty thousand (120,000) dollars; or

(*b*) in the case of a disablement which partially prevents him from engaging in or giving attention to any profession or occupation, such sum as may be arrived at by multiplying the said sum of one hundred and twenty thousand (120,000) dollars with the percentage of the degree of disablement which is to be determined by a Medical Board to be appointed for the purpose by the Government:

Provided that where a member is entitled to receive benefits similar to those provided in this item under any scheme operated by the Government of any State or under any State law, such member shall be entitled at his option to receive one benefit only.

13. *Temporary disablement benefits applicable to members (other than Ministers, Assistant Ministers and Parliamentary Secretaries):*

(1) Where an injury sustained in an accident has caused temporary disablement preventing him from engaging in, or giving attention to, his normal profession or occupation, subject to paragraph (2) there shall be paid a temporary disablement benefit calculated in the manner following—

(*a*) in the case of total disablement, a sum equal to the amount which, but for the said total disablement, he would have earned provided that such sum shall not exceed the rate of five hundred (500) dollars per week; or

(*b*) in the case of partial disablement, a sum equal to two-fifths of the amount which, but for the said partial disablement, he would have earned provided that such sum shall not exceed the rate of two hundred (200) dollars per week.

(2) The said temporary disablement benefit shall not become payable unless and until the sum mentioned in paragraph (1) has been ascertained and agreed upon; and shall not be paid for a period longer than one hundred and four (104) weeks commencing from the date of the accident in which the injury causing the said temporary disablement was sustained:

Provided that where a member is entitled to receive benefits similar to those provided in this item under any scheme operated by the Government of any State or under any State law, such member shall be entitled at his option to receive one benefit only."

THE PINEAPPLE INDUSTRY (AMENDMENT) BILL

Second Reading

The Minister of Commerce and Industry (Dr Lim Swee Aun): Mr Speaker, Sir, I beg to move that a Bill intituled "An Act to amend the Pineapple Industry Ordinance, 1957, and the Pineapple Industry (Amendment) Act, 1964", be read a second time.

The present legislations on the pineapple industry contain provisions which empower the Malayan Pineapple Industry Board to make regulations to register persons who own or use land for planting pineapple intended primarily for sale to canneries and who are not, at the same time, the owners of canneries. These provisions, however,

do not make it compulsory for growers to register, nor do they offer incentives for growers to register themselves with the Board. As it is essential for the Board to have a comprehensive record of all growers so as to enable it to possess sufficient information pertaining to the various factors in the production aspect of raw pineapples, it is necessary to introduce provisions which provide the necessary stimulus and incentive to small-growers to register with the Board. In order to achieve this, it is proposed to introduce a new clause in Section 14 of the Pineapple Industry Ordinance, 1957, to provide that canners shall accept pineapples only from registered growers, except where the written approval of the Board has been obtained. Consequent on this amendment, it is necessary to amend Section 11 (*a*) of the Ordinance to empower the Board to keep a register of growers.

At present, without a proper register of all the pineapple growers, the Board has to make very rough estimates of acreage, yield, income, and other matters relating to the pineapple growers especially the small-growers. The Board has to have accurate statistics on these items to enable it to plan a more effective rehabilitation and fertiliser subsidisation programme. With more accurate statistics the Board will also be better equipped to help and advise other Governmental bodies regarding plans to alienate lands for pineapple growing and statistical research concerning the pineapple industry. The registration of pineapple growers will also enable the Board, from time to time, to have more accurate estimates of raw fruit production which can be related to the canning capacity of existing canneries and to the world demand for canned pineapple.

Mr Speaker, Sir, the Bill also seeks to amend Section 5 of the Pineapple Industry (Amendment) Act, 1964, in order to remove certain ambiguities. It is proposed to substitute the word "corporation" for word "Act", so that it is clearly understood that the levy to be imposed under the section is to be used solely for the purpose of meeting the administrative expenses incurred in running the marketing corporation and not for any other purposes. It is also proposed to replace the word "to" with the word "through" in that Section. This is because the marketing corporation is not the buyer of canned pineapple, but is a body through which canned pineapple is to be sold for export.

Mr Speaker, Sir, I beg to move.

The Minister of Lands and Mines (Enche' Abdul-Rahman bin Ya'kub): Sir, I beg to second the motion.

Enche' Abu Bakar bin Hamzah (Bachok): Tuan Yang di-Pertua, saya baharu sahaja mendapat Bill ini pada bulan ini. Undang[2] yang kita buat Ordinance pada tahun 1957 itu saya tidak bacha, sebab saya belum lahir lagi ka-dalam Dewan in masa itu. Jadi boleh jadi-lah ada perkara[2] yang saya berchakap yang memerlukan pembetulan.

Tuan Yang di-Pertua, saya mulakan bagini, saya fahamkan undang[2] ini—Ordinance ini—ia-lah satu projek Kerajaan yang mendapat modal daripada Kerajaan, kalau tidak salah saya $5 juta, lebeh kurang bagitu, merupakan investment atau pun equity, bukan grant. Jadi berbeza-lah dudok-nya dengan Bank Bumiputra kita yang kita beri baharu[2] ini sa-bagai grant yang $5 juta itu, tetapi saya dapat tahu pula yang Bank Bumiputra itu pun bukan grant, tetapi equity juga. Saya tidak tahu-lah yang mana yang betul-nya, Menteri sendiri-kah yang betul, atau pun satu statement Menteri yang lain yang betul di-antara equity dengan grant itu, tetapi yang ini yang saya tahu ia-lah equity yang di-beri duit itu. Jadi Tuan Yang di-Pertua, masaalah-nya, sejarah kita membuat Ordinance ini ia-itu pada satu masa harga[2] nanas telah turun sampai, kalau tidak salah saya, dua sen ka-tiga sen sa-biji, bagitu sahaja, sa-hingga-lah penanam[2] itu datang berjumpa Menteri yang sekarang-kah, Menteri yang mana saya tidak tahu-lah, tetapi berjumpa meminta rahmat atau pun meminta protection-lah daripada Kerajaan, menolong. Tetapi dia telah berlaku bagini kebetulan, ia-itu it happens to be growers ini ia-lah orang[2] daripada

orang China-lah, kata-nya. Jadi dengan sebab itu-lah chepat-nya kita mendapat wang sa-bagai investment atau equity yang di-beri oleh Kerajaan supaya usaha[2] mengetinkan nanas ini di-jalankan.

Kemudian daripada itu, Tuan Yang di-Pertua, nampak-nya pada masa ini sudah-lah kita kenakan satu chara ia-itu gudang[2] atau gedong[2] tempat yang mengetinkan nanas—cannaries—ia-itu gudang[2] yang mengetinkan buah nanas ini tidak dapat membeli nanas[2] melainkan daripada penanam[2] yang sudah berdaftar. Jadi, erti-nya penanam[2] yang tidak mendaftarkan diri ka-dalam Board ini, atau tidak mendaftarkan diri mengikut undang[2] ini, maka factory[2] ini tidak boleh membeli nanas[2] melainkan kalau sudah mendapat satu kebenaran yang bertulis.

Tuan Yang di-Pertua, di-dalam negara kita ini banyak penanam[2] yang menanam nanas yang tidak mendaftarkan diri dan lagi pula mereka itu jauh hendak membawa buah[2] itu kapada cannaries[2] yang patut mereka itu jual. Jadi dengan jalan kita mendaftarkan penanam[2] ini, maka penanam[2] yang tidak mendaftar itu makin sa-hari sa-makin tawar hati hendak menanam nanas itu, sa-olah[2] itu satu chara monopoli bagi pehak penanam dengan grower. Ini, Tuan Yang di-Pertua, boleh jadi-lah Menteri kita geleng kepala, tetapi benda ini boleh berlaku yang kita tidak tahu dalam perkara itu dan kechuali-lah sa-hingga pendaftaran itu menunjokkan bokti.

Tuan Yang di-Pertua, ini chara, kalau tidak betul[2] kita jalankan, akan merosotkan lagi penanaman nanas di-negara kita ini. Pada hal di-dalam dunia, area yang boleh menanam nanas ini, Tuan Yang di-Pertua, barang kali untok ma'lumat Menteri kita, hanya ada 10 tempat sahaja yang boleh di-tanam nanas dan boleh membuat cannery—ada 10 tempat sahaja. Jadi, Tuan Yang di-Pertua, meski pun nanas ini termasok di-dalam minor export yang mana export itu jumlah-nya semua pada tahun ini kita boleh mengirim lebeh kurang dalam sa-ratus million sahaja, yang nanas ini tidak tahu-lah berapa million fraction-nya. Tetapi oleh kerana di-tempat[2] lain tidak ada, maka ini menyebabkan *scarcity* erti-nya kurang hasil, maka demand itu dengan sendiri-nya tinggi dan harga-nya naik. Kita tidak boleh pandang yang nanas ini sa-bagai perkara yang kechil sangat di-dalam export kita. Jadi tempat, Tuan Yang di-Pertua, yang ada nanas, yang boleh membuat cannery, ada 10 sahaja dalam dunia ini yang luas—di-dalam dunia ini ia-itu di-Hawaii, Formosa, Philipina, Australia, Malaya, Kenya, West Africa, Puerto Rico, Mexico dan Cuba. Ini sahaja tempat-nya, Tuan Yang di-Pertua; yang lain itu tidak tersebut di-dalam alam sejarah nanas—tidak ada tersebut. Tetapi, Tuan Yang di-Pertua, ada satu masaalah yang Menteri kita patut ingat, Malaya atau pun Malaysia ini sudah nasib baik termasok dalam satu *area* yang boleh menerbitkan nanas yang dunia lain tidak boleh atau tidak dapat menerbitkan, sa-hingga di-setengah[2] tempat di-dunia luar yang saya pergi nanas yang kechil itu bila ada di-market, banyak orang takut membeli-nya. Dia ingat takut ini satu hand grenade kata-nya.

Mr Speaker: Persidangan ini di-tempohkan sa-lama 15 minit.

Sitting suspended at 6.15 p.m.

Sitting resumed at 6.40 p.m.

(Mr Speaker *in the Chair*)

Debate resumed.

Enche' Abu Bakar bin Hamzah: Tuan Yang di-Pertua, oleh kerana negara kita ini merupakan salah satu daripada hanya 10 buah negara sahaja dalam dunia ini, yang boleh menerbitkan nanas, jadi erti-nya, ini ada-lah satu sumber bagi ekonomi kita kalau kita boleh menjalankan betul[2] lebeh banyak lagi cannery[2] yang bagini dalam negara kita ini.

Ada satu perkara yang saya suka menarek perhatian Menteri kita ini, ia-itu nanas[2] terta'alok di-bawah jenis nanas itu, yang boleh di-tinkan kemudian menjadi barang export keluar negeri oleh negeri kita dan oleh negeri[2] yang merupakan area nanas yang dalam dunia yang saya sebutkan

itu, nanas[2] ini, mengikut ahli[2] dalam 'ilmu pokok[2] nanas itu di-bahagikan kapada empat family sahaja—empat keluarga sahaja. Yang banyak[2] itu di-bawa masok ka-dalam classification empat jenis sahaja. Ia-itu jenis cayenne dan lagi satu jenis kilo, lagi satu queen dan lagi satu Spanish. Ada pun jenis[2] yang di-tanam di-Tanah Melayu kita, atau pun di-Malaysia kita ini, ia-lah Spanish ia-itu Red Spanish. Oleh itu, Tuan Yang di-Pertua, mengikut pasaran dunia, demand dunia hendakkan nanas ini kebanyakan-nya—yang mudah ia-lah nanas cayenne dan ini mudah di-tanam dan mudah di-jaga dan lebeh tahan lagi masa-nya daripada yang lain waktu kita membawa pergi kapada cannery itu sendiri. Ada pun Spanish—sama ada Red atau Pink Spanish itu, dia tidak boleh lebeh daripada dua hari—dia busok. Jadi dalam perkara ini, daripada berpuloh[2] tahun sudah kita tanam nanas ini, Kementerian kita tidak-lah pernah memberi apa[2] direction atau pun arahan kapada pehak[2] penanam ini supaya menanam nanas jenis[2] cayenne itu. Tidak pernah kita dengar dalam statement radio atau dalam kenyataan bertulis atau pun bulletin atau pun apa[2]—tidak pernah dengar berkenaan dengan itu. Saya mengeshorkan supaya jenis yang popular ini di-kemukakan dalam negeri kita ini. Sa-kira-nya Menteri kita susah hendak pergi ka-tempat yang ada beneh itu, boleh-lah saya pergi, saya boleh tunjok benda itu.

Tuan Yang di-Pertua, sa-lain daripada kita mengetin nanas[2] ini sa-bagai makanan, nanas juga ada-lah boleh menerbitkan satu jenis minyak yang berchampor acid—saya bukan ahli chemist, barangkali saya di-chabar oleh Menteri kita—dia sa-orang doktor. Tetapi mengikut benda yang saya tahu, ia-itu dia boleh menerbitkan satu jenis juice atau pun ayer daripada nanas itu. Bila kita process melalui chemical process, dia boleh menerbitkan satu ubat ia-itu ubat boleh menghilangkan bekas[2] luka. Dia boleh memadam, mithal-nya, kita ada luka di-kepala. Kita buboh itu, hilang parut[2] di-kepala itu. Dan lagi pula, kalau orang[2] yang rambut-nya ta' ada atas kepala—botak—kita buboh itu, dia boleh naik balek (*Ketawa*). Jadi ini, Tuan Yang di-Pertua, amat mustahak kita mengadakan; sa-lain daripada membuat tin itu kita mengadakan supaya dapat-lah faedah kapada orang[2] kita yang ta' ada rambut dan orang[2] yang ada luka di-kepala—bagitu, bagitu, bagini, semua—dapat faedah di-situ. Lagi satu perkara . . . . .

Enche' Abdul Razak bin Haji Hussin: Orang rabun mata, boleh ta' gunakan ubat itu?

Enche' Abu Bakar bin Hamzah: Tuan Yang di-Pertua, dalam majallah itu, ta' ada sebut ada-kah boleh di-gunakan untok mata atau tidak. Saya suka kalau benda itu boleh di-gunakan untok mata, sebab saya ta' payah pakai chermin mata—ini lagi lebeh senang, dan tuan Speaker sendiri pun tidak payah.

Tuan Yang di-Pertua, yang saya hendak menarek perhatian ini ia-lah saya asaskan uchapan saya ini pun banyak-lah terhenti. Perkara ini saya siapkan kerana yang sa-benar-nya saya tidak tahu yang industry kita ini, duit yang di-beri ada "equity" atau pun "grant", saya tidak tahu lagi sama ada yang ini atau pun yang itu, biar-lah Menteri kita menjawab-nya. Tetapi yang saya hendak menegorkan di-sini ia-itu kalau-lah kita pandang mustahak-nya di-daftarkan "factory" itu atau pun "cannery" itu dan mustahak juga di-daftarkan penanam[2] dan saya rasa "crops" yang lain pun atau pun tanaman[2] yang lain pun yang menjadi projek Kerajaan patut juga di-register. Jadi ini menimbulkan banyak-lah salah faham, barangkali ada di-kawasan[2] macham di-sini di-Selangor, di-Sejangkang, dan di-tempat saya di-Trengganu, di-Besut, banyak-lah tempat[2] yang menanam nanas. Oleh kerana mereka ini tidak mendaftarkan diri sa-bagai "grower" maka nanas[2] mereka itu terbiar sahaja dan akhir-nya dudok di-tepi jalan, datang-lah lori[2] "capitalis" mengambil dengan harga[2] yang murah dan kita tidak tahu ada-kah ini satu peluang yang di-beri oleh Menteri Perdagangan dan Perusahaan kapada "capitalist[2]" yang dia lebeh tahu dari pada saya-lah, orang[2] itu.

Jadi lagi satu, Tuan Yang di-Pertua, di-dalam penerangan, "statement" penerangan, di-dalam "Clause 3" di-sebut di-sini pindaan undang[2] ini berhajat "slight amendment".

Tuan Yang di-Pertua, "slight amendment"—"slight" ini erti-nya sadikit, sadikit sangat, pada hal, Tuan Yang di-Pertua, saya perhati[2]kan oleh kerana "slight amendment" ini—yang sadikit itu—mengubahkan "yes" kapada "no", jadi erti-nya chukup besar ia-itu "corporation" ini atau pun badan ini ia-itu "Co-operative Marketing" ia-itu kalau-lah tidak di-pinda maka "corporation" ini merupakan "buyer"—pembeli—jadi kalau kita meminda mengikut "slight amendment" ini dia tidak lagi merupakan "buyer"—pembeli—jadi mengubahkan sa-bagai pembeli kapada satu kedudokan bukan pembeli, saya rasa itu bukan "slight amendment" itu, satu "major amendment" jadi saya terkejut di-sini, amat-lah jauh beza-nya. Jadi Yang di-Pertua, di-sini mungkin boleh timbul salah faham ia-itu kalau-lah "Marketing Corporation" kita ini dia merupakan sa-bagai "buyer" saya rasa itu lagi lebeh selamat kapada cannery[2] itu, sebab dia sudah terta'alok kapada undang[2], dia mesti membeli nanas[2] yang di-tinkan itu. Jadi factory[2] ini mengirimkan nanas[2] itu, pasaran-nya terjamin. Ada pun dia hendak export keluar pula maka menjadi-lah tanggong-jawab "Corporation" itu,—ini lebeh selamat kapada cannery itu sendiri. Ada pun kalau kita semata[2] hendak merupakan satu badan yang "through which the canned pineapple to be sold" erti-nya dia menjadi orang tengah lagi sakali, dia tolong daftarkan barang[2] itu hendak di-export atau pun tidak di-export, orang beli tak beli pun dia tidak bertanggong-jawab dalam itu dan ini juga melemahkan pehak "cannery" itu sendiri. Jadi, Tuan Yang di-Pertua, dengan tidak memandang projek ini, hak orang China, atau pun hak orang Melayu, tetapi dengan Bill ini bererti-nya sudah tidak ada jaminan lagi kapada "cannery[2]" itu dan saya fikir kalau betul kita hendak menolong pehak pengetin[2] nanas ini, sama ada yang sudah ada dan atau pun yang akan berlaku lagi, patut-lah "Merketing Corporation" ini merupakan "buyer" supaya dia membeli dan dia yang "export" barangkali dia lebeh pandai, dan lebeh tahu dari segi "world demand" berkenaan dengan ini daripada menyerahkan kapada "cannery" itu sendiri dan saya rasa itu ada lagi lebeh menguntongkan kapada negara kita. Sekian, Tuan Yang di-Pertua.

Dr Tan Chee Khoon: Sir, I would like to ask one point of clarification from the Minister of Commerce and Industry. The Explanatory Statement, paragraph 2, says:

"Section 14 of the Pineapple Industry Ordinance is amended so as to ensure that only registered pineapple growers are entitled to sell their products to registered canneries."

The clarification that I wish to seek from the Honourable Minister is in regard to the phrase "only registered growers". Now, we know that in this country there are a lot of smallholders in the F.L.D.A. schemes, where a person can decide to grow pineapple in between the young rubber trees, for example. Does it mean that, being not a registered pineapple grower, he cannot sell his wares to these registered canneries? Is it not against the principle of free enterprise, if you have restricted this only to registered pineapple growers? The other point that I wish to seek clarification is, what is meant by "registered pineapple growers" and how do you set down the conditions for registering a pineapple grower?

Enche' Ahmad bin Arshad (Muar Utara): Tuan Yang di-Pertua, saya turut menyokong Bill yang ada di-hadapan kita ini. Chuma saya hendak memberi satu dua pandangan sahaja. Sa-belum daripada itu, pehak ra'ayat negeri Johor, menerima kaseh-lah kapada Kementerian ini yang telah mendirikan kilang nanas dalam negeri Johor ya'ani di-Pontian. Dengan ada-nya kilang itu, maka beberapa kelegaan dan kesenangan telah di-dapati oleh penanam[2] nanas daripada pekebun[2] kechil. Perkara yang saya hendak tarek perhatian, dalam uchapan Yang Berhormat Menteri yang berkenaan tadi, ia-itu Lembaga ini akan mengalami kesulitan ia-lah dengan tidak di-adakan sa-buah kawasan khas kerana bertanam nanas. Walau pun penanam[2] nanas yang ada sekarang telah di-daftarkan

dengan Lembaga ini, tetapi kalau di-datangi satu keadaan perlawanan harga pasaran getah dan kelapa dengan harga yang tinggi, maka orang itu akan menukar menanam nanas itu kapada menanam kelapa. Jadi dengan ini saya mengharapkan, kalau boleh, pandangan saya ini di-terima oleh Lembaga ini atau Kementerian ini ia-itu pandangan supaya bekerjasama dengan Kerajaan[2] Negeri, khas-nya dalam negeri Johor mungkin banyak tanah[2] yang sesuai bagi di-tanam nanas. Sa-telah di-gazettekan, di-khaskan kawasan ini hanya di-tanam nanas.

Yang kedua, berhubong dengan baja. Baja ini di-berikan pada nanas ini ada lain daripada tanaman[2] yang lain. Pada masa ini pekebun[2] kechil nanas, khas-nya orang[2] Melayu, hanya dapat membeli baja itu di-dalam pasaran biasa. Jadi telah di-chakapkan oleh Ahli Yang Berhormat tadi dengan ada Lembaga ini akan memberikan kemudahan kapada peladang[2] nanas. Sebab saya tahu, baja ini, Dato' Yang di-Pertua, satu baja yang menyuborkan tanah kawasan yang di-tanam nanas. Yang kedua, baja yang boleh memberi buah kapada nanas itu sa-kali gus. Jadi baja yang ini sangat susah di-dapati oleh pekebun[2] kechil penanam nanas, ertinya kalau di-baja satu kali, yang di-katakan baja buah itu, kalau di-kata sembilan bulan, maka sembilan bulan sama sa-kali dalam kawasan 2 ekar itu sa-kali gus, nanas itu berbuah. Baja yang sa-umpama ini sulit di-dapati oleh penanam[2] daripada pekebun[2]. Itulah sahaja.

Enche' Mohd. Tahir bin Abdul Majid (Kuala Langat): Tuan Yang di-Pertua, kita membahathkan Rang Undang[2] di-depan kita pada hari ini ia-lah berkenaan dengan satu Lembaga yang mana, pada pendapat saya, hendak memelihara kedudokan penanam[2] nanas, yang boleh di-katakan sa-panjang yang telah di-ketahui, menunggu sa-bagitu lama. Di-sini, saya berasa satu kekeliruan dalam pendaftaran ini yang akan di-jalankan ia-itu di-tiap[2] sa-keping tanah yang di-keluarkan oleh Kerajaan mempunyai satu sharat, sharat yang tertentu. Sharat yang tertentu ini, bagi sa-paroh[2] yang memileki tanah, tidak ada mengeluarkan hasil—hasil yang menchukupi bagi keluarga yang memileki tanah itu. Oleh yang demikian, tanah[2] yang di-kelolakan, yang di-usahakan ada mengeluarkan dua atau tiga jenis pengeluaran. Ada tanah kelapa dengan kopi, ada tanah nanas dengan kelapa, ada tanah nanas dengan getah, ada tanah nanas sahaja. Oleh yang demikian di-waktu pendaftaran di-jalankan, saya berharap jangan-lah di-gunakan sangat geran yang ada di-tangan penanam[2] itu mengikut sharat sa-bagai ada-nya di-dalam geran itu. Oleh kerana kalau-lah geran itu meletakkan sharat ia-itu bertanam kelapa, tetapi ada juga yang di-samping itu bertanamkan nanas. Maka kebun yang sa-umpama ini akan tidak dapat di-daftarkan oleh kerana sharat di-dalam geran itu hanya-lah kelapa. Ini boleh merugikan peladang[2] nanas yang ada di-dalam negeri ini.

Lagi satu perkara, Dato' Yang di-Pertua, kesulitan pendaftaran[2] ini akan di-jalankan kerana. Tuan Yang di-Pertua pun terlebeh ma'alum, orang[2] yang menjalankan perusahaan yang sa-umpama ini ada-lah jauh daripada jalan raya yang baik—jalan raya yang besar. Oleh yang demikian mereka hanya menggunakan basikal, kalau ta' pun berpikul keluar. Tetapi kalau pendaftaran itu sa-boleh[2]-nya biar-lah pegawai[2] yang berkenaan masok menyeludup ka-dalam kampong supaya mengikuti pendaftaran itu dengan sa-benar[2], dengan sa-chara perektik dapat mengetahui siapa yang punya dan siapa yang bukan punya. Ada saparoh[2] itu, tanah[2] ini bukan di-punyai, tetapi di-sewa. Maka tanah ini kalau di-daftarkan, maka orang yang mengerjakan tanah itu akan tidak dapat menjual nanas-nya dan orang yang punya tanah itu akan mengambil keuntongan sa-bagai orang tengah pula juga lagi.

Lagi satu perkara, Dato' Yang di-Pertua, yang saya ingin mengambil perhatian dan yang akan mendapat penjelasan daripada Yang Berhormat Menteri yang berkenaan ia-itu pendaftaran di-antara peladang[2] nanas dengan "factory". Ada-kah ini satu masaalah hendak menjaga supaya harga ini tetap—"stable"—atau pun

ada-kah sa-olah[2] kita hendak memeli-harakan kedudokan "factory" ini senti-asa mendapat keuntongan daripada penanam[2] nanas ini.

Yang kedua, ia-itu di-dalam segi pembeli[2] nanas, yang biasa di-alami pada hari ini, ia-itu ia-lah orang[2] tengah yang kita katakan, tetapi ada satu perkara yang berlaku ia-itu satu sharikat kerjasama telah di-tubohkan di-dalam kawasan saya sendiri sa-bagai pembeli[2] nanas di-dalam sharikat ini. Maka ada-kah sharikat ini akan di-beri satu kuasa untok membeli nanas terus daripada penanam[2] nanas ini. Maka saya berharap penjelasan yang penoh dan penjelasan ini dapat-lah saya sampaikan kapada pehak yang berkenaan. Terima kaseh.

Dr Lim Swee Aun: Mr Speaker, Sir, the Honourable Member for Bachok did touch on the history of the pine-apple canning industry in this country, and it is true that at one time, due to the excess production of pineapples and the low prices in the world market for canned pineapples there was a glut of production so much so that these canners refused to buy pineapples from the smallholders, thus creating hard-ship to the smallholders. Government stepped in and set up a Commission of Enquiry, and this Commission of Enquiry recommended amongst other things that the Government itself should set up a national cannery out of Government funds, Government to find the money for the capital ($5 million) hold shares in it and gradually sell the shares to the smallholders, who grow the pineapples. Sir, out of this recom-mendation came this Pineapple Indus-try Ordinance and orderly conditions. Since then, marketing arrangement has been set up and there is this Pineapple Industry Board, which sets the price at which the canners must pay to the smallholders, and lately we set up what we call the Pineapple Marketing Cor-poration.

Before the War, Malaya was the world's largest exporter of canned pineapples. Because of the war, we lost that market and after the War we gradually regained our position in the world and, today, I think we are the third largest producer of canned pine-apples in the world. This canned pine-apple meets terrific competition from the other countries and, as the Honourable Member from Bachok has stated, there are ten areas only in the World that produce this. All the same there appears to be a very fierce competition amongst canned pine-apples, and not only that we are fortunate that being in the Common-wealth we have Commonwealth pre-ference in Commonwealth markets but outside the Commonwealth, there are tariff walls which we have to climb before we can compete with the other pineapples produced in non-sterling areas. Sir, as a result of that, we had to create this Marketing Corporation to control the export of our canned pineapples to ensure that the canned pineapples that leave Malaya are of standard quality—that the quality meet with world standards and not be damaged by any canner, who produces canned pineapples below quality; secondly, also to prevent excess glut in the market by a certain degree of price agreement, so that they do not undercut each other and create chaos in the market. So, this Marketing Corporation really does not buy the canned pineapples from our canners, but these canners sell their canned pineapples to other countries abroad through the Corporation, and when it goes through, this Corporation collects a cess which has been approved by this House, so as to pay for the expenses of this Corporation. That is why, Sir, this Bill seeks to amend the error to correct the position that it should sell "through" and not "to" the Corpora-tion, and the Explanatory Statement here did use the word "slight". It is true, it is admitted, that the effect of changing the word "to" to "through" has a major effect, but the word "slight" here is used in the sense that it is a simple operation, not an intricate operation but a simple operation.

Sir, I am really very glad to hear and to know that the Honourable Member for Bachok is such a very well informed gentleman, that he even knows all about the botany of pine-apple, the different species, or rather the different family groups. But I can assure him that we have a research

station in Johore studying the hybridisation of these pineapples so as to continually improve the breed of pineapples, so as to give increased productivity, better shape, increased weight, and better taste. Although he recommends that we should grow the "Cayenne" type, Sir, this country does use crosses of this "Cayenne" with Red Spanish as indicated by the Honourable Member. However, we are still trying to grow, or trying to find a special clone that will produce the best results in the sense of productivity and taste in this country and that certainly is going to take some time.

I am also indebted to the Honourable Member from Bachok in that he says that you can get a drug out of the pineapple juice which has certain properties. I myself have not heard about it, but certainly the research boys would be very interested to know more about it, and if it is economical and feasible, surely that would be a useful by-product for the pineapple industry.

The Honourable Member for Batu wants to know why do we want to register growers. Sir, as I have explained in my speech here, there is a necessity to register the growers so that we can know the exact statistics in this country in order to plan for the expansion, or development of the pineapple canning industry—unless we get exact statistics, we can land ourselves in trouble with development projects. It is essential to realise, as I said, that this canned pineapple industry is very competitive. During certain seasons, most of these canned pineapples are sold to the temperate countries, where they themselves also have local crops like pears, peaches and other fruits which are also canned, and which compete with canned pineapples. So, sometimes when the season is heavy, when the crops of peaches and pears and all the other fruits are heavy, and there is excess production in those countries, that means more production of canned peaches and canned pears, the people tend to buy less of our canned pineapples. That is why there has to be this necessary balancing in export marketing. So, unless we have these statistics, it would be difficult for us to know when we should have our pineapples ripened, as suggested by the Honourable Member from Muar Utara, where hormones can be used for the timing of this ripening of the fruit.

So, one purpose of registration of growers is, of course, to get the statistics. Secondly, also because we have a clear picture of these registered growers, then the question of encouraging them to grow the correct and most profitable species of pineapple could then easily be exercised.

Thirdly, of course, the advice that we can give them on the use of the type of fertilisers. Unless there is registration of growers it would be difficult to advise them that they should grow a certain type of pineapple only within a certain area which makes it very uniform, which then makes it very easy to use the same type of fertiliser; then we can have standardisation, knowing that the reaction to the fertiliser would be as can be expected and when the ripening period should be. If there are two or three clones grown within the same area, then this question of fertilising can become a problem.

Sir, this question, therefore, of why we have to register is, as I have explained, to collect statistics to make it easier to give growers advice, and also to advise the State Government. Now, as suggested by the Honourable Member from Muar Utara, we know there are many areas of land that are still suitable for pineapple, and it may be the State Government's or even the Federal Government's purpose, to open up new land for the planting of pineapple but unless we have the statistics, unless we know the capacity of our canneries, and also the markets for these exports, we can land ourselves into a terrific jam, if we start opening up new land for pineapple and find that we have not got sufficient capacity to can, or if there is sufficient capacity, we have not got sufficient export markets, then, this would have a backward effect and the poor grower can land himself in financial trouble. That is why, Sir, it is necessary, as another added reason, to have this registration.

As the law stands, it says that the grower can be registered, but there is no provision that a register should be kept, and there is no incentive for the grower to register. That is why I have come back to this House to have these amendments. These amendments have the effect of giving incentives to the grower why he should register, because under Clause 4, the new amendment says "Without the written approval of the Board, no registered canner shall accept pineapples from any person other than a registered grower." Sir, this means that a registered grower has always the advantage over an unregistered grower, and that he is practically assured that the pineapple canneries will buy his crop.

Then comes the Honourable Member for Kuala Selangor where he suggests that there can be confusion or difficulty . . . .

Enche' Mohd. Tahir bin Abdul Majid: Untok penjelasan, Tuan Yang di-Pertua, wakil daripada Kuala Langat.

Dr Lim Swee Aun: The Honourable Member for Kuala Langat said that there could be possible difficulties of confusion, when this registration gets into effect. But I can assure the Honourable Member that we are aware that most of these smallholders are scattered far away in the kampongs, far away from the main thoroughfares, and this registration will be done by officers going into the field with the forms and helping them fill these forms. We do foresee, of course, that titles, for these lands may have certain restrictions on what crops should be grown. If there are any restrictions that they should not grow pineapple, but the land cannot be used for any other purpose but to grow pineapple, I am sure the State Governments would accept a change in that restrictive restriction written into the title.

The Honourable Member for Kuala Langat is worried, or rather wants to know, whether through registration, it would give a stable price for pineapples to the grower, or whether it would be a guarantee for the canners to have a steady profit. I think this purpose is mutually beneficial to both the grower as well as the canner in that the canner who is registered will get his fruit at a fixed price and the grower would then have a stable price and a stable income and an expectation of what he can earn for his crop. From the point of view of the canner, of course, he is assured of a steady supply of fruits. In that way, he can anticipate his orders for his exports.

His other point was whether a co-operative would be permitted to buy pineapples and sell them to the canners. Sir, I would have thought a co-operative would have been set up as a co-operative of growers. If there are growers joining together as a co-operative, I am sure, if they all register, there will be no difficulty of having their fruits sold to the factories.

Question put, and agreed to.

Bill accordingly read a second time and committed to a Committee of the whole House.

House immediately resolved itself into a Committee on the Bill.

Bill considered in Committee.

(Mr Speaker *in the Chair*)

Clauses 1 to 5 inclusive ordered to stand part of the Bill.

Bill reported without amendment: read the third time and passed.

THE SUPPLY (1966) BILL

Committee

The House immediately resolved itself into a Committee of Supply.

(Mr Speaker *in the Chair*)

SCHEDULE

Menteri Muda Kebudayaan, Belia dan Sokan (Engku Muhsein bin Abdul Kadir): Tuan Pengerusi, dengan izin tuan saya memohon membawa S. 1 sa-hingga S. 11, Jabatan[2] di-bawah Kementerian Perdana Menteri dengan sa-kali gus. Saya memohon supaya:

S. 1 Parlimen berjumlah $3,374,465.

S. 2 Conference of Rulers sa-banyak $14,366.

S. 3 Auditor-General sa-banyak $3,110,325.

S. 4 Election Commission sa-banyak $1,229,122.

S. 5 Public Services Commission sa-banyak $721,430.

S. 6 Railway Services Commission sa-banyak $110,918.

S. 7 Prime Minister sa-banyak $4,603,530

S. 8 Office of the Federal Secretary sa-banyak $606,433.

S. 9 Federation Establishment Office sa-banyak $8,461,749.

S. 10 National Archives sa-banyak $323,165 dan

S. 11 Statistics sa-banyak $2,481,210 menjadi sa-bahagian daripada jadual.

Berkenaan dengan S. 1, Parlimen, permohonan sa-banyak $3,374,465 ia-lah $1,963,375 untok Gaji, $1,385,530 untok Lain[2] Perbelanjaan Berulang Tiap[2] Tahun dan $25,600 untok perbelanjaan khas, berjumlah $3,374,465.

Majlis ini akan dapat memerhatikan daripada butir[2] yang tersebut satu persatu-nya di-bawah Pechahan-kepala 1, Gaji. Bahawa peruntokan sa-banyak $1,963,335 ada-lah di-pohonkan bagi tahun 1966 ia-itu berkurangan sa-banyak $161,756 daripada peruntokan yang telah di-luluskan dalam tahun 1965. Ini ada-lah di-sebabkan perpisahan Singapura daripada Malaysia dan dengan sebab ada kemungkinan tidak mendapat hendak menchari chalun[2] yang sesuai dan berkelayakan untok memenohi sa-tengah[2] jawatan dalam Perkhidmatan Parlimen. Berkenaan dengan perkara memenohi jawatan[2] itu bukan-lah di-chadangkan hendak mengurangkan bilangan jawatan yang telah di-luluskan dalam Parlimen tetapi hanya mengurangkan peruntokan sa-tengah[2] jawatan saperti yang di-tunjokkan dalam Anggaran Perbelanjaan ini.

LAIN[2] PERBELANJAAN:

O.C.A.R.

Di-bawah Lain[2] Perbelanjaan Berulang Tiap[2] Tahun, Majlis ini dapat memerhatikan bahawa peruntokan yang di-pohonkan di-bawah Pechahan-kepala 2, 3, 7, 8, 10, 11, 12, 13 dan 14 ada-lah berkurangan daripada tahun yang sudah[2]. Kekurangan ini ada-lah di-sebabkan oleh gerakan jimat chermat.

Pechahan-kepala 6 telah di-tambah sa-banyak $6,500 untok biayaï belanja bagi menggantikan barang[2] lama bagi pendingan udara. Di-bawah Pechahan-kepala 16 telah di-pohonkan satu peruntokan sa-banyak $5,000 untok membiayaï perbelanjaan penyelenggaraan lip di-bangunan Parlimen ini.

PERBELANJAAN KHAS O.C.S.E.:

Tambahan Perbelanjaan Khas, peruntokan yang di-pohonkan di-bawah Pechahan-kepala 17, 18 dan 20 telah di-kurangkan sa-bagai langkah jimat chermat. Pechahan-kepala 21 dan 22 ada-lah Pechahan[2] Kepala baru sahaja, di-adakan dengan tujuan membeli pakaian full bottom wig bagi Tuan Yang di-Pertua dan bagi membeli permaidani untok bilek Tuan Yang di-Pertua.

Kepala S. 2 Majlis Raja[2], permohonan sa-banyak $141,366 ia-itu terbahagi kapada $5,366 untok Gaji dan $86,000 untok Lain[2] Perbelanjaan Berulang O.C.A.R.

Bagi kepala S. 3 permohonan sa-banyak $3,110,325 yang di-pohonkan ia-lah sa-bagaimana terma'alum, Jabatan Odit Negara ada-lah tanggongan Kerajaan Pusat di-seluroh Malaysia. Pada keselurohan-nya, Anggaran Perbelanjaan bagi tahun 1966 ada-lah berkurangan sa-banyak $403,073 ia-itu pada tahun ini di-minta sa-banyak, berbanding dengan tahun lepas, $3,513,398 pada hal tahun ini hanya $3,110,325 sahaja. Jadi dapat-lah di-jimatkan sa-banyak $403,000 lebeh. Ini ada-lah di-sebabkan Pejabat Odit di-Singapura telah di-keluarkan daripada Anggaran Perbelanjaan.

Kepala S. 4 Surohanjaya Pilehan Raya. Permohonan sa-banyak $1,299,122 di-bawah Kepala S. 4, Surohanjaya Pilehan Raya, ia-lah terdiri daripada $697,167 untok Gaji $583,150 untok Perbelanjaan O.C.A.R. dan $18,805 untok perbelanjaan S.E., berjumlah $1,299,122. Mulaï daripada tahun ini Anggaran Perbelanjaan bagi negeri Sabah telah di-masokkan kadalam Anggaran Perbelanjaan Surohanjaya ini. Sunggoh pun bagitu, atas keselurohan-nya perbelanjaan bagi

tahun 1966 ada-lah berkurangan sa-banyak $188,946 daripada apa yang telah di-luluskan bagi tahun 1965. Jumlah kekurangan ini yang sa-banyak $188,946 itu ada-lah sa-banyak 12.6% daripada peruntokan yang telah di-luluskan bagi tahun 1965. Saperti yang Majlis ini telah ma'alum bahawa oleh sebab keadaan dzarurat yang ada dalam negeri ini pada masa ini, semua Pilehan Raya Kechil bagi Majlis berkuasa Tempatan telah di-mansokhkan buat sementara dan chuma peruntokan sharat sahaja telah di-masokkan dalam Anggaran Perbelanjaan bagi tahun 1966 dan perkara ini ada-lah satu daripada sebab[2] maka perbelanjaan bagi tahun 1966 menunjokkan kekurangan.

Berkenaan dengan Kepala S. 5, Surohanjaya Perkhidmatan 'Awam, permohonan sa-banyak $721,430 di-pohon bagi Surohanjaya ini ada-lah menunjokkan tambahan peruntokan sa-banyak $88,431 ia-itu dalam perkara Gaji. Anggaran Perbelanjaan bagi gaji ada-lah menunjokkan tambahan perbelanjaan sa-banyak $71,396. Ini ada-lah di-sebabkan kenaikan gaji tahunan yang biasa dan juga tambahan tiga jawatan baharu bagi perkhidmatan kerani 'am, satu jawatan baharu pembantu pentadbiran, satu jawatan baharu jurutaip bagi chawangan Sabah dan Sarawak yang telah di-wujudkan itu. Jawatan Kerani Rendah bagi Pejabat Surohanjaya Tinggi Malaysia di-London telah juga di-naikkan taraf-nya kapada taraf Pembantu Kerani salain daripada itu peruntokan tambahan ada-lah juga mustahak di-adakan di-sebabkan pindaan gaji dan elaun sara hidup bagi kerani Perkhidmatan 'Awam, Kerani sementara, juru trengkas, jurutaip dan elaun rumah yang telah di-luluskan oleh Kerajaan baharu[2] ini.

Berkenaan dengan Kepala S. 6 Surohanjaya Perkhidmatan Keretapi, permohonan sa-banyak $110,918 di-pohon ia-itu $77,153 untok Gaji dan $37,765 untok Perbelanjaan Berulang Tiap[2] Tahun.

Berkenaan dengan Kepala S. 7, Perdana Menteri, permohonan sa-banyak $4,603,530 di-pohonkan ia-itu terdiri daripada $2,404,059 untok Gaji $1,568,979 untok Perbelanjaan Berulang[2] Tiap[2] Tahun dan $630,492 untok Perbelanjaan Khas.

Berkenaan dengan Kepala S. 8, Pejabat Setia-usaha Persekutuan, di-pohonkan sa-banyak $606,433 terdiri daripada $493,293 kerana Gaji $111,040 kerana Perbelanjaan Berulang Tiap[2] Tahun dan $2,100 untok Perbelanjaan Khas. Perbelanjaan bagi Pejabat Setia-usaha Persekutuan ini menunjokkan kekurangan peruntokan sa-banyak $232,021 di-bandingkan dengan tahun lepas.

Kepala S. 9, Pejabat Perjawatan Persekutuan, di-pohonkan sa-banyak $8,461,749 ia-itu-lah untok Gaji $3,107,755, untok Perbelanjaan Tiap[2] Tahun $5,336,209 dan untok Perbelanjaan Khas $17,750. Atas keselurohan-nya anggaran perbelanjaan Pejabat Perjawatan Persekutuan Malaysia tahun 1966 ada-lah berkurangan sa-banyak $2,165,316 daripada peruntokan yang telah di-luluskan dalam tahun 1965. S. 10, Arkib Negara, di-pohonkan sa-banyak $323,165. Atas keselurohan-nya peruntokan yang di-pohonkan bagi Arkib Negara bagi tahun 1966 ini ada-lah bertambah sa-banyak $91,625 daripada yang telah di-luluskan pada tahun 1965 oleh sebab tambahan[2] kerja[2] yang bertambah[2].

Kepala S. 11, Perangkaan, di-pohonkan sa-banyak $2,481,210. Bagaimana di-ketahui, sa-imbang dengan dasar Kerajaan, Jabatan Perangkaan telah bertambah besar dalam masa empat tahun yang lepas. Dalam tahun 1962 ada-lah sa-banyak 191 pegawai. Dalam tahun 1965 bilangan kakitangan telah meningkat kapada 313 orang di-Ibu Pejabat di-Kuala Lumpur sahaja. Perkembangan Jabatan ini ada-lah di-jangka untok menjalankan kerja[2] perangkaan yang lebeh baik dan luas dan juga kerana mengadakan perangkaan meliputi seluroh Malaysia bagi tujuan melancharkan ranchangan. Sunggoh pun pergabongan perkhidmatan Pejabat Perangkaan Sabah, Sarawak, dan negeri[2] Tanah Melayu kapada satu perkhidmatan Persekutuan dalam tahun 1965 telah di-jalankan dengan giat-nya malahan kemajuan di-dapati berkurangan juga di-sebabkan kekurangan kakitangan di-negeri[2]

di-Borneo. Jumlah kakitangan dalam tahun 1965 ada-lah 376 orang. Di-dalam tahun 1966 jumlah ini akan menjadi 458 ia-itu 370 di-Ibu Pejabat di-Kuala Lumpur 48 di-Sarawak dan 40 di-Sabah. Faedah[2] yang telah di-dapati oleh kerana pergabongan ini tidak-lah dapat di-nilaikan banyak-nya, sa-lain daripada penyebaran chara[2] perangkaan yang di-jalankan pada masa ini di-negeri[2] Tanah Melayu dan Sabah. Pekerjaan[2] perangkaan antara ketiga[2] buah negeri itu juga dapat di-samakan dan di-sesuaikan. Dengan penambahan kakitangan, sa-bilangan tugas[2] baharu telah di-jalankan termasok-lah, satu, penyiasatan tenaga ra'ayat; dua, penyiasatan pengeluaran padi bagi tahun 1964-1965 penguasa penyiasatan pendengar radio dan lagi perangkaan berkenaan penyiasatan pengeluaran hasil tanaman[2] negara.

Perbelanjaan siri perangkaan ka-Sabah dan Sarawak. Perlanjutan siri perangkaan ka-Sabah dan Sarawak termasok-lah demografi pertanian, hutan dan perikanan, galian dan pemechah batu, buatan barang[2], bahan minyak dan tenaga letrik, pengangkutan dan perhubongan perdagangan luar negeri, kewangan, harga[2] barang, pekerjaan dan perkhidmatan masharakat. Satu perchubaan permulaan untok mengumpulkan perangkaan[2] yang kita pileh bagi Sabah dan Sarawak dan negeri[2] Tanah Melayu telah di-jayakan dengan penerbitan "Annual Bulletin of Statistics for Malaysia for 1964" yang boleh di-dapati daripada Kerajaan dan orang ramai dalam tahun 1965.

Berkenaan dengan ranchangan masa depan tugas utama dalam tahun 1965 ia-lah penapisan siri[2] perangkaan yang ada sekarang, terutama sa-kali yang telah di-lanjutkan ka-Sabah dan Sarawak baharu[2] ini. Sa-lain daripada itu satu project baharu yang di-ranchangkan bagi tahun 1966 bagi negeri[2] Tanah Melayu ia-lah penyiasatan hasil tanaman[2] negara yang akan boleh menentukan luas-nya ladang[2], peladang[2] kechil dan pendapatan hasil daripada berbagai[2] tanaman negara yang akan boleh menentukan luas-nya ladang[2], peladang[2] kechil dan pendapatan hasil daripada berbagai[2] tanaman. Sa-telah itu sa-chara beransor[2] projek yang saperti itu akan di-lanjutkan ka-Sabah dan Sarawak. Satu lagi ranchangan yang akan di-laksanakan ia-lah mengambil banchian awal "pilot survey" atas pendapatan padi Sabah pada musim padi 1965-1966 yang akan datang ini. Dengan kerjasama Kementerian Kerajaan Tempatan dan Perumahan, Jabatan Perangkaan ada-lah juga akan memulakan kerja[2] memungut dan mengumpulkan perangkaan[2] berthabit dengan perumahan. Saperti yang saya sebutkan tadi, anggaran perbelanjaan yang di-pohonkan dalam tahun 1966 ada-lah berjumlah sa-banyak $2,481,210 dan ini ada-lah menunjokkan tambahan peruntokan sa-banyak $388,949 oleh sebab beberapa perkara yang telah saya terangkan di-atas tadi.

Dr Tan Chee Khoon (Batu): Mr Chairman, Sir, before I speak on Heads S. 1 to S. 11, may I draw your attention to the dictatorial way in which the Alliance Government conducts the business of this House. In the Order for the day this morning, properly speaking, my motion should be taken up. Mr Chairman, Sir, as you go along the line, you knock into my motion, but the powers that be in the Government have decided that in the afternoon they will have a different set of Orders. I come prepared this morning to debate my motion, but then when I come I am told that the Government wants to debate the Estimates in Committee. This is the way, Mr Chairman, Sir, democracy works in this House. The Opposition is not even . . . .

Mr Chairman: May I point out to the Honourable Member that it was I who decided what is to be taken (*Laughter*).

Dr Tan Chee Khoon: Then, I wish to retract what I have railed against the Government. I did not know it was your decision, Mr Chairman, Sir. I thought it was the dictatorial Government that decided to shunt me away from my motion (*Laughter*).

Mr Chairman, Sir, if I may touch on Head S. 1, page 29, Expenses in connection with meetings of Parliament and Parliamentary Committees: this

has been reduced from $690,000 to $550,000. Mr Chairman, Sir, I have been looking through these Estimates carefully, and I have not been able to find out whether this sum of $550,000 includes the reporters for the proceedings of this House. As Honourable Members know, there has been a vast improvement in the reports being made up as quickly as possible; but be that as it may, although there has been a vast improvement, there is still room for improvement. We would like to have these reports to be given to us the next day, and we would like the things that we say in this House to be sent to us for correction the next day, because perhaps with the passage of time our memories fail and we may not be able to know what is the correct version of what we have said in this House. This is a very important thing, Mr Chairman, Sir, and if it is so, I do not see any reason why there is this reduction in expenditure. I do know that there are temporary reporters who have been engaged, and I do hope that more of them will be engaged, and not only more of them but more of the higher grades—people who are more experienced should be engaged on a temporary basis—so that we in this House can get the proceedings of this House much earlier. If I may point out, the proceedings of last year have not been out. We are more than a year behind time, and that is an absurd and ridiculous state of affairs for the Hansard not to be out in one whole year. If more reporters are engaged, and more of the higher calibre ones are engaged, we would hope that the Hansard will be out in about two/three months.

Mr Chairman, Sir, I also wish to touch on the question of Library Books. It has been reduced from $10,000 to $3,750. If I remember rightly, and here again I cannot check up this year what I said last year but if I remember rightly last year, I drew the attention of this House that it is false economy to reduce the purchase of books for the library from $10,000 to $3,750. One would have thought that with the vast amount of material that is being churned out of the printing presses throughout the country books that are suitable and necessary for the working of this House—reference books—more of them would be purchased, and I really fail to see any reason why there has been a reduction in the allocation for next year.

Mr Chairman, Sir, I also notice that under Sub-head 19 there is also a reduction of the vote to $15,000. I do not know what is the reason but I do only wish to point out to the House that whenever there are such delegations going abroad—and I wish to make it quite clear that I am not one of those jockeying for a trip abroad and I wish to say that even if I were offered one I cannot afford the luxury of being away from this country—I notice from the announcements of people going abroad that everytime it is Members from the opposite side of the House. We on this side of the House—there are 19 of us—and surely, if you will include the Member for Bachok, for example, he will add lustre to any delegation going abroad. The Minister of Commerce and Industry will agree with me that he gave a very learned dissertation on pineapples to this House that surprised the Minister of Commerce and Industry—and, indeed, surprised me, and I would say that we should include him in any delegation that goes abroad so that he can surprise the people abroad when they see the depth of knowledge that he has.

Enche' Abu Bakar bin Hamzah: Tuan Pengerusi, saya suka juga pergi ka-luar negeri, tetapi saya selalu sakit, dan saya suka bawa Ahli dari Batu sa-bagai doktor saya (*Ketawa*).

Dr Tan Chee Khoon: Terima kaseh, Tuan Pengerusi. Kalau saya ada peluang pergi ka-luar negeri, saya tidak ada masa untok pergi melawat tempat[2] di-luar negeri.

Dr Lim Swee Aun: Mr Chairman, Sir, is the Honourable Member for Bachok so worried that when he travels abroad, he will contract some contagious disease? (*Laughter*).

Dr Tan Chee Khoon: I do not think so. He is already in bad health, and he is not likely to contract the contagious diseases that the Minister of Commerce

and Industry has in mind (*Laughter*). In any case, there are lady doctors and he will get free treatment, Mr Chairman, Sir (*Laughter*).

Mr Chairman, Sir, I notice that on page 27 for the post of Librarian, where before there was an allocation of $11,208, now there is only a token vote of $10. I really do not see any reason for this reduction. Every time I ring up for books, I contact one Miss Nunis. I do not know whether she is the Librarian, or just one of the Assistant Librarians. One would have thought that for the proper working of this House, one should have a qualified Librarian, and it is false economy to give a token vote, when we should have a qualified Librarian to advise us on where we can find books.

Mr Chairman, Sir, if I may go to Head S. 3 on page 31, the allocation for the Audit Department. Members of this House will remember that at least on two occasions last year, I asked the Honourable the Prime Minister for a report of the surprise check on the accounts of the Jinjang New Village Local Council, and the Honourable the Prime Minister on both occasions promised solemnly in this House that he would provide me with the report of that surprise investigation, or check, of the accounts of the Jinjang Local Council. Mr Chairman, Sir, unfortunately, up to today, I have not received that report. I hope the Assistant Minister for Culture, Youth and Sports will take note of this—that it has been solemnly promised by the Prime Minister, and I do not know for whatever reasons this report has not been given to me. I have tried to get it from the State Council and I have not been able to get it. They said, "You go to the Dewan Ra'ayat". Now, I come to the Dewan Ra'ayat, and I have been promised it on two occasions, but I cannot get it. Perhaps, there is a lot of dirty linen washed and skeletons in the cupboard that have been uncovered by the Auditor-General, that the powers that be, or the interested parties, are not willing to let me know. This is important, because talks have been going on, "Oh, the Socialist Front! Look at the mess they have made in Seremban; look at the mess they have made in Penang; look at the mess they have made in Malacca!" But what about Jinjang? There is a mess there, we know. People have been exchanging cheques that have bounced from the Local Council funds, and if that is true, then that is a matter which should be reported to the Anti-Corruption Bureau. But I cannot get a report of it, Mr Chairman, Sir. I do hope that the Assistant Minister concerned will take note and let me have the report.

Now, Mr Chairman, Sir, I come to Head S. 4—Elections Commission. I do not know whether it is proper for me to touch on the fact of the appointment of members to the Commission. If you will allow me, I would like to ask the Assistant Minister concerned about the appointment of at least one member to the Commission. I would have thought that appointment to this Commission should be from people, who are not engaged in politics, but people who have severed all connections with politics, and people who should be strictly impartial. Now, I have noted that Dato' Dr Sathiah, a former strong man of the M.I.C., he was at that time the Chairman of the Klang Branch of the M.I.C.—has been appointed a member of the Commission.

Mr Chairman: I do not think you should mention the members of the Elections Commission. They are not to be mentioned, according to Standing Orders.

Dr Tan Chee Khoon: Yes, Mr Chairman, Sir. That is why I asked you whether I could mention it, and since you kept quiet I thought you would allow me to mention it. (*Laughter*) However, if you rule that I should not mention it, then I will go through with it.

Mr Chairman, Sir, I wish to draw the attention of the Government to this question of replacement of members of local councils. As you know, the Honourable Prime Minister, now that he has come in, arbitrarily announced—I think it was in March this year—the stoppage of all elections at new village level and at town council level, and then promised that these people would

be appointed if there are vacancies. I have looked up the relevant *gazette* notification on this and it says "that in the case of death and of mental disorder", only under these two categories can a replacement be made. Now, Mr Chairman, Sir, this is unfortunate because there are lots of people, who have removed from the local council concerned: for example, the Member for Telok Anson, who now no longer stays in Telok Anson; he is now a permanent resident of Kuala Lumpur, and, as such, I think he has resigned from the Telok Anson Town Council. Now, under these rules, under this *gazette* notification, I believe, selection is left to the State Government to fill the vacancies, whereas the Prime Minister promised us that when there is a vacancy the Party in power should select a candidate to fill it. Now, we in the Socialist Front are concerned, because lots of our members have shifted from the new villages that they have stayed in, and one of them is now the "guest of His Majesty's Government"—has been the "guest of His Majesty's Government" for almost two years—and under this *gazette* notification we cannot fill that vacancy; and if we want to fill that vacancy then we are at the mercy of the State Government, because the State Government may well appoint somebody who is not a member of our Party, whereas the Prime Minister on that occasion solemnly promised that where a vacancy occurs, it will be filled by the Party from which the vacancy occurs. I do hope that the Government will put right this injustice.

Enche' Khaw Kai-Boh: Sir, on a point of clarification—the replacement rules are very clear: in the case of any member belonging to a party dies or goes insane, or something like that, the replacement will be from nomination by the particular party. Only in the case of Independents, then the State Government has the absolute right to nominate.

Dr Tan Chee Khoon: Mr Chairman, Sir, as I have pointed out, you have only death and a man who has gone mentally deranged. What about the man who has been forcibly made a guest of His Majesty's Government? The *Gazette* notification does not provide for this. What about the person who has shifted from the place of residence, e.g., the Assistant Minister for Finance? He has shifted now from Telok Anson; he is a permanent resident of Kuala Lumpur; and probably speaking he should resign and, I think, he has resigned, if I am not mistaken. He has made an announcement.

The Assistant Minister of Finance (Dr Ng Kam Poh): I have resigned.

Dr Tan Chee Khoon: He has resigned. Now, probably speaking according to the announcement by the Prime Minister the party in power should fill the vacancy but in the *Gazette* notification it is very vague. It does not mention such categories.

Enche' Khaw Kai-Boh: Mr Chairman, Sir, if I may clarify the position again. The reasons are very clear: only in the case of death and insanity would the party be able to nominate a replacement, but in the case of someone who resigned, then it would be up to the State Government to replace anyone at the discretion of the State Government. The reason is to avoid any party withdrawing one of its dumb candidates and replacing him by someone, who is not likely to be elected under any circumstances; one of its own choice. That is the reason (*Laughter*).

Dr Tan Chee Khoon: What about the category that I mentioned of one who is being made a forcible guest of His Majesty's Government? Unfortunately, the people regret that the notification is very silent on this and we have a case in point.

Enche' Khaw Kai-Boh: Mr Chairman, Sir, those contingencies are far and very few in between—and at any rate I will look into that contingency.

Dr Tan Chee Khoon: Mr Chairman, Sir, I wish to touch a little on Head S. 7, the E.P.U.—the Economic Planning Unit. It looks to me, Sir, these economists are multiplying in almost every Ministry. Every Ministry now has an economic section and I do not know whether such a thing is desirable, or it is useful to have a multiplicity of

an economic section in almost every Ministry; and I do hope that in view of the fact that we are talking of austerity drive, and the like, of savings, whether savings can be affected by concentrating these economists, or egg-heads, into one section the E.P.U.

Mr Chairman, Sir, I now come to also S. 7, page 50, Sub-head 4—it is the "Rumah Persekutuan Cameron Highlands". If I am not mistaken, the House was built at a cost of half a million dollars. Now, we have been told time and again by the Minister of Finance and the Minister of National and Rural Development that the only project, which generate prosperity will be entertained. I do not know whether this Rumah Persekutuan, Cameron Highlands, comes under this question of generation of prosperity. It might generate a little energy in the Ministers concerned, who enjoyed the salubrious climate of Cameron Highlands and, incidentally, Sir, I saw in a press statement that there are various sections in the "Rumah Persekutuan", allowance for various people.

Yesterday in the State Council, when I questioned the Mentri Besar there, the State Government also has ideas. When the Federal Government sets an example, the State Governments follow suit, and I do not know whether in the interest of this country to have a proliferation of such "Rumah Peranginan" all over the country, whether such things are good for the generation of wealth. I asked the Mentri Besar whether that house would be the V.V.I.Ps. and he told me that this house is also for the ra'ayat in Selangor. Then, I asked him whether a trishaw rider without a pair of shoes would qualify to stay in such a rumah in Negri Selangor and unfortunately, he hadn't an answer for them. After all a trishaw rider is a taxpayer, and I wonder whether the Honourable the Prime Minister will tell us a little more of people who can qualify—those non-Government people—for passing a night in the "Rumah Persekutuan". But Mr Chairman, Sir, as a result of . . . .

Mr Chairman: Time is up. I am sorry. You can finish it tomorrow.

Dr Tan Chee Khoon: Mr Chairman, Sir, I do not wish to come tomorrow at the start of it. I will finish it in one minute, Sir. I just wish to mention that as a result of that building, we now have an expenditure of $3,578. I leave it to the Minister of Finance to decide whether that is a useful, or necessary, expenditure. Thank you.

House resumes.

Mr Speaker: I have to report that the Committee of Supply on the Supply Bill for 1966 is still considering Heads S. 1 to Head S. 11 of the *Schedule*.

ADJOURNMENT

(Motion)

Enche' Tan Siew Sin: Mr Speaker, Sir, I beg to move that the House do now adjourn.

Dato' Dr Ismail: Sir, I beg to second the motion.

ADJOURNMENT SPEECH

EVILS OF GAMBLING

Dr Tan Chee Khoon: Mr Speaker, Sir, in rising to speak on the evils of public gambling, I do not intend to preach a sermon to the Honourable Minister of Finance. Rather, I wish to reiterate the stand of my Party, the Socialist Front, against both the Social Welfare Lottery and the Act to empower Turf Clubs to promote public sweepstakes. I wish also to reiterate the stand of my church, i.e., the Methodist Church of Malaysia, and the Malayan Christian Council, both of which are against organised gambling, and I need hardly remind this House that the P.M.I.P., too, are in complete agreement with this stand. None other than the Member for Pasir Puteh grumbled about the reduction in the tax on cards on which the Honourable Minister wants $10. He said that this reduction in tax would lead to more gambling, whether public or private, and he complained about the pictures on the back of cards saying that they said would raise his "passion"—he said he did not mean that and that in Kelantan it is not the word.

Now, Mr Speaker, Sir, may I ask this House, who will be the losers if the doors of public organised gambling are opened one after another? It is the experience of other countries as well as that of the United States in the 18th and 19th centuries that the low income people buy proportionately more tickets than the middle income, or high income people, which means that money that should go in for meat, or for shoes, or for rice, instead go for nearly worthless lottery tickets. The lottery is, an ancient method of taxing poor people, is more regressive than any sales tax. Promoters of lotteries declared that it is a form of voluntary taxation. Only the man who wants to pay the tax has to pay it. This argument, however, ignore the evidence of history and the psychology of the gambler. It is those who can't afford who pay most of this tax. Opposed by serious financial burdens, the gambler reads about the lucky winners and proceeds to buy a dollar dream, but he has substantially less than an even chance of winning back as much as he puts in—and only the poor loses. When the poor man loses, so does the businessman. Once the gambling fever hits his customer, he discovers that his business falls off and that many of those, who continue to do business with him don't pay their bills.

The ignorant and the naive would be the losers—gullible folks, who don't realise how great are the odds against their winning. The truth is that anything that encourages gambling, or makes gambling more accessible to more people increases certain types of crime. The lottery could encourage the counterfeiting of lottery tickets—and this has happened in this country—and multiply side bets on the outcome. Robberies and embezzlements would probably increase as people seek funds to make the dreams generated by the lottery promoters come true. It has been estimated that 75% of all embezzlements is related to gambling, and we can expect an increase in frustration crimes. The day after the winners are announced, the joy of the fortunate ones must be discounted by the sadness of the losers, many of whom as a consequence inflict tragedy upon themselves and others—family quarrels, suicides, and murders are frequently the fruit of gamblers' frustration.

Some time ago a Legislative Committee in another nation considered the possibility of establishing a lottery as a means of solving some of the nation's financial problems. Its study led it to this conclusion:

"The pecuniary advantage derived from a state lottery is much greater in appearance than in reality. No mode of raising money appears to be so burdensome, so pernicious and so unproductive. Surely, it is clear that the lottery is an expensive way to raise public funds. If it is really revenue that we are after, let us face the issue honestly. A small increase in income, or sales, tax rates would produce more income than the lottery which brings in its train several other spirits more evil than himself. It is not right to try to solve a financial problem by a tool that will hurt the poor, exploit the ignorant and multiply the problems of law enforcement and welfare agencies. We do not need money that badly. The lottery is an irresponsible approach to a public matter that deserves a wise and responsible solution."

The Malayan Christian Council has joined in the chorus of opposition to the then proposed Bill that was passed in this House—the Racing Club Public Sweepstakes Act, 1965. The amendment at that time proposed would allow members of the public to take part in Turf Club Sweepstakes instead of confining participation to club members. The Malayan Christian Council in a statement said:

"We would remind the Government of its duty to govern in the highest interest of the people and consequently we are opposed to any widening of the facilities for gambling. We would further point out that gambling encouraged could become a rapidly expanding industry and big business, as indeed the Turf Club seeks to be. We have no desire to have our Government at some time in the future being pressurised by those with vested interest in gambling syndicates. The Methodist Church is totally opposed to gambling, or public organised gambling."

In a statement on the Racing Club Sweepstakes Public Sweepstakes Act, 1965, issued on the 28th of May, 1965, Bishop Lundy said:

"This proposed amendment to the Betting Ordinance, 1963, would seriously compromise the persons legal requirements that Sweepstakes should be confined to Members of the Turf Club; and because it would further

enmesh the Government in the promotion of legalised gambling, the Methodist Church in Malaysia is unilaterally opposed to its passage."

The social creed of the Methodist Church States:

"We stand for the achievement of the community and personal standards, which would make unnecessary the resort to petty or commercial gambling as a recreation, escape, or producer of charitable revenue. Further our stand is embodied in these words: 'organised and commercial gambling is a menace to business, breeds crime and poverty, and is destructive of the interest of good government.'"

In conclusion, Mr Speaker, Sir, I hope it is not too much to ask the Minister of Finance to rethink on the matter of organised public gambling and find other forms of revenue to replace this source of revenue. Thank you.

The Prime Minister: Mr Speaker, Sir, I am not here to reply to the Honourable Member's speech on gambling, because my friend here is ready to reply to him. However, I would like to say here that the Honourable Member is a peculiar person, because he does not gamble, he does not smoke, he does not drink, he does not keep a mistress, why does he live at all. (*Laughter*). I don't know.

Dr Tan Chee Khoon: Sir, on a point of clarification, I cannot afford all those things. (*Laughter*). It is as simple as that.

The Prime Minister: He is opposing something in this House which the whole world knows—that they cannot stamp out gambling. So, if you cannot stamp out gambling you might as well legalise it, in the form of horse-racing, in the form of lottery tickets—and the Welfare Lottery has benefited quite a lot of associations and in particular these associations that require the money, as they could not lay their hands on any funds for their purpose—to supply to the Leprosy Association and so many other things that is why it is called the Welfare Lottery. I do not know whether I am correct in saying it, when this idea was first mooted, the Malayan Christian Council opposed it very strongly, and so does the Roman Catholic Organisation or association of some kind. But when the Lottery started . . . . . .

Dr Tan Chee Khoon: Sir, the P.M.I.P.

The Prime Minister: They opposed it too. But when the Lottery started, they were the first, I think, to apply for funds for their purpose. That is why I cannot see how you can reconcile . . . . .

Dr Tan Chee Khoon: The Methodist Church has not applied for funds.

The Prime Minister: Well, they had benefited by the Welfare Lotteries which had built schools for them and various other things; and so I cannot see where he can reconcile his statement with the actual state of affairs. Here, as I said, is somthing that the whole world has been worried. We ourselves have been worried over the amount of gambling that has been going on in this country. We see it from the kids up to the grown-up and, like many other things in this world, it is an evil. All religions forbid it, but nevertheless it is something you cannot stop it. So why cannot we legalise it? Sir, if this Honourable Member does not gamble, it is good for him and good as far as conscience is concerned. But to ask this Government to stamp it out by legislation is something we can never hope to succeed in doing; and so as we cannot succeed in stamping it out, we might as well legalise it.

Dr Tan Chee Khoon: On a point of clarification, Sir, If that analogy is correct, the oldest profession in this world is a thing that you cannot stamp out. Would the Honourable Prime Minister want to legalise it?

The Prime Minister: If I have my way, and if the Honourable Member would promise he would not oppose me, I would like to legalise it. (*Laughter*).

Question put, and agreed to.

Adjourned at 8.15 p.m.