

**Time Bombs  
in  
Malaysia**

## QUOTE

*"The Prime Minister told an UMNO Economic Seminar in May this year that there is a time bomb element in the new economic policy which would be set off by any delay in its success particularly in reference to the target of 30% participation of bumiputras in the commercial and industrial activities within 20 years.*

*In actual fact, there is not one time bomb ticking away, but several time bombs ticking away in Malaysia. These are the time bombs of races and the time bombs of classes.*

*Unless the government gets down to seriously defuse the time bombs, Malaysia and all the beautifully-bound five year development plans can be blown to smithereens."*

—Lim Kit Siang during the debate on Third Malaysian Plan  
(p. 140)

# **Time Bombs in Malaysia**

(PROBLEMS OF NATION-BUILDING IN MALAYSIA)

LIM KIT SIANG

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TO ALL FELLOW MALAYSIANS

WHO LOVE AND CHERISH

THEIR MOTHERLAND.

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## THE 1978 GENERAL ELECTIONS: DAP'S FINEST HOUR

The National Front set out to wipe out the DAP in the 1978 General Elections, not by besting the DAP in a democratic contest of ideas, policies and programmes, but by holding the most undemocratic general elections in the history of Malaysia.

National Front strategists planned to make Polling Day, July 8, the DAP's darkest day. It turned out to be the DAP's finest hour.

The DAP literally fought the 1978 general elections with our hands tied behind our backs, our mouths sealed, while 'brave' National Front leaders punched and kicked us all over the body, some even administering Siamese kicks. From outside the electoral 'ring', the New Straits Times, the Star, the Utusan papers, Television and Radio Malaysia, directed missiles at the DAP. National Front strategists had thought that the DAP would not be able to last more than a few rounds. But the DAP, with the people's support, not only firmly stood our ground for the entire fifteen rounds of the electoral contest, and did not collapse, we were able to floor the Barisan Nasional, particularly Datuk Lee San Choon, Dr. Lim Chong Eu and Tan Sri Manickavasagam.

The DAP's victory in the 1978 general elections in winning 16 Parliamentary and 25 State Assembly seats is all the more meaningful because we won them under the most unfavourable conditions. If a fair and democratic general elections had been held, the DAP would have easily won over 20 Parliamentary and over 50 State Assembly seats.

## NATIONAL FRONT PLAYED 'FOUL'

The National Front played 'foul' in the 1978 general elections. Their biggest secret weapon was the ban on public rallies, to deny the DAP all access to the electorate.

On 5th June 1978, the New Straits Times gave a front-page treatment to a speech by the usually reticent Inspector-General of Police, Tan Sri Haniff Omar to officers and men after the finals of the Police Volleyball Tournament in Ipoh calling on the Police "to maintain maximum vigilance from now until Merdeka Day on August 31" because of the possibility of violent incidents on the occasion of the 30th anniversary of the Communist Part of Malaya on June 20.

Tan Sri Haniff Omar also said that such incidents "may be carried out in States where there have been no previous manifestation of communist activity".

The picture that Tan Sri Haniff Omar painted was of course a very different one from the picture which the Deputy Prime Minister Dr. Mahathir Mohamed was giving foreign investors in Europe only a fortnight earlier, that there was no security problem in Malaysia.

As I said in a press conference on that very same day, "the IGP's speech is politically-motivated, general elections-directed, and meant to prepare the ground for the banning of public rallies and the imposition of restrictions on free electioneering in the coming general elections expected in a matter of weeks."

I added at the press conference: "Any ban on public rallies and restrictions on free campaigning in the general elections is unjustifiable, and can only be motivated by the political desire of the ruling party of trying to win as many seats as possible in the general elections by every possible means.

"If the IGP is seriously of the view that the security situation would not permit public rallies or free campaigning, then it would be his duty to recommend to the Prime Minister that a general elections should not be held. After all the term of this Parliament does not expire until August 1979.

"Here, I call on the Prime Minister Dato Hussein Onn not to be the first Malaysian Prime Minister to conduct the most unfair, undemocratic general elections by banning public rallies or imposing restrictions on free campaigning. If public rallies are going to be banned and free electioneering restricted, then Dato Hussein Onn should postpone general elections until after Merdeka Day on August 31.

"A general elections does not mean merely the fixing of a date where the people go and cast their votes. It involves a process whereby the people are given the opportunity to pass judgement on the record of the government, to listen, consider and weigh the various party programmes and policies to decide which one of them is worthy of their support.

"There are countries where elections are held, but where voters are allowed to vote for one list of official candidates only. This is not democracy as we understand it, and even National Front leaders mock at such 'elections'. But what will be the difference between such 'guided' elections and the Malaysian version where the people are bombarded with government propaganda

*through television, radio and the mass media, while the Opposition are denied effective access to reach the electorate with their policies and programmes?'*

A general elections is to fulfil democracy and not to undermine it. But in the 1978 general elections, the basic democratic norms and concepts came under attack by those who want Malaysia to keep the facade of democracy but emptied of all its contents – by those who want to 'use democracy to destroy democracy'.

As a result, the 1978 General Elections was the most unusual general elections – for it appeared to be an elections without issues. Every day, Malaysians read in the press the fairy tales and fictions churned out by the National Front propaganda mills to attack the DAP and discredit DAP leaders. Conspicuously absent in the elections were the great national issues which dominated and animated previous elections, and which gave meaning and purpose to the electoral process – the great national issues concerning economic justice and equality, of class exploitation resulting in the ever-widening gulf between the haves and have-nots, of educational opportunities for our children, corruption, human rights, the future of democracy and most important of all, what type of Malaysian nation we are building for our children.

It was not because we had solved all these great issues of the nation. In fact, the basic issues and grave problems faced by Malaysians had never been so many, so complex and so acute than at any time in the life of our nation.

The National Front suppressed these great national issues by the ban on rallies and control of the mass media. As a result, the DAP found it virtually impossible to raise, let alone crystallise, issues in the elections campaign.

The DAP lost the political initiative in the 1978 general elections, for we could not launch political offensives.

At every general elections, the National Front had special secret weapons to try to knock out the DAP.

In 1974, it was the two-point strategy of the mass disenfranchisement of some 100,000 voters, who found on polling day that their names on the electoral rolls had been deleted and therefore lost the right to vote. The other measure was the delineation of electoral constituencies to favour the National Front and disadvantage the Opposition – leading to the present situation where Petaling Parliamentary constituency has an electorate of 90,611 voters while Kuala Krai parliamentary constituency in Kelantan

has only 19,697 voters or that of Tan Sri Kadir Yusof's Tenggaraoh constituency in Johore with 20,308 voters. By a democratic rendering of the one-man one-vote system, Petaling area should have at least four Members of Parliament.

In 1978, the National Front's 'secret weapon' to crush the Opposition was the ban on public rallies, mass media control and denial of access to the electorate by the Opposition. This, however, was not their only secret weapon.

On Nomination Day, 17 DAP State Assembly and 7 Parliamentary candidates were disqualified on the most flimsy and unjustifiable of grounds, depriving the people in many areas their democratic right to choose who should be their elected representatives.

The mass indiscriminate disqualification of candidates on Nomination Day is a serious 'blot on the competence of the Elections Commission to conduct a meaningful general elections, for the Elections Commission's role is to conduct a fair elections, and not to deny the people the right to choose who should represent them. Nomination should only be rejected where there is fraud or misrepresentation. The other blot is the still serious problem of missing names of eligible voters on the electoral rolls by those who had registered themselves, and who have acknowledgement cards from the Election Commission to prove it. Is it really beyond the ability, competence and expertise of the Election Commission to devise a system where there is no large scale problem of 'missing voters' on Polling Day?

**The massive expenditure of funds in the election campaign is shocking.** Although there is a law limiting election expenditures of Parliamentary candidates to \$20,000 and State Assembly candidates to \$15,000, it is not unusual for National Front candidates to spend \$200,000 to \$300,000 for parliamentary campaigns.

Those who spend so much money to get elected do not do so out of charity, but in the expectation that they can get many times return for such investment. This is where the corruption of public life starts.

In the 1978 general elections, the National Front conducted a vicious campaign against the DAP. They had wanted to use the 'May 13' scare to frighten voters from voting for the DAP.

Immediately after the dissolution, National Front leaders spoke daily about the dangers of another 'May 13'. This only stopped after the DAP staged a walk-out from a meeting called by the Elections Commission to discuss a code of electoral conduct for all parties on June 17. The DAP had demanded that if the code of electoral behaviour was to be meaningful,

then it should include a code stating that *"no political leader, party or candidate should call on voters to vote purely on racial considerations, for instance Malays to vote for Malays, Chinese to vote for Chinese and Indians to vote for Indians, and that no one should be allowed to threaten voters that if any candidate or party wins, there is going to be bloodshed or repetition of May 13."*

Surprisingly, the foremost opponent of this DAP proposal was the Gerakan representative, Dr. Tan Tiong Hong, now Member of Parliament for Kepong on a minority vote. When the National Front opposed the inclusion of this DAP proposal into the code of electoral behaviour for all political parties, the DAP decided to stage a walk-out in protest to highlight the refusal of the National Front to stop using the May 13 scare on the voters.

I understand the walk-out and its reasons were given prominent international coverage both in press and broadcasting, and which had at least the effect of shaming the National Front leaders into stop using the May 13 scare openly during the campaign. This however did not stop National Front election workers from conducting a whispering campaign of another May 13 should DAP candidates win.

**The DAP has now won 16 Parliamentary seats, the biggest for any Opposition party in the history of Malaysia. Is there another May 13? Who wants to start another May 13?**

The press performance, especially New Straits Times, Star and the Utusan papers, has not been the most glorious chapter of journalism in Malaysia. The New Straits Times was hand-in-glove with the National Front to try to destroy the DAP by discrediting DAP leaders, picturing them as dictatorial and self-seeking, giving great prominence to the most trivial and frivolous Barisan statements while blacking out DAP news and activities.

For instance, the New Straits Times carried on its front page on June 26 in full a statement from the UMNO headquarters posing five questions to the DAP. These five questions must have been penned by some party hacks in the UMNO headquarters, and only the New Straits Times have the journalistic insight that they are of such earth-shattering importance as to deserve full front-page treatment! The UMNO and the New Straits Times probably thought that these five questions would deliver the coup-de-grace to finish off the DAP.

When I subsequently rang up the New Straits Times Group Editor, Tan Sri Lee Siew Yee, to ask him whether the New Straits Times would also publish the DAP's reply in full and on the front page, Tan Sri Lee said: *"I am*

*sorry. I do not discuss these things.*" I am not surprised by the Tan Sri Lee Siew Yee's declaration of journalistic independence! It is virtually public knowledge that the giants of New Straits Times journalism also do not discuss "these things" with UMNO and National Front leaders. They just take directives and implement orders issued by UMNO and National Front leaders. If by some inadvertent mistake, they omit a comma or semi-colon in such UMNO or Barisan Nasional statements the greats of New Straits Times would go into a cold sweat!

The MCA-owned Star is of course not a newspaper, but a MCA broadsheet. The Star cannot even sell its master, MCA, to the people; how can it sell ordinary advertisements to the public?

### THE MEANING OF THE 1978 GENERAL ELECTIONS

Although the National Front tried to suppress issues, and make the people think that the 1978 elections is merely a contest of personalities, the electorate have demonstrated their political sophistication and understanding of the need to save democracy from the attempts of those who wish to foist on Malaysia a one-party state through the destruction of the Opposition by a general elections.

The DAP has emerged from the 1978 general elections as the undisputed representative of the urban areas. We have more support from the Malaysian Chinese than the MCA, which claims to represent the five million Chinese in Malaysia.

The 16 DAP MPs have a total of 380,000 votes, while the entire DAP Parliamentary slate have about 700,000 votes. On the other hand, the MCA, with 17 MPs, have only over 200,000 votes. And according to former MCA President, Tun Tan Siew Sin, in a special interview with Utusan Malaysia, the MCA MPs won because of Malay votes. No wonder Datuk Lee San Choon was booed on 25th July when he appeared at the official opening of the Asian Women Basketball Competition in Kuala Lumpur.

The DAP can lay claim to be more representative of the Malaysian Indians than the MIC, for we have four MPs of Indian origin, while the MIC has only three.

The DAP has also increasing support from the Malay electorate, both in the urban and rural areas.

All in all, the DAP is the only party which is multi-racial in character and support in Malaysia.

All the component parties in the National Front thrive on racial appeals, and when Ghaffar Baba said after the elections that Malaysia must do away with communal politics, let him answer what he is doing to do away with the communal politics of UMNO, MCA and MIC.

Several Barisan Nasional leaders have expressed concern that the election results have demonstrated increased polarisation in the country.

On July 15, Tengku Razaleigh was reported as saying that the Government would take steps to overcome the trend of voting along communal lines as seen from the recent elections. He cited urban areas such as Damansara, Ipoh and Petaling Jaya as examples of racial voting. He said that the Government would take five or six years to deal with this problem.

Tengku Razaleigh's statement is most disturbing, and he should come out clearly and explicitly to explain what he meant when he said that the Government would take five or six years to deal with the problem.

**And is Tengku Razaleigh saying that when people vote for the DAP, it is communal voting; while if people vote for UMNO, MCA or MIC, it is non-communal voting?**

The Barisan Nasional leaders' talk about polarisation was taken up by the international press and weeklies, to the extent that Dr. Mahathir Mohamed became worried that it would nullify his efforts to woo foreign investors to Malaysia.

We have then the spectacle of Dr. Mahathir Mohamed denouncing foreign press and magazines for writing about 'polarisation'. As Dr. Mahathir put in his speech at the opening of the Central Region Investment Seminar organised by the Negri Sembilan, Perak and Selangor Development Corporations and the Federal Industrial Development Authority on July 25:

*"Every time we launch a campaign to attract investments from abroad, these so called authoritative magazines publish articles which are intended to frighten away potential investors.*

*"These international news magazines being unable to point to obvious evidence to suggest that Malaysia was not worth investing in, had now resorted to manufacturing evidence of potential political and economic instability."*

Dr. Mahathir should have turned his attention nearer home, and co-ordinated with the Finance Minister, Tengku Razaleigh, and Ghaffar Baba, to tell them not to talk about polarisation, as it would frighten away investors!

However, polarisation in Malaysia cannot be wished away either by denouncing foreign journals, or keeping quiet about it. We can only deal with the problem of defusing polarisation by recognising the problem and resolving its root causes.

As I said in the first meeting of DAP Members of Parliament and State Assemblymen in Kuala Lumpur on Sunday, July 16, 1978:

"Let me make it very clear that there is polari

*"Let me make it very clear that there is polarisation in Malaysia, along two levels. There is polarisation along racial lines, and there is polarisation along class lines.*

"Racial polarisation in Malaysia has been created, not by the 1978 general election results, but by the long-standing neglect and indifference to the legitimate demands and aspirations of all the races in Malaysia.

"The 1978 general election results have not created the problem of racial polarisation, but merely confirmed the problem of polarisation due to the policies of Barisan Nasional.

"Racial polarisation must be halted. It is not halted by warning that the government would be doing something underhand to try to deal with the problem. It can only be halted by the government recognition that the racial dissatisfactions in the country exist, and must be resolved.

"The DAP has secured some 700,000 votes in the 1978 general elections. This is not an 'anti-establishment' vote as claimed by Dr. Mahathir Mohamed in Utusan Malaysia yesterday. This is a sizable vote of the people of Malaysia for change in the educational, economic, social, cultural, political and nation building policies of the Barisan Nasional.

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*"The Barisan Nasional and the Prime Minister, Datuk Hussein Onn, should come to terms with this popular will of the Malaysian electorate, by re-appraising its nation building policies and making adjustments and changes in its policies.*

*"The purpose of a general elections is for the people to express their popular will about government policies. In a democratic country, the ruling party should respond to the popular will of the people, and make the necessary accommodations, for this is the meaning of democracy in action.*

*"As the Malaysian voters in the 1978 general elections have made very clear that they want a change in educational, economic and nation building policies, the Prime Minister, Dato Hussein Onn, must accede to such popular demands. Otherwise, general elections have no meaning. Datuk Hussein Onn must heed the voice of the people as expressed in the 1978 general elections, and if the Barisan Nasional respect democracy and the views of the people, then it must respond to the popular will of the people as expressed on July 8.*

*"In the interest of national unity, I call on the Prime Minister, Datuk Hussein Onn, not to ignore the long-standing grievances of the different races and classes in Malaysia. The DAP is ever ready to co-operate with Datuk Hussein to overcome these problems and obstacles to nation building. The ball is in Daltuk Hussein Onn's court.*

*The basic policy changes must involve the following:*

- 1. Changes in the education policies in the government to ensure:*
  - (i) that there is expansion of higher education opportunities for Malaysian students in our*

- (i) *that there is expansion of higher education opportunities for Malaysian students in our own country, including the approval for the establishment of the proposed Merdeka University which is fully in conformity with the letter and spirit of Article 152 of the Malaysian Constitution.*
  - (ii) *Iron-clad guarantees that mother-tongue education in Malaysia will be promoted and that Chinese primary schools would not be converted into national primary schools. This can only be achieved by the repeal of Clause 21(2) of the 1961 Education Act which empowers the Minister of Education to convert Chinese primary schools into national primary schools by the stroke of the pen. Furthermore, the Government should financially assist Independent Chinese Secondary Schools, without affecting its education direction and policies, as government funds are the people's money.*
  - (iii) *Uplifting of the standards of education at all levels of the education system. The present education system is producing 'educated illiterates' who create more social problems in the country.*
2. *Change in economic policies to ensure that government policies do not benefit only a handful of people, the wealthy in MCA, the UMNO-putras in UMNO, and the other well-connected in the Barisan Nasional. The New Economic Policy is used to perpetuate the interest of class by exploitation of the politics of race. Economic policies of the country must be directed to help the poor of all races, who constitute the majority in the country.*
3. *The removal of the National Bureau of Investigations from the Attorney General's Department to Parliament, so that the NBI is answerable only to Parliament and no subject to any Ministerial control or interference. Corruption is rampant in Malaysia, although Datuk Hussein Onn has a reputation of being personally clean and incorrupt. The question is whether Datuk Hussein Onn can master the system, or whether he is helpless in the face of the system.*
4. *Genuine dedication and commitment to a democratic Malaysia. The Barisan Nasional should stop all its undemocratic policies, and stop persecuting Opposition leaders either by way of arrests*

*under the Internal Security Act, or by legal prosecutions. The Prime Minister should immediately release Sdr. Chiang Heng Kai and Sdr. Chan Kok Kit who were both elected MPs with great majorities."*

After the elections, there were rumours that the DAP was joining the National Front. At a dinner given by the people of Klang on 20th July to me and Sdr. Lee Lam Thye for our election victory, I nailed this rumour, but it was again blacked out.

For the record, this was what I said:

*"The post-election period has been a season of rumours. There was firstly the rumour that the top MCA leader has been put under house arrest. There was the other rumour that the MCA would pull out of the Cabinet. The latest rumour is that the DAP would join the Barisan Nasional.*

*"My initial reaction to the rumours that the DAP would join the Barisan Nasional was to ignore it altogether. DAP leaders are in politics not for self-gain, but for our political beliefs, for which many leaders have paid a heavy price in terms of personal liberties and hardships – just as at this very present moment of time, two of our MPs Sdr. Chian Heng Kai and Sdr. Chan Kok Kit are still in detention.*

*"But what shocks me is that these rumours take on a life of their own, especially as they are coupled with alleged details giving the impression that they are true. For instance, it has been rumoured that the DAP and Barisan leaders had talks, that the DAP is asking for two Minister and two Deputy Minister posts, that Michael Chen is the middleman in trying to arrange this DAP-Barisan get-together.*

*"It is obvious that these rumours are manufactured by the Lee San Choon faction in MCA, hoping to kill two birds with one stone: to attempt to discredit the DAP leaders and to further the on-going Lee San Choon-Michael Chen power feud inside the MCA.*

*"After the election results, apart from meeting Datuk Senu bin Abdul Rahman on the plane to Sabah (where he went in and I was thrown out), I have not met a single Barisan leader nor discussed anything with anyone of them. There is absolutely no truth in rumours that the DAP has drawn up conditions or guidelines for entry into Barisan, or that the DAP is demanding two Ministerial and two Deputy Ministerial posts.*

*"The idea of DAP joining the Barisan has never occurred in the minds of DAP leaders. It has never been discussed. It is a mere fabrication by rumour-mongers who have their own axe to grind!*

*"To give these rumours some credence, these rumour-mongers point to my speech to DAP MPs and State Assemblymen last Sunday declaring that the DAP was prepared to co-operate with the Prime Minister, Datuk Hussein Onn, to overcome the problems and obstacles in nation building.*

*"This has been the stand of the DAP right from the beginning, that we are prepared to work with anybody to help build a Malaysian nation on a just and equal basis, to save democracy, to combat poverty and class exploitation, to uphold human rights and to fight corruption. We are not an Opposition for the Opposition's sake.*

*"In fact, when Daltuk Hussein took over as Prime Minister after the death of Tun Razak, I made exactly the same point in Parliament in the motion of confidence on Datuk Hussein Onn as Prime Minister.*

*"We in the DAP are reasonable people. But we will be firm and unyielding in our political principles and beliefs. But we will be firm and unyielding in a reasonable way.*

*"We will seek, for the interests of the country and for the future of our children, to make the government see our points of view, to understand the people's deepest hopes and dreams. We will do this by speaking up inside and outside Parliament and the State Assemblies, and in meeting with the Prime Minister and other government leaders. We will do so, not to ask for Minister or Deputy Minister posts or to get entry into the Barisan, but to change thinking and assessments by all political leaders on basic problems of the nation."*

I want to thank the people of Malaysia for the support they have given to the DAP in the 1978 general elections. The people's rights and liberties demand eternal vigilance on the part of every citizen, and we welcome Malaysians to come forward and join us in our long-term political crusade to make Malaysia a freer, more just and equal Malaysia.

**P.S.**

The first edition of 10,000 copies of **'Time Bombs in Malaysia'** was sold out in less than three weeks. Hence the production of this second edition, which includes a few more parliamentary speeches and illustrations.

**Lim Kit Siang**  
28.7.1978



*Dr. Chen Man Hin*

# FOREWORD

by Dr. Chen Man Hin, National Chairman of  
Democratic Action Party, Member of Parliament  
(Seremban) 1969-1978, State Assemblyman  
for Rahang, Negri Sembilan 1965-1978.

THE Democratic Action Party contested its first general elections in 1969 and won 13 Parliamentary and 31 State Assembly seats. In the 1974 General Elections, nine DAP Members of Parliament and 23 State Assemblymen were returned.

In the last decade, the DAP has emerged as the most consistent and outspoken critic of the National Front Government, both inside and outside Parliament, on its failure to build a multi-racial Malaysian nation where the focus of loyalty especially for the post-Merdeka generation is nation rather than race, class exploitation, corruption, violation of human rights, undemocratic practices, government maladministration and abuses of power.

The DAP, however, suffers from a press policy of media black-out, particularly in the English and Malay language newspapers. Although this book is a compilation of some of the Parliamentary speeches of DAP Secretary-General and Parliamentary Opposition Leader, Lim Kit Siang, Malaysians will be reading them for the first time, as the press either blacked out DAP speeches on fundamental nation-building questions or dismissed them in a few paragraphs.

This book serves a dual purpose.

Firstly, to break the media black-out and provide access to Malaysians to the arguments, ideas and policies propounded by the DAP in Parliament, for democracy pre-supposes an informed electorate.

Secondly, it constitutes a record of DAP's parliamentary performance, although it is not a complete record. The speeches of other DAP Members of Parliament have not been reproduced, nor all of Lim Kit Siang's major speeches and exposes.

Looking back, the DAP as a party has never flinched from our political responsibilities and commitments to speak up for the people, even when Party leaders had to pay a heavy personal price for their political beliefs.

Lim Kit Siang was detained without trial for 18 months under the Internal Security Act from May 1969 to October 1970. He was again arrested on April 23 this year and charged with five counts under the Official Secrets Act 1971 which carry a total maximum of 31 years' jail sentence on conviction. Arrested at the same time is DAP National Organising Secretary and Editor of Rocket, P. Pato, who was also charged under the Official Secrets

Act. The subject matter of these charges was Lim Kit Siang's public questioning of the wisdom and propriety of the Royal Malaysian Navy purchase of four Swedish fast patrol crafts, which price was subsequently reduced by \$9 million because of the pressures exerted by Sdr. Lim.

At this moment, two DAP leaders, DAP Member of Parliament for Batu Gajah, Chian Heng Kai and National Assistant Treasurer, Chan Kok Kit, are in detention in the Kamunting Detention Camp. They have committed no offence, apart from exercising their rights as citizens to seek to bring about changes by constitutional means and through the democratic process.

Many other DAP leaders have suffered legal persecution by way of prosecutions. In the political history of Malaysia, no political party has so many of its leaders and members so systematically prosecuted by the government as the DAP.

The road ahead for the DAP is no less arduous. In the process, there will be those who will fall by the wayside, either through weak of will or short of stamina. Others part ways because they have become disillusioned with the democratic and constitutional struggle, regarding it as futile and a facade.

The DAP was formed by patriotic Malaysians in 1966 to blaze out the path towards a democratic socialist, Malaysian Malaysia. DAP leaders and members realised from the beginning that ours would not be a bed of roses but a crown of thorns for we are confronting an unholy alliance of comprador-feudalist interests compounded by the most shameless pandering to chauvinism to perpetuate their interests.

Whatever the trials and tribulations which the DAP had experienced or will have to face, we take heart and draw fresh inspiration from the continuing support of the people in our common cause for a democratic socialist, Malaysian Malaysia.

May 27, 1978.

# INTRODUCTION

## THE DAP IN PARLIAMENT

This collection of my parliamentary speeches offers a glimpse of history and politics in the make in Malaysia in the last decade. Space has necessitated speeches on other important issues to be omitted.

The exclusive confinement in this collection to parliamentary speeches reflects the importance the DAP places on the parliamentary democratic process in which Parliament occupies the apex of power.

Unfortunately, the DAP's experience with parliamentary democracy had not been a pleasant one. We found, especially in the 1969-1974 Parliamentary session, that the ruling party was wroth to use its parliamentary majority to abuse and pervert parliamentary procedures and conventions for petty political advantage.

For instance, at the very first meeting of the Dewan Rakyat in February/March 1971, following the lifting of the 21-month suspension of Parliament, the 13 DAP Members of Parliament were forced on the 10th day of the 16-day meeting to protest in the strongest possible manner against the partiality and unfairness of the Speaker by staging a walk-out from the Chamber and boycotting the rest of the Parliamentary sittings. This happened when the Speaker carried out the government instructions to 'punish' the DAP Members of Parliament during the debate on the Royal Address by denying even a single DAP MP a chance to speak or reply to vicious personal attacks on the DAP leaders by government members, although the DAP with 13 MPs was the largest Parliamentary group. The 'punishment' was for the DAP's 'misdemeanour' in daring to speak out and vote against the earlier 1971 Constitution Amendment Bill, which removed the traditional privilege of parliamentary immunity and made it an offence for anyone to question four 'sensitive' subjects.

On April 18, and 19, 1973, in two DAP attempts to move an amendment to the Motion of Thanks on the Royal Address so as to register public anxiety over the mass failures in the MCE examination solely because of failure in Bahasa Malaysia — over 14,000 candidates failed because of this — the Speaker ruled that no amendments were permitted to a Motion of Thanks on the Royal Address. This ran counter to all accepted parliamentary practice and betrayed the Speaker's meagre understanding of parliamentary traditions and conventions, namely an amendment to a Motion of Thanks on the Royal Address was a censure against the ruling party and meant no disrespect or discourtesy to the Yang di-Pertuan Agong.

In the first Parliamentary meeting in February/March 1971, DAP MPs did their homework and submitted an avalanche of questions both for oral and written answers by Ministers covering a wide range of subjects in-

timately connected with the people's livelihood. I myself submitted 152 questions. As a result, the Standing Orders of the Dewan Rakyat was subsequently amended to limit each member to a maximum of 20 oral questions and five written questions for each Parliamentary meeting !

As conscientious political workers, DAP MPs made full use of the parliamentary device of Adjournment Motions, the half-hour debate before the adjournment of the House in each sitting where MPs could raise specific issues or problems for Ministerial attention and reply. Amendments were again made to the Dewan Rakyat Standing Orders to ban Adjournment Motions in the two long Parliamentary meetings in each session, namely the Royal Debate meeting and the Budget meeting.

Undeterred, DAP MPs continued to avail themselves of the Adjournment Motions during the two short parliamentary meetings. The Government then resorted to the unheard of action of sabotaging the Adjournment Motions by emptying the House of its Members, leaving behind one Member or Minister, who would draw the Speaker's attention to the lack of a quorum, forcing an adjournment of the House – as Government MPs outside the Chamber would laugh like naughty boys playing a clever trick ignoring the bell calling for the quorum to be filled. In the House of Commons, in the United Kingdom, Adjournment Motions are invariably made to an almost empty House, but nobody stands up to sabotage them by engineering and shouting 'no quorum'!

On 19th July 1974, I was suspended from the House by the Speaker because I termed the National Front a 'National Fraud.'

Private motions by Opposition MPs were killed by not giving time. After the 1974 general elections, I wrote to the Prime Minister, the late Tun Razak, protesting against such abuses of parliamentary procedures. This produced positive results for time was given for private motions by Opposition MPs. But lately, there appeared to be a relapse to such unparliamentary tactics, for in April this year, my motion on Merdeka University was killed by the government denying parliamentary time.

In February 1975, the Government resorted to the unprecedented step of declaring the Menglembu Parliamentary seat vacant and a writ of by-election was issued, when the Member of Parliament for Menglembu, Fan Yew Teng, convicted of sedition by the Kuala Lumpur High Court, was still appealing to the Federal Court against conviction.

I immediately despatched a letter to the Prime Minister protesting against this 'usurpation of the parliamentary powers by unconstitutional and unparliamentary acts' and urged him as Prime Minister 'to uphold the rules of natural justice, accepted form of parliamentary practice and the sanctity of the Constitution by staying the holding of a by-election of the parliamentary constituency of Menglembu'. (See Tun Razak's reply, page xxi)

Three days before the by-election polling on March 15, 1975, the High Court gave a declaration that there was no vacancy in the Menglembu constituency and stopped the by-election.

It is clear that there is an urgent need for the mobilisation of public opinion in defence of parliamentary ideas, traditions and institutions from the encroachments of those whose democratic credentials are dubious. As Acton has aptly said: "Power corrupts and absolute power corrupts absolutely". For such a mobilisation to succeed, there must be a greater public awareness and consciousness of the threats to parliamentary ideas, traditions and institutions - and it is with this object in mind that this book is born.

May 25, 1978.

Lim Kit Siang

#### **Acknowledgement**

In the publication of this book, special mention must be made of Sdr. N. Madhavan Nair for his tireless energy in getting this collection out of the press.

#### **Post-script**

(When this book was in the press, news came that Fan Yew Teng had announced his resignation from the party accompanied by a long tract giving the reasons for his resignation. Reproduced in the next page is the press statement which I made on May 28, 1978 on Fan's resignation: LKS)

I have not yet received Fan Yew Teng's letter of resignation from the Party, apart from press reports.

Fan Yew Teng was one of the DAP leaders victimised and persecuted for leadership in Opposition politics, spending five years from 1971-75 in a sedition trial which went up twice to the Privy Council, and which ended in conviction with its concomitant consequences of disqualification as a Member of Parliament and State Assemblyman.

Fan Yew Teng has been away from Malaysia for the last two-and-a-half years since November 1975. When I met him in London and Cambridge in July 1977, I asked him to return to Malaysia and to help organise the Party. He expressed disillusionment with the democratic process in Malaysia, and spoke of the futility of the constitutional political struggle. He said party work was not like selling ice cream, and needed conviction before it could be undertaken.

Fan Yew Teng is a good example of a Malaysian nationalist who, because of the repressive actions he had personally suffered, has been driven into disenchantment with the constitutional and democratic process. More and more Malaysians are in fact joining the ranks of those who see the democratic and constitutional process as a fraud and futility, because of the absence of credible outlets for peaceful, democratic changes in our society or for meaningful expression of dissent and criticism. This is also the major reason for the exodus of professionals abroad.

Fan Yew Teng's resignation from the Party has not come, therefore, as a complete surprise to me or other Party leaders except for the timing and the mode of resignation.

I feel sad at this political parting of ways. I feel sadder that Fan Yew Teng, to find an honourable political exit from Menglembu and the political arena in Malaysia, has chosen the DAP as a whipping boy.

It shocks me deeply that Fan Yew Teng's resignation letter is so personal, reeking with dishonourable insinuations and even venom, which I leave to him to reflect at other times as to whether there is validity or justification.

I reject his contention that at the Tokyo Socialist International Party Leaders' Conference last December, I had taken the stand that (1) repression in Malaysia is to be condemned but not in Singapore; (2) that the Internal Security Act in Malaysia and Singapore is 'a necessary evil'. Like other arguments of his in his resignation letter, these are things which Fan Yew Teng has chosen to read into my speech and to provide the basis for his attack on me and the DAP. As many of his attacks are based on these self-drawn and unfounded conclusions, there is no need to refer to the arguments for the simple reason that they are based on false assumptions.

The DAP has not differentiated between Malaysia and Singapore in our condemnation of the Internal Security Act. The DAP's stand against the ISA was adopted at the 1971 Party Congress on my initiative. I had personally and publicly called for the release of detainees like Said Zahari, Dr. Lim Hock Siew, Dr. Poh Soo Kai and Ho Piao, who were arrested in 'Operation Cold Store' in Singapore in 1963. In March this year, in Parliament, during the debate on the Royal Address, I spoke of the need for an ASEAN Commission on Human Rights to protect and advance human rights in the ASEAN countries, and to bring to an end the detention-without-trial laws like the Internal Security Act in Malaysia, Singapore and other ASEAN countries.

Fan Yew Teng has chosen to misrepresent what I said in Tokyo, alleging that I had advocated PAP's re-admission into the Socialist International. For the record, in Tokyo, the Japanese Democratic Socialist Party had proposed a review of the case of the PAP membership in the Socialist International. In my comments, I said that this question merited deeper study. I had expressed the view that in 1976 "it might have been more apt and beneficial if the Socialist International, before taking the extreme measure of considering the expulsion of the Singapore PAP, to have made a deeper study of the problems confronting democratic socialists in non-communist South East Asia. If influence is to be applied on Singapore PAP in the area of detention without trial, greater effect might be expected from its membership inside the Socialist International, rather than outside."

If Fan Yew Teng is not happy with any political question in the DAP, the right and proper thing for him to do is to present his views at the Party Congress. In fact, when I met him in Cambridge last year, I suggested that he return to Malaysia and I offered to convene a Special Congress for him to present his views about the futility of the democratic constitutional struggle.

Fan Yew Teng has not availed himself of this party avenue, but chosen instead to mount an attack on the DAP which in many instances were unfounded and based on inaccurate reports to him, regardless of the harmful effect on the DAP electorally, in view of the nearness of the general elections. His action has made the enemies of the DAP, the National Front on the one hand, and the mosquito opposition parties whose sole aim is to 'subvert and destroy' the DAP, very happy.

It is Fan Yew Teng's prerogative to act as he had decided, and I wish him the best in whatever new endeavours he has embarked upon.

(Lim Kit Siang)



23rd February, 1975.

Y.B. Encik Lim Kit Siang,  
No. 77 Jalan 20/9,  
Paramount Garden,  
Petaling Jaya.

Dear Encik Lim Kit Siang,

I thank you for your letter of 20th February, 1975. on the subject of the by-election of the Menglembu Constituency vacated by Encik Fan Yew Teng.

2. I would like to explain to you that the Speaker was advised by the Attorney-General's Chambers, i.e. the Legal Advisers, on the fact that as Encik Fan Yew Teng was convicted on 13th January, 1975, under the Sedition Act and was sentenced to six months imprisonment or \$2,000/- fine, his conviction stands, viz: Encik Fan Yew Teng is a convicted person unless and until his conviction is set aside by a higher court or an order for stay of execution of the sentence has been granted by any court of law.

3. That being the case, under Article 48 (1) (e) of the Constitution, Encik Fan Yew Teng has therefore become disqualified as a Member of Parliament. Pursuant to Article 50, his seat in the Dewan Rakyat has fallen vacant. The Spaker had, therefore, accordingly informed the Election



Commission that under Articles 50 (1) and 54 (1) the seat of the Menglembu Constituency had fallen vacant and the Election Commission had thereby duly issued a writ that nomination should be held on 27th February, 1975.

4. As there was no doubt as to the question of Encik Fan Yew Teng's disqualification as a Member of Parliament, I consider that as Leader of the Government, I should not interfere with the process of the law and the clear provisions of the Constitution. I, therefore, consider that there is no necessity at this juncture to convene a meeting of Parliament to determine his disqualification under Article 53.

5. However, in the event that Encik Fan Yew Teng's appeal is allowed and his conviction set aside, then there will be a doubt as to his disqualification of membership of Parliament. It will be then a matter for the Parliament to decide and that decision shall be final.

6. I do not agree with your contention that the holding of the by-election would prejudice Encik Fan Yew Teng's appeal as the law on this is



clear in that the conviction of the court stands unless and until it is set aside by the higher court or an order for stay of execution of the sentence has been granted by any court of law.

7. I resent your insinuation that there is an attempt to usurp the powers of Parliament by unconstitutional and unparliamentary acts having regard to the fact that the Speaker as well as the Election Commission had acted properly and duly in accordance with legal advice of the Attorney General's Chambers.

*Yours sincerely,*

*Abdumunzir*

(TUN HAJI ABDUL RAZAK BIN HUSSEIN)

c.c.

Yang di Pertua,  
Dewan Rakyat,  
Kuala Lumpur.



*Lim Kit Siang (in all white) leaving Kuala Lumpur High Court with Party leaders including National Chairman Dr. Chen Man Hin, National Treasurer Lee Kew, and Director of Political Bureau Lee Lam Thye after being charged on five counts under Official Secrets Act on April 28, 1978 which carry a total maximum of 31 years' jail on conviction. P. Patto, DAP National Organising Secretary and Editor of Rocket (on Lim's left) also charged under Official Secrets Acts.*



*Lim Kit Siang leaving Malacca Sessions Court after being charged on two counts under the Official Secrets Act on 24th April 1978 accompanied by Party defence counsel Karpal Singh, party officials and supporters.*



*Demonstrators outside Seremban Sessions Court on 25th April 1978 where Lim Kit Siang was charged on one count under the Official Secrets Act.*



*Lim Kit Siang, accompanied by Party members and supporters, leaving the Kuala Lumpur Sessions Court after two more charges under the Official Secrets Act on April 26, 1978.*



*Party National Chairman Dr. Chen Man Hin announcing the formation of a Lim Kit Siang – P. Patto National Defence Fund to (i) defend the right of the public to know what is happening to public funds; and (ii) defend the right of the Opposition MPs and political leaders to represent the people's interests.*

*On Lim's left is Dr. S. Seevaratnam, National Vice Chairman and Karpal Singh, defence counsel.*



*Lim Kit Siang leaving Seremban Sessions Court after his court appearance.*



*Lim Kit Siang brought to Malacca Sessions Court from Muar Detention Camp to face charges of organising a procession without police permit on 11th October 1969. The charges were subsequently dropped.*



*Lim Kit Siang and other successful DAP State Assemblymen in Malacca thanking the voters for their support, on May 12, 1969.*



*Lim Kit Siang leading the DAP in the DAP-Gerakan Cultural Debate at the MARA auditorium on November 24, 1968 from 10 a.m. to 4.30 p.m. Leading the Gerakan was Dr. Syed Naguib Alatas.*



*DAP public rally in Malacca in 1969 General Elections. Speaking is Bernard Sta Maria, twice elected State Assemblyman. Lim Kit Siang seated, second from left.*



*The origins of DAP. Dr. Chen Man Hin stood as an independent candidate in Rahang state assembly constituency in Negri Sembilan in October 1965 as the DAP was awaiting registration, and won with a handsome majority.*



*Lim Kit Siang opening the Cha'ah DAP Branch in Johore in 1972.*



*Lim Kit Siang being sworn in as Member of Parliament in the Dewan Rakyat for a second term in October 1974.*



*Lim Kit Siang with Party national leaders at the 1972 Special Party Congress. On his left are Haji Daing Ibrahim bin Othman, Dr. Chen Man Hin and Dr. K. S. Das.*



*The 1977 Fourth Party Congress.*



*Lim Kit Siang reunion with his four children in Batu Pahat home after release from Muar Detention Camp after 18 months detention under Internal Security Act on October 1, 1970.*



*Welcome party for Lim Kit Siang at Kota Kinabalu airport on May 13, 1969 when he flew there at the invitation of Sabah Independent candidates to speak at their rallies in the 1969 General Elections.*



*Lim Kit Siang being introduced to the Sabah supporters. At the rally in Kota Kinabalu the same night where he spoke to a record crowd and openly criticised Tun Mustapha, he was served with a eviction notice to leave Sabah the next morning.*



*Lim Kit Siang laying a wreath at the mausoleum of Tun Fuad when he visited Sabah on February 25, 1978. Banned from entering Sabah by Tun Mustapha in 1969, Lim Kit Siang was again banned from entering Sabah by Datuk Harris Salleh after his Sabah trip.*



*Lim Kit Siang laying a wreath at the grave of the late Datuk Peter Mojuntin at St. Michael's Church, Penampang, Sabah after paying respects at Tun Fuad mausoleum.*



*After being charged in Kuala Lumpur High Court, Lim Kit Siang declared at a Press Conference that the DAP would prove that "with or without Lim Kit Siang, the DAP will grow as a political force by virtue of the policies and the concept of a genuine multi racial, democratic socialist Malaysia which is the legitimate aspiration of large numbers of Malaysians."*



*Lim Kit Siang flew to Kuching in January 1976 but was disallowed entry into Sarawak. This was the second time he was not allowed entry into Sarawak. Seen here consulting his lawyers about the immigration prohibition.*



*Lim Kit Siang arguing with the Sarawak Director of Immigration protesting against the refusal to allow a Member of Parliament from entering Sarawak for 'legitimate political activities.'*



*Lim Kit Siang addressing the Penang DAP Dinner to celebrate his release from detention in November 1970.*



*At the thousand-people solidary dinner organised by the Penang DAP in March 1978, DAP Central Executives Committee members, Members of Parliament and State Assemblymen being introduced to the audience*



*The four DAP State Assemblymen in Malacca on election on August 24, 1974. From right are Bernard Sta Maria (Ujong Pasir), Lim Kit Siang (Kubu), Chan Teck Chan (Tranquerah) and Yong Wee Yoke (Durian Daun). All four were re-elected in the 1978 general elections.*



*Lim Kit Siang presented with a memento by Malacca DAP at a dinner in Sept. 1977 on his successful completion of barrister-at-law and Bachelor of Law (London University) examinations. On his right is Hassan Bakti, Malacca State Vice Chairman and on his left Yong Wee Yoke, Malacca State Treasurer.*



*Newly elected DAP Members of Parliament and State Assemblymen gathered at their first meeting in Kuala Lumpur*

**Back row (from left) :**

*Ting Chek Ming, MP (Bruas), Wong Hoong Keat, MP (Tampong), M. Kuppusamy, Negeri Sembilan S.A. (Rasah), Hu Sepang, Negeri Sembilan S.A. (Sungei Ujong), Lee Kah Hoon, Perak S.A. (Kampar), Liew Ah Kim, Selangor S.A. (Kajang), Lim Eng Chuan, Perak S.A. (Klian Pua), Yong Wee Yoke, Malacca S.A. (Dursan Daun).*

**Middle row (from left) :**

*Bernard Sta Maria, Malacca S.A. (Bandar Hilir), Seow Hun Kim, MP (Bukit Mertajam) and Penang S.A. (Pekan Bukit Mertajam), Lim Nyit Sar, Perak S.A. (Kuala Pari), Chan Teck Chan, MP (Kota Melaka) and Malacca S.A. (Tranquerah), V. Davi, MP (Damansara), Pan Su Peng, Selangor S.A. (Kuala Kubu Baru), Ooi Ean Kwong, Penang S.A. (Kampung Kolam), Thee Ah Kow, Perak S.A. (Pasir Pedamar).*

**Seated (from left) :**

*Mohamed Salleh Mahkoda Itam, Perak S.A. (Guntong), Lee Kaw, MP (Kluang) and Johore S.A. (Bandar Kluang), Karpal Singh, MP (Jelutong) and Penang S.A. (Bukit Gelugor), Dr. Chen Man Hin, MP (Seremban and Negeri Sembilan S.A. (Rahang), Lim Kit Siang, MP (Petaling) and Malacca S.A. (Kubu), Lee Lam Thye, MP (Kuala Lumpur Bandar) and Selangor S.A. (Serlang), P. Patti, MP (Menglembu) and Perak S.A. (Gopeng), Lim Cho Hock, MP (Ipoh) and Perak S.A. (Kepayang), Peter Dason, MP (Bukit Bendera) and Penang S.A. (Ayer Item), Chin Nyok Soo, Penang S.A. (Paya Terubong).*

**Absent**

*Chan Heng Kai, MP (Batu Gajah), presently under detention, Chan Kok Kit, MP (Sungei Besi), presently under detention, Fung Ket Mung, MP (Sarakakan, Sabah), Young Hoow Choo, Perak S.A. (Pantai Remis).*



*Lim Kit Siang, accompanied by DAP Sabah Chairman, Oh Choo Hong, arriving at Sandakan airport to make his first visit to Sandakan.*



*Lim Kit Siang and Oh Choo Hong visiting the market and hawkers in Sandakan.*

# DEMOKRASI ?



# DEMOCRACY?



Malaysia

## The Nabbing of Lim Kit Siang

Malaysia's security officials, goes a standing joke, do their best work at dawn. So it was at 6 a.m. on Sunday morning that two senior cops woke up Lim Kit Siang, 40, at his home in the port city of Malacca. They showed him a warrant for his arrest and took him off to the police station, where he was served with no fewer than five charges under Malaysia's Official Secrets Act. A couple of hours later he was released on US\$4,000 bail and allowed to go home.

Under ordinary circumstances, the case would have aroused only passing interest in a country where security considerations are paramount. But this was no ordinary case — and Lim Kit Siang was no ordinary citizen. The chubby-cheeked, brisk-mannered Lim is Secretary-General of one of Malaysia's main opposition parties, the Democratic Action Party; he is also Leader of the Opposition in the federal Parliament at Kuala Lumpur.

At least two and possibly all five of the charges against Lim related to a government decision to buy four Swedish patrol boats for use by the Defence Ministry. Whatever the details, it was plain that the case would take up a good deal of his time in the weeks ahead; two of the charges will be tried in Malacca, another in nearby Seremban and the other two in Kuala Lumpur. They carry a total of more than 30 years' imprisonment.

What had Lim done that would prompt officials to order the nabbing of one of Malaysia's best-known political figures? The precise details will have to await the court hearings, though the two charges filed in Malacca provided a couple of clues. The first alleged that in August 1976, Lim received "secret official information" about the purchase of the patrol boats. The second said Lim had failed to tell the police what he knew.

More intriguing than the nature of the charges, though, was the timing of the whole affair. If Lim had committed offences fully nineteen months before, why was he only now being required to defend himself? At a time when the governing Barisan Nasional coalition was gearing for a general election, such questions seemed bound — rightly or wrongly — to colour public perceptions of the affair.

Certainly, the fact that Lim would have the benefit of court hearings (unlike several detainees accused of pro-communist sympathies and similar offences) was assurance enough that he would get a fair hearing. Malaysia's judicial system is well above mere politics. All the same, in the wake of Lim's arrest onlookers found themselves considering anew his recent activities on the political stage.

During the Parliamentary session that ended recently, D.A.P. legislators put heavy pressure on the government benches in general and on Chinese ministers in particular. The brunt of this sustained attack, called *Asis* (after M.G.G. Pillai, was borne by Labour & Manpower Minister Lee San Choon, who happens to be chairman of the Malaysian Chinese Association. The M.C.A. is one of the three main partners in the Barisan Nasional, the others being Prime Minister Hussein Onn's United Malays National Organisation and the Malaysian Indian Congress.

Lim's abrasiveness has annoyed many in the government, but he evidently enjoys considerable support in the country's Chinese community. The reason, say political observers, is his willingness to raise issues



D.A.P.'s Lim: No joy for the opposition.

that otherwise might not be heard, a good public speaker, former journalist Lim is fluent in three languages — English, Malay and Mandarin. Capitalising on the weaknesses of other opposition groups, Lim has attempted in recent months to make the D.A.P. the "spokesman" for Malaysia's non-Bumiputera communities — in other words the Chinese and the Indians.

Predictably, the D.A.P. has refused to enter into an electoral alliance with other opposition parties. Except for the Pan Malayan Islamic Party headed by orator-scholar Asri Haji Muda (see page 56) and the Partai Rakyat Sosialis Malaya (Malayan People's Socialist Party), Lim contends, the other parties are incapable of "pulling their weight." If the others want to avoid annihilation at the polls, he argues, their leaders ought simply to

join the Democratic Action Party.

But it is in his conflict with San Choon's M.C.A. that Lim has at his abrasive best — or, government leaders have repeatedly asked opposition parties to avoid sensitive issues, such as and education, in the run-up to a general election for which no date yet been set. The D.A.P. and M.C.A., for all that, have locked on one of the most sensitive and unimaginable recurring demands: new university, to be called Merdeka and at which Chinese would be the main language of instruction.

The government, though not many words, has indicated that



M.C.A.'s Lee: Parliamentary pressure.

deks University just is not on his list, Education Minister Musa has warned that the Administration would hesitate to act against one who sought to use the issue to exploit racial differences. "Anyone who persisted in blowing the issue would be branded a pet opportunist and would be responsible for any undesirable consequences, particularly in the midst of the election fever."

The D.A.P. has come out in favour of a new university — to the embarrassment of the M.C.A., which evidently likes the idea but is reluctant to push it too hard. For that reason observers suspect that Lim sees the Merdeka question a chance to win Chinese voters away from the far more powerful M.C.A. There is no doubt one political source told Correspondent Pillai recently, "that a number of M.C.A. seats are vulnerable to opposition inroads in the coming election. Whether that danger will pass Lim Kit Siang busy on another front remains to be seen."

The five Official Secrets Act charges against  
Lim Kit Siang

1. That you, in the month of August, 1976, at Malacca did receive secret official information, to wit, information relating to the Federal Government purchase of four fast patrol boats for the use of the Ministry of Defence, having reasonable ground to believe at the time when you received it that the said secret official information was communicated to you in contravention of the Official Secrets Act, 1972, and that you thereby committed an offence under Section 8(2) of the said Act.
2. That you, having in your power information relating to an offence suspected to have been committed by a person or persons unknown under Section 8(1)(ii) of the Official Secrets Act, 1972, for unlawfully communicating a secret official information to an unauthorised person, i.e. to you, on 30.6.1977 at No.106 MT Ujong Pasir, Malacca, did fail to give on demand the said information relating to the commission of the said offence to a Police Officer above the rank of Inspector, i.e. Deputy Superintendent A.R. Cornelius when you were required by him to do so, and that you thereby committed an offence under Section 11(1)(a)(aa) of the said Act.
3. That you, having in your possession secret official information, to wit information relating to the Federal Government purchase of four fast patrol boats for the use by the Ministry of Defence, being an information which had been obtained in contravention of the Official Secrets Act, 1972, in November 1976 at Seremban did fail to take reasonable care of the said information, in that you took no steps to prevent the publication of the said information in Volume XI No.3 November 1976 issue of *The Rocket* under the heading "Expose in Parliament - Hanky-panky in Royal Malaysian Navy", and that you thereby committed an offence under Section 8(1)(iv) of the said Official Secrets Act, 1972.
4. That you, having in your possession secret official information, to wit information relating to the Federal Government purchase of four fast patrol boats for the use of the Ministry of Defence, being an information which had been obtained in contravention of the Official Secrets Act, 1972, on 21st of August, 1976, at Horizon Restaurant, Damansara, Kuala Lumpur, did communicate directly the said secret official information to persons other than those to whom you are authorized to communicate, in that you divulged the said secret official information in your speech to the Selangor Graduates Association given at the said restaurant, and that you thereby committed an offence under Section 8(1)(i) of the said Official Secrets Act, 1972.
5. That you, having in your possession secret official information, to wit information relating to the Federal Government purchase of four fast patrol boats for the use of the Ministry of Defence, being an information which have been obtained in contravention of the Official Secrets Act, 1972, in September 1976 at Kuala Lumpur, did communicate directly the said secret official information to a person other than those to whom you are authorized to communicate, in that you divulged the said information in your letter to the Editor of the Far Eastern Economic Review, which letter was published in the 29th September, 1976, issue of the said Review under the caption "Prototype Craft may Prove Costly", and that you thereby committed an offence under Section 8(1)(i) of the said Official Secrets Act, 1972.

Wrongful  
communica-  
tion, etc. of  
information

8. (1) If any person having in his possession or control any secret official code word, countersign or password, or any article, document or information which—

- (a) relates to or is used in a prohibited place or relates to anything in such a place; or
- (b) relates to munitions of war; or
- (c) has been made or obtained in contravention of this Act; or
- (d) has been entrusted in confidence to him by any public officer; or
- (e) he has made or obtained, or to which he has had access, owing to his position as a person who holds or has held office in the public service, or as a person who holds, or has held a contract made on behalf of the Government, or as a person who is or has been employed by or under a person who holds or has held such an office or contract,

does any of the following—

- (i) communicates directly or indirectly any such information or thing to any foreign country other than any foreign country to whom he is duly authorised to communicate it, or any person other than a person to whom he is duly authorised to communicate it or to whom it is his duty to communicate it; or
- (ii) uses any such information or thing as aforesaid for the benefit of any foreign country other than any foreign country for whose benefit he is duly authorised to use it, or in any other manner prejudicial to the safety or interests of Malaysia; or
- (iii) retains in his possession or control any such thing as aforesaid when he has no right to retain it, or when it is contrary to his duty to retain it, or fails to comply with all lawful directions issued by lawful authority with regard to the return or disposal thereof; or
- (iv) fails to take reasonable care of, or so conducts himself as to endanger the safety or secrecy of, any such information or thing,

he shall be guilty of an offence punishable with imprisonment not exceeding seven years or a fine not exceeding ten thousand dollars, or both such imprisonment and fine.

(2) If any person receives any secret official code word, countersign or password, or any article, document or information knowing, or having reasonable ground to believe, at the time when he receives it, that the code word, countersign, password, article, document or information is communicated to him in contravention of this Act, he shall, unless he proves that the communication to him of the code word, countersign, password, article, document or information was contrary to his desire, be guilty of an offence punishable with imprisonment not exceeding seven years or a fine not exceeding ten thousand dollars or both such imprisonment and fine.

Wrongful  
communication,  
etc. of  
information

8. (1) If any person having in his possession or control any secret official code word, countersign or password, or any article, document or information which—

- (a) relates to or is used in a prohibited place or relates to anything in such a place; or
- (b) relates to munitions of war; or
- (c) has been made or obtained in contravention of this Act; or
- (d) has been entrusted in confidence to him by any public officer; or
- (e) he has made or obtained, or to which he has had access, owing to his position as a person who holds or has held office in the public service, or as a person who holds, or has held a contract made on behalf of the Government, or as a person who is or has been employed by or under a person who holds or has held such an office or contract,

does any of the following—

- (i) communicates directly or indirectly any such information or thing to any foreign country other than any foreign country to whom he is duly authorised to communicate it, or any person other than a person to whom he is duly authorised to communicate it or to whom it is his duty to communicate it; or
- (ii) uses any such information or thing as aforesaid for the benefit of any foreign country other than any foreign country for whose benefit he is duly authorised to use it, or in any other manner prejudicial to the safety or interests of Malaysia; or
- (iii) retains in his possession or control any such thing as aforesaid when he has no right to retain it, or when it is contrary to his duty to retain it, or fails to comply with all lawful directions issued by lawful authority with regard to the return or disposal thereof; or
- (iv) fails to take reasonable care of, or so conducts himself as to endanger the safety or secrecy of, any such information or thing.

he shall be guilty of an offence punishable with imprisonment not exceeding seven years or a fine not exceeding ten thousand dollars, or both such imprisonment and fine.

(2) If any person receives any secret official code word, countersign or password, or any article, document or information knowing, or having reasonable ground to believe, at the time when he receives it, that the code word, countersign, password, article, document or information is communicated to him in contravention of this Act, he shall, unless he proves that the communication to him of the code word, countersign, password, article, document or information was contrary to his desire, be guilty of an offence punishable with imprisonment not exceeding seven years or a fine not exceeding ten thousand dollars or both such imprisonment and fine.

The five Official Secrets Act Charges Against  
Lim Kit Siang

1. That you, in the month of August, 1976, at Malacca did receive secret official information, to wit, information relating to the Federal Government purchase of four fast patrol boats for the use of the Ministry of Defence, having reasonable ground to believe at the time when you received it that the said secret official information was communicated to you in contravention of the Official Secrets Act, 1972, and that you thereby committed an offence under Section 8(2) of the said Act.
2. That you, having in your power information relating to an offence suspected to have been committed by a person or persons unknown under Section 8(1)(ii) of the Official Secrets Act, 1972, for unlawfully communicating a secret official information to an unauthorized person, i.e. to you, on 30.8.1977 at No.106 MT Ujong Pasir, Malacca, did fail to give on demand the said information relating to the commission of the said offence to a Police Officer above the rank of Inspector, i.e. Deputy Superintendent A.R. Cornelius when you were required by him to do so, and that you thereby committed an offence under Section 11(1)(a) of the said Act.
3. That you, having in your possession secret official information, to wit information relating to the Federal Government purchase of four fast patrol boats for the use by the Ministry of Defence, being an information which had been obtained in contravention of the Official Secrets Act, 1972, in November 1976 at Seremban did fail to take reasonable care of the said information, in that you took no steps to prevent the publication of the said information in Volume XI No.3 November 1976 issue of The Rocket under the heading "Expose in Parliament - Hanky-panky in Royal Malaysian Navy", and that you thereby committed an offence under Section 8(1)(v) of the said Official Secrets Act, 1972.
4. That you, having in your possession secret official information, to wit information relating to the Federal Government purchase of four fast patrol boats for the use of the Ministry of Defence, being an information which had been obtained in contravention of the Official Secrets Act, 1972, on 21st of August, 1976, at Horizon Restaurant, Damansara, Kuala Lumpur, did communicate directly the said secret official information to persons other than those to whom you are authorized to communicate, in that you divulged the said secret official information in your speech to the Selangor Graduates Association given at the said restaurant, and that you thereby committed an offence under Section 8(1)(i) of the said Official Secrets Act, 1972.
5. That you, having in your possession secret official information, to wit information relating to the Federal Government purchase of four fast patrol boats for the use of the Ministry of Defence, being an information which have been obtained in contravention of the Official Secrets Act, 1972, in September 1976 at Kuala Lumpur, did communicate directly the said secret official information to a person other than those to whom you are authorized to communicate, in that you divulged the said information in your letter to the Editor of the Far Eastern Economic Review, which letter was published in the 29th September, 1976, issue of the said Review under the caption "Prototype Craft may Prove Costly", and that you thereby committed an offence under Section 8(1)(i) of the said Official Secrets Act, 1972.

# Malaysia: Paying the Price of Opposition

By **HARRY WAIN**

**KUALA LUMPUR**—When Lim Kit Siang tried to enter Sabah through the Kota Kinabalu Airport in the early hours of last Friday morning, the barriers came down. He stood his ground and argued the point for 2½ hours but it didn't help. The fuss ended when Immigration officials placed him in a wheelchair, pushed him across the tarmac and lifted him bodily onto a departing aircraft.

In different circumstances the incident might be appreciated for its lighter side. But Mr. Lim is secretary-general of the Democratic Action Party, and denying him access to a state within his own country raises fundamental questions about an allegedly democratic society. It also indicates that many in the country have yet to adjust to new political realities.

Trouble is nothing new to Mr. Lim and the DAP, in Sabah or elsewhere. Since the party was founded in 1966, its leaders have been detained without trial, bundled into court on a variety of charges and subjected to official harassment, both serious and petty. Although it can be argued that the DAP has brought some of the problems on itself, it has clearly paid the price for choosing the role of political opposition.

## Positioned to Retaliate

However, results of national elections on July 8 could well mean that the usual heavy-handed response to the DAP challenge may not be adequate in the future. Certainly the party seems unlikely to tolerate being pushed around so easily and is better positioned to retaliate. Adjusting to this new relationship — still heavily tilted in the

Government's favor but more equal nevertheless — won't be easy for the ruling National Front and its branches and offshoots.

The elections all but wiped out independents and smaller minority parties and thrust the DAP forward as the undisputed center of opposition. It has 16 constituencies compared with five held by Party Islam in the 154-seat House of Representatives. More significantly, it received almost 21% support in Peninsular Malaysia and as much as 54% in the Federal Territory which takes in Kuala Lumpur.

The government will have to face up to these facts of life at several levels.

For a start, the gains by the DAP almost certainly reflect fairly widespread dissatisfaction in the cities, particularly among Chinese Malaysians, with education and economic policies.

Non-Malays have been increasingly concerned that places in universities are closing to them under the New Economic Policy, which aims to restructure the economy and society by 1990. Many also feel that more should be done to maintain the standard of English as a second language.

On the economic front, some local businessmen have simply refused to reinvest, fearing the government will use the Industrial Coordination Act to enforce harshly some aspects of the New Economic Policy. Foreign investors also are scarce. The result is that investment is lagging well behind the targets of the 1976-80 Third Malaysia Plan.

The DAP has articulated this discontent and its success should encourage the government to make amendments on both scores. While Premier Hussein Onn's ad-

Parliament resumes its sittings later this month.

The ban on DAP leaders entering Sabah — which the party describes as a *balak*, or

*'We won't flinch from our responsibility to stand up, to criticize, to oppose and even to denounce policies which are detrimental to the people's interest — even if we have to pay a heavy price for it.'*



Lim Kit Siang

ministration won't countenance basic changes in the New Economic Policy, it could offer concessions by making the implementation more flexible, since the demise of the religion-promoting Party Islam removes pressure from the government's right flank.

On another front, the government has to decide what to do about two political detainees, Chan Kok Kit and Chian Heng Kai, who have been elected on a DAP ticket. They've been held without trial under the Internal Security Action since November 1976.

The government accuses them of involvement in Communist United Front activities, thus posing a security risk. The voters obviously see them as less of a threat. They sent Mr. Chan to Parliament with a majority of 33,787, the largest in the country, and reelected Mr. Chian in his House of Representatives constituency and gave him a comfortable majority for a Perak State Assembly seat as well.

Although there is little indication that the authorities are impressed with the showing of the two detainees, the DAP has called for their immediate release and the government will come under more pressure to defend their continued confinement when

timber, curtain — is a source of irritation that is likely to fester. Mr. Lim has been thrown out of Sabah before, and he apparently is prohibited from entering the other East Malaysian state, Sarawak, as well. Lee Lam Thye, the DAP's political bureau director, also was refused entry to Sabah recently.

Sabah and Sarawak can impose such a ban, on the grounds that the presence of the men would pose a security risk, because those states were given some powers over immigration when they joined the Federation of Malaysia in 1963. Although these powers were supposed to be reviewed in 1973, the matter seems to have drifted for the past five years.

In the past, the ban has been little more than a minor irritant to the DAP, which has been preoccupied with establishing a base in the larger cities and towns of Peninsular Malaysia. But it is now becoming a serious obstacle to the party's expansion plans.

The DAP is intent on moving into Sabah in a big way. It has registered three branches in the state since February and made what it calls a token showing in the re-

cent elections by fielding five candidates, three of whom had their nomination papers rejected on technical grounds. One of the two others captured one of Sabah's 16 parliamentary constituencies.

THE DAP is looking more to the next state elections, which are due in 1980-81. They fear we'll go there and open up all their sores," says Mr. Lim. It's ridiculous that a Member of Parliament cannot go anywhere in his own country."

Not coincidentally, perhaps, a book on the late Peter Mojuntin, formerly a minister in the state government headed by Chief Minister Datuk Harris Salleh, was banned last month by the federal government as prejudicial to national interest and security. Written by Bernard Sta Maria, a DAP official, the book might have been expected to win the party some support if it proved popular among the Kadazan, the ethnic group to which Mr. Mojuntin belonged.

With its future at stake, the DAP is unlikely to accept meekly the prohibition on its leaders visiting Sabah and Sarawak. Mr. Lim already has started to hit back by serving notice that he'll ask questions designed to embarrass Chief Minister Harris in Parliament. His first: Has Malaysia's National Bureau of Investigation looked into claims by the U.S. Securities and Exchange Commission that a company controlled by Datuk Harris accepted questionable payments in connection with the state government's purchase of two Grumman Corpjets? (Datuk Harris has denied that he took bribes to influence the government's decision.)

The DAP talks of testing the constitutionality of Sabah's ban on Messrs. Lim and Lee but privately it acknowledges that the issue will be solved through political avenues rather than the courts. Inevitably it will involve Premier Hussein, since the state government belongs to his National Front, and Datuk Harris has a seat in the House of Representatives as well as the State Legislature. Datuk Hussein may find it increasingly difficult to defend a decision that seems to run counter to his objective of national unity and, in the absence of any explanation, smacks of political harassment.

### Prosecuted for Politics

While the government can take its time coming to terms with the DAP on most of these issues, it may be forced to reexamine its position more immediately with a criminal trial that Mr. Lim is facing. Already the suspicion exists among supporters that he is being prosecuted for his politics and given less than an even break in the courtroom.

Mr. Lim faces five charges carrying a maximum penalty of 31 years imprisonment under the Official Secrets Act. The charges relate to the government's purchase in 1976 of four Swedish naval patrol boats. Four of the charges allege that Mr. Lim received and disseminated secret information. Mr. Lim last week was refused permission by the High Court to have a British Queen's Counsel defend him. The decision, handed down by Chief Justice Tan Sri S.S. Gill, took many by surprise since the legal profession tacitly supported his application by raising no objections to it.

However, it was opposed by the Attorney-General's Chambers — effectively the prosecution.

These actions collectively struck one DAP official as an effort to nail Mr. Lim and put him out of action permanently before he is admitted as a barrister. He is expected to be admitted to the bar next month.

Of utmost concern to the DAP and its supporters is that if Mr. Lim is convicted and fined \$848 or more, or jailed for a year or more, he would be disqualified as a Member of Parliament and a state assemblyman. In addition, his admission to the bar would be in doubt.

### 'Expressing Concern'

Mr. Lim says that wherever he goes now, "people are expressing concern for my future." Some supporters hint at the possibility of "other action" if they conclude the odds are stacked unbeatably against Mr. Lim. "The people may just take the matter into their own hands," one suggests. The worry in some quarters is that if supporters take the case directly to the people, it surely would bring on an emotional response in the wake of the elections.

Although no one expects the charges against Mr. Lim to be dropped, many observers are convinced the government sooner or later will have to take into account the DAP's enhanced standing and representation in parliament. The Sabah action seems to indicate that this lesson hasn't yet sunk in, or at least that acknowledgment will come slowly.

For its part, the DAP faces the challenge of becoming a much more professional party, with strengthened organization and reliable parliamentary performance. To maintain the trust of its widened support, it will need to avoid the internal bickering and destructive splits of the past and the tendency to oppose for the sake of opposition.

Says Mr. Lim: "We are prepared to fully cooperate and support the National Front government on policies and measures which will unite the people, which will work towards the creation of a more equal and just society." But, he adds, "We won't flinch from our responsibility to stand up, to criticize, to oppose and even to denounce policies which are detrimental to the people's interest — even if we have to pay a heavy price for it."

*Barry Wain is a staff reporter of The Asian Wall Street Journal, based in Kuala Lumpur.*

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## Determined Dissent

### Opposition Battles Near-Impossible Odds In Malaysia Elections

Democratic Action Party  
Thrown Off by Rallies Ban  
As It Aims to Widen Base

Hurt by Internal Struggle

By BARRY WAIN

Special to THE ASIAN WALL STREET JOURNAL

PETALING JAYA, Malaysia — Lim Kit Siang, perspiring in the early morning heat, steps briskly through the hawker stalls lining the road, grabbing outstretched hands. He acknowledges a woman squatting on the ground in the midst of a heap of shoes, waves to two others selling baby clothes, darts into a tea house to greet surprised customers, and thrusts his arm through dangling strips of barbecued pork to exchange pleasantries with the widely smiling vendor.

Across the street, market workers send up a supporting cheer, passing taxi drivers sound their horns, and an elderly onlooker called Uncle Yong shouts "best of luck." This is Democratic Action Party territory and Mr. Lim, secretary-general, needs little introduction as he campaigns for Saturday's general elections.

Accompanied by half a dozen stalwarts, one holding aloft a flag bearing the DAP symbol, a red rocket ready for take-off against a blue circle, and other distributing copies of the party's manifesto, Mr. Lim barrels into a pawn shop, a motor bike showroom and a grocery store. He shakes hands through the metal grill with clerks in a bus company



Many of these working-class people at Petaling Jaya, outside Kuala Lumpur, will respond to the appeal by the opposition DAP, but the party nevertheless faces an almost impossible task in the elections. The ruling National Front held 128 of the 154 seats in the recently dissolved House of Representatives and firmly controlled the legislative assemblies in all 13 states in Malaysia, 10 of which are up for reelection on Saturday.

Breaking the government's stranglehold at either the state or federal level is a daunting challenge for the DAP, which won nine seats in the House in the 1974 elections and finished the term last month with a mere seven.

#### Other Opposition

It isn't the only opposition the government is facing. Party Islam, which left the National Front after a protracted squabble earlier this year, held 13 seats in the outgoing parliament and is contesting the government, as are numerous other minor parties. Most of the smaller parties will become dormant once polling is over, with the possible exception of Pagar, a new party formed in the East Malaysian state of Sarawak by Ali Kawi, formerly a senior police officer.

Party Islam, a Malay party that appeals mostly to Orthodox Moslems, can be expected to put up a strong fight in rural areas. But it is left to the 37-year-old Mr. Lim, the official opposition leader in Parliament since 1975, and the DAP, to carry the fight to the government on a broad range of issues.

Formed from the Malaysian remnants of Singapore's People's Action Party after

Singapore ceased to be part of the Federation of Malaysia in 1966, the DAP is a democratic socialist party supported largely by lower-income groups and the lower-middle class. Although it is one of the few multiracial political parties in the country, its main source of support is the Chinese community.

Making the anti-government struggle even more difficult this time is a ban on public rallies. Most observers agree the ban has hit



restricted access to press, radio and television. Not a single newspaper in the country supports the DAP.

The upshot is that the opposition seems to have been thrown off balance and the National Front is clearly dictating terms during the 16-day campaign.

The DAP has called the elections "the most unfair and undemocratic" in Malaysian history. One of its posters sums up its feelings. It shows Mr. Lim, gagged and bound, with his hands tied behind his back being clubbed and kicked by Premier Hussein Onn and Deputy Premier Mahathir Mohamad, while Labor and Manpower Minister Lee San Choon administers a kick in the groin. For good measure the New Straits Times and The Star, the major English-language daily newspapers in Malaysia, are joining in with a few low blows of their own. (The party claims to suffer from a policy of "media blackout," particularly in the English and Malay newspapers.)

#### Fight for Survival

In its election manifesto, released in Malay, English, Chinese and Tamil, the DAP maintains it is fighting for survival. It says the parliamentary system has come under intensive and systematic attack by those who want to keep the facade of democracy, "but emptied of all its contents." The National Front's aim, it claims, is to crush the opposition and all forms of dissent and institute a one-party state.

"There is no doubt that more and more people are feeling oppressed by the democratic system in Malaysia," says Mr. Lim. "The constitution frequently is changed to suit the whims of the ruling parties," he says, instead of them conducting themselves "in conformity with constitutional guarantees and provisions." The DAP manifesto alleges the Malaysian constitution has been amended over 1,000 times since independence in 1967.

Mr. Lim says the DAP itself has faced harassment and persecution over the years. "A number of DAP leaders and members have been detained, or dragged into court for trial in an attempt to undermine the morale of the party."

Adds Chen Man Hin, the party's national chairman: "In the political history of Malaysia, no political party has had so many of its leaders so systematically persecuted by the government."

Court appearances have become so common, goes one joke, that these days it's usually the DPP, or deputy police prosecutor, versus the DAP.

Key DAP figures to brush with the law, or the government, include:

Chan Heng Kai, a member of Parliament, and Chan Kok Kit, assistant national treasurer, who were detained in November 1976 for alleged involvement in Communist United Front activities. They are being held without trial under the Internal Security Act in Kamunting detention camp in Perak state. Mr. Chan was charged with sedition over two posters used in the 1974 elections, was acquitted, but subsequently detained.

Fan Yew Tang, a member of Parliament and a state legislative assemblyman, fought a five-year unsuccessful court battle on a sedition charge that arose from an article published in the DAP journal, The Rocket, when he was editor. Mr. Fan, who lost his appeal to the Privy Council in London and was disqualified as a member of Parliament, is living abroad and recently quit the DAP.

Oh Keng Seng, a member of Parliament, was convicted of a sedition offense that stemmed from a speech he gave at a public rally. He also lost his appeal to the Privy Council and has since joined a DAP splinter group.

Secretary-General Mr. Lim and Lee Lam Thye, the DAP's political bureau director, who is also a member of Parliament, have been banned from entering the East Malaysian state of Sabah, where the party is trying to set up branches. The state government says their presence would pose a security risk.

Mr. Lim himself was detained without trial under the Internal Security Act for 17 months after the May 13 race riots in 1969. He currently is facing five charges under the Official Secrets Act in connection with the navy's purchase in 1976 of four Swedish patrol boats. The charges carry a maximum penalty of 31 years imprisonment. P. Patta, national organizing secretary and current editor of The Rocket, is to stand trial over the same matter.

While the DAP's treatment might generate some sympathy for it, the departure of Messrs. Fan and Oh, and their strong condemnation of the leadership, have done nothing to give it an image of a dedicated, united party determined to curb the excesses of

## Determined Dissent: Opposition Battles Near-Impossible Odds at Malaysia Polls

the government and stand up for the little man.

In addition, the party split badly in Penang six months ago and has been hit by a rash of other resignations and defections, some of them by prominent members of the party. The latest is Daang Ibrahim, national vice chairman, who pulled out in protest over the allocation of seats for the elections and has since attacked the party.

Says Mr. Lim of the defections: "There is a systematic campaign to buy off members of Parliament and state assemblymen with material and other inducements, even blackmail."

"In one case, in 1969 one state assemblyman was forced to defect for fear of exposure for personal indiscretions."

The DAP's reaction has been to propose legislation that would require a member of Parliament to give up his seat if he resigns or is expelled from his party. The bill was opposed in the house by the government and defeated.

Examples certainly exist of DAP defectors who have found it profitable to cross to the government benches. Richard Ho, for instance, who was elected on a DAP ticket in 1969, now is a Deputy Minister representing the Malaysian Chinese Association.

But not even Mr. Lim, who agrees the DAP has "a high rate of attrition," claims everyone who gets fed up with the DAP and quits is a political opportunist. Some simply can't hack it and fall by the wayside, he says.

The DAP also has left itself open to criticism by admitting to membership certain potential candidates immediately before the elections. They include V. David, a trade union leader, who is contesting his fourth consecutive parliamentary elections for a different party.

The DAP says its membership has grown to about 5,000 from around 3,000 in 1974 and 2,000 at the time of the 1969 elections. Not only that, says Mr. Lim, the party is making progress, though admittedly painful, as a multiracial movement. He says there has been an increase in Malay membership in the past two to three years so that they now

account for about 30% of the total.

### Strengthening Outside Cities

Most analysts have no doubt the party has strengthened its influence beyond the urban areas since 1974, especially in Perak and Malacca states. But it seems doubtful that the DAP has been able to shrug off its Chinese image. Political opponents still jibe that it is a "chauvinist" party, a reference to its Chinese base.

After having seven parliamentary and 17 state nominations rejected for irregularities, the DAP has fielded 52 candidates for Parliament's 154 slots, compared with 46 in 1974, and nominated 126 for the 276 legislative assembly seats in the 10 states, against 120 last time.

However, no fewer than one parliamentary and five state candidates, have denounced the party since nomination day on June 21 and switched their support to the government.

The DAP's lineup includes the two detainees, Messrs. Chian and Chan, who aren't permitted to campaign in any way. Mr. Chian is seeking reelection to his Batu Gajah parliamentary constituency in Perak and standing for a state seat as well, while Mr. Chan has been nominated for the Sungai Besar parliamentary seat near Kuala Lumpur.

Importantly, the DAP this time is up against fewer leftist parties that tend to split the opposition vote. In addition, it and Party Isiah have managed at branch level to display what observers call "electoral logic." Although both parties deny they have a pact, they are each fielding candidates in constituencies where they have no hope of success in an effort to deny the government votes and to help each other.

Still, the DAP has little in the way of funds and says it is providing only printed material such as posters and manifestos, and the candidates have to find the rest, including their \$4.22 nomination deposit. The party is weak organizationally and is still suffering from thinly stretched leadership. Reflecting the shortage of talent in the party, no fewer than 20 candidates are standing for both Parliament and a state legislative assembly.

Mr. Lim concedes it's impossible for the DAP to win office Saturday, even in coalition with other opposition parties. "At the federal level we are realistic enough to accept that definitely in the coming round we won't be strong enough to form a government," he says.

"I'll regard it as a great success if we can deny the National Front two-thirds majority in Parliament. This will remove the conditions which, for the last 21 years' since independence, have enabled the ruling parties to amend the constitution, "as and when they like to suit their own purposes."

With Party Islam fighting to hold its 13 seats in the House — it is expected to drop some in Kelantan state and gain elsewhere, perhaps Kedah and Trengganu — even this limited objective represents an uphill battle. Mr. Lim sticks to his earlier prediction that the DAP can win up to 20 seats while the minor opposition parties and independents will be lucky to collect a handful between them.

#### Perhaps "Threshold of Power"

At the state level, Mr. Lim says he expects to win about 50 seats and doesn't rule out the possibility that "we might be on the threshold" of power. He sees the best chance for the party in Perak state where the DAP held 11 of the 42 seats in the outgoing legislative assembly, and also has hopes for Negeri Sembilan and Malacca.

Short, solidly built and determined, Mr. Lim is quite cheerful as he does the hawkker rounds in Petaling Jaya, despite a grueling schedule that has left him weary and his voice faltering. Black short hair slicked straight back, he removes dark hornrimmed glasses to wipe the perspiration from his face.

Noting that "it appears to be an election without issues," he says the government has, however, miscalculated that the "Kelantan formula" can work again, a reference to the ban on public rallies and brief campaigns when the government scored an overwhelming victory in Kelantan state elections in March.

"We've lost the initiative," he says. "We cannot go on the offensive" without being able to hold rallies. "But on the other hand I think they've overplayed their hand." The rally ban, together with the "blatant" use of press and radio and "massive" disqualification of candidates "has created public revulsion," he adds.

Speaking Malay, English and Chinese, Mr. Lim stresses what he sees as the plight of democracy, the critical state of education, and corruption, which he says must be curbed. He's getting the best response to education and job opportunities and figures the feeling of insecurity about these issues is running so deep the DAP might pick up some middle-class votes.

Mr. Lim puts his head under the canvas canopy of a noodle stall to inspect the official document being waved by the vendor. It's an acknowledgment that the woman registered as a voter, but she now find that her name isn't on the roll. It's too late to do anything about it. "It's a common complaint," says Mr. Lim. "Voter registration in this country is a real mess."

Another hawkker has a query. She speaks rapid Cantonese. Mr. Lim nodding as he follows the conversation. When he replies it's in Mandarin and then he switches to Malay. His Cantonese is sketchy.

Says Mr. Lim: "She's worried that she hasn't got the DAP voting card. The other parties have sent out theirs, but we haven't got enough workers to take care of it here."

Mr. Lim climbs into his white, second-hand Mercedes Benz, adorned for the elections with the DAP's rocket symbol, and drives across town for another round of handshaking. There is no rest for the former schoolteacher and journalist, who completed his British bar exams last year and hopes to start practicing soon as a lawyer.

#### Uncertain Personal Future

However, his whole career, parliamentary and legal, is far from certain. He has left the safe DAP constituency of Kota Melaka in his home state of Malacca, which he has held for two terms, to contest the riskier Petaling seat. After two successive DAP members allegedly neglected the area and switched to other parties, Mr. Lim says he owes it to the people in Petaling to stand in the electorate because they've put their faith in the DAP for 10 years. "I've come to redeem our pledges," he says. And to prevent the seat going down the drain, adds one official. Local party sources give him a 70% chance.

Mr. Lim also is running for the Kuba state assembly seat in Malacca, which he currently holds.

But his problems won't end with Saturday's results. Next Monday he is due to appear in the High Court of Kuala Lumpur to

hear a decision on his application for a British Queen's counsel to represent him during his trial on the Official Secrets Act charges. If eventually he is convicted, he may be debarred from practicing as a lawyer.

The ban on rallies clearly has left the DAP in a state of smoldering anger. In an effort to get around the ban, it has scheduled nightly meetings in a hall in Petaling Jaya for the final week of the campaign. They're being attended by crowds of 1,000 or more, addressed by Mr. Lim, with officials half expecting the police to come through the front door and close them down.

"Sometimes," says Mr. Lim, who took over as DAP secretary-general in 1970 when the previous occupant, Goh Hock Guan, deemed it too risky to return to Malaysia and resigned from Singapore, "you are invaded by a sense of futility."

He adds: "There may be those who say that the democratic process is a charade. They aren't exactly wrong, given the experience of DAP leaders.

"But at the end of it all you feel that so long as there is a chance to try the democratic, peaceful process to bring about change, one shouldn't miss the opportunity."

NATION BUILDING, DEMOCRACY  
AND CORRUPTION

*"Malaysia is at the crossroads of her national history. One road leads on to escalating political violence, and probably a second Vietnam situation where for more than a generation, the country will know of no peace or quiet. There is another road, which points to a united, progressive, purposive and prosperous Malaysia."*

*"The government has more to learn from the criticisms of its opponents than from the eulogy of its supporters."*

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**Speech on the motion of confidence on Dato Hussein Onn as Malaysia's third Prime Minister in Dewan Rakyat on January 27, 1976 after Tun Razak's death.**

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I wish first of all to reiterate my congratulation to Dato Hussein Onn on his appointment as the third Prime Minister of Malaysia.

I must say however that this motion before the House, asking the House to express a vote of confidence in Dato Hussein Onn, as Prime Minister, is rather an unusual one.

Clause 43 of the Constitution provides that the Yang di-Pertuan Agong shall appoint as Prime Minister a member of the Dewan Rakyat who in his judgement is likely to command the confidence of the majority of the members of that House, and who shall continue as Prime Minister until he ceases to command the confidence of the majority in the Dewan Rakyat.

Dato Hussein Onn was appointed Prime Minister following the death of Tun Razak, and as the head of the Barisan Nasional which controls a two-thirds majority in the House, the question of his not having confidence of the Dewan Rakyat does not arise.

The second unusual aspect of this motion is that normally, a motion of confidence on a head of government in a parliamentary system would be based on his record of Prime Ministerial performance, which does not apply here, for Dato Hussein Onn has just assumed the office of Prime Minister.

We are however living in unusual times, and this probably explains this unusual motion.

I will therefore like to speak first on the unusual times that we are in which calls forth this unusual motion, and the need for the Opposition, in particular, to take a stand on this unusual motion.

Dato Hussein Onn assumes the office of Prime Minister of Malaysia at the most important hour in the 19-year history of our nation.

Never before has our nation been beset with so many complex problems and challenges coming from so many directions.

The key to national survival and stability, national unity, has eluded Malaysia since our Independence in 1957, a sad fact which was admitted by Dato Hussein Onn himself in his 1976 Budget Speech last November, when he said: *"We still have not yet achieved national unity; we are still divided along racial lines in our outlook, attitude and action."*

This national crisis of identity has now been made more acute by the fast-changing events both inside and outside the country.

Externally, the end of the Vietnam war leading to the communist victories in South Vietnam, Cambodia and Laos, have radically altered the political face of South East Asia. Internally, the stepping up of communist guerrilla activities in the towns and the jungles underscore the serious challenge to the present order of things.

In fact, some international political observers are talking in terms of two or three years before the fall of Thailand, and five to ten years before the fall of Malaysia.

One result of this in Malaysia is an attempt to revive the American domino theory in very influential political quarters and the related attempt to denigrate the establishment of diplomatic relations between Malaysia and China.

The raising of the spectre of the domino theory is highly dangerous and perverse, for it would divert attention from the real problems in the country and distort an appreciation of the genuine ills of the nation.

This applies not only to Malaysia, but to every other South East Asian country, for if Thailand or any other South East Asian country goes communist, it is not because of the operation of the domino theory in the sense of the Chinese, Vietnamese or Cambodian communists sending soldiers southwards, but because of the failure of yet another South East Asian country to provide good, just, clean and efficient government dispensing economic and social justice and achieving national unity.

It is precisely because of this reason that Malaysia must dissociate with any proposal to introduce military and security character to ASEAN, and make it assume a latter-day SEATO role vis-a-vis the new communist states in Indo-China.

Malaysia cannot survive external stress and internal strains unless she can successfully grapple with the four basic ills of the country, namely, national disunity, poverty, corruption and social injustices.

So far, successive government policies have failed to grapple with the central problem of Malaysia in achieving national unity.

Thus the response of the government to the increase in communist guerrilla activities in the towns and jungles is to pass more repressive laws and to expand the army and police forces, ignoring the fact that **political**

**violence** can only be successfully countered by removing its political basis and appeal.

There are three phases which are discernible in popular reaction to any political violence, or in the case in Malaysia, to the guerrilla warfare and activities of the Malayan communists.

The first phase is where the people are actively opposed to political violence, for they feel that it is not only irrelevant to their political aspirations and demands, which can find satisfaction and fulfilment in existing political institutional arrangements, but positively detrimental to their own interests.

The second phase is where the people, or a sizable section of it, while not actively in support of political violence, are not in active opposition as well. This stage is reached where there is prolonged disillusionment and despair with the ability and credibility of existing democratic processes to effect changes. In this phase, these people find in political violence by others a vicarious outlet for the expression of their discontents and grievances. When this stage is reached, the people's support for the government and the duly constituted processes of law and order have been neutralised and sapped away, and the stage is then set for the third phase, of passing the point of no return.

This third phase is where a sizable portion of the people actively support political violence, providing the water for the fishes of political violence to swim and find safety. In this situation, law and order has broken down and a society is well in advance of disintegration.

Malaysia is well past the first stage. The people of Malaysia do not actively support political violence, but more and more have been neutralised by the long-standing indifference to the inequalities and injustices in Malaysian life to cease to be actively opposed to it either!

Nothing is to be gained by ascribing this development to agitation or conspiracy. For man is in general too little of a public creature, and the force at the disposal of any government is, as a rule, too powerful, for either agitation or conspiracy to make its way unless there existed an atmosphere of frustrated impulses which made for their reception. The demand for the realisation of rights only secures a hearing when the absence of these rights is felt as injustices. The demand may be postponed; it may suffer temporary defeat; it may be suppressed; but any demand that is genuinely related to the basic impulses of men must, sooner or later, be given response, peacefully if it can, violently if it must.

I know many will not like what I have said, and some may be preparing to denounce me or even question my loyalty. However, I will be unfaithful to my oath as Member of Parliament to "*discharge my duties to the best of my ability*" and to bear true faith and allegiance to Malaysia, if I keep back my views at such a crucial time through fear of giving offence.

The key to national survival and stability, national unity, has eluded Malaysia since our Independence in 1957, a sad fact which was admitted by Dato Hussein Onn himself in his 1976 Budget Speech last November, when he said: "*We still have not yet achieved national unity; we are still divided along racial lines in our outlook, attitude and action.*"

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Let me note in passing that the government has more to learn from the criticisms of its opponents than from the eulogy of its supporters.

A determined assault to end the long-standing indifference to inequalities and injustices in Malaysia must be urgently made, if the situation is not to deteriorate to the point of no return, where the people are driven to support political violence as the only means of expression.

I mentioned just now that in his last speeches, the late Tun Razak appeared to have begun to perceive the need for a deeper reappraisal of the nation-building policies, and the factors which had continued to keep Malaysians apart and separate, both on class and especially on racial lines.

Malaysia is at the crossroads of her national history. One road leads on to escalating political violence, and probably a second Vietnam situation where for more than a generation, the country will know of no peace or quiet.

There is another road, which points to a united, progressive, purposive and prosperous Malaysia.

Have Malaysians the foresight, the vision and the courage to pause at the cross-roads, re-appraise our policies, and set on new courses which would establish a New Order which would end the long-standing indifference to inequalities and injustices suffered by Malaysians of all races?

1976 is not only the first year in the last quarter of the 20th Century. It may well decide whether we embark on the road to national salvation, which will see Malaysia a generation from today a united, progressive and purposive modern nation in the 21st Century, or whether we hobble into the next century on crutches, crippled and broken.

If evidence is needed that on the eve of entering the second decade of our nationhood, things are seriously amiss, we need ponder some of the following

- Growing discontent among the Malay poor masses that the fruits of development are enjoyed by the owners of privilege, property and instruments of production, at their expense. In Malacca, for instance, the Malay poor and landless cannot get an inch of land, but six well-connected Malays could get 4,000 acres of land virtually free to make them into future millionaires.
- Growing frustration among non-Malays who are more and more convinced that they do not have a future in Malaysia. Large numbers of non-Malay professionals, especially doctors, have or are preparing to emigrate overseas, in numbers which exceed the days of May 13, 1969.

I have no sympathies for men, especially professional men, who are not prepared to stand up and be counted, but who choose the easy way out. Most of them, however, explain that they are emigrating

not for their own sake; that they could hold their own in their generation, but they have to emigrate or prepare for emigration for the sake of their children for they cannot envisage what type of a future their children can have in Malaysia.

- This anxiety had been intensified by recent policies limiting higher educational opportunities, and regulations aimed at controlling free higher educational pursuits abroad. Statements by those in authority that young Malaysians should in future be content with non-university education, although they possess the requisite academic qualifications and abilities, had further undermined long-term confidence in the country.
- But those who could emigrate are only confined to the professional, better-off classes. For the large majority of others who remain behind, the bitterness against an uncertain future of increasing injustices and inequalities will be productive of greater bitterness.

Decline in Moral Authority of Government because of rampant corruption in high political places, whether at the Federal or State government levels, and increasing deception and dishonesty in public life.

Just like the late Tun Razak, no one doubts the absolute personal integrity of Dato Hussein Onn. Unless, however, rampant corruption at other high political places in Malaysian public life is stamped out, the decline in the moral authority of the government will not be arrested.

- There is also too much deception in public life. The people are deceived by Government Ministers, the Government Ministers themselves are deceived by their subordinates, and even State Rulers are deceived themselves when they go on official visits about development in the States.
- Curtailment of democratic rights and fundamental liberties as enshrined in the Constitution, to the extent, that the question is now validly raised: What are Malaysians being asked to defend? Is it to defend a democracy which means the dictatorship of the majority or the belief in the divine right of fifty-one per cent of the voters to alter in any way at any moment all laws and customs? Or does it mean the continuation in power of a privileged class?

Failure in achieving national unity despite 19 years of independence and close to two decades of our own national education policy. Integration among the various races in Malaysia is not only not working but integration of the peoples of various states, especially between Malaysians in East and West Malaysia, are being positively hampered.

These issues represent the central problems confronting Malaysia today, and which will determine the future of Malaysia.

This is time, then, for us to take stock of our position and choose the road that will take us to the highlands of a united Malaysian nation progressive and purposive and avoid the road that will lead to strife and dissension.

As I said earlier, we are placed in very unusual times, which probably calls forth this unusual motion, where the opposition has to take an unusual stand without a Prime Ministerial record to go by.

I hope that under Dato Onn's leadership, there will be a reappraisal of the nation-building policies to:

1. re-define the class relations in Malaysia, so that the Government ceases to protect and promote vested interests of privilege and the possessing class, but to abolish them, and end exploitation and poverty.
2. to regain the confidence of all races that they and their children have an assured future in this country.
3. to restore the moral authority of government by stamping out corruption and by eliminating dishonesty in public life, and
4. to reinstate public confidence and trust in the efficiency and meaning of democratic processes and rights.

This will call for no less than a re-ordering of the political and economic system and values in this country. Either we rise to the challenge, or we shall all perish.

We hope that these hopes will be fulfilled under the leadership of Dato Hussein Onn. We agree that Dato Hussein Onn possesses the qualifications and qualities to become the Prime Minister of Malaysia. Because of this, we do not oppose this motion before the House. However, as we do not agree with the policies of the ruling party headed by Dato Hussein Onn, we will abstain in this Motion. Dato Hussein Onn however can be assured of our full support in policies and efforts to resolve the basic problems confronting Malaysia which I outlined just now.

## NEP'S NEW INJUSTICES AND INEQUALITIES

*"It is said that one generation opens up the road for the next generation to travel. But in Malaysia, one generation is closing up the existing road of educational opportunities so that the next generation cannot travel it! This is going backwards, and not forwards!"*

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Speech on the Royal Address on March 22, 1978.

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His Majesty struck an important note when he said : *"Unity in a multi-racial society is truly an important foundation for achieving national strength."*

As His Majesty pointed out at the beginning of His Gracious Address, this is the third year of the implementation of the Third Malaysia Plan. It is therefore an important occasion for a national stocktaking, to assess how successful we have been in creating national unity and solidarity out of the diverse peoples in the country.

The New Economic Policy and the Second and Third Malaysia Plans proclaimed as their overriding objective the achievement of national unity and gave a solemn promise that in their implementation, *"no one in Malaysian society need experience or feel any sense of loss or deprivation of his rights, privileges, income, job or opportunity."*

Eight years after its implementation, it is evident that the NEP, though proclaimed as an instrument to solve old inequalities and injustices, has not only left many of these inequalities and injustices intact, but have also created new injustices and inequalities in our multi-racial society which will retard the process of nation building.

### **Drastic diminution of higher education opportunities a New Injustice**

The drastic diminution of higher education opportunities especially for non-Malay students in the country is one of the most serious new injustices and inequalities created by the New Economic Policy.

Last year, a total of 25,998 students applied for degree and diploma courses in the five Malaysian universities; but only 5,953 students were accepted. According to Dr. Mahathir, the detailed racial breakdown were Malays 4,457, Chinese 1,187, Indians 226 and Others 43, giving a percentage breakdown of 75% Malays and 25% non-Malays.

I estimate that some 20,000 non-Malay student who were eligible for university selection found the doors of university education in Malaysia closed to them.

I, and for that matter no one objects to expanded higher education

opportunities for Malay students to enable them to receive the benefits of higher education, but this must not be done in disregard to the solemn Government promise that *'no one in Malaysian society need experience or feel any sense of loss or deprivation of his rights, privileges, income, job or opportunity.'* In this case, the non-Malay students and their parents feel and experience an acute sense of loss and deprivation of opportunity for higher education in Malaysia.

Higher education opportunities will become even more diminished in two years' time. This is because until 1980, Malaysian students denied places in local universities could still go abroad to England, Australia, New Zealand, Canada, India, for higher education if they and their parents could scrape together money to finance them.

But after 1980, with the complete abolition of the MCE examination and the switch-over to the Malay-media SPM, Malaysian students will find it difficult to join Commonwealth universities and colleges simply because their command of the English language would not be sufficient to entitle them to automatic admission as in the present.

The switch-over from MCE to SPM will therefore lead to a drastic cut-off of the number of students who can go abroad for higher studies.

#### **'One generation opens up the road for the next generation to travel'**

It is said that one generation opens up the road for the next generation to travel. But in Malaysia, one generation is closing up the road of educational opportunities so that the next generation cannot travel. This is going backwards, and not forwards.

The closing of roads of opportunities for Malaysian citizens run counter to His Majesty's injunction in his Royal Address that "the people must be more enlightened and willing to work hard and be prepared to acquire scientific and technical skills". As His Majesty rightly put it: *"The strength of the nation as a whole is also dependent on the availability of an educated manpower, sound and sincere management, and citizens who are equipped with scientific and technical skills at all levels in the public as well as the private sector."*

In this connection, I call on the Education Minister, Datuk Musa Hitam, to take immediate steps to ensure that the roads of higher education opportunities presently open for Malaysian students are not closed up in two years time with the complete switch from MCE to SPM in 1980.

I am not suggesting that the total switch from MCE to SPM should be postponed, as clearly this is now too late for such a suggestion. However, to ensure that Malaysian students, especially non-Malay students will not find after 1980 that the doors of higher education are closed to them, both inside (because of deliberate government policy) and abroad (because of inadequate

command of English language), the Ministry of Education should introduce specially upgraded English syllabus to ensure that students who pass the SPM in 1980 and after, would continue to command adequate standard in the English language to enable them to gain automatic entry into Commonwealth universities and colleges.

Roads of higher education opportunities abroad are in fact becoming more and more restricted because of ever reduction of places for overseas students and the increasing cost of living, but the Malaysian Government should not arbitrarily block up these roads of opportunities by allowing the standard of English to fall to such levels that Malaysian students from 1980 onwards cannot join Commonwealth universities and colleges directly.

Another road which is being closed for young Malaysians is the impending closure of Taylor's College, which prepares Malaysian students for Australian matriculation examination for entry into Australian universities.

Since its inception in 1969, 1,849 Malaysian students had found places in Australian universities through the matriculation preparation of the Taylor's College, and an equally substantial number to other Commonwealth countries, like United Kingdom and New Zealand.

The number of Taylor's College students who passed the Australian Victorian matriculation and accepted into Australian universities since its inception are:

1969	-	26
1970	-	48
1971	-	63
1972	-	78
1973	-	217
1974	-	360
1975	-	383
1976	-	324
1977	-	350

These figures do not include students who proceed to United Kingdom or New Zealand or other Commonwealth countries for higher studies.

The Taylor's College authorities have publicly announced that this would be their last year of operation. If the Taylor's College is closed down at the end of this year, this means that another road of higher education opportunities for Malaysian students would be closed.

This should attract the concern of the educational authorities and the Ministry of Education, and the Government should consider ways and

means whereby the Taylor's College could continue to operate and contribute to the provision of higher education opportunities for Malaysian students. In this connection, there is no denying that the Taylor's College has made a substantial contribution to the provision of higher education opportunities for Malaysian Students.

I now understand that the Taylor's College is prepared to operate at least for another year.

The problem is that the Police Co-operatives have bought over the Taylor's College building. I urge therefore the Minister of Education to look into this matter to help ensure that the roads of educational opportunities are not closed.

It is not sufficient that the Barisan Nasional Government should take immediate steps to ensure that the present roads of higher education opportunities are not closed up, but to open up new roads of higher education opportunities for our young citizens.

#### **Opening new roads of higher education opportunities**

The DAP proposes two ways in which the Government can open up new roads of higher education opportunities for Malaysian students.

One is to expand local higher education opportunities for non-Malay students, without restricting higher education places for Malay students. Last year, the total number of non-Malay students accepted into the five local universities were, 1,496. This figure should be at least trebled for the 1978-1979 academic year, which is beginning with the recent release of the HSC and STP results.

The second way to open up new roads of higher education opportunities is to permit private universities and colleges. There is presently an application for the establishment of the Merdeka University, and I can see no reason why Merdeka University should not be established in Malaysia. The Merdeka University project in fact represents the best example of 'Berdirikari' - 'Stand on Your Own Feet' - which the Government Ministers and leaders had been exhorting the people to observe on the ground that the people should not expect the government to do everything.

In fact, the Government should honour the proponents of the Merdeka University, for their great contribution to educational advancement and national development, and offer all possible government assistance and advice. This is because human investment is the most important form of investment.

I was very disappointed yesterday when listening to the speech of the seconder of the motion of thanks to His Majesty, the MP for Teluk Anson, (Gerakan), Au How Cheong, that did not mention even a word about the Merdeka University proposal when he dwelt on universities and university education in Malaysia.

I do not see how any fair-minded Malaysian can object or oppose the proposed Merdeka University, which is fully in accordance with the Constitutional guarantee of Clause 152 permitting free use of the different languages, including their use as media of instruction at all levels of education. The Merdeka University has been proposed to expand educational opportunities for young Malaysians and not to deprive or deny educational opportunities of any person. All those who wish to see more higher educational opportunities in Malaysia should support the project. Only those who wish to see diminution of higher education opportunities in Malaysia can possibly oppose Merdeka University project.

I do not propose to say much on the Merdeka University project, as I have a motion asking the House to express support for the Merdeka University project.

I will urge all political leaders, especially those in UMNO, and others in the Barisan Nasional parties, like MCA, Gerakan, to see the problem of higher educational opportunities from a Malaysian perspective. No one should see the problem from the standpoint that there should be more university places for Chinese, and less places for Indians and Malays; or from the standpoint that there should be more places for Malays and less places for Chinese and Indians, or that there should be more university places for Indians, and less places for Chinese and Malays. The Malaysian standpoint should be: the Malays are more backward educationally than the other races, and should therefore receive every government assistance; while at the same time, there should be appropriate and fair expansion of higher education places for the other races.

The national objectives should not be the negative one to hold down any one race, for to do so is to hold up the entire national progress. It should be the positive one of ensuring that all racial groups take full part in progress, to give the fullest impetus to national development and advance.

#### **Double Brain-Drain**

Recently, when the Malaysian Prime Minister, Dato Hussein Onn, was in Australia, he asked the Australian Prime Minister, Malcolm Fraser, not to allow Malaysian students who had completed their studies to remain in Australia.

The Prime Minister should realise that Malaysian students in Australia who do not want to return to Malaysia on graduation is not the only form of 'brain drain' afflicting Malaysia. The other form of brain drain is the mass emigration of Malaysian professionals abroad, which has since the beginning of the 1970s assumed the proportion of a 'flood tide.'

So, even if Malaysian students in Australia and elsewhere return to Malaysia on graduation, there is nothing to prevent them from emigrating

after their return, if the Barisan Nasional Government continues to be blind to the root causes of popular frustration, discontent and alienation. These are the new injustices and inequalities created by the New Economic Policy.

My colleagues and I had raised this matter in Parliament many times, but Government Ministers had turned a deaf ear – some even pretending that this problem does not exist, although in some Malaysian towns, more than 50% of the medical practitioners had packed up their bags and emigrated. But the Barisan Nasional leaders know about this problem, as the doctor-brother of the Deputy Education Minister had himself joined in the emigration, but are not prepared or lack the political will to do anything about it.

### **New Educational Insecurity**

The Barisan Nasional Government has done the people of Malaysia and their children a grave disservice in creating the problem of educational insecurity, especially with regard to higher education opportunities, among Malaysian children.

We have reached the stage where students, whether in upper or lower secondary forms, worry about their educational future – not whether they can do well academically, but whether they would be able to have an opportunity for higher education.

This is time for the Government to rectify this grave injustice in our society. The Government should realise that the development of a country is brought about by people, and not by money or other material resources. The loss of qualified manpower is a loss which Malaysia cannot afford if we are to develop rapidly and enable Malaysians to share equitably in the fruits of development. Malaysia will suffer grave loss of qualified manpower if students abroad refuse to return on graduation, or professionals emigrate en masse, or Malaysians with the capability and talents are not given a chance to develop these talents and capabilities for the good of the country.

I seriously commend to the Prime Minister the proposal that the Government send a team to Australia and other Commonwealth countries to persuade Malaysian graduates and professionals to return to serve Malaysia – and to remove the root causes which keep them away from returning to Malaysia.

# DEMOCRATISATION OF MALAYSIAN LIFE

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*"National unity will not be achieved by shouting it a thousand or a million times. It can only be achieved if the whole gamut of the government's political, economic, social, cultural and educational policies are designed to unite, rather than to divide, the diverse peoples in the country."*

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Speech on the Royal Address on May 11, 1972.

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From the Yang di-Pertuan Agong's Royal Address, we are confirmed in our belief that the Government has not come to grips with the basic political, economic, social, cultural and educational problems in the country, which is today the burning issue for the people of Malaysia.

We continue blindly, in our political, economic, social, cultural and educational policies to drift towards national perdition.

There is no vision of a great Malaysia tomorrow. There is only petty pre-occupation with the tools of power today.

Slogan-shouting has taken command of the seats of government, displacing thinking and reason.

A good example is the Rukunegara. What is the Rukunegara? I am sure if we hold a simple test in the Dewan Ra'ayat now, and every Member of Parliament is asked to write out the five principles of the Rukunegara, the majority of the M.P.s will not be able to do so.

If Members of Parliament, especially those from the Alliance camp, do not know the content of the five principles of the Rukunegara, the impact, impression and meaning of the Rukunegara on the people is even more tenuous and non-existent.

The Rukunegara was designed to be the cement of national unity. It is to evoke among the people of all races, languages, cultures and religions, a common set of values on the fundamentals of nation-building which will make them think, feel and act as one people.

It has become a rather tired government catchphrase, rather worn-out at the sides, which has ceased to evoke any meaning or higher feelings.

The reason for this is obvious. There can only be a meaningful Rukunegara, binding the people of Malaysia together by one set of common values, when this Rukunegara is the product of the deliberation and formulation by all sections and groups of people, after a thorough nation-wide debate.

In our case, the Rukunegara was formulated and promulgated without public and national participation, and this is why it has failed to give meaning and content to the ordinary Malaysians, whether in kampongs, estates, new villages or towns.

Secondly, if the Rukunegara is to be a national life-philosophy, it must be seen to be accepted by the government, not only in principle, but also in practice. The people must be able to see the Rukunegara give meaning to their daily life, and not see the Rukunegara used as a political catchphrase for party political ends.

The Royal Address makes reference to national unity. We wonder whether the government is really sincere in wanting to promote and attain national unity, for we do not see any consciousness or action aimed at reversing the growing racial polarisation in the country.

There is of course the much-heralded National Unity Council on which the Government reposed the great responsibility of achieving national unity. To my knowledge, the National Unity Council has met only twice, and on both occasions, they were nothing more than tea-parties and tete-a-tete affairs.

There is then the new Ministry of National Unity. This is a very bad joke for the people know that the Ministry of National Unity was created not because of any government realisation of the vital need for national unity, but to find a harmless niche to slowly ease out Tun V. Sambanthan, who is the least qualified to work on national unity as he could not even achieve unity in his own tiny MIC party.

In fact, I would like the Minister of National Unity to tell this House what exactly he had been doing these past five months on national unity, apart from carrying out a vendetta with his MIC vice-president, Tan Sri Manikavasagam.

National Unity will not be achieved by shouting it a thousand or a million times. It can only be achieved if the whole gamut of the government's political, economic, social, cultural and educational policies are designed to unite, rather than to divide, the diverse people in the country.

It is my party's submission that the only basis for the attainment of national unity is the democratisation of all aspects of Malaysian life. This comprehensive democratisation of Malaysian life must include the following:

1. **Democratisation** of the political process, where political parties can freely without police or government interference carry out their political activities;
2. **Democratisation** of Parliament and State Assemblies to allow Members of Parliament and State Assemblymen opportunity and immunity to voice the fears and hopes of the people;
3. **Democratisation** of the police powers by the abolition of the Internal Security Act and the undemocratic police powers of detention without trial;

4. **Democratisation** of local government by holding immediate Municipal, town and local council elections;
5. **Democratisation** of the information process, where the mass media like radio, television and the press are not instruments for the ruling party to spread propaganda and malign the opposition, but are free vehicles for the dissemination of views by all political parties and opinion groups;
6. **Democratisation** of the economic order in Malaysia where the peasant and worker can enjoy the full fruits of their labour, and cease to be exploited by the feudalists, compradores and capitalists;
7. **Democratisation** of cultural life in Malaysia so that all cultures and cultural forms can freely develop and grow in Malaysia;
8. **Democratisation** of education in Malaysia so that a student is free to receive the type of education of his or parent's choice so long as it is Malaysian-oriented and Malaysian-centred;

#### **DAP warns against a one-party state**

Many changes have recently taken place in the Malaysian political scene. We can discern a tendency towards the establishment of a one-party state through the elimination of all opposition parties, either by absorption or suppression.

So far three opposition parties have been absorbed by the Alliance, leading to the formation of coalition governments in three states. Although these opposition parties still retain their separate identity, there is no doubt that they have lost their independence, and should they leave the Alliance embrace, would immediately collapse and die.

Alliance strategists are working on the mistaken premise if they think that by absorbing an opposition party, they would also be able to secure the political support and following of the opposition party being absorbed.

What invariably happens in such a case is that the opposition party being absorbed loses all its public support and following, unless the deep-seated economic, political, social and cultural grievances are resolved.

The ruling party should realise that the mere absorption or suppression of opposition parties will not solve the basic problems in the country, and the establishment of a one-party state with no room for legitimate opposition is the surest way to plunge this country into national disintegration.

The greatest disservice these opposition parties which allow themselves to be absorbed by the Alliance in return for a few official positions is to lend credence to Alliance belief that by parleying with Opposition leaders and

converting them over, the people have been appeased and basic problems resolved.

There are a variety of reasons why Opposition leaders and members defect to the ruling party.

There are firstly the opportunists, who use opposition politics as a lever to catapult themselves into the attention of the ruling party, and offer themselves to be bought over at a handsome price. This art is most perfected in the State of Sabah, where we often read of fly-by-night Opposition Parties being formed and very soon after, disbanded.

Others do not have firm political convictions, or the stamina for a long political struggle. Others are dazzled by the glitter of office and glory. Yet others may be cowed and intimidated by the strong-armed tactics of the government.

For without doubt, there is today in our land a pervading fear to express one's views and discontents. Deception has become a national virtue, and people do not say what they feel.

But if these discontents are bottled up, and cannot find peaceful and constitutional expression, then they will go underground to await violent and unconstitutional outlet. The way will then be clear for the unconstitutional opposition, for those who have advocated that the armed political struggle is the only salvation, to take over the battle.

This will be a great tragedy, for violent political struggle in a multi-racial, multi-religious and multi-lingual Malaysia will see this country of ours razed as a wasteland.

# ROYAL COMMISSION OF INQUIRY 19 ON NATIONAL UNITY

*"What the government must understand is that where the people feel insecure, as the overwhelming majority of non-Malays in Malaysia feel insecure, the people are not the natural allies of the government and the security battle is not a people's war. This is because all that they are being asked to choose is between two insecurities which, in the nature of things, is difficult to make the people enthusiastic about."*

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Speech on Royal Address on March 31, 1976.

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I wish firstly to join in the expression of appreciation to His Majesty for his Gracious Address to Parliament yesterday.

I had listened to the Royal address attentively, hoping to catch a new perception on the part of the government of the basic problems confronting Malaysia and indications of new policy directions. The result has not been too encouraging.

The Third Malaysia Plan would be launched in July this year. The Government said that the objectives of this Plan are to *"achieve unity and to develop resilience among the people in facing challenges, particularly challenges to national security."*

The aim of national unity has been the stated aim of the Barisan Nasional and previously, the Alliance, Government ever since Independence in 1957, and is also the declared objective of each and every one of the previous Five-Year Plans.

Malaysia will complete her second decade of nationhood next year, and we should pause to find out whether we had become a more united nation since Merdeka or a more disunited and divided nation.

The task of nation building for a multi-racial, multi-cultural, multi-lingual and multi-religious people is going to be a long process, taking probably a few generations. But while national unity cannot be achieved within a generation, 20 years is a sufficiently long time for us to take stock and measure of the success or failure of the government's nation building policy.

A whole new generation of Malaysians has grown up since Merdeka. The entire school and university-going population are the complete products of the policies of the government. Their attitudes and consciousness are important determinants of the success or failure of the government's nation building policy.

One would have expected that after 20 years of nation building under two Prime Ministers and now the beginning of a Third one, we should be able to assert with some degree of confidence that the youths of today are more Malaysian conscious and minded than the youths twenty years ago.

But can we truly say so. The reverse is in fact the case. Twenty years ago, I was still in school. My classmates and I were interested in developments in the country and things that happen around us, but the concept and consciousness of race seldom arise.

Today, the consciousness of race, of being a 'bumiputra' and a 'non-bumiputra', of being a Malay and a non-Malay, is driven home on a child right from the primary school stage, from his experiences whether in school or home. I know of a primary school where some teachers made a big issue on the alleged racial imbalance of school prefects, sharply imprinting on the minds of the school children the distinctions and differences because of race, rather than their commonness as Malaysians.

This concept and consciousness is further heightened when they enter secondary schools, sit for L.C.E., streamed into science or arts courses, chosen for different classes.

Early this year, one Form Four student was taken away from the best class and separated from his old classmates, and when he protested to the school supervisor that this was unfair as he had to give way to others whose aggregate were much poorer to his, he was slapped. The physical pain is a small matter, but the concept of race is slapped deep into his and his friends' psyche.

This reminder of the differences and distinction of race is repeated in a more and more acute form stage by stage, in the MCE examination and the subsequent allocation of school places for HSC students, the HSC examination and the intake into the universities.

The education, employment and economic policies of the government have caused widespread fears among non-Malay parents about their and their children's future.

This is the cause of the unprecedented scale of emigration overseas of professional men, especially doctors, dentists, engineers. Only yesterday, I was told of another doctor in Kuala Lumpur who gave up his successful private practice of twenty years and uprooted his whole family to Australia.

While I do not sympathise with Malaysians who do not have the guts to stay and fight for their rights, only the small and petty-minded will take the attitude that this is good riddance.

For the reasons which make professionals emigrate in such large numbers, something few and far between in the first 10 years of Independence, is because of the non-Malay fears about their and their children's future in Malaysia, on the basis of the present Barisan Nasional government's record in the fields of education, employment and economics.

The Barisan Nasional policies have driven out the professionals who have tried to identify and belong and contribute, but found that they could not do so.

The failure of the government in working towards national unity can also be seen from the fact that it is not merely middle-aged doctors who are emigrating. In fact, it would be no exaggeration to say that young doctors, many just passed out from the University of Malaya, are seriously considering and planning to emigrate — for the sake of their children yet unborn.

This is why hundreds of doctors have travelled to Australia, Canada and the United Kingdom in the past year or so to register themselves, to book a ticket for the future, so to speak, when they can in a few years time emigrate over.

One reason for this is the probability that Commonwealth countries like U.K., Australia and Canada, which had hitherto recognised the medical degrees of the University of Malaya, are likely to withdraw the recognition because of the lowering of medical standards, but the more compelling reason is fear about the lack of a future for non-Malays in Malaysia.

These young doctors are the complete products of the education policy and system of the government. The fruits of this national government policy is not national unity, surely, but disunity!

I know that there will be ultras in the country who will use this as an argument to bolster their case that the non-Malays are disloyal, and should be given even less opportunities in the fields of education, employment and economy.

This is no less than a formula for national disintegration, for the fears and worries which motivate the professionals to emigrate or to plan emigration are also the fears and worries which gnaw away at the overwhelming majority of non-Malays.

In this context, Dr. Mahathir's appointment as Deputy Prime Minister has aggravated the situation, both on the basis of his past record and pronouncements, and on his policy in the Education Ministry especially with regard to higher education in the country.

His Majesty in his Royal Address said, *"The security of the nation constitutes a major problem today. The security of the nation means the security of the people themselves. Therefore the people must realise that the war against communist terrorists is a people's war."*

What the government must understand is that where the people feel insecure, as the overwhelming majority of non-Malays in Malaysia feel insecure, the people are not the natural allies of the government, and the security battle is not a people's war.

This is because all that they are being asked to choose is between two insecurities which, in the nature of things is difficult to make the people enthusiastic about.

We can continue to ignore these brutal realities about the grave forces and factors of national disunity stemming directly from the government's nation building policies and continue to sweep them under the carpet, or slander and character-assassinate those among us who tried to get others see the situation in the true perspective. But we can do so only at our peril, for then, we are literally sitting on a time bomb without doing anything to defuse it.

It is for this reason that on the occasion of our entering into our 20th year of nationhood, the country should take stock of itself and examine how much progress we have made or ground lost in this period to move towards national unity.

I seriously suggest that a Royal Commission of Inquiry be established to inquire into the whole question of national unity in Malaysia at its 20th year of nationhood, the problems and prospects, so that we can more intelligently chart our national policies which can create greater common interest among Malaysians than distinctions and differences to find out whether we are producing young citizens who are more Malaysians minded, or more race-conscious, the whys and the hows of meeting the challenges ahead.

*"Mankind has dismantled the 'Iron Curtain', the 'Bamboo Curtain', but we in Malaysia are erecting the 'Batik Curtain' to separate Malaysians from Malaysians. We are coming to a stage where it will be easier for Opposition political leaders to visit Peking or Moscow than to visit Kota Kinabalu or Kuching.*

*"It is indeed ridiculous that Members of Parliament cannot enter Sabah and Sarawak, which is part of their own country, while tourists, foreigners and even professional fortune hunters, can enter Sabah and Sarawak without a visa for two weeks without questions asked."*

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**Speech on Royal Address on November 9, 1974.**

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I rise to associate myself with the Motion of Thanks to His Majesty for his Gracious Address on the occasion of the official opening of the First Meeting of the First Session of the Fourth Parliament.

I wish also to congratulate your election as Speaker. I am sure that under your guidance, this Chamber will be able to fulfil its triple tasks, firstly, to pass laws, secondly to vote monies to meet governmental expenditures and thirdly, and most important of all, as the highest political forum in the country.

His Majesty was gratified that the *"recent national election was held peacefully"*. He said: *"This proves that the people firmly believe and uphold the concept of parliamentary democracy."*

It is a matter of regret however that the people's firm belief and endorsement of the concept of parliamentary democracy was not reciprocated by an equally firm belief and scrupulous regard for the concept and practices of parliamentary democracy. As a result, hundreds of thousands of Malaysian citizens, above the qualifying age of 21 years, were denied the sacred right to vote. In my constituency of Kota Melaka, for instance, at least 10,000 persons were struck off the electoral rolls, although they had previously voted in elections.

The mass deregistration and disenfranchisement of voters who had previously registered and voted, and the non-registration of eligible voters who had reached the qualifying age of 21 years were two of the leading factors which gravely detracted from the usefulness of the 1974 general elections as a fair, proper and valid ascertainment of the political will and wishes of the people of Malaysia.

What is shocking is that no high-level inquiry was held to find out the causes of the missing voters or simplify the electoral system after this scandalous state of affairs was brought out in the August general elections.

Although a few government front-benches did express concern and called for changes in the electoral registration system, like Tunku Razaleigh, Dr. Mahathir, Tunku Rithaudeen, Dato Asri, and Senator Datuk Athi Nahappan (and significantly, not a single MCA or Gerakan leader was bothered about this problem of missing voters), the 'action-oriented' Cabinet seemed to have taken this grave democratic defect lightly.

This is why there has been no reform or change in the revision of voters exercise which is currently going on, although it is these very methods which have caused hundreds of thousands of citizens to lose their constitutional right to vote.

It is surely not beyond human ingenuity to devise a system whereby every citizen is a registered voter. It is surely vital and urgent that this should be immediately done to restore the people's confidence in the democratic system and in the Elections Commission.

The Prime Minister should not continue to disregard this problem, but should take action to ensure that there will be no more repetition of the scandal of the missing voters.

I suggest that this can be simply resolved by the introduction of legislation to introduce the compulsory registration of voters.

My other colleagues will go into greater details about the many grave defects of the electoral system on August 24 general elections, and I have also a motion standing in my name asking the House to express no confidence on the members of the Election Commission in view of the mass disenfranchisement of registered voters and the non-registration of eligible voters in the 1974 general elections which undermined the whole democratic process and the constitutional principle of the "importance of securing an Election Commission" which enjoys public confidence. I shall not dwell any further on this subject, except to urge for a Royal Commission into the irregular, unethical and unfair practices in the 1974 general elections.

Despite the people's firm belief in the concept of parliamentary democracy, as mentioned by his Majesty, the political developments in the recent period do not augur well for a healthy and steady growth of meaningful democratic processes and institutions in the country.

There has been a growing trend towards authoritarian rule and intolerance of opposition, criticism and dissent. The Minister of Home Affairs, Tan Sri Ghazalie Shafie, appeared to be providing an intellectual justification when he said recently that at this stage of our political development, there was no need for an opposition, and that the nine political parties confederated in the Barisan Nasional have their own built-in checks and balances to avoid dictatorial trends and attitudes.

This is the biggest fallacy of the year. We just need look at Sabah which has become an international scandal and embarrassment. Political rights of

Malaysians in Sabah simply do not exist where these political views diverge from the line laid down by one man, whose whim, rather than the laws of the land reigns supreme.

Malaysians in Sabah who attempt "to exercise their fundamental rights of freedom of speech, religion and political assembly," as enshrined in the Constitution, are hounded, harassed, persecuted and detained.

In fact, the reach of the dictator extends far beyond the borders of Sabah. Sabahans in West Malaysia talk in whispers when it comes to politics, and will frequently look over their shoulders as if expecting the dictator anytime to materialise beside or behind them. I once met a few trade unionists from Sabah over here for some labour function in their hotel room, who became very nervous and uneasy when politics was raised. Even after one of them had made sure that the hotel room was securely locked, they did not cease to be ill at ease and even frightened.

Where are the "built-in checks and balances" inside the Barisan Nasional to avoid these dictatorial developments in Sabah? What has happened to the government's declared resolve to "*defend the rule of law in this country*" as mentioned by his Majesty in his Gracious Speech? What has happened to the Rukunegara objectives of creating a democratic way of life as contained in the Royal Proclamation on Rukunegara?

Far from having 'built-in checks and balances' to avoid dictatorial trends and attitudes, the dictatorial trend is spreading to other parts of Malaysia, as if some Barisan Nasional leaders are hankering for the NOC days when they were answerable to no one for their actions.

In Sarawak, the political trend is becoming more and more unhealthy. Last week, the SNAP Deputy President, Dato James Wong, former Deputy Chief Minister of Sarawak and Opposition Leader in Parliament, was arrested under the PPSO for allegedly taking part in activities detrimental to the country's interests and security. Also arrested was one former SNAP member of Parliament, Awang Bongsu Abdullah.

The reasons given by the government for Dato James Wong's arrest are too ridiculous for words. Those who know Dato James Wong, realise that he is incapable of any action which is detrimental to national interest or security.

It is clear to both national and international opinion that the arrests were solely motivated by partisan political reasons, and that they constitute a gross abuse of power and a lurch in Sarawak towards dictatorial trends and attitudes.

All right-thinking Malaysians deplore Dato James Wong's arrest, and my party, the DAP, calls on the Prime Minister to personally intervene in this matter and get Dato James Wong and his colleagues released from unjustified detention.

The James Wong affair is only the latest in a series of undemocratic and dictatorial trends and attitudes in Sarawak. During the general elections the Sarawak Chief Minister banned a daily newspaper, the Sarawak Vanguard. I demand to know the reasons for the ban on the Sarawak Vanguard. I have studied the Sarawak Vanguard from nomination day till the date of its ban, and I can find nothing to justify the action. There was no article which posed a security threat or incited the people to violence or the unconstitutional and illegal overthrow of the government. The crime, if this be a crime, of the Sarawak Vanguard was that it supported the SNAP and it carried daily a column which contrasted the past and present stands and policies of SUPP leaders, in particular its secretary-general, Dato Stephen Yong, and its chairman, Dato Ong Kee Hui, and their broken promises.

But then, the Sarawak Vanguard was not the only paper to give support to a contesting party in the 1974 general elections. The majority of the papers in Sarawak openly supported the Barisan Nasional parties. Even in West Malaysia, daily newspapers, including the Straits Times, were unashamedly supporting and campaigning for the Barisan Nasional, even to the extent of stooping to distortions, half-truths and downright falsehoods about the Opposition, in particular the DAP.

Can the Sarawak Chief Minister, the Minister of Home Affairs or even the Prime Minister, give a satisfactory explanation for the reasons for the ban of the Sarawak Vanguard?

Again, on 16th Sept., Sarawak took another step, closer towards Sabah. When I arrived at the Kuching Airport that morning to visit Sarawak and meet SNAP leaders, the Chief Minister invoked State immigration powers and prohibited me from entry into Sarawak. Sabah and Sarawak were given autonomy on immigration to protect the youths of East Malaysia from being swamped and displaced by hordes of West Malaysian unemployed, but now these powers have been abused and perverted to restrict free travel by Malaysians within their own country.

Mankind have dismantled the 'Iron Curtain', the 'Bamboo Curtain', but we in Malaysia, are erecting the 'Batik Curtain' to separate Malaysians from Malaysians! We are coming to a stage where it will be easier for Opposition political leaders to visit Peking or Moscow than to visit Kota Kinabalu or Kuching!

The Sarawak Chief Minister's abuse of state immigration powers makes a mockery of His Majesty's fond hope of the fostering of closer relationship between those who live in Peninsular Malaysia with those in the States of Sabah and Sarawak, as contained in Paragraph 14 of the Royal Address.

The Second Malaysia Plan itself starts with the declaration that "*national unity is the overriding objective of the country*" and that this "*direction towards national unity is fundamental to the New Economic Policy and the Second Malaysia Plan.*"

We are told in the Second Malaysia Plan, in the Rukunegara, and by all the Ministers that there must be a closer integration of the peoples of all races, groups and from all the different states in Malaysia, particularly between Malaysia and Sabah and Sarawak.

I want to know how the objective of fostering a closer integration of the peoples and states of Malaysia can be achieved if elected Members of Parliament from West Malaysia are barred from entering Sarawak and Sabah, for Sabah has in fact set the example in 1969 in imposing a ban on my entry and recently when Dr. Tan Chee Khoo and his colleagues in his party were told that they would not be allowed to visit Sabah.

It is indeed ridiculous that Members of Parliament cannot enter Sabah and Sarawak, which is part of their own country, while tourists, foreigners, and even professional fortune hunters can enter Sabah and Sarawak without a visa for two weeks without questions asked.

I call on the Prime Minister to take immediate steps to dismantle this 'Batik Curtain' and put a stop to this misuse and abuse of immigration powers by the Chief Ministers of Sabah and Sarawak if we Malaysians want, as a people, to genuinely work towards the Second Malaysia Plan objective of achieving 'national unity' and if we want to fulfil the Rukunegara objective of maintaining a 'democratic way of life'.

These developments in Sabah and Sarawak, which proved that there are no built-in checks and balances in the National Front to avoid dictatorial trends and attitudes, are matched by similar developments in West Malaysia. Two recent instances are the blanket ban on DAP rallies throughout the country to thank the people for their support during the general elections and to keep the people abreast with the latest national developments which are not to be found in the press; and the spate of mass arrests under the Internal Security Act away from public knowledge, questioning and accountability.

It is thus clear that we have a long way to go to give substance to what His Majesty has described at the beginning of his Royal Address as the people's firm belief and upholding of the concept of parliamentary democracy.

Government professions of democracy, of dedication to national unity and Rukunegara principles and objectives are not enough, if the government does not bestir itself to take strong action to foster and promote these ends, and remove the obstacles to these ends.

In this connection, I suggest that a Rukunegara Commission should be set up which will have the power to receive and investigate complaints about violations and infringements of the Rukunegara objectives and principles by pressure groups, government leaders and governments.

Malaysia will be facing a big economic storm in the months ahead. It

is all the more imperative that in these trying times, Malaysians should be even more united so that together, we can tide the coming economic storm, as one people who can concentrate their energies and efforts on the economic crisis.

We can achieve this only if we give a correct reading of the recent general elections. Because of the many factors which detracted from the usefulness of the 1974 general elections as a valid ascertainment of the political will and wishes of the people, it will be a great pity and tragedy if the National Front should misconstrue their so-called landslide victory as a whole-hearted national endorsement for its policies, without subjecting them to a searching reappraisal. Greater national unity cannot come from dictation or imposition, but only from accommodation and the acceptance of criticism, opposition and dissent.

# WHY LOCAL GOVERNMENTS SHOULD BE ELECTED

29

*"Those who had repressed democratic rights of the people had always done so in the name of the people and nation. So had Ayub Khan and Yahya Khan of Pakistan. But look at what has happened in Pakistan and Bangla Desh?"*

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Speech when moving an amendment to a motion by the Minister of Technology, Research and Local Government, Dato Ong Kee Hui, thanking the Royal Commission on the Working of Local Authorities in West Malaysia for its Report on February 11, 1972.

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On 1st March 1965, the then Prime Minister, Tunku Abdul Rahman, made a Ministerial Statement in the Dewan Ra'ayat announcing that the government had exercised Emergency powers to suspend local council elections which was to be held in May or June the same year, on the ground of Indonesian Confrontation.

The then Prime Minister made a solemn pledge to this House and nation, and I quote from the Hansards of 1.3.1965:

*"As soon as this peace and quietness has returned we would make haste with all proper preparations for the local council elections, because we realise that these elections may generate heat and passion, and advantage will be taken by evil forces to make the fullest use of the situation".*

At the end of his statement, the Tunku again made this solemn pledge:

*"The very moment peace is declared I can assure this House that the elections will be held."*

The Indonesian Confrontation ended in the latter part of 1966, but up to this date, local council elections had not been resumed.

The new excuse was that the government was waiting for the findings of the Athi Nahappan Report on the Workings of Local authorities, which took an inordinately long time to complete its work, and which the government kept in cold storage for three years before releasing and tabling it in Parliament last December.

Between 1966 to 1971, the government also resorted to other delaying tactics and broke word after word. Thus in the March 1968 session of Parliament, the then Minister for Local Government, Mr. Khaw Khai Boh, told the House that the government would decide in one or two months' time whether or not to hold further local council elections. Nothing of course came out of it.

In his Ministerial Statement on the Report of the Royal Commission on Local Government, the new Minister of Local Government told this House last July that the Government had come to the conclusion that it was '*unnecessary and redundant*' to have another tier of representative government at local authority level.

He said that the Central Government had decided to consult with the State Governments to abolish the system of elected local government.

In the December session of Parliament, the Minister in reply to me, hinted that the question of elective local government would be frozen further until the State Governments had '*restructured*' the Local Authorities, and he did not know how long this '*restructuring*' would take.

Underlying the government's delay and procrastination on the resumption of local council elections for the last seven years is the one aim to deny the people the restoration of their basic democratic right to run their own local affairs, as was solemnly promised by the Alliance Government, of which the present Prime Minister was Deputy Prime Minister, in March 1965.

The three reasons which had been advanced to suspend local council elections are flimsy and do not stand up to examination: namely, the Indonesian Confrontation, the workings of the Athi Nahappan Report, and now the restructuring of the local authorities by the State Government.

Elected local authorities are the grass-roots of democracy, where the people are brought into direct contact with the workings of a democratic system, learn to run their own local affairs, and develop the life-style, habit and spirit of democracy which is essential if democracy is to strike deep and meaningful root in Malaysia.

No event, apart from actual war, can justify the seven-year suspension of local council elections.

The suspension of local council elections gives a dangerous precedent to the Federal Government, when it is so-minded, to engineer suspension of State and even Federal elections in future on some tenuous grounds – say, the incomplete workings of the Election Commission to delimit constituency boundaries.

The Royal Commission on the Workings of Local Authorities can proceed with its work, the State Government can work on its restructuring of the local authorities, but the local council elections must be held without any delay. If the restructurings cannot come into effect until some time, then the local council elections should be held on the basis of present

delineations, and the next local council elections will then be held on the restructured boundaries.

The basic reason for the seven-year suspension of local council elections, and the continued stubborn refusal on the part of the government to lift the suspension despite the recommendation of the Royal Commission on the Workings of the Local Authorities for the continuation of the elective local government system, is not administrative but purely political. It is in the political field, therefore, that we must find the reasons for the government's present attitude.

The real reason, I submit, is the refusal on the part of the ruling party, the Alliance, and its component parties, to accept the cardinal democratic principle that the ruling party should abide by the verdict of the electorate and be prepared to transfer power peacefully to an Opposition if this be the will of the voters as expressed in a general elections.

No one will vouch, that the Alliance is prepared to bow down to the verdict and wishes of the electorate and transfer Federal power peacefully to an Opposition if this be the judgement of the people at the polls. It is significant that not a single government leader, whether he be the Prime Minister or Deputy Prime Minister, despite their undying profession for democratic principles and practice, had ever said that the Alliance Party would accept this cardinal democratic principle of peaceful transfer of power to an Opposition if the people so wishes.

The reason for the suspension of the local council elections in 1965 was not Indonesian confrontation, but more petty. In 1965, the ruling party, the Alliance, and in particular the MCA which was mainly involved in contesting the local council elections, were convinced that the political conditions and atmosphere in the country were not conducive to the MCA in the event of local council elections.

MCA strategists wanted to have more time to recoup lost political ground and wait for a more propitious time when they can be assured of local council successes.

As it turned out, with every passing year, the stocks of the MCA fell lower and lower despite the unashamed massive use of the mass media, the radio and television to boost their fortunes, culminating in the debacle of the MCA and the Alliance on May 10, 1969 when the MCA and the Alliance were soundly trounced – and strong-men like the Ministers Dr. Lim Swee Aun, Dr. Ng Kam Poh fell like nine pins before political unknowns like my colleague, Chan Fu King, now M.P. for Teluk Anson.

With the end of the 22-month NOC emergency rule, and the reconvening of a truncated Parliament, one would have expected the resumption

of local council elections — especially as the Athi Nahapan Report had recommended it.

But no, the Alliance and MCA are still intent to kill and destroy elected local councils and grass-roots democracy. In fact, the MCA must bear the greatest responsibility for the government's decision to refuse to resume local council elections. The MCA is the real murderer of grass-roots democracy in Malaysia.

After the 1969 General Elections, where the MCA candidates were decisively rejected by the electorate, the MCA realised that it had lost out to the Opposition because of its long history of political dishonesty, corruption and immorality.

The MCA leaders realised that if there are Municipal, town and local council elections, the MCA would suffer an even greater defeat than the 1969 general elections. They know that despite their boast of a new MCA image and leadership, and the unprincipled and unscrupulous use of the so-called Chinese Unity Movement to advance the political fortunes of a handful of ruthless politicians to catapult themselves to political influence and power, the common man cannot be misled by the MCA's old wine in new bottles.

The MCA has three reasons why it wants to kill grass-roots democracy as represented by elected Municipal, town and local councils:

1. It wants to avoid an even worse defeat in the hands of the electorate than the one it suffered during the 1969 General Elections;
2. The MCA realised that if the Opposition, in particular, the DAP, win the majority of the Municipal, town and local councils, they will be a power base on which the DAP will build to greater strength and power — leading to the Alliance and the MCA losing more Parliamentary and State seats in the next general elections.
3. The MCA leaders know that if MCA members and stooges are ever to get appointed onto Municipal, town and local councils, the only way is through the backdoor system of government appointment, and not by elections. Thus in Malacca, Dato Tan Cheng Swee will never dare dream of becoming Malacca Municipal Commissioner if there are Malacca Municipal elections. He should consider himself lucky if he can win a Municipal seat. The most recent example of backdoor appointment is of course Dr. Lim Keng Yaik, the Minister of Special Functions on New Villages.

It is for this reason that the MCA schemed with the other partners in the ruling Alliance to kill grass-roots democracy, by proposing to abolish elected Municipal, town and local councils. This is why not a single MCA leader, whether old blood or young Turk, voiced opposition when the Minister of Local Government said that the Government had decided to abolish elected local government.

If the elected local councils are replaced by appointive ones, then the people will have to suffer inefficient, arrogant, corrupt, irresponsible and unresponsive Municipal, town and local councils as the local councillors are no longer answerable to the people, and do not have to fear rejection and repudiation at the polls.

We can expect disreputable and discredited Alliance political adventurers and opportunists back in positions of power in the Municipal, town and local councils to lord over the people – who would otherwise lose their deposits if they had to stand in local council elections.

The abolition of elected local government involves a fundamental issue, which goes to the very roots of democracy. If elected Municipal, town and local councils are abolished, it will not only be the death of grassroots democracy, it will be a grave blow to the democratic system in the country and will lead the way to authoritarian or totalitarian forms of government.

Democracy is a fragile plant in Malaysia, and if it is to take root, it must be nurtured into a sturdy and viable tree by encouraging the people to participate fully in the democratic process, and inculcating in them the democratic spirit and way of life, as involving the people in running local authorities.

This is the democratic way of life that the Rukunegara as so grandly enunciated by the Government claims to safeguard and uphold.

The fear by the MCA and the Alliance that they will lose the overwhelming number of local authorities to the Opposition is no justification for maiming and mutilating the democratic process in Malaysia.

Mr. Speaker, Sir, the question of elected local authorities should rise above partisan politics – because it will determine not only whether the people can democratically take part in the running of their own local affairs, but help decide the future and destiny of Malaysia.

The great issue at stake in Malaysia today, the battle that is being waged in the hearts and minds of the people, is whether we can survive as a nation.

I would submit that we are not even fighting for a battle of national

survival – for national survival presupposes the existence of a nation, where the people have the united resolve and capacity to defend itself from internal and external threats.

Malaysia is not yet truly a nation. Legally we are a nation, a member of the United Nations, recognised by the international comity of nations. But we are not yet a nation of Malaysians.

The fundamental question in Malaysia, which will decide the destiny of all of us, is whether Malaysia can become a nation where her people of diverse races, religions and customs can develop a Malaysian consciousness and identity transcending their separate communal pulls and loyalties.

There are in our country powerful centrifugal forces threatening to tear the country asunder. It is our task, as Malaysian citizens, who are born and bred here, and who will die here, to do all that we can to stand up against these centrifugal forces, and work for the attainment of a united Malaysian nation.

A democratic way of life, we in the DAP are convinced, holds the key to build a nation of Malaysians. I am not so dogmatic as to say that democracy is the only political system for all countries. Thus, in China, no one can dispute the fact that the communist system there has caused China, phoenix-like, to rise from the ashes of national ruin, disunity and disgrace of centuries to national unity, economic progress and world respect.

Malaysia, being a plural society, cannot afford the authoritarianism possible in a largely homogeneous society. Any form of government which uses coercion rather than consent in Malaysia, will cause the divisive and fissiparous forces to overwhelm the unifying ones.

When the democratic outlets are closed off one by one, a plural society will be forced to resort to more and more violent means to resolve its internal contradictions, and when these contradictions are compounded by racial, religious and class factors, then the whole country is ready for a very explosive and catastrophic era.

Those who had repressed democratic rights of the people had always done so in the name of the people and nation. So had Ayub Khan and Yahya Khan of Pakistan. But look at what has happened in Pakistan and Bangla Desh? I am not trying to draw a parallel between Pakistan and Bangla Desh with Malaysia, but let us learn from the mistakes of history, for those who refuse to learn from the mistakes of others are condemned to repeat the mistakes themselves at greater sacrifice and price.

The Deputy Prime Minister and Minister for Home affairs, when he toured the Tanah Hitam new village and other barbed-up new villages in

Perak early October, said the country faced a grave challenge from the resurgence of armed communism.

He said there were three groups of people on the side of the communists:

1. those who were threatened or forced to help the communists;
2. those who sided with the communists because they were disenchanted and discontented with the democratic process or certain ills of the government;
3. the die-hard communists.

The abolition of elected local government will force an even vast number of Malaysians to be disillusioned and disenchanted with the democratic process, and view with greater favour an armed struggle to find outlet to their suppressed grievances.

Can the Government state with all confidence and authority the real state of mind of the people on the ground, following the passage of the 1971 Constitution Amendment Bill and the enlargement of Sedition Acts, causing many people to keep to themselves their grievances and discontents.

These grievances and discontents are not banished just because they are not expressed. Unless resolved, they must find outlet someday.

The abolition of elected local government will bring the country nearer to the day when coercion and not consent, violence and not argument, hand grenades and not parliamentary debate will be the order of the day in Malaysia.

We in the DAP do not want to see this sorry end to Malaysia. Whatever may be the feeling and attitude of the government front-benchers and back-benchers, we in the DAP love and cherish Malaysia, and we want Malaysia to avoid the blood-letting, the human cruelties and inhumanity of man to man that had been the cross of countries like Bangla Desh, Biafra, Ceylon, Northern Ireland.

I therefore move an amendment to the motion in the name of the Minister, to add to the words at the end of the Minister's motion, "*and support and endorse the recommendations of the Commission for the continuance of the elective local government system.*"

This will be a great step to lead Malaysia away from the shoals of perdition and damnation.

## A LAW TO PREVENT DEFECTIONS

Speech when moving a motion on March 21, 1978 to seek leave of the House to introduce a private member's bill intituled Members of Parliament (Prevention of Defection) Act 1978 to ensure political integrity of Members of Parliament.

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I rise under Standing Order 49(2) to move a motion to seek leave of the House to introduce a Private Member's Bill intituled Members of Parliament (Prevention of Defection) Act, 1978, which would require a Member of Parliament to vacate his seat within 30 days and cause a by-election to be held on his resignation or expulsion from the Party on whose ticket he was originally elected.

In November last year, I was invited by a Tamil national daily, Tamil Nesan, to answer questions submitted by Tamil Nesan readers. One question that was asked was about the defection of Opposition Members of Parliament and State Assemblymen after their election, in betrayal of the confidence and trust placed on them by the electorate.

I was asked what effective measure could be taken to prevent such opportunistic political betrayal of the people's confidence. I replied that the most effective way would be for the enactment of a law requiring a Member of Parliament to vacate his seat and cause a by-election to be held on his resignation or expulsion from the Party on whose ticket he was originally elected. I promised to move a private member's bill on this matter considering its importance.

Such a Bill is important so as to ensure the political integrity of elected MPs and to prevent political corruption.

Nothing disgusts the Malaysian public more than to see MPs or State Assemblymen elected on one party's ticket and then betray the Party and the people's trust by switching parties. This makes them very little different from con-men. Such practices debase politics, and strengthen the general impression that 'politics is dirty', when it is the dirty people who get into politics to make politics dirty.

The defection of MPs or State Assemblymen from parties on whose ticket they got elected is most undesirable and unethical, because they are elected not because of their personal qualities, but because of the Party they represent. Such practices also permit elected politicians to be bought and sold as if they are on the market place.

If an elected MP resigns or is expelled from the Party on whose ticket he was originally elected, then he should resign his seat and cause a by-election to be held. If the resignation and expulsion is over a matter of political principle which has the support of the people, then the MP or

State Assemblyman concerned should have no qualms about getting re-elected.

We all know that Barisan Nasional parties require its candidates to sign undated letters of resignations to keep their elected MPs or State Assemblymen in line. Just before the Kelantan state general elections last month, the Kelantan UMNO State Liaison Chairman, Tengku Razaleigh, felt it necessary to declare publicly that UMNO Kelantan has taken steps to prevent UMNO candidates from betraying the party after they are elected. He said every UMNO candidate is required to sign undated letters of resignation to be kept in custody by UMNO, which it would use in the event of betrayal.

Of course, under normal circumstances, the Government party can keep its MPs in control through its wide paraphernalia of patronage, influence and largesse. This, however, tantamounts to another form of political corruption.

A law which I am proposing will uphold political integrity of MPs and be a serious deterrent to political corruption. Those who wish to see a cleaner political atmosphere should give it support.

If the NBI's investigations show that there is a prima facie case to charge Dato Harun with corruption, then Dato Harun should be so charged, on the merits of the case, and not because he was a political threat to the powerful in the government, or because he refused to play ball by exiling himself to United Nations.

For if the NBI can be misused to eliminate political enemies inside the Party and Government, it can also be used to protect political supporters and friends, to obstruct the campaign to root out corruption in high public places.

In late 1975, when there were several open letters in circulation accusing the then Deputy Minister to the Prime Minister, Dato Abdullah Ahmad, of being a millionaire and demanding NBI investigation, was there an NBI investigation, which would be the most effective way to clear Dato Abdullah Ahmad of these charges of corruption?

No. Not only was there no NBI investigation, but the Minister of Home Affairs on Dec. 4, banned seven open letters under the Internal Security Act, with the stipulation that anyone printing, publishing, selling, distributing or circulating the seven letters as liable to a maximum fine of \$2,000 or three years' jail, or both.

What are these 'subversive' open letters?

According to the Gazette, these letters were :

1. "Badan Pengamal Rasuah" printed in Bahasa Malaysia;
2. "Badan Pengawal Rasuah Siri Kedua" also printed in Bahasa Malaysia,
3. "Anak Tani Machang Sudah Jadi Jutawan" dated Sept. 2 and also printed in Bahasa Malaysia, purporting to have been written by Kumpulan Anti Rasuah Negara;
4. "Badan Pengamal Akhir" dated Nov. 7, and also in Bahasa Malaysia;
5. "Harta Timbalan Menteri" also in Bahasa Malaysia, purporting to have been written by Kumpulan Anti Rasuah (Karan);
6. A document commencing with the words "Kami Sekumpulan Rakyat Malaysia" dated Sept. 2, also in Bahasa Malaysia, with certified copies of five extracts of Titles from Land Registry, purporting to have been written by Kumpulan Anti Rasuah Negara; and
7. A letter addressed to "Para Pemimpin" Nasionalis Melayu di-Malaysia, also in Bahasa Malaysia, purporting to have been written by Angkatan Barisan Bertindak Melayu, Markas Satu, No. 10, South Boulevard, Paris, and dated Oct. 1.

These seven documents are still banned, and I think Malaysian security authorities must have been one of the few in the world if there is another to have banned as subversive documents the certified copies of extracts of titles from the Land Registry. I do not know whether the Kota Bahru Land Registry, in keeping those title deeds, is committing an ISA offence?

I am not concerned with the truth or untruth of the allegations of corruption in these seven documents, but the manner in which the Government and the NBI handled these allegations, which reinforce and substantiate my argument that the NBI as presently established is a political creature of the Minister of the Executive, used to thwart corruption investigations of top government political leaders or used to strike down political opponents.

An NBI which is under the political control of the Executive, be he the Prime Minister or the Attorney-General, cannot have full powers and independence to investigate, ferret and stamp out corruption, especially corruption in high political places. Human beings being human beings, the scenario of the Prime Minister or the Attorney-General who is politically "besieged" or "weak", using the NBI as a political instrument to block investigations into political supporters and act against political enemies is not too far-fetched at all. It had happened before, and can happen again.

I am not making any personal imputations against the Prime Minister, but arguing for institutional changes in the NBI to prevent any such political or Ministerial influence or interference recurring.

It was not so very long ago that very detailed and serious allegations about massive corruption in the State of Sabah were made by former State Ministers of Tun Mustapha's Government, and the Berjaya even called for a Royal Commission of Inquiry into the corruption and malpractices in the Tun Mustapha era. Subsequently, allegations of corruption have been made at the Berjaya Government by USNO. Did the NBI, as the guardian of public honesty and integrity, move into Sabah to conduct an in-depth and wide-ranging inquiry to get to the roots of the detailed allegations about corruption, which would put corruption in West Malaysia into shame? No, again because of political influence and interference.

In Malacca and Negri Sembilan, widespread allegations of corruption have also been made, and my Malacca State Assembly colleague, Sdr. Chan Teck Chan, had on several matters written to the NBI and the Minister of Law, Tan Sri Kadir (and I had occasion to write to the NBI Director who has now retired, Tan Sri Ibrahim Salleh, about the Syarikat Sri Lingga Affair involving some 4,000 acres of land) – but nothing has happened. If the NBI had started investigations, they have proved to be inconclusive and futile – and corruption grows rampant and blatant throughout the country.

Furthermore, how can the NBI be expected to investigate, let alone prosecute, the Attorney-General, its political master, should, hypothetically, there is ground for such NBI investigation and prosecution?

I am not suggesting that the present Attorney-General should be investigated – but merely pointing out the indefensibility of an anti-corruption agency placed under a Minister or the Executive.

In actual fact, I have asked in this session of Parliament a question to the Prime Minister whether Ministers are allowed to have land alienated to them during their tenure of office, and to explain the alienation of a piece of land in Mersing to the Minister of Law by the Johore State Government. I am not suggesting anything improper in this alienation pending an answer, but it would clearly be impossible for the NBI to investigate its own Minister.

Again, it would be asking for the moon to expect an NBI under the Executive through a Minister to initiate on its own investigations into how Ministers or Deputy Ministers could amass wealth and become millionaires, although their entire adult life have almost been spent as Members of Parliament, then Parliamentary Secretary, then Deputy Minister, and finally Minister.

There is widespread public disenchantment with the NBI in its failure to tackle the basic causes of corruption – high-level political corruption. In fact, the standing of the NBI have fallen so low in public estimation, that many people are saying that there is now a need for an NBI to check on the NBI – for not only sharks are being let out of nets, even small fishes seem to be able to get out too!

The work of the NBI must not be subject to the political ups and downs of the political rulers. Regardless of the personal political fortunes of the Prime Minister or the Executive, the NBI must be independent and powerful enough to act against corrupt politicians, regardless of their status or political loyalties.

This can only be achieved by making the NBI answerable only to Parliament through a Select Committee on the NBI which will annually review the work of the NBI and act as a supervisory body of the NBI, and the supreme watchdog on corruption – though without investigative powers.

The endorsement by the Prime Minister and the Government of a private member's bill to establish the NBI as a fully independent agency completely free of political or Ministerial influence or interference will be a test of the Government's commitment to combat corruption – whether dragon or mousedeer – for I do not see how anyone dedicated to the elimination of corruption can oppose the present proposal and motion.

## CORRUPTION IN HIGH POLITICAL PLACES

*"In Malaysia, there is a widespread popular belief about the corruptibility of politicians and administrators and an even more widespread popular belief that known offenders in high positions can continue their corrupt practices with little risk of punishment, and this widespread belief is a social fact which we in Parliament must take cognisance of because it is something which goes towards determining whether public confidence in the public services is heightened or undermined."*

Speech when moving a motion on October 27, 1975 to ask leave of the House to move a private members' bill to amend the Prevention of Corruption Act 1961 to combat corruption in high political places.

*"That this House under Standing Order 49 (1), grants leave to the Member for Kota Melaka, Lim Kit Siang, to introduce a Bill to be known as the Prevention of Corruption (Amendment) Act, 1975 to amend the Prevention of Corruption Act, 1961 to make it an offence for any public officer including Ministers, Deputy Ministers, Parliamentary Secretaries, Chief Ministers, EXCO Members, Members of Parliament and State Legislative Assemblies or civil servants who have amassed property or pecuniary resources disproportionate to his known sources of income, punishable on conviction to imprisonment for a term not exceeding seven years or to a fine not exceeding ten thousand dollars or to both imprisonment and fine and to provide powers to the Government to forfeit the property or the value of the pecuniary resources acquired by the accused and to provide for the accused to prove his innocence where the accumulation of such property or pecuniary resources has been proved as a more effective legislative measure to combat and check the mounting scale of corruption in high public positions."*

Mr. Speaker, Sir, this Motion seeks leave of the House to allow me to introduce a Private Member's Bill to amend the Prevention of Corruption Act, 1961 to provide more effective legislative measures to combat and check the mounting scale of corruption in high public positions. Corruption is rampant in Malaysia and is growing, particularly among higher officials and politicians, including legislators and top Government leaders. Many political regimes have crumbled because of the prevalence of corruption and lack of integrity of public officials, politicians and administrators, and the consequent spread of unlawful practices among businessmen and the general public. Examples come easily to mind, for instance, the Kuomintang regime of China, the political regimes of Pakistan, Burma, Indonesia, and most recently, Bangladesh.

Unless Malaysia can purge corruption from public life, we are

in fact aiding and abetting the success of the jungle and urban guerillas, for we are giving them an issue on which to win public support and sympathy. Although there has been considerable publicity of late about the NBI's various campaigns, such as the campaign to get public servants to take oaths against corruption and even more recently, the surprise checks on Government Offices, the N.B.I. has failed to make any impact on the problem of corruption. This is because the N.B.I. has not dared to come to grips with one of the fundamental causes of the spreading of corruption in Malaysia, corruption in high public positions. The people see the political high-ups openly flaunting their unaccounted wealth, and only the small fry get caught and punished. This is why the ostentatious efforts to prevent corruption and assertions that the corrupt are being dealt with as they deserve only seem to spread cynicism, as they see the higher-ups enjoying immunity.

Ministers, Menteri-menteri Besar and legislators are not above suspicion, and if those in positions of authority are not above suspicion, who can blame the small man for committing similar offences? This kind of thing is infectious and ordinary people tend to copy the conduct of those at the top.

That is why I say that in Malaysia there is a widespread popular belief about the corruptibility of politicians and administrators and an even more widespread popular belief that known offenders in high positions can continue their corrupt practices with little risk of punishment, and this widespread belief is a social fact which we in Parliament must take cognizance of because it is something which goes towards determining whether public confidence in the public services is heightened or undermined.

A good illustration is the case of the Selangor Menteri Besar, Datuk Harun bin Idris, who was alleged to have improperly granted logging permits of some 1,000 acres to relatives and to have accumulated a vast personal fortune during his tenure of office.

My former parliamentary colleague, Saudara Loh Jee Mee, the then Member of Parliament for Batang Padang, asked in this House on 29.4.1974 what action the NBI had taken with regard to allegations about the \$60 million property which had been amassed by Datuk Harun and his \$1.4 million house the Prime Minister said in reply and I quote from the Hansard :

*“(a) Biro Siasatan Negara memang sedar tentang sepucuk surat terbuka yang telah disebarkan kepada orang ramai yang muntuduh Menteri Besar Selangor telah mendapat harta sebanyak \$60 juta. Surat itu adalah surat terbang yang tidak bertanda tangan. Sebagai satu Badan yang bertindak dengan bebas, Biro Siasatan Negara sememangnya membuat penyiasatan terhadap tuduhan itu.*

- (b) *Sebagaimana yang saya katakan tadi, Biro Siasatan Negara ialah satu Badan yang bertindak dengan bebas, maka tentulah ia menyiasat maklumat-maklumat yang telah diperolehi berkenaan dengan sesiapa pun.*"

When Saudara Loh Jee Mee asked for a progress report on the matter at the next meeting on 24th July, 1974, the Prime Minister said investigations by the N.B.I. into the \$60 million corruption allegation against Datuk Harun were still going on, as "*Siasatan kes-kes rasuah adalah sangat rumit dan memakan masa yang agak panjang.*"

Although it is alleged that Datuk Harun has amassed property and pecuniary resources disproportionate to his known sources of income as a Menteri Besar, no action has been taken to date although the matter has been in the hands of the N.B.I. for nearly two years.

Recently, a letter was sent to the Director of N.B.I. listing in detail about the shares worth \$2.3 million owned by a Deputy Minister and \$300,000 of landed property owned by the same Deputy Minister. Has the N.B.I. initiated any investigations into this matter?

In his speech to Johore heads and senior officers of the Federal and Government Departments in Johore Bahru on 21st August, 1975, where he made the proposal about oath-taking by public servants against corruption, the N.B.I. Director, Tan Sri Ibrahim Salleh, said that all information, even those received anonymously would be carefully sifted and acted on immediately. He said all information which would lead to the exposure of corruption would be investigated vigorously and appropriate steps taken to deal with such cases.

Cynicism about the N.B.I.'s effectiveness as an anti-corruption agency stems from the failure of the N.B.I. to match its words with deeds and actions. For instance, does the N.B.I. really act on all tips?

Instances of politicians who have amassed a great deal of wealth while in public office were mentioned in this House when we debated the establishment of the N.B.I. on 17th July, 1973.

One Opposition Member spoke of a case, not so long ago, of a person who was an editor of a small newspaper, who became a millionaire after he became the Chief Minister of a State and he was able to invest about \$1.5 million in a newspaper in Singapore. Another Opposition Member spoke of a Chief Minister who had an insurance policy for \$5 million and who pays \$200,000 a year in premiums. Did the N.B.I. as an independent and vigilant

anti-corruption agency, act on this information provided in this highest representative Chamber and initiate proceedings to investigate into both these cases? The answer is clearly in the negative.

Recently, Barisan Nasional leaders in Sabah openly accused each other of corrupt practices. However, Tun Mustapha, when challenged to hold a Royal Commission of Inquiry into the corrupt practices of his Government, countered it with the demand that such an inquiry should broaden its scope to cover the whole of Malaysia, and the matter was quietly dropped. But did the N.B.I., as a vigilant anti-corruption agency, pounce on the opportunity, acting on all tips and information, initiated investigative proceedings to find out about the depth and enormity of corruption in high political positions in Sabah, to trace the sources of the vast wealth and pecuniary resources of the multi-millionaire politicians headed by Tun Mustapha completely disproportionate to their average known legal sources of income?

In Malacca some time ago, anti-corruption officers publicly announced that they were finalising investigations to arrest a "big fish" and the "big fish", whose identity everybody knew, was subsequently allowed to escape into the Straits of Malacca.

The recent N.B.I. emphasis on catching the small fish or Sang Kancil demanding a few dollars bribe would appear to mark the N.B.I.'s surrender to the "big fish".

Corruption includes all forms of 'improper or selfish exercise of power and influence to a public office or to the special position one occupies in public life'. Its incidence infests the whole Government network and bureaucracy, largely because of the example of corruption set by higher officials.

Menteri-menteri Besar, State Executive Councillors, political leaders and even top Government officials alienate land to themselves which is clearly an improper and corrupt practice. In Malacca, for instance, a Malacca State Executive Councillor acquired 27,000 square feet of precious land for 25 cents a square foot, which would be worth about 20 times its purchase value.

When the P.P.P. joined the Coalition, the fruits of Government were also accorded to P.P.P. leaders. Thus, in 1973, the D.A.P. exposed in the Perak State Assembly of the alienation of 1,000 acres of oil palm land in the Mukim of Hutan Melintang, worth some \$100,000 to a PPP State Assemblyman in Teluk Anson.

Top Government and public officials have under their control hundreds of millions of dollars and exercise vast discretionary powers in granting permits, licences, which breed golden opportunities for self-enrichment and

elevation into the ranks of millionaires, for public servants who lack public integrity.

This is why the people see with disgust top Government and political leaders in possession of several palatial mansions in Jalan Duta, Damansara Heights, Ukay Heights and a string of other multi-million dollar property to their names or names of their children or next-of kin, although these fortunes are completely disproportionate to their monthly incomes.

No campaign to purify public life and enforce public integrity can hope to succeed so long as possessions of large amounts of unaccounted money and property by high political and Government officials are permitted. They will make nonsense of the brave words of the Honourable Deputy Prime Minister to the Joint Meeting of the UMNO Youth and Wanita UMNO on June 20 this year when he condemned corruption as "*deviations in the country's development*" which left unchecked would "*sap the fibre of the nation and bring about decadence*".

The Honourable Deputy Prime Minister had pledged that the Government would expose these corrupt practices "*irrespective of who are involved - be they mouse-deer or dragon*". It is completely in this spirit of wanting to expose and root out corrupt practice "*tanpa mengira siapa melakukannya - si kancil atau naga*" that I am asking leave to propose my batch of amendments to the Prevention of Corruption Act, 1961.

The laws and procedures must be changed so that punitive actions against corrupt officials can be pursued speedily and effectively.

The amendments I intend to propose are drafted with the following considerations in mind:

- (1) Corruption must be sternly stamped out as it undermines social discipline, retard development efforts, and lay the seeds for national disintegration by, for instance, fanning the flames of jungle and urban guerrilla warfare.
- (2) Corruption among minor officials cannot be combatted if it is not first stamped out at higher levels.
- (3) A full purge must be conducted in the whole Government and public services to check misconduct in the Government and to restore the declining public confidence in public office, so that those guilty of conspicuous spending, unexplained wealth, incompetence and involved in graft and corruption can be speedily brought to court without indefinite delays.
- (4) Ministers, Deputy Minister, Parliamentary Secretaries, Menteri-menteri

Besar, State Executive Councillors, Members of Parliament, State Assemblymen and top public servants must be above suspicion that they are corruptible and are immune from punishment for corrupt practices.

I am, therefore, proposing that where a public officer, including a Minister, a Deputy Minister, Parliamentary Secretary, Menteri-menteri Besar, State Executive Councillors, Members of Parliament and State Assemblymen, or a top public servant, has pecuniary resources or property disproportionate to his known sources of income, for example, monthly salary or allowance, then he shall be deemed to have acquired or received the disproportionate property or money by corrupt means and shall be guilty of an offence, unless he can establish his innocence or integrity.

A person who is guilty of such an offence is liable to a jail sentence of seven years or a \$10,000 fine, or both, and forfeiture of his ill-gotten gains or their value.

Such amendments to the Prevention of Corruption Act will arm the NBI with adequate powers to combat high-level corruption and deny it an opportunity to hide behind a string of excuses to explain its failure to act against the "big fishes" who have unaccounted wealth or property and conspicuously exhibit them with impunity.

These powers are necessary for corrupt politicians and public servants are very adept in dispersing their ill-gotten gains in diverse ways. The NBI is not only shorthanded, but has inadequate powers to fight corruption and malpractices by people in authority, and this is why position and high office has become a refuge for corruption and crime.

I know that the NBI has powers to get Members of Parliament, State Assemblymen or civil servants to declare their assets even if these were in the names of their wives, children, representatives or trustees, but the Prevention of Corruption Act, 1961 does not make possession of pecuniary resources or property disproportionate to one's known sources of income an offence by itself.

Clause 17 of the Prevention of Corruption Act, 1961 merely provides that evidence of pecuniary resources or property disproportionate to one's known source of income may be considered as corroborative testimony only where a person is charged with a corruption offence of *'corruptly solicit or receive or agree to receive for himself or for any other person any gratification as an inducement to or reward for, or otherwise on account of any person doing or forbearing to do anything in respect of any matter or transaction whatsoever, actual or proposed or likely to take place.'*

These new powers are necessary, especially to fight corporate

corruption carried out by American, Western and Japanese multi-national companies and local ones to suborn the integrity of public officials and politicians to allow them to exploit the Malaysian public.

In June this year, the American aircraft company, Northrop Corporation admitted that it had employed influential individuals abroad to assist Northrop in winning multi-million dollar contracts in exchange for a share of lucrative commissions which also run into million of dollars and Malaysia had the dishonour of being mentioned as one of the countries where such under-hand Northrop transactions took place. I wonder whether the NBI had conducted any investigations to find out who are the Malaysians who received commissions or bribes to help in the award of contracts to Northrop if any contracts were awarded.

No wonder, in an issue on corruption in South-East Asia, the Far Eastern Economic Review of November 12, 1973 had this to say about Malaysia:—

*"Malaysia has a more tolerant political atmosphere and there is somewhat more hanky-panky as a result. Compared with the other ASEAN countries, the problem of corruption is less talked about in Malaysia and probably there is slightly more of it today as a result."*

I quote further:—

*"As elsewhere, minor offenders are more likely to be caught and punished than the "big fish."*

The proposed new powers would permit a complete house-cleaning of the entire Government and public services and purge them of the unfit and corrupt. A South-East Asian country recently sacked 2,000 Government officials, including six Cabinet Members, for corruption and malpractices. I say: "Let us do the same."

These amended powers can restore public confidence in the public services, for the people want to see offenders punished, regardless of whether they are high-up or low-down. The present double standards where the higher officials can retire gracefully-like some Menteri-menteri Besar before and recently, I understand, some top Army officers — whereas those in the lower-downs are punished and persecuted, I think, should stop.

**THE NEW ECONOMIC POLICY,  
MALAYSIA PLANS AND BUDGETS**

# THE SECOND MALAYSIA PLAN 1970 – 1975

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*"A continuous harping on the theme of Malay/non-Malay economic imbalance, when in fact the majority of the Malays and non-Malays are poor, and the concentration of ownership and control of wealth in the modern economic sectors are in the hands of foreigners cannot do the country and the goal of national unity any good."*

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Speech on the Second Malaysia Plan debate on July 14, 1971.

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First of all, this House should note that we are not debating the Development Plan for the next five years, but for the next four-and-a-half years. Six months of this Five-Year Second Malaysia Plan have already passed before this Plan comes before this House. This speaks most eloquently for the authoritarian nature of the present government, which professes democratic rule. What this House and country think, feel and decide do not matter. The Alliance Government has decided, and that is that.

The Second Five-Year Plan opens with this passage :

*"National unity is the over-riding objective of the country ..... This direction towards national unity and progress is fundamental to the New Economic Policy. The Second Malaysia Plan, based on this Policy, is designed to facilitate the achievement of the national objective."*

The First Malaysia Plan, 1966 – 1970, had also this same objective. In the words of the First Malaysia Plan, one of its main objectives was to *"promote the integration of the peoples of Malaysia by embarking upon a development plan explicitly designed to promote the welfare of all"*. The Second Malaysia Plan (Chapter II) speaks of the *"successful implementation"* of the First Malaysia Plan. If so, has its objective to promote the integration of the peoples of Malaysia succeeded ?

We know the answer. The May 13, 1969 racial riots clearly point to the failure of the First Malaysia Plan *"to promote the integration of the peoples of Malaysia"*. Apart from casting blame on Opposition parties – which it is not my attention to deal with – the Government also declared that the riots were partly caused by *"the growing sense of insecurity felt by the Malays due to the racial imbalance particularly in the education and economic fields"*. I say this to show that although the First Malaysia Plan was claimed by the Government to have been successfully implemented, it did not advance national unity and integration. Similarly, we must not assume that the Second Malaysia Plan, if implemented successfully as the Government claims, will definitely promote national unity which the Plan has stated as the over-riding objective of the country. It has been said in this House during this debate that unless the Second Malaysia Plan is implemented, there will be a greater May 13 racial riots, but this time it

would not be confined to Kuala Lumpur but would affect the whole country.

Mr. Speaker, Sir, the country was told that the May 13 racial riots were caused by Opposition parties exploiting sensitive issues which are now entrenched in the Constitution and placed beyond the pale of public discussion. We are told that once these issues are declared sensitive and banned from public discussion and questioning, the country is safe from other May 13-type racial riots. Now, in this House we are told that if this Second Plan is not fulfilled, there will be bigger and more terrible May 13 riots throughout the country. And as I have just pointed out, since the so-called successful implementation of the First Malaysia Plan did not prevent the May 13 riots, a successful implementation of the Second Plan is not likely to prevent a recurrence either. It would appear, therefore, that whether the Second Plan is successfully implemented or not, the possibility of May 13 riots is always there. I do not see how the Second Plan by itself can create national unity, just as the First Malaysia Plan has failed to do. More than a Malaysia Plan, more than a Rukunegara, is required to create national unity. Unless the Government and country take into fullest consideration all the inter-related social and cultural, political and economic, public and private, emotional and psychological factors of building a Malaysian consciousness and identity, by the end of the Second Plan, national unity will be as elusive as it is today.

The Plan incorporates a two-pronged policy for development. The first prong is to reduce and eventually eradicate poverty by raising income levels and increasing employment opportunities for all Malaysians, irrespective of race. The second prong aims at accelerating the process of restructuring Malaysian society to correct economic imbalances, so as to reduce and eventually eliminate the identification of race with economic function.

We support both objectives. But going through the Plan, and listening to the speeches of Ministers all these months, after the enunciation of the New Economic Policy, one cannot help feeling that the first objective of eradicating poverty, irrespective of race, is only incidental to the central plank of the NEP (New Economic Policy): to restructure Malaysian society to correct racial imbalance. This view is strengthened by the emphasis in the Plan despite its statement that the two prongs of the New Economic Policy are *"not mutually exclusive, but interdependent and mutually reinforcing."*

The poor of Malaysia are to be found in the traditional urban sector, where non-Malays outnumber the Malays by a factor of nearly 3 to 1, and in the traditional rural sector, where the position is reversed. The traditional urban sector covers artisans, petty traders, hawkers, stallholders, household servants, trishaw-riders and other persons pursuing a multitude of activities requiring little or no initial skill or training. The traditional rural sector

comprises uneconomic small holder rubber, single-cropped padi, traditional live-stock and other agriculture, gathering of jungle produce, inshore fishing and dulang washing and small gravel-pump mining for tin.

The average income of both the traditional urban and rural sectors are low. In some ways the urban poor are much worse off than the rural poor, because unlike the latter, the urban poor own no land which they can fall back upon and which can at least be cultivated to enable them to obtain the necessities of life. The Plan itself admits that *"the social and physical hardships of urban poverty are more severe than those of rural poverty."*

But if we look at the Second Malaysia Plan, we find that the emphasis of the programmes and projects are directed mainly at helping the rural poor and the urban poor is left completely out in the cold.

Any reader of the Plan cannot help but notice that the greatest pre-occupation seems to be to help the Malay rural poor, even if it means to the neglect of the non-Malay urban poor. I am not suggesting that it is wrong to help the Malay rural poor, but the Government must not ignore the plight of the non-Malay urban poor.

### Foreign Economic Domination

Since May 13, 1969, the Government's New Economic Policy has been obsessed with the concept of racial economic imbalance between Malays and non-Malays, strengthening the myth that all Malays are poor and down-trodden, while all Chinese and Indians are rich and wealthy. In actual fact, the overwhelming majority of the Chinese, Malays and Indians are poor. Furthermore, the real wealth of the country are not in the hands of the Chinese.

The Plan confesses that foreign ownership and control predominate in the high-income modern sectors. Padi farms are practically all owned by Malays. Of the total 4.2 million acres of land under rubber in West Malaysia, 37% are owned by Malays, 42% by non-Malays and 21% by foreigners. Three quarters of the oil palm and coconut acreages on estates in West Malaysia at the end of 1970 were owned by foreigners.

In 1969, of the total \$4,678 million share capital, 62.1% was accounted for by foreigners compared with 22.8% by Chinese, 1.5% by Malays and 0.9% by Indians. Foreign interests accounted for one-half to three-quarters of the share capital of limited companies in estate agriculture, mining, manufacturing, wholesale trade, banking and finance. They also accounted for more than one-third of the share capital of limited companies in construction, retail trade and other industries.

It is thus clear that there is in fact a great economic imbalance between Malaysians and foreigners in the ownership and control of wealth in the modern sector of Malaysian economy. When the Government talks about

Malay economic imbalance, it is always compared to the non-Malays. I would want to know why the Government had never compared this to the foreign ownership and control of wealth which is more significant.

A continuous harping on the theme of Malay/non-Malay economic imbalance, when in fact the majority of the Malays and non-Malays are poor, and the concentration of ownership and control of wealth in the modern economic sectors are in the hands of the foreigners cannot do the country and the goal of national unity any good.

### Employment

Until 1969, Government planners and economists had worried about ways and means to solve the acute unemployment problem in the urban areas, caused partly by the migration of some of the unemployed from the rural to urban areas. It was then the Government policy to check the drift to the urban areas from rural areas, where the incidence of unemployment is lower than in urban areas.

For instance, the 1967-1968 Socio-Economic Sample Survey of Malaysian Households reported the incidence of unemployment in the metropolitan towns as 10.1% compared to the rural incidence of 5.4%.

Suddenly, under the New Economic Policy, the Government reversed its policy and is now encouraging the migration of rural inhabitants to urban areas when the problem of urban unemployment is even more acute today than at any time before. We can understand if this new Government policy is the result of the solution of the problem of urban unemployment, leading to shortage of labour supply.

The situation is reported by the 1967 - 1968 Socio-Economic Household Survey, and I quote :

*"It is significant that in 1962, the unemployment rate in terms of labour force for each of the major races in Malaysia, namely, Malays, Chinese and Indians was practically the same, viz : 6.0%.*

*"In 1967/68 this pattern changed and the increase in unemployment has been mostly concentrated among the Chinese and Indians. In fact, the unemployment rate among the Malays has gone down from 6.0% to 5.8% while that for the Chinese has gone up from 6% to 6.9%; for Indians there has been a significant increase in the unemployment rate from 6% to 10.3%."*

This is a Government publication, and not a DAP publication, and it was referring to 1967/68. The position now must have deteriorated.

With the Plan concentrating on the rural poor, and encouraging the migration of rural unemployed into the urban areas when the urban unemployed are not finding any jobs, the difference in the incidence of un-

employment among the races are likely to widen. By encouraging rural migration without first solving the pressing and acute problem of urban unemployment, the Government is in fact condemning the urban unemployed to a worse fate, to a life of greater squalor, poverty and human indignity.

I call on the Government to reconsider, and stop encouraging rural migration of unemployed to the towns as a matter of deliberate policy, until the Government has first solved the problem of urban unemployment.

Paragraph 135 of the Plan states, and I quote:

*"The Government has set a target that within a period of 20 years, Malays and other indigenous people will manage and own at least 30% of the total commercial and industrial activities in all categories and scales of operation. The Government has also stipulated that the employment pattern at all levels and in all sectors, particularly the Modern Rural and Modern Urban Sectors, must reflect the racial composition of the population."*

Firstly, such a statement is meaningful if we know how much the Malays, the non-Malays, the foreigners own at present, and the estimate the Government has made of "commercial and industrial activities" in 20 years' time. I ask for these figures and estimates to be given to this House, although I do not see how these can be available with the data as existing in our country.

Secondly, since a comprehensive programme of expropriation from foreign companies seems to be the only way to reach this objective, I ask the Government to state whether it is seriously considering such a move.

And thirdly, given the Government stipulation that the employment pattern at all levels and all sectors, particularly the modern rural and modern urban sectors, must reflect the racial composition of the population, I ask the Government to state whether this policy will be implemented with regard to the new Felda schemes and other land schemes to be opened up, and the new Army recruitment of personnel.

Mr. Speaker, Sir, the Plan can only work with the active support of the people. To get active popular support, the aim must be to restructure Malaysian society, and not just Malay society, and to eliminate all Malaysian poor. We have to restructure not only the Malay poor in the rural areas, but also to restructure the non-Malay poor in the urban slums and squatter settlements, by raising their income levels and earning capacities.

### Felda Schemes

I have a lot of reservations that the lot of the Malay rural poor are going to be radically changed by this Second Malaysia Plan. Let us take the

Government's much-vaunted Felda schemes. I have visited some Felda schemes, and can speak from a little experience.

Through the Press, radio and television, we are constantly reminded that Felda schemes are a great success, and that the settlers are a new breed of middle-class Malaysian peasantry, earning \$300 to \$400 a month. It is true that on paper an average Felda settler can earn about \$300. But after they had made monthly repayment to the Government for the expenses and the food for the first few years of settlement, the overwhelming majority had less than \$100 a month nett. There are even cases where, after all the monthly deductions, a settler was reduced to \$20 or \$30. On top of these Government repayments, the Felda settlers have also to pay development tax.

What is more mystifying is that Felda settlers have the universal complaint that they really do not know how much money they owe the Government and for how long they must continue to repay the Government. Why has the Government refused to give every Felda settler a statement of his debts? Are Felda settlers to owe the Government for 15 years, 20 years, or for life? And what are the rate of interests charged?

The Felda also act as middleman for the settlers. They compulsorily buy up the rubber, palm oil and other produce of the settlers, and sell back provisions and foodstuffs and other daily wants. Invariably, there is the complaint that the Felda pays for the settlers' produce at lower than market price, and sells them provisions at higher than market price. This is clearly exploitation by a Government middleman, both inefficient and rapacious.

The Felda schemes are not such a great success as the Government propaganda machinery wants the country and the visiting foreign dignitaries to believe. There is considerable mismanagement and maladministration in Felda schemes. I call for the setting up of a Committee to visit all the Felda schemes, to listen to the complaints of the Felda settlers, and the elimination of the practices of buying from Felda settlers produce at a cheaper price and selling them provisions at a higher price, when compared to market price outside the Felda schemes.

Mr. Speaker, Sir, I am not convinced that the Felda way is the best method to build up a prosperous peasantry — for we must not only create a new small class of the new rich, we must also look after the mass of peasantry who remain mired in their poverty, backwardness and squalor.

Of new land development, about 750,000 acres will be developed in West Malaysia between 1971 and 1975 (according to page 133 – 4 of the Plan) and the breakdown is as follows:

1.	From Felda	....	....	....	275,000 acres
2.	Private sector	.....	.....	.....	112,500 acres

3.	Joint ventures : Private Sector and Public Bodies	50,000 acres
4.	Youth schemes	75,000 acres
5.	Public sector estates	50,000 acres
6.	Fringe alienation - Rehabilitation schemes	16,000 acres
7.	FELCRA new development schemes	40,000 acres
8.	New Block Planting	150,000 acres
	A total of about	<u>750,000 acres</u>

However, from the point of view of providing owner-occupation to rural small-holders, we ought to omit numbers 2 and 5 above – perhaps also number 3 above – since they will not provide farms for the farmers, merely jobs. Thus, at the most 600,000 acres will be developed as new smallholdings for the farmers and, if we also omit number 3 above, only 550,000 acres will be developed as new farms. Of all these, there are a few points to bear in mind:

(1) In 1958, the Felda Annual Report estimated that there were 200,000 outstanding application for land in Malaya. In 1960, the Felda Annual Report estimated that on average, some 40,000 new families would be added to the population each year, and that not less than one quarter of which must be absorbed into agriculture. At 10 acres a family, the Felda calculated that 10,000 families will need 100,000 acres of land each year. It is estimated that it would have to develop 50,000 acres a year as it seemed unlikely that the normal processes of land alienation would exceed 50,000 acres.

On its own estimate of 1960, the Felda would have to resettle 100,000 families in the last decade just to keep up with the natural rural increase without solving the backlog of land requirements. Since its inception in 1956, the Felda has developed 308,400 acres and settled 20,700 families on 90 schemes.

Thus, during the last decade, the Felda could only cope with 20% of its own target set in 1960, without tackling the problem of the huge backlog, which has further increased and therefore would seem more and more insoluble.

The natural increase must have increased in the past decade, say, to 11,000 families per year. If we accept 10 acres as being the approximate size of an economic and viable holding, 110,000 acres of new land must be developed annually, or 550,000 acres per Five Year Plan, just to accommodate the rural population increase and without making any improvement to overcrowding in established settlement areas. Thus all the Felda expansion of the Second Plan will not nearly accommodate the likely increase in rural population and the total planned new land development will only just about do it.

(2) The other schemes, namely numbers 4, 6, 7, and 8, I referred to above, will provide very much smaller farms than Felda schemes. Fringe alienation schemes are usually 3 – 4 acres and the others 5 – 6 acres. Whilst the possession of 5 acres or so is obviously an improvement on landlessness, on what grounds can it possibly be argued that 5 acres are sufficient for the encouragement of a prosperous peasantry? How does the possession of a mere 5 acres or so become – and I quote from the Plan – “*a genuine dynamic force for agricultural and economic development*”? (page 43, para 142). Does it really make a reduction in economic imbalance?

(3) In view of the urgent need for more new land development, can the country afford the luxury of Felda costs? A comparison of the Felda developments costs will show the following: The Plan period 1956-60, where there were 1,700 new settlers families covering an acreage of 17,000 acres, the development expenditure was \$7.2 million. In 1960-65, where there were 7,800 new settler families covering an acreage of 116,500 acres and the total development expenditure was \$99.3 million. For Plan period 1966-70 there were 11,900 new settler families covering an acreage of 179,000 acres, at an estimated development expenditure of \$305.0 million. In other words, from this Table, development expenditure per family has increased from \$4,235 in 1956-60 to \$25,630 in 1966-70 and development expenditure per acre from \$423 to \$1,703.

Some questions thus become relevant:

- (1) Why have costs increased so much?
- (2) Cannot ways be found to reduce costs? For example, can't we make less use of contract labour as in 1955 – 60, and more use of settler labour as on other schemes, particularly Youth Schemes and SEDC Schemes?
- (3) In view of the high cost of repayment by the settlers and interest charges, where many Felda settlers can hardly make \$100 per month nett, is \$25,000 a good investment if returns are so low?

Mr. Speaker, Sir, the problem of landlessness is a pressing one. The landless should be given land, on the condition that they open up and cultivate them without all the formalities and the red tape which attend them at present. If we are going to wait for the Felda to spend \$25,000 on a settler, there will never be a solution to the problem of landlessness. Malaysia is rich in land, with 30 million acres suitable for agriculture. I, therefore call on the Government to embark on a liberal land policy by giving land to the landless. In this regard I must call for the immediate, unconditional release of peasant leader, Hamid Tuah, who is under political detention under the Internal Security Act in Batu Gajah for championing the cause of the landless. In fact the Government, if it cares for the rural underclass, should enlist the services of Hamid Tuah to try to solve the problem of landlessness instead of incarcerating him. Hamid Tuah's detention is testimony of the anti-peasantry character of the Government.

Mr. Speaker, Sir, we have read and heard a lot of Ministerial pronouncements about agrarian reforms to improve the lot of peasants, for example, double cropping from schemes like the multi-million dollar Muda Irrigation Scheme, agricultural extension programmes, agriculture credits, subsidised fertilisers, free seedlings, farm implements, improved market outlets for the produce, co-operatives, etc. But has there been any study to find out who have actually benefitted from these Government programmes? Is it the higher strata, the landed interest, or the farmers, tenant operators and farm-hands?

I believe a study will show that the people who benefit most are the landed interests, because they are the ones who could better benefit from the advantages offered by the co-operative institutions and Government subsidies. The net effect is to create more not less, inequality in the rural areas. For instances, I have been told that as a result of the Muda Irrigation Scheme double-cropping the padi fields, many tenant padi farmers have lost their tenancy and pushed down further into poverty and indebtedness. With double-cropping, the landlords prefer to pool their resources, buy modern machinery, hire farm hands, and reap great dividends without any exertion or effort on their part. The tenancy legislation which has been on the statute books for a decade to protect tenant farmers is as good as dead. The Government should see to it that some of their programmes, whose motivation is to benefit the rural masses, do not end up aiding the better-offs only. There must be radical land reforms before the rural masses can benefit. Every farmer should have his own plot of land which he possesses and farms.

The Government says that the per capita income of Malaysians have increased from \$928 in 1965 to \$1,020 in 1970. I do not think that Malaysians in the street are going to agree with the Government that they have more money in their pockets. On the contrary, they will feel that they have less purchasing power, with the spiralling increases of prices of essential commodities and goods. The peasant who earns \$40 a month and if he has a family of five inclusive of himself his per capita income will be \$96, is not going to be very impressed either. Nor even the Fel'da settler, who is supposed to be in the modern agricultural sector, for with a family of five, and with his net monthly income less than \$100 his per capita income will be less than \$200.

### **Retention of Jobs**

The point I wish to make here is that it is no use talking about Malaysia being the third Asian country with the highest per capita income when the common man and woman in the kampungs and the urban slums could not find a square meal, when poverty oppresses, degrades and humiliates. Economic growth and prosperity must be translated into personal terms for every Malaysian, particularly the poor.

Despite the growth of the economy, the incidence of unemployment has increased. When the First Malaysia Plan was implemented, it was estimated that the rate of unemployment was 6% of the labour force. One of the Plan's objective was to reduce this rate of unemployment to 5.2% by the end of the Plan in 1970 by the creation of 380,000 new jobs in West Malaysia.

The Second Malaysia Plan gives the unemployment rate in 1970 as 8%, although the Minister of Finance, in his 1971 Budget Speech, gave the figure as 9% last year. I am inclined to think that the Government figure is a deliberately low one. So, instead of reducing unemployment the First Plan has actually increased unemployment and just now we have just heard the Minister of Labour commending the Government for this great achievement!

This is a very serious problem, as a common feature of both urban and rural unemployment is the high incidence of unemployment among the younger age-groups, particularly between the ages of 15 to 24 and among school-leavers. In 1962 this age group constituted 63% of the total unemployment, but by 1967/68, it has grown to 75%. This is a problem which the Government must give top priority and urgency, for otherwise it holds the seed for social unrest and national strife.

A study of the First and Second Malaysia Plan shows that they give different employment levels for 1965 for the manufacturing sector. The First Malaysia Plan page 53, for instance, gave the following figures.

1965 (Actual)	Projected for 1970	Projected Increase
173,000 jobs	209,000 jobs	36,000 jobs

For the Second Malaysia Plan, page 98, the figures are:

1965 (Actual)	1970 (Actual)	Projected Increase
217,000 jobs	270,000 jobs	53,000 jobs

It can be seen that there is a big difference between the two estimates. In fact, the difference — 44,000 — is bigger than the projected increase in the First Malaysia Plan. Can the Government explain the discrepancy in view of the great importance placed on this sector of Government policy?

It is noted that the Second Malaysia Plan has projected an increase of 108,000 jobs for this sector. This is an unprecedented rate of 7% increase. The optimism is based on the 4.5% per annum increase obtained over 1965 — 70. While not under-estimating the capacity of this sector to grow, it is important to know whether the increase in jobs over 1965-70 was a genuine increase or an increase brought about by using a different set of definitions. This is not a quibble. In the Mid-Term Review of the First Malaysia Plan, the figure given are in line with those of the First Malaysia Plan. In fact, fears were expressed that the target of 36,000 might not be achieved in page 63. How is it that between 1969 and 1971 the data were

changed? If data can be altered so easily and without explanation, how can we accept any figures given in the Second Malaysia Plan?

The employment strategy consists, among other things, according to page 103 of the Second Malaysia Plan, of:

- (i) expanded economic growth, and
- (ii) increased use of labour.

It is stated that *"the first component of the employment strategy of the Plan is the promotion of rapid economic growth."* In other words, it is assumed that employment growth will accompany economic growth. This is highly questionable.

Experience in other developing countries show that the above assumption is only true to a very limited extent. Over the past twenty years, unemployment has become more serious in spite of general uplift of economic activities. The same pattern is true whether we look at fast-growing countries like Mexico or slow-growing countries like India. The pursuit of rapid economic growth has often meant concentrating on a few capital-intensive industries with the emphasis more on productivity than on employment growth.

Paragraph 19 of the Second Malaysia Plan claims that the Government is going to use, and I quote, *"deliberate efforts . . . . . to use more labour-intensive techniques"*. Does this mean:

- (a) that the Government is going to encourage those industries which happen to be labour-intensive by their very nature? ; or
- (b) that the Government is going to encourage all industries to adapt their present techniques in order to make them more labour-intensive?

This distinction is important. For instance, industries which are inherently labour-intensive can also be efficient growth industries, but industries which are not inherently labour-intensive tend to become less efficient if required to absorb more labour. The correct industrial policy should be (a), but the statement in the Plan suggest the Government is fostering (b).

In view of the importance the Government is placing on industrialisation, it is strange why the Government is allocating a minute sum of \$23 million for industrial estates in 1971 to 1975 as it also did in 1966 to 1970. It is note-worthy that Singapore managed to spend \$264 million in 1966 to 1970 just for industrial estates.

There does not seem to be any plan to solve unemployment. Perhaps, the true answer can be found in paragraph 322 and I quote:

*"However in the interim, it is an essential requirement of the strategy towards achievement of a full employment economy that the attitude,*

*productivity and cost of Malaysian labour be such that they encourage entrepreneurs both local and foreign, to invest here. It is largely through such investment that the necessary increases in labour demand will be generated."*

To paraphrase this tortuous passage, the precis is this: We need investors, so says the Plan. They give jobs. But they will only invest if labour is cheap. And so, we will keep unemployment at the present level, so that wages won't go up.

I cannot believe that the Government has this as a matter of policy. I cannot believe that our country will tolerate such things. Our country is rich enough to make full employment a reality. Even if we cannot do so, it will be far better to face organised labour and ask it for restraint. This will be an infinitely much more human approach than to deliberately keep some 300,000 workers unemployed.

### **Corruption**

No development plan can work, unless the Government leaders and administrators are renowned for their competence and integrity. We know that corruption is an obstacle to the economic development of the country. Although the Government has set up the Anti-Corruption Agency, which is a step in the right direction, the problem of corruption remains as rampant as ever. The most intractable problem is corruption in high places. Unless efforts are directed towards punishing corruption of those higher-ups such as Ministers and higher officials, big bribers in the business class, the disease of corruption all the way down will be protected. We have been repeatedly told and promised that the Anti-Corruption Agency will be going not only for the small fries, the ikan bilis but also for the sharks, the ikan yus.

What has the Anti-Corruption Agency to show for this? Are we to believe that corruption takes place only at the lowly levels of Government Service while in the high and mighty places, saintliness, incorruptibility and dedication to public service is the order of the day? If the Director of Anti-Corruption Agency will care, provided he has the power to investigate into the cases of every politician and ex-politician at both State and Federal levels, to compare his income and wealth before political success and his wealth and income and that of his next of kin today, I am sure he will have ample material to occupy him for years.

In Malacca last year, the public were told through the mass media that the Anti-Corruption Agency had landed a number of sharks who occupy high political places, that their bank accounts have been frozen and proceedings taken. But the news was too good to be true. The whole matter fizzled out. I would like to ask what has happened to these big fishes and sharks in Malacca which the Anti-Corruption Agency had in its net early last year. Have they escaped and how they have been allowed to escape?

Mr. Speaker, Sir, corruption must be ruthlessly stamped out without fear or favour, if we are going to have a clean, honest and efficient Public Service to carry out development projects for the people and country. Just as Government servants can be corrupted by money, bribery and other forms of material inducements to betray the public trust and confidence placed on them, in the same way Members of Parliament and State Assemblymen can be corrupted by money and material inducements, like mining leases, land titles, economic opportunities and other temptations to betray the public trust and confidence placed on them by the people during the General Elections by switching parties. This is political corruption, which debases politics as the highest and most honourable and noble public calling for citizens to dedicate themselves to serve the public and country. It is such form of political corruption which breeds the mentality and atmosphere of corruption in the country and Public Service.

If corruption in the Public Service is to be stamped out, political corruption must also be stamped out. Members of Parliament and State Assemblymen must not be allowed to betray the confidence of the electorate and the trust of the party on whose ticket they were elected by switching parties because of mere material and other inducements. This can be done by the enactment of a law which requires every Member of Parliament or State Assemblyman who resigns from the party on whose ticket he was elected to vacate his seat causing an immediate by-election. If the defecting Member of Parliament or State Assemblyman has defected for good, honourable public reasons, he should find no difficulty in getting endorsement and re-election by his electorate. On the other hand, a Member of Parliament or State Assemblyman who defects for mere personal gain will be rejected and repudiated by the electorate. I commend such a law to the Government which will not only cleanse politics of its corruption and immorality but will also set the right tone for the elimination of corruption in Malaysia.

## TWENTY-YEAR NEGLECT OF THE 750,000 NEW VILLAGERS

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Speech on the 1972 Development Estimates on December 13, 1971

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The House is asked to approve \$1,334 million for next year's development expenditure. We are told that the development allocations are well balanced and realistic and will contribute to the implementation of the Second Five-Year Plan.

However, to one great group of Malaysians, all these propaganda do not make any impression. In fact, for them, the last one year's ceaseless propaganda and publicity avalanche by the Government through the press, radio and television about the Second Five-Year Plan, how it would change the economy of the country, abolish poverty, create jobs, and give a new hope and better life to the poor and downtrodden, had failed to make any impact whatsoever. These are the 750,000 new villagers in Malaysia. For the last twenty years, after their compulsory resettlement by the British colonialists, they have seen economic development and progress passed them by. For two decades, the new villagers have been excluded from the mainstream of economic development and progress.

Five years ago, in 1966, when the Government launched the First Five-Year Plan, Malaysians were also promised that the poor and the needy will be able to lead a better and more fulfilling life at the end of the Plan period in 1970. During the First Five-Year Plan, \$9,000 million were spent in public and private development of the economy and half a million acres of new land developed. But these data and figures meant nothing to the 750,000 new villagers, and the country's 400-odd new villages did not receive any significant development funds under the First Five-Year Plan.

The new villages continued their economic decay, with a high rate of unemployment, low productivity and incomes, very backward social amenities as many of them do not even have piped water and electricity. The population in the new villages multiplied over the last twenty years, without corresponding enlargement of the territory of the new villages, as the Government consistently refused to give land to the landless in the adjoining new village areas for them to eke out a living. Unemployment in the new villages was particularly acute, as they could not attract new forms of economic activities such as industries. In these twenty years, the majority of the new villagers were not even given titles to the land they occupied. As a result of this long-standing neglect of the wellbeing of the new villagers, the 750,000 new villagers have become skeptical of the Government's promises of development.

This is why, to them, the development estimates of \$1,334 million asked for next year, the Second Malaysia Plan which is to involve a total expenditure of \$14,000 million, and the opening of one million acres of land, have no meaning, for they have not benefitted from Government development programmes.

It is imperative that the Government should immediately put a stop to its policy of treating new villagers as step-children, of its economic neglect of new villages to check their economic drift, decay and death.

As land is the biggest problem, I suggest that this should be boldly tackled under a two-pronged approach. Firstly, land titles should be expeditiously granted to all new villagers. Secondly, as the populations in the new villages have outgrown their limited geographical boundaries set by demands of the first Emergency 20 years ago, coupled with the total lack of new economic opportunities or employment in the new villages, I call on the Government to set aside 400,000 acres of land under the Second Malaysia Plan for distribution to the new village unemployed and underemployed to solve their economic difficulties.

Recently, the Perak Menteri Besar said that the overwhelming majority of the new villagers in Perak's 96 new villages do not want to convert their TOL (Temporary Occupation Licences) into permanent titles as TOL is cheaper, costing only \$10 a year, while the premium payable for a qualified title ranges from several hundred dollars to a few thousand dollars, depending on each State. The economic reasons which made new villagers prefer the \$10 a year TOL than a title with an expensive premium are valid, and should not be disregarded by the Government. Every villager would like to acquire title to the land he occupies. But if the premium payable for such title is too high beyond their limited means, then however much they want to acquire title, they do not have the means to do so.

To dispossess new villagers and demolish their houses, as has been threatened, because they do not have the financial means to raise the premium is socially inequitable and economically unjust, and is not the action of a Government which really wants to uplift the lot of the have-nots of all races, and eliminate poverty. The Federal and State Governments have a special responsibility to the 750,000 new villagers in Malaysia to give them title to their land and confer them security, because 20 years ago they were forcibly uprooted from their homes and farms and relocated in the present new villages by the authorities. It will be the height of Government irresponsibility if any new villager is dispossessed of his land, his house demolished, because he is poor and does not have the financial means to find the money to pay the premium to acquire title for his land.

I suggest to the Government three guidelines to be adopted in the granting of titles to new villagers:

(1) **Permanency and security:** The Government, in granting titles, should confer on the new villagers a sense of security and permanence so that they could wholeheartedly develop their land. For this purpose, the Government should not give short titles, like 21-year or 33-year leases as in the case of Johore and Perak, but 99-year leases.

(2) **Low premium for titles:** The Government should not impose high premiums for titles which are beyond the means of the new villagers, whose incomes are very low. Some States like Johore are demanding a few thousand dollars, for the granting of qualified titles. This is exorbitant and exploitation of the poor. New villagers should be allowed to pay the premium by instalments.

(3) **Special Government loan to help poor, needy new villagers to acquire titles:** The Central Government, together with the State Governments, should set up a special Government loan to help poor and needy new villagers to acquire titles. The loan should be repayable over 10 or 20 years on easy terms. This is what the Government is doing in the case of Felda schemes, where settlers are given Government loans not only to open and develop their land, but to acquire their titles as well.

We have so far spoken only about the problem of land titles. The other areas of new village problems, namely, unemployment, poverty, low incomes and productivities, poor social amenities as schooling, medical services, housing, electricity, community services are also very great and acute. Only a major Government effort on all fronts can lift the new villagers out of their trap of poverty and misery. This is why we in the DAP had pressed on the Government to draw up a blueprint to revive the economy of the new villages, and develop them into flourishing new growth centres by modernising their economy, the raising of their productivity and incomes, the generation of new employment opportunities, through dispersal of industries to new villages, allocation of land for the landless, and the provision of modern social services as public housing, electricity, water, medical services, improved educational opportunities and recreational and community services.

To do this seriously and efficiently, the Government should set up a special Government department or agency to be in charge of the formulation of policies and programmes which will transform the new villages into a genuine dynamic force for agricultural and economic development.

I regret very much the indifferent attitude that has been shown by the Government and the Prime Minister to the problems and plight of the 750,000 new villagers, especially from his reply to my question last Wednesday on whether the Government would set up a special department or agency to formulate and implement policies and programmes to promote the econo-

mic growth and development of new villages. The Prime Minister said there was no need for such a special department as the State Governments, Ministries and departments concerned were now carrying out the job. We know, the country knows, the 750,000 new villagers know, that the State Governments, Ministries and departments concerned were not carrying out their jobs. This is why the lot of the new villagers have been neglected and deteriorated to such a sorry state. The Prime Minister announced that the Government has set up a special committee under the National Security Council to study all aspects of life in the new villages.

This is most unsatisfactory. Firstly, what is urgently needed now is not study but the formulation and implementation of policies and programmes to promote the economic growth and development of new villages. Secondly, is a special committee under the National Security Council an appropriate body to make any study into the problems and plight of the 750,000 new villagers in Malaysia? My colleagues and I in the DAP cannot help having the impression that this National Security Council Committee on New Villages will be more interested in looking into the purely security aspect of new villages, whether they are inherent security threats, rather than into the total socio-economic problems of the 750,000 new villagers. A more appropriate instrument would have been a Ministerial committee on development of new villages, or a public inquiry comprising eminent economists, educationists and public personalities. Thirdly, what are the terms of reference of the National Security Council Special Committee on New Villages, who are the members, what are their powers? Has this Committee been formed, when is it expected to finish its study and will its report be made public? Unless the Government can give satisfactory answers to these questions, the 750,000 new villagers will be justified in thinking that this is just another one of those delaying tactics of the Government to shirk from its responsibility and do nothing. The Prime Minister's reply to the supplementary questions is even more regrettable, as it is characteristic of the favourite Alliance pastime of "passing the buck".

When the Prime Minister was asked whether he would expedite the issue of land titles and advance loans from Central Government funds to help needy new villagers to acquire title as in the case of Felda settlers, the Prime Minister deftly replied that these are State matters.

Mr Speaker, Sir, we know the division of subjects between the Federal and State Governments, but we also know that if the Government wants to do a thing, it could do so with despatch even if it is a State matter. Thus, although land is a State matter, it did not prevent the Federal Government from planning and implementing the opening up of 500,000 acres of land under the First Malaysia Plan. After all, except for Kelantan and Penang, where new villages are negligible, all the other States are under Alliance Party control. Just as the Federal agency, the Felda, could open up thousands

of acres of land, and advance loans to Felda settlers despite the fact that land is a State matter, there is no reason why the Federal Government could not step in and help the new villagers to acquire land and advance loans for them to do so, if the Federal Government is really sincere in wanting to solve the problem of the 750,000 new villagers in Malaysia. Apart from land, however, the Federal Government has a direct responsibility for the future of the 400 new villages, as the other equally important problems of economic development, creation of job opportunities, provision of basic social amenities must come directly within the province of the Central Government.

I therefore urge the Central Government to stop "passing the buck", and take upon itself the responsibility to work for the economic upliftment of the new villagers, in conjunction with the State Governments.

If the Federal Government will take this initiative, then the problem will be very much easier to solve. The Federal Government should seriously reconsider the whole problem, and draw up a blueprint to revive new village economy, and set up a special department to implement this blueprint. As most of the State Assemblies are now in Session, or will be in Session shortly, I would take this opportunity to urge them to declare their commitment to do their utmost to uplift the economic lot of the new villagers. It is time that the 20-year economic neglect of the 750,000 new villagers should be ended. I have introduced a motion in this Session of Parliament, which reads:

*"That this House expresses its deep concern at the continued 20-year neglect of the socio-economic development of the 400 new villages in the country and their economic drift, decline and death; and calls on the Government to take immediate action to plan the social and economic reconstruction of the new villages to give the 750,000 new villagers in West Malaysia a new hope and an equal stake in the socio-economic development of the country."*

I know that whether this motion will be debated or not will depend on whether the Government will allocate parliamentary time for it. I urge the Government to do so, for two reasons:

- (1) Let the House have an opportunity to express its deep concern at this long-standing problem of poverty and neglect of the 750,000 new villagers; and
- (2) Demonstrate the Government's sincerity that it is truly dedicated to the objective in the Second Malaysia Plan to abolish poverty irrespective of race.

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Speech on the Muda Agricultural Development Authority (Amendment) Bill 1972 on 11th August, 1972.

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Malaysia has transformed herself from a rice-deficit country into near rice self-sufficient country. For this feat, the government has never ceased to boast of its achievements.

However, though it is an impressive technical achievement for a rice-deficit country to produce nearly all its rice requirements at home, it is an open question as to whether it is economically worthwhile.

We have heard Ministers stating that a rice self-sufficiency programme will save Malaysia in foreign exchange required for importing rice. There has, however, been little systematic attempt on the part of the government and the economic planners to estimate the real costs and benefits of a national self-sufficiency programme in rice production in Malaysia.

It is dubious whether Malaysia will save in foreign exchange from such a self-sufficiency programme. There may be a net gain or a net loss of foreign exchange depending on the economic efficiency of the programme. Thus if the resources now used in the self-sufficiency programme would have earned a greater amount of foreign exchange in export production of other commodities than the foreign exchange bill they have saved on rice, then the rice self-sufficiency programme has resulted in a net loss of foreign exchange. My view is that on the whole, Malaysian rice self-sufficiency programme has resulted in a net loss of foreign exchange, and not a saving.

I know that there may be non-economic reasons for wanting to be self-sufficient or nearly self-sufficient in rice. However, we should not delude ourselves that we are saving foreign exchange by this programme. Even more important, we should know the actual costs of such a programme.

In fact, it is the conclusion of a recent study by the Asian Development Bank that Malaysia appeared to be going against the grain of her most advantageous pattern of economic development by trying to achieve self-sufficiency in rice as the scarce capital, technical and managerial resources she has diverted into production may well be missing highly productive opportunities in other uses.

If it is the national rice policy of the government to be self-sufficient, not for economic reasons but other considerations, the padi farmers must not be made victims and condemned to low incomes and low standards of living.

New agricultural technology today offers not only the physical possibility of self-sufficiency but also the economic opportunity of lowering the cost of production of rice and other agricultural products.

Malaysia, however, seems to have concentrated solely on the former to the utter neglect of the latter.

While we appreciate the need to give protection and subsidies to our domestic rice producers, the government should not make the grave mistake of total concentration in rice self-sufficiency in utter disregard of lowering costs of rice production.

New agricultural technology, or what is now popularly termed as the Green Revolution, permit very high physical yields per acre. However, they require very high overhead costs such as massive irrigation complexes like the Muda Irrigation Works.

To economically justify such high capital costs, and to increase the incomes of the padi farmers, it is clear that there should be a more intensive use of land and crop diversification, such as the development not merely of double-cropping, but multiple cropping of a diversified range of products.

If this is carried out, we will achieve on the one hand the reduction in the cost of production of rice, and on the other hand, the increase in the incomes of the farmers, through the development of multiple cropping on their land of padi and other crops.

This will not only benefit the padi farmers themselves, but also the consumers, who will be able to get cheaper rice, from the reduced cost of rice production.

Rice forms the major part of the budget of Malaysians. A reduction in the price of rice is therefore equivalent to a substantial enlargement of their purchasing power for other produce, such as manufactured goods and other agricultural products, especially meat, vegetables and dairy products. In addition to rice, they will need vast quantities of protein food in order to be adequately fed. This can create a large expansion in the market for the farmers again.

A cheap food policy will also lead to a healthier working population with higher labour productivity and, together with lower labour cost based on a cheaper cost of living, give Malaysia a more competitive advantage whether in expanding the exports of primary products or in the expansion of labour-intensive type of manufactured exports.

The DAP therefore calls on the Government to formulate and implement a policy whereby padi farmers will be able to increase their incomes through multiple cropping of diversified products on their land, and which will lead to the lowering in the cost of production for rice enabling cheaper rice and lower cost of living in the country.

*"In the last few years, the Alliance government has introduced one form of gambling after another . . . . It would appear that the Alliance Party, being a party of gamblers, want to turn Malaysia into a nation of gamblers."*

Speech on the 1972 Budget on January 12, 1972.

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The 1972 Budget is the most painful budget for many years. It is also in the true tradition of our Finance Minister's past budgets — for its bias in favour of the haves and the rich, and the burdens he imposes on have-nots and the labouring class.

The 1972 budget will be particularly painful for the poor, and comparatively painless for the rich. In fact, the Finance Minister went out of his way in his budget speech to assure the rich and the wealthy that there will be no income tax changes to get the rich to make a greater contribution to national revenue. He is particularly tender to his own kind.

This is why after the Finance Minister's budget address last Thursday, we saw the rich wreathed in smiles, while the poor furrowed with anxiety.

## The 5% Sales Tax

For this year, the Finance Minister has introduced a new-fangled tax into the country, the 5% Sales Tax, which the government estimates will yield about \$84 million of additional revenue.

Of the various revenue proposals this year, the Sales Tax will be the most iniquitous tax, for it will finally have to be borne by the consumers, the labouring class, the kampong folks, and the poor.

Although the Finance Minister, Tun Tan Siew Sin, has given an assurance that essential goods will be exempted, the poor cannot escape being the hardest hit. Up to this date, we do not know what the government means by 'essential goods'. In any event, there is bound to be price increase in an extensive range of goods. In fact, even before the introduction of the Sales Tax, the prices of a whole range of consumer goods in the market have already shot up.

I cannot but wonder whether the government is really serious when it declares inside this Chamber and outside that it is deeply concerned about the poverty, suffering and the plight of the poor, especially the poor Malays in the kampongs, and is trying to do all it can to raise their incomes and standards of living.

The 5% sales tax, for instance, cannot but reduce the incomes and standards of living of the poor Malays in the kampongs.

In the past year, the lot of the poor kampong Malays had been a very

hard and bitter one. Large numbers of kampong Malays in many parts of the country have been reduced to such straits that they have only one meal a day, and that ubi kayu.

Under normal circumstances, they already find it difficult to keep body and soul together with their incomes. But in the past year, they have even less income to keep their body and soul together with the sharp fall in the price of rubber. What makes their plight even more intolerable is the devaluation of their money. With the rise in the price of essential goods and other consumer items, which characterised the past one year, they find that they can buy less with a dollar. Not only have salt, sugar, cooking oil, soap, milk, milk-powder, clothing, gone up in price, in fact the country is reaching a stage where you name it, its price has gone up.

Now with the 5% Sales Tax, leading to further overall price increases, the kampong Malays will be further driven to the wall.

Is this the way to help the poor Malays in the kampongs? By slashing their purchasing power after their incomes have plummeted because of the rubber price fall?

Mr. Speaker, Sir, the poor in the kampongs, the estates, the new villages and the slums in the towns, are already groaning under the tax burdens of the government and the economic hardships of high unemployment, mass retrenchment in estates, collapse in the price of rubber and price inflation.

The 5% Sales Tax will condemn the poor, especially the kampong poor, to greater miseries and suffering.

Since the Budget address last Thursday, there is utter confusion in the market. In various parts of the country, there is scarcity of consumer goods, particularly sugar. Prices in a number of goods have gone up although the Sales Tax have not been implemented.

The Finance Minister must take full responsibility for the frustrations and confusion suffered by the consumers and the housewives during the past week. We should take steps to end the present confusion.

Last year, the Finance Minister doubled the surtax on all imports from 2% to 4%, raising the cost of living. This year, he has imposed a 5% Sales Tax.

The Finance Minister seems to have a special predilection for indirect taxation. Indirect taxation is in general a regressive form of taxation as it bears equally hard on the poorer labouring class as on the rich, and as the rich have large incomes, it is the labouring class who really feel the pinch.

This is not the way to close the gap between the haves and the have-nots, and to provide revenue for the government to finance social, economic and educational services, as it makes the poor poorer without making the rich any less rich.

Thus, the recent salary increases for government servants and private

sector employees have been nullified by the further rise in the cost of living which must follow the imposition of the 5% Sales Tax. The workers are therefore justified in feeling that they have been played out by the Finance Minister.

The equitable, enlightened and progressive way to narrow the gap between the haves and the have-nots is to place greater reliance on direct taxation based on the capacity to pay, such as income, wealth, capital gains and profit tax. There is a complete absence of any attempt to get the richer class to make a greater contribution to the national revenue by increased direct taxation as, for instance, increasing the maximum rate of income tax from 50% to 70% for those earning \$100,000 a year or above.

### **Gaming Tax**

Another revenue proposal is a gaming tax at the rate of 5% subject to a minimum of 5 cents on the value of the ticket or stakes to be paid by the player.

In the last few years, the Alliance government has introduced one form of gambling after another. In 1967, the government passed a law in Parliament to set up the ill-fated football pool. Now we have legalised four digits, three digits, toto, casinos, and what-have-you.

It would appear that the Alliance Party, being a party of gamblers want to turn Malaysia into a nation of gamblers.

Gambling is a social cancer and the promotion of open gambling by the government is one of the greatest disservice this government has done to the people of Malaysia. For it will encourage and breed among Malaysians, particularly among the young generation, the mentality of hoping to acquire wealth and fortune without working for it.

Does the government know the number of homes broken, rice bowls destroyed and lives blighted by the government's legalised four-digits gambling?

One thing which has been noticed recently is that the four-digits gambling is not affected by the general economic and business depression caused by the fall of rubber price. In fact, four-digits gambling seem to thrive on drop in rubber price, and the number and frequency of people from the poorer classes in the town, new villages and kampongs, seem to increase in proportion to the fall in rubber price.

This is because when rubber price drops, and the poor are desperately pressed for means to maintain themselves and their family, many resorted to the wildest fancies like hoping that they will be able to strike four-digits and have a break from their poverty, suffering and misery.

They therefore squandered away their last cents or borrowed from any quarter to have a desperate game with chance.

What I find shocking is how the government can legalise open gambling, such as the four-digit, as it is not only against the teaching of the official religion, Islam, which forbids gambling, but is a new instrument of impoverishing the poor kampong Malays.

Four digits is a curse to Malaysia. It is an even greater curse to the poor kampong Malays.

Before the government legalisation of four-digit gambling, there were illegal four digit gambling, just as there are now illegal four-digit rackets operating side by side with legal four-digits.

At that time, however, the players were confined largely to the Chinese in the towns and villagers, and very few Malays were aware or knew how to place bets, as it involved acquaintance with an illegal network.

With the legalisation of four-digits, and government's open encouragement to the people to gamble, all Malays know how to gamble it.

We find at the four-digit gambling counters, Malays from all walks of life, especially those from the poorer strata and kampong Malays, squandering away their meagre earnings or pay packet to have a date with Luck, causing greater impoverishment and backwardness of the poor.

A government which really wants to help the poor, in particular the poor Malays, would not introduce and popularise four-digits gambling to them, as it would be the cause of their ruination and continued exploitation.

Yet, here we have an Alliance government doing precisely this. What is more, the entire four-digits gambling franchise is farmed out to an Alliance financier, Mr. Lim Chooi Seng, who is making millions from the ruination of the poor.

We know that Mr. Lim Chooi Seng is now paying out conscience money to establish his respectability by making endowments for scholarships and contributions to charitable organisations from the Four-Digits establishment, when all these money come from the sweat and toil of the poor.

Mr. Speaker, Sir, if the government really wants to implement the New Economic Policy, to abolish poverty, then it should abolish legalised gambling. However, if refuses to do this, then it should run legalised gambling, like four-digits, not for the enrichment of a few, but entirely for the benefit of the poor — as devoting the entire proceeds of the four-digit to provide free text books for every poor student in Malaysia and for scholarships for the poor.

Furthermore, if it refuses to do away with legalised gambling, then the government should impose not 5% gambling tax on the player, but 20% or even 30%, so that the country can get more revenue from this source.

## MID-TERM REVIEW: SECOND MALAYSIA PLAN

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*"The eradication of poverty, regardless of race, should be the first item of agenda for the country, and we will like to see this objective vigorously tackled in action, and not merely given lip-service in expensively and beautifully-bound Five-Year Malaysia Plans and Mid-Term Reports. I call on the Prime Minister to immediately instruct his planners to work out a programme whereby within 20 years from 1970 to 1990, the lowest 40 per cent of the Malaysian poor families would account for at least 30 per cent of total income."*

*"It has oft been declared that the New Economic Policy will be implemented in a way so as to ensure that 'no particular group experiences any loss or feels any sense of deprivation.' Loss or sense of deprivation is created, not only from losing what you have or deprived of what you possess, but also from losing what you rightfully expected to have or deprived of what you had expected to enjoy."*

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Speech on debate on Mid-Term Review of Second Malaysia Plan on November, 27, 1973.

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We have been given a glowing review of the Mid-Term performance of the Second Malaysia Plan.

According to the Mid-Term Review, the GNP expanded by 11% annually at current prices during 1971-73. This was brought about by the fortuitous high prices for Malaysia's export commodities such as rubber, timber, oil, which caused the high growth rate of 20.4% in 1973, in contrast to the moderate expansion in 1971 and 1972 when the GNP grew by 5.6% and 7.5% respectively.

The Mid-Term Review computes the output in real terms as 6.9% per year, on the basis of an average of 4.1% price increase per year, as compared to the Plan target of 6.8%.

Real per capita income is estimated to have grown by 2.8%, reaching \$1,166 in 1973, largely as a result of the exceptionally high growth in 1973.

Such figures and statistics can only be meaningful if the economic gains and increased per capita income have percolated down to all the disadvantaged groups, and not waylaid and siphoned off by the privileged and affluent strata.

Sad to say, there is nothing to show that the New Economic Policy that was launched with fanfare has been any more successful than previous

Alliance Five-Year Plans to materially better the lot of the poor masses, and bridge the gulf between the haves and have-nots.

The Second Malaysia Plan declares that the overriding objective of the New Economic Policy is the promotion of national unity through the two-pronged strategy of:

- (a) eradicating poverty by raising income levels and increasing employment opportunities for all Malaysians, regardless of race;
- (b) accelerating the process of restructuring Malaysian society to correct economic imbalance, so as to reduce and eventually eliminate the identification of race with economic function.

Let us appraise the progress that have been made in both these prongs.

#### **Eradication of poverty, irrespective of race**

After 18 years of Alliance rule, and Four Five-Year Plans, the gulf between the haves and the have-nots have become wider. Although Malaysia boasts of a per capita income of \$1,166, 90% of the people in Malaysia are still below this magic figure of \$1,166.

The magnitude of the inequalities and maldistribution of income and wealth in Malaysia is graphically presented by Table 1-1 in the *Mid-Term Review*, which summarises the analysis of information on household incomes, collected in the Post Enumeration Survey of the 1970 Census of Population.

From the Table, it is clear that 27% of West Malaysian families had incomes below \$100 per month, 58.5% of West Malaysian families had incomes below \$200 a month. If we take an average of six persons per household or family, this works out to 58.5% of the persons in West Malaysia having a per capita income of \$400 per annum, which is only one-third of the \$1,166 national per capita income. In other words, over half our population are subsisting at one-third the national per capita income.

It is indeed shocking and completely unacceptable that 16 years after Independence, the top one-tenth of all households accounted for nearly 40% of the total income earned in the economy, while the share of the lowest two-fifths of the households amounted to only about 12% of total income. (Para 5)

If we take into further consideration the living conditions of the poor of Malaysia, their plight is even more pathetic. Thus, Table 1-3 in the *Mid-Term Review* shows that 16 years after Independence, 52.5% of

the households are without piped water, 31% without adequate toilet facilities and 57% without electricity. Available information indicates that poor nutrition and lack of access to adequate health, housing, education and transportation facilities remain a sizable problem.

The present situation where the lowest 40 per cent of the households account for about 12% of the total income, in sub-human living conditions, is grossly inequitable and absolutely indefensible. It is eloquent proof that the development plans of the last decade and a half had failed to make any dent on Malaysian poverty, but only to make the rich richer.

The eradication of poverty, regardless of race, should be the first item of agenda for the country, and we will like to see this objective vigorously tackled in action, and not merely given lip-service in expensively and beautifully bound Five-Year Malaysia Plans and Mid-Term Reports.

I call on the Prime Minister to immediately instruct his planners to work out a programme whereby within the next 20 years from 1970 to 1990, the lowest 40 per cent of the Malaysian poor families would account for at least 30 per cent of total income, and let us have an initial report of this programme when the Prime Minister comes to winding up this debate next week.

Such a programme will be highly conducive to the promotion of national unity, for poverty is a socio-economic phenomenon associated with those who are unemployed, underemployed and those engaged in low income occupations, whose elimination must be strictly based on socio-economic considerations.

Any attempt to identify poverty with race, especially by governmental agencies, can only complicate the problem of the eradication of poverty and the retardation of national unity in the country.

I have searched the Mid-Term Review of the Second Malaysia Plan and the Second Malaysia Plan, but I have yet to see concrete action and results in the alleviation and eradication of poverty, regardless of race; apart from the forecast that in 20 years time there will be only 4% unemployment, to which I will come to later.

**Call for radical land reforms to ensure that every padi farmer is an owner-operator of 10 acres of land**

In para 9 of the Mid-Term Review, the low incomes of the poor agricultural workers, many of whom are Malays, are attributed to uneconomic sized holdings, agronomically poor or unsuitable plots of cultivation, traditional methods of farming and lack of access to modern agricultural inputs.

I am surprised that it has omitted reference to another basic cause of Malay rural poverty, namely the non-ownership of farms.

The Census of Agriculture of 1960 shows that for that year, 59 per cent of all farms were under 4 acres. In the cultivation of rice, 54 per cent of the farms were under 2½ acres.

At the same time 80 per cent of these rice farms were not owned by the cultivators.

Further fragmentation into smaller and more uneconomic lots, varying from ¼ acres to 2 acres and sale of land to absentee landlords must have proceeded apace since then as poverty and indebtedness breeds further poverty and indebtedness.

Despite the statement by the Prime Minister in the foreword that we have embarked upon a long-term development strategy to bring about 'dynamic structural changes' in our society and economy there have been no basic structural changes in our agrarian economy or basic land reforms to ensure that every farmer tills his own farm.

In the absence of these structural changes in the agrarian economy and basic land reforms, the hundreds of millions of dollars which the government had spent and is still spending, such as the multi-million dollar Muda Irrigation project, can only benefit the absentee landlords while the downtrodden farmers remain poor, landless and exploited.

The Alliance Government has five-year, and now 20-year, targets for all sorts of things. I think it would be more appropriate for the government to institute radical structural and land reforms in the traditional agricultural sector to ensure that by the end of this decade, every padi farmer is a owner-operator of 10 acres and free him from the clutches of the parasitic and unproductive absentee landlords.

### **Land Development Schemes**

I have said in the debate on the Second Malaysia Plan that the problem of landlessness is a pressing one in the country. The landless should be given land, on the condition that they open up and cultivate them without all the formalities and the red tape which attend to them at present.

If we are going to wait for the Feida to spend over \$20,000 on a settler, there will never be a solution to the problem of landlessness, for Feida schemes can only touch the surface of this problem.

In this connection, I wish to refer to the Felda achievements in the last three years. Although Felda developed 224,000 acres of land during 1971-1973, representing 81% of its original Plan target, it settled 8,400 families in its schemes, which is 42% of its target.

We are told that the reason for the shortfall in the settlement of families is caused by the increased size of holdings per settler from 10 acres to 12 acres for rubber and from 10 acres to 14 acres for oil palm.

I would like the Minister concerned to explain the reasons for this revised size of holdings.

Felda as it is could only cope with only a small percentage of the landless in Malaysia, and with the increased size of holdings, it would be able to settle even less landless. Is this revised size of holdings caused by the awareness that the present Felda schemes are already running into difficulties despite the great public capitalisation?

At present, the Felda settlers are blessed with high world prices for their produce, but such boom prices are not eternal. Despite government boasts that every Felda settler will be able to get a monthly income of \$300, this has been shown to be at times, more propaganda than reality.

The Mid-Term Review expects a slackening in the demand for Malaysia's export commodities in the latter part of 1974 and in 1975, following the downswing of the world business cycle, resulting in lower export earnings and lower prices for our main export commodities.

This means that the earnings of the Felda settlers will not be at the present high level, and that the peak may have been reached.

If the world oil crises deteriorates, the world economic downturn will come even faster, and our own Felda settlers will be the sufferers.

Felda cannot break the back of landlessness in Malaysia. Only a radical land reform can do so.

#### **Traditional Urban sector poverty**

In the Second Malaysia Plan, the economy was classified into five sectors to show the economic imbalances in income, employment and ownership and control of wealth.

High incomes are enjoyed by the Modern Urban Sector, which comprises technically advanced manufacturing, construction, commerce, utilities, transport, communications and modern services including the professions and the tourist trade.

Medium incomes are enjoyed by the Modern Rural Sector, which comprises estate agriculture, Felda schemes and double-cropped padi, commercial forestry, modern fishing and modern tin mining; and the Government Sector, which comprises Federal, State and Local Government Administration and Public Authorities as well as the Police and Armed Forces.

Low incomes govern the remaining two sectors, namely the Traditional Urban Sector, which comprises those parts of manufacturing, construction, commerce, transport and services, in which work is done with little benefit from modern equipment or techniques; including small artisans, petty traders, hawkers, small-holders, household servants, trishaw-riders, and other persons pursuing a multitude of activities requiring little or no initial skill or training.

The other low-income sector is the Traditional Rural Sector, which comprises uneconomic smallholder rubber, single-cropped padi, traditional livestock and other agriculture, gathering of jungle produce, inshore fishing and dulang washing and small gravel-pump mining for tin.

About 60% of workers in West Malaysia are found in the Traditional Rural Sector and the Traditional Urban Sector.

According to the Second Malaysia Plan, Malays outnumber the non-Malays by a factor of nearly 3 to 1 in the Traditional Rural Sector, but in the Traditional Urban Sector, the position is reversed.

Despite government declarations that the first prong of its New Economic Policy is to eradicate poverty, irrespective of race, very little has been done in the last three years to eliminate poverty in the Traditional Urban Sector.

The Second Malaysia Plan aims to bring higher incomes, employment, education, housing, health and other social services within the reach of everyone.

Unemployment in the urban areas, especially among youths between the ages of 15-19, remain high. With the widening of the gap between the haves and the have-nots, basic social services have gone beyond the reach of the low income brackets.

A good example is the problem of housing, which constitutes, after food, the main household expenditure.

Housing today is simply beyond the means of the poor and the low-income groups. In Kuala Lumpur, 250,000 people or a quarter of the population continue to live in squatters, slums and hovels.

Prices of houses and land, throughout the country, have shot up by leaps and bounds, in some areas by several hundred per cent.

This is the land of opportunity for the speculators and gamblers, not for the hard-working Malaysians.

In any assault on urban poverty low-cost housing must form a central plank in the strategy of action. But what has the Second Malaysia Plan to offer in terms of low-cost housing?

#### **A separate Ministry for Housing**

Paragraph 632 states that during 1971-73, apart from the very substantial number of housing units built by the private sector in Peninsular Malaysia and the States of Sabah and Sarawak, the Government completed 6,357 units of public housing. This works out to 2,119 a year, or about 163 units per state.

This is a paltry figure when we consider the housing needs of the poor. Taking the population increase per year at 2.7%, the annual population increase for West Malaysia will be in the region of 270,000. Giving six to a housing unit, this will work out to some 45,000 houses. From the Table 1-1 on the distribution of household income which I referred to earlier, we can safely say that 80 per cent of the people do not have the capacity to own private sector housing. This will mean that some 35,000 low-cost housing units a year will have to be built if we are to house the poor in Malaysia, just to meet the annual population increase, without including the big backlog of low-cost housing needs.

The situation has worsened these few years, with the rise in the price of land, building materials, houses, which made many middle and lower middle income people financially incapable of buying private sector housing.

The government achievements in 1970-1973 of 2,119 houses a year is therefore a mere drop in the ocean.

Paragraph 274 said that public housing construction will be stepped up, with an increased allocation of 39.6% from \$172 million to \$240 million, to complement the private sector. A further 12,000 low-cost housing units are to be developed by the various government agencies involved.

In the first place, we cannot include private sector housing development in our calculations if we intend to eliminate poverty and squalid living conditions, for the private developers cater to the middle and high income groups.

In the second place, the increase of 39.6% allocation or increased \$68 million will have to meet the increased construction costs since 1970, leaving little else for more low-cost housing units.

Thirdly, the allocation of \$240 million for 1971-75 for public sector low-cost housing development is clearly too paltry to meet the grave housing needs. I know there are separate allocations for defence and government housing schemes, but these are also too little, and secondly, the houses which the government builds do not benefit the Division Three, Four or IMF workers, but the higher division groups.

Providing jobs, homes and land are the three basic functions of government, and I seriously suggest that further reappraisal of the place of public housing in the Second Malaysia Plan be conducted, and the allocations for low-cost housing should be at least trebled to break the back of housing shortage for the Malaysian poor.

The magnitude and gravity of the housing problem of the poor Malaysians warrants the establishment of a separate Ministry of Housing, and I commend this proposal for consideration by the Prime Minister.

#### Malacca Hospital deaths

In this Mid-Term Review, we are told that in many services and ministries, there have been over-fulfilment in the expenditure of the allocations made.

I want to stress here that it is a fallacy to think that surpassing the allocations for a particular service means increased service to the people. The standard and quality of a service need not necessarily be improved from over-fulfilment in expenditure of allocations.

The Malacca General Hospital is a good case in point. I understand that every year, the Malacca Hospital administration sends back to the Ministry of Health unspent allocations.

This does not mean that the Malacca General Hospital has more than enough allocations to run an excellent hospital service. On the contrary, the Malacca Hospital has acquired a most infamous reputation for its mismanagement and maladministration.

This is why in a period of one month from July 21 to August 20 this year, some 40 people died of poisoning arising from hospital negligence. Because of the breakdown of the hospital's autoclave - the sterilisation plant - and the gross mismanagement and maladministration of the Medical Superintendent who allowed this state of affairs to go on for a month,

routine operations and minor surgeries, like Caesarian cases, ended up in the mortuary. There was one night in early August when the mortuary had not enough places for all the corpses.

As a result of my making public this scandalous affair, the Minister of Health has ordered a departmental inquiry when full house-cleaning should have been conducted to restore the confidence of the people of Malacca in the hospital service.

The administration has not changed, and the hospital management is as deplorable as ever. Only recently, the beam of the ceiling of the maternity clinic in the Malacca Hospital at Church Street collapsed on the examining table. It was fortunate that no patient was being examined at the time, and no one, whether doctor, nurse, staff or patient, was injured or killed.

### Education

Paragraph 147 of the Second Malaysia Plan made the laudable statement that in the development process, the government would give greater attention to *"ensuring that Malays, other indigenous people and the poor of other races have greater access to higher education in the sciences and other disciplines essential for effective participation in modern activities"*. It went on: *"More scholarships and bursaries will be made available to these people to pursue courses of study in colleges and universities in Malaysia and abroad. Facilities for higher education will be expanded so that it will be possible for all Malaysians to have access to the kind of education suited to their talents and interests."*

The Prime Minister, in his speech introducing this motion yesterday, gave figures to show the expansion in the number of Malay students in our colleges and universities, which he described as *"most encouraging"*. He said the proportion of Malay students in our Universities has grown from just under 40% in 1970 to 53% in the space of just three years.

As I am still on the first prong, i.e. the eradication of poverty, regardless of race, I will like the government to give a report to this House and the nation as to the progress made in this period to ensuring that *"the poor of other races have greater access to higher education"*

If the government is really sincere in wanting to eradicate poverty regardless of race, then it must have these data, for otherwise, how can it control and monitor the progressive war against poverty and backwardness?

How much progress has the government, under the New Economic Policy, succeeded, in the words of the SMP, to make *"higher education*

*accessible to Malaysians suited to their talents and interests"?*

It is no secret that in the years under review, there has been mounting frustration among the poor of the non-Malays – I hold no watching brief for the rich non-Malays because they have money to look after themselves – because of the growing diminution of educational opportunities, right up to the university level, although they possess the talents and the interests.

More and more Form Five students are denied pre-University classes, or places in local Universities, or technical colleges. They cannot find jobs to become useful members of society.

It has oft been declared that the New Economic Policy will be implemented in a way so as to ensure that *"no particular group experiences any loss or feels any sense of deprivation."*

Loss or sense of deprivation is created, not only from losing what you have or deprived of what you possess, but also from losing what you rightfully expected to have or deprived of what you had expected to enjoy.

In this case, therefore a student, who from his scholastic records and academic performance, had earned the right to believe that he would be able to proceed upwards through the educational process, and is subsequently denied this opportunity not for academic or scholastic reasons, is a person who has suffered a loss or felt a sense of deprivation.

If we are to succeed in the overriding objective of which the NEP is but an instrument, then the government must deal bravely and firmly with these and other problems.

Every poor Malaysian, regardless of race, who has the intelligence, scholastic ability and inclination, to pursue higher studies and develop his potential talents, so as to lead a fuller and more satisfying life, must be given the opportunity to do so. The reason is, if I may borrow the exact words of the Prime Minister in a different context, in his speech in moving this motion yesterday: *"Fundamentally because it is the right and just thing to do so."*

I will be dealing with the other prong concerning the restructuring of society a while later. It is more unfortunate, however, that under the New Economic Policy, the problem of poverty and backwardness is treated in such thick racial terms, whereas it would be more correct, effective and in the long term, in the greater national interest, to handle it as a problem of classes rather than as a problem of races.

The Prime Minister, when moving this motion yesterday, said: *"Let me state categorically that it is not our intention to transform the present*

*racial imbalances of the Malays and other indigenous people into future imbalances which operate against other Malaysians which will be equally undesirable."*

I will take the Prime Minister at his word, but he will have to give substance to this assurance, and demonstrate through government policies and actions that the poor non-Malays have no reasons to fear for the morrow, and that they will not be penalised, whether in economics, education or other field of national life, either because of the wealth of a small percentage of non-Malay rich, or because they are not Malay poor. For otherwise, it will be the non-Malay poor who will be the losers on both counts. Whatever action is taken by the NEP will not affect materially the wealthy non-Malays, for firstly, they will enjoy political patronage, and secondly, they have the money to rise above these handicaps.

I will be dishonest if I do not say that the government has a long way to go to assure all Malaysians that under the New Economic Policy, there will be a place for every Malaysian in Malaysia.

I will give an instance. Thus, the Second Malaysia Plan talks of the special importance to rural dwellers of new secondary schools which emphasises science and technology. The Prime Minister mentioned yesterday that 10 residential schools have been built to provide intensive training for rural students in science, technical and vocational education.

But what does the government mean by rural students or rural people? Does it mean all those who live in the rural areas? Or is it some form of double-talk meaning only the Malays?

If the government is serious in its intent about the eradication of poverty, then it must mean rural students regardless of race.

The Mid-Term review reports that in the rural areas, the Malays comprise 65 per cent and the non-Malays 35%. This should be reflected in the student population in such residential schools. I hope the Minister concerned will be able to make a clarification on this.

It is important that the government, in implementing the New Economic Policy, must be able to match its words with deeds.

Table 11-4 provide figures of enrolments in tertiary education, for the years 1970-73.

For those taking university degree courses in the five Malaysian universities, for the year 1970, there were 3,237 Malays, 4,009 Chinese, 595 Indians, 307 others, making a total of 8,148 total undergraduates. For 1973,

there are 6,188 Malays, 4,565 Chinese, 907 Indians, 89 others, making a total of 11,749.

This means that for 1970-73, Malay university students increased by 2,951 or an increase of 89%, Chinese undergraduates by 556 or 14 per cent increase, Indians by 312 or 69 per cent.

These figures vividly explain the widespread feeling of uncertainty, insecurity and frustration among the Chinese about the educational future for their children.

Let me make myself clear. I, and for that matter, no one in the country, grudge or oppose the doubling of the number of Malay undergraduates from 1970-73. However, this must not be done at the expense of denying to non-Malay students opportunities for tertiary education.

This means that the government must allocate more funds for university places. Although this means a bigger bill for higher education, in terms of nation-building, the cost is worth it - for the alternative is festering discontent and disunity in the country.

To assist the government in lightening the burden of higher education, the government should encourage private universities and colleges to be set up.

### **New Villages**

I am glad, on reading the Mid-Term Review, to find that the Alliance Government has rectified the grave omission of the plight of the new villagers and estate and mining workers.

There was not a word of reference to either the new villagers or the estate and mining workers in the Second Malaysia Plan. We in the DAP championed their cause in Parliament, and although we were accused of all sorts of things in Parliament for doing so, - and all these vituperation are in the Hansards - the government has received the message.

This was why the Ministry of New Villages was created, although devoid of powers, funds or manpower to better the lot of the new villagers.

Up to now, the 750,000 new villagers have not benefitted, whether in terms of land for the new village landless, homes or jobs, and improved social and educational amenities and facilities. Only MCA politicians have benefitted from the new village misery as it means a Ministerial post for one of them.

The Alliance government should cease to use the new village problem as a political football, but get down to the task of drawing up a blueprint for the comprehensive revolution of life in the new villages, give land to the landless, jobs to the jobless through dispersal of industries and the urbanisation of the new villages, homes for the homeless through a crash low-cost housing programme, and the provision and improvement of social, educational and cultural amenities and facilities for all new villages.

### Estate and Mining Sector

The Mid-Term Review gives half a paragraph to the plight of the workers in estates and mines.

One of the biggest problems facing estate workers is the problem of retrenchment. The Second Malaysia Plan, states that in 1962-1967 alone, some 54,000 workers, nearly 20% of the estate work force, were displaced from the rubber estates.

In paragraph 97, of the Mid-Term Review, we are told that about 11,000 during 1971-73 were laid off from the rubber estates.

One of the saddest chapters in recent Malaysian history is the complete indifference of the Alliance government to the plight of the retrenched estate workers, of not taking the initiative and responsibility of drawing up a programme in association with the estate managements to retrain or find alternative employment for the retrenched workers.

This is not a new problem, but a long outstanding one. Thus, in the 1967-1968 Socio-Economic Household Survey, it is reported that although the unemployment rate in terms of the labour force for each of the major races in Malaysia, namely Malays, Chinese and Indians was practically the same, viz. 6.0% in 1962, by 1967, this pattern has changed and the increase in unemployment has been mostly concentrated among the Chinese and Indians. In fact, by 1967, the unemployment rate among the Malays went down from 6.0% to 5.8%, while that for the Chinese went up from 6% to 6.9% and the Indians from 6% to 10.3%.

Since then, according to the Mid-term Review, "*unemployment among Indians has worsened considerably*" standing at 11% in 1970, and considerably higher today.

Further retrenchments in the rubber estate sector will continue in future, partly because of reduction in rubber estate acreage due to conversion to oil palm which requires less labour, and efforts by estates to introduce cost savings in production, so as better to compete with synthetic rubber.

According to one research study, longer cuts tapped every fourth day will, with particular clones, produce as much yield as cuts of half the length tapped every second day. This approach, if adopted widely on estates, will reduce tapping labour by at least 33 per cent.

Experiments on the application of yield stimulants, such as prolonging the latex flow for several days instead of the usual 2-3 hours, will further reduce the labour input in tapping very considerably.

Substantial retrenchments in the rubber estate sector is therefore to be expected.

The government should appoint a task force to specially look into the grave socio-economic problem of the increasing displacement of estate workers, to find alternative means of livelihood for them.

### Employment

The Mid-Term Review reported that some 350,000 new jobs have been created during 1971-73, or 58% of the Five Year Plan target of 596,000 jobs in 60% of the Plan period.

The Government is confident that further 250,000 jobs will be created in 1974 and 1975, making a total of 600,000 new jobs, bringing the rate of unemployment from 7.5% to 7%.

The Alliance has persistently in the past under-estimated the level of unemployment, and it is for this reason that we must take the Mid-Term Review employment figures with caution and a pinch of salt.

The Alliance record of job creation has not been very successful. From the government's own figures, the incidence of unemployment in Malaysia has risen from 2% in 1957 to 6.1% in 1965 (SMP) to an estimated 7.3% in 1970. (SMP) (Table 7-2).

Now we are told that revisions of Second Malaysia Plan figures are necessary, raising the unemployment rate in 1970 to 7.5%, and claiming that by 1975 the unemployment rate will be brought down to 7%, (Table 2-3 Review) instead of the original Plan target of holding the unemployment rate to 7.3%.

In the first place, the Government has been in the habit of juggling with figures whenever it suits them, without giving cogent reasons for revision of figures and data.

Thus a study of the First and Second Malaysia Plan shows that they

give different employment levels for 1965 for the manufacturing sector. The First Malaysia Plan, page 53, for instance gave the following figures:

1965 (Actual)	Projected for 1970	Projected increase
173,000 jobs	209,000 jobs	36,000 jobs

For the Second Malaysia Plan, page 98, the figures are:

1965 (Actual)	1970 (Actual)	Projected increase
217,000 jobs	270,000 jobs	53,000 jobs

There is thus a big difference between the two sets of figures for 1965 base year to the tune of 44,000 – which is bigger than the projected increase.

Although I raised this discrepancy in the debate on the Second Malaysia Plan in July 1971, no satisfactory explanation has been given, apart from the remark by the Prime Minister that different statistical surveys have given different figures.

I submit this explanation is not good enough, and cannot dispel the impression that figures are mere instruments to back up the government's case.

There are other reasons to be cautious about the government's optimistic figures.

Firstly, the actual state of unemployment is really more serious than that indicated by the unemployment figures. The 'unemployed', in the government's definition, refers only to the actively unemployed i.e. '*persons who are without work but are actively looking for work, and capable of accepting a job, if offered one.*' (p. 27 Mid-Term Review)

The passively unemployed, that is, those who are not actively looking for work but will accept work if offered, has not been included. If this category of the unemployed were to be included then the overall incidence of unemployed in Malaysia would be considerably higher.

Take for example the situation in 1967–68. The total number of passively unemployed was 55,700, which constituted 2.2 per cent of the total labour force. If this category of unemployment were included then the overall incidence of unemployment in West Malaysia 1967–68 would be 9 per cent and not 6.8 per cent, as is used by the government.

Furthermore, in the government's definition, the 'employed' includes the under-employed and those who work less than full time.

Underemployment is a very grave problem in Malaysia. The Economic Planning Unit in a 1967 study estimates that 25 per cent of all the agricultural workers in West Malaysia are under-utilized to the point of being unemployed.

Secondly, it is worth noting that the Government is very brave in projecting employment achievements for 1971-73 when 1973 has not ended.

In actual fact, Malaysia has not achieved 350,000 jobs in 1971-73, but hopes to achieve this target.

We know from painful experience that hopes and reality can be very different things.

It is fortunate that we are debating the Mid-Term Review during boom prices for our export commodities, and higher levels of employment caused by them as the Malaysian economy is still very dependent on the world economy.

But we must not be complacent and regard the present boom prices and high level of employment would be able to sustain for long.

In fact, the Second Malaysia Plan Mid-Term Review itself forecast a downturn in world economic activity in the latter part of next year.

This may come faster, if the world oil crisis leads to decline in world economy and depression.

When this happens, regardless of whether we are a favoured Arab nation with regard to oil supply, our export commodities will face an unprecedented slump, prices will collapse, our industries will suffer, and unemployment will rise steeply.

When this happens, we will have to deal not only with rampant unemployment, but also with the 100,000 Malaysians who are now working in Singapore, for Singapore would also not be able to escape from the consequences of world depression.

Already the leaders of Singapore are warning their people to be prepared for lean times ahead, and the possibility of a decline in her industrial output, a layoff of workers and an increase in unemployment.

The government should therefore work out contingency plans, especially to provide jobs to the unemployed and the lay-offs, in such an eventuality, and study ways and means as to how the Malaysian workers now working in Singapore can be gainfully employed when they are forced to return by economic depression in Singapore.

We are probably reaching the peak of boom prices for our main export commodities, and responsible government leaders must not lead the people to live in euphoria believing that such good times will last forever.

### **Inflation**

It is fortunate that at a time when Malaysia is facing the worst inflation in history, our export commodities can fetch some boom prices in the world market.

I shudder to think what grave social consequences we would have to face if coupled with galloping inflation, we have a slump for our export commodities and mass unemployment.

Yet such times may not be far away.

However, although the high prices of our export commodities had in some way cushioned the effects of inflation to the low and fixed-income groups, the effects have been crippling.

In the last three years, inflation has become the most outstanding problem for the people of Malaysia. Price increases of all goods keep chasing one after another, some shooting up by more than 100% increase, while the purchasing power of the Malaysian dollar in the hands of the housewives and consumers continue to fall.

Inflation is highly inequitable and unjust as it bears heavily on those getting low and fixed incomes, thus widening the gap between the haves and have-nots.

It is regrettable but true that for the last three years, the Alliance Government has failed to work out an effective strategy to fight inflation.

The Alliance Government appeared to be completely helpless in the face of rising prices for all consumer products. In actual fact, it will be more correct to say that the Government does not have the will or determination to combat inflation. This is because while the majority of the people suffer from price inflation, there is a tiny minority which makes huge 'windfall' profits from it. And it is this tiny minority of people who have traditionally formed the financial backbone of the ruling party.

Inflation can be brought under control, not by words, statements and assurances, but only by firm and purposive government action.

I suggested yesterday the formation of a Prices Tribunal to check unjustified price increases. I would like to go further today and suggest the ins-

stitution of a Fair Prices Tribunal.

The Fair Prices Tribunal should have power to investigate into the validity of any price increase, by calling up the manufacturer or importer, or hearing representations from consumers or consumer associations.

Every price increase must be notified to the Fair Prices Tribunal in advance. The Fair Prices Tribunal should have power not only to investigate into the legitimacy of any proposed price increase, but also whether existing prices are fair.

The Government wants to build a Masyarakat Adil, and this must mean that manufacturers, importers and distributors should not make unconscionable profits at the expense of the helpless consumers.

The Fair Prices Tribunal must conduct its proceedings in public and publicise the list of prices which it has investigated and ascertained to be fair. Wide distribution of such lists will go a long way to counter profiteering.

In cases of unconscionable price increases or price fixing, the Tribunal must have the power to make an order ruling against it, backed up with enforcement powers.

During the question hour yesterday, the Prime Minister denied that the government's indirect taxation, especially the Sales Tax, has anything to do with inflation.

The Prime Minister's statement is in variance with the expert views of government economists. Thus the Bank Negara Report for 1972, page 91, states that inflation in Malaysia is partly caused by government's fiscal policies aimed at raising revenue and the protection of domestic industries.

The tariff protection given to domestic industries has ended up in making the consumers the captive victims of some favoured local manufacturers.

Recently, a glass factory in Shah Alam had barely commenced production when the government clamped down on imported glass, causing the prices to shoot up.

The government must cause a thorough review of its taxation measures and dismantle those which are highly inflationary in effect.

The Sales Tax should be abolished immediately, and I hope that this will be announced during the budget speech of the Finance Minister of Dec. 5. Tariff protection to inefficient industries should be removed and imports restrictions lifted to help the poor of Malaysia tide over the difficult period.

The government's COLA or special allowance payment cannot do much to help the low income combat inflation.

Only last week, the press reported rental increases from \$20 to \$80 for houses in Petaling Jaya for the new year. Such special allowance or COLA given by private sectors will not be able to meet the rental increases, let alone restore the purchasing power which they lost the last three years.

In this connection, the government should order a freeze on rentals in non rent-controlled premises as one immediate measure to bring down the cost of living.

Two other steps which the government should consider in the fight against inflation are :

1. cutting down all waste and inefficiency in the government departments, and halt all unproductive and prestigious expenditures. Trips by MPs and State Assemblymen on pleasure trips abroad should be banned.
2. Increase the overall economic productivity in both the public and private sectors to help stabilise prices and check inflation.

To ensure that workers in Malaysia have a place in Masyarakat Adil, the government should introduce legislation to enforce a minimum subsistence wage for every worker.

### **Restructuring of Malaysian society**

The second prong of the NEP is to accelerate the process of restructuring Malaysian society to correct economic imbalance, so as to reduce and eventually eliminate the identification of race with economic function.

It is vital that if this second prong is to be accepted by all Malaysians that this should not be seen as a racial programme to the benefit of one race only. Even more important, it should not be seen as a programme not to benefit one race, but one small class of it.

#### **(a) That it is not a racial programme**

(i) **Felda schemes:** Felda has settled 29,000 families up till the end of 1973, but they are overwhelmingly weighted towards one racial group.

If we do not want to perpetuate the identification of one ethnic group with a particular vocation, should we not make real efforts to get non-Malays into agricultural schemes participating together with Malays?

Tan Sri Ghazalie Shafie, in his speech to the South East Asia Study Group on Cultural Relations for the Future in Kuala Lumpur on June 17, 1971, expounded the strategy of decompartmentalisation as the road to build a new Malaysia.

But in settling Felda schemes with participants predominantly from one racial group, this is not to de-compartmentalise but further compartmentalise the various racial groups.

I will like to know whether the Felda schemes is part of the government strategy and instrument to restructure Malaysian society and break down the identification of race with economic function. If so, then I seriously suggest that the settlement policy be modified in the light of the aspirations of the NEP, and its settlement should reflect, if not the national population, at least the rural population, which is 65% Malays and 35% non-Malays.

If the Felda schemes, which involve a big chunk of public expenditure, is to be excluded from the second-prong objective of the NEP, I would like to know why.

(ii) **Armed forces:** In pursuance of the government objective to restructure society and end the identification of race with vocation, determined efforts must be made to restructure the armed forces. This is particularly important, for Malaysia is a multi-racial society and its defence and protection should be the shared duty of all Malaysians.

(iii) **Nurses recruitment:** In September, the Public Services Commission released figures of recruitment of nurses and assistant nurses.

Thus, in the recruitment exercise for nurses in July/August 1972, out of a total of 407 nurses recruited, 362 were Malays and 81 non-Malays. This works out to a percentage intake of 80.1% for Malays and 19.9% for non-Malays.

In the nurses recruitment exercise in September this year, the racial imbalance is even greater. Thus out of a total of 690 persons recruited, 606 were Malays and 84 non-Malays, or percentage wise, 87.8% Malay intake (as compared to 80.1% Malay intake the previous year) and 12.2% non-Malay intake (as compared to 19.9% intake the previous year).

The figures concerning assistant nurses are equally disappointing, and at variance with the New Economic Policy objective of reflecting the racial population in the country in every sector of employment.

These are three of many other possible instances where the government must change its policy to show to the Malaysians that its programme to re-

structure society and end the identification of race with vocation or economic function is not a racial programme, but involves the restructuring of all groups of Malaysians. I would like to have progress reports in restructuring these arenas.

**(b) That it is not to benefit the rich Malays only**

What has sometimes made the New Economic policy to restructure society highly objectionable is the fact that this is used to benefit not the poor, have-not Malays, but the rich Malays.

**(i) Scholarships and bursaries:** Many scholarships and study awards are monopolised by children of well-to-do Malay families, depriving deserving Malay pupils from poor families of a chance to better themselves.

In fact, this is one reason why the Vice Chancellor of the Universiti Malaya, Professor Ungku Aziz, proposed a revolving student loan fund, which I hope the government will give urgent consideration and approval.

**(ii) Taxi licences**

Taxi and other transport licences are given out to Malays who have connections and strings to pull, to defeated Alliance candidates, while the genuine taxi drivers are deprived of them.

Many Malays with proper connections with the Communications Ministry possess not one, but several taxi licences. They do not drive a single taxi, but rent out their licences, spawning a parasitic, unproductive class of Malays at the expense of both the poor Malays and non-Malays under the pretext of restructuring society. The taxi operators are exploited regardless of whether he is Malay or non-Malay.

**(iii) Land, timber and mining concessions**

The sorry tale of state-sponsored middle men as mentioned with regard to taxi and other transport licences repeat itself in the granting of land, forest and mining concessions. It is the rich and well-to-do and well-connected who are given, while the genuinely poor Malays do not benefit.

**(iv) Reservation of private housing to Malays**

Private housing developers are now required by some State Governments to reserve 30 per cent of their houses for Malays at 15% discount.

What will happen is that this 15% discount would not be absorbed by the developer, but would be passed on to the non-Malay purchaser.

The net result would be that the 70 per cent non-Malay purchasers would have to subsidise the 30% Malay purchasers by 15% of their property value.

In the majority of these private housing schemes, the well-to-do Malays would book these reserved houses, and the net result is that the poorer non-Malay house purchasers would have to subsidise the house purchase of better-off Malay house purchasers.

I do not think that this system will create goodwill and harmony in any housing estate.

I am not opposed to reserving a percentage of housing for Malays in every housing estate, or in helping the Malays to own houses at subsidised rates.

The subsidising of Malay home purchases in private housing estates must be borne directly by the government or government agency.

#### 20-year perspective plan

In the debate on the Second Malaysia Plan on 14th July 1971, I said that statements like the target within 20 years to ensure that the Malays and the other indigenous people will manage and own at least 30% of the total commercial and industrial activities in all categories and scales of operation is only meaningful if we know how much the Malays, the non-Malays, the foreigners own at present, and the estimate the Government has made of "commercial and industrial activities" in 20 years' time. I had then asked for figures, but they were not forthcoming when the Ministers came to winding up.

Apparently, the question got the government to find the answer, and the result is the 20 years' perspective plan.

The Prime Minister in his speech yesterday said that the government's targets by 1990 are as follows:

- the Malays and other indigenous people will own 30% of all share capital;
- Other Malaysians will own 40% or nine times more than what they held in 1970;
- Foreign investment will account for 30% of the total or five times than the absolute level in 1970.

The Prime Minister did not say by how many times more the Malays will have to increase their 1970 share capital if they are to achieve the 30% target. From my calculations the Malays must increase by 140 times what they own at present to reach this objective.

Reading the Chapter on the 20 year Perspective Plan, I am reminded of the inaugural Tun Abdul Razak lecture delivered by Professor Martin Bronfenbrenner in Kuala Lumpur on January 26 this year.

Professor Bronfenbrenner classifies Malaysian planning as a hybrid of indicative planning and exhortative planning, and more latter than former.

By exhortative planning, Professor Bronfenbrenner says it is *"really little more than futurology"* where *"past trends are either extrapolated or modified in favourable directions and results are called projections and targets."*

I think it will be apt to describe the 20 year perspective plan as the flight into futurology. This is probably because the Mid-Term Review is written primarily with an eye to the next elections.

I do not think it is going to be very fruitful to turn the Dewan Rakyat into a forum for futurology.

## INFLATION AND THE PAY PACKET

*"Workers cannot be partners, but only slaves, of development at the ridiculously low wage of \$1.50 or \$2.50 a day."*

*"The Government is duty bound to see to it that workers' (EPF) contributions are not eaten away by inflation, with the Government as the sole beneficiary, for it is making full use of the EPF funds to finance Government projects."*

Speech on the 1974 Budget on December 11, 1973.

Twice in his budget speech last Wednesday for 1974, the Finance Minister described inflation as *"our No. 1 economic problem"*. This was in stark contrast to the Finance Minister of June, 1971, who gave an assurance that there was no danger of inflation in the country in a big way, when inflation was in full gallop. He said, (*Straits Times of June 14, 1971*): *"In fact, I have every confidence that we can maintain price stability as easily in the future as we have done in the past."* Now, he has every confidence to tell the country that what he had promised to do *"easily"* has become the No. 1 economic problem.

The Finance Minister had never been slow to pride himself, whether inside this Chamber or outside, about his foresight in economic and financial matters. But the "No. 1 economic problem" must have been so big that he did not see it until everyone else in Malaysia had seen and suffered for it. The Finance Minister must have the honour of being the last person in Malaysia to see the inflation problem.

In fact, as late as 15th May last year, he was denying in this very House that there was any general price increases. He dismissed them as rumours. This failure of "sight" however, is not peculiar to the Finance Minister but seems to afflict all his other colleagues in the Government as well. Thus, in January this year, the Honourable Prime Minister, after visiting the National Institute of Technology, told newsmen that increases in prices was *"only a temporary phase."*

Last week, in his Budget speech, the Finance Minister informed the people of Malaysia that *"price inflation is a new phenomenon that is here to stay for some time more."* The people of Malaysia may be wiser in future to read the opposite meaning into Ministerial pronouncements. This ambivalence, inconsistency, irresolution and lack of political will, also marks the Government's handling of the inflation problem up-to-date.

Early this year, the Alliance leaders launched a campaign against shopkeepers blaming them for being the villains of inflation by hiking up

prices and hoarding. Senior Ministers even went to the extent of calling on housewives to boycott shops and to get "rough and tough"

Later, when it was found that the shopkeepers were themselves at the tender mercies of importers, wholesalers and manufacturers, the Alliance leaders shifted the blame to "imported inflation" — an intangible enemy whom the people cannot see and against whom the Government need take no action.

This trick was picked up by the Lembaga Padi Negara when the second rice shortage and high prices crisis broke out in September this year. Led by its Chairman, the Honourable Member for Muar Dalam, the LPN first blamed the retailers as the culprits for causing rice shortage and high prices. When investigations showed the innocence of overwhelming majority of retailers, the LPN next blamed the wholesalers, who were influential enough to have a meeting with LPN officials and to call a press conference to clear themselves. Finally, the LPN blamed the smugglers, the easiest scapegoat, for smugglers cannot conceivably call a press conference to say that they did not smuggle as much as is attributed to them!

The years 1971 — 1973 were three wasted years in checking inflation, for if anti-inflationary measures had been taken right from the onset of inflation, it would not have become today's No. 1 economic problem. Instead, the Government wasted the three years in complacency and self-boast about their ability to keep inflation in check in the sixties to 1% per annum. It has always been open to question whether this rate of increase of cost of living in the sixties is accurate as the retail price index, on which it was based, had considerable statistical weaknesses. In fact, the retail price index, which has now been discarded and replaced by the consumer price index, was condemned as "an open fraud" by a national newspaper not known for its outspokenness against anything government. Be that as it may, according to the new consumer price index, which is also not without its statistical weaknesses in underestimating price increases, the cost of living went up by 1.8% in 1971, 3.2% in 1972 and 10% in 1973. All that the Honourable Finance Minister had to say about the cost of living in his previous Budget speech on 6.12.72 was to give a pat on his own back on Malaysia's "still remarkable" performance.

While I was in this Chamber last Wednesday listening to the Finance Minister's Budget presentation, and heard his sombre repetition of inflation having become the No. 1 economic problem, and his pledge that the Government would "leave no stone unturned to combat it," I thought that it is better late than never.

As inflation has become our No. 1 economic problem, the entire theme and whole thrust of the 1974 Budget should be to combat inflation; in other words, an anti-inflationary Budget. But as I studied the Budget, it became clear that the Finance Minister's sombre note is as hollow as his 1971 confidence about easily maintaining price stability. For the 1974 Budget is not

an anti-inflationary Budget, designed to wage an all out war against inflation and its adverse effects. This is a disappointment and a shame. It is a no-inflation Budget, as if inflation is a minor irritant attracting the abolition of the import duties of 33 items and the reduction of nine others.

The Finance Minister blames imported inflation as the cause of our inflation, blissfully ignoring the fact that his Sales Tax and Surtax on imports had significantly contributed to price increases. In 1973, Sales Tax, which was intended to net only \$84 million, when it was first introduced in 1972, added \$106 million on the cost of imports and \$104 million on the costs of domestically manufactured goods, while import surtax added \$151 million on imports.

How can the Finance Minister be so naive as to believe that these regressive taxes had no effect on fanning the flames of inflation? I invite the Honourable the Finance Minister to commission international taxation and economic experts to make a study as to what extent both these measures had spurred on inflation. If the Finance Minister believes that inflation is the No. 1 economic problem, then among the first measures his 1974 Budget should contain is the abolition of these inflationary taxes, and to raise Government revenue by other non-inflationary or anti-inflationary measures.

In paragraph 34 of his Budget speech, the Minister said: *"Inflation is the result of too much money chasing too few goods and hence the obvious remedy for this disease is less spending, not more"*. He went on: *"In this connection too, I would like to disabuse the public of the view that one of the remedies for inflation is to decrease taxation. This will only make matters worse, not better, because reduction of taxation will place more funds in circulation and will therefore only add to the problem"*. The abolition of the sales tax and surtax is not a question of reducing taxation, but of removing the main causes of inflation. If we take the Finance Minister's argument to its logical conclusion, then the answer to inflation would appear to be to double or treble the Sales Tax and slap on a series of new taxes to mop up the *"too much money"* so that they could not chase the few goods available. The Honourable the Finance Minister fails to make a distinction between anti-inflationary, non-inflationary and inflationary taxation.

"Imported Inflation" is being used as a convenient scapegoat by the Government. Inflation cannot be blamed solely on external factors for we know that many local products have shot up in prices. A good instance is oils and fats, which have shot up by some 25% between September, 1972 and September, 1973 although Malaysia dominates two-thirds of the world's exports of palm oil. Local rice is another example. Despite Government assurances that there is no shortage of rice, many areas in the country cannot get rice at LPN rates. The latest area affected is Taiping, where prices are far exceeding the Government rates.

The Government takes the attitude that there is little that can be done to fight inflation because of its imported nature. The 1973/74 Economic

Report states that as a result of the 1971 and 1973 currency realignments and the float of the Malaysian ringgit on June 21, as at the end of November, 1973, the Malaysian ringgit appreciated by about 21% against the US dollar and 29% against the pound sterling. The Honourable Finance Minister said he found it difficult to understand why goods from countries whose currencies have depreciated substantially against the Malaysian ringgit have only been obtainable at prices which do not reflect these substantial parity changes. What is difficult for me to understand is why the Government find it difficult and beyond their ability to check profiteering even to the extent of exceeding 100% profits by importers, which the Finance Minister has blamed as one of the major causes of inflation in a speech in Seremban in August this year.

As the Minister of Finance admitted that Malaysia is probably one of the most cartel-ridden countries in the world, I want to know from him why his Government has allowed such a regrettable state of affairs to last so long? The Government should, without any more delay, introduce anti-trust laws to bust monopolies and price-fixing cartels and provide protection to weak and defenceless consumers

In combating imported inflation, the Government must shift sources of supply from higher priced exporters to cheaper suppliers in East Asia, like the People's Republic of China. In this connection, it is a matter for concern that the imports from the People's Republic of China from 1970 - 1972 has been in the continued decline, from \$243.4 million in 1969, falling to \$228.4 million in 1970, \$202.4 million in 1971 and \$194.6 million in 1972. For the first two quarters of 1973, imports from the People's Republic of China have picked up, but at a very much slower rate than other countries, like Japan, Germany, whose goods have become more expensive with the revaluation of the Yen and the Mark. China's products are cheaper than the other countries and Malaysia should import more of her requirements from China to reduce imported inflation in Malaysia. The establishment of diplomatic relations between Peking and Kuala Lumpur would further mutual trade benefits, and it is the DAP's hope that this normalisation of relations between Malaysia and China would not be delayed any longer.

The Government should take more effective steps to reduce the supply of money by increasing the interest rates of borrowing to make money dearer and to encourage more savings. We note that for the 1974 Budget, the total expenditure of \$5.424 million is 17% above the 1973 Budget. The Government itself should set the example in reducing non-essential expenditures in the public sector and increase productivity. I call on the Finance Minister to launch economy and productivity drives and make regular reports to the nation on their progress.

One of the gravest omission in the 1974 Budget is what the Government proposes to do to help the low and fixed-income groups who are the worst hit by inflation, and whose real income has fallen with the reduction in their purchasing power.

### **Pensioners**

At the end of September, the Government announced additional allowance to more than 25,000 pensioners who retired before the implementation of the Suffian Report, and the restoration of full pension to those who have completed 12½ years of retirement. This was the first pension revision since 1956. The additional allowance, going some way to meet the rising cost of living from 1956 to 1972, is not enough to help the pensioners cope with the galloping inflation that is expected to register 10% and over this year. I therefore call on the Government to award an additional COLA to pensioners to enable them to live in dignity and decency.

### **Special Allowance for Public Employees**

The recent Government award of special allowance to Government employees is grossly inadequate to help the lower brackets cope with inflation, and I call on the Government to increase the special allowance to Government employees.

### **COLA for private sector employees**

The large majority of private sector employees are without the benefit of cost-of-living allowances to face the inflationary situation. For instance, the 200,000 estates workers throughout the country have their claims for COLA rejected by the Malayan Agricultural Producers' Association on the most flimsy ground. Thus M.A.P.A. claimed that the tapper is already getting more pay because of high prices of rubber. It is unjust to tie the increasing cost of living with higher rubber prices, although the wages are at present tied to the level of rubber price. In the commercial and industrial sector, too, many employers have either refused to pay COLA or pay COLA rates exceeding Government rates though within their means to pay. An instance of the latter is the bank employers with regard to the cost of living allowance claims submitted by bank employees.

I therefore call on the Minister of Labour to make two clear announcements:

- (1) That employers may exceed Government special allowance rates as COLA payments, as the Government's rates are not to be regarded as a maxima for COLA in private sector.
- (2) Require all employers in the private sector to pay their employees COLA along the Government special allowance rates as guidelines, with exemptions for management which demonstrate their inability to pay.

### **20% upward revision of wages council rates**

Some 180,000 unorganised workers like shop-assistants, catering and hotel workers, cinema workers, Penang's stevedoring and cargo handling

workers are governed by wage regulation orders fixing their minimum rates of pay. In view of the greatly increased cost of living, minimum wage regulation orders should be revised upward by at least 20%.

### Minimum wage for workers

The Honourable Prime Minister, on his weekend visit to Johor Bahru, expressed his surprise that workers were being paid at less than \$2 a day in factories and called for a report on it. This is not an untypical factory wage for Malaysian labour on which workers can hardly keep their body and soul together after having to meet food, transportation and housing expenses. Two months ago, there was talk of labour shortage hitting various States. What Malaysia had was not labour shortage, but cheap labour shortage.

In his foreword to the Mid-Term Review of Second Malaysia Plan, the Prime Minister called on the private sector and workers to respond to the Challenge as '*partners in development*': Workers cannot be partners, but only slaves of development at the ridiculously low wage of \$1.50 or \$2.50 a day. The DAP calls on the Government to take immediate action to protect the workers from exploitation by both pioneer and non-pioneer industries. If the Government is not prepared to promulgate a universal minimum wage law, then it should set up wages councils for the workers of the various categories of industrial workers and to lay down separate minimum wage rates and working conditions.

The Government, both at Federal and State levels, must set a good example to the private sector as a good employer by paying decent wages to workers in industrial projects in which they have participation. I had the occasion to take up the matter of the exploitation of workers by the Mercury Textile Berhad in Malacca, which is a joint venture between Germans and the Malacca State Development Corporation. I am glad that the Labour Minister has responded to my complaint and written to me agreeing that workers in Mercury Textile Berhad are being paid extremely low wages — some not even exceeding \$30 a month. I would like to know what action the Ministry of Labour has taken to remedy the matter.

I also call on the Prime Minister to issue a directive to all Federal and State of agencies to ensure that in all industrial projects in which they have participation, workers must be paid decent wages, which should under no circumstances fall below \$120 a month. In this connection, I would like to ask the Minister of Labour, in his reply, to furnish this House and let the public have information of a full list of industrial projects with Federal and State participation, together with information on the wage rates prevailing in each project.

### **EPF contribution and insurance**

The long-term effect of inflation and the relentless fall in the purchasing power of the Malaysian dollar must be a source of concern to all workers with regard to their EPF contributions. Let us say a worker, at the end of his working life, is entitled to \$15,000 of EPF contributions. If prices doubled during this period, although the worker gets his nominal or face-value sum of \$15,000 he would have lost one-half of the real value, i.e. one half of its original purchasing power over real goods. If prices should more than double during his working life, or the purchasing power falls by more than 50%, his real capital would be less, and what a retired worker gets will not be able to serve the purpose for which it was originally meant. This danger applies to all claimants of fixed incomes in future, like beneficiaries of insurance policies.

The Government is duty bound to see to it that workers' contributions are not eaten away by inflation, with the Government as the sole beneficiary, for it is making full use of the EPF funds to finance Government projects.

To provide a hedge against the devaluation of the workers' future savings, the Government should increase the interest rate of EPF contributions, and work out a built-in system whereby the workers' contributions would not depreciate because of galloping inflation, so that the workers can get the whole worth of their savings at the end of their working life in retirement.

Similarly, the Government must consider legislation to require insurance companies to provide for built-in adjustments to insurance holders and beneficiaries so that they can get the full real value for life and endowment policies, and not half or even less of the real values because of the effects of uncontrolled inflation. For those who are rich and with high salary incomes, of course this is not very necessary; but for those with low incomes, this is vital, because insurance is one of their long-term savings. Both these measures are urgently needed to ensure that the savings of Malaysian workers are not wiped out by continued inflation.

### **Tax Incentives for Increased Productivity**

As increased productivity should be one of the weapons in the anti-inflation battle, the Government can profitably consider tax innovations to provide tax incentives for increased productivity in industry.

### **Land Speculation Tax**

It is unlikely that the land speculation tax presently proposed by the Finance Minister would make any dent on land prices or speculation. There

are many loopholes for evasion, as by sub-division of land to below the \$200,000 figure attracting the operation of the tax.

The figure of \$200,000 should be brought down and the two-year period extended to five. Furthermore to ensure that Malaysians can own their own land and homes, the Government should introduce legislation to forbid foreigners from buying land, except for specific purposes as, for instance, industrial development.

### Quality of Life

I wish to commend the Treasury for making a preliminary start in measuring the quality of life, for economic terms like per capita income or per capita consumption have no real meaning to the people, as they ignore the question of distribution which is fundamental to the concept of the level of living of the population as a whole.

It has been the DAP's contention that despite Malaysia's economic growth, all indications point to a widening gap between the rich and the poor, and the goal of the eradication of poverty, regardless of race, is as remote as before Merdeka.

Thus, as given in Page 63 of the Treasury Report, the 1970 Census of Population Post-Enumeration Survey shows that 27% of households in Peninsular Malaysia had incomes below \$100 per month, while a further 31% had incomes between \$100 and \$200. This means that 58.3% of West Malaysian families had incomes below \$200 a month.

If we take an average of 6 persons per household, this means that 27% of Malaysians subsist on a per capita income of below \$200 a year, while 58.5% of Malaysians subsist on a per capita income of below \$400 per year — a far cry from the magic figure of \$1,166 per capita income for Malaysia.

The Survey shows that the top one-tenth of all households accounted for nearly 40% of the total income earned in the economy, while the share of the poorest 40% of the households amounted to only about 12% of the total income.

Table V of the Report shows that since Independence, there had been greater concentration of income in the hands of a few. Thus, in 1957/1958, the top one tenth of the households accounted for 34% of the total income, increasing progressively to 40% in 1970. In 1957/1958, the lowest 40% of the households accounted for a meagre 16% of the incomes, but this has shrunk to 12% in 1970.

Malaysian leaders are very proud that among the developing countries, Malaysia is in the top league as far as national per capita income is

concerned. I submit that Malaysia should be thoroughly ashamed of herself, because as far as the distribution of income is concerned, despite Malaysia's GNP and high per capita income, we are no better than the poorest developing nations.

Thus, surveys showed that for the largest three countries in Latin America — Mexico, Brazil and Argentina — 40 per cent of the total income accrues to the richest 10 per cent, and not much more than 10 per cent of the income accrued to the poorest 40 per cent of the population.

A similar pattern is reported elsewhere in Latin America. Thus in Chile, Colombia, Costa Rica, El Salvador, Panama, Peru and Venezuela, the poorest half of the population received less than one-sixth of the total income.

A survey in India, where per capita income is far below ours, shows that the richest 10% among tax-paying households received about 40% of all income whilst at the other end of the scale, half of the households accounted for about a fifth of the income.

In the Philippines, a survey early in the 1960s indicated that, as in India, the richest 10% of the population received about 40% of all income and that only a fifth of the total income accrued to the poorest half of the population.

The DAP calls on the Government to work out a strategy to reduce the concentration of wealth and income in the hands of the top 10% of Malaysians, and increase the stake of the poorest 40% in the national cake.

We should work out a ten-year plan to distribute in a more just fashion the fruits of our society, so that the top one-tenth or 10% do not account for more than 20% of the national income, while the lowest 40% of Malaysians account for at least 30% of the income.

This plan would end the ostentatious consumption we see around us in Kuala Lumpur in the midst of poverty and squalor, which testifies to the growing extremes of poverty and affluence in Malaysia — the antithesis of a "Masyarakat Adil", which the Government claims it is building.

I hope the Minister of Finance would have the courage to deal with this grave problem in his reply, and let the country know what plans the Government has to stop making a small class of new rich at the expense of creating more poor Malaysians.

In this connection, the Government's New Economic Policy objective to ensure that within 20 years the Malays and other indigenous people will manage and own at least 30% of the total commercial and industrial activities in all categories and scales of operation is no recipe for a more equitable distribution of income.

Assuming that this target is achieved in 1990, it would seem most

likely, from present trends, that this 30% of total commercial and industrial Malay participation would be owned by 2% or 3% of the Malays – while the overwhelming majority of the Malays remain poor and dispossessed. I do not think that the ordinary Malays are going to take pride in the fact that one of their numbers is rich, even though they themselves remain poor.

The Second Malaysia Plan will fail so long as its basic philosophy is to restructure the capitalist class, leaving the poor in greater poverty.

The DAP insists that the poorest 40% of Malaysians, of all races, should command Government priority and enjoy the fruits of economic growth through more equitable redistribution of incomes and wealth.

Policies which serve to distribute income more equitably must be as important as those designed to accelerate growth. Here, it would be pertinent to observe that the present inflation crisis in the country, caused by rampant profiteering, price-fixing and monopolistic practices, actually leads to a redistribution of income from the workers to the capitalists. This probably explains the inertia of the Finance Minister, for though the masses suffer, the MCA and UMNO capitalists make windfall profits at the expense of the poor. Before I leave the subject on income distribution. I hope that next year, the Treasury Report would carry more complete and comprehensive figures and information about income distribution in Malaysia. Thus the real per capita income grew by 2.8% this year, but how many Malaysians had registered real income growths at 2.8%? How many had incomes which registered no real growth? In fact, the majority of Malaysians must have found that their real incomes have fallen, wiped out by inflation, while to a tiny minority, their real income growth must have exceeded the national average by ten, hundred or even more times. These would be useful figures, for they would show the extent of continued maldistribution of income in the country. We also need data to show the form in which the national income is distributed, what percentage of it comes from salaries and wages, from earnings from self-employment, from incomes and from property.

### **Employment, Wages and Unemployment**

One of the socio-indicators used by the Treasury in assessing the quality of life, in Chapter V, is the quality of working life. I hope that in future the Treasury would also be able to give us real wage earnings in each sector of employment to show whether there is any real increase, or whether it had remained more or less static or even a reduction in real terms – reflecting that nominal wages did not rise fast enough to offset the effects of rising consumer prices as is prevalent today.

I must here confess some bewilderment at the attitude adopted by the Government with regard to the problem of unemployment. For the

past few years, the Government had expressed concern about the high unemployment rate in the country. The 1972/73 Economic Report in Page 2 said that unemployment remained one of the most serious long-run economic problems of the country. The Finance Minister seemed to have now taken a more fatalistic attitude and put the blame for unemployment on the lazy Malaysians. Thus, in paragraph 49 of his speech, the Finance Minister said:

*"If I may say so, life in this country is too easy as one does not have to strive too much to keep body and soul together, provided one does not ask too much. While this may be all right for a climate such as ours, it does make it more difficult for the Government to reduce unemployment substantially even with the best will in the world, if the people concerned are not prepared to make the extra effort to help themselves."*

The Finance Minister forgets that under his stewardship, unemployment in Malaysia has gone up from 2% in 1957 to 6.1% in 1965 and 7.3% today. It would appear that the Finance Minister is now looking for an excuse for his failure in job-creation policies, and who better to blame than the people themselves. But the fact that tens of thousands of Malaysian are prepared to slog in factories at the sweated wage of around \$2 is proof that Malaysians are prepared to make the extra effort to help themselves.

The 1973/74 Economic Report, Page 49, tries to play down the figure of unemployment, when in fact, it should be some 10% if we include a group of what the Government regards as "passive unemployment" and does not include them in the government unemployment figures. This, of course, does not take into consideration the under-employed, which may represent 25% of the total agricultural labour force.

The Report said: *"What makes unemployment a problem in Malaysia, however, is not so much its aggregate level but its distribution according to race, region and age group."*

During the debate on the Mid-Term Review, we were told that the Indians led in unemployment with 11%, the Malays at 8% and the Chinese at 7.4%. A number of Members of Parliament, including myself, raised our voice of concern at the consistently high rate of unemployment among Malaysian Indians for the last decade. The Minister of Labour and Manpower said in his reply to the Mid-Term-Review debate on the 3rd of this month, the Government took note of the high rate of unemployment amongst Indians as revealed in the Review and that it would take all appropriate measures to deal with this problem.

The Economic Report 1973/74, however, has shown a further aggravation of the situation for the Malaysian Indians, with the following unemployment rates: Indians 12.3% (as compared to 11% in 1970), Chinese 7% (as compared to 7.4% in 1970) and Malays 6% (as compared to 8% in

1970). What I want to know is why the Minister of Labour and Manpower on December 3rd withheld from this House information of the further aggravation of the unemployment position among Malaysian Indians. The Second Malaysia Plan Mid-Term Review was signed by the Prime Minister only on 20th November, the Minister of Labour and Manpower spoke on 3rd December and the Treasury Economic Report was tabled on 5th December, though it must have been completed earlier. I would like to know whether the Minister of Labour and Manpower was aware that in 1971, 1972 and 1973 the unemployment rate has been worsening, and why he has failed to deal with this problem in depth and breadth. My only conclusion is that the Government has no plans whatsoever to alleviate the economically and educationally backward status of the Malaysian Indians, particularly the estate workers. The urgency of the problem requires the establishment of a special Ministry for estates, to be responsible for spearheading the economic, educational, social and cultural upliftment of estate workers generally, and Malaysian Indians in particular.

### **Urban Poverty**

Unemployment continues to be higher in the urban than in the rural areas, aggravated by a higher rate of growth in the urban population than the rural population. Thus, in the intercensal years between 1957 and 1970, the urban population has grown annually by 3.3% while the rural population by 2.4%. My guess is that in the last five years, the urban population must have grown twice as fast as the rural areas. A good part of this increase is caused by the world-wide phenomenon, not only confined to Malaysia, of migration from the rural to urban areas.

Economists and sociologists are of the view that urban unemployment is more onerous than rural unemployment. The social tension and unrest associated with unemployment will generally be higher in the case of the urban unemployed partly because of the weaker links of the extended family system, partly because of a higher money income required to maintain the same level of wellbeing, and partly because the level of aspiration – what has been called the “demonstration effect” – will usually be more marked.

Consequently, while the transfer of the rural unemployed into the urban areas will not of itself increase the size of the labour force, it may be regarded as a qualitative worsening of the overall unemployment problem. It must, therefore, be a matter of paramount concern that the Government's policy appears to encourage unchecked migration of the rural people into the urban areas, when there is no job-creation plan which can mop up the already very high rate of unemployed in the urban areas. I call on the Government to give serious consideration to the acute problem of urban poverty, which is aggravated by the high proportion of jobless youths, and curb the rural-urban migration drift until the problem of urban poverty is checked. Meanwhile, the Government must step up job-creation opportunities in the

agricultural sector by opening up more land than it is doing at present, and the dispersal of industries to rural areas.

Finally, on the question of unemployment, the continued high rate of unemployment at 10% is indefensible from the point of view of income distribution. For this would mean that this 10% of the labour force have a zero share in the national income. As the Government planners themselves are incapable of creating full employment and give jobs to every Malaysian, then the Malaysian Government must take responsibility to assist and subsidise their livelihood from an unemployment fund. In a modern society, every man and woman must have a constitutional right to work. If he is denied that right through no fault of his own but because of the inadequacies of the national economic planners, then every such person must have the constitutional right to be looked after by the State. This is why an adequate rate of job creation must be one of the main objectives of our economic policy as unemployment is not only the principal immediate cause of poverty but also of social alienation.

### **Land Ownership**

Among the aspects of the economy that have most bearing on the wellbeing of the population and the quality of the living is land ownership and rent, which is not included among the socio-economic indicators in the Economic Report 1973-1974. The ownership of land has a direct and important influence on the distribution of income. In fact, in our society, the distribution of land, of wealth and of current income tend to parallel one another. If we are to better measure the levels of living of Malaysians, then we must have the data which can give us information about land ownership, and monitor ownership changes. I hope the omission would be made good in the next Treasury Economic Report.

In this connection, I note that in his speech during the Mid-Term Review debate, the Minister of Technology, Research and Co-ordination, boasted about \$10 million set aside for new villages under the Second Malaysia Plan. In the first place, are these \$10 million to be used productively for the socio-economic development of new villages, or is to be used as vote-getting contributions for the MCA as is the custom with the approach of every election? The figure of \$10 million for five years from 1971 - 1975 is so pitifully small that it is indeed laughable, for how can \$10 million turn 450 new villages into new growth centres with job-creating opportunities for its people? I note that if we exclude Dutuk Lee San Choon's pompous Ministerial portfolio about technology and research there is only \$3 million left for new villages upliftment. His is thus the Ministry with the lowest allocations. He gets even less than the Minister for National Unity who is given \$4 million, for doing even less. In contrast, his equal, the Minister for Rural Economy (Ekonomi Desa) gets \$132 million or 44 times that allocated to the Minister of New Villages.

It is noted by all concerned that the Minister for New Villages in his speech made no reference to my call that the three basic functions of Government are to provide jobs for the jobless, homes for the homeless, land for the landless. Let him draw up a master plan to perform these three basic tasks of Government for the 750,000 new villagers during the duration of the Second Malaysia Plan.

### **Education**

Another socio-economic indicator for assessing the quality of life is education. At present only 1.2% of those in the age group from 19 - 24 years have the opportunity to go for university education. This is too narrow a percentage and I call on the Government to increase its higher education expenditures so that every Malaysian who has qualifications and ability to pursue higher studies in Malaysia or abroad can be given the opportunity.

In the last few days, there has been a minor controversy in the University of Malaya over the intake of Malaysian students who had graduated from Ngee Ann College and other institutions into Diploma of Education courses. I call on the Minister of Education not to succumb to pressure but to take an enlightened approach permitting Malaysians from foreign institutions to be re-absorbed into the mainstream of Malaysian education and national development.

### **Economic Prospects**

Malaysia is enjoying a prosperous year as a result of the boom prices for all our exports, which were strongly in the industrialised economies, namely the United States, Western Europe and Japan, which were all experiencing boom conditions at the same time.

Malaysian exports soared by 42% in 1973 over 1972, with rubber providing the lead with the record export performance with a jump of 73% in export earnings over 1972; timber exports were up by no less than 115%; tin prices also soared reaching their highest level ever.

The industrialised countries, however, have reached the crest of the present boom, and world-wide recession is expected to set in. Thus Japan, the fastest growing economy in the past decade and Malaysia's leading trading partner, may record zero real growth during 1974. Compounded by the growing energy crisis, production in the industrialised economies would be restrained further.

Malaysia cannot escape from the slower economic growth and continued countries, as our exports and economy are at present very closely linked with theirs, causing lower prices for our exports, lower incomes, greater unemployment, greater inflation and a No. 1 economic crisis. In such a situation, the poor would be the worst hit, for they would be caught between the prices of falling incomes and rising prices.

I suggest that Malaysia should reduce her export dependence on Japan and the West. At present, two-thirds of our exports go to the United States, Europe, and Japan and only one-third to other destinations like the People's Republic of China, the USSR and Eastern Europe.

In view of the impending world recession in the United States, Europe and Japan, Malaysia should redouble her efforts to diversify our export markets and reduce our over-dependence on the traditional markets by exporting more to the People's Republic of China, the USSR and Eastern Europe.

A recent press statement from the Rubber Research Institute of Malaysia showed the possibilities in this field. The burden of this statement was that the ties between the technologists and scientist of China and RRI, started in August 1971 followed by a mutual exchange of visits, were paying off.

China purchased the largest amount of SMR (8,700 tons) for the month of October, 1973, pushing the USA, the erstwhile biggest importer of SMR since the inception of the scheme in 1965, to second place. I suggest that Malaysia should launch a high-powered drive to sell more exports to China as part of our contingency plan to minimise the effects of the impending world recession on us. Of course, to be fully effective, full diplomatic relations should be established between Malaysia and the People's Republic of China.

A second proposal I commend to the Government is to set up a special task force to make Malaysia the world's largest producer and exporter of rubber-based products. It is indeed a sad commentary on Malaysia's economic management that although we are the world's leading producer of natural rubber, our manufactured rubber products still constitute only 3% of manufactured products. I do not see why with determination, imagination, verve and foresight, Malaysia cannot produce tyres, not just for our own internal market or for just limited neighbouring markets, but for the whole world.

Thirdly, Malaysia must concentrate, instead of import-substitution on export-substitution. By export-substitution, I mean the substitution of the existing exports of the raw materials. Both in timber and palm oil, there are still great potentialities to be seized.

Malaysia is rightly proud that timber (both sawn logs and sawn timber) has over-taken tin as the second largest export earner contributing 22% to merchandise exports, as compared to 13% from tin. In fact, timber is expected to overtake rubber as the main pillar of Malaysian exports. However, we are paying a very great price for this growth, a price we could have avoided if the Government leaders had greater foresight and political will in preventing indiscriminate logging, upsetting the ecology of the country, leading to perpetual great floods in the country. We are now in the midst of one and the sufferings of tens of thousands of flood victims must be laid on the conscience of the Alliance Government.

# ON A NATIONAL OIL POLICY

*"We must formulate a national petroleum policy with two basic aims:*

1. *To generate a cheap and fundamental source of power to bring about enormous economic and technical changes, a fuller electrification of the rural areas and cheaper goods and lower cost of living in the country.*
2. *To benefit Malaysians and not foreigners or multi-national oil corporations."*

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Speech on the 1974 Ministry of Primary Industries Estimates on January 8, 1974

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Oil has recently been very much in the news, not only in Malaysia, but throughout the world.

After the Dewan Rakyat adjourned on Dec. 21 for the Christmas and New Year recess, the Minister for Primary Industries announced the same night government approval for price increases for petrol, diesel and fuel oil. Premium grade petrol went up by 34 cents a gallon, regular petrol 24 cents a gallon; gas oil and diesel 11 cents a gallon, and fuel oil 5 cents a gallon.

These are pretty hefty increases, and set in motion a new round of increases in transportation and haulage costs and price rises in a whole range of goods, the end of which we have not seen yet.

The Minister for Primary Industries, when making the announcement of price increases for the oil products, said that the increases should not contribute to higher prices for manufactured products and he said that the government would deal severely with any attempt at profiteering. Such government assurance is hollow and meaningless.

For what powers has the government to stop manufacturers from raising their prices. The government has neither the powers nor the political will to be tough against profiteers, whether foreign or local capitalists.

Kerosene is a good example. Although the Minister said that there should be no increase in the price of kerosene at 71 cents per gallon, the fact is kerosene has gone up by 10 cents a gallon. The Government has only proved its impotence to maintain its own price levels.

We are now told that the Government proposes to include kerosene as one of the controlled items. I have great reservations that kerosene can be bought at 71 cents a gallon, unless the government is prepared to take firm action to help the poor, who are the worst hit by increase in kerosene price.

In fact, events of the past weeks have shown that even in items subject to price control, the government has not been able to maintain the controlled price, or ensure adequate supplies.

Thus, flour throughout the country have been sold under the counter at 35 cents to 40 cents a kati, and not at the 30 cents controlled price. Even at this higher price, flour is not readily available in sufficient quantities to meet the demands of housewives to prepare for the coming festivities.

I know that flour does not come under the Ministry of Primary Industries. I am mentioning this to show that government assurances about preventing a chain of new price increases after it has approved a new price increase for a particular key product, like petroleum, has invariably failed.

Two days after the announcement of these price increases, the Persian Gulf oil-producing countries announced that from January 1 this year, the price of oil would go up by a further 112 per cent. As a result, the five of the seven international oil majors who among themselves monopolised the entire Malaysian oil market are in conference for another round of price increases for their petroleum products, at even higher rates than the December increase. These five multi-national oil corporations which monopolised the Malaysian oil market are Shell, Esso, Mobil, British Petroleum and Caltex.

In allowing the December oil price increases, the Government has failed to take all relevant considerations into account with a view to benefit the Malaysian masses.

The government acted as judge in approving the oil increases. But it heard only the collective representations from the oil monopolies, and gave no 'fair hearing' to the consumers and the public. This one-sided approach can only give rise to questions as to whether the government was in command of the full facts about the complexities of oil pricing policy before giving the approval, or whether the government had collaborated with the oil companies against the interest of its citizens.

If the government is acting on behalf of citizen interest, then why should the whole matter of oil increases be shrouded in such great secrecy, which can only benefit the oil monopoly companies?

There was a report that the Ministry of Primary Industries had asked each company to present its own case as to how prices should be raised, and that the five oil companies had no prior consultations with one another as a deliberate policy to allay fears of collusion and to avoid arousing anti-trust feelings.

I do not know on what basis this report was made, whether it came from a source in the Ministry of Primary Industries or from the oil companies. But I am surprised as to the extent to which some persons can be so naive and gullible.

If we take the trouble to study the behaviour of these international oil majors, not only in Malaysia but in various parts of the world, we will find out that these international oil majors, sometimes called "The Seven Sisters", had colluded in various parts of the world to maintain the maximum profit levels and profit margins in pursuit of their goal of profit maximisation. As responsible Malaysians, we must assume that the five Multi-national oil corporations will act true to character and would seek to collectively fix as high a price level as possible, whether such meetings were held in Malaysia or outside.

The Ministry of Primary Industries should in future tear away the shroud of secrecy attending such discussions and requests for oil price increases by the international oil companies, and give the consumers and public a fair hearing of their objections to any proposed price increases.

Only then would the Ministry of Primary Industries be seen as acting as an impartial judge in holding even the competing interests of the oil companies and the consumers, and not as at present, to be a government for only the oil monopoly companies.

Before the government approves another round of oil price increases, I would like to submit to the government's consideration three aspects which it should have taken into account before approving the December oil increases. The government should consider all possible ways and means to avoid oil price increases, because of its highly inflationary effects, especially at a time when inflation has become the No. 1 economic problem in Malaysia running at over 10% this year.

The government should endeavour to avoid oil price increases by considering:

1. Reducing the government duty on petroleum products;
2. Compelling the international oil monopolies to absorb the increases; and
3. Substituting the import of Persian-gulf oil by making use of our own oil production.

#### **1. Reduction of government duty on petroleum products**

The government imposes a very heavy duty on petroleum products, so much so that some 60% of the price of petrol paid by the consumers go to the government's coffers.

The government should do its part in stabilising the present price of petroleum products by reducing its petroleum duty.

#### **2. Compel the oil monopoly companies to absorb the price increases**

The five international oil majors which monopolised the Malaysian oil market had made great profits in the past, and they can well afford

to absorb the increased costs of selling oil in Malaysia.

Thus, one of the five international majors, Esso, made a net profit of \$47 million in the five years from 1968 – 1972.

What the oil companies want to maintain is as high a profit margin as before, if not higher. The government should impress on the multi-national oil corporations that they should not blindly pursue the goal of profit maximisation, regardless of the harm to Malaysia. The oil companies have a responsibility to Malaysia to help contain inflation and should be satisfied with a lower margin of profit.

When I asked earlier whether the government, in approving the oil price increases in December, was in command of all the facts and data pertaining to the economics of oil pricing, I was not trying to disparage the competence or efficiency of Ministry of Primary Industries officials.

On the other hand, it is a well-accepted fact that the oil monopoly companies keep their oil pricing policies a well-guarded secret, and many governments and countries were overcharged for their petroleum products without knowing it. India is a good example, and she discovered this by accident.

In studying the requests for oil increases, the government must not only look at the operations of the multi-national oil corporations in Malaysia, but in its international context.

For the net profit of a Malaysian affiliate of any of the multi-national oil corporation is only a part of the total profits made by the international oil major from the Malaysian operations.

Thus, the Chairman of Esso, in his 1972 Annual Report, said that for 1972, the company made a net profit of \$13.1 million, which was a modest 9.4% return on capital employed.

In actual fact, the real annual rate of return on the investment is very much higher than 9.4% and the net profit is very much more than \$13.1 million.

Although the Malaysian affiliate of any of the five international majors is concerned only with refinery and marketing operations, we must not forget that it is part of the international oil major's world-wide monopolistic control over oil.

A characteristic of the economics of the international oil industry is that profitability in the industry basically stems from the sale of crude oil.

A study a few years ago estimated the production costs of crude oil in the Middle East at US10 cents per barrel.

At that time, the price of crude oil per barrel was less than US\$2. This was before the recent series of price increases, which has brought the price of crude oil upwards by ten-fold. However, the increases in the price of crude oil barrel arises from the demand from the Arab oil-producing countries for a greater take from the oil revenue, and not because of any appreciable increase in the production cost of crude oil.

Historically, the principal mechanism which has served to buttress the international oil majors' monopolistic control over the world's crude oil has been their high degree of vertical integration. That is, by ownership of affiliated refining and marketing companies in various oil-importing countries, each company has secured 'captive' outlets for the highly profitable crude which cannot be won away by competitors.

The essential point about an affiliate in any country is that its need must, by the very logic of international corporation, be subordinated to profit maximization for the company as a whole. For the parent organisation to operate the affiliate in any different manner would be out of character of the behaviour and ethos of multi-national corporations, which are concerned with the total profits of the corporation rather than with an individual affiliate's position.

Thus, the affiliate companies are charged higher prices by the parent company than would be paid by independent companies, not only for crude oil, but also for transportation, managerial services, etc.

In this connection, it is worth noting that the international oil majors own outright close to 40 per cent of the world oil tanker fleet, and they charged inflated rates which are over and above the prevailing shipping rates.

Thus, the affiliate companies, in other words, the consumers of the oil-importing countries, are overcharged at every stage of the petroleum process. Thus, the profits that a multi-national oil corporation makes is not merely the profit of the refinery and marketing operations, but also from the crude oil, transportation, managerial service which is more significant.

In this connection, we can learn from the lessons of the first major oil refinery in Thailand. It was reported by the Far Eastern Economic Review on March 20, 1964, that the Thai refinery, backed by Shell, was to be operated for 10 years by the Thai Oil Refinery Company after which it would be handed over lock, stock and barrel, to the Thai government. Shell experts estimate profits conservatively at around US\$2 million a year.

The estimated capital cost of the refinery was \$28 million (US) and a \$2 million a year profit would only be a seven per cent per year return on this investment (as compared to the 9.4% return reported by Esso last year).

One study indicates however that the key to the major's seeming largesse lay in the crude oil profits to be derived from this 40,000-barrel-per-day refinery. Even taking a conservative figure of US\$5 cents per barrel as after-tax profit, the crude oil profits for this refinery would amount to about US\$7.5 million per year, or over a ten year period almost three times the initial investment.

The real annual rate of return on investment would thus be over 30 per cent per year rather than the 7 per cent. Moreover, after the ten year period was up and the government owned the refinery, there would still be a hope of being allowed to continue as crude oil suppliers, particularly since the company was the 'donor' of the refinery.

I do not know what has happened to this refinery, with the recent announcement of government takeover of oil marketing operations by the Thai government, but this should make the government and the people more cautious of sugar-coated multi-national corporation operations and projects.

For decades, the international oil majors had made billions of dollars for themselves and their countries, especially the United States of America, by on the one-hand, denying the Arab oil-producing countries their rightful share in the revenue from their oil resources; and secondly, by overcharging the consumers in oil-importing countries through their monopolistic manipulation of prices on crude oil, transportation, and other stages of the petroleum process through their affiliate refineries and marketing organisations.

Now, the Arab oil-producing countries have united to demand a more equitable take of their oil earnings. All that the international oil majors would do is to pass on the increased price to the consumers in the oil-importing countries while maintaining their high profit margin, if not increasing it further.

It is time that the oil-importing countries, especially in the under-developed countries where such monopolistic price-fixing is more prevalent because of the overwhelming monopoly position of the international oil majors, get together to re-examine the entire oil pricing policy of the multi-national oil corporations, not only at the refinery and marketing levels, but also the preceding levels concerning the prices of crude oil, transportation, managerial services, etc.

Malaysia on her own should conduct an inquiry, to ensure that Malaysians are not made to slave for the profits of multi-national oil corporations and foreign economies.

In this connection, I would suggest that the government establish an Oil Industry Commission, to publicly go into the whole question of oil pricing at every level by the multi-national oil corporations, in Malaysia. Let the international oil majors, Shell, Esso, Mobil, British Petroleum and

Caltex, produce facts and figures to the Malaysian public to justify their present oil price levels.

I am convinced that if the Malaysian affiliates of the international oil majors are made to behave as responsible corporate citizens of Malaysia, and not to exploit Malaysian consumers for the greater profits for the parent corporation, there is considerable room for the oil companies to absorb the increases in the price of crude oil.

The Malaysian government must put the interests of the Malaysian consumers before the interest of foreign companies and multi-national oil corporations and protect Malaysians from the monopolistic practices of the oil combines.

If the oil companies would not act as responsible corporate citizens, and help to contain inflation by settling for a lower profit margin, then the government must be tough and break their monopoly practices. The DAP will support the government all the way in such anti-trust measures. Another way to break this monopoly is to permit the independent oil companies, what is called the international oil minors, to come into the Malaysian market to break the monopoly of the five of the "Seven Sisters".

The Prime Minister, the Deputy Prime Minister and the Minister for Primary Industries have repeatedly said that Malaysia need not worry about our oil supplies, because Malaysia is one of the most favoured nations recognised by the Arabs.

Here, I would like to ask whether the Minister is aware that although there should be no drop in oil supplies because there is no cut in our normal requirements, the various oil companies in Malaysia have started cutting down supplies to their dealers. Thus Shell has imposed a reduced quota on lubricants, while British Petroleum and Caltex are reducing petrol supplies to the dealers.

The Ministry should immediately cause an investigation to be made to find out why petroleum supplies to the dealers and consumers are being slashed by the oil companies, when there should not be any drop of supplies. This is not a responsible corporate behaviour.

### **3. Substituting the import of Persian-gulf oil by making use of our own oil production**

The third method to stabilise and even bring down the oil prices in Malaysia is to substitute Persian-gulf oil by making use of our own production.

Malaysia produces 100,000 barrels of petrol and fuel a day, while we consume some 85,000 barrels, in other words, we have a daily excess of 15,000 barrels from our daily consumption needs.

It is estimated that with more oil strikes and natural gas finds, we will be producing about one million barrels a day by the end of this decade.

Unfortunately, Malaysian consumers are not benefitting from the fact that Malaysia is producing more oil than she needs, for we export the oils that we produce while import those that we need.

We must formulate a national petroleum policy with two basic aims:

1. To generate a cheap and fundamental source of power to bring about enormous economic and technical changes, as fuller electrification of the rural areas and cheaper goods and lower cost of living in the country.
2. To benefit Malaysians and not foreigners or multi-national oil corporations.

Oil found in Malaysia should benefit as broad a mass of Malaysians instead of only foreign oil companies and government revenue.

As it is now, Malaysians are not benefitting in any degree from Malaysia's own oil production, and we are no different from a non-oil-producing country like Singapore.

The Minister said over the weekend that the prices of oil in Malaysia and Singapore should be small enough so as not to give rise to any smuggling is completely without logic and indefensible. By this argument, then we should jack up our price of rice to the Singapore levels.

The government said that our crude oil productions are not suitable to domestic requirements as our demand lies in the heavier types of fuel oils whereas our crude oil produces a greater percentage of the lighter type of oil such as gasoline.

I call on the Ministry of Primary Industries to work out a new oil strategy aimed at reducing the cost of living of Malaysians and better the living conditions of the people, comprising of the following elements:

- (i) progressively reduce oil imports from the Persian Gulf states;
- (ii) set up refineries to process our own crude to supply domestic requirements; and
- (iii) make use of our own high-grade petroleum products for the establishment of petro-chemical industries to produce fertilizers, plastics, textiles, etc.

The proper utilisation and exploitation of our own oil resources can make great contributions to agricultural development and industrial growth. Thus, if we aim to increase the production of food and economic crops, we must plan a stepped-up increase in the consumption of fertilizers, and this is where our own petro-chemical industry based on our own oil resources come

I think the existing five multi-national oil corporations who have monopoly of the Malaysian oil market would not be happy to see Malaysian refineries processing our own crude, for this would threaten the profits of their international parent company from highly-inflated charges for crude and transportation. It is, however, the government's duty to look after Malaysian interests, and not the interest of the parent companies of multi-national oil corporations who have in any event not only recovered their original investments, but made great profits already.

By increasingly reducing our dependence on oil imports, exploiting to the full our crude oil production both for local consumption and for the development of a petro-chemical industry, Malaysians should be able to get not only cheaper petrol and fuel oil, but even cheaper fertilizers, plastics, man-made fibres and a whole range of other products, and earn foreign exchange from the export of petro-chemical products.

It is thus apparent that there is considerable room for the government to manoeuvre to avoid price increases for petrol and oil.

There can be no justification for any new price increases and there is no valid ground for the December increase that was approved by the government.

Before I leave the subject of oil, I wish to caution the government not to mortgage away the heritage of Malaysians by giving multi-national oil corporations and other foreign interests predominant rights over Malaysia's oil resources.

The government is entering into production sharing agreements with the international oil majors, and from the reported terms of such production sharing agreement signed between the government and the Mobil Malaysian Sdn. Bhd. and three others recently, the agreements do not seem to be weighted in Malaysia's favour.

The government must seriously consider nationalising our own oil resources, i.e. the government itself exploiting and developing our own oil resources. If international oil companies are to be permitted to exploit and develop Malaysia's own oil resources, then Malaysians must be given effective control over, and an active role in, both the ownership and management of the oil production operations. And if this control and this active role is to mean anything, it must be overriding control and role.

There is no doubt that Malaysia needs greater local expertise, technological know-how and specialised knowledge about the complexities of oil economics and technology, if we are to fully benefit from our oil resources, and not to be misled by the multi-national oil corporations.

Last weekend, the Minister received 60 books on petroleum as a gift from the Asia Foundation. The Minister is probably unaware of the ironic implications of this gift, for it means that although Malaysia is producing

100,000 barrels a day, and hopes to produce one million barrels a day by the end of this decade, we still need a gift of 60 books on petroleum from the Asian Foundation. It highlights the paucity and scarcity of petroleum knowledge and information in the Ministry, which must be quickly remedied if we are not to be outwitted by the international oil-men.

In this regard, I propose that the government set up a petroleum institute to train Malaysians in all fields of oil economics and technology, so that Malaysians are full masters of our own oil resources.

Such an institute will also be able to bring into existence a responsible public opinion versed in oil affairs, by educating the people on a thorough understanding of the workings of the oil industry so that Malaysia's oil interests can be properly safeguarded and advanced.

In this field, Malaysia should not rely solely on the international oil majors or the American and Western European states for help, but should draw help from all countries, including China, Soviet Russia, the East European States, the Arab states.

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Speech on the 1975 Budget on November 20, 1974

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The DAP welcomes the long overdue separate income tax assessment for working wives and the removal of the absurd arrangement whereby a married couple pays more tax than two single persons with the same earnings. We are particularly happy because this had been one of the issues in the DAP 1974 General Elections Manifesto.

However, the income tax laws need a thorough overhaul if it is to serve the objective of creating a more just and equal society through a fairer distribution of wealth and income.

I am told that when compared with other countries like India and Pakistan, the average tax rates applicable to a single person at low levels of income, say below \$10,000 per annum, are higher in Malaysia while beyond a level of income equal to \$15,000 a year, average tax rates in Malaysia are lower than other countries. In other words, the lower incomes are taxed at a higher rate while higher incomes are taxed at a lower rate, compared to other income tax structures. This is surely inequitable and not in accordance with the declared objective of creating a fair and just society.

Thus, in removing totally the abatement of income tax in Sabah and Sarawak, as proposed in the present budget, what is introduced is not so much harmonisation of taxes as the extension of an inequitable income tax to our brethren in Sabah and Sarawak.

Despite the separate assessment for income tax for working wives, therefore, a complete restructuring of the Malaysian income tax laws is urgently needed. Such restructuring should provide for an enhanced rate for persons drawing \$20,000 and above per year, while those below \$15,000 or less should have their income tax burden reduced.

One great injustice is the antiquated income tax reliefs for individuals and their dependants. When explaining the reasons for the \$10 increase for the motor cycle road tax from \$40 to \$50, the Minister of Finance said that the old rate had been in force since 1959.

But income tax reliefs had remained unchanged since 1947 when the Income Tax laws were first enacted. In fact, the position had worsened.

At present, the income tax relief for an individual is \$2,000 (and 10% of earned income not exceeding \$1,000 in the case of business partnerships), \$1,000 for the wife, \$750 for the first child, \$500 each for the second and third children and \$300 each for the fourth and fifth children.

A person who earns \$2,000 a year, or roughly \$167 a month, in 1947 is a very different kettle of fish from a person who earns \$2,000 a year or \$167 a month today.

I have been told by the older generation that a person who earns \$167 a month in 1947 is a fairly high-grade and important person, who is equivalent, in purchasing power, to a person who is drawing \$800 a month or \$10,000 a year.

A person who draws a monthly salary of \$167 a month in 1947 could not only support a big family, including his aged parents, but also employ two servants. At that time, rice was about 28 to 30 cents a *gantang*, as compared to \$3.60 today; sugar 12½ cents a *kati* as compared to 55 cents today; and a tin of milk 15 cents as compared to 75 cents today.

In other words, a person drawing \$167 a month in 1947 belonged to a well-to-do class who can well afford to pay income tax, while a person who draws a salary or income of \$167 a month in 1974 belongs to the lower and poorer strata in society who have great difficulty in making ends meet, let alone daring to think of employing any servants!

Yet, a person who earns \$167 a month today has to begin to pay income tax if he is not married, while a person who in 1947 draws \$167 a month (which is equivalent to about \$800 a month income today) need not pay income tax.

This was because in 1947, when the Income Tax was first introduced, the relief for an individual was \$3,000, with a \$2,000 relief for the wife, \$750 for the first child, \$500 each for the second and third children, \$300 each for the fourth and fifth children, and \$200 each for the sixth, seventh, eighth and ninth children.

It was in 1960 that the rates of reliefs for individuals and the dependants were slashed to the present levels, and in spite of the ravages of inflation on the purchasing power of the incomes of the low-income groups, no adjustments have been made to alleviate the burden of the low-income groups.

The antiquated income tax relief system is the most glaring injustice in the country's taxation laws, and which should be updated and increased without any more delay, to keep faith with the government objective to build a more just and equal society.

It is my party's view that the income tax relief should be increased drastically to provide the low-income groups with a sufficient margin of retained earnings to keep falling living standards at bay. The income tax reliefs for individuals, their wife, and children should be doubled, if not trebled, so as to increase minimally, the relief for individuals to \$4,000, the wife's relief to \$2,000 a year, and for the first child, \$1,500 the second and third children each \$1,000 and the fourth and fifth children each \$600.

I need only to give one further instance to show the urgency and equity of such income tax reforms. At present, a wage earner will have to spend between \$2,500 to \$3,500 to pay for his child's post-secondary education.

in private institutions (and there are more and more such cases with limited school places) like form six classes, and it is only equitable and just that the income tax relief should bear a realistic relation to such expenditures which will in the long run be beneficial to the country.

In fact, I would seriously suggest that there should be a more enlightened and liberal tax rebate for education of the young, and the present restrictive system in this regard should be completely restructured to embrace all the legitimate educational expenses of dependent children.

Human beings are economic agents and their productive efficiency depends on what has been invested in them to develop and train their innate skills and abilities; more than this, their contribution to the social well-being of their fellow citizens depends on their social training and development. When the responsibility for ensuring that the abilities of children are developed to the full rests with parents, and this is becoming more and more so at the post-secondary and tertiary levels of education, there is an overwhelming case for the State to create conditions in which as far as possible the lack of parental income is not an obstacle to the achievement of social objectives.

#### **DAP calls for a Royal Commission on Taxes**

It is clear that despite the oft-declared objective of the Second Malaysia Plan to 'eradicate poverty', the tax system in the country has not been restructured to play an active and dynamic role to redistribute wealth and income to bring about a more equitable society.

In this connection, I seriously call on the Minister of Finance to introduce a **wealth tax**, for the excess profits tax, for instance, does not take into account properties and holdings and does nothing, therefore, to redistribute wealth.

The DAP proposes the establishment of a Royal Commission on Taxes which should study and recommend drastic structural changes in the tax system to ensure that it becomes a dynamic and active instrument in bringing about a fairer distribution of wealth and income; propose new taxes which can be levied to shift the taxation burden to the higher income groups as at present only 28% of the total taxation is accounted for by direct taxation. The Royal Commission should in particular recommend restructuring the income tax laws, and reform the income tax reliefs and rates to ensure that income tax should not be levied on any income which is insufficient to provide the recipient with subsistence at a level to sustain health, efficiency and wellbeing, for himself and his family.

# THE WEAKENED RINGGIT

*"There has not only been a reduced foreign investment inflow, there has been an outward movement of domestic capital abroad in recent months. And it is generally believed that Barisan Nasional leaders, not only are sending their children abroad to be educated, but are sending their wealth abroad for safe-keeping".*

*"In a Ministry of Health tender an international pharmaceutical firm may put in a tender of \$1 million for medical supplies and materials. At the same time, this firm would get the help of a bumiputra who lends his name to put in another tender for \$1.1 million. The tender is awarded to the bumiputra tender, and the extra \$100,000 public money split up probably 50-50 between the international firm and the bumiputra who lends his name.*

*"In this manner, the international firm makes more money while the public has to pay more. I submit this system cannot help one iota to uplift the poor Malay masses, but can only put the country into greater economic hardships and create a parasitic class of new and unproductive rich."*

*"We see here (the Kuala Sungai Baru Sri Lingga scandal) the face of capitalist greed of the bumiputra variety, which is no different from the non-bumiputra variety, and shows that capitalist exploitation and ruthlessness, like poverty, transcends race lines."*

## Speech on the 1976 Budget on November 10, 1975.

Malaysians can still remember that after Malaysia terminated the Currency Interchangeability Agreement with Singapore on May 8, 1973, and the float of the Malaysian currency on June 21, 1973, Malaysian Ministers and leaders did not miss a single opportunity over radio, television and through the Press to point to the appreciation of the Malaysian Ringgit vis-a-vis the Singapore dollar as proof of the strength of the Malaysian currency.

The Budget speech of the former Finance Minister on 5th September, 1973 and the accompanying 1973-1974 Treasury Report also gloated about the strength of the Malaysian Ringgit vis-a-vis other currencies. I am surprised, therefore, that the Honourable Finance Minister makes no reference whatsoever to this important question in his Budget speech, although, confining himself to "broad developments, trends and policy issues" in view of the accompanying Treasury Economic Report 1975-1976.

But in view of the former claim of the Government Ministers and leaders that the appreciation of the Malaysian Ringgit vis-a-vis Singapore dollar indicate the strength of the Malaysian Ringgit, in the absence of further explanations and clarifications from the Government, the people cannot be blamed for having the widespread impression that the depreciation of the Malaysian Ringgit vis-a-vis the Singapore dollar and that of the US

Dollar and the Japanese Yen indicates weakness and instability of the Malaysian Ringgit.

The Government has retreated behind standard technical explanations, namely the international money market forces of supply and demand, to explain the depreciation in value of the Malaysian Ringgit.

This retreat into economic language, which does not give the full picture, will not be sufficient to convince Malaysians about the factors for a weakened Ringgit. The Malaysian public, though no economist, knows that while a buoyant economy, with a rapid rate of growth, sound fiscal machinery and political stability would strengthen a currency, a deteriorating economy and a corrupt, inefficient Civil Service, together with unstable social, political and security conditions, would send the currency plummeting down the chart of world currencies.

The question ordinary Malaysians want to know is why there is a fall in demand for the Malaysian Ringgit resulting in the fall in its value.

Economists group into three great categories the reasons that impel people to exchange currencies.

The first and most obvious category of international remittances is in respect of ordinary trade, which includes not merely the purchase and sale of goods that can be seen and handled, but also the purchase and sale of services. In other words, both visible and invisible trade.

The second great category relates to movements of capital and interest of capital. And the third category is that of speculative transactions where people may wish to acquire the Ringgit for no reason other than their belief that the Ringgit is about to rise in value relative to other currencies or to exchange them for other currencies because they fear that it is going to fall in value.

In my mind, all these three factors exist and combine to weaken the strength of the Malaysian Ringgit.

Firstly, the international recession caused Malaysia's balance of payments position to deteriorate and the net international reserves are estimated by the Treasury to decline by about \$100 million by the end of 1975, after seven consecutive years of reserve build-up. The traditionally strong merchandise account went into a deficit for the first time due to the sharp decline in export earnings as the major export commodities suffered sharp deteriorations in prices and export volumes. Although imports weakened due to falling domestic demand, it declined less rapidly than exports while import prices at the same time continued to increase. The deterioration in the terms of trade is, therefore, expected to be fairly substantial.

We are told that the account on goods, services and transfers or the current account, for the first time is estimated to register a deficit of over a billion dollars.

Secondly, there has, on the one hand, been reduced investment inflows, while, on the other hand, an outward movement of capital from the country.

Latest estimates point to an increase in private investment of only 2% in current prices compared to an increase of 55% that took place in 1974. Thus, total fixed capital outlay reached \$2,520 million in 1975 and constituted about 13% of the G.N.P. In real terms, however, private investment is estimated to have declined by 5% compared to the increase of 37% in 1974, and the Budget estimated increase of about 4%.

This is due not only to the generally sluggish private investment because of depressed world economic conditions, but because of the shying away of foreign investment from Malaysia. It was this reason which prompted, I believe, the Honourable Finance Minister to address himself directly to foreign investors in the Budget speech when he said that the Government "welcomed and indeed encouraged" private investment, and added:

"It may be however, that some uncertainty has been due, in some cases, to the interpretation and implementation of certain policies. In these cases of doubt, investors should seek clarification from the Government. It will be unfortunate if investors form the impressions of Government's attitude to private investment on the basis of rumours."

It was this reason, again, which prompted the organising and holding of the recent Malaysian Investment Seminar in Kuala Lumpur and other such-like seminars in European capitals.

While both domestic and foreign investors have understandably been agitated by the passage, without prior consultation of the industrial sector, of the Industrial Coordination Act, and while the Government has turned a deaf ear to calls for its repeal, it is dubious how successful the Government has been in regaining the investors' confidence about the investment climate, conditions and future in Malaysia.

In fact, there has not only been a reduced foreign investment inflow, there has been an outward movement of domestic capital abroad in recent months. And it is generally believed that Barisan Nasional leaders, not only are sending their children abroad to be educated, but are sending their wealth abroad for safe-keeping.

This brings us to the third factor causing the Ringgit's weakness, namely the psychological factors causing loss of confidence in the currency arising from perceptions of political, social and security instability of the country - which is the bigger cause of the reduction of investment inflow and the outflow of Malaysian capital.

Following the communist successes in Indo-China early this year, there has not only been an intensification of the jungle guerrilla warfare,

but the beginning of an urban guerilla warfare. This battle and challenge of the Malayan Communist Party can be won only by winning the hearts and minds of the people. The Finance Minister, in his Budget speech, has confessed that "we have not yet achieved national unity".

In Malaysia, there is at the same time an aggravation in the polarisation of races and polarisation of classes, arising from the obstinate refusal of the Government to accept in principle and practice that Malaysian nation-building can only be firmly established by policies which recognise the fact that Malaysia is a multi-racial, multi-lingual and multi-cultural society, and that the first priority of the Government should be to help the poor of all races.

The perceptions of political, social and security instability is also strengthened by the failure or inability of the Government to stamp out corruption, especially those stemming from high public positions, abuse of power like the arbitrary and unjustifiable detention of Datuk James Wong and others, the alienation of the student community by the Government, and the consequent repressive laws taken by the Government; the constant erosion of democracy and human rights of citizens.

Lately, the Government's promulgation of the Essential (Security Cases) Regulations which so drastically abrogated the legal, constitutional and human rights of Malaysians, dealt a serious blow to the Rule of Law, and can only further confirm these perceptions about the political, social and security instability of Malaysia.

Economic development and progress is inseparable from political and social stability, and it is in these fields that we would want the Government to be more perceptive, more open-minded and more sensitive to the legitimate and nationalistic aspirations of Malaysians, who now feel alienated, neglected and excluded from the mainstream of Government concern.

### **Poor Economic Performance**

On 27th October, ten days before the Budget presentation, the Honourable Prime Minister, in a keynote address to the Malaysian Investment Seminar in Kuala Lumpur, designed to regain the confidence of private investors and to re-establish credibility of local institutions, said that the Malaysian G.N.P. is expected to achieve positive growth between 2 to 4 per cent in real terms.

Yet, ten short days later, on November 6, the nation and the world was shocked to be told by the Honourable Finance Minister that Malaysia's G.N.P. grew by about only 1% to 2% in real terms this year.

What happened between October 27 and November 6? This incident is not calculated to enhance international credibility about the pronouncements of our leaders.

The Malaysian economy performed poorly this year, a big fall from the 5% growth in real G.N.P. for 1975 estimated in the 1974 Budget last November.

Although the unexpected prolongation of the world recession was an important cause for this dismal showing in the economy it is misleading and erroneous to put the entire blame on international factors as the Treasury is doing.

I submit that the G.N.P. in real terms would have been one or even 1½% more, if the Government had wielded the big axe, pruned and excoriated economic mismanagement, inefficiency, waste and rampant corruption, which introduces an element of irrationality in economic planning and fulfilment and impedes economic performance.

For instance, Federal Government investments and loans to public authorities and other bodies increased substantially during the Second Malaysia Plan period. In line with the strategy of the New Economic Policy of direct participation in commerce and industry, the Federal Government has invested large sums of money in about 24 public authorities and companies over the last five years. Loans to States, public authorities and companies have also increased substantially during that period with the creation of a number of statutory bodies and companies to implement the New Economic Policy.

According to the Treasury Economic Report, as at the end of 1975, Federal Government investment in these bodies would have stood at \$829 million. Total loans outstanding granted by the Federal Government to public authorities, States, State Economic Development Corporations and companies stood at \$3,136 million in 1974.

Loans to State Economic Development Corporations (S.E.D.C.s) will reach \$276 million in 1975. Almost all these loans are granted on very easy terms and involve a large element of subsidy.

There are, however, no effective monitoring mechanism to control and check the spending of these public funds. Many of them are making losses, and are even unable to meet the principal and interest commitments due to the Federal Government. In most cases, published information about their results is scarce and tardy and there is little attempt at financial control. The S.E.D.C.s, for instance, are required by law to make annual reports to their respective State Assemblies, but this is more honoured by the breach. Many of these public authorities which wield astronomical budgets are badly planned and extravagantly managed. This is good money down the drain, a colossal waste of public funds and resources.

I am all for public authorities to speed up economic development to help the poorer strata of Malaysians, but they should not be excuses for creating an elite of Government managers, whose outputs are not matched by the inputs of hundreds of million of dollars of public funds allocated to them.

Let every public authority and company in receipt of public funds and even loans, like PERNAS, Bank Bumiputra, Malaysian Airlines System, etc. be required to be accountable every year for their stewardship, and in this connection, as vast public funds are involved these public authorities and companies should come either within the purview of the Public Accounts Committee of Parliament or a special Parliamentary Committee on Public Authorities and Companies to scrutinise their management of public funds.

Any company or authority given a \$100 million would be able to show some results and attract huge publicity, but may not be able to prove that it is economically viable.

The Treasury Economic Report attributes the "positive rate of growth in G.N.P. in a year when a number of developed economics recorded zero or negative rates of growth" to its counter-cyclical policy, which "stimulated the economy through increases in public expenditure".

Thus public consumption which increased by 17% in 1974 increased further by 19% in nominal terms in 1975 (+9% in real terms) to reach \$4,835 million reflecting mainly increases in wages in the public sector and increased purchases of supplies and materials.

The question that comes to mind is whether the purchase of supplies and the materials, which constitute 35% of public consumption, or some \$1,700 million, was done economically, or with great extravagance and waste.

Here I wish to bring up the question of the Treasury ruling with regard to the award of tenders for Government supplies and materials, which provides that where the tender price by a bumiputra tenderer does not exceed 10% of a competing tender, the tender should be awarded to the bumiputra.

I know that international and local firms are in the habit of submitting, two tenders, one under their original firm's name, and another tender, in the name of a bumiputra, which is 10% higher than their own tender.

Thus, for instance, in a Ministry of Health tender an international pharmaceutical firm may put in a tender of \$1 million for medical supplies and materials. At the same time, this firm would get the help of a bumiputra who lends his name to put in another tender for \$1.1 million. The tender is awarded to the bumiputra tender, and the extra \$100,000 public money is then split up probably 50-50 between the international firm and the bumiputra who lends his name.

In this manner, the international firm makes more money while the public has to pay more. I submit this system cannot help one iota to uplift the poor Malay masses, but can only put the country into greater economic hardships and create a parasitic class of new and unproductive rich.

Thus, out of the \$1,700 million Government supplies and materials, if 10% goes towards this parasitic form of payment, then the public and country will lose \$170 million, which can be more productively used to

generate employment and fight poverty.

There must have been a number of millionaires who made their millions through this easy, unproductive and parasitic form.

The Government should put a stop to such squandering of public funds which can be better used to help the Malay peasants and fishermen.

In 1975, the merchandise exports are estimated to have declined by 13% to \$8,900 million following the prolonged recession in the economies of Malaysia's major trading partners.

The Malaysian Government is not doing enough to reduce Malaysia's export dependence on Japan and the West and I call for more energetic and dynamic approach by the Malaysian Government to find new export markets for Malaysian products in West Asia, China and Eastern Europe, by the sending of more trade and economic missions.

The most surprising figure in the Estimates of Malaysia's Federal Revenue, 1976 are the columns showing the estimated and revised royalties which the Government is collecting from petroleum royalty. The estimated royalty to be collected in 1975 was \$150 million, while the revised estimate for this year of petroleum royalty has now been slashed by some 35% to \$97 million.

This is indeed the biggest short-fall experienced by any item in the list of taxes, and calls clearly for an explanation by the Government, especially as it has made so much propaganda in the past about the big revenue which Malaysia would be getting from the series of discoveries of "black gold", i.e. petroleum, in the country.

The present arrangement where petroleum is removed from direct Parliamentary scrutiny, as the Chairman of PETRONAS although possessing Cabinet status is not directly responsible to Parliament but to the Prime Minister, is most unsatisfactory, especially as petroleum possesses such great potential as the biggest revenue-earner. This unsatisfactory arrangement is highlighted by the series of contradictory statements that have been made about the petroleum industry which now come under PETRONAS.

The Finance Minister's estimate in his Budget last year to net \$150 million from petroleum royalties in 1975, which would make petroleum the second highest revenue-earner after palm oil, exceeding even that of rubber, was clearly based on expected phenomenal increases in the production of crude oil.

Thus, the Economic Report 1974 - 1975, had this to say and I quote:

*"By 1977, Malaysia should produce 200,000 barrels of oil per day and by the end of the decade 400,000 to 500,000 barrels per day. Some of the newly discovered finds in Sabah which have begun commercial production in October are expected to produce 40,000 barrels of crude oil per day from next year."*

*"Total production in 1975 is estimated to increase by about 70% to reach a daily production rate about 136,000 barrels a day."*

This 70% increase in crude oil production, which would net Malaysia an extra \$100 million in royalty as compared to 1974 did not materialise. Instead, according to the 1975 - 1976 Treasury Economic Report, the production of crude oil in 1975 stands at 90,000 barrels a day. This 1975 production figure is even lower than that of the 1973 figure, as given in the 1973-74 Economic Report, which put the figure two years back at 95,000 barrels. Malaysia has not only missed the boat in earning \$150 million from petroleum royalty in 1975, but seems to have gone backwards.

Such vast differences in estimates in production and revenue is most unusual, to say the least, and clearly calls for an explanation by the Honourable Finance Minister or in the Treasury Economic Report and not to be glossed over as it seems to have been done. In fact, such vast differences in production and revenue involved such colossal errors in planning that those responsible must explain to the people for such short-falls and this type of planning and projections cannot but create doubt about PETRONAS.

PETRONAS, therefore, must be brought directly within the accountability of Parliament, and I therefore urge the Prime Minister, who is directly responsible, to take the necessary action to effect this as oil production is too important a subject to be removed from the direct control and scrutiny of Parliament.

The production of oil in Malaysia would serve as a catalyst to accelerate the economic and industrial development by way of refinery construction, development of petro-chemical industries and marketing activities, and the creation of employment opportunities. It is precisely because of this central role of petroleum in the Malaysian economy that it is imperative that PETRONAS must have a full-time Chairman, fully committed in his time, energy and whole being to put Malaysia onto the petroleum map. While I fully respect the abilities and talents of the PETRONAS Chairman, Tengku Razaleigh, I have no doubt either that with his hand in so many irons, so to say, like Bank bumiputra, PERNAS Securities and a whole host of others, he would not be able to spare his full time and commitment to bring this infant industry into the ranks of Malaysia's industrial giants in the shortest possible time.

PETRONAS must push ahead with oil exploration and production and as there is a long time-lag between discovery and commercial exploitation, Malaysia cannot afford to make half-hearted approach but must give it topmost industrial priority. If we should continue to drag out feet, our production instead of increasing decreases, then we will be written off from the oil race. The longer we delay to explore and commercially exploit our petroleum resources, the higher the costs of doing so in future. Furthermore, the whole international oil picture, in this part of the world may have so

radically changed by that time that Malaysia would not be able to derive maximum benefits from our petroleum resources.

PETRONAS should know that the People's Republic of China is fast becoming the new oil giant in the world. According to conservative estimates, China's onshore reserves alone could easily total 76 billion tons, equal to the North Sea and Alaska's North Slope combines. Some Western oilmen and intelligence experts even equate Chinese reserves with those of the entire Middle East. This year, China is expected to pump 80 million tons of oil, and with exploration currently going on at over 60 sites, that total is expected to hit 200 million tons by 1980 and to equal the current Saudi Arabian production of more than 400 million tons annually by 1988. By the time our delayed exploration and exploitation of petroleum gets out of the pipeline, we may find ourselves edged out of the oil markets.

### **Creation of a Just Society**

In the concluding part of his speech the Honourable the Finance Minister said that the Barisan Nasional Government is fully committed to the creation of a Just Society; of social integration and more equitable distribution of income and opportunities for national unity and progress; fully committed to reduce and eventually eradicate poverty among all Malaysians, irrespective of race; and fully committed to restructure Malaysian society in order to correct racial economic imbalances in the context of an expanding economy. I want fully to believe in him, just as I am sure Malaysians want fully to believe these words. But what we need are not mere statements, but words backed by deeds. We see so many instances of Government practices and policies which deviate from these commitments that the ordinary people cannot be blamed for being cynical.

This, the commitment to effect social integration and to eliminate poverty regardless of race, is not reconcilable with the racial composition of FELDA schemes, which is predominantly of one race.

Up to mid-1975, FELDA has resettled about 31,158 families or about 200,000 people in 100 schemes. The Minister of New Villages said last month that the country's 450 new villages would change their racial outlook of being either predominantly Chinese or Malay, by the Government offering cheap housing or land to other under-represented racial groups in the expanded areas of the new villages.

This is very good, but the question that is asked is what is being done to stop new Government land settlement schemes like FELDA from being identified with one racial group, and what is being done to multi-racialise FELDA schemes which are the recent creations of the Government during the Second Malaysia Plan and which run counter to the second prong objective of the New Economic Policy.

I would, therefore, call on the Government to prove its commitment

to social integration and the elimination of poverty regardless of race as the rural poor are also to be found among all racial groups, by taking urgent corrective action to multi-racialise FELDA schemes.

During the debate on the Mid-Term Review of the Second Malaysia Plan in November, 1973, I said that what has sometimes made the New Economic Policy to restructure society highly objectionable is the fact that this is used to benefit not the poor, "have-not" Malays but the rich well-placed Malays.

It should be obvious by now that the attainment of the objective of the second prong of the New Economic Policy to restructure society need not make for social justice and can, in fact, result in the further widening of the gap between the rich and the poor. This is because all that the restructuring will do is to nurture and foster the growth of a capitalist class among the Malays. The Second Malaysia Plan refers to the creation of an indigenous industrial and commercial community. There can only be a small number of industrialists and commercial magnates, and they can constitute but a small proportion of the total population. In fact, the second prong objective of the Second Malaysia Plan is being used more and more as an instrument by the Malay rich to exploit and oppress the Malay poor.

I will give an instance.

#### **The Kuala Sungai Baru 'Sri Lingga' Affair**

In Malacca, 3,300 acres of state land in Kuala Sungai Baru was recently allocated to a Malay company, Syarikat Sri Lingga Sendirian Bhd to be developed together with another private company into an oil palm estate. This allocation was made against the wishes of the kampong people of Kuala Sungai Baru.

All attempts by the people of Kuala Sungai Baru to make representations and protests to the authorities have been ignored.

The Malays in Kuala Sungai Baru want the land to be used in accordance with the needs of the people, and not to allow a handful of politically well-connected people to benefit at the people's expense.

The kampong people's idea is to open up the land for the landless in the area, either by way of FELDA or RISDA development scheme so that the poor farmers and fishermen in the area can directly participate and benefit. Furthermore, the kampong people in Kuala Sungai Baru had long applied for the area to be alienated to them.

Some of the people in Kuala Sungai Baru had sent a memorandum to the Malacca Chief Minister on this matter, and they had been accused by the Malacca Chief Minister, Haji Abdul Ghani Ali, of being 'subversive' and 'anti-national' and even threatened with arrests under the Internal Security Act.

The Malacca Chief Minister justified the allocation of 3,300 acres of land to Syarikat Sri Lingga on the ground that there is not a single Malay estate in Malacca, and to fulfil the NEP objective of achieving 30 per cent bumiputra participation in commerce and industry.

Here is a good illustration, where the poor Malays, the farmers and fishermen are being exploited and oppressed by a small handful of influential, well-to-do Malays under the pretext of fulfilling the New Economic Policy objective to the extent of being accused of betraying the New Economic Policy.

We see here the face of capitalist greed of the bumiputra variety, which is no different from the non-bumiputra variety, and shows that capitalist exploitation and ruthlessness, like poverty, transcends race lines. What further highlights the injustice here is that some 300 to 600 acres of the land in Kampung Sungai Baru had already been promised to be alienated to the people there, and these areas have already been cleared and planted with food crops with prior approval of the local district authorities. The demand for land reflects aspirations for higher incomes, security of employment, some independence and ownership of an asset to leave to children. To many rural poor, especially older Malays, land ownership is the only known way to satisfy these aspirations.

Economists who have made a study of the subject are of the view that FELDA type of projects, for instance, or a modification of them are preferable to estates, because of greater employment generation and security of employment, and not least of which a stake in the country from possession of land. Thus, modern and mature oil palm estates, employ one worker for 14-16 acres, while FELDA has one settler and one household for 10 acres.

In a multi-racial society in Malaysia, development policies should be so formulated as to utilise to the maximum the talents and skills that are inherent in the diverse ethnic and cultural groups. Thus, it has been pointed out that while the plantation system may have suited Indian workers in the past, it may not so appeal to the newer generation, or to the Chinese or to the Malays. For generations, the Malays have been able to eke out a living with their own initiative and skills. Their forefathers had been able to turn swamps into productive padi fields and virgin jungles into settlements. The million acres or so of small-holdings developed in the early 1920's were carved out of the jungle with the small-holders' own hands with little outside help. Even today, the settlers on the Kelantan State Land Development schemes and the early FELDA schemes in Malacca, for instance, have given ample proof that this can be done, with no or minimum contract services.

I have no doubt that a large proportion of the kampung people in Kuala Sungai Baru would be prepared to clear and develop new land on their own or with some assistance from the authorities in terms of equipment. The allocation therefore of the 3,300 acres of land to Syarikat Sri Lingga Sdn. Bhd. cannot be defended on any grounds of social equity, but is a naked

manifestation of capitalist exploitation by Malays against Malays. This is further driven home when my investigations showed that the people behind the Sri Lingga projects are men close to the present Leadership of the Malacca State Government. This project is the height of the real betrayal of the Malay poor. It is a misapplication of public resources for the benefit of a private coterie of persons for personal profit and gain to the detriment of the Malay community.

The D.A.P. is not opposed to Malay corporate ownership. What we in the D.A.P. oppose is the Malay corporate ownership to exploit and to rob the Malay masses, the poor peasantry and the fishermen of their rights. Here, I think it is appropriate for me to also take this opportunity to caution the Government and especially PERNAS Securities, to be careful when trying to buy over foreign components of large industries. The PERNAS attempt to buy over Haw Par Brothers International, if it had not been blocked by Singapore, would have caused PERNAS and Malaysian taxpayers heavily to the tune of \$150 million to \$200 million. Although at that time, many UMNO leaders fiercely called for retaliatory action against Singapore, I think it is now quite clear, both nationally and internationally, that not only PERNAS but the Malaysian taxpayers have reason to be thankful to Singapore for blocking this deal as investigations into the insider dealings and criminal activities of the Haw Par directors showed how close PERNAS was being taken for a ride. A few "Haw Par deals" and it will be the end of PERNAS Securities and hundreds of millions of taxpayers' money.

Between 1971 and the first half of 1975, the total equity reserved for Bumiputras stood at \$704 million. However, actual Bumiputra paid-up capital only amounted to \$268 million, leaving \$436 million not yet taken up. According to one estimate, if by 1990, the Malays are to own 30 per cent of the share capital of all joint-stock, public limited companies, as enunciated in the 1970-1990 Outline Perspective Plan, then the Malay share must rise from \$100 million in 1970 to \$14,000 million in 1990, or by \$650 million every year, that is, by six and half times what it was in 1970 every year. I would like to know how the Government could reconcile this objective with the present inability to take up \$436 million of shares reserved for Bumiputras.

## THE THIRD MALAYSIA PLAN AND THE TIME-BOMBS IN MALAYSIA

*"History is not deficient in examples where, given the choice between an authoritarian government which is clean, incorrupt and competent and its leaders dedicated to the lot of the masses, and an authoritarian government which is corrupt, incompetent and its leaders dedicated to self-interests and the interests of the moneyed and propertied class, the people preferred the former."*

*"For Dr. Mahathir to go round and say that if the communists win, the rich and the poor will equally suffer, will dismay the rich but will not make the poor lose any sleep."*

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Speech on Third Malaysia Plan debate on July 20, 1976.

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The Prime Minister, Dato Hussein Onn, in his foreword to the Third Malaysia Plan, said: *"A major assault on poverty, a vigorous and continuous effort in the task of restructuring society as well as the strengthening of our national security, are the triple thrusts of the Third Malaysia Plan."*

This is probably the most significant and revealing statement in the whole 430-page Third Malaysia Plan.

The Second Malaysia Plan 1971-1975 incorporated a two-pronged New Economic Policy for development. The first prong was to reduce and eventually eradicate poverty, by raising income levels and increasing employment opportunities for all Malaysians, irrespective of race. The second prong aimed at accelerating the process of restructuring Malaysian society to correct economic imbalance, so as to reduce and eventually eliminate the identification of race with economic function.

Both prongs were designed to facilitate the achievement of the overriding objective of the country, that of national unity.

The elevation of "the strengthening of our national security" to be the third prong objective of the Third Malaysia Plan is both an admission of the failure of the Second Malaysia Plan to achieve or facilitate the achievement of this overriding objective, and of the serious national crisis of identity confronting Malaysia.

It is self-evident that if the Second Malaysia Plan had progressed satisfactorily and successfully in achieving greater national unity, then Malaysia would not be confronted with an increasingly serious security and guerrilla war.

Thinking Malaysians had long been concerned with the grave setbacks to the task of nation-building over the years. Despite the fact that a whole new generation of Malaysians have grown up and been educated since Merdeka, national unity remains as elusive as ever. This was why at the recent Parliamentary debate on the Royal Address on 31.3.1976, I had called for a Royal Commission of Inquiry to study into the entire question of national unity, on which Malaysia's national survival depends.

The Prime Minister had replied that this was unnecessary on the ground that all government policies were geared to national unity.

It was with interest that I noted at the end of last month a call by no less a person than Bapa Merdeka and the first Prime Minister of Malaysia, Tunku Abdul Rahman, urging for a review of government policy in order to strengthen the solidarity among the people.

Tunku Abdul Rahman has not become a DAP member, but these are fundamental issues which the government and country can ignore only at our own national peril!

Before I proceed further, let me declare that we in the DAP are not interested in finding faults with the Third Malaysia Plan for the sake of finding fault. There are more serious and fundamental issues at stake than just finding fault.

Malaysia is poised at the cross-roads of her destiny. One way leads to national unity and salvation, while the other points to national disunity and disintegration. If Malaysia is to choose the correct way, then we must first of all be able to identify the basic national problems for there can be no solution to a problem which is not identified, either through failure or unwillingness to recognise it.

### **More balanced document than Second Malaysia Plan**

When I read the Third Malaysia Plan, my first impression is that this is a more balanced and rounded document than the Second Malaysia Plan. Several DAP criticisms during the Second Malaysia Plan period had been taken into account. For instance, in the first prong objective of elimination of poverty regardless of race, there is a greater recognition of poverty groups which had at first been ignored. The plight of the 750,000 new villagers and the estate workers are good examples.

Thus, on 13th December 1971, during the debate on the 1972 Development Estimates, I took up in Parliament the 20-year neglect of the socio-economic development of the 450 new villages and called on the government

to plan the social and economic reconstruction of the new villages to give the 750,000 new villagers in West Malaysia a new hope and an equal stake in the socio-economic development of the country.

At that time, I was attacked as a 'chauvinist'. The Third Malaysia Plan now identifies residents in New Villages and estate workers as specific 'poverty groups'.

Again, during the Debate on the Mid-Term Review of the Second Malaysia Plan on 27.11.1973, I had criticised the restructuring efforts citing as an example, FELDA, where, till the end of 1973, the 29,000 families settled were overwhelmingly weighted towards one racial group. As the net result of such settlement is to perpetuate the identification of one ethnic group with a particular vocation, I had called for real efforts to get non-Malays into government agricultural settlement schemes.

In the Third Malaysia Plan, the government now recognises that the non-Malays have been left behind in the agricultural and land settlement schemes.

#### **Government Perception not deep or broad enough**

I do not know whether this greater political perception of the root causes of the socio-economic problems in Malaysia, which is not as broad and deep as I would like it to be, is accompanied by the political will to result in effective policies to eliminate such problems, or whether such perceptions have percolated down the entire government and administrative machinery and not merely confined to a handful of policy makers.

I will however leave what I have to say about the separate performances of the two prongs of the Second Malaysia Plan later.

#### **People's War**

My second impression reading the Third Malaysia Plan is a sense of unreality.

The many projections, prospects and plans not only for the next five years but for the next 15 years till 1990 are all predicated on Malaysia being a nation of peace, prosperity and racial harmony.

This is a very great assumption as shown by the elevation of strengthening of national security as the third prong in the Third Malaysia Plan.

Under the Third Malaysia Plan, expenditures for defence and security would double that during the Second Malaysia Plan and though presently

earmarked at \$2,200 million (or 11.9 per cent of total public development expenditure under Third Malaysia Plan), final expenditures would outrun the original estimates as happened under the Second Malaysia Plan.

One might legitimately ask whether taking \$1,000 million from the defence and security allocations to invest in, say, a more energetic and vigorous solution of acute poverty in kampongs, new villages, and estates in the country might not be more productive in creating a more stable society, where lessened race tensions and class bitterness would appreciably improve the security situation.

This is because the security crisis faced by Malaysia is not a war of aggression by an external enemy, but what had been described by both the Prime Minister and the Deputy Prime Minister as a 'people's war', 'a battle for the hearts and minds of the people'.

I note that there is now, especially among the top government leaders, a greater political appreciation of the seriousness and nature of the 'people's war', as evidenced by the two articles by the Deputy Prime Minister, Dr. Mahathir bin Mohamed in the *New Straits Times* over the weekend.

If the government had been more receptive to what we in the DAP had been saying in this House not only during this session, but also during the last session, the nation would probably need not spend such an astronomical sum of \$2,200 million on defence and security for the next five years.

I still remember that sometime in 1971, when I had said in this House that if the government continued to ignore the legitimate aspirations of all classes and races in Malaysia, and if the democratic system is rendered meaningless and ineffective, then the people in despair would turn to those who advocate violence and revolution. The then Deputy Prime Minister, the late Tun Dr. Ismail, said he did not want to hear any more about 'revolutions'. Closing one's ears and shutting one's eyes will not make unpleasant truths disappear into thin air. The unpreparedness to face unpleasant truths only makes the problem more difficult to solve.

And if the Government continues to ignore what we in the DAP have to say, and to disregard the genuine needs of all classes and races in Malaysia, then \$2,200 million expenditures on defence and security would not be able to buy security, peace and harmony, and the total amount of \$18,000 million public expenditures under the Third Malaysia Plan would go down the drain.

The Government must bear part responsibility for the worsening security situation and the increasingly serious challenge mounted by the

communist guerrillas, because by its long-standing indifference and refusal to heed the voice and sufferings of the people on the ground, to recognise and resolve their frustrations, discontents and dissatisfactions of all classes and races, the Government had created the very seed-beds on which communist cadres, propagandists and activists can thrive.

Although there is a greater political perception of the political challenge represented by the communist guerrilla movement, for the Deputy Prime Minister, Dr. Mahathir Mohamed, to repeat as he had been doing, that the war waged by the communists is not a class war but an ideological war is to misread and misinterpret the challenge and therefore to fail to face the crux of the problem in Malaysia.

Let there be no mistake about it. The communists represent an appeal to the poor of Malaysia, the have-not classes, especially where they feel that the present political system is incapable of improving their life.

Also let there be no mistake. The communists represent an appeal to the other classes and groups who could find no meaningful alternative to change and reform the present system of its corruption, nepotism, vested interests and authoritarian rule.

History is not deficient in examples where, given the choice between an authoritarian government which is clean, incorrupt, competent and its leaders dedicated to the lot of the masses, and an authoritarian government which is corrupt, incompetent, its leaders dedicated to self-interests and the interests of the moneyed and propertied class, the people preferred the former.

For Dr. Mahathir to go round and say that if the communists win, the rich and the poor will equally suffer, will dismay the rich but will not make the poor lose any sleep.

The answer is to end poverty, where there are no more poor in the country, and to root out injustices and inequalities out of the entire national economic system and to give meaning to the democratic process.

The Government does not seem to have fully understood the socio-economic and political challenge posed by the communists. Last week, the Johore State authorities issued statements to disclose the connections between communist groups and secret societies in an attempt to discredit the communists. But it does not seem to strike the Government that its action might lend respectability to secret societies instead.

A predominantly security response to the mounting communist guerrilla challenge is to completely misread the nature of the communist chal-

lenge. Malaysians would prefer to live in a democratic system, where there are no gross extremes of wealth and poverty, and where every individual can develop his talents and inclinations to the fullest. They would lay down their lives for such a system. But where the democratic system is a crippled creature, where discrimination, injustices and inequalities abound in all areas of national life, where there is corruption and greed, it would be difficult to rally the people to help defend and die for such a system, for there is something evil in such a system. There would be no clear-cut moral superiority in the system which is under attack!

The Prime Minister told an UMNO Economic Seminar in May this year that there is a time bomb element in the new economic policy which would be set off by any delay in its success, particularly in reference to the target of 30% participation of bumiputras in the commercial and industrial activities within 20 years.

In actual fact, there is not one time-bomb ticking away, but several time-bombs ticking away in Malaysia. There are the time bombs of races, and the time bombs of classes.

Unless the government gets down to seriously defuse these time-bombs, Malaysia and all the beautifully-bound five year-development plans can be blown to smithereens.

### **DAP Role**

We in the DAP are Malaysian patriots from all racial backgrounds, who want to see the preservation and strengthening of a democratic political system, where every citizen has an equal stake in the political and economic future of the country, with the right to lead a meaningful life and ample opportunities to achieve self-fulfilment.

It is only such a society that can defuse the multiple time-bombs ticking away in Malaysia, and overcome the security challenge posed by the communists.

The DAP will give the Government every co-operation and support in policies which will contribute to greater national unity, a stronger democratic system, and a more just economic and social order. We will not hesitate however to continue to speak out and oppose what we see as forces and developments and policies which will create greater national disunity and weaken the forces of democracy and social justice.

It is in this spirit that I will turn to the Third Malaysia Plan.

### Elimination of Poverty

During the debate on the Second Malaysia Plan, on 14.7.1971, I expressed fear that the first objective of the New Economic Policy to eradicate poverty irrespective of race, is only incidental to the second objective of the NEP to restructure Malaysian society. This fear seems to be borne out by events.

The Government's statistics on incomes and incidence of poverty are based on the Post Enumeration Survey of the 1970 Census of Population. The Survey indicates that in 1970 about 27% of households in Peninsular Malaysia had incomes below \$100 per month while 58.5% of the households had incomes below \$200 a month.

In Paragraphs 236 and 489 of Third Malaysia Plan, we are told that the government has chosen a **poverty line income** where 49.3% of the households fall below the poverty line. The Third Malaysia Plan states that this poverty line takes account of the basic requirements of an average Malaysian household to maintain a family in good nutritional health as well as provide for minimum needs in respect of clothing, housing, household management and transport.

On the basis of this **poverty line income**, the Third Malaysia Plan states that the poverty rate had declined from 49.3% in 1970 to 43.9% in 1975.

There are several objections to these statistics. Firstly, **household income** is not a suitable income concept for studying inequality of incomes and incidence of poverty. This is because variations of **household size** would distort the living standards of individuals, as a large household is clearly less well off than a small household with the same total household income. A high-income household, therefore, does not necessarily have a high standard of living in terms of per capita income. The incidence of poverty has thus been under-stated by considering household incomes, as is done by the Post Enumeration Survey, rather than on the basis of **per capita household income** or **per capita income**. Thus a 10-member household with a household income of \$400 a month, giving a **per capita household income** of \$40 is less well off than a two-member household with a household income of \$200, giving a **per capita household income** of \$100.

In fact, in view of the lower **average household size** of Malay households (5.070 members per household) than either Chinese (5.819 members) or Indian (5.420 members) households, the **true disparity ratios** in levels of living between Malays and non-Malays are really lower than they are made out to be in official and government publications and pronouncements. In other words, the inequality of incomes gap between Malays and non-

Malays have not been as wide as they had been made out to be by government spokesmen.

Secondly, the selection of a **poverty line income** common to both rural and urban areas under-estimates the urban poverty relative to rural poverty. This is because the cost of living is higher in urban areas.

#### How is the Poverty Line Drawn?

Thirdly, we are not told how the Government planners arrive at the **poverty line income**, where 49.3% of the households are categorised as poor households – when 58.5% of the households have incomes below \$200 a month.

Recently, the MTUC worked out a minimum family budget for a worker with a wife and three children (based on the average size of household). Two of the children are taken to be school-going and a third non-schooling. Food and Rent constitute the bulk of the expenditure but only the barest needs are provided for: the diet being based on the General Hospital standards. No provision is made for festivals and emergencies, nor is there any provision for medical expenses. The budget for this average family works out as follows:

Food	\$ 94.11
Rent (including Electricity water, etc)	\$ 86.13
Education	\$ 25.20
Other	\$ 24.13
Total	\$229.57

This is an indication of the unacceptability of the Government's **poverty line income**, which works out to a **household income** of about \$150 a month.

Fourthly, we are not told how the Government has found that the incidence of poverty, based on the **poverty line income**, had been reduced from 49.3% in 1970 to 43.9% in 1975. In the absence of data as to how the Government arrived at this figure, we are only left to wonder whether this is an inspired guess of the planners, bearing no relation to facts.

Fifthly, the Government planners appear to have in mind a static **poverty line income** from 1970 to 1990, as shown in Table 4-13 of the Third Malaysia Plan, without taking into account that rising cost of living will push the frontier of the **poverty line income** higher and higher. Thus Paragraph 243 of Third Malaysia Plan envisages a marked reduction in the overall incidence of poverty by over one-half from about 50% in 1970 to

under 20% in 1990. The incidence of poverty in the rural areas is expected to fall from 59% in 1970 to 23% in 1990 with the number of poor households declining from 706,000 to 390,000. The number of poor households in the urban areas could increase from 86,000 to 125,000, although the incidence of poverty would decline from 21% to 9%.

In view of the above five objections, especially the under-estimation of the percentages of households who are poor, and the unrealistic holding down of a **poverty line income** for twenty years, the Third Malaysia Plan does not give a true dimension of the problems of poverty in Malaysia. We must also not forget that the poor in Sabah and Sarawak are not included in these figures.

A conspicuous omission in the Third Malaysia Plan is that we do not have a picture of the growing or diminishing share of the poor in the total national income, for this will show us whether there is a fairer redistribution of income and lessening of income inequalities in the country.

In 1970, the lowest 40 per cent of the households account for only about 12% of total income, while the top one-tenth of all households accounted for nearly 40%.

What is the position now? What is the targetted re-distribution of incomes between the poorest sections of the population and the richest? The Third Malaysia Plan and the Outline Perspective Plan 1970-1990 are both silent on this.

I repeat my call which I made during the Mid-Term Review Debate that the government should work out a programme whereby within the 20-year period from 1970-1990, the lowest 40 per cent of the Malaysian poor households will account for at least 30 per cent of the total income. This will be more meaningful in the elimination of poverty and restructuring of society, than to hold to an unrealistic **poverty line income** for twenty years.

### **Poverty Groups in Malaysia**

There is no evidence that the Second Malaysia Plan had reversed or stopped the trend, discerned from Independence till 1970 and borne out by the Government's own surveys and census, of a growing inequality of income, with the rich getting richer and the poor poorer.

The majority of the rural poor, in particular farmers and fishermen, have not benefitted materially from government development.

In 1970, the two largest groups in poverty in the rural areas were

rubber smallholders, who accounted for 226,000 households or 29% of the total in poverty and padi cultivators who made up 123,000 households or 16%. Three smaller groups were estate workers (about 60,000) fishermen (28,000) and coconut smallholders (17,000). The remainder of the rural poor were engaged in mixed agriculture (126,000), manufacturing industry and services (124,000). Straddling the various sectors of the rural economy are New Village residents and agricultural labourers (excluding estate workers) — about 85,000 and 115,000 households respectively were poor. The Orang Asli are another poverty group numbering about 53,000 people. (Para 495).

Without structural changes in the agricultural economy, such as radical land reforms, the agricultural poor in the rural areas cannot rise above the poverty trap.

### **DAP wants Land Reforms to give land to the tillers**

According to the Census of Agriculture, 1960, which is the most comprehensive yet available, the average size of rubber smallholdings is 5.2 acres, with about 24 per cent of the farms under 3 acres and about 46 per cent under 5 acres. For wet rice, the average size of farms is 2.5 acres, with about 54 per cent of farms under 3 acres and 78 per cent under 5 acres.

Sixteen years later, these uneconomic-sized farms have become even smaller from further sub-division. It is no wonder that with such uneconomic-size farms, rubber small-holders and padi cultivators remain well below the poverty line.

**The Government has done nothing to deal with this basic cause of rural poverty.**

The plight of the padi tenant-cultivators are even worse off than the padi cultivators who own their own farms. According to one study, the incidence of poverty for tenant-cultivators is as high as 80% as compared with 50% for full owners.

The Control of Rent and Security of Tenure law to protect padi tenant-cultivators by fixing maximum chargeable rent and the minimum period of tenure has not been enforced. Generally about one-third of the produce is paid to the landlords. In some places, the proportion is considerably higher. The land-hungry farmers prefer to pay high rents rather than go without employment.

The only effective long-term solution to these basic problems of rural poverty is the adoption of a land reform programme to confer ownership as compared to estate yields

A start should be made in the padi sector. Ownership of agricultural land should be restricted to bona fide farmers only, and there should be a ceiling in the acreage allowed to be owned by an individual farmer or a farming family based mainly on the ability to farm the land.

### **Rubber smallholders**

In the case of rubber smallholders, the RISDA must embark on a major programme to help smallholders with small acreages attain economic-sized holdings, improve their annual yield which is now 670 lbs per acre as compared to estate yields of 1,020 lbs. per acre, increase replanting and improve production practices like improved tapping techniques which would limit disease and extend tree life, and more optimal patterns of fertiliser use.

To alleviate poverty among rubber smallholders, which account for some 226,000 households comprising mainly of Malays, the DAP calls for the total exemption of export duty and rubber cess for small holders with less than 15 acres. This will be a significant anti-poverty programme to help the rubber smallholders.

In this connection, there is an urgent need for RISDA to regain smallholder confidence, as many allegations have been made about abuse of power and public funds being misused by top RISDA officials, not connected with the current NBI investigations into RISDA subsidies. The Minister for Primary Industries, other Cabinet Ministers and public officials must have received a detailed five-page letter cataloguing the sins of misuse of funds and abuse of power by RISDA officials. A full and frank public accounting by RISDA and Ministry of Primary Industries on this matter is called for to convince smallholders that their interests are being placed in good hands.

### **Estate Workers**

In the previous session of Parliament in 1972, I had called for a special Ministry to look after the plight of the estate workers, because of the high rate of retrenchment of workers in the estate sector.

The Third Malaysia Plan now concedes that the incidence of poverty among estate workers had increased during 1971-1975. This was caused by the slower growth of rubber prices to which wages are tied (1.8% per annum) relative to significant rises in the consumer price index (7.3% per annum) as well as retrenchment arising from the conversion of rubber estates into oil palm.

It is a disgrace that in the Second Malaysia Plan, the retrenched estate

workers and their dependants were not given any proper government attention or assistance to settle in public land schemes or emplaced on alternative jobs.

The estate workers have now finally been recognised as a poverty group, and the Third Malaysia Plan promised to help retrenched workers and improve their quality of life.

I cannot help but wonder, however, whether the government is really sincere, when only last week, the Minister of Labour Lee San Choon, brought amendments to the Employment Ordinance 1955 to take away the legal rights of estate workers to retrenchment benefits after three years' service. Estate workers are among those who stand to lose the most from such an amendment.

### **New Villagers**

Following the DAP's championing of the cause of the new villagers, a whole Ministry has been formed. But sad to say, nothing substantial or significant has been done to modernize new village economies and reduce the incidence of poverty among them.

There are still new villages where residents have not been given titles although they have lived there for a quarter of a century.

The Government must work out effective strategies to modernise new village economies through (1) grant of land to enable new villagers to carry out agricultural activities and (2) the dispersal of industries to new villages to generate jobs and incomes.

### **Urban poor**

The Third Malaysia Plan (Paragraph 553) said: "While the incidence of poverty declined in most sectors, the absolute number of non-agricultural households in poverty expanded by 23% reflecting the upsurge in the size of the urban population during the 1971-1975 period. Even the expanded targets of economic growth and employment of the Third Malaysia Plan will not be sufficient to prevent increases in the number of poor urban households during the period."

In fact, according to Table 4-13, if the Government's 20-year Plan succeeds, the total number of 85,900 poor households in the urban areas in 1970 would increase to 125,000 poor households in 1990, although the incidence of poverty would fall from 21.3% to 9.1%.

This is a plan for increasing urban poverty, and cannot therefore be acceptable to the people, especially to urban Malaysians.

This is one area where the first-prong objective of elimination of poverty is sacrificed to the restructuring objective. The 85,900 poor urban households have no prospect of rising above the poverty line, and even worse, would have their ranks swelled by another 40,000 poor households in a generation.

This is one reason behind the changes in Malay employment in secondary and tertiary sectors during the 1971-1975 where the unemployment rate (para 247) among the Malays declined from 8.1% in 1970 to 6.9% in 1975, which, in absolute terms, was a marginal increase from 126,400 to 128,300. Employment among Chinese and Indians in absolute terms also increased during the Second Malaysia Plan, but unemployment among them rose. While their shares in secondary and tertiary industries declined, corresponding increases of employment in agriculture did not take place. Among the Chinese, the unemployment rate increased from 7.0% to 7.2% or in absolute terms from 77,300 to 93,800 and among Indians, from 11.0% to 12.2% or in absolute terms from 36,800 to 47,300.

### **Restructuring of Society**

In his speech yesterday, The Prime Minister said: "Let us learn from our past mistakes so that we may improve on our future performance."

To do so, we must first of all know our mistakes. One of the biggest mistakes of the Second Malaysia Plan is that the re-structuring prong is both perceived and seen by the people as a racial programme rather than a Malaysian programme, to reduce and eventually eliminate the identification of race with economic function.

The other great mistake of the Second Malaysia Plan is that the re-structuring programme is perceived and seen as an instrument for the enrichment and creation of a new Malay capitalist class in disregard of the genuine Malay poor, and the non-Malay poor.

In moving the motion during the Mid-Term Review of the Second Malaysia Plan, the late Tun Razak had said that the Government did not intend to "transform the present racial imbalances of the Malays and other indigenous people into future imbalances which operate against other Malaysians which will be equally undesirable."

The Second Malaysia Plan has exactly this effect. The Government has now an opportunity to correct these new imbalances in the Third Malaysia Plan. Although there is acknowledgement, for instance, that Chinese agricultural employment should be increased under the Third Malaysia Plan there are no target plans as to how this is to be achieved.

the rate of the multi-racialising of FELDA schemes. The lack of target objectives can only mean that there are no concrete plans as yet. I call for the drawing up of definite target plans for the restructuring of FELDA schemes, so that these settlement would reflect, if not the national population, at least the rural population which is 65% Malays and 35% non-Malays by 1990.

Apart from restructuring Felda schemes, which is a high-cost affair as it costs about \$25,000 for each Felda settler-family, the Government should give land to the landless, in particular Chinese and Indians, who had so long been neglected in land-alienation schemes, so that they can cultivate, without high government capital expenditure, by their own hands, sweat, and toil, to make up for the lop-sided agricultural development.

It is also essential, if the Government is to regain the people's confidence that the restructuring prong of the NEP is not meant for one race only, that it should progressively restructure all areas of national life, where there is pronounced identification of race with economic function, in particular the government services, armed forces and police.

Education – the key to national unity has become a major factor of disunity

As a result of mistakes committed in the Second Malaysia Plan, education, the key to national unity, has become a major factor of disunity.

This stems from the diminished opportunities for non-Malay students to pursue post-secondary, college and university education in Malaysia.

For instance, Malay students have no difficulties in getting HSC and STP places, but non-Malay students, even in middle secondary forms, are already worried about chances of HSC and STP places, regardless of their industry, merit or performance.

The problem is worse when it comes to domestic university education. During the Second Malaysia Plan, the share of the Malays and other indigenous people to total enrolments in domestic tertiary institutions increased from 50% to 65%, or from 6,622 to 20,547 – an increase of 13,925. In the same Second Malaysia Plan period, the share of other Malaysian students in domestic tertiary institutions declined from 50% to 35%, or an increase in absolute terms from 6,702 to 10,982 – an increase of only 4,280.

This illustrates vividly the diminution of higher education opportunities for Malaysian citizens in their own country. This is where the NEP

declaration that it would be implemented in a way so as to ensure that "no particular group experiences any loss or feels any sense of deprivation" has failed.

The non-Malays do not begrudge the increased opportunities for Malays in domestic tertiary education, as they accept that this is a necessary component in any national strategy to bring about a balanced qualified manpower. However, they are entitled to feel aggrieved when they experience "loss" or feel "deprived" at the diminution of higher education opportunities for their children in their homeland.

That some 31,500 Malaysian students are enrolled in all overseas institutions in 1975 (where not all are enrolled in tertiary institutions) the majority of whom are self-paying non-Malays, does not make this experience, of loss or sense of deprivation any less legitimate, keen or deserving of government concern. On the contrary, the recent prohibitive increase in university fees in UK universities and the progressive restriction of intake of Malaysian students, especially in New Zealand, have served only to sharpen this experience of loss and sense of deprivation.

#### **Educational future — the major cause for professional emigration**

The fear of non-Malays about the future educational opportunities of their children is the major cause for the recent exodus of non-Malay professionals like doctors and dentists.

Whenever I raised this matter of the emigration of Malaysian professionals, the government would reply complacently that this is a problem typical of all developing countries. The difference is that the brain drain of professional men normally occurs with young doctors and professionals on the make, who are attracted by prospects of higher earnings and greater job satisfactions in foreign countries.

In Malaysia, however, a large majority of professional men like doctors and dentists who are emigrating are men in late 30s, 40s and even fifties, who have to uproot homes and well-established practices not for higher incomes or greater job satisfaction abroad. In fact, some of them are emigrating to lower-income practices, no superior job satisfaction, but greater social and family dislocations. They do so because of the future of their children, for they fear that on the basis of past government policies, their children do not stand a fair chance to get a just and equitable educational opportunity in Malaysia.

In this morning's paper, the Assistant Finance Minister, Richard Ho, criticised Malaysians who migrate, said that they should be pitied as they lacked an understanding of the "multi-racial scheme of things."

If there is to be pity, we should pity Malaysia that the government continue to pursue policies which drive away Malaysians, who want to serve and identify fully with the nation, and yet cannot, because they are made to feel that they and their children do not have an integral stake and part in Malaysia.

Smug comments do not solve problems. This is why one MCA assistant Minister's own brother is packing up his bags, selling his property, and uprooting his family, to migrate.

The bulk of Malaysian Chinese and non-Malays stay behind, but this does not mean that their fears about the future of their children in terms of education and employment is less intense.

This is not the basis for the building of a resilient and united Malaysian nation, but the basis for fostering divisiveness and disunity.

Malaysians of all races and classes seek to identify themselves with the nation and the destiny of Malaysia. More and more however are being driven away and alienated by policies which treat them as aliens rather than as citizens.

The Prime Minister said yesterday that the government would provide the leadership, the public policy framework and the infrastructure facilities to achieve a peaceful, prosperous and harmonious multi-racial society. It is the people who must achieve.

The crux of the question is whether the government is capable of providing the right leadership, the right public policy framework and the right infrastructure facilities to enable the people to achieve this overriding national objective.

### **Implementation Capacity**

The implementation of the Third Malaysia Plan calls for an efficient, effective, dedicated and honest Administration.

The need for a high degree of efficiency and effectiveness in the government machinery, and a high sense of integrity, incorruptibility, dedication and professionalism have not been sufficiently impressed not only on all public servants, but on all political leaders at both the national and state levels.

Thus, at the last Malacca State Assembly meeting, the Chief Minister said that the need to ensure a clean and incorrupt State Government is not the business of the State Government, but that of the NBI and Federal Government.

Planning and implementation machinery at all levels, especially at State and District levels, are deplorable. In Malacca, the State Government built a paltry few hundred low-cost houses for the entire Second Malaysia Plan and for 114 low-cost housing units in Bandar Hilir Malacca, completed nearly a year ago, they are still unoccupied although some 5,000 persons applied. If it is going to take one year or more just to process applications for low-cost houses completed about a year ago, what type of efficiency and competence can one expect in the Third Malaysia Plan.

The people from all States must be fully involved in the Third Malaysia Plan, and to do so, all State Assemblies should immediately debate the Third Malaysia Plan in so far as it affects them, and not only MPs, but every State Assemblyman in the country should be given copies of the Third Malaysia Plan so that they can fully participate in special Assembly debates on the Third Malaysia Plan, to make the Third Malaysia Plan a Plan which is directly concerned with the everyday lives of ordinary Malaysians.

*"The great expansion of the police and armed forces is in fact an admission of the failure of the government so far to win the battle for the hearts and minds of Malaysians in the fight with communist guerrillas, whose strength lies in the increasingly inegalitarian, inequitable and undemocratic system in Malaysia."*

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## Speech on the 1976 Development Estimates on July 28, 1976.

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The Federal Development Expenditure Estimates for 1976 amounting to \$3,137 million is 50% bigger than the estimated expenditure of \$2,020 million in 1975.

It marks the first-year implementation of the Third Malaysia Plan which the Dewan Rakyat has just debated and passed.

One would normally expect that such an important occasion like the announcement and adoption of the Third Malaysia Plan, the most ambitious economic blueprint for the next five years which envisages a total investment target of \$44.2 billion in current prices involving a huge private investment target of \$26.8 billion and public sector expenditure of \$18.6 billion would be a great boost to public confidence and to the share market in particular.

However, the Third Malaysia Plan failed to stop the downdrift of the share market, and this is an ominous start to the Third Malaysia Plan, for it highlights the general atmosphere of unease, uncertainty, insecurity and instability about the future, not only of Malaysia, but of ASEAN countries as a whole.

This is also reflected by the increasingly bigger and bigger slices of development funds which are channelled off to security expenditures at the expense of socio-economic development of the country and people. Thus, for 1976, for every dollar of development spent in Peninsular Malaysia, 18.1 cents will be on security.

### **Danger of expansion of police and armed forces:**

The tragedy of course is that greater and greater expenditures on defence and security is no sure formula for guaranteeing security — as the Americans have found to their great cost in Vietnam where their wealth and military might could not prop up a corrupt, decadent and undemocratic Saigon government.

The great expansion of the police and armed forces is in fact an admission of the failure of the government so far to win the battle for the

hearts and minds of Malaysians in the fight with the communist guerrillas, whose strength lies in the increasingly inegalitarian, inequitable and undemocratic social system in Malaysia.

By expanding the police and armed forces and stepping up expenditures on defence and security, without at the same time adopting new nation-building policies over the whole range of political, economic, social and educational fields which will halt the dangerous degree of polarisation of races and classes that have been reached in Malaysia, is merely to create new and even more dangerous problems.

This is because in these circumstances of deteriorating political and economic ground, we can envisage greatly increased number of incidents with mounting casualties on both sides, more on the part of security forces than on the part of communist guerrillas because of the very nature of guerrilla warfare.

A protracted warfare, with a growing list of casualties and the physically maimed and incapacitated, would lead to the questioning in military circles as to the political nature of the struggle, some to question whether the political leadership is not in some respects wanting in being unable to provide the political prop to the army to defeat the communist guerrillas because of the rampant corruption and class exploitation; others to question whether the political leadership was not too soft in not assuming full totalitarian powers to suppress dissent and subordinate everything to the military objective, even if it means suspending the Constitution, banning Opposition political parties, and putting everyone who dissent under arrest.

Every year, the number of Malaysian military officers who are trained in Indonesia and who therefore come under the influence of the teaching that the military has an important political role and function just like the Indonesian Army in Indonesia, increases.

If we are not careful, the expansion of armed forces today may be a prelude to future coup d'état and military takeovers in Malaysia. I do not think we need perceptive and intelligent political leaders to tell how disastrous a military dictatorship will be for Malaysia.

This is a danger inherent in every country which keeps a large standing army. The other disadvantage of course is the high public expenditures involved in order to maintain and upkeep it, seriously retarding socio-economic development.

Both these political and economic disadvantages of a large standing army can be overcome by introducing national service for all Malaysian

youths — which will enable the keeping of a small standing army without reduction in the number of military personnel at any one time.

The Government, however, for its own reasons, which are not difficult to surmise, has decided against the introduction of national service, although at one time, the country was told that there was a Cabinet Committee considering this question.

### **Have we got a communist as a Deputy Prime Minister?**

I know that what I have said are very unpalatable facts for the government, and will open myself to all sorts of wild accusations by government leaders.

Yesterday, I was accused by the Deputy Prime Minister, Dr. Mahathir bin Mohamed, when he wound up the debate on the Third Malaysia Plan, as "toeing the communist line" when I had corrected him by stating that the communist challenge was not merely an ideological war, but also a class war.

I had said that for Dr. Mahathir to go round and say that if the communists win, the rich and the poor would equally suffer, would dismay the rich but would not make the poor lose any sleep.

My purpose was to try to awaken the government to the urgent need to concentrate on the task of fighting poverty, class exploitation and popular grievances so as to deny the political ground to the communists, who thrive on such popular discontents and frustrations.

For my pains, I was accused of 'toeing the communist line'. I would advise Dr. Mahathir to examine his own statements and thoughts processes. For if what I have said is 'toeing the communist line', then the overwhelming majority of Malaysians, whom I believe in varying degrees share my view that one reason the communist guerrillas have been able to make the significant headways they have made, is because of the existence of poverty, exploitation and injustices which the government had neglected and ignored for too long, are all 'toeing the communist line'.

If this is the case, then the battle that the Government is fighting is a lost cause, and it might as well give up!

Is one 'toeing the communist line' just because one believes, just as the communists believe, in fighting the exploitation of the poor by the rich, in wanting to see the end of exploitation of class by class and man by man?

If this is the case, then the majority of Malaysians are 'communists' or 'toeing the communist line', except for of course, the rich towkays in MCA and the Barisan Nasional.

Does a person who believes that if the present system of free enterprise in Malaysia continues, there will be extremes of the very rich and the very poor, and that the poor will unite to topple the rich leading to a socialist state a 'communist' or 'toeing the communist line'?

If this is so, then we have got a communist as a Deputy Prime Minister, for this was the burden of his article entitled "Malaysia in Year 2,000" written in 1973 for the Malaysian Students Union in Monash University in Australia.

In fact, Dr. Mahathir said that because of the above reasons, in 24 years' time, "Dalam tahun 2,000 kita boleh memikir bahawa Malaysia akan dijadikan satu socialist state ....."

I would remind Dr. Mahathir that he is now Deputy Prime Minister and that he should not be so liberal and carefree in fixing labels on others – for this is bound to reflect on his character and qualities of leadership and judgement.

I do not know whether Dr. Mahathir seriously meant what he said about my 'toeing the communist line'. If he was, then I challenge him to get me arrested under the panopoly of police powers that the Government has in possession, like the Internal Security Act or any of the laws which the Government has arrogated to itself. But before that, the Special Branch should probably arrest him and certify him to be politically fit first!

The Deputy Prime Minister would be gravely mistaken if he thinks that he could frighten me from speaking out honestly and truthfully just because he is ready to clamp the label of 'communist' or 'toeing the communist Line' like other witch-hunters in the UMNO at present on anyone who says things unpleasant to the ears of the government, but which are true.

### **Polarisation of classes and races**

The success or failure of the development expenditures which we are voting, and for that matter, the Third Malaysia Plan and the New Economic Policy, will depend on whether they can lessen the heightened polarisation along both class and race lines in the country.

The second-prong objective of the New Economic Policy has sharply increased class conflicts in the country, including the class conflicts among the Malays, because of the widening gap in the incomes and wealth between the rich and the poor Malays.

From the Government's 1957 Census and 1970 Post-Enumeration Survey, it has been computed that there has been a growing disparity in the distribution of incomes among the Malays in Peninsular Malaysia, as shown by the following Table:

Class	1957 (Percentage of Income)	1970 (Percentage of Income)
Upper Class (20% of the total number of bumiputra households)	42.4%	52.5%
Middle Class (40% of the total number of bumiputra households)	38.1%	34.8%
Lower Class (40% of the total number of bumiputra households)	19.5%	12.7%

This means that from 1957 to 1970, the top 20 per cent of the bumiputra households have increased their dominance of the incomes from 42.4% to 52.9% while the 40 per cent of the poorest Malay households have shrunk from 19.5% to 12.7%.

The Government has produced no comparative figures for 1975, but a study of the use of funds and the result of the restructuring of society prong of the Second Malaysia Plan show that the Malay rich and well-to-do have become richer while the genuinely Malay poor become poorer.

#### Converting a half-a-millionaire into a millionaire

For the 1976 Development Estimates, the Central Government is giving out \$80 million as loans to State Development Corporations, \$61 million for MARA and \$32 million for UDA.

How much of these vast sums of money go into the hands of the genuinely needy, and how much of it are waylaid by the well-to-do, who do

not have any credit problems, but who use the opportunity opened up by the second-prong objective of restructuring of society to convert themselves from half-a-millionaire into a millionaire?

Probably, the government should tell the country that under the second prong objective of restructuring society, how many Malay millionaires it intend to create, in the Third Malaysia Plan and for the 20 year period of the New Economic Policy.

I have received many complaints from fishermen and farmers that they could not get loans from either Bank Bumiputra or Bank Rakyat, as they are regarded as **uncreditworthy**, the former because they lack a collateral, the latter because they do not have viable holdings of sufficient economic size.

These are the poor who genuinely need credit, either to purchase fishing equipments or to buy agricultural inputs like fertilizers, who need help by government or quasi-government agencies like Bank Bumiputra. The contrary however is the case. Bank Bumiputra and Bank Rakyat turn them away, and instead, give loans running into millions of dollars to top UMNO leaders and even Ministers to buy stocks and shares.

The New Economic Policy is breeding a parasitic Malay rich exploiting the Malay poor. MARA build shop-houses throughout the country to help Malays to stand on their own feet in business in urban centres. But most of these shop-houses are given to UMNO leaders in the States and Divisions, who do not themselves do business, but rent them out to others at a big profit. This is the prevailing parasitism of the New Economic Policy. If the Minister of Public Corporations is not aware, then he can come to Malacca, and find out how many MARA shop-houses are used as business as intended and how many are further sub-let, illegally, to others to do business.

The SEDCs spend huge sums of money on housing projects which are too expensive for the low-income brackets. The SEDCS enter into joint ventures with private housing developers to make 100% profit margins, and when, as in Malacca, their lower-quality houses could not compete with private developers, the State Government freezes sub-division of land to block housing development by private developers.

SEDCs enter into joint ventures with industrial concerns to establish factories and swiftly gain, in Malacca at least, the reputation as a bad employer. In at least two factories where the SEDC have participation, the factories have closed down without paying workmen their rightful wages and entitlements.

One of the sorriest records of the government is in the field of housing, to ensure that every Malaysian has adequate housing, which apart from food, is the next largest household expenditure item, taking 15% - 20% of household expenses for the majority of the people.

Under the Second Malaysia Plan, low-cost housing schemes undertaken by State Governments with Federal funds showed a shortfall of 50%, as only about 13,000 units were completed as against a target of 26,000.

The Government has all along failed to fulfil the needs of Malaysians of low-income groups for low-cost housing. There is now a massive backlog of housing shortage which is as high as 250,000.

The Government must use every cent for low-cost housing to break the back of the housing problem, and there can be no justification for use of Federal funds either by State Government, SEDCs or other Government agencies for expensive homes either for the high incomes or middle incomes.

#### **Poverty Income Line**

Yesterday, Dr. Mahathir rejected what he said was my proposal that there should be a common poverty income line. He gave as reasons that this is not possible in view of the differences in the cost of living and facilities for social amenities for different areas and households.

I advise Dr. Mahathir to study my speech carefully, because he was making the very arguments I had presented when I had criticised the government's use of a single poverty income line. Probably, Dr. Mahathir has not fully understood the Third Malaysia Plan himself.

#### **Export Duty Exemption for rubber-smallholders with less than 15 acres**

For the Third Malaysia Plan and the development estimate expenditures to succeed, there must not only be proper implementation capacity, there must be greater co-ordination between government departments and Ministries. We often find that the right hand of the government does not know what the left hand is doing, and even doing conflicting things, cancelling each other out, wasting public funds, resources and time.

A good example was furnished on Monday, when Ministers started replying during the Third Malaysia Plan debate. I had called for a total exemption of export duty and rubber cess for small-holders with less than 15 acres as an anti-poverty programme to help the smallholders. The Finance Minister, Tengku Razaleigh, rejected it out of hand as not practical while the Assistant Minister for Primary Industries, speaking on behalf of the Minister, said that this proposal is being actively taken up by his Ministry and is being studied in depth between his Ministry and the Finance Ministry. How unco-ordinated can the Government get?

## EDUCATIONAL TAX REBATE PROPOSAL

*"If capitalists and manufacturers are encouraged and given incentives to invest in physical plants and machinery, I do not see why an enlightened government should not encourage Malaysian citizens in investing in human capital and qualified manpower by sending their children abroad for higher studies when they could not find places locally."*

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**Speech on the 1977 Budget on November 1, 1976.**

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Income tax laws, to be an instrument of equity and the fairer distribution of income and social opportunities, must not be rigid and inflexible but must be alive to the economic problems and difficulties of taxpayers.

There has been a lot of talk about restructuring of society, but there does not appear to be any realisation of the need to restructure our taxation laws to achieve a progressive, poverty-free Malaysia.

It is indeed ironical and a Malaysian tragedy that, while every year, the government claims that it is spending more and more money on education, more and more Malaysian youths experience the loss or diminution of higher education opportunities in Malaysia.

The only avenue left for them is to go overseas like England, Australia, to pursue further studies.

Apart from the wealthy families, this is a crushing financial burden on parents who have to bear these educational expenses. It will not be hard to imagine the financial burden of parents who have two or three children in post-secondary stage and doing higher studies abroad – which is becoming more and more common. This is not because Malaysians have become richer and are more able to afford to send their children to study overseas, but because parents are forced to raise funds by whatever means, even getting into debts, to send their children overseas.

I know there are powerful leaders in government and ruling parties who frown upon and are critical of the increasing spate of Malaysian students going abroad for higher studies.

These leaders are narrow-minded and short-sighted. Higher education is a form of national investment, and as their policies have made it impossible for them to find places in local universities and colleges, no hindrance should be put in the way of free pursuit of higher studies overseas.

In fact, far from putting obstacles in the way, the government – as a government of the people – has a duty to help Malaysian parents in the financial burden of sending their children for higher studies overseas.

The Finance Minister announced in this budget an accelerated depreciation allowance as high as 80 per cent on plant and machinery to encourage the establishment, modernisation and expansion of selected industries or activities. The purpose is to encourage physical investment leading to greater national productivity. Education is a human investment leading to greater national productivity. If capitalists and manufacturers are encouraged and given incentives to invest in physical plants and machinery, I do not see why an enlightened government should not encourage Malaysian citizens investing in human capital and qualified manpower by sending their children abroad for higher studies when they could not find places locally.

The government subsidises Malaysian students who study in the local Malaysian universities. But it does not give a single cent of subsidy for students who go abroad for higher studies, although their contribution to the country will not be less than Malaysians who study in the local institutions. On the contrary, the Ministry of Education seemed bent on making it more difficult for students to go abroad for higher studies — as for instance, the recent regulation imposing a \$1,500 deposit for every intending student to the United Kingdom.

I therefore call on the government to grant tax reliefs or an educational rebate to Malaysians with less than \$15,000 annual income to meet the educational expenditures of their children abroad, where they have not received governmental help, both on grounds of equity, as this will help remove social injustice and make the lower income Malaysians more able to compete with the higher-income Malaysians, and on grounds of national interest — as this is a valuable form of national investment in human skills.

It is for this reason why I feel quite disappointed by the Finance Minister's budget, for he failed to grasp the opportunity to lend a fresh approach to the budgetary policies by identifying areas where innovative fiscal and budgetary policies can be of most impact in achieving the objective of a fairer, more just and equal Malaysian society.

*"The Industrial Co-ordination Act typically represents what is wrong with the New Economic Policy implementation in eroding and removing legal protection for local investors, especially non-Malay investors, and the introduction and substitution of the concept of bureaucratic discretion in approving plans, licenses and applications."*

*"It has been said that Malaysia lives between a Dream and a Nightmare. Its dream is the enormous potential wealth of its natural resources and its small population of only 10 million. Its nightmare is the spectre of political violence between races or economic interests over the distribution of these benefits."*

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#### Speech on the 1978 Budget on November 1, 1977.

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Everyone had expected an election budget, and true to expectations, the 1978 Budget that was presented last Friday was an election Budget. The trouble with an election budget, which gives out sweets, is that after the elections, not only are the sweets taken away, but even more bitter pills are administered to pay for the pre-election sweets.

A closer study of the 1978 Budget shows that the sweets are given to the well-off and not to the poor, but which the poor will have to pay for after the elections. Import duties for jewellery, diamonds, gold and precious stones are slashed by 10%, and on top of it, the sales tax on these items are further slashed from 10% to 5%. These election sweets are not for the poor, but for the rich.

Other luxuries like golf bags (the games of Ministers and the rich), cameras, leather products, including *"articles of apparel and clothing accessories, of leather or of composition leather"* (but not ordinary clothing) have had also their import duties slashed. Again the poor are not going to benefit from these reductions.

It is a mockery of the professed New Economic Policy to combat poverty when the Government has time and money to reduce import duties for luxury goods but no time nor money to reduce the import duties and excises on essential goods which the Malaysian poor must spend on.

The Minister of Finance claimed in his Budget speech that *"almost all essential goods carry nil duty rates"*. The trouble with the Finance Minister is that the definition of *"essential goods"* for the poor are very strictly and narrowly defined, while *"essential goods"* for the well-to-do knows no limits!

In view of the serious inflation in the country, where prices keep climbing up, the Finance Minister should have concerned himself with

reducing the prices of essential goods, and services, by downward adjustment or abolition of import duties and excise, as for instance, for foodstuffs, textiles, and clothing, transport costs and fuel and power.

The Malaysian poor, who have a little over 10% of total income in the country, pay higher than 10% of the taxes for categories of food, beverages and tobacco, and rent, fuel and power, which constitute relatively large parts of the household budgets of the poor.

For this reason, any financial measure which can quickly add even one per cent to the incomes of the poor should be a matter of immediate priority.

The reduction of a few hundred dollars in precious stones or diamonds for the rich means more money for the rich to live even more ostentatiously, but a reduction in five or ten cents in the different foodstuffs, or reduction in five or ten cents for bus fares, or a dollar or two for clothings, will make a world of a difference for the poor !

Beginning Oct.1, bus and taxi fares went up by five and ten cents respectively for the first mile (although in many cases the bus fares have gone up by 10 cents).

For a worker who has to take two buses to work, this will mean an additional monthly expenditure of about \$5.50 a month for bus fares alone. If he has say two children, who go to school by bus the additional transport expenses he will have to bear will exceed \$10. This will be a slash of 10% of his real income if his salary is \$100 a month, or 5% of his real income if he earns \$200 a month. This is only transport, without taking into account the spiralling costs of foodstuffs and other services. The net result is a deteriorating standard of living for the poor and low-income groups.

The Government has in this case allowed itself to be blackmailed by the bus operators, especially Sri Jaya in Kuala Lumpur, to approve the bus fare increases without a thorough study of the adverse consequences it will have on the low income groups. This is especially apparent as the Ministry of Works and Utilities had earlier claimed that it could not make any recommendations to the Cabinet about the proposed bus fare increases unless all the bus companies had submitted their accounts to the Ministry. When the Government announced approval for the increase in bus fares, half of the bus companies had not yet submitted their accounts.

In defending the bus fare increases, the Acting Prime Minister, Dr. Mahathir Mohamad, claimed that the bus fare increases was given with conditions for improved bus services. A month had passed, and there is not a single whit of improvement in bus services — while the commuters and the poor who have to make use of bus services as their only means of transport are burdened with a crushing transport bill which slashes their real income by 5 to 10 per cent. This is most unjustifiable, and I call on the Finance Minister

to seriously reconsider the adverse effects of the bus fare increases on the standard of living of the poor.

Instead of reducing import duties on luxuries, the Finance Minister could have helped the poor, if not in reducing their transport costs, but at least in maintaining and stabilising their transport expenses.

The Government could achieve this without burdening the poor by reducing import duties on petrol and heavy and fuel oils for bus companies or by reducing road tax for buses and taxis.

**Repeal of Industrial Co-ordination Act a pre-condition for the encouragement of foreign investment and release of domestic capital for domestic investment.**

The Third Malaysia Plan target for private investment is 10%. The Finance Minister's forecast for private investment in 1977 is 9% and the Finance Minister claimed last Friday that the rate of private investment achieved for this year will be 8.2%, which is generally doubted.

What is not doubted, however, is that the pick-up of investment in Malaysia has been dismally slow. The basic reason is one of confidence, for not only are Malaysians edgy and scary of investing their capital locally, but Barisan Nasional leaders are known to have siphoned funds abroad. In these conditions, it is naive to expect foreign investors to come in droves to put their money in Malaysia, when Malaysians and Barisan National Leaders are steering clear of their own country.

The DAP calls on the Barisan Nasional to regain confidence of Malaysians to invest in Malaysia. Before this can be done, there are several vital steps which the Government must take.

Firstly, it must repeal the Industrial Co-ordination Act, which typically represents what is wrong with the New Economic Policy implementation in eroding and removing legal protection for local investors, especially non-Malay investors, and the introduction and substitution of the concept of bureaucratic discretion in approving plans, licenses and applications. Vague terms of 'national interest' can, from past experience, cover a multitude of sins.

The repeal of the Industrial co-ordination Act is therefore a prerequisite to regain confidence of Malaysians in the security of their investments in their own country !

The introduction of the concept of bureaucratic discretion in approving plans, licenses and applications provide opportunities for corruption, abuse and misuse of power.

Secondly, the restoration of the confidence of all Malaysians in the future of Malaysia for their children. That this has been a great question mark can be gauged by the mass migration of doctors and professional people abroad, including the doctor-brother of the Deputy Minister of Education, Mr. Chan Siang Sun.

The Government has so far turned a blind eye to these concerns of large sections of Malaysians, and so long as these concerns are ignored and their basic factors disregarded, then there can never be a full domestic confidence about the future of Malaysia. In fact, this can be highlighted by the fact that Ministers prefer to have their children educated abroad whether for primary or secondary education, rather than locally!

It has been said that Malaysia lives between a Dream and a Nightmare. Its dream is the enormous potential wealth of its natural resources and its small population of only 10 million. Its nightmare is the spectre of political violence between races or economic interests over the distribution of these benefits.

We are presently heading towards the nightmare. Let us retrace our steps and realise our dream.

We can do this by recognising, firstly, that the NEP, through its pre-occupation with the creation of a Malay capitalist class, can only accentuate class tensions among the Malays, and even worse, the eventual resort to the politics of race to explain why the Malay poor masses remain poor after the NEP had created a Malay capitalist class. Secondly, the emphasis on race distinctions in every facet of Malaysian life from school onwards is highly detrimental to the task of nation building aimed at the inculcation of a Malaysian consciousness and identity transcending racial ones.

Both these factors if not checked will become major divisive forces destroying the economic and political future of the country. We should retrace our steps from such a nightmarish future by :

1. Focussing on the upliftment of the poor regardless of race, most of whom, will be Malays;
2. A genuine, and not selective, restructuring of Malaysian society ;  
and
3. Full acceptance in principle and practice of the multi-racial basis of our nation, where every Malaysian can develop his or her potential and capacity to the fullest and contribute to the development of the country.

**HUMAN RIGHTS AND CONSTITUTIONAL  
GUARANTEES**

# INTERNATIONAL COVENANT OF CIVIL AND POLITICAL RIGHTS 1966

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*"Countries or governments which are not concerned about human rights have ceased to be concerned about human beings.*

*"Respect for human rights is a pre-condition of democracy and the Rule of Law. Where human beings in Malaysia have been reduced from their full human condition, then Parliament must act as the conscience of the nation to restore to them their full human rights."*

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Speech when moving a motion to ratify the International Covenant of Civil and Political Rights 1966 on October 26, 1977.

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On 16 December 1966, the United Nations General Assembly, by 106 votes to none, adopted the International Covenant of Civil and Political Rights 1966 under which, each State Party undertakes to respect and to ensure to all individuals within its territory and subject to its jurisdiction the rights recognised in the Covenant without distinction of any kind, such as race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status.

Among the rights recognized in the Covenant are the right of all peoples to self-determination; the equal right of men and women to the enjoyment of civil and political rights; the right to life; protection from torture and from cruelty; inhuman or degrading treatment or punishment; protection from slavery; the right to liberty and security of person; the right, when deprived of liberty, to be treated with humanity and with respect for the inherent dignity of the human person; the right to liberty of movement within the territory of a State; the right to freedom of thought, conscience and religion; the right to hold opinions without interference; the right of peaceful assembly; the right to freedom of association; the right to protection of the family and children; and the right for the protection of minorities.

Although the Covenant was opened for signature and ratification on Dec. 19, 1966, Malaysia, 11 years later, has not ratified the Covenant although it had adopted it in the General Assembly.

I call on the Malaysian Government to make an unequivocal commitment to human rights by ratification of the International Covenant. Why is the Malaysian Government prepared to vote for its adoption in the General Assembly, and yet not prepared to ratify it when the Covenant was open for signature since Dec. 19, 1966?

This shows that the Malaysian Government is not sincere about its verbal commitment to human rights. In fact, there are Ministers who talk glibly about human rights as a luxury which countries like Malaysia cannot afford. I say that countries or governments which are not concerned about

human rights have ceased to be concerned about human beings.

The reason why the Malaysian Government is not prepared to ratify the International Covenant of Civil and Political Rights is that the human rights record of Malaysia is a dismal one.

The Malaysian Government is prepared to vote for the Covenant in the General Assembly, which gives it favourable publicity, but not prepared to ratify the Covenant, which provides for enforcement procedures to implement human rights of political and civil nature laid down in the Covenant.

Thus, Article 28 of the International Covenant of Civil and Political Rights provides for the establishment of a Human Rights Committee consisting of 18 members, nationals of State Parties to the Covenant, who are persons of high moral character and have recognized competence in the field of human rights. The Committee is charged with the consideration of reports submitted by State Parties under Article 40 which binds the State Parties to submit reports on the measures they have adopted which give effect to the rights recognized in the Covenant and on the progress made in the enjoyment of those rights within one year of the entry into force of the Covenant for the State Parties concerned and thereafter whenever the Human Rights Committee so requests.

The Human Rights Committee is also empowered to consider complaints by a State Party to the Covenant, under Article 41, that another State Party is not fulfilling its obligations under the Covenant. And under the Optional Protocol to the International Covenant of Civil and Political Rights, the Human Rights Committee can consider complaints from individuals under certain conditions against State Parties for violation of the Covenant.

A quick review of the human rights spelt out in the Covenant would show that if Malaysia ratifies the International Covenant of Civil and Political Rights, there will be numerous complaints of violations of the Covenant which would have to be considered by the Human Rights Committee.

The most outstanding one, because of the recent national and international uproar, will be Article 6 (5) of the Covenant, which reads: "*Sentence of death shall not be imposed for crimes committed by persons below eight years of age and shall not be carried out on pregnant women.*"

A host of human rights violations would include the following:

**Article 9: Right to liberty and security of person.** This article provides that no one shall be subjected to arbitrary arrest or detention; and that anyone who is deprived of his liberty by arrest or detention shall be entitled to take proceedings before a court, in order that the court may decide without delay on the lawfulness of his detention and order his release if the detention is not lawful.

The Malaysian Government's violation of this Article will flood the Human Rights Committee with work, which is a measure of the magnitude of the violation. Political critics and oppositions leaders who are committed to a constitutional, democratic struggle are detained without trial indefinitely – not because they pose a threat to the security of the country, but because they challenge the political base and strength of the ruling parties. This is why opposition leaders like Sdr. Kassim Ahmad, Professor Syed Husin Ali, Sdr. Chian Heng Kai (DAP Member of Parliament for Batu Gajah), Sdr. Chan Kok Kit (DAP Assistant National Treasurer) are detained in the Kamunting Detention Camp. Their crime is not that they oppose the country or people, but because they oppose the ruling party politicians.

**Article 10: Right when deprived of liberty, to be treated with humanity and with respect for the inherent dignity of the human person.** This right is violated every day in the police lock-ups in the country, where persons arrested are sometimes subject to all sorts of brutalities and violence.

**Article 12: The Right to Movement within the territory of a State.** It is a disgrace and a violation of the Covenant that Malaysians cannot fully move within their own country. I had been banned from Sabah, and twice refused entry into Sarawak. If Malaysia had signed the Covenant and the Optional Covenant, then the Malaysian Government would be called upon to perform the impossible of justifying why a Malaysian Member of Parliament cannot freely move about in his own country.

**Article 14: The Right to equality before the courts and tribunals.** The Essential (Security Cases) Regulations is an infringement of Article 14 (2) which provides that *"everyone charged with a criminal offence shall have the right to be presumed innocent until proved guilty according to law."*

**Article 21: The Right to Peaceful Assembly.** Restrictions are placed on the Political Opposition and critics on this Right to Peaceful Assembly, while double standards are applied where supporters of the ruling parties or ruling factions in the ruling parties are concerned.

A good case is the ban on public rallies in the case of the DAP and other Opposition parties, except in cases of by-elections, but in the case of Kelantan, the supporters of Dato Mohd. Nasir, the 'besieged' Menteri Besar of Kelantan, who has the support of high officials in UMNO, are allowed to hold public rallies everyday despite the proclamation of curfews in the State.

How can the Malaysian Government justify the violation of this Article to the Human Rights Committee, and its double-standard application ?

The catalogue of violations of human rights and the Covenant of Political and Civil Rights will be endless.

Is this the reason why the Malaysian Government does not want to be put on the international dock to defend its violation of human rights ?

This is not acceptable to Malaysians, who cherish human rights. The Malaysian Government should ratify the International Covenant of Civil and Political Rights, and should modify its laws and measures which deviate from the Covenant so that in Malaysia, human rights flourish as one of the basic rights of Malaysians.

Respect for human rights is a pre-condition of democracy and the rule of law. Where human beings in Malaysia have been reduced from their full human condition, then Parliament must act as the conscience of the nation to restore to them their full human rights.

We must seek continuously to broaden human rights in Malaysia, and not to progressively curtail them.

I conclude, with the plea that we should aim at the common standards of achievement of human rights for all peoples and all nations as laid down in the International Covenant of Political and Civil Rights, bearing in mind the warning in the Preamble to the Universal Declaration of Human Rights that:

1. Disregard and contempt for human rights have resulted in barbarous acts which have outraged the conscience of mankind; and
2. It is essential, if man is not to be compelled to have recourse, as a last resort to rebellion against tyranny and oppression, that human rights should be protected by rule of law.

Mr. Speaker, Sir, I beg to move: *"That this House resolves that the Malaysian Government should within a month of the passage of this motion, ratify the International Covenant of Civil and Political Rights 1966 which was adopted by the General Assembly of the United Nations by 106 votes to none on December 16, 1966."*

## HUMAN RIGHTS COMMISSION IN MALAYSIA

*"The threat of May 13 to silence reason and arguments in the Dewan Rakyat has been used for too long. Every time the Opposition presses the people's issues, and the National Front is unable to counter the DAP arguments, threats of May 13 is resorted to..... I want to ask: Who wants to start another May 13?"*

*"It is clear that the stipulations in the International Covenant of Civil and Political Rights 1966 are not matched by the provisions (on fundamental liberties) in the Malaysian Constitution, for the latter have been so qualified and subject to conditions as cease to constitute fundamental rights any more."*

*"What I find it difficult to understand is why on a motion on human rights, the UMNO-putras would also want to make use of artificial issues (of race) to reinforce their class interest".*

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Speech when winding up the debate on the motion asking Parliament to ratify the International Covenant of Civil and Political Rights 1966 on October 27, 1977.

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I regret that the Minister of Foreign Affairs and National Front members who spoke have made it very clear that they would oppose this motion calling for the ratification of the International Covenant of Political and Civil Rights 1966.

The reasons that have been given by the Minister of Foreign Affairs, Tengku Rithaudeen, and the five other National Front MPs who spoke, however, is most contradictory.

On the hand, there are those like Tengku Rithaudeen, the Minister of Foreign Affairs, who claimed that the human rights contained in the 1966 International Covenant of Political and Civil Rights are already respected in Malaysia, and there is therefore no need to ratify the Covenant.

There are those, especially the Member for Kuala Selangor, Raja Nasron, who and to some extent, the Member for Permatang Pauh, Ariffin Daud, who denounced the International Covenant of Political and Civil Rights, as unacceptable for Malaysia. In fact, Raja Nasron went so far as even to suggest that if the International Covenant of Political and Civil Rights is ratified, there would be another May 13 riots in the country, and will seriously undermine national unity and peace.

I challenge the Government to give a clear explanation as to why they oppose this motion — is it because the International Covenant is mere duplication of human rights already existing in the country, or because the International Covenant is an evil, subversive document which can have no

place in Malaysian society under the National Front Government ?

I regret that this motion calling for the ratification of the International Covenant of Political and Civil Rights 1966 had been made use of by National Front MPs like Raja Nasron and the MP for Langkawi to play the communal line.

The Member for Kuala Selangor is in particular guilty of this. He again spoke of May 13 and the possibility of another if what the DAP sought through the ratification of the International Covenant of Political and Civil Rights succeeds.

The threat of May 13 to silence reason and argument in the Dewan Rakyat has been used for too long. Every time the Opposition presses the people's issues, and the National Front is unable to counter the DAP arguments with better arguments, threats of May 13 is resorted to. This happened on Tuesday, when the Attorney-General was questioned about the exercise of his power as Public Prosecutor, his semi-judicial and discretionary role, and the case of Dato Harun Idris, he warned of another May 13. Yesterday on the motion on the International Covenant of Political and Civil Rights, the Member for Kuala Selangor spoke of another May 13.

I want to ask : Who wants to start another May 13 ? Is it the Attorney-General or the Member for Kuala Selangor ?

It is now clear that May 13 riots in 1969 was not caused by the Opposition or even communists, but planned by UMNO leaders to topple Tunku Abdul Rahman, as the former Prime Minister said in his article "As I See It" in the Star some time back.

In the book, South East Asian Affairs 1977, published by the Institute of South East Asian Studies, in an article on "UMNO : 30 Years After" by journalist Subky Latiff, the writer ( who is close to various UMNO leaders and in particular Dato Harun Idris), wrote:

*"The May 13 Incident did not occur spontaneously. It was planned quickly and purposely. The identity of the planner of the incident cannot be stated with accuracy. Whatever it was that happened, the May 13 Incident was a form of coup de tat directed against Tunku Abdul Rahman. The Tunku's power in fact ended from then onwards. Although he continued to be Prime Minister and President of UMNO, he was no more than a figurehead."*

The DAP had right from the beginning called for a Royal Commission of Inquiry into May 13 riots to determine who planned and started the racial clashes and deaths – but this was rejected by the authorities. Blame was put on everybody, except the real culprits. And in order to make the world believe that the May 13 Incidents were created by Opposition Parties

I was detained under the Internal Security Act for 18 months — a sacrificial victim of the Planners of May riots !

Is this the National Front's respect for human rights ?

I said on Tuesday, and I say it again, that this Dewan should not allow Members from the National Front to threaten anybody with May 13 talk. If this May 13 nonsense does not stop, then I will move a motion to ask the House to set up a Commission of Inquiry into the causes of May 13 riots to ascertain who are the Planners of the May 13 — to end the distortion of history, and the use of distorted history to threaten the House when faced with invincible arguments from the Opposition.

I deplore the speech by the Member for Kuala Selangor, which is the most irresponsible kind seeking to present himself as the Saviour of the Malays, when he is not, and when there is no occasion for him to make such irresponsible speeches.

He railed about how he would not permit Malay rights to be destroyed, when in this debate on the ratification of the International Covenant of Political and Civil Rights, there is no mention of Malay rights. We are discussing human rights, which is the right of all persons, whether Malays, Chinese or Indians.

When I interrupted him to ask when had the Member for Seremban, Dr. Chen Man Hin, the target of his attack and of the Member for Langkawi too, had referred to Malay rights in Dr. Chen's seconding speech, Raja Nasron was unable to do so. But that did not prevent him from railing on about championing Malay rights. Raja Nasron must be utterly bankrupt politically to resort to such desperate tactics in the hope of catching big press headlines, and to show what a champion of Malays he is.

This is what Dr. Chen said in his seconding speech, from the Hansard:

*"Despite the New Economic Policy, which the Barisan Nasional claim will benefit all Malaysians, irrespective of race, yet the nation wealth is not equitably distributed. The Gross per capita income is said to be 200 ringgits, but the income of the average peasant and worker is less than 100 ringgits a month. Malay have-nots continue to be have-nots, while the Malay elite wax rich with juicy contracts and big timer concessions. Economic advancement for the non-Malays have become progressively dimmer."*

Did Dr. Chen make any denunciation of Malay rights ? What Dr. Chen did was to attack the policy of creating a Malay wealthy class and millionaires at the expense of the Malay poor. Raja Nasron was stung and saw red — not because Malay rights were challenged, not because the rights of the Malay poor were threatened, but because the rights and position of the Malay rich, the Malay millionaires, were questioned. He reacted fiercely and emotionally not because the rights of bumiputras were threatened, but because

the rights of the UMNO-putras, of whom he is one, were questioned.

The Member for Langkawi, Dato Syed Nahar, said that he would not allow the Malays to be made use of as an instrument, "di-peralatkan". It is the UMNO-putras like the Member for Kuala Selangor and Langkawi, who are "memperalatkan" (making use), of the Malays for their own class interests.

What I find difficult to understand is why on a motion on human rights, the UMNO-putras would also want to make use of artificial issues to reinforce their class interest. Are they so desperate?

The speech of the Member for Kuala Selangor is most vicious, and is a disgrace to Parliament. He said that DAP harbours dangerous thoughts in bringing this motion. What is he implying? If he is a courageous man, a man born of a male, why doesn't he come out clearly with these "dangerous thoughts" — and I challenge him to repeat outside the House what these "dangerous thoughts" are.

The Member for Kuala Selangor accused the Member for Seremban, Dr. Chen Man Hin, of wanting a political system like that of the People's Republic of China. This is most mischievous. He is suggesting that Dr. Chen and the DAP want a communist system of government, like the Chinese communist system. Again, I challenge him to be specific, and not to hide behind insinuations, but to state clearly and publicly outside the House that Dr. Chen wants to bring about a communist government like that prevailing in the People's Republic of China.

Members should talk with responsibility, and not indulge in wild allegations, which will only reduce the dignity of the House.

Referring to the detention of two DAP leaders, Sdr. Chian Heng Kai, DAP Member of Parliament for Batu Gajah, and Sdr. Chan Kok Kit, DAP National Assistant Treasurer, the Member for Kuala Selangor said the government did not detain people without evidence.

The history of ISA is a history of detention without proper reasons. The ISA has been used as a political instrument against critics and Opposition leaders, student leaders and trade unionists.

Hamid Tuah was once arrested under the Internal Security Act. What was his offence? Because he led a movement to open up land for the landless — for the landless cannot get land while Ministers and Deputy Ministers, Chief Ministers and Menteri-Menteri Besar can get large tracts of land without any problem. Why was youth leader Arwar Ibrahim detained under the ISA? Why was student leader Ibrahim Ali detained under the ISA? Why were Chian Heng Kai and Chan Kok Kit arrested? Not for any acts, but for what they had said at public rallies and party meetings, which were all in conformity with the laws of the land of the land and the Constitution.

If what they had said in public rallies and party meetings had transgressed the law, then charge them in court. And I can speak here with the full authority of Sdr. Chian Heng Kai and Sdr. Chan Kok Kit : They challenge the Government to charge them in court for any offences which the Government claims they had committed.

Why detain them under the ISA where the reasons need never be subject to public examination? It had been said that both Sdr. Chian Heng Kai and Sdr. Chan Kok Kit had confessed to involvement with Communist United Front activities. This is an utter lie. Both Sdr. Chian Heng Kai and Sdr. Chan Kok Kit never had anything to do with the communists or the Communist United Front, because they believe in the DAP political struggle through democratic constitutional means to bring about political changes.

If Sdr. Chian Heng Kai and Sdr. Chan Kok Kit had been involved with Communist United Front activities, then I call on the Government to give me and the DAP the evidence, and we will expel them from the Party for violating Party principles. If the Government cannot do so, then both of them should be released immediately without conditions. On Nov. 2, both of them would have served their full year of detention — for no mistake or crime; just as I had in 1969 and in 1970, been detained for 18 months or no crime except being a victim of political persecution of the ruling party.

Again, why has the Government arrested Sdr. Kassim Ahmad and Professor Syed Husin Ali of PSRM. Is the Government prepared to furnish the reasons for their arrest publicly or charge them in court ?

The Member for Kuala Selangor attacked the DAP's call for a Malaysian Malaysia. The DAP wants a Malaysian Malaysia because as citizens of this multi-racial country, we firmly believe that any attempt to establish a Malay Malaysia, a Chinese Malaysia or an Indian Malaysia, or an Iban Malaysia or a Kadazan Malaysia, will bring the country to disaster. I ask the Member for Kuala Selangor if he is so opposed to a Malaysian Malaysia, a Malaysia belonging to all Malaysians, then what type of Malaysia does he want ?

The Member for Kuala Selangor pointed to the Kelantan troubles as an example of what could happen if human rights are permitted. This is ridiculous. The trouble of Kelantan is not that human rights are allowed free play, but because the people's political rights have been denied.

The Member for Sungai Siput made play with the assertion that even President Carter had praised Malaysia as a model of human rights for other countries to follow. A desperate man will grasp at any straw.

The Foreign Minister, Tengku Rithaudsen, in answer to my question, said President Carter never made such a statement. Yet, Radio and Television Malaysia news report gave prominent coverage to this blessing by President Carter, which was never made.

Tengku Rithaudeen claims that it is not necessary for Malaysia to ratify the International Covenant of Political and Civil Rights because the stipulations are already contained in the Malaysian Constitution, Articles 5 - 12. He said that human rights and fundamental liberties are already enshrined in the Malaysian Constitution.

True, the Malaysian Constitution, Articles 5 - 12, enshrined fundamental rights - but they are the enshrinement of fundamental rights which are so tattered and curtailed by qualifications as to cease to have real meaning and content.

If Tengku Rithaudeen is right that the principles of the International Covenant of Political and Civil Rights are already enshrined in the Malaysian Constitution, then Malaysia should have no qualms about ratifying the International Covenant, which will show our sincerity in accepting the U.N. idea and further enhance our international reputation.

It is clear that the stipulations in the International Covenant are not matched by the provisions in the Malaysian Constitution, for the latter have been so qualified and subject to conditions as cease to constitute fundamental rights any more.

Tengku Rithaudeen claims that violations of fundamental liberties enshrined in the Malaysian Constitution can be remedied in the Courts through writ of habeas corpus, certiorari, mandamus, and others, and that in Malaysia the principle of Independence of the Judiciary is honoured. The principle of Independence of the Judiciary is now under a great threat with the warning on Oct. 18 by the Deputy Prime Minister, Dr. Mahathir Mohamad that "*the judiciary should not attempt to force its views on the legislature ..... to do so especially when accompanied by threats may result in a confusion of roles and the eventual destruction of the independence of the judiciary itself.*"

Who can destroy the Independence of the Judiciary, but only the Executive with its votes in Parliament ?

The Courts do not protect citizens from arbitrary arrest under the Internal Security Act. Tengku Rithaudeen talked about the Advisory Appeal Board, which meets once in six months to review the detention of a person, and which is chaired by a former judge. It is public knowledge that this Board is powerless, just a window-dressing, completely helpless to intervene against unjust and arbitrary detention without trial. Both Sdr. Chian Heng Kai and Sdr. Chan Kok Kit have appeared once before the Board - but what have happened ? Nothing !

Tengku Rithaudeen spoke more than once, at the prompting of the Attorney-General yesterday, about the writ of habeas corpus to release persons unlawfully detained. What is the use of this writ of habeas corpus,

when persons released are immediately re-arrested inside the court house itself ?

Tengku Rithaudeen said the International Covenant is only a guideline, and is not meant for those countries whose laws already provide for these basic rights. I regret the Foreign Minister should mislead this House on this matter. Can he show me any clause or preamble to the International Covenant which stipulates that countries whose laws or constitution enunciate the same principles need not ratify the Covenant? There is none. When the International Covenant was adopted in the UN General Assembly on 16th December 1966 by 106 votes with no votes against, it was with the intention that every country should ratify or accede to it.

Tengku Rithaudeen said there were no procedural remedies for breaches in the Covenant. This is a misunderstanding of the mode of operation of international human rights movements. The Covenant provides for an enforcement and implementation machinery, namely, a Human Rights Committee, with powers to consider complaints against State Parties for violation of human rights.

The weight of international public opinion against such a State for violation of human rights, as publicly named and censured by the Human Rights Committee, will be so great that the State Party concerned will find it difficult to ignore such international censures.

In fact, the reason why the Malaysian Government does not want to ratify the International Covenant is because such a ratification will result in Malaysia being put in the international dock and being censured by the Human Rights Committee for gross violation of political and civil rights of Malaysians.

All the sweet words and vicious distortions cannot hide away this one reason for the failure to ratify the International Covenant of Political and Civil Rights.

The Minister talks a lot about the Rule of Law. Rule of Law has meaning only if it is the Rule of Just and Good Law, and not the Rule of Unjust and Repressive and Unconscionable Law.

The Government's rejection of this motion shows clearly the National Front Government's position on human rights. It is a black day for human rights in Malaysia ! It is a day of shame for Malaysians !

In rejecting this motion, the National Front Government is telling the world that its human rights record cannot bear international examination.

In that case, let us have a Human Rights Commission in Malaysia which has the power to hear and make findings about complaints of violations of human rights. Is the Government prepared to establish such a Human Rights Commission which will have judicial status ?

## THE SECURITY CASES REGULATIONS

*"Here, not only is a person deemed guilty until and unless he can prove his innocence, but having proved his innocence in securing an acquittal, he is still deemed guilty and can be put in prison until he wins against the appeal applied for by the Public Prosecutor. An acquittal under the Regulations therefore, is no acquittal, and no proof of innocence, but re-committal and re-imprisonment."*

*"What Malaysia needs to establish as a national tradition and institution is that ours is a government of laws and not a government of men . . . . Laws of a country must not depend on the supposition of fair and just government leaders. Even more important, it must be based on fair and just laws, administered by fair and just men."*

*"The common means for introducing authoritarian system of Government is by the use of reserve constitutional powers and the introduction of a permanent state of emergency . . . . . In Malaysia, we have since 1963 lived in a permanent state of emergency, and there are parallel systems of government where Ordinances and Regulations introduce new legal principles which draw their sole authority from the State of Emergency, most notably of late the Security Cases Regulations and the Rukun Tetangga Regulations which are of the same litter of regulations."*

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Speech when moving a motion on December 19, 1975 to repeal the Essential (Security Cases) Regulations 1975.

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On the 4th of October, 1975, the Government gazetted the Essential (Security Cases) Regulations, 1975 under Section 2 of the Emergency (Essential Powers) Ordinance No. 1 of 1969.

These Regulations immediately attracted national and international censure for their blatant disregard of human rights and the overturning of basic principles of law in stripping away all the essential safeguards for a fair trial in a new breed of cases called the "security cases".

Opposition parties, lawyers, students and concerned Malaysians were horrified by the far-reaching consequences and implications of the Regulations. It was these Regulations which sparked off the widespread student demonstrations in Australia and New Zealand when the Prime Minister visited these two countries in the second part of October. And if Malaysian university students at home had not been banned from taking part in public activities, I am sure they would have risen up in even larger numbers and on a larger scale than in December last year to protest against these Regulations.

On 4th November, 1975, the Government amended the Regulations in the form of the Essential (Security Cases) (Amendment) Regulations,

1975, while in the intervening period there were more and more protests and expressions of concern. For instance, on the 13th of October 1975 the Bar Council held a special session during the Third Malaysia Law Conference and although no formal resolution was passed, it was clear that the lawyers overwhelmingly opposed the Regulations. Although the Straits Times in its Editorial of 20th November said, with regard to the amended Regulations of the 4th of November, that the Government "has heard the pleas of Malaysia's legal community and made major changes in the Essential (Security Cases) Regulations, 1975" a careful study of the amended Regulations would show that the objections to the original Regulations of October 4 equally applied to the amended Regulations of November 4, which I shall develop.

There are multiple objections to the Security Cases Regulations and I shall deal with them one by one.

#### **First Objection: A Blow to the Rule of Law**

The Government claims that it upholds the Rule of Law, and points to the Rukunegara where the Rule of Law is one of the five principles enshrined.

In his Hari Raya message, the Prime Minister, on 5th October, 1975, explaining the need for the Security Cases Regulations, said that the Government upheld the Rule of Law.

However, the Bar Council Memorandum to all Members of Parliament dated 28th October explained that the Bar Council opposed the Regulations because the Regulations would "demoralise all who believe in the Rule of Law in this country by bringing the law itself into disrepute."

It is clear that the principle of the Rule of Law means different things for those in power and for those outside power. In fact, I had occasion in this House to stress that the Rule of Law can only be meaningful if it differentiates good law from bad law.

What the Government means by Rule of Law is nothing more than "legality". It is important that we should be able to differentiate between these two very different concepts — the "Rule of Law" and "legality".

It is possible for every act of the Executive Government to be perfectly lawful, without the law itself being honoured or supreme. The Attorney-General. I am sure, is aware of the Roman law maxim to the effect that "the Emperor's wish has the force of law". It has been pointed out by an eminent judge that if the maxim is part of the Constitution of the country and if the Emperor chooses to give his servants unfettered powers to do as they please, their actions, no matter how oppressive or capricious, will be perfectly legal. But in the country, there will not be a true Rule of Law!

We therefore repudiate any definition of the Rule of Law which equates it with "legality" which is to reduce the principle of Rule of Law to utter meaninglessness, for in that sense, every legal system, even the organised

mass murders of the Nazi regime, qualifies as law.

The Government's definition of Rule of Law is a very simplistic one, as seen by the Commentary in the Rukunegara Principles issued in 1970 which states: *"The Rule of Law is ensured by the existence of an independent Judiciary with powers to pronounce on the constitutionality and legality or otherwise of Executive acts"*. What is the use of an independent Judiciary when the laws allow arbitrary interference with the fundamental rights and liberties of the individuals?

The Principle of the Rule of Law, is a very big subject and conferences after conferences have been devoted to it alone, although our Government thinks it is something which can be disposed of in two or three paragraphs.

I shall, however, only confine myself to the aspect directly involving the Security Cases Regulations. The Security Cases Regulations are a blow to the Rule of Law because it strips away all the essential safeguards for a fair trial. The principle that a man is innocent until proved guilty is abandoned.

One of the most fundamental safeguards for a fair trial is the presumption that a man is presumed innocent until proved guilty. These new Regulations effectively remove this safeguard.

The Secretary of the Bar Council, Mr. Cumaraswamy, in a paper entitled "Essential (Security Cases) Regulations 1975 - Is the Rule of Law in Jeopardy" at the Third Malaysia Law Conference, has rightly pointed out that if conviction in some cases cannot be obtained by the Public Prosecutor, who is fully supported by the whole investigative machinery of the Government, then the chances of an individual proving his innocence - without the support of a competent investigative machinery, but entirely on his own resources - are almost non-existent.

Even when the prosecution evidence is not sufficient to hang a cat, the presiding Judge has no power or discretion - however much he doubts the guilt of the accused or believes in his innocence - to discharge the unfortunate accused. The judge has no option but to call the defence. In every foreseeable case, the innocent, merely by being charged on the most tenuous of grounds, has to discharge the same burden as a guilty person of disproving all suspicion of guilt.

The question Mr. Cumaraswamy asked is also the question which we should all ask ourselves: *"Which reasonable person can remember what he did or where he was the previous Monday or Friday? Yet he is required to discharge this impossible burden. Should he say he cannot honestly remember, he would be held unwilling to answer and a finding of guilt is inevitable"*.

The amendments of November 4 did not restore the fundamental legal principle that a man is presumed innocent until proved guilty. This is only the most notable of the many basic rules of evidence, which have been designed to ensure that only the guilty are punished, which have been dis-

carded, and reduce the trials of persons for committing security offences to a mere show of legal respectability without giving the accused a genuine opportunity to defend himself. Other rules of evidence which have been overturned to the detriment of the liberty of the subject include the following:

(1) Under Clause 21 of the original October 4 Regulations, prosecution witnesses have the right to give evidence in camera and in the absence of the accused and even his counsel. The Regulations also provide for the prosecution witness to wear such dress and to give the evidence in such manner or circumstances, or by such methods, as will not lead to his identification and under no circumstances, shall he be asked as to his name, address, age, occupation, race or other particulars which will lead to his identification. This makes it impossible for the defence to impeach the credit of the prosecution witness and is most repugnant to all norms of justice and fair play.

Although the November 4 Regulations toned down this provision, the Regulations still allow hooded witnesses to go into the witness box without being seen or heard by the accused and his counsel.

Thus, Regulation 19 of the amended November 4 Security Cases Regulations has this provision:

*"19.(1) Where at any time during the trial, the court is satisfied that any of the witnesses for the prosecution is afraid to have his identity disclosed and therefore wishes to give evidence in such a manner that he could not be seen or heard by both the accused and his counsel, the procedure contained in paragraphs (3) and (4) shall apply.*

*(2) For the purpose of satisfying itself as to the need to follow this procedure of recording evidence under the regulation, the Court shall hold an inquiry in camera by asking the witness concerned or any other witness in the absence of the accused and his counsel.*

*(3) If after such inquiry the court is satisfied as aforesaid, the evidence of such witness shall be given in camera and in addition thereto, he shall give evidence in such manner as he shall not be visible to the accused or his counsel, but shall be visible to the court; and further if the witness fears that his voice may be recognised, his evidence may be given through an interpreter or other officer of the court who shall relay to the witness such questions as may be put to him in examination-in-chief, cross-examination and re-examination and in turn shall relay back to the court the answers given by the witness to such questions.*

*(4) The court may disallow such questions to be put to the witness as to his name, address, age, occupation, race or other particulars or such other questions as in the opinion of the court will lead to the witness's identification."*

Thus, under the amended November 4 Regulations, the defence would have no way again to impeach such prosecution witnesses and challenge their falsity.

It will be a field day, for agent provocateurs and informants who, for reward, would have no fear or scruples to manufacture false evidence as they could not be found out or charged for perjury; and open the doors wide for blackmail by unscrupulous and unprincipled agent provocateurs and informants and to blackmail law-abiding, innocent citizens.

Regulation 24 of the November 4 Regulations gives even more scope for such blackmail and perjury:

*"24.(1) Any person may give information relating to a security offence to a police officer or other public officer and the identity of the informant giving such information shall at his request be kept secret.*

*(2) A report setting out the said information shall be admissible in evidence without the informant being required to give evidence, and the court shall give due weight and consideration to such information."*

Only yesterday, I met a Malaysian citizen who said that nowadays, he makes it a point of winding up and locking his car wherever he goes, for who knows, some police officer or informant who does not like him, may plant some bullets or incriminating documents in his car and get him charged for a security offence.

Again, as has been pointed out, when there is a bomb explosion, and everyone runs in all different directions, who can prove that he was not involved in the act? It would be open for any informant or agent provocateur to give a statement under Regulation 24 or even to give evidence under Regulation 19 that he saw so-and-so in the company of persons who were responsible for throwing bombs. I do not think it is possible for anyone to prove that he is innocent under such circumstances, that he definitely had no association with the bomb-throwers, for the bomb-throwers are the only competent witnesses to exonerate him in such circumstances.

In these circumstances, with such information under Clause 24 or testimony under Clause 19, I dare say that even should the Honourable the Attorney-General himself be around the vicinity of the incident at that time, he would not be able to prove his innocence against such tainted evidence.

(2) Changes in the rules of evidence in allowing statements *"made to or in the hearing of a police officer"*; admission and confessions, cautioned or uncautioned, statements to a spouse during marriage, incriminating statements, evidence of an accomplice or that of a person of tender age will now be admissible, together with hearsay evidence, which will be at the discretion of the Court. The reasons for these rules of evidence had been to prevent tainted testimony and wrongful conviction from being given. Now the safeguards are removed.

(3) Abolition of trial by jury or with the aid of assessors. Even during the Emergency in colonial times, trials under the Emergency then prevailing were with the aid of assessors.

(4) Limited right of appeal. Even before the introduction of the Court of Judicature (Amendment) (No. 2) Bill which was debated in this House two days ago abolishing appeal to the Privy Council in constitutional and criminal cases, appeal with regard to security cases to the Privy Council had been abolished.

I concede that the November 4 Amended Regulations had repealed the more drastic and draconian appeal provisions of the October 4 Regulations, which did not even give the right of appeal for review, either for mistake in law or mistake of fact or miscarriage of justice, for those jailed for less than three months.

But Regulation 30 (3) of the original October 4 Regulations provides that while a person who has been jailed for less than three months cannot appeal against it and have it set aside or reduced, the Public Prosecutor can appeal against the very same sentence on the ground that it is too light and that it should be heavier penalty. Although this provision has now been repealed, it throws a sharp insight into the minds and outlook of persons who are in charge of making laws in this country, for this provision could only be conceived by persons to whom all ideas of justice and fair play are strangers.

In substance, the amended November 4 Regulations do not depart materially from the October 4 Regulations. Under the amendments, the Courts are no more bound, I agree, to impose the maximum penalty in every case; the power to detain an accused person for a full 60 days without producing him in court repealed; removal of the power to confiscate the property of any person wanted for the investigations of a security case and the granting of the right to grant bail except for offences carrying the death penalty or life imprisonment.

These amendments of the November 4 to the October 4 Regulations, however, leave the drastic and draconian features substantially intact, and constitute a grave blow to the Rule of Law in removing important and fundamental safeguards to protect the life and liberty of the subject. This is highlighted by Regulations 27 of the November 4 Regulations which is a new provision which provides:

*"27. When an appeal is presented against an acquittal, the court against whose decision the appeal is presented may issue a warrant directing that the accused be arrested and brought before it, and may commit him to prison pending the disposal of the appeal, or admit him to bail."*

Here, not only is a person deemed guilty until and unless he can prove his innocence, but having proved his innocence in securing an acquittal, he is still deemed guilty and can be put in prison until he wins again against the

appeal applied for by the Public Prosecutor. An acquittal under the Regulations, therefore, is no acquittal, and no proof of innocence, but re-committal and re-imprisonment. If this unfortunate person comes under Regulation 26(1) (c), where the Court of first instance is the Sessions Court, he may be acquitted and re-imprisoned not once, but twice, as appeal against his acquittal can go to the High Court with a further right of appeal to the Federal Court. This shows the complete abandonment of the Rule of Law with the introduction of these Regulations.

### **Second Objection: A Blow to Human Rights**

The second objection to the Security Cases Regulations is that it is a big blow to human rights advancement in Malaysia. These Regulations are a direct violation of the Universal Declaration of Human Rights. 1948. Article 11 of the Universal Declaration of Human Rights states:

1. *Everyone charged with a penal offence has the right to be presumed innocent until proved guilty according to law in public trial at which he has had all guarantees necessary for his defence.*
2. *No one shall be held guilty of any penal offence on account of any act or omission which did not constitute a penal offence, under national or international law, at the time when it was committed. Nor shall a heavier penalty be imposed than the one that was applicable at the time the penal offence was committed.*

Thus, the Essential (Security Cases) Regulations violate both Clauses of Article 11 of the Universal Declaration of Human Rights, in presuming guilt until proof of innocence, and in providing for retrospective effect in Regulation 3(2) of the Amended Regulations. In fact, the Regulations also violate Article 3 of the Declaration, which reads: "*Everyone has the right to life, liberty and security of person.*"

The Universal Declaration of Human Rights, is a common standard of achievement which we, as a member nation of the United Nations, have pledged to strive, to promote, respect and to secure their universal and effective recognition and observance. Malaysia has already fallen short of many rights and freedoms enunciated in the Universal Declaration of Human Rights, like Article 9 - "*No one shall be subjected to arbitrary arrest, detention or exile*"; Article 13 - "*Everyone has the right to freedom of movement and residence within the borders of each state*"; Article 20 - "*Everyone has the right to freedom of peaceful assembly and association.*"

These Regulations will make Malaysia violate three other rights in the Universal Declaration of Human Rights, and put Malaysia further and

further away from the accepted standards of civilised nations. Let it not be said that human rights are luxuries which we in Malaysia with democracy ala' Kuala Lumpur cannot afford. For those so-minded, I will like to remind them of the Preamble to the Universal Declaration of Human Rights which set out the Human Rights as a common standard of achievement for all peoples and all nations because:

- (1) *Disregard and contempt for human rights have resulted in barbarous acts which have outraged the conscience of mankind; and*
- (2) *It is essential, if man is not to be compelled to have recourse, as last resort to rebellion against tyranny and oppression, that human rights should be protected by rule of law.*

### Third Objection: Constitutional Violations

The third objection to the Security Cases Regulations is that they violate fundamental liberties in the Constitution. Clause 4 of October 4 Regulations provides for the arrest of a person suspected of committing a security offence by the police without a warrant and without being produced before a Magistrate or Court for as long as 60 days. This is in direct violation of Article 5(4) of the Malaysian Constitution which reads:

*"Where a person is arrested and not released he shall without unreasonable delay, and in any case within 24 hours (excluding the time of any necessary journey) be produced before a magistrate and shall not be further detained in custody without the magistrate's authority."*

Although this provision has been withdrawn in the November 4 Amended Regulations, it is not on the ground that it is unconstitutional, for the Honourable the Attorney-General had argued that although the Regulations were against certain provisions of the Constitution, the Emergency Ordinance provided that such Regulations could be made. It is for this reason that the Amended November 4 Regulations, Regulation 29(1) and (2) altered the Constitutional provisions in Articles 42(1) and (2) whereby the power to grant pardons, reprieves and respites or to remit, suspend or commute sentence of all security cases, are now exercisable by the Yang di Pertuan Agong rather than the respective Sultans and Governors as provided in the Constitution.

I am aware that Clause (6) of Article 150 of the Constitution provides that any Emergency Ordinance is valid even if it is inconsistent with any provisions of the Constitution, apart from some exceptions, but I shall submit later that despite this provision, the Regulations violate the Malaysian Constitution, both in the spirit and in the letter.

### Fourth Objection: Regulations will permit gross abuse and misuse of power

I have mentioned earlier how Regulation 19, in permitting hooded or hidden witnesses and Regulation 24, in permitting police informer's in-

formation to be admitted without requiring the informer to be called as a witness, will open the floodgates for perjury and blackmail. Whenever vast discretionary powers are given, they are very susceptible to abuse and misuse. Thus, Regulation 2 defines a "security offence" as an offence against Sections 57, 58, 59, 60, 61 or 62 of the Internal Security Act, 1960, or "any offence against any other written law the commission of which is certified by the Attorney-General to affect the security of the Federation". This means that the Attorney-General can by certificate classify an offence as a security case, and remove all the legal protection which a subject is legally entitled to. I am not being personal, but I stress that it is wrong in principle and in practice to vest such vast powers in any single person, and it would be a miracle that such vast powers would not be misused, even if it should be merely because of the sheer inability of the Attorney-General, who has many tasks, to find sufficient time to go into every such case in sufficient detail submitted up to him for such a certificate.

Another Regulation which will open wide the doors for abuse and misuse of power and corruption is Regulation 23, which reads:

- "23 (1) *The Public Prosecutor may, if he considers that any Articles or message sent through the post or telecommunication are likely to contain any information relating to a security offence, authorise any police officer either orally or in writing -*
- (a) *to intercept, detain and open any postal article in course of transmission by post;*
  - (b) *to intercept any message transmitted or received by any telecommunication; or*
  - (c) *to intercept or listen to any conversation by telephone.*
- (2) *In a trial of a security case, any information by a police officer in pursuance of paragraph (1), whether before or after the commencement of the trial, shall be admissible in evidence without the originator of the information being required to give evidence."*

And there is no check, because every time we try to ask questions about phone-tapping the Minister will hide behind "national security", as he did during question time today.

This Regulation gives legality to the most obnoxious activities like phone-tapping and mail interception, which will not only intrude into privacy and end privacy and personal confidentiality, but give instruments to many unscrupulous persons to intimidate and blackmail individuals from the information that they would come into possession from such postal and tele-

communication interference. We know that phone-tapping and mail interception have been going on for quite some time, but this is the first time the Government is publicly admitting it and wanting to make use of these interceptions as evidence.

These infamous provisions would lead to real gross abuse, as shown by the great Watergate scandal in America, where vast powers were used for petty, personal, partisan and political purposes completely unrelated to questions of national security.

On 8th October, the Attorney-General when referring to fears expressed by Opposition parties, lawyers and concerned Malaysians that the new regulations might be open to abuse, said that "*in spite of the best laws and regulations and the best administrative system, there may be still ways open to abuse if those in a position to do so have the intention or have no scruples*". The Attorney-General said that the crux of the matter was really a question of faith, trust and obligation. He claimed that the Government had these qualities and these had been proved time and again.

I submit that this contention cannot be accepted for this contention would logically spell an end to the Rule of Law. What Malaysia needs to establish as a national tradition and institution is that ours is a government of laws and not a government of men, for in the latter case, the opportunities for abuse and corruption are infinite.

Laws of a country must not depend on the supposition of fair and just government leaders. Even more important, it must be based on fair and just laws, administered by fair and just men. Without fair and just laws, there is no more rule of law, but rule of men in power according to their whims and fancies on different occasions and at different times, and although the Honourable the Attorney-General has assured that he would personally scrutinise every case against any person before he or she is charged under the Regulations, the people cannot be assured that so long as such vast, unchecked powers are exerciseable by one man, there cannot be human failings.

In fact, in my six years as a Member of Parliament, one thing which strikes me most is that although Ministers are theoretically the head of their Ministries, I find that in most cases Ministers are run by their Ministers and their bureaucratic machinery, rather than the other way round where Ministers run their Ministries.

I have also seen enough instances of abuse of power by the Government to be able to take comfort from such assurances.

The gross abuse of power, for instance, excesses and corruption in the Sabah State Government have become public knowledge — because government of laws had degenerated into a government of men. For instance, in August 1973 during the Elopura State by-election the Opposition candidate

was physically prevented from going to the nomination centre by the police on grounds of subversive documents and a pistol planted in the party premises.

The case of the detention of Datuk James Wong is another example of the constant abuse of power by the Government authorities. I had said in this House on December 9, that Datuk James Wong was detained on the grounds that he had met the Seri Begawan of Brunei on a day in May 1974 at 10 p.m. and accepted \$4 million in return for agreeing to secede Limbang to Brunei. I had also mentioned that on the 6th May 1975, Datuk James Wong had sworn an affidavit that:

- (i) he did not receive a single cent from the Seri Begawan, Brunei;
- (ii) that he did not know the Seri Begawan of Brunei personally as his last meeting with him was in or about 1965 when he was the Deputy Chief Minister of Sarawak and had accompanied the present Prime Minister on an official visit to the Sultanate of Brunei;
- (iii) that he had not met the Seri Begawan since 1965 and had never corresponded with him; and
- (iv) that he was never in Brunei on any day at 10 p.m. in May 1974.

What had the Deputy Minister of Home Affairs who signed Datuk James Wong's detention order to say? This is what he said and it is from the Hansard: *"Saya tidak ingin hendak mengulas satu persatu daripada apa yang ucapkannya tetapi hanya dua perkara yang saya petik bahawa Datuk James Wong menafikan dia tidak menerima satu sen pun daripada Seri Begawan. Mungkin akuan ini benar. Akan tetapi siapa tahu kalau dia telah menerima wang daripada ejen-ejen yang lain dan tidak menerima daripada Seri Begawan mungkin betul tetapi tidak dapat kita menafikan dan tidak siapa yang tahu dia telah menerima daripada ejen yang lain"*.

The question I want to ask is, can the Government deprive a person of his liberty and freedom and detain him indefinitely on the ground that "nobody knows whether he has accepted money from the Agent". The Government does not know, nobody knows. On these grounds can the Government detain a person and deprive him of his rights and liberties? Datuk James Wong here is deemed guilty until and unless he could prove himself innocent of a charge which the Government cannot proffer with any particularity! From a charge which the Government itself cannot detail!

I hope the Attorney-General and the Minister of Home Affairs can understand now why I, and large numbers of Malaysians, cannot feel comfortable or happy about assurances that the vast powers cannot and will not be abused, when in the past and present, they had been abused galore!

### **The Fifth Objection: Regulations undermine Parliamentary Democracy**

The fifth objection to the Security Cases Regulations is that they undermine and erode public confidence in the Parliamentary democracy, and mark another step towards an authoritarian police state.

It was highly improper for the Essential (Security Cases) Regulations, which altered so drastically the legal and constitutional rights of Malaysians, to be made by virtue of Section 2 of the Emergency (Essential Powers) Ordinance No. 1 of 1969, when firstly, the 1969 Emergency covered different circumstances from those facing the country today, and secondly when Parliament had already been summoned to meet.

In fact, the impropriety is so manifest that it tantamounts to an usurpation of Parliamentary powers and functions by the Executive.

Under Article 150 of the Constitution, the Yang di Pertuan Agong, acting on Cabinet advice, is empowered to issue a proclamation of emergency if he is satisfied that a grave emergency exists whereby the security or economic life of the Federation or any part thereof is threatened.

If a proclamation of emergency is issued when Parliament is not sitting, the Yang di Pertuan Agong must summon Parliament as soon as may be practicable. Until both Houses of Parliament are sitting, he may promulgate Ordinances having the force of law. Clause (6) of this Article provides that any Ordinance made by the Yang di Pertuan Agong, and any Act of Parliament passed while a proclamation of emergency is in force, is valid, even if inconsistent with any provisions of the Constitution, with certain exceptions.

I submit that it is contrary both to the letter and spirit of the Constitution for the Government to continue to make laws by Emergency Powers, in this case make Regulations by virtue of the 1969 Emergency (Essential Powers) Ordinance when both Houses of Parliament are scheduled to meet.

It is not only unconstitutional in this sense, but marks, as I said, another step towards making Malaysia an authoritarian police state.

Santayana, a noted thinker, said that those who do not remember the past mistakes are condemned to relive it, and it behoves us not to make the mistakes and to learn from the experience and suffering of other people in other times and other places had made or undergone.

The common means for introducing authoritarian system of Government is by the use of reserve constitutional powers and the introduction of a permanent state of emergency.

The permanent state of emergency provides a legal basis for any subsequent institutional or judicial change. It introduces parallel systems of government, where on the one hand, it was used to create new institutions and to introduce new legal principles which draw their sole authority from the state of emergency. On the other hand, it allowed the normal state machinery

of government to co-exist where it could serve a useful purpose. The Judiciary are neutralised and are required to apply draconian laws, which are unexceptional in their origins and clearly enforceable in constitutional terms. The end result is an authoritarian police state.

In Malaysia, we have since 1963 lived in a permanent state of emergency, and there are parallel systems of government where Ordinances and Regulations introduce new legal principles which draw their sole authority from the State of Emergency, most notably of late the Security Cases Regulations and the Rukun Tetangga Regulations which are of the same litter of regulations.

For example, the Rukun Tetangga Regulations, which were not passed by Parliament, have introduced the questionable principle of group liability in criminal law, or punishing a man by inflicting penalties on members of his family. Thus Clause 33 (2) of the Rukun Tetangga Regulations provides that *"Where a family resides together in the same premises and there is proof against any member thereof a charge for any offence of the commission of which or of the attempt or preparation for the commission of which the other members of the family so residing would, in the ordinary course of events, have had knowledge, each of the other members of the family who is above the age of 14 years shall be deemed to be guilty of the offence."* Clause 5 (2) of the Regulations provides that *"An Order made under these Regulations may provide for admissibility or non-admissibility of evidence, burden of proof, the inclusion of any evidence as a defence, protection of informers, admissibility of information or statements given by an accused or any other person, or any other matter whatsoever relating to evidence, for the purpose of any proceedings under these Regulations or under any order."*

This means that an Order made under these Regulations can be even more draconian and oppressive than even the Security Cases Regulations, and the judiciary must apply them because it is law.

In fact, we in Malaysia have lived in a double state of permanent emergency, as both the Emergency Proclamations of 1963 and 1969 are still operative.

Let us retrace our steps and not take the path others have trodden towards an authoritarian police state. If we are to uphold democratic forms of government, there must be restrictions on the assumption and exercise of emergency powers. There should be a system of judicial control over the assumption and exercise of emergency powers by the Executive with a view to

- (a) determine whether the circumstances have arisen and the conditions have been fulfilled under which the powers may be exercised;
- (b) limiting the extent to which such emergency powers may be exercised in derogation of the fundamental rights of the individual; and

- (c) giving the courts a supervisory jurisdiction to ensure that emergency powers are used only for the specific purpose for which they were granted, and that they are not exceeded.

We should return to our Merdeka Constitution of 1957 which provided that a proclamation of emergency automatically ceased to be in force at the end of two months after its issue, and an Ordinance promulgated by the Yang di Pertuan Agong at the end of 15 days from the date on which both Houses are sitting, unless before that period it has been approved by resolution of each House, if we are not to have parallel systems of government and go the way of an authoritarian police state.

The Merdeka Constitutional provision about the lapsing of Proclamations of Emergency unless positively confirmed by Parliament reinforces my earlier argument that when Parliament is in session, no Ordinance or Regulations should be made, for their exercise detract from the credibility and meaning of Parliamentary democracy.

#### **Sixth Objection: Regulations a set-back in the battle to win the hearts and minds of the people**

Because of the foregoing reasons, the Essential (Security Cases) Regulations are a set-back in the battle to win the hearts and minds of the people.

When introducing the Essential (Security Cases) Regulations on 2nd October, 1975 the Attorney-General said that the Government is justified in introducing these Regulations to gain the people's confidence in view of the serious situation. By introducing these regulations of such far-reaching consequences which diminishes the basic rights of Malaysians, the effect is only to undermine the people's confidence in the Government.

Let me remind the Government that the security problem faced by the country is basically a fight for the hearts and minds of the people, and it is essential that in every measure conceived and decided by the Government, it should be able to communicate to the people that it is to preserve democratic rights and freedoms. Is the Government aware that the Essential Regulations, both of the 4th October and 4th November are seen by many Malaysians as a diminution of the democratic rights of Malaysians, and therefore unacceptable?

Thus, when the Government talks of the need to drastically change the law, by discarding the legal principle that a man is innocent until proved guilty, to meet the communist threat, the people do not see an equal determination to fight and combat corruption in high public places by also putting the corrupt in high political places in the same position whereby they have to prove their innocence and deemed guilty unless proved innocent. Yet the public hears constantly Ministers saying that corruption is as dangerous as communism.

The Security Cases Regulations cannot deter the committed communist guerrillas in towns and jungles for they take the risk into calculation. The killing of the Perak Chief Police Officer and a Malacca Special Branch Officer after the gazettement of the Security Cases Regulations should back this point.

The Regulations, however, can implicate a lot of innocent people and bring trouble to many because of the boundless opportunities for abuse and misuse of power under the Regulations. The Regulations are only the latest in a series of panic measures which the Government has taken in the face of the new situation in Malaysia and South East Asia following communist victories in Indo-China. In April this year, I had warned the Government not to resort to panic measures as at that time it was introducing the Universities and Colleges Amendment Act to ban university students from any form of public activity.

The Government should learn from the lessons of Vietnam. Security cannot be legislated into being. Security and stability can only be created by winning the hearts and minds of the people through change of policies which can gain popular support of the people. This is the only way to win the urban and jungle guerrilla warfare.

History may well show that these regulations, far from improving the situation, has been counter productive and aggravated the security situation, because it started a new phase where there is greater unchecked abuse of power, denial of freedom and basic rights of Malaysians, rule of terror, widespread blackmail and victimisation of the innocent, rampant corruption – in other words, alienation of more and more Malaysians by the Kangaroo court system.

I move to repeal the Essential (Security Cases) Regulations, 1975 and the Essential (Security Cases) (Amendments) Regulations 1975 to seek to regain sanity for the course, the direction that the country is taking.

# THE 14 YEAR-OLD CONDEMNED 199 BOY — AFTERMATH

*'The Essential (Security Cases) Regulations 1975 is a subversive law, for it subverts the faith of Malaysians in the Rule of Law, our belief in a just and humane society, our hope that men and women can live in a country where fundamental liberties enshrined in the Constitution are honoured and upheld.*

*'The Security Cases Regulations stand for legalised lawlessness. It is the very negation of the Rule of Law.'*

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Speech on a second motion to repeal the Security Cases Regulations on October 24, 1977.

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I rise to move the following motion:

*'That this House, TAKING NOTE of the national and international revulsion at the recent case of the mandatory death sentence passed on a 14-year-old Penang Form One boy for unlawful possession of a pistol and ammunition under the Essential (Security Cases) Amendment Regulations 1975 and the Internal Security Act, RESOLVES that the Government should immediately repeal the Essential (Security Cases) Regulations 1975 and the Amendment Regulations 1975 and that the Government should consult Opposition Parties and the Bar Council in the country should the Government consider that new Regulations should be enacted in their place.'*

When the Essential (Security Cases) Regulations was first announced and enacted in October 1975, public opinion, especially the Bar Council, and opposition parties, especially the DAP in Parliament, opposed the Regulations as being draconian and a most unjust and unconscionable piece of delegated legislation.

I moved a motion in Parliament on 19th December 1975 to repeal the Security Cases Regulations and listed six major objections to the obnoxious Regulations.

When speaking on the likely abuse and misuse of the powers vested by the Security Cases Regulations, I said in Parliament that *'it was wrong in principle and in practice to vest such vast powers in any single person, and it would be a miracle that such vast powers would not be misused, even if it should merely because of the inability of the Attorney-General to find sufficient time to go into every case in sufficient detail which had been submitted to him for such certification'* that it should be a security case.

Minister of Law and Attorney-General, Tan Sri Kadir Yusoff, told the Dewan Rakyat on Dec. 19, 1975 that he would take great care before prosecuting a person under the security regulations. On Oct. 9, 1975, as reported

on the front page of Straits Times, Tan Sri Kadir pledged to the people of Malaysia: "I will personally scrutinise every case before any person is charged under these regulations."

The recent case of the mandatory death sentence passed on the 14-year-old Penang Form One school boy, resulting in national and international revulsion, has highlighted again the hollowness of Ministerial pledges and promises, and shown how vast powers can be abused and misused.

When Tan Sri Kadir returned from an international law conference, where I understand he was badgered and harassed by international law delegates about the barbarity of Malaysian laws which hang 14 year old children, the Attorney-General said on setting foot at Subang Airport that the case of the 14-year-old boy was never referred to him, and that a suitable sentence for the boy would be a few years' in Henry Gurney School.

Was the Attorney-General's pledge to Parliament and to the people that he would personally scrutinise every case before it was charged under the Security Cases merely a ploy to deceive Parliamentarians and public opinion who feel strongly about the wickedness of the Security Cases Regulations? If this is the case, then the Attorney-General should be censured.

Or did the Attorney-General tell the truth, that the case was never referred to him? In that case, Parliament is entitled to know how such a colossal blunder could take place, and we want a full report as to which legal officer in his Chamber had usurped his powers in sending a person to trial under the Security cases Regulations without his personal approval? Further, the boy was charged in March in a blaze of national and international publicity. How can the Attorney-General, even if he had not been asked about the case, been unaware that a 14-year-old boy had been charged under the Security Cases Regulations unless the Attorney-General does not read newspapers or listen to radio or watch television?

There was a lot of time between March and August 1977 for the Attorney-General to intervene and have the boy charged under the Arms Act instead of the ISA. Why was this not done?

In this Dewan in 1975, the Attorney-General appealed to the people to have trust in the Government and Ministers. This is not the point. The pertinent issue is whether we are to have a Government of Laws or a Government of Men. We cannot permit a situation where we say that a piece of legislation is good if the country is run by good men and will be a very bad law if the country is run by bad men – for it is not necessary for bad men to make such laws oppressive and repressive. All it is needed are men in power, good and well-intentioned, but who have become hardened and insensitive to basic civilized values and human decencies – like the prosecution of the 14-year-old boy under the ISA carrying the mandatory death sentence for unlawful possession of a pistol and ammunition. In this connection, where is

the justice and equality before the law when a VIP, former Deputy Minister to the Prime Minister, is charged and fined \$1,500 for a similar offence of unlawful possession of firearm and ammunition, while a 14-year-old boy is mandatorily sentenced to death ?

The Essential (Security Cases) Regulations 1975 is a subversive law, for it subverts the faith of Malaysians in the Rule of Law and our belief in a just and humane society, our hope that men and women can live in a country where fundamental liberties enshrined in our Constitution are honoured and upheld.

In fact the Essential (Security Cases) Regulations has so subverted the faith of Malaysians in the Rule of Law that Malaysian lawyers, for the first time in history, have risen to rebel against such obnoxious, unjust and unconscionable laws. Last week, at an extraordinary general meeting of the Bar Council of Malaya, Malaysian lawyers voted unanimously to advise lawyers not to handle security cases. Malaysian lawyers have proved that they have a conscience and a sense to a higher call of duty, for which Malaysians can be proud.

The Essential (Security Cases) Regulations must be repealed, to restore the self-respect of the legal community and to redeem the international reputation of Malaysia as a civilized and humane nation; and most important of all, to stop the Regulations subverting the respect for law and the Rule of Law in Malaysia.

I am glad that the 14-year-old boy has been pardoned and sent to the Henry Gurney's School until 21 years and thereafter at the Yang di-Pertuan Agong's pleasure. I would have been happier if the boy had been sent to Henry Gurney's Boy Home for three or four years and thereafter, given an opportunity to return to family and society to start a new life.

The pardoning of the boy, however, does not weaken the case for the repeal of the Essential (Security Cases) Regulations. By allowing these Regulations to remain, public confidence in the processes of law would be irreparably undermined, which would be counter-productive to the object of maintaining law and order to fight subversion. It will bring the legal system into utter disrepute.

The Security Cases Regulations stand for legalised lawlessness. It is the very negation of the Rule of Law. The Regulations must be repealed, and if the Government thinks that new Regulations are needed, it should consult Opposition Parties and the Bar Council before introducing them.

## CHIAN HENG KAI AND CHAN KOK KIT: DETENTION UNDER ISA

*"Have we reached the state where Members of Parliament or political leaders can lose their freedom and civic rights not because of any involvement with Communist United Front activities, but because 'their activities could be regarded as assisting the advancement of the C U F .... indirectly .... or unknowingly'?"*

*"Sdr. Chian Heng Kai and Sdr. Chan Kok Kit have been politically victimised, not because they had transgressed the law or the Constitution, nor because they had been involved with the CUF for which the Special Branch has no shred of evidence, but because firstly, their consistent, though lawful and constitutional advocacy of Chinese educational issues, and secondly, they were sacrificed on the altar of UMNO intra-party in-fighting."*

**Speech on Royal Address on March 22, 1977.**

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This is the 20th anniversary of Malaysia since Independence in 1957, but the basic issues of nation building remain unresolved.

The big question, what type of Malaysian nation we are building, has not been answered with satisfaction, assurance or certainty.

There are significant numbers of those who refuse to accept the reality and fact that Malaysia is a multi-racial, multi-lingual, multi-cultural and multi-religious nation, and that any other basis of nation building can only bring division, disintegration and disaster.

There are significant numbers of those who think purely in terms of race, who equate race with nation, and who disregard the fact that Malaysia is a nation of many races. They do not see or want to see that the only successful and viable nation building policy is one which creates unity out of Malaysia's racial, religious, linguistic and cultural diversity; but seek instead to impose uniformity through total conformity through all areas of national life.

Malaysia's diversity is her unique identity, and to lose her diversity through a policy of uniformity Malaysia loses her very identity.

National leaders, entrusted with the task of nation building, must have a longer time-span than just the next general elections. We must constantly learn from the trials of other plural societies, for instance, in Canada, where the problem of French Quebec has increasingly become more poignant. Even in the United Kingdom, the movement of Scottish separatism has become more and more a potent force to be reckoned with.

I do not want to be misunderstood as advocating separatism secession in Malaysia, but we will be burying our heads in the sand if we do not try to learn from the problems of other plural societies, to avoid the pitfalls of nation building.

Malaysians, especially leaders at all level of national life, must be sensitive to the legitimate aspirations and hopes of the diverse groups in the country, and weld them into one Malaysian unity.

Nothing should be done which will harm such legitimate aspirations and hopes, or the biggest loser will be national unity and nation building.

There is no need for anyone to apologise for raising the question of Chinese education in Parliament. In fact, there is a great need for Parliament itself to fully understand the question of Chinese education in Malaysia, which is not a sectional or a problem of one racial group, but part of Malaysian problem.

In fact, the correct understanding and appreciation of the place and contribution of Chinese education in Malaysia holds the key to successfully build a Malaysian people out of the diverse races.

It is a fairly common attitude in some circles that products of Chinese schools are potentially disloyal or communistically-inclined. If these prejudices and misconceptions are not eliminated, or even worse, allowed to influence nation building policies, then Malaysia cannot be a united nation and people.

Chinese schools are as good a nursery to mould Malaysians with a sense of Malaysian consciousness, identity and loyalty, as any other type of schools. They should therefore be fully accorded the rightful place in the mainstream of the national educational system, and not be tolerated until the time and circumstances are more appropriate to move against them.

Just as no one questions the loyalty of an MP or political leader who raises or speaks about the problem of Malay poverty, similarly no one should question the loyalty of an MP or political leader who raises or speaks about the problems of Chinese education.

This need emphasis because it is clear that this is the main reason why the DAP MP for Batu Gajah, Sdr. Chian Heng Kai, and DAP Assistant National Treasurer, Sdr. Chan Kok Kit, have been selected for detention under the Internal Security Act in Kamunting Camp in Taiping.

When Sdr. Chian and Sdr. Chan were arrested on Nov. 3 1976 together with the two former Deputy Ministers, Abdullah Ahmad, Abdullah Majid, PSRM Chairman, Sdr. Kassim Ahmad and MCA Executive Secretary, Tan Ken Shen, the authorities issued a statement that they were being detained for interrogation in connection with their involvement with communist united front activities.

In his now famous television speech on Feb. 4, the Inspector-General of Police, Tan Sri Haniff Omar, attempted to justify the detentions. I am here referring specifically to the cases of Sdr. Chian Heng Kai and Sdr. Chan Kok

Kit. There are two sections which are relevant. Firstly, at the start of his speech, he said:

*"I believe there are still those who are questioning the arrests of personalities who formerly held influential positions in their respective fields and organisations. They are Samad Ismail, Samani Mohd. Amin, Datuk Abdullah Ahmad, Abdullah Majid, Tan Kwee Shen, Kassim Ahmad, Chan Kok Kit and Chian Heng Kai.*

*"They were detained because of their involvement in the activities of the Communist United Front or in activities which could be regarded as assisting the advancement of the CUF, whether directly or indirectly, deliberately or unknowingly.*

*"Of the persons arrested on November 2 and 3, 1976 – Datuk Abdullah Ahmad, Encik Abdullah Majid, Mr. Chian Heng Kai, Encik Kassim Ahmad, Mr. Chan Kok Kit and Mr. Tan Kwee Shen – five had confessed their involvement in assisting the Communist United Front. Three of the five had expressed their desire to make statements over TV Malaysia. The other two did not want to confess openly because they still wanted to continue their political activities on their release, while the other one still adheres to Marx-Lenin-Mao teachings."*

It is obvious that in referring to the "two who did not want to confess openly"; the IGP was referring to Sdr. Chian Heng Kai and Sdr. Chan Kok Kit.

The smear and inference unanimously drawn by all was that Sdr. Chian and Sdr. Chan had privately confessed their involvement with Communist United Front (CUF) activities, but cowardly did not want to do so publicly because of their intention to continue their political activities on their release.

That this was a unanimous conclusion and inference can be seen from the front-page headlines of the Malaysian newspapers. Thus, Utusan Malaysia carried the front-page headline: "5 DARINYA MENGAKU TERLIBAT"; New Straits Times had the front-page headline: "I Confess – by five of these" with the photographs of the six detained on November 2 and 3 below the headlines; Nanyang Siang Pao headlined: "Five Politicians Arrested Last Year Confess Involvement with CUF".

Mrs. Chian Heng Kai and Mrs. Chan Kok Kit met their husbands in Kamunting Detention Camp shortly after and both denied to their wives that they had ever confessed involvement with CUF activities.

On Feb. 23, I received a letter from Sdr. Chian Heng Kai written on 7th Feb., denying categorically that he and Sdr. Chan Kok Kit had ever been involved in any CUF activities, or made any such confession. Copies of this letter are I am sure in the Special Branch files.

In his letter, Sdr. Chian said that during detention, he made it very clear to the Special Branch officers that he was not a member, nor supporter

or sympathiser, of the MCP; that he had never received any publicity material from the communists; and that all his actions and speeches had never been intended to assist the communists.

On 3rd March, I met the IGP, Tan Sri Haniff Omar, to clarify his TV statement. The IGP denied that he had stated or implied that Sdr. Chian and Sdr. Chan had confessed to the Special Branch that they had been involved in CUF activities.

Why then are Sdr. Chian and Sdr. Chan detained, Is it, to use the IGP's own words, ". . . in activities which could be regarded as assisting the advancement of the CUF, whether directly or indirectly, deliberately or unknowingly."

Have we reached the stage where Members of Parliament or political leaders can lose their freedom and civic rights not because of any involvement with CUF activities, but because "their activities could be regarded as assisting the advancement of the CUF. . . . indirectly . . . . unknowingly"?

A person who practises corruption can be brought into this category of being involved in "activities which could be regarded as assisting the advancement of the CUF. . . . indirectly. . . . unknowingly . . . .". Similarly, a person who criticises corruption could also be brought under the same rubric of being involved in "activities which could be regarded as assisting the advancement of the CUF. . . . indirectly. . . . unknowingly . . . .".

Similarly, anyone who criticises the government because of economic mismanagement, rampant poverty, abuse of powers, exploitation of workers and peasants, can easily be roped within the category of "activities which could be regarded as assisting the advancement of CUF. . . . indirectly . . . . unknowingly."

One's involvement and association with the CUF, it would appear, does not rest on the need for objective evidence, but a subjective belief of the police or the political masters.

So long as the political masters or the police personnel concerned want to keep someone locked away, and is prepared to believe that his activities "indirectly, "unknowingly" help the CUF, it is enough.

Is this the respect for law, the rule of law, which the Barisan Nasional leaders prate about at home and at international forums?

A study of the grounds of detention of Sdr. Chian Heng Kai and Sdr. Chan Kok Kit given by the Special Branch shows that neither of them are being charged for "directly" or "deliberately" being involved in activities of the Communist Front.

In the "Facts of Allegation" - "Butir-butir Tuduhan" - preferred by the Special Branch to justify their "Grounds of Detention" against both

Sdr. Chian and Sdr. Chan are their alleged speeches at public rallies, party functions and meetings.

Some of these allegations are completely untrue, or distorted, clearly based on suspect reports made by police spies sent to party meetings and functions. The majority of the "facts of allegation" concern their advocacy of Chinese education issues, over a period from 1971 to 1976, which are completely within the bounds of the law and the Constitution.

In view of the fact that all the allegations against Sdr. Chian and Sdr. Chan are on what they said from 1971 to 1976, if what they had said had exceeded the limits permitted by the law and the Constitution, then they should be charged in Court. This will also prevent police informers and spies from framing innocent persons with trumped-up reports of untrue speeches in order to prove their worth.

One basic reason the Government had given in defence of the Internal Security Act which permit detention without trial is that it is impossible to get witnesses to testify against the advocates of violence, and that the ISA is needed to plug this defect. Here, the ISA is being used as the substitute of the ordinary laws of the land, because it is convenient and expedient. Power corrupts, and absolute power corrupts absolutely!

Sdr. Chian and Sdr. Chan have been politically victimised, not because they had transgressed the law or the Constitution, nor because they had been involved with the CUF for which the Special Branch has no shred of evidence, but because firstly, their consistent, though lawful and constitutional advocacy of Chinese educational issues, and secondly, they were sacrificed on the altar of UMNO intra-party in-fighting.

The unwarranted and unjustified detention of Sdr. Chian and Sdr. Chan is the latest vivid example of the abuse of police powers by those in government to silence and intimidate the constitutional opposition.

In fact, I do not think that there are any activities which could best befit the description of *"could be regarded as assisting the advancement of the CUF, whether directly or indirectly, deliberately or unknowingly"*; than government actions which seek to silence, intimidate and crush the Constitutional Opposition. For the net result can only be the direct increase in support for the CUF as more and more people turn away disillusioned and disenchanted from the democratic process as a means to bring about reforms and changes. Will the IGP and the Special Branch put under the ISA those Barisan Nasional leaders responsible for such unwarranted and unjustified arrests?

I call on the Government to immediately release Sdr. Chian Heng Kai and Sdr. Chan Kok Kit. Every day they spend in the detention camp is a day of the reminder of the excesses and abuses of police power, and the trampling of democratic rights and human liberties for petty, sectional ends.

# THE SWORD OF DAMOCLES IN PARLIAMENT 207

*".....we are swiftly reaching a stage where the practice of racialism is a virtue, and the criticism of racialism a crime."*

*"Today, the whole concept and relevance of parliamentary democracy is being questioned. This is why there is no nation-wide elation and joy at the reconvening of Parliament, for they see as Parliament's first function self-castration of its role as the highest legislative, and deliberative chamber in the country."*

*"As democratic socialists, we are dedicated to the abolition of poverty and economic backwardness regardless of race. We want to create a classless community of Malaysians based on fellowship, co-operation and service, where there is no exploitation of man by man, class by class or race by race."*

**Speech on the Constitution Amendment Bill 1971 on February 23, 1971 as the first parliamentary business on the reconvening of Parliament.**

We, members of the Third Malaysian Parliament who have at last taken our rightful places in this Chamber twenty-two months after our election and suspension, have as our first business the 1971 Constitution Amendment Bill.

No more important bill has ever been submitted to Parliament since Merdeka. No more important bill is likely to come before Parliament in future, assuming that there is still a Parliament.

For the Bill, if passed, will have such far-reaching consequences in the life of the nation that the entire direction of the country will shift to a new course.

The government has presented the Constitution Amendment Bill 1971 as the highway to national unity and the formula to prevent a recurrence of May 13 racial riots in Malaysia.

The issues involved in this Bill are of the utmost importance to Malaysians for they involve the fundamental question of nation building, national unity and national survival.

It will be necessary to consider, in this debate, the basic question of nation building and whether measures as proposed in this Bill can make this gravely divided nation more united, harmonious and prosperous.

We in the DAP will discuss and consider this Bill fully conscious of the momentous decision we all will have to take which will help decide not only the destiny of Malaysia but the fate of democracy itself.

But we shall not be cowed or intimidated. My comrades and I have not been elected into Parliament to be yes-men, or be brow-beaten into silence,

or to surrender our objectives and principles and to betray the trust and confidence which the people have put on us when they elected us into Parliament on May 10, 1969.

All MPs should be allowed to freely, fully and frankly express their views without being subject to threats and intimidations.

In this connection, we strongly deplore the Sword of Damocles which the government has hung over the recovering of Parliament with their oft-repeated threat that Parliament will be disbanded if it does not provide the necessary two-thirds majority vote to amend the Constitution.

No MP with self-respect will allow this political blackmail to deter him from saying or doing what he believes in, for there comes a time when the duty of nation rings out louder than the duty to Party or even duty to a monthly Parliamentary allowance.

This is the time when every Member of Parliament must stand up and be counted, not only for today and tomorrow, but for the rest of their lives.

The present Constitution Amendment Bill is the direct result of the May 13 tragedy. The government has held from the very beginning that the May 13 riots were caused by the Opposition exploiting the so-called sensitive issues during the General Elections, creating racial tension, conflict and bloodshed.

Thus, according to the government, to avoid any such recurrence, these so-called sensitive issues must be removed from the pale of public discussion and debate. These so-called sensitive issues are the National Language, special provision for the Malays, sovereignty of Malay Rulers and citizenship.

It is painful to re-open the subject of May 13 racial riots, which holds for so many personal tragedies and sorrows without parallel.

However, if we are to learn from the lessons of May 13 tragedy, it is essential that we understand the causes and events which led to the May 13 racial riots. Without such an understanding, it is not possible to prescribe a proper remedy for the malady in our body politic. A wrong remedy may aggravate the situation instead of improving it.

In his preface to the NOC Report on the "The May 13 Tragedy" published in October 1969, the Prime Minister, then in his capacity as Director of Operations, wrote :

*"This Report has been prepared with the full realisation that important matters must no longer be swept under the carpet and that the facts of May 13 should be made known to the public.*

*"Furthermore, it has been written with the conviction that the objective of national unity must be confronted squarely, and the alternatives before us decided upon sincerely and courageously.*

*"The course of our Nation so charged must be pursued with the united efforts of all loyal Malaysians, resolutely, with courage and confidence."*

Mr. Speaker, Sir, I cannot agree more with the Prime Minister that important matters must no longer be swept under the carpet. If we are to survive the stress and strains in our nation, we must be mature enough to confront our problems squarely in the face, consider and weigh the alternatives open to us, and decide on the best course of action and pursue it.

Those, whether men or nations, who do not learn from the mistakes of history are condemned to repeat the same mistakes at great cost to themselves and others.

It is in this spirit of confronting problems squarely in the face so as to avoid repeating the same costly mistakes of May 13, that I make the following remarks.

It is not my intention here to level accusations against anyone for being responsible for the May 13 racial riots.

But I will be failing in my duty if I do not state that the DAP and the public at large do not accept the version as contained in the NCG Report on the "The May 13 Tragedy" or in Tunku Abdul Rahman's "May 13 - Before and After."

We have no doubt that a very different version will emerge if there is an impartial commission of inquiry to collect evidence from witnesses of the May 13 racial riots with power to protect the witnesses from reprisals.

The world press' version is very different too from that of the government. Although the government had attacked the foreign correspondents for their irresponsible and unfair reporting, only an impartial commission of inquiry can produce an independent finding as to the truth or otherwise of the foreign correspondents' reports by checking on them and by inviting the foreign correspondents themselves to give evidence.

This is why the DAP had from the beginning called for an impartial commission of inquiry into the causes of the racial riots and the chain of events, so that we can get as true a version as possible.

It is only with such information that we can draw correct lessons from the racial riots and take preventive measures.

To date, apart from producing a very one-sided government version of what took place on May 13, the government had refused to set up an impartial commission of inquiry into the causes and its spread. The government has not been able to give any satisfactory explanation as to why there should not be such an inquiry, if we really want to stop 'sweeping things under the carpet.'

It is because the DAP and large sections of the Malaysian public disagree with the government as to the causes of the May 13 racial riots, that we differ as to the remedial measures which the government proposes to take, as embodied in the present Constitution Amendment Bill.

Mr. Speaker, Sir, the government has introduced the Constitution Amendment Bill on the stated assumption that once the so-called sensitive issues are removed from the pale of public debate and discussion, racial mistrust and suspicion will lessen and national unity and solidarity strengthened.

Is this stated assumption valid ?

For the last 21 months of NOC Emergency rule, the so-called sensitive issues were banned from public discussion and debate. If the government's stated assumptions are valid, then we should be able to say with all honesty that the people of diverse races in Malaysia are more united, more Malaysian-conscious, and that there is much less racial mistrust and suspicion today than in May 1969.

Can we in all honesty say this ?

I for one will state the contrary. That after 21 months of NOC Emergency Rule where the so-called sensitive issues are banned, and the ban fortified by the Emergency amendment to the Sedition Act 1948 in August 1970, the people of Malaysia today are even more bedevilled by racial mistrust and suspicion and that they have never been as race conscious now as any time since Merdeka.

In fact, racial polarisation in Malaysia in the last 21 months has gone further, and the racial division had gone wider and deeper when compared to the first 12 years of Merdeka.

Why is this so ? If the ban for the last 21 months on sensitive issues has not arrested the rush down the racial slippery slope, how will the entrenchment of these so-called sensitive issues in the Malaysian Constitution promote national unity ?

Or has the ban on the so-called sensitive issues in the last 21 months accelerated the pace of racial polarisation in Malaysia ? And if so, the entrenchment of these so-called sensitive issues in the Malaysian Constitution can only bring racial polarisation to a head.

We are convinced and disturbed that the ban on the so-called sensitive issues and the Emergency rule for the last 21 months have accelerated the process of racial polarisation in Malaysia.

Large and articulate sections of the public do not accept this ban on so-called sensitive issues, not because they are opposed to the National Language, the sovereignty of rulers, special provisions for Malays and citizenship (and we in the DAP have never been opposed to all these provisions) but because :

Firstly, they reject the government's contention that the May 13 riots were caused by the discussion and debate of the so-called sensitive issues during the General Elections;

Secondly, the scope of the so-called sensitive issues is so vague that it can cover any criticism or opposition to government policy and action, and we are swiftly reaching a stage where the practice of racialism is a virtue, and the criticism of racialism a crime;

Thirdly, the ban is solely aimed at Opposition members and critics of the government, as borne out by the Sedition charges which have been preferred against two of my party colleagues, Sdr. Fan Yew Teng and Dr. Ooi Kee Saik, in connection with an article in our party journal, the Rocket, in the December 1970 issue.

Malaysians are aware of the many provocative statements and speeches made in particular in the recent UMNO General Assembly, but which carried immunity. I refer in particular to the demand by the Selangor Assemblyman for Kampong Bahru who wanted the government to remove the citizenship of a MTUC leader who had criticised the government for failing to withdraw all the restrictive anti-labour Emergency laws.

Fourthly, the ban is seen purely as a political move to bolster the fortunes of the ruling Alliance and its component parties which suffered serious reverses in the last General elections.

This is admitted by none other than the Deputy Prime Minister in his "MCA neither dead nor alive" speech to Johore Alliance State leaders in Johore Bahru on January 15, when he said:

*"In the 1969 general elections, sensitive issues – the national language and the special rights of the Malays – were the issues which generally brought about the setbacks of the Alliance.*

*"The issues must therefore be entrenched in the Constitution so that in the forthcoming elections, sensitive issues cannot be questioned by the Opposition. And with the entrenchment of sensitive issues, our partners, the MCA and the MIC will not be at a disadvantage."*

The only argument for banning so-called sensitive issues from public discussion and debate and entrenching them in the Malaysian Constitution is to promote national unity and lessen racial mistrust in the country.

This result can only be achieved if the overwhelming majority of Malaysians support such an entrenchment. But if large sections of Malaysians regard such a move as a political one by the ruling party to stifle the expression of their legitimate fears and grievances then such entrenchment will not be a cementing force for the diverse races. It will instead become the focal point of widespread discontent, and the subject of national division, disunity and discord.

The government can put any law on the statute book or amend the Constitution anyhow they like provided they have the necessary votes in Parliament. But when Parliament is used to block or frustrate the popular will, then the laws it pass will cease to command the respect and observance of the people, leading to a general undermining of public respect for law and order.

Mr. Speaker, Sir, let us be realistic and practical. Although Parliament can ban the discussion of the so-called sensitive issues, and entrench this ban in the Malaysian Constitution, there is no way to enforce this law.

The Government can ban the discussion of these issues in public forums and meetings, over radio and television, even in Parliament and the State Assemblies. But it will not be able to stop people from discussing and debating these very issues in coffee shops, street corners, the privacy of their homes and wherever Malaysians congregate in private, unless it intends to turn Malaysia into a police state and employ half the population as informers to eavesdrop and report on private conversations and feelings of the other half.

When we come to this stage, whatever may be achieved, it is definitely not national unity and the lessening of racial mistrust and suspicion.

Before I dwell on the long-term consequences of this Constitution Amendment Bill, I propose to discuss separate the four issues which the government seeks to entrench and place beyond the pale of public debate and discussion.

### **1. Sovereignty of Rulers**

We in the DAP do not and have not questioned the sovereignty of Rulers. As far as I know, there is not a single Member of Parliament in this House, or a single party represented in this House, which has questioned or seeks to question this provision.

I am aware that there is one political party in this country which does question this provision.

We are told that the reason why the Government wants to entrench the so-called sensitive issues is because it wants to prevent these issues from being exploited by racialist politicians and thus create racial mistrust and ill-will, leading to racial bloodshed.

As the leaders of the opposition party which questions this provision are Malaysians of Malay origin, I do not see the logic of this argument. Is the government seriously suggesting that if Malays themselves question the provision of sovereignty of rulers, there will be a racial conflict and bloodshed between Malays and Chinese?

However, as I had said, we do not question this provision. This is not an issue which creates racial mistrust. I shall come back to this subject later, when I touch on the principle of entrenchment of provisions in the Constitution.

## 2. Citizenship

What I want to say on this is that although it is now a crime to question the citizenship of Malaysians, we have a clear instance of a UMNO leader calling with immunity for the deprivation of citizenship of a trade union leader for speaking out against the Government.

How will the entrenchment of this question in the Malaysian Constitution change matters?

It will also not escape notice that even though citizenship is now a sensitive issue, which is now not being enforced, it will not prevent extremists from building up pressure for the removal of citizenship of outspoken critics of the government and the extremists.

## 3. National Language

The DAP has always unconditionally accepted Malay as the National Language, as a vital factor for unification in a multi-racial society.

What the DAP opposes and what the people at large fear is the use of the National Language as an instrument for the eventual annihilation of other languages and cultures in Malaysia.

Article 152(1) of the Malaysian Constitution states :

*(1) The National Language shall be the Malay Language and shall be in such script as Parliament may by law provide;*

*Provided that :*

*(a) no person shall be prohibited or prevented from using (Otherwise than for official purposes), or from teaching or learning any other language;*

*and*

*(b) nothing in this clause shall prohibit the use of any other language in any State or Federal Territory.*

*Government or of any State Government to preserve and sustain the use and study of the language of any other community in the Federation."*

We submit that in this Article, the Malaysian Constitution guarantees the preservation and sustenance of other languages in the country. It means that no linguistic group in this country need fear the decline in use or extinction of its language.

The spirit and intention, I submit, of the Constitutional safeguard is to build a multi-lingual Malaysian nation with a common National Language for all Malaysians.

It is from this interpretation that we had contended that the fact that the National Language by virtue of its status is bound to become the chief language of administration in this country need not, and should not, mean that the other major languages in the country, namely Chinese, Tamil and English, are not accorded even a subsidiary official status and use in the country.

We stress that the other languages, namely Chinese, Tamil and English have become Malaysian languages by virtue of the fact that considerable number of Malaysian citizens speak these languages and that the Malaysian Constitution safeguards the preservation and sustenance of their use and study.

This is clearly in direct contradiction to the concept of 'one nation, one language' for Malaysia.

Malaysia is a multi-racial, multi-lingual, multi-religious and multi-cultural nation. Any attempt to suppress the other languages can only lead to opposition from the language groups so affected, leading to national disunity and discord.

The nation as a whole in the last 14 years since Merdeka has dissipated too much energies on the language question. Let us defuse this language question so that all Malaysians can concentrate on the problem of economic upliftment of the have-not. This can easily take place if all Malaysians will (1) accept Malay as a national language; (a) accept the constitutional safeguard to preserve and sustain the use and study of other languages by giving freedom to all other languages in their use, growth and development.

The DAP has been accused of attacking Malay as the National Language in the last general elections campaign.

I challenge the government, which has taped all opposition rally speeches at great public expense, to produce a single instance where we have done so.

What we raised were the unhappiness and frustration of the people at the failure of the Government to '*preserve and sustain the use and study*'

of other languages as enshrined in the Constitution, because of the extreme demands by influential UMNO circles for the immediate implementation of the policy of 'one nation, one language'.

The most extreme call was one which laid down a seven-point programme to build a Malaysian nation, namely the banning of all non-Malay languages, non-Malay schools, non-Malay signboards, non-Malay newspapers, non-Malay symbols, non-Malay buildings and non-Malay costumes.

There were leading Malay intellectuals who demanded that Malay shall be the only recognised Malaysian language, and that Malaysian literature should only be written in the Malay Language.

There was a Minister who described Chinese as 'Mao Tse Tung's Language'!

For speaking out against these excesses and infringement of the spirit and letter of the Constitutional guarantee to '*preserve and sustain the use and study of other languages*'; I was detained for 17 months under the Internal Security Act. Did the Government arrest the advocate of the 7-point programme to eliminate everything non-Malay in this country?

The message is clear. Those who seek to uphold the Constitutional guarantee that other languages be preserved and sustained are regarded as enemies of the National Language.

A paradoxical situation has been reached. When the Constitutional Amendment Bill is passed, which includes the entrenchment of Article 152 with its constitutional guarantee to '*preserve and sustain the use and study of other languages*', the public will see it as in actual fact a further hardening of the Government attitude against giving other languages their rightful place in the country.

The people have lost confidence in the government, and the constitution it is charged with protecting and upholding, because of the abuse of its wide-ranging powers of detention without trial.

The people have good cause to be cynical. The government's attitude towards the proposed Merdeka University is a case in point.

The Merdeka University project was proposed to give university education opportunities to Chinese school-leavers.

The sponsors of the Merdeka University announced that the project will be a multi-racial one and will use multi-lingual media of instruction and examination system.

The government put all manner of obstacles and threats in the way of the sponsors and supporters of the project. Although the MCA denounced

the project consistently, two days before polling day on 8th May 1969, it changed its stand and supported the project and even helped to secure its registration.

When NOC Emergency rule was proclaimed, the Merdeka University was clamped down.

I would like here to ask either the Hon'ble the Prime Minister or the Hon'ble the Minister of Education whether he agrees that the Merdeka University project comes within the ambit of the Constitutional guarantee to "*preserve and sustain the use and study of other languages*" in Article 152 (1) (b) and whether it is not his bounden duty to support instead of opposing the project.

Mr. Speaker, Sir, there is no questioning by any Malaysian that Malay is the National Language. What is unclear and the source of great anxiety and resentment is the formless guarantee to "*preserve and sustain the use and study of other languages.*"

What is important is not so much to entrench the provision of Malay as the National Language, but to spell out in clear, unambiguous terms the meaning of "*preserving and sustaining the use and study of other languages.*"

In this connection, it will be more useful for a parliamentary commission to be formed to define the extent and meaning of the Constitutional guarantee to "*preserve and sustain the use of other languages.*" Once this guarantee is spelt out and accepted by all Malaysians, then language will cease to be a divisive force in Malaysia.

#### **4. Special provision for Malays**

The DAP has also been accused of opposing special rights for Malays. We again invite the government to produce a single instance from our speeches and statements to show that we have opposed efforts to raise the economic standards of living of Malays.

As democratic socialists, we are dedicated to the abolition of poverty and economic backwardness regardless of race. We want to create a classless community of Malaysians based on fellowship, co-operation and service, where there is no exploitation of man by man, class by class or race by race.

We support any measure which will help better the lot of the Malay poor. But we are strongly opposed to the use of Malay special rights to enrich the new Malay rich to make them richer, while the mass of peasantry and poor are exploited as ever.

There is gross social injustice and grave unequal distribution of wealth and income in Malaysia. Over the years, the feudal-compradore and tycoon class have become richer and richer, while the mass of peasantry and workers become more and more downtrodden.

The problem in Malaysia is complicated by an ostensible double coincidence. Firstly, the class divisions, in our country appear very often to coincide with communal divisions, secondly, the disparity in incomes and productivity between urban and rural areas appear also to coincide along racial lines as towns are predominantly non-Malay while the mass of Malays live in rural areas.

Such urban-rural economic disparity and imbalance, however, is not a phenomenon peculiar to Malaysia. Similar social, economic and cultural disparities as between rural and urban areas also confront other developing countries. This is indeed a universal problem, reflecting the slower pace of socio-economic process in the rural as compared to the urban areas.

The key to bridging this urban-rural imbalance is to promote greater and faster economic growth in the rural areas, and not by embracing and implementing an evil, pernicious and racialist doctrine equating economic disparity and imbalance with the racial division in the country.

Any attempt to impose racial theories and solutions to basically economic problems of the have-nots is dangerous as it will pit one race against another, which must culminate in a racial holocaust. It will also be founded on the monstrous falsehood that all the haves in Malaysia are non-Malays, while the Malays are all the have-nots.

The basic problem in Malaysia is an economic and class one, and not a racial problem.

The only effective way to uplift the living standards of the have-nots of all races is to execute meaningful socialist policies untinted by racialism, as in carrying out radical land reforms, beginning with the abolition of absentee landlordism in the padi sector and distribution of land to the tenant farmers, the creation of a comprehensive and efficient rural credit, co-operative and marketing infrastructure to free the peasants from the triple curses of fragmentation, landlordism and credit indebtedness; greater diversification of agriculture and the economy; a modern and science-oriented education system to bring the peasants abreast with the techniques and know-how of twentieth-century era; and a greater rate of industrialisation.

Every Malaysian will support special rights to help the poor Malays, just as every citizen will support any special assistance to non-Malay poor, on the basis of need and not on the basis of colour or race.

The greatest objection to the entrenchment of this provision in the Constitution and its removal from public discussion and debate is that the whole provision will cease to be answerable to the electorate. The Government will be supreme in deciding what it wants to do in this field.

We were earlier told that the Constitution Amendment Bill will not affect the right of any person to raise any matter relating to the implementation of entrenched provisions. But the latest revisions to the Constitution

Amendment Bill which came to us only three days ago has considerably narrowed and restricted even the right to question implementation.

It is virtually impossible to draw the line between questioning the principle and or the implementation of the provision. The price of making a mistake is to get a Sedition Charge, which on conviction is liable to a fine of five thousand dollars or an imprisonment of three years, or both, and the disqualification to hold elected office or even to vote at elections for five years.

Such punitive provisions will only stifle and suppress open criticism, though it cannot stamp out mounting frustration and discontent with the matter.

To understand how some quarters of the population see this provision, it may be necessary to recall past assurances by government leaders that Malay special provisions is a temporary expedient to enable the Malay community to catch up with the other communities.

Last year, however, a Cabinet member said that Malay special rights will continue to be a permanent feature in the country for "*hundreds of years to come*".

It may be useful to recall what the Reid Constitutional Commission Report of 1957, which recommended the form of Constitution we should have, had to say about special provisions for Malays.

The majority report of the Reid Commission listed the four matters with regard to which the special position of the Malays is recognised and safeguarded: Malay land reservations, quotas for admission to the public services; quotas in respect of the issuing of permits of licences for the operation of certain businesses, chiefly road haulage and passenger vehicle for hire; and preferential scholarships, bursaries and other forms of aid for educational purposes.

It reported that it found little opposition in any quarter to the continuance of the system for a time, but there was great opposition in some quarters to any increase of the preferences and to their being continued, but that in due course they should be reduced and should ultimately cease so that there should then be no discrimination between races or communities.

The Commission recommended that there should be no further Malay reservations, and that no new quota or other preference could be created, unless specifically authorised by the Constitution. It also recommended that after 15 years there should be a review of the whole matter and that the procedure should be that the appropriate Government should cause a report to be made and laid before the appropriate legislature; and that the legislature should then determine either to retain or to reduce any quota or to discontinue it entirely.

Mr. Speaker, Sir, we are now coming to 15 years of operation of special

provision to Malays. Again, the question is not so much to entrench this provision, as to inquire as to how well this provision has helped uplift the standards of living of the mass peasantry, apart from creating a new class of Malay rich, and why, these 15 years later, the vast peasantry are still so poor, backward and downtrodden.

The present Constitution Amendment Bill also seeks to empower the government to reserve places for Malay students in institutions of higher learning, even if it means denying non-Malay students with better qualifications of such places.

We regret that 14 years after the implementation of the Alliance education policy, it is necessary to introduce such a highly divisive policy, because non-Malay students who are denied places and their parents and relatives will resent such discrimination.

It is also an invidious system to the Malay students themselves. Are Malay students biologically and intellectually inferior to non-Malay students that they need such preferences?

We in the DAP do not subscribe to any such theory. We believe that given the environment, education and opportunity, all races can compete with each other on an equal footing.

The fault must lie squarely on the shoulders of the Alliance government for its failure to build up a modern and science-oriented education system aimed at modernising the nation, particularly, the agriculture sector of our country.

Fifteen years after the Alliance national education policy, six out of every ten Malay students entering the University of Malaya still take up Malay or Islamic studies when what is needed most are more Malay scientists, engineers and technologists.

The Alliance can no longer blame the British colonialist for this legacy. For if the Alliance government had been far-sighted enough, and had begun revolutionising the education system on the achievement of Merdeka to bring the countryside into the modern age, we will today be reaping the harvests of Malay sixth-formers taking their rightful and equal places in science, technology, engineering and medical streams in institutions of higher learning without preferential reservation of places.

It is because of such failures in foresight and vision by the Alliance government in its last decade of rule that our present problems of nation building have been made even more complicated, intractable and explosive.

#### **Implications of Passing the Constitution Amendment Bill**

The above subjects are now sensitive issues. This will be the last time and final forum where we can openly discuss this, for after this debate,

the sinister Sedition Amendment Act will be lying in wait for its victims.

We submit that these issues are not sensitive in the sense that any open discussion and debate will cause a racial conflict and mistrust. The government has been dishonest, insincere and unfair in the handling of these issues, and have made them more sensitive than they should be.

I have said large sections of the Malaysian public reject the government's arguments for the necessity for this Constitutional Amendment Bill for the simple reason that they reject the basic premise that the May 13 racial riots stemmed from discussion of these sensitive issues.

Mr. Speaker, Sir, May 13 racial riots started because there were people who were not prepared to accept the verdict of the people at the polls on May 10, 1969, which returned an unprecedented number of Opposition candidates in both State and Parliamentary elections.

May 10, 1969 was the highwater mark of democracy in Malaysia. Never had the people's hopes and expectations of the democratic process to peacefully bring about the political, economic and social changes they want been so high.

This affirmation of faith in the ballot box and democracy is all the more remarkable considering the active campaign of those who want the voters to boycott the polls to discredit the parliamentary process as a mockery and elections as a farce.

Even before the 1969 General Elections, voices had been raised questioning the meaning and relevance of parliamentary democracy in Malaysia.

During the general elections campaign, there was a sustained movement to discredit the parliamentary process by urging the voters to boycott the polls to demonstrate the people's rejection of a democratic system which is a 'fraud and a chicanery'.

The turnout and the results of May 10, 1969 was a major, but very short-lived, defeat for the forces of boycott and rejection of the democratic process.

In three days' time, the victory of the democratic Opposition turned to ashes, and the stocks of the advocates of rejection of the democratic process rose from the nadir to unparalleled heights.

May 13, 1969 was also a victory for those who disliked the people's verdict and started riots in the Federal capital to vent their anger and to frustrate the people's will. Malaysians were murdered, mutilated and maimed. Chaos and carnage ruled the day.

Emergency was proclaimed. NOC military rule replaced parliamentary rule. The newly-elected Parliament was suspended, and new Opposition Members of Parliament and State Assemblymen arrested, silenced or intimidated.

The government's handling of the May 13 racial riots and the 21-months of NOC rule have not inspired a return of public confidence in the relevance and credibility of the democratic process to fulfil their legitimate aspirations.

Mr. Speaker, Sir, let us not delude ourselves into thinking that once the Constitution Amendment Bill is passed, the country is firmly set on the road back to democracy, national unity and solidarity.

Today, the whole concept and relevance of parliamentary democracy is being questioned. This is why there is no nation-wide elation and joy at the reconvening of Parliament, for they see as Parliament's first function self-castration of its role as the highest legislative and deliberative chamber in the country.

Mr. Speaker, let us be frank with ourselves. After May 13, 1969 and the 21 months of NOC rule, more and more Malaysians of all races are thinking horrible thoughts.

The greatest task today is to turn them away from these horrible thoughts, which if unchecked, will set the stage for the confrontation of violence cutting across race lines.

This can only be done if the people of all races in this country are assured that they will all have an equal place under the Malaysian sun, that the objective the nation is heading towards is not a Malaysia which is dominated by any one racial group, whether in politics, or in economics, but where every one will have equality of opportunity to advance to the best of his ability in a multi-racial Malaysia.

The prerequisite for a multi-racial Malaysia, however, is the existence of a meaningful democratic system, where the interests and viewpoints of all Malaysians are represented by their elected spokesmen.

The proposal to ban so-called sensitive issues from public discussion, and what's more, the proposed removal of Parliamentary immunity of free speech, is to highlight the growing irrelevance of parliamentary democracy.

I do not see how any MP can agree to this proposal to cut his own tongue, and break his pledge to the electorate that he will fearlessly, responsibly and conscientiously voice the people's legitimate hopes, fears, grievances and discontents in Parliament.

The basic principle of parliamentary democracy is the supremacy of Parliament, as the body elected and entrusted by the people to defend, protect and advance the people's interest and welfare.

It is incompatible with the principles of the sovereignty of Parliament that MPs are stripped of the right to discuss issues which closely touch the hearts and minds of Malaysians, or that another non-elected organ should have such power to discuss these so-called sensitive issues.

There can be no more effective step than this to undermine democracy and strengthen the voices and forces of the enemies of democracy.

If there are issues which the government thinks is best discussed without the presence of publicity because of the feelings and emotions they may arouse in the public, then Parliament can discuss these issues in closed session. Under no circumstances, however, can we agree that the parliamentary privilege of free speech and the duty of MPs to take up and voice the people's legitimate discontents and grievances be curtailed.

It is now also proposed to entrench the so-called sensitive issues in the Constitution, so that they cannot be amended by two-thirds majority of Parliament, but must get the consent of the Rulers in Council.

This is clearly a retrograde step and another blow at the concept of the sovereignty of the people in a democratic system. Do we, Mr. Speaker Sir, have the right to tie the hands of the next Parliament on such an important constitutional principle?

I submit that this involves so fundamental an issue that the people should have the chance to express their views. This matter was never raised in the last General Elections, and no mandate was ever given. If the Government insists on introducing the Constitution (Amendment) Bill, then it should first hold a referendum on it so that the people can give their views.

If the Government claims that the Constitution (Amendment) Bill will have the support of the majority of Malaysians, then a referendum will bear this out. On the other hand, if the Government is reluctant to hold a referendum, either because it will be rejected or because it is uncertain of the reactions from the public, then this is supporting evidence of our argument that the Bill does not have the majority support of the people.

The great tasks in post-May 13 Malaysia are two:

- (1) To restore national unity and arrest the racial polarisation in this country by assuring all Malaysians, regardless of their race, that they will have an equal deal in Malaysia, by the removal of all the imbalances in the different fields of Malaysian life which cause alienation and antagonism among the races;
- (2) Restore the people's confidence in the Parliamentary democratic process by genuinely operating a meaningful Parliamentary democracy, for without such a process there cannot be a genuine multi-racial Malaysian nation where all will have an

equal place under the Malaysian sun.

We have come to the conclusion, after serious consideration, that the Constitution (Amendment) Bill, which was framed without due regard to the actual factors sparking off the May 13 riots, will not serve these twin objectives.

We are also convinced from our contact with the feelings on the ground, that the Constitution (Amendment) Bill will divide, rather than unite, Malaysians, and will accelerate rather than arrest the advanced racial polarisation in the country.

We have, therefore decided, with a heavy sense of responsibility, to oppose the Constitution (Amendment) Bill. In the interest of the national unity of Malaysia, we propose that this Constitution (Amendment) Bill be sent to an all-party Parliamentary Commission which should be set up to learn the lessons of May 13 racial riots and the 21 months of NOC rule, and point the solutions, to a united, multi-racial, just and equal Malaysia.

Such a Parliamentary Commission, which should include non-M.P. Malaysians eminent in their respective fields, should receive evidence and representations from interested Malaysians and Malaysian organisations to:

- (1) find out the cause of the May 13 racial riots;
- (2) determine the degree and extent of racial polarisation that has taken place in Malaysia in the last 21 months of NOC rule;
- (3) to make recommendations as to how to prevent a recurrence of May 13 racial riots and arrest the racial polarisation in Malaysia;
- (4) define the meaning and extent of the Constitutional guarantee to *'preserve and sustain the use and study of other languages'*;
- (5) review the operation of the special provisions to Malays for the last 15 years to find out why it had failed to materially improve the lot of the vast Malay peasantry, and to suggest solutions;
- (6) report on the relevance and necessity of the Constitution (Amendment) Bill at present before the House;
- (7) reconcile the different interests and fears of the different races; and
- (8) propose a blueprint to chart Malaysia on to the course towards a just and equal, multi-racial Malaysian nation.

If we all in this House are genuine and sincere in wanting to seek out ways and means to get this gravely divided nation onto the right tracks of unity and solidarity, I do not see why this proposal should not be carried.

We are now at the crossroads of our nation's history. Democracy

is on trial. Multi-racialism is on trial. Malaysia itself is on trial.

Our decision on this Constitution (Amendment) Bill will decide whether Malaysia starts anew to build a just, equal, united, peaceful and multi-racial Malaysia, or whether we plunge relentlessly down the road to further racial polarisation which must lead to a racial confrontation accompanied by a confrontation between, on the one hand, military violence, and, on the other, guerilla violence.

Such a double confrontation will tear this nation apart, and the people of Malaysia will be the worst sufferers. If we are to avoid this road to perdition, let us stand up and be clear in our minds that we must act in the manner whereby the people's confidence in democracy and the cause of multi-racialism are strengthened.

Before I conclude, I would again urge every Member of Parliament not to allow the Party Whip to dictate his decision on this vital and fundamental question. Only the conscience of every M.P. should be the guide.

## CONSCIENCE OF THE MALAYSIAN CONSTITUTION

*"Part II of the Federal Constitution on Fundamental Liberties is the conscience of the Constitution, in spelling out Malaysia's commitment to a free and democratic society ..... it has been subject to repeated assaults by the Government, either in the form of constitutional amendments or other forms of Government action, probably with one exception. This is the Right to Property, which speaks eloquently of the unequal and undemocratic society we have, as property is the possession of the few but fundamental liberties the rights of many."*

*"Retrospective legislation, except in extraordinary circumstances, has no place in a country which believes in the Rule of Law."*

*"Parliament should not be asked to legalise past government illegalities and regularise past irregularities unless and until Parliament is informed of the catalogue of illegalities and irregularities that have been committed under each head, and an opportunity to weigh the magnitude and enormity of such illegalities and irregularities."*

*"In fact, retrospective legislation is so obnoxious that there should be a special Parliamentary procedure requiring the Government to make a full and frank disclosure of the illegal or irregular acts that the government intends to validate by such retrospective legislation."*

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Speech on the Constitution (Amendment) Bill 1976 on July 12, 1976.

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Parliament is now being asked to approve another batch of amendments to the Federal Constitution, this time, a 19-page Constitution (Amendment) Bill running into 48 clauses.

The Malaysian Constitution has probably the distinction of being the most amended Constitution in the world. From a rough count, the Federal Constitution must have been amended close to 1,000 times since Independence in 1957. The present batch of amendments, for instance, involves over 60 amendments.

The Constitution of a country is the Basic Law of the country and must not be treated as any other ordinary law, to be amended at the whims and fancies of the government of the day.

What is particularly objectionable in the 1976 Constitution (Amendment) Bill is the proposal to amend Part II of the Constitution which enshrines the fundamental liberties to be enjoyed by Malaysians.

Thus, the Government proposes to amend Article 5 of the Constitution on "Liberty of the Person" in order to withdraw from persons "arrested or detained or placed under restricted residence under any law relating to the security of the Federation, preventive detention, restricted residence

*immigration or banishment*" the fundamental right as presently provided under Article 5(4) to "without unreasonable delay, and in any case within 24 hours be produced before a magistrate and shall not be further detained in custody without the magistrate's authority."

I am glad that because of adverse public opinion, the government is withdrawing its earlier proposal to deny such persons their present constitutional right, as provided in Article 5(3), to be "informed as soon as may be of the grounds of arrest" and to consult and be defended by a legal practitioner of their choice.

The amendment to Article 5 to deny the persons "arrested or detained or placed under restricted residence under any law relating to the security of the Federation, preventive detention, restricted residence, immigration or banishment," within 24 hours to be produced before a magistrate is a serious erosion of fundamental liberties guaranteed under the Constitution. It removes with one stroke of the pen an essential safeguard and check against arbitrary exercise of power by the executive and in particular, by the police forces, making Malaysian citizens even more naked and helpless in the face of police abuse of arrest and detention powers, which are becoming more and more frequent.

The increasingly serious security situation can be no justification for this constitutional amendment which derogate from Malaysians their fundamental rights as enshrined in the Federal Constitution.

We should not forget that the Federal Constitution was drawn up and promulgated at a time when the country was faced with an existing emergency in the form of communist insurgency.

At that time, the Constitution defined and guaranteed certain fundamental individual rights because they were generally regarded as essential conditions for a free and democratic way of life. Even more important, these fundamental individual rights were the distinguishing marks of the system of government Malaysians, and subsequently Malaysians, were called upon to defend and protect after Independence, and the system of government which the communist insurgents seek to establish.

In fact, the Constitutional Commission in its report in 1957 states "the rights which we recommended should be defined and guaranteed are all firmly established now throughout Malaya and it may seem unnecessary to give them special protection in the Constitution. But we have found in certain quarters vague apprehensions about the future. We believe such apprehensions to be unfounded, but there can be no objection to guaranteeing these rights subject to limited exceptions in conditions of emergency and we recommend that this should be done."

Twenty years after Merdeka, these "vague apprehensions about the future" discounted by the Constitutional Commission have come to pass,

and fundamental rights which the people had enjoyed, even in the worst days of the 1948-1960 Emergency, are now to be removed despite the fact that it has been guaranteed in the Constitution.

Is this an admission that the security situation faced by Malaysia is or is likely to be even more challenging, bleak and grim than during the first 1948-60 Emergency, as to justify such curtailment of fundamental rights which were respected and honoured in earlier emergencies?

Government leaders, in particular, the Deputy Prime Minister, Dr. Mahathir bin Mohamed, have used as one of the recurrent themes the things that Malaysians will lose should the communists come to power in Malaysia, especially freedom and liberties of the individual.

Now, the fundamental liberties of Malaysians are themselves being tampered with by the Government. What then are the fundamental liberties Malaysians will lose if the communists come to power in Malaysia, especially as the government keeps to its past record and practice of systematically whittling away by piecemeal legislation such enshrined liberties.

The National Front Government and Parliament must weigh seriously the question posed by the Bar Council when it stated its opposition to any modifications to Article 5 of the Constitution. The Bar Council had said:

*"One basic difference distinguishes those who are loyal to this country from those who are bent on overthrowing it; and that is, the former have respect for the law. But harsh and unjust laws cannot command respect willingly; and a law which treats persons who may have committed ordinary crimes in the same way as it does communist terrorists cannot be a good law.*

*"What distinguishes our system of government from that advocated by our adversaries is the fundamental rights protected by the Constitution. Are these not what we are fighting for?"*

The purpose of enshrining fundamental rights in the Constitution is to ensure that the government recognised by the Constitution is a Government of laws and not of men.

Even at present, notwithstanding the provisions of Article 5, of the Constitution, there have been many cases of persons arrested under the Restricted Residence Enactment who have been detained for a considerable length of time without production before a magistrate within the prescribed time.

There are also more and more cases of abuses of police powers of arrest on trumped-up charges, and of the detention of persons who pose no threat whatsoever to the law and order or security of the country, without proper effective remedy.

The Minister of Home Affairs who signs these orders of detention or restriction would not know in the overwhelming majority of cases the truth or untruth of the charges that had been prepared at the lower levels of the police hierarchy.

Only recently, there was an insurance agent in Malacca, a father of two, whose wife is a graduate teacher, who has a steady occupation, who was detained under the Public Order and Prevention of Crime Ordinance.

He was subsequently served with an order of detention signed by the Minister of Home Affairs and sent to Pulau Jerajak on the fantastic charge of 'extortion'. The police acknowledge that this person has no secret society connections, has no record of previous convictions, and there are many people in Malacca who can vouch for him. This insurance agent, however, does make a nuisance of himself when he drinks in bars and nightclubs getting into arguments with police officers but surely this is no justification for framing him up with allegations of extortion which in any event would be more properly be a case for public prosecution — and to send a person with no previous convictions or secret society connections to Pulau Jerajak?

How many cases are there of such misuse of police powers of arrest and detention in the country? This amendment will weaken and even remove the checks and controls on arbitrary abuse of power by police officers at lower levels, which the Minister does not know, and who is too busy with the pressing security situation, to know.

### **Conscience of the Constitution**

Part II of the Federal Constitution on Fundamental Liberties is the conscience of the Constitution, in spelling out Malaysia's commitment to a free and democratic society.

In Malaysia, the conscience of the Constitution, spelling out the fundamental rights to life, liberty, property, free speech, free assembly and association, and even freedom of religion, has been subject to repeated assaults by the government, either in the form of constitutional amendments or other forms of government action, probably with one exception. This is the Right to Property, which speaks eloquently of the unequal and undemocratic society we have, as property is the possession of the few but fundamental liberties the rights of many.

### **Rule of Law again under assault**

The present batch of constitutional amendments is another serious assault to the principle of Rule of Law in Malaysia.

I had pointed out during the debate on the Essential (Security Cases) Regulations in December last year that the government's definition of the

Rule of Law is a very primitive one, as seen by the Commentary in the Rukunegara which states: *"The Rule of Law is ensured by the existence of an independent Judiciary with powers to pronounce on the constitutionality and legality or otherwise of executive acts."*

What is the use of an independent judiciary when the laws allow arbitrary interference with the fundamental rights and liberties of the individual?

Malaysia is rapidly reaching a state where there is no more Rule of Law, but Rule by Law. Every system of government including totalitarian and soulless ones, has a legal order.

Even the Nazi system had a legal order, a Rule by Law. But there was no Rule of Law, by which is meant that powers of government should be restrained so as to protect as far as possible the 'personal freedoms' and 'fundamental rights' of individuals.

What makes the proposed amendment to Article 5 so unsupportable is that no good reason has been adduced to show why what Malaysians and Malaysian enjoyed in previous emergencies cannot be enjoyed by Malaysians today.

### Retrospective legislation

The provision for the retrospective effect of various constitutional amendments is an even greater blow to the Rule of Law, for retrospective legislation is in principle deplorable as it makes legal what was illegal when done, or renders illegal what was legal when done.

Retrospective legislation, except in extraordinary circumstances, has no place in a country which believes in the Rule of Law.

The 1976 Constitution (Amendment) Bill provides for the retrospective effect for not one amendment, but for four amendments.

Thus, Clause 4 of the Bill provides that the amendment to Article 5 of the Constitution depriving a person arrested or detained or placed under restricted residence the right to be produced before a magistrate within 24 hours is to have retrospective effect all the way back to Merdeka Day twenty years ago.

Clause 17 of the Bill provides that the amendment to Clause (2) of Article 65 to enable the Yang di-Pertuan Agong to appoint a Clerk to either House of Parliament from amongst members of the public services on secondment is to have retrospective effect all the way back to Merdeka Day. I shall have more to say about this particular amendment later on.

Clause 28 of the Bill seeks to insert a new Article 125A to enable the Lord President and all judges of the Federal Court to exercise all or any

of the powers of a judge of a High Court. This new article is deemed to have been an integral part of the Constitution as from Malaysia Day.

Clause 30 of the Bill which seeks to amend Clause (1) of Article 135 by adding a further provision to provide that dismissal or reduction in rank by an authority delegated by a Commission with a power to do so shall be valid notwithstanding that such authority is at the time of that dismissal or reduction in rank subordinate to that which at that time has power to appoint a member of that service of equal rank. This provision is to have retrospective effect as from Merdeka Day on August 31, 1957.

I have studied these four proposed amendments and for argument's sake, even if one accepts the need for such amendments to the Constitution, there are not good national reasons why these amendments should have retrospective effect all the way back to Merdeka Day in 1957. In view of my criticism and opposition to the amendment to Article 5, and my reservations to Clause 17, 28 and 30, there is even less compelling reason to effect retrospective operation for these amendments.

One feature stands out sharply from the proposal to provide for retrospective effect for these amendments. The government had committed irregularities and even illegalities in all these areas covered by these four amendments, which it now proposes to regularise and legalise. This is most shocking, and is the result of one of two causes. Either the government has been consistently getting atrociously bad legal advice, or the Government has consistently shown little respect and a lot of contempt for the Rule of Law, disregarding Constitutional safeguards and provisions, operating as if in Malaysia there is a government of men rather than a government of laws.

Parliament should not be asked to legalise past government illegalities and regularise past irregularities unless and until Parliament is informed of the catalogue of illegalities and irregularities that have been committed under each head, and an opportunity to weigh the magnitude and enormity of such illegalities and irregularities.

In fact, retrospective legislation is so obnoxious that there should be a special Parliamentary procedure requiring the government to make a full and frank disclosure of the illegal or irregular acts that the government intends to validate by such retrospective legislation.

**Has the Government committed sedition in proposing an amendment to citizenship laws which is an 'entrenched' and 'sensitive subject'?**

Clause 7 of the Bill seeks to amend Article 24 of the Constitution so as to render liable to deprivation of citizenship any citizen who voluntarily claims and exercises in a country outside the Federation, regardless whether it is a Commonwealth or a non-Commonwealth country, any rights accorded exclusively to citizens of that country. The amendment would remove the distinction in the present Article in relation to Commonwealth and non-Commonwealth countries.

As citizenship is one of the four 'entrenched sensitive' issues, and as the questioning of any matter, right, status, position, privilege, sovereignty or prerogative established or protected by the provision of Part III of the Constitution relating to citizenship; Article 152 relating to the National Language and the languages of the other communities; Article 153 relating to the special position of the Malays and the legitimate interests of other communities; and Article 181 relating to the sovereignty of Rulers is prohibited by the Amendments to the Constitution in 1971 as a prelude and precondition to the reconvening of Parliament following the NOC rule, punishable as an offence of sedition, is the government and the Prime Minister committing an offence of sedition in proposing an amendment to Part III of the Constitution relating to citizenship?

Let me quote from the Attorney-General, Tan Sri Kadir, when winding up his speech on the 1971 Constitution (Amendment) Bill in the Senate on March 9, 1971:

*"Mr. President, Sir, allow me to explain what I have said for the interest of all in this House who might be involved later on. I hope such an incident will never occur in this House. For instance, the law which forbids the questioning of any of the provisions in Section III i.e. citizenship. Although it may sound short and simple, in actual fact there are three parts to it, i.e. Part One, attainment of citizenship; Part Two, termination of citizenship and Part Three, Extension. Section III contains 17 items and all are protected. This means all terms and conditions for obtaining citizenship and for terminating one's citizenship by the Government as enshrined in the Constitution cannot, in any case, be questioned although one might raise only one of the terms and conditions. We must fully understand this."*

Clause 7 of the Bill questions Part III, Article 24 of the Constitution regarding termination of citizenship and in seeking to amend this entrenched protected Clause, has the Prime Minister and the Government committed an offence of sedition as expounded by Tan Sri Abdul Kadir? In fact, in printing this very Bill to amend an entrenched Clause, on citizenship, has the Government and the Government Printer committed an offence of sedition in questioning Part III of the Constitution?

Will Members of Parliament, while in the course of debate, whether giving their view in support or opposition to this proposed amendment to entrenched Part III of the Constitution, which would involve a questioning of Part III of the Constitution relating to citizenship, be committing an offence of sedition?

As Members of Parliament have lost their parliamentary immunity in connection with the four entrenched subjects, Members of Parliament, including the Prime Minister, can be prosecuted for questioning any one of them, whether in the form of expressing support for an amendment to one

of the entrenched Constitutional clauses, or voting in support of it in the Dewan Rakyat.

There is no difference between expressing support for the amendment of one of the entrenched clauses or voting in support for such an amendment, as both constitutes a questioning of one of the entrenched, sensitive clauses.

If Part III of the Constitution on citizenship can be amended as it is presently proposed, then it is also possible for the government, or for any Member of Parliament by way of private member's bill, to amend or propose amendment not only to Part III of the Constitution, but also to Article 152 relating to National Language and the languages of other communities; Article 153 relating to the special position of the Malays and Article 181 relating to the sovereignty of Rulers, and explain both inside and outside the Dewan Rakyat why such amendments are necessary.

If this view is contested, then it can only mean that out of the four entrenched subjects, Part III is less entrenched than the other three entrenched clauses, so that Part III of the Constitution on citizenship can be further amended with regard to the terms of acquisition and termination of citizenship while the other entrenched subjects are immune to any amendment. I hope the Prime Minister will make a clear statement on this when he winds up the debate tomorrow. The question that must be answered is how do you amend any one of the entrenched clauses, without at the same time, questioning the present entrenched provisions, and therefore contravening the law which prohibits any questioning of any one of the entrenched issues. What is there to prevent any citizen to file a complaint with the Police that the Prime Minister or Members of Parliament have contravened the Sedition laws in supporting or voting in support of an amendment to modify the entrenched Part III ?.

#### **An Independent Clerk to House of Representative pre-condition to an Independent Parliament.**

I am opposed to Clause 17 of the Bill which seeks to amend Article 65 of the Constitution governing the appointment of Clerks of Senate and Dewan Rakyat.

It is one of the fundamental pre-conditions of an Independent Parliament, which is not a subservient creature of the Government of the Day but on the contrary its Master, that there should be an independent Clerk, whose appointment and tenure of office is not dependent on the whims and fancies of the Government of the day, and subject to government pressures.

This is why the Parliamentary service is a completely autonomous and closed service. This is also why Article 65 of the Constitution provided the safeguards for an independent Clerk.

Thus Article 65 provides that the Clerk shall be appointed by the Yang di-Pertuan Agong and shall hold office until he attains the age of 60 years or such other age as Parliament may by law provide, unless he sooner resigns his office. The Clerk may be removed from office on like grounds and in the like manner as a judge of the Federal Court, on a representation made by the Speaker of the House.

It is now proposed to bring in an amendment which will enable the appointment of a Clerk from amongst the members of the public services for short periods, or in other words, on secondment, and to give retrospective effect to this amendment to Merdeka Day in 1957.

This amendment will destroy the whole principle of an autonomous Parliamentary service which is answerable only to Parliament and not to the Government of the day.

The Government had many times, violated Article 65 of the Constitution in appointing public service officers to the post of the Clerk of the House on secondment, and now Parliament is asked to regularise all these past irregularities.

The Clerk should be appointed from the Parliamentary service, or if he is appointed from the public service, he should cut all ties with the public service and be the sole servant of the House. No Clerk who is the servant of two Masters, namely Parliament and the Government to whom he is to return at the end of his secondment, can properly discharge his responsibilities as Parliament's principal executive.

#### **Insecurity of tenure for officers in the Public Service**

Clause 30 of the Bill seeking to amend Article 135 will create not only insecurity of tenure, but expose officers of the public service to unscrupulous victimisation and McCarthy-type of persecution.

Article 135(2) of the Constitution provides that "*No member of such a service as aforesaid shall be dismissed or reduced in rank without being given a reasonable opportunity of being heard.*"

The services referred to in Article 135(2) are:

- (i) the judicial and legal service;
- (ii) the general public service of the Federation;
- (iii) the police force;
- (iv) the railway service;
- (v) the joint public services;
- (vi) the public service of each state.

The Government is now amending this Clause to enable the dismissal or reduction in rank without giving the public servant a reasonable

opportunity of being heard, in four specified circumstances, namely :—

- (a) where a criminal charge has been proved against the public servant;
- (b) where the authority empowered to dismiss or reduce in rank is satisfied that it is not reasonably practicable to carry out the requirements of the Clause, and records in writing its reasons for being so satisfied; or
- (c) Where the Yang di-Pertuan Agong, or, in the case of a member of the public service of a State, the Ruler or Yang di-Pertua Negeri of that State, is satisfied that it is not expedient to carry out the requirements of the Clause in the interests of the security of the Federation or any part thereof; or
- (d) where a public servant has had an order of detention, supervision, restricted residence, banishment or deportation made against him under any law relating to the security of the Federation, prevention of crime, preventive detention, restricted residence, banishment, immigration, or protection of women and girls or where there has been imposed on such a member any form of restriction or supervision by bond under any of the above-mentioned laws.

It is public knowledge that many persons have been falsely detained or placed under supervision or restricted residence, and that the Police or the Minister who caused such detention, supervision or restricted residence do not have to give valid reasons as whatever reasons they give cannot be challenged in a Court of Law. This means a public servant can be dismissed without good and proper cause, by means of serving upon him an order of detention, supervision or restricted residence. This makes not only a mockery of the Rule of Law but introduces a most dangerous principle into questions of security and stability of employment in the public services.

#### **Detention without trial — Detainees should have the right to know recommendations of Advisory Board**

Clause 40 of the Bill amends Article 151 of the Constitution. Article 151 (2) provides that *'Where any law or ordinance made or promulgated provides for preventive detention'*; namely Internal Security Act, Prevention of Crime Ordinance, etc., *'no citizen shall be detained under that law or ordinance for a period exceeding three months unless an advisory board (appointed by the Yang di Pertuan Agong) has considered any representation made by him and made recommendations thereon to the Yang di Pertuan Agong.'*

This means that the Advisory Board must consider any representations made by a detainee against allegations for his detention and make recommendations to the Yang di-Pertuan Agong within three months'

This is now amended to extend the time to allow the Advisory Board more leisurely pace to consider representations although fundamental rights to liberty are involved. Under the proposed new Article 151(2), the Advisory Board is required to consider representations not within three months of the detention, but *"within three months of receiving such representations, or within such longer period as the Yang di-Pertuan Agong may allow."*

This is a provision to allow the Advisory Board to take one year or two years to consider a representation by a detainee!

The Advisory Board is generally regarded as a show-piece without real meaningful powers or influence. It has not been known to effect the release of detainees who had been wrongfully detained. Even in the rare cases where the Advisory Board recommended that there are no grounds for the detention of a person, as in the case of Dato James Wong of SNAP, the release was eventually made not on the recommendations of the Advisory Board which were at that time rejected, but based on political considerations of getting the SNAP into the Barisan Nasional.

If the Advisory Board is to serve any useful purpose, then a detainee must have the right to know what recommendation it has made to the Yang di-Pertuan Agong after consideration of his representation.

Article 151, in purporting to provide restrictions on preventive detention by the constitution of an Advisory Board, has failed completely to provide a proper check and control on the abuses of powers of detention without trial. I call on the Government to abolish all laws which permit detention without trial, so as to put an end to the gross abuses of such detention powers by Police officers.

#### **Call on the Government to honour the Merdeka understanding with regard to appointment of Malacca Governor and Chief Minister**

Under the new amendments, the Governors of Malacca and Penang will now be known as Yang di-Pertua Negeri respectively.

In this connection, I want to remind the Government to honour the Merdeka understanding that in the case of Malacca, the high posts of Malacca Governor and Chief Minister would be alternated between a Malaysian Chinese and a Malay. The former Prime Minister, Tun Razak, when moving the 1971 Constitution Amendment Bill spoke of the *"careful and balanced character of the Constitution which was so painstakingly negotiated and agreed upon by the major races in Malaysia before we attained independence."* This understanding, both in letter and spirit, explicit and implicit must be honoured. In Malacca, this understanding has not been observed. In fact, we have at present the sorry spectacle in Malacca of the MCA Malacca President, Dato Tan Cheng Swee, desperately clinging to the post of Malacca

Municipal Commissioner when he had been abused, disgraced and condemned by every UMNO branch in the State !

In conclusion, the DAP cannot support the present batch of amendments because they constitute :

1. serious erosion of fundamental liberties of Malaysians;
2. negates the Rule of Law by providing for unjustifiable retrospective legislation;

While we support a few of the amendments like Clauses 26 and 27 to increase the number of Federal judges and High Court judges to deal with the backlog of cases, so that justice is speeded up, as 'justice delayed is justice denied', the DAP cannot accept the Bill because the other amendments involve even more important principles on which the continued survival of Malaysia as a democratic nation depends.

# THE DISENFRANCHISEMENT OF 237 KUALA LUMPUR

*"In the last general elections in 1969, the Selangor State Government was nearly captured by the Opposition, ending the uninterrupted rule of the Alliance in the State. The declaration of Kuala Lumpur as Federal territory, and the abolition of the constituent nine state assembly seats, is clearly an Alliance manoeuvre to prevent any Opposition capture of the Selangor State Government in the next General Elections."*

*"With the present amendment, the check against too great a disparity between urban and rural seats will be removed, and constitutionally, the Election Commission can draw up boundaries where ten rural seats are equal to one urban seat, heavily over-representing rural electorate against urban electorate in the various legislature "*

*"In accordance with the principle laid down in Schedule 13, Section 2(c) (of the Malaysian Constitution) that 'the number of electors within each constituency ought to be approximately equal throughout the unit of review, the Federal Territory should of right have 10 Parliamentary seats."*

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**Speech on the Constitution (Amendment) (No.2) Bill 1973 on July 9, 1973.**

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Parliament meets today to amend the Malaysian Constitution the second time in three months, and the third time since the reconvening of Parliament in February 1971.

Thanks to the Alliance Government, the Malaysian Constitution has won international renown as one of the most amended and tampered written constitutions in the world.

The history of constitution—gerrymandering by the Alliance Party has rightly given rise to questions about the true intentions of the present move. The history of the changes to the Malaysian constitution is a history of intolerance, the subordination of national interests to petty party considerations, and the lack of a democratic spirit among the top government leaders of the country.

Thus in 1966, the Malaysian Constitution was amended to enable the Alliance Party to overthrow the independent-minded, strong-willed but recalcitrant SNAP Chief Minister of Sarawak, Dato Stephen Kalong Ningkan. In 1962, the Malaysian Constitution was amended to cut down the powers of the independent-minded Elections Commission which had faithfully followed the Constitutional provisions for redrawing constituencies but which had displeased the Alliance leaders. And of course, most recently, in February 1971, the Malaysian Constitution was arbitrarily amended to remove the parliamentary privilege and immunity of elected Members of Parliament and State Assemblymen.

It is precisely because the people wanted to put a check on the continuous Alliance tampering with the Malaysian Constitution for its own partisan ends, that the voters in the 1969 General Elections denied the Alliance the two-thirds majority in Parliament.

Unfortunately, what the Alliance failed to get from the electorate, it got from a combination of political blackmail and political buying-and-selling. Those who had campaigned vigorously in the 1969 General Elections to deny the Alliance the two-thirds majority to alter the Malaysian Constitution at their whim and fancy were among the first to provide the necessary two-thirds support in the most blatant tampering with the Constitution in February 1971. Others who had presented themselves as stout defenders of the Constitution have today become the most snivelling apologists of the Alliance.

It is however incumbent for those of us who still hold true to our pledge to the people to oppose Alliance tampering with the Constitution to examine with care every proposed Constitutional amendment, and to seek out the political motivations.

Despite the loud protestations and denials by the Prime Minister and other Alliance leaders, the ulterior political motive of the present Constitution Amendment is apparent.

This is not the first time that the people of Kuala Lumpur have suffered in the hands of the Alliance, and have their basic democratic rights violated and trampled upon.

Over a decade ago, the people of Kuala Lumpur possessed the democratic right to send their elected representatives to Parliament to be their spokesmen on national matters, to the Selangor State Assembly to safeguard their rights in State matters, and to the Kuala Lumpur Municipality to run the local government affairs in accordance with the needs and wishes of the people.

The first casualty was their right to have a elected Kuala Lumpur Municipality. The Alliance Government abolished elected Municipal Government because the people of Kuala Lumpur had long ago been disenchanted by Alliance policies and consistently repudiated Alliance candidates and personalities.

In retrospect, it cannot be said that the abolition of an elected Municipal Council and the Federal takeover of the Kuala Lumpur Municipality had significantly improved the administration or quality of life in the Federal capital.

Kuala Lumpur today teems with a myriad of socio-economic problems and grievances, many of which were aggravated by over a decade of neglect and indifference. The housing of the poor is one good example of the Federal Government and the Municipal Authority's indifference to basic social and economic problems of the inhabitants of Kuala Lumpur.

A Kuala Lumpur Authority which is solicitous of the welfare of the people of Kuala Lumpur would in the last decade have launched a crash programme to build ten of thousands of low-cost housing units for the workers and the low-income brackets, instead of spawning slums and hovels in the Federal capital. In fact, it would not be far wrong to say that the housing policy of the Municipality and now the City Council is to have no housing policy.

Housing is not the only ill of Kuala Lumpur, after Alliance takeover of its affairs. Other major ills are the transportation problems, the busing mess, the perennial traffic congestion, the flooding of the City after a slight rainfall, the squatter problem, the hawker problem, etc.

Each one of these problems would require extended treatment as they are all major problems for the people of Kuala Lumpur.

I have no doubt that an elected Kuala Lumpur Municipality and now City Council would do very much better, for such an elected council would respond more readily to the needs and wishes of the people, as compared to a Council which is answerable only to a distant Federal Government.

Today, the Alliance Government had decided to take another retrograde step to disenfranchise one million people by abolishing nine State Assembly seats in Selangor by declaring Kuala Lumpur a Federal Territory.

Although we are told that we should be honoured and proud that Kuala Lumpur is to become a Federal Territory, I do not see what there is to rejoice about in the progressive limitation and restriction of the democratic rights of Malaysian citizens.

We all remember that in the last general elections in 1969, the Selangor State Government was nearly captured by the Opposition, ending the uninterrupted rule of the Alliance in Selangor State.

The declaration of the Federal Territory, and the abolition of the constituent nine state assembly seats, is clearly an Alliance manoeuvre to prevent any Opposition capture of the Selangor State Government in the next general elections.

The disenfranchisement of one million people is a momentous decision and neither the Federal Government nor the Selangor State Government has the mandate of the people to take such arbitrary and undemocratic action without reference and consultation with them. My Party reaffirms our stand that there must be a referendum of the people of Kuala Lumpur to ascertain their views and consent on their disenfranchisement and the abolition of the nine State Assembly seats.

The Prime Minister, Tun Abdul Razak, has said that there is no provision in our constitution for a referendum. Firstly, let me state that there is no prohibition in our Constitution against the holding of a referendum either.

A simple motion tabled in this House is all that is necessary to hold a referendum over this matter. There is no need even to amend the Constitution. Thus, such an argument coming from a government which has not hesitated to tamper with the constitution at the slightest excuse, is most unbecoming.

I want to stress that there are two questions involved here. One, the declaration of Kuala Lumpur as a Federal Territory; and Secondly, the disenfranchisement of one million people in Kuala Lumpur.

With the brute majority that the Alliance commands in Parliament, this Constitution Amendment Bill is bound to be passed in this House. However, I would like to ask the Prime Minister, if there is no political motivation behind this move, why is it that there is no provision to have an elected Federal Capital Council in Kuala Lumpur.

The capital cities of other democratic countries like Tokyo, New Delhi, London and Copenhagen are run by elected councils, and not by nominated bodies. Although Canberra is not in this list, I understand that it is the policy of the Labour Government of Australia to introduce an elective council, with minority nominated members, to administer the Australian capital.

Every time the Alliance Government departs from democratic practice, their leaders would plead in justification the need to develop democracy in our country *ala-Malaysia* and not *ala-Westminster*.

It is no coincidence that in the multitude of amendments to the Malaysian Constitution since 1957, there is not a single amendment which has broadened the areas of freedom and liberties of Malaysian citizens. In every amendment of consequence, the citizens' rights have been conscribed and confined.

I invite the Prime Minister to rebut this, and tell the House instances of constitutional changes which had broadened the horizons of freedom and liberty in the country.

It has been said that the people, apart from the DAP, are happy about Kuala Lumpur becoming a Federal Territory, and that they realise that this is to the best national interest. To buttress their argument, they pointed to the fact that in the local press of all language media, there is no protest or objection apart from the political opposition.

Such a glib argument deceives no one. It is like Hitler in his time boasting that no one in Nazi Germany opposed his inhuman and expansionist policies for the simple reason that those who opposed him before had ended up on the execution block or become victims of assassination squads.

Although in Malaysia, dissent does not cost one his life yet, it is no less suppressed. The press in Malaysia has long ceased to be a reliable guide of the state of public opinion in Malaysia.

Malaysian press editors are subjected to an unceasing barrage of interference, warnings and dictation from government censors as to what to report and what not to report, through telephone calls and censorship briefings.

A good example was in connection with the MCA power struggle, following the forced resignation of Dr. Lim Keng Yaik from the Cabinet and his expulsion from the MCA.

For over a week, the press, especially the Chinese press, were fulsome with pages after pages of denunciations of the leadership of Tun Tan Siew Sin and Lee San Choon by MCA rebel branches and youth sections, when suddenly the whole cascade of repudiation of the MCA presidential leadership halted.

This was not because the MCA power struggle between the old guards and the rebels had been settled, for if one should go round the country, one can find fierce banners being strung outside MCA buildings throughout the country denouncing the decadence, incompetence and impotence of the leadership of Tun Tan and Lee San Choon.

The press blackout was the result of warnings issued by the government to the press. At first, Tun Tan warned the press to black out the news about the challenge to his authority and leadership, but when this failed to have effect, all the press editors were summoned before the Secretary-General of the Ministry of Home Affairs and told in no uncertain terms to toe the line or face the consequences. The government used as justification for such press muzzling the much-abused term National interest.

It is no exaggeration to say that the term 'National Interest', which has also been used for the conferment of Kuala Lumpur the Federal territory status and the disenfranchisement of one million people, have been so abused that it has ceased to have any meaning.

Thus, what is the 'national interest' that the press cannot publish and report the power struggle in a political party in the country, the MCA? Will Tun Tan's downfall spark off a bloodbath, as he had threatened to his members?

It is interesting to note that the MIC's power struggle did not deserve the label of 'national interest' and the press were given full freedom to report about the fisticuffs, the chair-throwing and banner protests, the free-for alls, that typify MIC gatherings.

It is also pertinent to note that when opposition parties, like the DAP had a minor, internal problem, the press were told 'in the national interest' to blow it out of all proportions, even giving front-page treatment to the fulminations of a branch official.

There is no denial that the Malaysian press has never been so cowed and intimidated as today, and they have swiftly become mere propaganda exten-

sions of the Alliance Government against their own free will and better judgement.

In a climate where the press dare not publish the dissent and contrary views of the public to Alliance positions which have attached to them the omnibus label 'national interest', it is all the more necessary that a referendum should be held to ascertain the genuine wishes of the people and get a mandate from them on the question of making Kuala Lumpur a Federal Territory.

To sum up, my party proposes firstly, the holding of a referendum to ascertain the views of the people of Kuala Lumpur, and secondly, the Federal Territory should be run and administered by an elective Federal Capital Council which will be more responsive to the needs and wishes of the people.

**2. DAP calls for a fair and equitable delimitation of electoral constituencies to uphold the democratic principle of 'one man, one vote'.**

I come now to Part II and Part III of the Constitution Amendment Bill affecting the number of House of Representatives Members and proposed changes to the basis for delineating electoral constituencies.

One of the cardinal principles of representative democracy is that one man is entitled to one vote, and not more. But in Malaysia, our parliamentary democracy ala Malaysia enables one man to have one vote which is equal to six other men's votes.

Thus during the 1969 general elections, the parliamentary constituency of Johore Tenggara had an electorate of 13,821, while the Bungsar parliamentary constituency had an electorate six times as large, viz. 81,086.

This means that one vote in Johore Tenggara is equal to six votes in Bungsar, and that the Bungsar electorate are under-represented politically and deprived of having another five Members of Parliament to represent them. The Alliance talks a lot about imbalances in the country, but this political imbalance is conveniently ignored and forgotten.

That a system which gives to one person the voting power equal to six others is undemocratic was initially recognised and conceded by the Alliance Government. Unfortunately with every passing year, they tend to forget what they have stood for in the past, and for their own self interest, began to adopt more and more illiberal and undemocratic attitudes.

Thus in the 1957 Constitution, it was provided that in drawing up constituencies, there shall not be more than a difference by more than 15 per cent in the number of electors of any constituency to the electoral quota. The 'electoral quota' was defined as the number obtained by dividing the number of electors in the Federation by the total number of constituencies.

This 15% difference was not satisfactory to the Alliance Party, and in 1962, the Constitution was amended. It is interesting to note that when introducing the 1962 Constitution Amendment Bill 1962, to redelineate electoral boundaries and approve a new basis for redelineation, the Hon'ble Prime Minister, at that time Hon'ble Deputy Prime Minister, sought to argue that the one-man one-vote principle was being scrupulously observed.

He said, and I quote :

*"These are known and accepted principles and were taken into account when delimiting the present constituencies. There is therefore no new principle which has been brought in. One of these principles is the weightage of rural constituencies for area. Basically, the number of electors in each constituency ought to be approximately equal except that, having regard to the greater difficulty of reaching electors in country districts and other disadvantages affecting rural constituencies, weightage for area may be given to rural constituencies to the extent that in certain instances rural constituencies may contain as little as half the number of electors in an urban constituency."*

Thus, from the difference of 15% of the voters for one constituency to the national average, we have changes to the Constitution to enable difference of 100% in the electorate between an urban and a rural seat.

But in practice, as pointed out earlier in the comparison between Bungsar and Johore Tenggara, the difference had been 300 to 600% difference.

It will not be wrong to say that there are many MPs in this House who will not be here if the Constitution had been faithfully followed as regards the weightage between urban and rural seats.

One of the most far-reaching amendments in the Constitution (Amendments) (No.2) Bill 1973 is the proposed change to Paragraph (c) of section 2 of the Thirteenth Schedule of the Constitution (Paragraph 15 of the present Amendment Bill).

Paragraph (c) of Section 2 of the Thirteenth Schedule reads:

*"the number of electors within each constituency ought to be approximately equal throughout the unit of review except that, having regard to the greater difficulty of reaching electors in the country districts and other disadvantages facing rural constituencies, a measure of weightage for area ought to be given to such constituencies, to the extent that in some cases a rural constituency may contain as little as half of the electors of any urban constituency."*

It is now proposed to delete the words "to the extent that in some cases a rural constituency may contain as little as one half of the electors of any urban constituency."

As at present, when there is a review of the constituencies, the parliamentary and state seats must be adjusted to conform with the requirements of the Thirteenth Schedule, and paragraph (c) of Section 2 permits a rural seat to have an electorate 50% of an urban seat, but not lesser.

With the present amendment, the check against too great a disparity between urban and rural seats will be removed, and constitutionally, the Elections Commission can draw up boundaries where ten rural seats equal to one urban seat, heavily overrepresenting rural electorate against urban electorate in the various legislatures.

I want here to seek a clarification from the Prime Minister whether it is the intention of the Government to perpetuate the present enormous disparity in the weightage given to the rural areas, completely without constitutional sanction, whereby one rural voter is equal to six urban voters.

The DAP is opposed to this constitution amendment for the perpetuation of the enormous disparity in the weightage between urban and rural electorate is not only undemocratic, but a serious imbalance in the country which retards national unity and solidarity.

Another major amendment is to reconstitute the membership of the House of Representatives on the basis of allocation to the states in West Malaysia, and the increase from 104 parliamentary seats in West Malaysia to 114 parliamentary seats.

It is proposed to allocate the following number of seats for each of the West Malaysian States :

Perak	21
Johore	16
Kedah	13
Kelantan	12
Selangor	11
Penang	9
Pahang	8
Trengganu	7
N. Sembilan	6
Federal Territory	5
Malacca	4
Perlis	2

Total	114
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I will like to know on what basis the allocation of seats for each State is decided upon. In the case of the Federal Territory, from my calculations, the electorate for the Federal Territory will not be less than the State of Selangor, but there are 11 Parliamentary seats allocated for Selangor and 5 for Federal Territory, although it is provided under the Constitution Amendment Bill that *"for the purposes of this Part, in any review of the constituencies for the purpose of election to the House of Representatives, the Federal Territory shall be regarded as a State."* (Clause 15 (2) of Constitution Amendment Bill)

In accordance with the principle laid down in Schedule 13, Section 2 (c) that *"the number of electors within each constituency ought to be approximately equal throughout the unit of review"*, the Federal Territory should of right have 10 Parliamentary seats.

In view of the increased electorate in Penang, Perak and Malacca, there should also be further increases in parliamentary representation to the extent of Penang 11 (increase of three rather than one), Perak 23 (increase of three rather than one) and Malacca 5 (increase of one rather than without changes) bringing a total parliamentary constituency increase to 20.

This will be a fairer readjustment as it will bring the average electorate per seat per state to between 20,000 to 30,000 votes and not as under the present proposals where the average electorate per seat per state ranges from 20,000 in Pahang to over 45,000 in the Federal Territory.

This disparity in the weightage will not remain at this ratio, for when the seats are delineated in each state, there will be seats which will have electorate very well below 20,000, while others will have electorates well beyond 45,000, perpetuating the 1 : 5 or 1 : 6 ratio in the urban-rural weightage.

The Government is seeking a major change in entrenching the number of parliamentary seats for each state in the Constitution. At present, the changes in the number of constituencies for each state can be effected by a simple majority in the House of Representatives.

We are not in favour of spelling out in the Constitution the number of parliamentary seats each State should have as it works for greater inflexibility in constituency alterations to meet changing populations and electorates.

This is probably the purpose in the Alliance introducing this constitution amendment, to ensure that the rural weightage and the under representation of the urban electorate is difficult to undo.

These undemocratic features therefore cannot be supported, unless there is a built-in clause and mechanism in the Constitution whereby unfair rural weightage can be righted without the need for a constitutional

I will like to take this opportunity to ask the Prime Minister whether the next general elections will be based on the proposed new delineations, how long the Elections Commission will need to complete a review of the division of the West Malaysian states into constituencies and recommend changes in accordance with this amendment.

The present boundaries of parliamentary constituencies were drawn up on the basis of the 1947 census, and it is indeed long overdue for new delineations of electoral constituencies to keep abreast with changes of the last two decades.

It can thus be seen that the constitutional amendments before the House, whether on the question of Federal Territory or increased parliamentary seats or new basis for delineation of electoral boundaries contain many undemocratic features.

I urge all MPs to speak their minds freely. I do not expect of course the new converts of the National Front to do anything but praise the government for their wisdom and far-sightedness and obediently vote for the Constitution Amendment Bill, even it means eating their past speeches.

In this connection, it is worth noting that in the 1962 Constitution Amendment Bill debate, a courageous M. P. stood up in this House and asked :

*"What democracy are you talking about when so blatantly and so clearly you are giving yourself power to use, perhaps in a crude way, to give double vote to rural folk as against urban population ..... Surely, there could be no greater violation of democracy as we know it or as it should be known, in this country."*

The speaker was the intrepid former Member of Parliament for Ipoh, D.R. Seenivasagam. Eleven years later today, we will find his party, his own successor in his seat, giving unthinking support to the very measure he had denounced.

*"Whatever the political differences, the Constitution as the basic legal document of the land, should be respected and adhered to, both in words and spirit, for if it is seen that the Constitution of the land could be bent or undermined through unconstitutional and irregular practices, then the final losers will be the Constitution and our system of constitutional government.*

*"Indeed, the question that has arisen again and again in Malaysia is : Does the Constitution govern the conduct of the ruling party, or does the ruling party govern the conduct of the Constitution ?*

*"It is important for Members of Parliament and the Government to realise that parliamentary democracy depends for its success, in fact its survival and continuance, on a certain moderation in party warfare. Majorities must not exploit their advantage so far as to reach the point at which a large minority would resist than obey, and parties must not be more anxious to get power or more powers rather than to preserve the spirit of a democratic constitution."*

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Speech on 8th November, 1978 on the Bill to enable the Federal Government to take over the administration of the Kelantan State Government.

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I rise with a heavy heart, for what Parliament is about to do by invoking Article 150 of the Federal Constitution to suspend the Kelantan State Constitution and impose NOC-type of rule in the State is a subversion of the democratic basis of the Malaysian Constitution.

If parliamentary democracy and the Federal-State system is to survive, it is paramount that those in power realise and understand that whatever the political differences or however intense the party rivalries, democratic principles and the fundamental safeguards in the Constitution for a democratic society should not be sacrificed in the furtherance of partisan political interests.

Government Ministers have often warned that the communists want to "use democracy to destroy democracy"; but let us remember that in many Asian and African countries, ruling parties through their dominant parliamentary majorities have "used democracy to destroy democracy" and instituted instead authoritarian and totalitarian regimes.

It is not good enough that Parliament has the powers under Article 150 of the Malaysian Constitution to impose NOC - type of rule in Kelantan; for strict and scrupulous adherence to the laws of the land can also lay the basis for an undemocratic, authoritarian, and even totalitarian system in Malaysia.

As the Deputy Dean of the Law Faculty of the University of Malaya, Nik Rashid, said at the recent Law Conference on "Erosion of Fundamental Rights," unless there were checks and balances on the executive powers, it was not unreasonable to suggest that there would come a day when the executive could table a Bill in Parliament amending the Constitution and giving it the power to legislate and to amend the Constitution by regulation. And this too will be legal!

What Parliament, the people of Kelantan and Malaysia, and the world have to be satisfied is that the situation in Kelantan justifies the invocation of Article 150 to impose NOC-type of rule, and not that the Barisan Nasional, or more specifically, UMNO, has the requisite number of Parliamentary votes to legislate emergency laws under Article 150 to impose NOC-type of rule in Kelantan.

It is therefore necessary to trace the background of the events in Kelantan, leading to this dreadful Bill before Parliament this evening.

In mid-September, the Menteri Besar of Kelantan, Datuk Haji Mohamed Nasir, was given an ultimatum by his own Party, the Kelantan PAS Liaison Committee, that he either resigned as Menteri Besar by September 20 or face a vote of no confidence in the State Assembly, where PAS holds 22 of an Assembly total of 36 seats.

Datuk Haji Mohamed Nasir refused to resign. He claimed that the move was made against him because he had withdrawn a concession of 350,000 acres of land given to the Timbermine Company and frozen 240,000 acres of land at the Kelantan-Perak border which was believed to contain high grade tin ore deposits.

On September 29, after the PAS Central Executive Committee meeting, it was announced that Datuk Mohamed Nasir had been expelled from PAS. Subsequently, it was admitted that the expulsion of Datuk Mohamed Nasir was an error, apologies were tendered, and another meeting held on October 10, where Datuk Mohamed Nasir was 'correctly' expelled by PAS Central Executive Committee by 13 votes for, 7 against and two abstentions.

On 15th October 1977, the Kelantan State Assembly passed a vote of no confidence on Datuk Mohamed Nasir by 20 votes in support, with Datuk Haji Mohamed Nasir, 13 UMNO Assemblymen and one MCA Assemblyman staging a walk-out.

Meanwhile, public demonstrations and meetings, which had started in September in support of Datuk Nasir when he was asked to show cause why he should not be expelled from PAS, increased in frequency and size — all the time, with the knowledge, consent and even encouragement of the higher authorities in Kuala Lumpur. In fact, in one of the public rallies, no less a person than the Kelantan Chief Police Officer, the guardian

of law and order, was there to open the door of Datuk Mohamed Nasir's car to welcome him to a rally without police permit !

Thus, on Thursday, 22nd September 1977, it was announced publicly that a mammoth demonstration of more than 100,000 people would be held at Padang Merdeka, Kota Bahru on September 24 to express support for Datuk Mohamed Nasir.

Bernama reported that on 24th September, some 60,000 people thronged the Merdeka Padang to demonstrate their support for Datuk Mohamed in an hour-long rally.

Following demonstrations after the No Confidence Motion on 19th October, a 24-hour curfew was imposed in Kota Bahru which was later extended to Kubang Krian. What is noteworthy is that after the imposition of the 24-hour curfew, public rallies and demonstrations were still allowed in other parts of Kelantan.

My party supports the holding of public rallies, as in a democratic country, there should be freedom for political parties to have direct access to the people, as by means of public rallies, to explain to them what is happening in the country, and their political points of view. What is strange is that while the police have imposed a general ban on public rallies throughout the country, in Kelantan public rallies supporting Datuk Mohamed Nasir were allowed, even without police permits !

This raises the questions as to why the authorities in Kuala Lumpur, who are finally in charge of the police, allowed and even encouraged such public rallies to be held, whether some highly-placed and influential national personalities were involved in the back-stage.

Meanwhile, what is known as the four-point Mahathir formula was mooted, proposed, and counter-proposed. The Mahathir formula is the imposition of NOC-type of government in Kelantan like the one headed by Tun Razak in 1969, after the suspension of the Kelantan State Constitution under Article 150 of the Federal Constitution.

Article 150 of the Federal Constitution provides that if the Yang di-Pertuan Agong (acting on Cabinet Advice) is satisfied that a grave emergency exists whereby the security or economic life of the Federation or any part thereof is threatened, he is empowered to issue a proclamation of emergency, and Parliament may legislate emergency laws to suspend State Constitutions and impose undemocratic NOC-type of rule.

On 2nd November, the Prime Minister, Datuk Hussein Onn, met PAS leaders and gave them until yesterday (November 7, 1977) for a reply on the Mahathir formula. PAS had yesterday reiterated its rejection of the Mahathir formula imposing NOC rule in Kelantan.

It must be very rare that the threat of a declaration of emergency and the suspension of popularly-elected system of government through the imposition of NOC rule has been used so blatantly in a conflict between political parties and personalities.

This is deplorable. For security should not be used as a blackmail in political negotiations. Either a grave emergency exists or it does not exist. If a grave emergency exists, then a Proclamation of Emergency should have been made long ago, and not dependent on acceptance or rejection of the Mahathir-formula. If fact, this is proof that there are no conditions justifying an Emergency situation, for Emergency situations justifying the Proclamation of Emergency waits for no person !

The Question that is uppermost in the minds of the people today is whether the Proclamation of Emergency under Article 150 and the imposition of NOC-type of rule is dictated by weighty considerations *"whereby the security or economic life of the Federation or any part thereof is threatened"*, or whether it is being used indiscriminately and even frivolously to further certain partisan political interests.

I have the greatest respect for the integrity and honesty of the Prime Minister, who has introduced this Bill believing that this is in the national interest. But we have the right to question whether he, or even the Deputy Prime Minister, is in possession of all the full facts or whether they are armed with sufficiently irrefutable justifications for the resort to Article 150 to suspend the Kelantan State Constitution.

Members of the House will remember that on Sept. 19, 1966, proclamation of State of Emergency in Sarawak was made and a Bill, The Emergency (Federal Constitution and Constitution of Sarawak) Bill 1966 was rushed through both Houses of Parliament to suspend the Sarawak Constitution in order to unseat the Chief Minister, Stephen Kalong Ningkan, after the Sarawak High Court had declared that the dismissal of Stephen Kalong Ningkan was unconstitutional and that he was still the Chief Minister.

Let me recapitulate briefly the facts of the Stephen Kalong Ningkan case. On June, 14, 1966, 21 members out of 42 Council Negeri members sent a letter addressed from Kuala Lumpur to the Governor of Sarawak stating that they no longer had any confidence in Stephen Kalong Ningkan as Chief Minister. On June 16, the Governor's private secretary wrote to Ningkan that the Governor being satisfied on the representation of the majority in the Council Negeri that Ningkan had ceased to command their confidence, Ningkan was requested to resign. When Ningkan refused, pointing to a meeting of the Council Negeri on 14th June, 1966 *"which did not appear to support His Excellency's view that I have lost the confidence of the majority of its members"*, the Governor on June 17 dismissed Ningkan as Chief Minister and appointed Penghulu Tawi Sli as Chief Minister.

Ningkan instituted proceedings in the Sarawak High Court requesting a declaration by the Court that the Governor had acted unconstitutionally and that his dismissal as Chief Minister was ultra vires and void. The High Court of Sarawak declared in a judgment on 7th Sept. 1966 that the Governor had no power to dismiss the Chief Minister under the present Constitution of the State of Sarawak and that the only way to show the loss of confidence of the Members of the Council Negeri in its Chief Minister was by a vote on the floor of the House. The Court declared Stephen Kalong Ningkan as Chief Minister of Sarawak.

A State of Emergency in Sarawak was declared on Sept. 14, and on Sept. 19, Parliament passed emergency legislation suspending the State Constitution of Sarawak on the ground that a "serious situation which poses a grave threat not only to the security of the State of Sarawak but also to the whole country" had arisen.

That there was a constitutional crisis in Sarawak was apparent, but was there a emergency situation as provided for by Article 150. Was there a genuine emergency situation?

Here, let us see what one of the *dramatis personae* in the Stephen Kalong Ningkan crisis had to say in retrospect. I refer to the book, the "Politics of Federalism" by Bruce Ross-Larsen, virtually a autobiography by Senator Syed Kechik.

This is from page 44, on the thickening plot before the Sept. 7 High Court Judgment declaring Ningkan was still Chief Minister: "Syed Kechik saw that if the courts were to deliver a final judgement in Ningkan's favour, little could be done to compel Ningkan to convene Council Negeri immediately. According to the Sarawak constitution, the Council could be convened only on the instruction of the State Cabinet, of which Ningkan would again be head, to the Governor."

And further on, on page 45: "An alternative plan had to be developed, and Syed Kechik saw this as residing in the Sarawak constitution. The gaps in the constitution which made it impossible for the Chief Minister to be dismissed and for the Council Negeri to be convened, even through the Chief Minister did not have majority support, had to be closed. This could be done by Kuala Lumpur's suspension of constitutional process in the state." Here, we must note that this plan for emergency and suspension of the State Constitution was being mooted even before the High Court judgment.

The book went on: "To begin to set the stage for such federal action, Syed Kechik drafted statements for release to the press on August 22 regarding the gravity of the security situation because of political tensions and the communist threat. A petition was sent by the Council Negeri Members to the Yang di-Pertuan Agong and copied to the Prime Minister, in which the events were recounted of the preceding two-and-a-half months.

*the legal aspects were detailed of the likely suspension of constitutional government because of the impasse in the courts, and a request was made for special action to prevent security and administrative chaos."*

The book also described how as a precaution against Ningkan's persuading fence-sitters to join his forces before the judgement was rendered, the 25 members of Council Negeri were flown to Kuala Lumpur to ensure that they would remain resolute in their backing of the Tawi Sli government.

When judgement was delivered by the Sarawak High Court reinstating Stephen Kalong Ningkan as Chief Minister, Syed Kechik immediately got on to Tun Razak to say that Ningkan had to be brought down at whatever cost – financial or constitutional. He was sent \$20,000 to cover the expenses of ministers who had to move out of government houses and of Council members who had to be cloistered until matters were resolved. The rest of the chapter went on to describe how Syed Kechik engineered the conditions to justify declaration of emergency. Thus, on page 51, the book said:

*"On September 14, Syed Kechik reported to Tun Razak through his military channels that SUPP and SNAP had agreed to make a united stand with a common platform in the coming elections and that their support in the state was growing. He reported also that there was a possibility of some demonstrations being staged in Kuching that very day. Indeed, these were already being planned.*

*"Leaflets denouncing Ningkan with allegations that SNAP and the communists in SUPP would 'kill' democracy in Sarawak were distributed throughout Kuching. A demonstration was organized at Pangkalan Batu across from the Astana, where hundreds assembled to proclaim their support for Tawi Sli and the Sarawak Alliance government. Although such assemblies were strictly illegal under the emergency regulations, the police had been informed of the benign intent and asked to stay out of it. As frosting to all this, some Berjasa supporters engaged in a bit of vandalism later that evening, breaking the windows of a few settlements in Kuching to reflect anti-English and anti-Ningkan sentiment. And reports on the tense security situation had been circulating for some days. The tension was real, the manifestations of it contrived. But the federal government had the justification it needed for fresh and radical action."*

And as Syed Kechik and his Sarawak counterparts plotted, Emergency was declared.

The accounts of the events leading to the Emergency declaration in Sarawak seem very akin to what is happening in Kelantan.

Is Syed Kechik's account a figment of imagination of someone who  
about himself?

I have here with me a signed affidavit of one of the instigators of the tense atmosphere to justify the creation of Emergency in 1966 of the events of those days. He is Encik SENAWI BIN SULAIMAN, K. 661108, of Kampong Hilir, Kabong, Kalaka, Second Division, and who was SNAP Candidate for Kalaka State Constituency in the 1974 General Elections.

As in the case of the 1966 Emergency declaration in Sarawak, the then Prime Minister and Deputy Prime Minister, Tunku Abdul Rahman and Tun Razak, probably did not know that an emergency situation was being deliberately engineered and promoted; does the Prime Minister Dato Hussein Onn and the Deputy Prime Minister, Dr. Mahathir Mohamed, know for sure that there is no purposeful exploitation of the Kelantan situation to justify an emergency being declared which benefits the UMNO at the expense of PAS?

Earlier, I mentioned the holding of public rallies and demonstrations with the knowledge, consent and even encouragement of the authorities in Kelantan. Are we seeing a repetition of the Sarawak emergency?

I have drawn the following conclusions about the Kelantan events that Mohamed Nasir had been encouraged by UMNO leaders to stand up against PAS, and the demonstrations and public rallies before and after the Motion of No Confidence, had been allowed and even encouraged by those in authority in Kelantan and Kuala Lumpur – to create the conditions whereby NOC-rule can be imposed.

We in the DAP are not defenders of PAS, or Mohamed Nasir, or UMNO. We are concerned to see that the democratic basis of the Malaysian Constitution is not subverted or the integrity of the democratic system undermined by partisan political forces or considerations.

It is ironic that in the 1966 Case, in the words of Tun Razak in the Dewan Rakyat, Article 150 was invoked by the Government "merely to see that real democracy is practised in Sarawak and accepted democratic practices are adhered to" that "the constitutional and political position in Sarawak is that the Chief Minister, who knows that he does not enjoy the confidence of the Council Negeri, is duty-bound under democratic principles and conventions and in accordance with the spirit of the Constitution, not only to convene a meeting of Council Negeri to test members' confidence in him but also to tender his resignation when he has lost their confidence."

In 1977, in the Kelantan Case, Article 150 is invoked to allow the Mentri Besar, Mohd. Nasir, who had lost the confidence of the State Assembly, in a vote on Oct. 15, to continue as Mentri Besar although "real democracy and accepted democratic practices" would require him to resign.

There is in fact no constitutional crisis or deadlock in Kelantan. Firstly, in a democratic society, power resides with the People, and the most democratic and sensible solution to the Political Crisis in Kelantan is to hold

general elections in the State for the People to decide to whom they want to give the new mandate to govern.

I have no doubt that a pronounced police and security presence in Kelantan would be able to ensure a peaceful and trouble-free general elections. If PAS, UMNO and Datuk Mohd. Nasir have all along acted in the best interest of the people of Kelantan, then they should have no serious objections to solve the Political Crisis in the most democratic manner possible by the holding of general elections.

In fact, this can be done straightaway, and Kelantan State Assembly dissolved under Clause XVI (6) of the Kelantan Constitution which provides :

*"If the Mentri Besar ceases to command the confidence of the majority of the members of the Legislative Assembly, then, unless at his request His Highness dissolves the Legislative Assembly, he shall tender the resignation of the State Executive Council."*

The Kelantan State Assembly can be dissolved either by the Regent acceding to the request of Mohamed Nasir for dissolution, or by the 21 PAS State Assemblymen resigning en bloc together with UMNO Assemblymen to cause general elections to be held.

Alternatively, as PAS commands a majority in the State Assembly, it should be allowed to form a government. The constitutional solution has not been exhausted, and there is therefore no moral or constitutional justification for the imposition of NOC rule in Kelantan.

It has been said that NOC rule is urgent and necessary to allow normal business of government to proceed. But this can very well be done by the appointment of a Mentri Besar from the majority party in the Kelantan State Assembly.

Whatever the political differences, the State Constitution or Federal Constitution as the basic legal document of the land, should be respected and adhered to, both in words and spirit, for if it is seen that the Constitution of the Land could be bent or undermined through unconstitutional and irregular practices, then the final losers will be the Constitution and our system of constitutional government.

Indeed, the question that has arisen again and again in Malaysia is: "Does the Constitution govern the conduct of the ruling party, or does the ruling party govern the conduct of the Constitution."

It is important for Members of Parliament and the Government to realise that parliamentary democracy depends for its success, in fact its survival and continuance, on a certain moderation in party warfare. Majorities must not exploit their advantage so far as to reach the point at which a large minority would resist than obey, and parties must not be more anxious to

get power or more power rather than to preserve the spirit of a democratic constitution.

Just as earlier, I have mentioned about the Sarawak emergency background, which clearly establish that in 1966, the proclamation of emergency and invocation of Article 150 was *in fraudem legis* in that it was made, not to deal with a grave emergency whereby the security or economic life of Sarawak was threatened, but for the purpose of removing Stephen Kalong Ningkan from his lawful position as Chief Minister, the question is whether the proclamation of emergency today and the invocation of Article 150 to impose NOC-type of rule in Kelantan is also *in fraudem legis* not to deal with a grave emergency whereby the security or economic life of Kelantan was threatened, but for the purpose of enabling Kelantan UMNO to take advantage of the political conditions in Kelantan whereby it might, for the first time since Independence, form the government in Kelantan.

This Bill this evening is in fact the most Draconian measure that has ever been taken against a State. In the case of Sarawak, in 1966, at least certain constitutional forms were observed in forcing the convening of the Legislative Assembly where a motion of no confidence was passed. In the case of Kelantan, it is a direct Central Governmental take-over, depriving the Menti Besar, the Executive Council and the State Assembly of their powers.

It is such draconian measures which pose greater threats to the continued survival of parliamentary democracy, than any other challenges or threats, including threats posed by the Malayan Communist Party. For such draconian, undemocratic measures subvert the faith of Malaysians in the democratic basis of the Malaysian Constitution, and the easy resort of the ruling party to emergency powers to further their partisan political interests.

The Bill today has again brought into open the future of democracy in Malaysia. It is none other than the Deputy Prime Minister, Dr. Mahathir Mohamed, who in one article said that the problems of democracy in Malaysia are brought about by two very important factors. The first is the failure of the people, from the top leaders to the masses, to understand democracy. The second is the deep cleavage between the two evenly matched racial groups which dominate the country : the Malays and Chinese.

The present Kelantan crisis is solely the result of the first factor: the failure of the top leaders, including the Deputy Prime Minister, to understand democracy.

The Bill will set back the task of democratic nation-building. It will undermine the democratic forces in the land, and strengthen those anti-democratic forces on one hand, the communist, and on the other, the advocates of one-party rule or military dictatorship, the favourite solutions of feudalists.

EDUCATION AND LABOUR

## CALL FOR A TUNKU ABDUL RAHMAN COMMISSION OF INQUIRY ON EDUCATION

*"Academicians have their unique contribution to society, by questioning and re-examining the various premises which are the basis even of government policy. This may be embarrassing and even unpleasant for the ruling party politicians, but unless the ruling party politicians claim infallibility or omniscience, this critical role by the intellectual community is a necessary feature for a society which wants to progress and effect useful changes."*

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Speech when seconding the motion by DAP Chairman, Dr. Chen Man Hin, proposing a \$10 cut in the salary of the Education Minister during the debate on the 1978 Education Ministry estimates on December 7, 1977.

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Education in Malaysia has become the single biggest force of division and disunity in the country. The three main educational grievances in the country are :

1. Declining standards of education from primary level up to university level. The evidence of this can be found from the fact that the Ministers and the Barisan Nasional leaders themselves have no confidence in the educational system and standards in the country, and send their children overseas for education, including primary and secondary education.

If further evidence is needed, the new ruling by the United Kingdom General Medical Council that the University of Malaya Medical Faculty must submit an annual report to the United Kingdom General Medical Council to satisfy them that its M.B.B.S. is up to international standard, is proof of the increasing reservation by foreign countries about the international academic standards of local universities. In fact, in five years' time, there is a very real possibility that the MBBS degree of the University of Malaya Medical Faculty would not be recognised in the United Kingdom.

When I first brought this matter up publicly in August, there was denials by the University of Malaya. And when this matter was brought up in the early part of this meeting, the Deputy Education Minister, Chan Siang Sun, tried to deny that the United Kingdom Medical Council has unfavourable reports about the future of medical degrees of the University of Malaya.

In January this year, a three-man team from the United Kingdom General Medical Council arrived in Malaysia to undertake a study of the medical standards of the University of Malaya Medical Faculty. The members were Sir Robert Wright, Professor D. R. Wood and Professor W.I.N. Kessel.

On their return to the United Kingdom, they submitted a report which touched on teaching facilities, curriculum, standards of the medical teaching in the University of Malaya Medical Faculty.

On the teaching staff, this is what they have to say :

*"the faculty faces immediate problems in relation to the recruitment and retention of sufficient numbers of trained academic staff. The University has been not ungenerous in establishing a full range of academic posts in all the necessary disciplines,*

*"However, resignation of senior and intermediate teaching staff has become increasingly ominous over recent years and months and has now reached serious proportions. Only a few of the Faculty's own medical graduates have yet attained academic status. At the time of our visit, over half the professional headships of departments and a third of the other established academic posts were vacant,*

*"The proportion of vacancies in some departments, particularly the departments of Pathology, Radiology and Social Medicine and Public Health, must now be regarded as critical.*

*"It was not our function to inquire closely into the causes of this situation, but in general it appears to have arisen from a failure by the University to provide conditions in which the academic staff can derive a sufficient degree of job satisfaction. The establishment of a second medical school in Kuala Lumpur by the National University of Malaysia, which must compete with the University of Malaya for the services of limited numbers of trained medical teachers, may have been an exacerbating factor,*

*"The detrimental effects of the reduction of the numbers of academic staff are apparent. As staff numbers have decreased, standards of patient care and of laboratory and diagnostic services have had to be maintained within the University Hospital, and the standard of teaching by departments with service commitments has inevitably suffered. Many of the present clinical staff are young, and are required to undertake heavy responsibilities after a minimum of experience. Staff appointed under the academic staff training scheme, and tutors, cannot be regarded as suitable replacements for experienced, fully-trained medical teachers,*

*"The advantages of the modern, multi-disciplinary laboratories are eroded in present circumstances, when the staff, especially in the para-clinical departments, is insufficient for practical work to be directly supervised by appropriately trained teachers,*

*"Moreover, the intermediate staff in clinical departments claimed that they no longer have opportunity to further their careers at a crucial stage engaging in research. Apart from their heavy service and teaching loads, their opportunities to undertake research have been restricted by difficulties in obtaining research funds, particularly to replace outworn equipment, and by the pressures on their colleagues in diagnostic depart-*

*ments, who are no longer able to collaborate in clinical research. We found it saddening to observe so many untenanted benches in the well-appointed and spacious research laboratories.*

*"Urgent determined action is needed to increase the attractiveness of academic posts in the Faculty, and to foster a revival of the research upon which maintenance of its standards as a centre of excellence will depend. Without such action, the continued success of this school, whose rapid development has occasioned universal approbation, will be gravely jeopardised".*

This is the conclusion of the U.K. G.M.C. study team:

*"Despite its growing problems, we are satisfied that the Faculty of Medicine of the University of Malaya is at present continuing to provide medical education of a high standard, and that its graduates are suitable for full registration in the United Kingdom.*

*"However we think it improbable that the present standards can be maintained unless the University is able to recruit and retain more trained medical teachers in the senior and intermediate grades.*

*"We therefore recommend that the Council should continue to recognise the MBBS degree awarded by the University of Malaya for the purpose of full and provisional registration under sections 18 and 20 of the Medical Act 1956, but for a further period of five years only.*

*"During this period the University should be asked to furnish to the Council, at annual intervals, statements of the numbers of staff in post in each department, with details and dates of their qualifications, together with information of student performance at professional examinations, and reports of any changes made in the curriculum."*

The conclusion of the U.K. General Medical Council, although couched in polite language, is explicit in its doubts about the ability of the Medical Faculty of the University of Malaya to continue to maintain international academic standards.

The recommendation, which has been accepted by the U.K. Medical Council, that the Medical Faculty should submit an annual report of its 'good academic conduct', is a shame to the University of Malaya and Malaysia, for this requirement was not called for previously. So like a wayward boy, the Medical Faculty must submit a annual report of 'good academic conduct.'

After prolonged prevarication in this House during question time about the adverse report of the U.K. General Medical Council, the Deputy Education Minister, Chan Siang Sun, said that there are advantages in our

MBBS degrees not being recognised internationally, for this will prevent Malaysian doctors from going abroad.

If this is the reasoning of the Ministry of Education, then it should spurn recognition of the MBBS degree of University of Malaya by the U.K. General Medical Council or any other country, and refuse to submit to the humiliation of having to submit an annual 'good academic conduct' report to the U.K. General Medical Council.

Did the University of Malaya Medical Faculty or the Ministry of Education take objection to the U.K. General Medical Council, and strike out independently? As a matter of fact, the Medical Faculty, in its meeting of 13th July 1977 resolved that an annual report along the lines requested by the General Medical Council be submitted.

And is international academic recognition so unimportant and so undesirable that the Deputy Minister of Education and other top government leaders seem to glory in de-recognition of our academic qualifications?

If that is the case, why is the University Kebangsaan Medical Faculty seeking the recognition of its medical degrees by the U.K. General Medical Council?

Here is proof of the woolly, muddled thinking of top education officers who have a very shallow conception or understanding about education, and who are leading Malaysia into educational disasters.

No wonder there has been such mass emigration of professional men, who are horrified by such absurd and shallow thinking in high educational circles, and no wonder that among those who have fled from such educational folly is the brother of the Deputy Education Minister himself, who closed and disposed of his medical practice in Pudu to emigrate to Australia!

Recent developments have shown that the Ministry of Education is not interested in creating the conditions for imparting job satisfaction, not monetarily, but even more important, intellectually, to ensure the higher academic achievements in our universities.

The net result is that there will be further decline, not only in the Medical Faculty of the University of Malaya, but also in the other faculties and universities.

I am referring to the proposed University Regulations on Discipline of Staff being finalised under the Universities and Universities Colleges Act 1971, which so seriously restrict the intellectual freedom of the academic staff to inquire, to question, to express views especially of their chosen fields, that the effect will be to render the academicians as no better than intellectual eunuchs.

The academic staff of the five local universities have voiced their opposition to these oppressive regulations, and I call on the Minister of Education to have full and meaningful consultation with the academic staff of the local universities, and take account of their views, before proceeding to gazette the Disciplinary Rules.

Academicians have their unique contribution to society, by questioning and re-examining the various premises which are the basis even of government policy. This may be embarrassing and even unpleasant for the ruling party politicians, but unless the ruling party politicians claim infallibility or omniscience, this critical role by the intellectual community is a necessary feature for a society which wants to progress and effect useful changes.

These proposed regulations on disciplinary rules for the University staff will stifle and snuff out intellectual activities. Already, our academic and intellectual community are not very well-known for their outspokenness, not because they are barren of good ideas, but because of their fear of antagonising the authorities. With these Regulations, even the handful who hitherto had voiced criticisms of the present society and various aspects of government policies would also be eliminated.

These proposed Regulations in fact raise the more important question as to what type of education we want our citizens to get, to become thinking and independent-minded citizens which is a prerequisite for a successful democratic society, or conforming and robot-like citizens who do not question the official line.

2. The second educational grievance is the diminishing educational opportunities, especially higher education opportunities, for Malaysian children of all races. For the year 1977, a total of 25,998 students applied for degree and diploma courses in the five Malaysian universities but only 5,953 students were accepted. Out of these successful applicants, 4,457 were Malays, 1,187 Chinese, 266 Indians and 43 others.

This is why there has been a mass migration of Malaysian professionals like doctors abroad, because they have no confidence in the educational future for their children. In fact, this must be the other major reason why the brother of the Deputy Education Minister, Chan Siang Sun, emigrated with his family after his appointment as Deputy Education Minister — a genuine indication of the confidence his own family has in his educational responsibilities!

This is precisely why there is an urgent need for the expansion of higher education opportunities for young Malaysians in their own homeland. The Minister of Education's stock reply is that non-Malay parents can send their children abroad for higher education opportunities. This is a weak reply, which may satisfy his colleagues in the MCA, but not the public at

large. Furthermore, in a few years' time, when the entire education system will be completely in Malay, the Form III, Form V and Form VI students taking their examinations in Malay, then the opportunities for going overseas for higher studies would be closed. This is because their command of English, which is the condition for entry into Commonwealth universities and colleges, would be so weak that this unsatisfactory road will also be closed.

This is why the Government should set up more polytechnics, and even universities in Malaysia. There is presently a proposal for the formation of a university, named Merdeka University, to provide higher education opportunities for Malaysians, which I urge the Minister of Education and the Cabinet to support.

3. The third educational grievance is the insecurity felt by the majority of Malaysians about mother-tongue education in Malaysia.

Clause 152 of the Malaysian Constitution guarantees mother-tongue education in Malaysia, not only in the teaching and learning of mother-tongue, but in the use of the mother-tongue as a media of instruction in educational institutions.

Yet, year after year, month after month, week after week, the policies and actions of the Government show that mother-tongue education is merely tolerated, and will be progressively undermined.

There is for instance, a deliberate policy not to build the necessary number of new Chinese primary schools in keeping with a rising enrolment. In Petaling Jaya for instance, where the parents who want to send their children to Chinese primary schools have to send their children to different parts of Kuala Lumpur, when there is an urgent need to build not only one, but at least two, Chinese primary schools in Petaling Jaya to cater to the demand.

This year alone, there had been several instances seriously undermining the authority and existence of Boards of Governors of Chinese primary schools, especially the latest announcement of the new government policy not to permit the establishment of Boards of Governors in new Chinese primary schools.

#### **Royal Commission of Inquiry under Tunku Abdul Rahman**

These three basic educational grievances, unless resolved with a sense of urgency and statesmanship, would prevent the creation of a united Malaysian people.

After the last general elections in 1974, the late Tun Razak appointed Dr. Mahathir as Education Minister and made him Chairman of the Cabinet Education Review Committee.

Dr. Mahathir first promised a Report in six months, but three years have passed, and there is still no report. I understand that the Report will not be released until after next general elections.

The educational challenges and problems of the country are too big a national problem to wait until the next general elections. The longer the three main educational grievances are ignored, the more harm they would do to national unity.

This educational problem is in fact a national problem which has assumed the proportion of a national crisis. It is also too big a problem to be left only to politicians, which is the case with the Cabinet Education Committee. The DAP calls on the Prime Minister, Dato Hussein Onn, to recommend to the Yang di Pertuan Agong the establishment of a Royal Commission of Education under the chairmanship of the first Prime Minister of Malaysia, Tunku Abdul Rahman, to urgently tackle these three main educational grievances of the people which undermine national unity.

The Tunku Abdul Rahman Royal Commission of Enquiry on Education should supersede the Mahathir Cabinet Committee. The work that has been done by the Mahathir Cabinet Committee, the amassing of memoranda, commissioning of works and researches, need not be wasted — for they can all be handed over to the Royal Commission.

The task of the Tunku Abdul Rahman Commission of Inquiry will be to create national unity through education, and stop the divisive forces which had been created by the education system and approach to date.

The members of the Tunku Abdul Rahman Royal Commission of Inquiry should represent a true cross-section of Malaysians, from the various educational streams and groups, and not as in the case of the Mahathir Cabinet Committee, confined to political leaders in the Barisan Nasional component parties. This is because the Commission should work out a policy acceptable to all Malaysians, and not merely a policy acceptable to Barisan Nasional parties.

In view of the failure of the Education Minister, Dr Mahathir Mohamad, in his tenure of office to deal meaningfully with these three grave educational grievances, which have seriously undermined national unity, I support and second the motion by the Member for Seremban, Dr. Chen Man Hin, to reduce the Minister's salary by \$10.

## DETERIORATING STANDARDS OF EDUCATION

*"It is the most short-sighted, foolish and thick-headed policy to send students who cannot grasp their subjects in primary school levels up to secondary forms, for this is not only a waste of public funds, but will breed in the minds of the students concerned a sense of inferiority complex and social resentment."*

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Speech on the 1972 Education Ministry estimates on January 24, 1972.

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The general standard and quality of education in Malaysia is a cause for grave concern to parents and Malaysians. It is obvious to many that the standard of education has deteriorated gravely in recent years.

In almost every town, we find Form III students who cannot even make a proper sentence, whether in English or in Bahasa Malaysia. This is all the more shocking when it is remembered that these students have had nine years of schooling.

One of the greatest indictments on the present government's education policy and system is the high incidence of unemployment among Malaysians in the age group between 15 - 24. Unemployment as a whole is already a very serious problem for Malaysia. But its incidence is highest among the younger age groups, particularly among youths between the ages of 15 - 24. In 1962, this age group constituted 63% of total unemployment. In 1967 - 68, this has grown to 75%. In 1972 today, young Malaysians between 15 - 24 easily constitute more than 80% of total unemployment.

All these young unemployed are the products of the present government's education policy and system. They are either school drop-outs primarily during the transition from primary school to secondary forms, or they are failures at the L.C.E. level. We know that last year alone 70,000 standard six students dropped out of the education system, and tens of thousands failed the L.C.E.

These youngsters are thrown out of schools, not educated and trained for any gainful employment. They can only stoke the fires of discontent, social unrest and finally national upheaval.

A study of the Standard V Assessment Test results is very illuminating about the standard of education in the country. We will take the figures for 1970, as provided by the Ministry of Education itself.

For 1970, in Kelantan for Malay-medium primary students, the following are the percentage of failures for each subject of the Standard V Assessment Test:

## Primary Schools – Malay (Kelantan)

1970 Bahasa Melayu (43.1) Bahasa Inggeris Rendah (58.7)

Ilmu Hisab (66.6) Ilmu Sains (56.4)

From the results, we reach the unavoidable conclusion that five out of every 10 students in the State of Kelantan could not understand a single subject that is being taught in schools.

Yet they would be promoted nonetheless to upper classes up till Form III because of the automatic promotion system. Is there any wonder that a high percentage of them dropped out after Primary Six, having failed to understand what all the lessons are all about, and those who had the grit to go up to Form III failed the L.C.E. because of the poor basic foundation they have had in the primary schools?

The 1970 Standard V Assessment Test results highlight the shockingly poor performance of Malay-medium students in mathematics and science, despite all the government's boast about emphasis on science and mathematics, and new teaching methods.

The best State for both these subjects was Penang, where the percentage of failure for mathematics was 36.8% and for science 37.3%.

The percentage of failures of other States in mathematics was as follows:

Perak	—	49.7%
Negeri Sembilan	—	58.7%
Malacca	—	60.9%
Selangor	—	61.3%
Johore	—	61.4%
Perlis	—	63.8%
Pahang	—	65.4%
Trengganu	—	65.7%
Kelantan	—	66.6%
Kedah	—	67.7%

The percentage of failures in other state for science was:

Perak	—	43.6%
Selangor	—	45.7%
Malacca	—	47.1%
Negeri Sembilan	—	49.4%
Johore	—	51.3%
Perlis	—	53.0%
Pahang	—	54.3%
Trengganu	—	56.0%
Kelantan	—	56.4%
Kedah	—	58.9%

It is clear from these results that the standard of education, in particular mathematics and science – which is to be the key to break the back of rural poverty and backwardness – is deplorably low. The Government calls on the Malay students to pay more emphasis on science subjects but how can they do so when at their primary school level, they fail to secure any healthy elementary grasp of the subjects ?

If there is to be any breakthrough, to achieve a more balanced educational structure with greater emphasis on science, and de-emphasis on arts, language and religious subjects, a strong base at the primary level must be laid.

It is the most short-sighted, foolish and thick-headed policy to send students who cannot grasp their subjects in primary school levels up to secondary forms, for this is not only a waste of public funds, but will breed in the minds of the students concerned a sense of inferiority complex and social resentment.

Before we leave the subject of Standard V Assessment Test, I want to briefly look at the results of the English-medium and Chinese-medium primary schools, to show that even in these schools, the standard of education had deteriorated badly.

Thus, for Chinese medium primary schools in the 1970 Standard V Assessment Test, in Selangor, 71.3% failed the Bahasa Kebangsaan paper, 44.9% failed the Chinese paper, 58.8% failed the Lower English paper, 48.2% failed the mathematics paper and 48.9% failed the science paper. Selangor, in fact, had the distinction in 1970 of having the worst results in every one of the five assessment test subjects.

For the English-medium primary schools, for the 1970 Std. V Assessment Test, in Perak, 56.3% failed in Bahasa Kebangsaan, 49.9% failed in English language, 46.7% failed in mathematics and 48% failed in science.

Although as a whole, the Chinese-medium and English-medium schools do better than the Malay-medium schools, yet their results are not such as to be proud about for they have an unusually and undesirably high percentage of failures.

I can only shudder to think of the further deterioration of results and standards in the hitherto English-medium primary schools, as a result of the very poorly conceived and executed conversion of the medium of instruction from English to Bahasa Malaysia.

There had been various commissions and committees in the country on educational issues, like the Aziz Royal Commission on the Teaching Services in West Malaysia and the 1962 Committee on Higher Education Planning. But there has not been a single committee or commission on the

standards of education of our 1.7 million primary and secondary school students, to ascertain whether they are learning the right things, or whether they are learning anything at all.

There is no use spending hundreds of millions of dollars a year if all that we are doing is to churn out hundreds of thousands of young Malaysians who cannot even be said to be literate, and who are strangers to the Three Rs.

No wonder, Ministers and top Alliance leaders are sending their children abroad for their education.

I call on the Government to set up a Royal Commission of Inquiry to inquire into the educational standards of the 1.7 million primary and secondary school students, to find out how to make use of every dollar allocated to the Education Ministry to turn out an educated young generation of Malaysians, and not a generation of 'educated' illiterates.

Such a Royal Commission of Inquiry should inquire into the causes for the shockingly low standards of education in Malaysian schools, particularly in national schools, to identify the root factors and suggest remedies.

Such a Royal Commission of Inquiry will have to inquire as part of its terms of reference, the great problem of school drop-outs, the economic and environmental factors working against the poor pupils.

The gravity of the problem of low educational standards, the high percentage of failures, the high rate of employment among the young Malaysians between the ages of 17 - 24, the crying need of the country for a science-oriented educational system, all call for such a high-powered and comprehensive inquiry.

### **School drop-outs: Three point solution**

We have heard a lot about the problem of school drop-outs, but sad to say, the Ministry of Education has to date done little to tackle the problem apart from making press statements.

I would like to give three proposals for the solution of this problem of drop-outs for consideration by the Ministry:

#### **1. Modification of the automatic promotion system**

Many students dropped out of school because they could not understand the lessons and subjects taught in class. Thus, those who failed in the Std. V Assessment Test are promoted onwards year by year till Form III. It is obvious that with the passing year, they are going to absorb less and less with their weak primary base, and very soon their school lessons will simply go over their heads.

In fact, I will trace the large percentage of failures and low standards of education to the automatic promotion system. This system has done more harm than good to the pupils. I therefore call for the modification of the automatic promotion system to allow pupils who do not attain the required standard to be retained in a particular standard or form, so that his gap in education can be narrowed to permit him to continue his studies.

## 2. **Compulsory free nine-year education**

The government should introduce compulsory free nine-year education for every child, so that no parent will withdraw his child from school because of the social, environmental or economic reasons – thus blighting his child's future.

## 3. **Economic assistance to poor students**

The enactment of nine-year compulsory free education however, will not solve the problem of drop-outs by itself. It must be accompanied by a government programme to help overcome the socio-economic reasons of poverty causing the school drop-outs.

Firstly, the government should as suggested by my colleague the Member for *Kamper*, introduce a nation-wide scheme to provide free hot meals for the poor school children. As my colleague has said, just a glass of milk and a loaf of bread per pupil can and will make a big difference to their health as well as their study performance.

Secondly, the government should relieve the economic burdens of the poor when sending their children to school, although there is free primary education.

One very grave problem is the burden of textbooks on the poor.

### **The burden of textbooks on the poor**

For poor parents and guardians and those from the low-income bracket, the beginning of each new year is awaited with dread and horror.

For with the opening of each school year, the parents from the poor in the urban slums, new villages, estates and kampongs, are hard-pressed to find money to buy their children's textbooks, school fees, for those in secondary forms, miscellaneous fees, money for transport, uniform and pocket expenses for their children.

On the average, a parent with five children in school will have to raise \$150 to \$200 just to buy new text books and make other initial arrangements for their children's schooling. For the poor farmer, fisherman, hawker,

estate labourer, who may not earn \$100 a month, it is clear that this is an impossible burden. As a result, we find in many schools, children go without some textbook all the year round. No wonder, the child of the poor gets bad results and remain poor.

What is unjustifiable is the frequent change of textbooks, despite repeated assurances to the contrary by the Ministry of Education. A younger brother or sister finds that the textbooks his elder sister or brother had used in the same form is no more usable.

While the poor suffers at the beginning of each school year, there are people who beam and jump with joy. These are the book publishers and those involved in the book trade, for they do a roaring trade and make a phenomenal profit.

But a government which feels and cares for the suffering, the education and future of the poor will not allow such an indefensible position to go on. It would take immediate steps to ensure that the textbook problem ceases to be an oppressive problem on the poor every school year opening.

I remember that when I was schooling, I did not have to buy a single text-book. There was in my school, the Batu Pahat High School, a school text-book loan system. At the beginning of each school year, the text-books were given out to the students, and each student had to pay only a nominal sum of few dollars for the loan. At the end of the year, the books were returned to the school and used by the next year's batch of students.

There will of course have to be provisions for loss of books, replacements, etc., but these are merely administrative problems.

It is ironical that we hear so much about the improvements which Malaysia has achieved as a result of independence and the throwing off of colonial rule. But here is one instance, where during the colonial rule, the parents of the poor and have-not class are well looked-after and do not have problems about finding money to buy textbooks for their children.

## FUTURE OF CHINESE AND TAMIL PRIMARY SCHOOLS

*"Just as nobody questions the loyalty of a Malaysian because he does not belong to the official religion, Islam, similarly, nobody should question the loyalty of a Malaysian who is the product of a Chinese or Tamil school."*

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Speech on a motion to seek leave of the House to move a private member's bill to repeal Clause 21(2) of Education Act 1961.

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This motion seeks leave of the House to allow me to introduce a private member's bill to repeal Clause 21 (2) of the Education Act 1961 which reads:

*"(2) Where at any time the Minister is satisfied that a National-type primary school may suitably be converted into a National primary school, he may by order direct that the school shall become a National primary school."*

The Government has been too equivocal on the future of Chinese and Tamil primary schools for too long. This is a subject which concerns not only the immediate question of the survival of Chinese and Tamil primary schools, but more important, goes to the basic issue of national unity and Malaysian nation-building.

At this juncture, when Malaysia is at the cross-roads of her destiny with the intensifying jungle guerilla warfare accompanied by the new and mounting urban guerilla activities, Parliament must make a bold, far-sighted and wide-ranging review of the whole spectrum of nation-building policies in the country.

The mounting guerilla warfare both in the jungles and the towns cannot be defeated by bullets alone. It is fundamentally a battle for the hearts and minds of the people, and can only be won by government acceptance and implementation of policies which secure the endorsement of the overwhelming majority of Malaysians.

Parliament is the most competent body to initiate such reviews, and it is in this context that I am moving this motion to apply for leave to introduce a private member's bill to repeal Clause 21 (2) of the 1961 Education Act, for such a repeal will make a definitive contribution to the promotion of national unity and the building of a united Malaysian nation to better withstand both internal stress and strain.

The right of a Malaysian to study in a school of his or her mother tongue or in a language of his or her choice is enshrined in Clause 152 (1) of the Malaysian Constitution which stipulates that:

*'The National Language shall be the Malay language provided that:*

- (a) No person shall be prohibited or prevented from using (otherwise than for official purposes) or from teaching or learning any other language; and*
- (b) Nothing in this Clause shall prejudice the right of the Federal Government or of any State Government to preserve and sustain the use and study of the languages of any other community in the Federation."*

Thus, Clause 152(1) of the Malaysian Constitution provides for the preservation and sustenance of the "use" and "study" of the other languages in the country, which means, not merely the study of Chinese and Tamil as a subject, but the preservation and sustenance of their "use" which includes their use as media of instruction in the Chinese and Tamil primary schools.

A Malaysian Chinese or Tamil education, therefore is fully consistent with the Malaysian Constitution, and in line with the multi-racial, multi-cultural, multi-lingual characteristics of our beloved nation. It is fully legitimate for parents to want to send their children to Chinese or Tamil schools, so long as these Chinese and Tamils schools are Malaysian-centred, and Bahasa Malaysia taught as a compulsory language.

Just as nobody questions the loyalty of a Malaysian because he does not belong to the official religion, Islam, similarly, nobody should question the loyalty of a Malaysian who is the product of a Chinese or Tamil school.

Unfortunately, there are extremists who want to have all Chinese and Tamil schools closed down, and who regard those who go to Chinese or Tamil schools or send their children to these schools as disloyal and anti-national. In fact, it was only in the last session of Parliament that a Barisan Nasional member openly attacked the loyalty of Malaysian Chinese who sent their children to Chinese schools.

Such anti-national political school of thought, — for those who harbour these ideas are the real anti-national elements who seek to keep Malaysia more disunited and divided, the record of the government on Chinese and Tamil education these past years, and the existence of Clause 21(2) of the Education Act 1961 which permit the Education Minister with the stroke of the pen to convert Chinese and Tamil primary schools into national primary schools, all contribute and result in the widespread national apprehension and anxiety about the future of Chinese and Tamil primary schools.

When I spoke in this House on 10th January 1972 about the fears and apprehensions of the Chinese community about continued existence of Chinese primary schools, the then Minister of Education did not give a categorical assurance that the government would not convert Chinese and Tamil primary schools into national primary schools. Instead, we were told that this was a question which would have to be decided in two or three years' time.

On 16th July 1973, my colleague, the Member for Seremban Barat, Dr. S. Seeveeratnam *"minta Menteri Pelajaran menyatakan sanada Kerajaan bercadang menukar semua sekolah-sekolah rendah kebangsaan menjelang tahun 1975 ataupun sebarang masa selepas tarikh itu."* The reply, by the then Setiausaha Parlimen kepada Menteri Pelajaran, Tuan Mohamad bin Rahmat, was *"kerajaan belum lagi memutuskan perkara ini"*.

The significance in the reply is that the Government did not make an unqualified, categorical denial that the government had any intention to exercise the powers vested in the Education Minister in Clause 21(2) of the Education Act 1961, but that the Government has not decided on the matter yet.

It was following persistent DAP pressure inside the House, and nation-wide pressure among the Chinese community, educational organisations and clans outside the House, together with the approach of the 1974 general elections, that the government modified its public position progressively.

At first, an assurance was given that it was not the intention of the government to convert the Chinese primary schools by 1975.

As I said in this House during the debate on the Royal Address on 16th April 1974, *"the people at large do not want Chinese and Tamil primary schools only to be allowed to exist until 1975, which means merely for the next 21 months or for another 720 days, and see the Chinese and Tamil primary schools become a historical memory. The people of Malaysia have a right to expect that Chinese and Tamil primary schools should be allowed to exist not merely for another 720 days, but to grow and expand for as long as Malaysians want their children to be educated through the medium of their mother-tongue."*

It was only after that the government further modified its position and stated that the government has no intention to close the Chinese and Tamil primary schools. The omission here is equally conspicuous, for the Chinese and Tamil primary schools can remain open while their character may be converted.

The record of the Education Ministry in its treatment of Chinese and Tamil primary schools only fortify the nation-wide apprehension of the intention of the government to convert the character of Chinese and Tamil primary schools into national primary schools.

I will give some instances:

### Shortage of primary Chinese schools

(i) Although there has been a phenomenal increase in enrolment for Chinese primary schools year by year, there has been no corresponding increase in the building of new classrooms and new Chinese primary schools.

Petaling Jaya is a good example. There is only one Chinese Primary School, the Chin Woo Primary School, and the Ministry of Education has steadfastly and unreasonably refused to build more Chinese primary schools to meet the increased demands of the school-going children in Petaling Jaya who have enrolled for the Chinese primary schools. As a result, many of them had to be sent to schools far away from their homes, some to Kuala Lumpur and others to Sungai Way new village, in crowded classes, imposing a heavy social and financial strain on their parents.

In the four years from 1970 and to 1973, four new Chinese primary schools were built in Peninsular Malaysia, but 10 Chinese primary schools were closed down. This means that from 1970 to 1973 there was a net reduction of six Chinese primary schools, when the enrolment had been breaking record figures year after year! (Hansard 8.5.73, Vol. 1557)

(ii) **The government's neglect and indifference to the development and maintenance needs of Chinese primary schools.**

Chinese primary schools find that requests for school repair, for breakage of windows, repair of roof leakage, and the normal wear and tear of school buildings are often ignored. Recently the Assistant Minister of Education who is also the MCA Youth Leader and the MCA Secretary General has been going round the country boasting that the MCA succeeded in getting \$3 million for Chinese primary schools. Actually, this is laughably a meagre sum when we consider that there are some 1,000 Chinese primary schools in Peninsular Malaysia. What can a school do with \$3,000 in these inflationary times. In many schools, this alone would not be enough to meet the normal repair and maintenance, let alone physical development and expansion of educational facilities to keep abreast with greatly increased need and demands.

I would want to know whether the Minister of Education or his Assistant Minister would dare to give us a comparative breakdown of the development funds that the Ministry of Education has allocated to the different media-stream schools in the country, the total number of schools in each media-stream of education, the total number of students, so that the country can have a correct picture of the government's treatment of the different media school in the country.

**(iii) Shortage of trained teachers for Chinese primary schools**

There is an acute shortage of trained teachers for Chinese primary schools, which seriously undermine the whole question of future supply of qualified teachers for Chinese primary schools and the maintenance of proper academic standards for Chinese primary school students.

Although the question of trained teacher shortage affect all media-stream schools, a look at the following statistics would show that with regard to Chinese and Tamil primary schools, the government had deliberately ignored it.

The following are the figures of trained teacher shortage from 1968 to 1973 for the different media primary schools:

**Shortage of trained teachers for primary schools.**

	1968	1973
National primary schools	1,095	1,630
English primary schools	179	269
Chinese primary schools	1,172	3,504
Tamil primary schools	568	581

Thus the shortage of trained teachers for Chinese primary schools had been allowed to deteriorate from 1,172 to 3,504, an increase of some 300 per cent. This is even more vividly shown by the figures of those who were trained in the different teacher-training colleges from 1968 to 1972.

**Teachers trained in the different-training colleges from 1968 - 1972**

National primary schools	3,861
English media schools	848
Chinese media schools	209
Tamil media schools	134

Thus although the Chinese primary schools suffer the most acute trained teacher shortage, there is negligible training programme for trained teachers for Chinese primary schools.

**(iv) Training of teachers not competent to teach in Chinese primary schools**

The qualifications for teacher-trainees is a source of grave concern for the future character of Chinese and Tamil primary schools.

Thus, for Chinese school teacher-trainees, the qualifications are not Senior Middle Three, but MCE or SPM with credit in the Chinese subject. Most of these trainees completed their primary schooling in Chinese primary schools and switched to national-type secondary schools taking Chinese as a subject.

Their command of Chinese is not strong enough to enable them to teach the various subjects in the Chinese media in Chinese primary schools, especially as the standard of marking of the Chinese paper in the SPM Chinese subject appeared to be progressively lowered in recent years.

Principals complain that many of such trained teachers could not write proper Chinese, their Chinese writing is very poor, and are generally not qualified or competent to teach in Chinese. The net result must be progressive deterioration of the standard of Chinese primary schools.

**(v) Teacher-training in Bahasa Malaysia**

Teacher-training, including the training of temporary teachers, are conducted in Bahasa Malaysia, with the exception of Chinese Language and Chinese Literature.

A teacher trained in Bahasa Malaysia but required to teach in Chinese cannot clearly fully use his educational training to full effect.

In-service training courses are also conducted in Bahasa Malaysia, whether in health science, modern mathematics or integrated science. These teachers are taught new educational theories or techniques in Bahasa Malaysia, and clearly the effect of these new educational ideas and theories in Chinese primary schools in Chinese media will be limited. This means that the Chinese primary schools will be the victims, and its students will fall further and further behind in new subjects, like modern mathematics and integrated science which is already causing considerable havoc in the national-type secondary and primary schools.

**(vi) Deterioration of standards of Chinese and Tamil Primary Schools**

This is one reason why there has been a deterioration in the standard of Chinese primary schools, and Tamil primary schools.

Another reason for the falling educational standards of Chinese and Tamil primary schools is the 'examination trap' they are in.

On the one hand, the Chinese and Tamil primary school students are required to reach the same standards in Malay as their counterparts in national primary schools. This is shown by the same Malay papers which Chinese and Tamil primary school students have to sit for the Standard III and Standard V Assessment examinations, as their national primary school counterparts, although Chinese and Tamil primary schools devote 180 minutes a week to Bahasa Malaysia while national primary schools devote 420 minutes per week to Bahasa Malaysia subjects.

This is why in the Std. V Assessment Examination in 1972, the national percentage of failures in the Bahasa Malaysia subject for Chinese primary schools is as high as 78.4% and for Tamil primary schools the national percentage of failures reached 81.6%. For the 1973 examination, the national percentage of failures in Bahasa Malaysia for Chinese primary schools went up to 80.7% while that of Tamil primary schools stood at 80 per cent.

The only way for Chinese and Tamil primary school students to catch up with the Malay standards set by the Ministry of Education is to devote

more minutes per week to Bahasa Malaysia, which would mean the reduction of teaching time in Chinese and Tamil media, and the consequent alteration of the character of both Chinese and Tamil primary schools.

**(vii) The sending of teachers not versed in Chinese to teach music and singing in Bahasa Malaysia.**

The Education Ministry is now posting teachers not versed in Chinese to Chinese primary schools to teach music and singing from Std. I to Std. IV.

Chinese primary school students taught by these teachers do not know how to sing Chinese songs, written by Malaysian Chinese about Malaysian themes. This is regarded as the thin end of the wedge to change the character of the Chinese primary schools subtly and surreptitiously. Why can't the Education Ministry be sensitive to the multi-racial character of Malaysia, and send teachers who could teach the Chinese primary students to sing not only Bahasa Malaysia songs but also Chinese songs as well.

**(viii) The posting of clerks not versed in Chinese to Chinese schools**

The posting of clerks not versed in Chinese to Chinese schools has itself led to distinct alteration in the character of Chinese primary schools. As a result of the posting of such clerks, circulars to parents and school forms formerly in Chinese are now done in Bahasa Malaysia. I still remember that when the MCA called on the Chinese community to support the abolition of the powers of fire and hire of the Boards of Managements of Chinese schools, MCA leaders declared that Chinese schools "*would not be touched*" by such changes in the law. The posting of clerks not versed in Chinese to Chinese schools shows not only that Chinese schools have been constantly "*touched*" but the alteration of its character has been subtly initiated.

**(ix) Lack of educational television programmes in Chinese and Tamil.**

The refusal of the government to conduct educational television programmes in Chinese and Tamil illustrates the attitude of the government with regard to Chinese and Tamil primary schools in treating them as not fully in the mainstream or permanent scheme of things of the Malaysian educational system.

The above nine sets of factors are among the causes which have deepened public apprehensions about the real intent of the government with regard to the future of Chinese and Tamil primary schools.

**Clause 21(2) redundant and should be repealed**

The government has said that Clause 21(2) of the Education Act 1961 is aimed at converting English primary schools into national primary schools and is not meant to affect Chinese and Tamil primary schools.

If this is the case, Clause 21(2) has become totally redundant, as English primary schools have completely ceased to exist with effect from this year.

The government should therefore have no reason to oppose this motion, to initiate the repealing of Clause 21(2) of the 1961 Education Act, especially as it could remove an outstanding cause of national disunity and dissension in the country.

The Government has claimed that it believes in democracy and the people's expressed wish. The increase in enrolment in Chinese primary schools, for instance, is clear-cut expression and manifestation of the people's wish and desire to send their children to Chinese primary schools, and the government should duly respect and honour this popular will by allowing the free and full growth and development of Chinese primary schools without affecting any change to its character either openly by the use of powers under Clause 21 (2) or subtly and surreptitiously by a combination of administrative decisions and actions.

MCA leaders have been going round the country saying that they are a new breed of men, different from the old set, implying that their predecessors are spineless and time-servers.

Let every MCA Member of Parliament and Minister prove his worth. Let every Barisan Nasional MP prove that he or she could rise above the petty politicking and slogan-chanting to discern the fundamental issues which would weld the nation more enduringly as a united nation, and boldly lay a sound basis for genuine nation building.

Let me conclude by reiterating that Malaysia is a multi-racial, multi-lingual and multi-cultural nation and Chinese and Tamil primary schools must be accepted as an integral part of the Malaysian education system and not something to be eliminated and abolished. The preservation of Chinese and Tamil primary schools is not a sectional or communal issue, but a national issue deserving the commitment of every patriotic Malaysian.

The repeal of Clause 21(2) of the Education Act will not only remove a redundancy and legal irrelevancy, but firmly arrest public apprehensions about the future of Chinese and Tamil primary schools. Then all the other problems some of which I outlined just now will fall into place and meet with easier resolution, and Malaysia will be a sounder, a more harmonious and more united nation better able to withstand external and internal challenges. I therefore urge all MPs to rise to the occasion and to strike out a new path for the nation which would remove a sizable segment of public alienation and antagonism retarding national unity by supporting this motion.

## GOVERNMENT MEDICAL BRAIN DRAIN

*'There are more medical officers than MCS officers, but the number of MCS officers to superscale post is 1.8:1; while the ratio of medical officers to superscale posts is 7 to 1. Large number of specialists and medical officers, after going through a longer and more gruelling course in university, would retire at Superscale F, while their counterparts in the MCS would retire in Superscale A or Superscale B, if not the higher Superscale Staff B or Superscale Staff A.'*

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Speech on the Ministry of Health estimates on December 10, 1976.

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The Minister of Health, in reply to a question by my colleague, the Member for Sungei Besi, said yesterday that since 1969, a total of 965 doctors have left the government service. If we look at the yearly figures, we will note that the number of doctors leaving the government service has been on the marked increase year after year.

Even more serious is the resignation of specialists from the government service. This year alone, some 20 specialists have resigned. The government can ill afford the loss of experienced and competent specialists, without suffering a great fall in the standard of medical standards in the hospitals.

As a result of the exodus of qualified doctors and specialists from the government service, we often find hospitals being manned by junior officers

The Minister of Health should take an urgent and serious view of this 'brain drain' of doctors and specialists from the government service, find out the reasons and stem this brain drain.

Every year, vast sums of money are spent on the Health Ministry. For next year, the Ministry is being allocated \$542 million for operating and development purposes. However, such heavy allocations for medical and health facilities have not been matched by the capacity to operate them. This is because the lack of trained and qualified manpower in the health sector, both professional staff as well as middle-level technicians, has hampered the full utilisation of these facilities. The cause of this poor implementation capacity, is the 'brain drain' of professional officers from the medical service. Unless this 'brain drain' is halted, the many targets and objectives of the Third Malaysia Plan to expand medical and health services, especially to the rural areas, would fail.

It is therefore important to find out why doctors and specialists are leaving the government service in droves.

It is conceded that the government service cannot compete with the private sectors in terms of hard cash or incomes earnable.

However, I know of doctors who have no intention of resigning to enter into private practice, who want to remain in government service to specialise in the field of their choice, who have become so frustrated and disillusioned about the government service that they are now seriously thinking of leaving government service. Something is really wrong about the whole set-up in the medical and health service.

I know of specialists who have two years more to serve before optional retirement, who resigned from government service to go into private practice forfeiting all their pensions.

What make such specialists who have two more years to go to pack up their bags and leave the government service? If their motives are solely financial, they could have left long ago. It is clear that they left because of their dissatisfaction with the medical service.

I will like to know how many specialists serve on till their full retirement age and did not opt to retire five years earlier? This should give another indication of the type of relationship that exists between doctors and specialists on the one hand and the medical service on the other.

The Medical Branch of the Senior Government Officer's Association had called on the Health Ministry to conduct a study on the resignation of doctors from the government service. The Health Minister should not turn a deaf ear to this call.

It is clear that without competing with the private sector in money terms alone, which is clearly impossible, there are many areas where changes can be effected by the medical service, especially concerning chances of promotion, incentives, in-job training facilities, job satisfaction, which will induce more doctors and specialists to remain in the government service.

I wish here to make some concrete proposals for the consideration of the Minister of Health.

### **Medical Service Commission**

The Government should set up a Medical Service Commission just as we have the Police Service Commission (Suruhanjaya Pasukan Polis) and the Legal Service Commission. This Medical Service Commission will be responsible for the appointment, confirmation, promotion and other staff questions of medical officers. The principle is that in a professional service, like the medical and health service, doctors should be promoted by their peers.

Under the present system, the promotion of doctors and specialists are done by people who are not the most qualified to do so. One of the biggest causes of dissatisfaction among doctors and specialists is over promotions, for irregularities of promotions often occur. A medical officer who

is senior to another suddenly finds himself junior to another officer, for no reason whatsoever. Promotion is not based on merit or professional competence, but appears to be governed by other considerations.

At present, the Promotion Board for Superscale Officers is a fully all-Malay committee, without a single non-Malay member. This can only add to further frustration among medical officers in the service.

Promotional prospects for medical officers and specialists are also very poor compared with the civil service.

There are more medical officers than M.C.S. officers, but the number of M.C.S. officers to superscale posts is 1.8 : 1, while the ratio of medical officers to superscale posts is 7 to 1.

I am sure it is not difficult to understand the frustration and bitterness of professional officers in the medical service to find that although they have to go through a longer and more gruelling course in the university than their counterparts, who take Arts degree, one out of every two arts graduates in the M.C.S. are in the superscale posts, while one out of 7 of the doctors and professionals are in superscale posts.

Futhermore, it takes a longer time for a medical officer to be promoted to a superscale post, as compared to an arts graduate in the M.C.S.

A specialist after over 10 years of specialisation would not even automatically be emplaced on the lowest Superscale 'G', while by that time, his counterpart who had taken say Islamic Studies and History in an Arts stream, would have already reached "E" or "F".

Large numbers of specialists and medical officers would retire at Superscale F, while their counterparts in the M.C.S. would retire in Superscale A or Superscale B, if not the higher Superscale Staff B or Superscale Staff A.

The Negeri Sembilan Chief Medical and Health Officer Dr. Krishnan is a good case in point. He would be retiring next year after 26 years of service and unless something is done quickly, he would retire at Superscale F, which is grossly unfair and ridiculous. At minimum, such officers should retire at Superscale 'D'. Dr. Krishnan's contemporary, who did arts, and who is in the MCS, would normally retire in Superscale "A" or "B".

#### **Time Promotion system for medical officers**

The Government should therefore make promotional prospects of doctors and specialists more attractive, as an incentive to keep them in the service.

I propose that the Government introduce a time promotion system for medical officers. This will allow a medical officer to be promoted upwards after completion of a number of requisite years.

At present, whether a medical officer would be promoted would depend not on his merit or seniority, but depend on chance, as to whether he got transferred to a hospital where there is a higher-graded post. This means that promotion depends on being transferred to a higher-graded geographical locality.

This is a disincentive to specialists to remain in service for two reasons: firstly, promotion is dependent on a higher graded post being vacated; and secondly, on one's going on transfer to the hospital where such vacancy exists.

I know of specialists who resign when offered such promotions subject to transfers, for to go on such transfer would completely dislocate their family life and their children's education, and not to go on such transfer is to be passed by, and become junior to subordinate officers.

This is an irrational and bad system, and should be replaced by a time promotion system for medical officers and specialists, where promotion is not dependent on where one serves, but the number of years one serves. This will be an incentive to keep medical officers and specialists in service. It would also minimise transfers, which is another big reason for resignations.

The medical and health service is a professional branch of the government, and it should be headed by a professional officer, and not by a MCS officer.

This is especially important as only a professional officer would be in a better position to know the needs and requirements of the professional service. I have confidence that if the head of a professional service, like the Ministry of Health, is headed by a professional officer, the conditions would be even more conducive to keeping doctors in service - for this would give them greater job prospects and job satisfaction.

#### **Make specialist allowance pensionable**

The government should make specialist allowance pensionable as another incentive to keep specialists in service. It is a great loss to the medical service for specialists who have acquired great experience and knowledge to leave for private practice.

There should also be more attractive terms to allow a doctor to acquire higher medical degrees and qualifications.

At present, many doctors, nurses and therapists leave because of the Bahasa Malaysia examination. I am not suggesting that the Bahasa Malaysia be scrapped, but that a more practical attitude be adopted. At present, the

Bahasa Malaysia examination is conducted by the Public Services Department, set by some language graduates, who seemed to be interested in keeping up a high failure rate.

I suggest that the Bahasa Malaysia examination should be set by the Ministry concerned, by its own examination board, to test the candidate's knowledge of Bahasa Malaysia for practical usage relevant to his job – like ability to converse with the patient, issue instructions, etc, rather than testing them on their knowledge of adat or Malay proverbs.

At present, medical officers who have served four years can go on "no pay" leave for post-graduate studies, provided that they are confirmed officers. This means in effect on whether they could pass the Bahasa Malaysia examination. Higher examination must be done by a person when he is still young, and the government should make arrangement where this could be done. If an officer cannot get "no-pay" leave to do post-graduate studies, because he is unable to pass the Bahasa Malaysia test, his only alternative is to resign – which is to the country's loss.

Here, I want to suggest that the government should reduce the bond it requires every scholarship-holder for higher degrees to enter into from the present \$70,000 whether for one-year or two-year course, to a more realistic and just figure of \$20,000 or \$30,000. I understand that because of the unrealistically high figure of \$70,000 bond even for one-year scholarship study, there are very few takers.

I hope the various proposals that I have made would receive the serious consideration of the government, for their adoption would create the necessary atmosphere to induce doctors and specialists to remain in the service, and check the serious 'brain drain'.

Here, I want to note that the Universiti Kebangsaan would be turning out its first batch of medical graduates soon. As the media of instruction of Universiti Kebangsaan's medical faculty is in Bahasa Malaysia, I understand that its medical degrees would not be recognised by the General Medical Council of Great Britain or any Commonwealth country. This means that the Universiti Kebangsaan-trained medical graduates would not be able to go for post-graduate courses in U.K. or the Commonwealth, as is now being done by the University of Malaya – trained doctors themselves.

This is bound to create a serious problem. The government should seriously ensure that Universiti Kebangsaan-trained doctors could meet with the requirements of the General Medical Council of U.K. and other Commonwealth countries, for this will be to the benefit of the Universiti Kebangsaan-trained doctors themselves.

# MINIMUM WAGE LAW FOR WORKERS

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*"The enactment of minimum wage legislation is not a substitute for collective bargaining between employers and workers, but a recognition of the fact that collective bargaining, unregulated in the form of fixing a minimum wage, is in fact permitting the stronger party, namely the management, to dictate the terms of employment and wages which it could impose on the weak, especially unorganised workers who constitute 90 per cent of the working population."*

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Speech on a motion to seek leave of the House to move a private member's bill to fix basic living wage for workers on July 17, 1974.

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Since the resumption of Parliament in February 1971 till now, one of the constant subjects my colleagues and I in the DAP have kept pressing for inside this Chamber is for the enactment of legislation to fix basic minimum wages for workers, to ensure that they and their dependents enjoy the basic human needs of food, clothing, housing and schooling.

Unfortunately, this proposal, to my knowledge, had never received the serious consideration of the government, probably for the simple reason that there is not a single Cabinet Minister who had a labour past, and who understands and sympathises with the sufferings, aspirations and hopes of the working class.

Now and then, of course, government Ministers would express surprise at the low wages that are being paid to workers. Thus, at the end of last year, the Prime Minister, while on a visit to Johore Bahru, expressed shock that workers were being paid \$1.50 to \$2 a day, and he directed a study on the low wages being paid to workers.

Nothing, however, came out of such study, or expression of Ministerial concern. In fact, as far as I know, the question of the feasibility of introducing legislation to fix minimum wage for workers had never merited sufficient government attention in the form of a Cabinet paper for top government study and decision. This question is killed at the lower Labour Ministry levels.

The need for minimum basic wage to ensure that workers enjoy basic human conditions of life is more and more urgent, with the unchecked inflation in the country, which according to the latest Consumer Price Index is now around 19%.

Workers' income and purchasing power have been slashed so drastically that there is a great drop in their standard of living. Even the cost of living allowance that is being paid by the government to government employees as relief has failed to restore the purchasing power of the lower income groups.

As a result of the unchecked inflation, which has reduced further the already meagre earnings of the workers, industrial unrest has multiplied in the country.

These are the figures of strikes and the number of man-days lost in the last five years to show the seriousness of the problem:

Year	No. of Strikes	Workers involved	Total man-days lost
1969	49	8,750	76,779
1970	17	1,216	1,867
1971	45	5,311	20,265
1972	66	9,701	33,455
1973	66	14,002	40,866
1974	29	29,770	13,809

(Up to 31.3.74)

Thus, this year, from the first quarter's trend, the number of workers involved in strikes will increase by ten-fold when compared to 1970, while the total number of man-days lost will increase about 60 fold.

If we make a dispassionate study, we find that at the root of the mounting industrial unrest throughout the country is the common factor of the workers not being paid sufficiently to make ends meet.

For industrial peace, for social justice, the government should not delay any longer in enacting minimum wage legislation for workers.

The Minister for Labour and Manpower had said in this House, when replying to a question by my colleague, the Member of Parliament for Seremban Timor, Dr. Chen Man Hin, that the reason why the government did not agree with minimum wage legislation is because wages and conditions of employment were generally worked out through collective bargaining, and that the government encouraged both employers and workers to be adequately organised.

The enactment of minimum wage legislation is no substitute for collective bargaining between employers and workers, but a recognition of the fact that collective bargaining, unregulated in the form of fixing a minimum wage, is in fact permitting the stronger party, namely the management, to dictate the terms of employment and wages which it could impose on the weak, especially the unorganised workers who constitute 90 per cent of the working population.

Malaysia has not yet reached a stage when all employers have a social conscience and will not exploit workers to the utmost for the object of maximising profits, regardless of the hardships and suffering of the workers.

Collective bargaining and industrial relations in Malaysia is still very much the law of the jungle — the survival of the fittest. And invariably, it is the managements who are stronger than the workers.

Thus, only a few days ago, in Malacca, the Sin Heng Chan (Malaya) Sdn. Bhd., the biggest animal-feed factory in Malaysia, which makes millions of dollars of profits a year, terminated the services of 35 workers who had worked from 8 – 12 years, not because the company was making losses, but ironically because it had made big profits, and the company was expanding and modernising and had installed a automatic system. These 35 workers could be re-fitted in other jobs in the company, but the company, instead of rewarding the workers for the years of dedication and hard work which make the factory's present modernisation, expansion and mounting profits possible, terminated their services and threw them out into the unemployment heap.

Their total monthly wage bill does not exceed \$3,000 – \$4,000, but the people dependent on their livelihood run into hundreds. The Sin Heng Chan has instead newly employed a foreigner to be a factory manager whose monthly salary exceeds the total earnings of these 35 workers.

It is such management attitude, completely without sympathy for the hardships and the plight of the workers, which call for legislation to fix minimum wages to prevent capitalist exploitation of cheap labour.

I know that when Malaysian Ministers go overseas to attract foreign investment, one of the temptations they offer is that in Malaysia there is very cheap and docile labour, where the capitalists are allowed free rein in their exploitation of labour.

Thus, in the May issue of the American magazine read by capitalists, *Fortune*, the Federal Industrial Development Authority (FIDA) took out a special advertisement, proclaiming that Malaysia has the highest per capita income in Asia after Japan and Singapore, but where the wage rates are among the lowest in the region.

This is the real reason why the government has up to now refused to introduce minimum wages, for it wants to allow the capitalists from foreign countries to come and exploit them. This FIDA advertisement sums up in a capsule the nature of economic development in the country, namely, that while every year, there is economic development, the Gross National Product increases and the national per capita income registers increase, the workers and the poor as a whole become poorer. The reason is because the fruits of economic development are enjoyed not by the poor, the working class, but by the rich and the monied interests. This is why in Malaysia as elsewhere, rising GNP and increasing national per capita income does not mean poverty is steadily being eliminated, or that there is a fairer distribution of wealth and income in the country.

The reverse is in fact taking place. With a growing GNP, and increasing national per capita income, the rich are becoming richer while the poor has grown poorer.

The enactment of minimum legislation would be an instrument to ensure a fairer distribution of incomes from the fruits of economic development for the workers.

It is not widely known that when the Minister for Labour and Manpower, Tan Sri Manickavasagam, was elected President of the ILO in 1970, the ILO adopted a Convention, the ILO Convention 131 of 22nd June 1970, called the Minimum Wage Fixing Convention.

Malaysia has not ratified this ILO Convention on Minimum Wage Fixing, although we were President of the ILO.

It would be the height of international hypocrisy if we continue to flout this convention, and refuse to ratify it.

For this reason, I urge all Members of Parliament, regardless of party, to support the motion to give time for a private members' bill to fix a basic minimum wage to be introduced in this House.

## JOB SECURITY FOR WORKERS

*“People build much of their lives around their jobs. Their incomes and prospects for the future are inevitably founded in the expectation that their jobs will continue. For workers in the majority of instances, not only dismissals, but also proper termination of service, is a disaster. It may involve the uprooting or even the breaking up of homes and families. Older workers will find the greatest difficulty in getting work at all.”*

Speech when moving a motion on July 5, 1976 to seek leave of the House to move a private member's bill entitled Employment (Unfair Dismissal) Bill 1976.

I rise under Standing Orders 49 to move a motion to seek leave of the House to introduce a private member's bill named Employment (Unfair Dismissal) Bill 1976.

The purpose of this Bill is to guarantee to the worker the security of tenure in his job by conferring upon him the right not to be abruptly or unfairly dismissed, and the right to reinstatement or compensation for such unfair dismissals.

At present, a worker has no job security as his services can be properly terminated provided the employer complies with the requisite minimum notice stipulated by Section 12(3) of the Employment Ordinance 1955.

Thus Section 12 of the Employment Ordinance 1955 reads:

- “12. (1) *Either party to a contract of service may at any time give to the other party notice of his intention to terminate such contract of service.*
- (2) *The length of such notice shall be the same for both employer and labourer and shall be determined by any provision made for such notice in the terms of the contract of service, or, in the absence of such provision, shall be in accordance with the provisions of sub-section (3).*
- (3) *The notice to terminate the services of a person who is employed under a contract of service shall be not less than :—*
- (a) *one week's notice if he has been so employed for less than two years ;*
- (b) *two weeks' notice if he has been so employed for two years or more but less than five years; and*
- (c) *four weeks' notice if he has been so employed for five years or more”.*

Section 13(1) of the Employment Ordinance reads:

*"Either party to a contract of service may terminate such contract of service without notice or if notice has already been given in accordance with Section 12, without waiting for the expiry of that notice, by payment to the other party a sum equal to the amount of wages which would have accrued to the labourer during the term of such notice."*

Thus, an employer can properly terminate the services of an employee who had spent, say, 15 to 20 years in his employment by four weeks' notice of termination as provided by Section 12 of the Employment Ordinance.

This is clearly unfair where an employee has not been guilty of either incompetence or misconduct. There can be no comparison between the consequences for an employer if an employee terminates the contract of employment and those which will ensue for an employee if his service is terminated by the employer.

In reality people build much of their lives around their jobs. Their incomes and prospects for the future are inevitably founded in the expectation that their jobs will continue. For workers in the majority of instances, not only dismissals, but also proper termination of service, is a disaster. It may involve the uprooting or even the breaking up of homes and families. Older workers will find the greatest difficulty in getting work at all.

We in Malaysia must recognise what is really at stake for an employee when his job is involved. Just as the employer has the interest in planning production and in being protected against its interruption, similarly the worker has the equivalent interest in planning his and his family's life and in being protected against interruption in his mode of existence though the loss of his jobs.

The need to provide statutory protection to workers to guarantee them security of job tenure is particularly acute in sectors where workers are less highly organised, or not organised at all. We will appreciate the magnitude of this problem when we realise that only some 10% of the work force in Malaysia is organised.

Workers who are members of strong unions can use their industrial power to protect themselves against unfair dismissals, including proper termination of notice by the employer. The majority of workers however are not unionised to be able to enjoy this protection.

The new concept of 'unfair dismissal' introduced by the proposed Employment (Unfair Dismissal) Bill 1976 is designed to provide protection to employees, whether organised or unorganised, from loss of employment unless for reasons of incompetence or for misconduct.

The giving of proper notice of termination where the reason is neither incompetence or misconduct does not make such a termination fair, and

under the proposed Bill, it will be considered as 'unfair dismissal'.

It is a grave defect in the labour law laws that there is no clearly enunciated right of the worker not to be unfairly dismissed, or have his services unfairly terminated, and to accord to all employees the right to stability of employment.

At present, a worker who is not a member of a trade union who "*considers that he has been dismissed without just cause or excuse by his employer*" may have some remedy if he can bring his case within Section 17(A) of the Industrial Relations Act.

But this is a most unsatisfactory and tortuous process, and among the many unsatisfactory features is the provisions vesting absolute discretion on the Minister, if he thinks fit, to refer or not to refer the representations to the Industrial Court, without the need to give any supporting reasons.

#### **Workers given a raw deal.**

In refusing to give reasons, the Minister of Labour in cases referred to him under Section 17 (A) has failed to act impartially and neutrally for there is no way to ascertain whether he has made an objective assessment of the respective merits of the parties in the complaint against "*dismissal without just cause or excuse*"; or whether he has arrived at a decision with a closed mind or had taken irrelevant considerations into account. The basis of public confidence and acceptability is also lacking as the proceedings before the Minister is wholly secret.

I have come across many cases where representations were made to the Minister of Labour under Section 17 (A) and previously under Section 16(A), where the Minister rejected the representations without any reasons being given, and where the workers are given a raw deal !

The proposed Employment (Unfair Dismissal) Bill 1976 will clearly enunciate the right of an employee not to be unfairly dismissed, including the right not to have his services unfairly terminated, and that in every case of dismissal which is not because of incompetence or misconduct, an employee has a direct remedy to complain to the Industrial Court without any intervention by the Director-General of Labour or the Minister concerned.

The onus of proof is on the employer to show that the reason for the dismissal or termination of service is not 'unfair dismissal', in other words, it is either because of incompetence or misconduct. If the employer fails to discharge this onus, then the Industrial Court can order reinstatement, re-engagement or compensation.

#### **Redundancy Rights**

I propose to provide for separate provisions for dismissal for termination of service due to redundancy, for at present workers whose

services are terminated because of redundancy or re-organisation have no proper and adequate remedy over and above the minimum period of notice provided by Section 12(3) of the Employment Ordinance.

The indirect recognition of the right to redundancy entitlement of a worker who has worked for more than three years as embodied in Section 60G of the Employment Ordinance is being repealed, by the Minister of Labour, which will come before the Dewan probably later today.

This is most inconsistent with the declared objective to protect the legitimate rights of workers. A worker of long standing must be recognised as having an accrued right in his job; and his right gains in value with the years. So much so that if the job is shut down, he is entitled to compensation for loss of office.

### **Basis for Fair Compensation**

I also intend to provide the basis for the computation of compensation for unfair dismissal, as the present common law computation of compensation for wrongful dismissal and the industrial court award of compensation for dismissal "*without just cause or excuse*" are grossly inadequate.

Thus, under common law, the compensation for wrongful dismissal is strictly limited. It means that if an employee is dismissed without due notice he can claim the payment of wages he would have earned for the period of notice. From this payment will be deducted any amount which he earned (or through his fault failed to earn) during the period of notice. Beyond this, the employee has no legal claim at common law, whatever hardships he suffers as a result of his dismissal. Even if the way in which he is dismissed constitutes an imputation on his honesty and his ability to get another job is correspondingly reduced, he cannot obtain any redress.

In the case of industrial court compensation for "*dismissal without just cause or excuse*"; it is limited to a maximum compensation of full back pay till the date of award — and in most cases it is very much less as the Court has the discretion on the matter.

I propose to provide that an award of compensation for unfair dismissal shall consist of a basic award, a compensatory award, and a punitive award. The basic award shall be calculated by reference to the period during which the employee has been continuously employed, in other words, the longer a worker has been in employment, the greater the basic award. The compensatory award shall be such amount as the Court considers just and equitable in all the circumstances having regard to the future loss sustained by the complainant in consequence of the dismissal. The punitive award shall be award to the benefit of the complainant for non-compliance with the awards of the Industrial Court.

### ILO Convention.

These above provisions will give workers statutory protection against unfair dismissals and terminations of service, and will be in line with Recommendation 119 of the International Labour Organisation in 1963 on "Termination of Employment at the Initiative of the Employer" that termination of employment shall not take place unless there is a valid reason for such termination connected with capacity or conduct of the worker.

The details of the proposals are amenable to criticisms, suggestions and even amendments after this motion to seek leave to introduce this proposed Bill. As the purpose is to provide statutory protection for stability of employment to workers, I do not see how any Member of Parliament who claims to have the interests of the workers at heart could object to the principles underlying the proposals — as it is aimed at creating a more just and equal Malaysia.

I therefore seek the support of this House for this motion to introduce the Employment (Unfair Dismissal) 1976 Bill whose object is to confer upon an employee the right not to be unfairly dismissed, whether it is for reasons of race, colour, marital status, religion, political opinion, or complaints of violation of laws, and whose features would include : (1) Definition of 'fair and unfair dismissal' restricting fair dismissal to dismissal which is related to incompetence or misconduct ; and (2) provision for the remedy of reinstatement, re-engagement or compensation which an aggrieved employee can directly apply for from the Industrial Court.

## 1976 EMPLOYMENT (AMENDMENT) BILL — MANAGEMENT'S DELIGHT AND WORKERS' CURSE

*"To say that the Minister of Labour is holding the balance between the employers on the one side and organised labour on the other side is to misrepresent the facts in Malaysia. What is actually happening is that the Minister of Labour, especially as President of MCA, is ranged on the side of the employers against the workers, as shown by the present batch of amendments to the 1955 Employment Ordinance."*

*"The Minister of Labour is introducing these anti-labour amendments to try to attract back foreign investors who, in the last two years, because of internal and regional developments, have shied away from Malaysia. The Government has, however, in the usual fashion embarked on a policy which will make the situation worse. For stability cannot be built on further exploitation of the workers and drastic denial of their basic rights to a decent and human life."*

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### Speech on the Employment (Amendment) Bill 1976 on July 5, 1976.

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The 1976 Employment (Amendment) Bill is a typical example of what is wrong with the Malaysian nation today, and why Malaysia is today faced with a crisis of identity and survival, marked by stepped-up communist guerrilla activities in both the towns and jungles, while social, economic and political unrest grow apace in the country.

There is no end to governmental profession of concern for the poor and the weaker sections of the population, who represent the majority of Malaysians, but governmental actions often belie the sincerity of these declarations. Hence, the rich grows richer while the poor becomes poorer year after year of government development efforts.

It is the same story in the field of labour relations. Every time there is a labour law or legislative amendment, it is the workers who emerge the losers while the employers become more consolidated in their power and authority over the workers.

The 1976 amendment to the Employment Ordinance 1955 is the management's delight and the workers' curse.

Every major amendment in this Bill is detrimental to the interests of the workers, and beneficial to the employers.

The 1976 Employment (Amendment) Bill is a special gift of the MCA President, Dato Lee San Choon, to his own class—the capitalists and the management—at the expense of the workers of Malaysia.

This probably explains why the MCA President cum Minister of Labour has shown such contempt for workers and trade unions in the formulation and presentation of these amendments.

During the weekend, I received a telegram from the MTUC Secretary-General, Mr. S.J.H. Zaidi, which other Members of Parliament have probably received, and which reads:

*"Government's proposals to amend Employment Ordinance 1955 very damaging to workers' interest and are completely unacceptable. These amendments must not therefore be introduced in Parliament unless fully discussed and agreed with all concerned. MTUC seeks your support and co-operation for its stand."*

Being a conscientious Parliamentarian, I phoned up Mr. Zaidi on receipt of this telegram and asked him what was the actual position, expressing surprise on receipt of this telegram as I had thought that the MTUC was privy to the government's proposed legislative amendments.

Mr. Zaidi told me that the MTUC was never consulted about these amendments.

Although there is a National Joint Labour Advisory Council (NJLAC), with representatives of both organised labour and employers and which is supposed to advise the government on labour laws, Mr. Zaidi said the present batch of amendments were never presented to the NJLAC for discussion and its recommendations.

Sometime in 1974, the government presented these proposals at a NJLAC Sub-Committee, but the union representatives disagreed. I am told that the NJLAC was not summoned to meet a single time for the whole of 1975. All that the Labour Minister did last month at the formal ceremony of the NJLAC was to inform the union representatives that the government intended to present amendments to the Employment Ordinance and that if they have any amendments to propose to the Employment Ordinance, they should communicate the proposals to the Minister by July 5, which is today, when Parliament is asked to pass them.

This makes a mockery of labour representation in the NJLAC and shows how little respect the Minister of Labour has for the views of workers and the labour movement.

He has shown an utter contempt for the workers' viewpoint which is typically the attitude of arrogant capitalists and managements who think that they themselves know what is best for workers.

It is also clear that the Minister of Labour is merely using the so-called tripartite NJLAC as a window-dressing to show that the unions participate in the decision-making process, when in actual fact, the voice of labour are not given any weight at all in the high councils of the Ministry of Labour.

There is probably one exception in connection with contract labour, where a special committee was set up to study the problems of contract labour and to make recommendations, but I shall have more to say on this subject when I deal with the various amendments proposed by the Minister of Labour.

### **Symbiotic Relationship between Employers and Ministry of Labour**

While the Minister of Labour does not give any weight to the views and interests of workers and does not even bother to go through the motion of properly consulting the unions on proposed changes to the labour laws, this is far from being the case vis-a-vis the relationship between the Ministry of Labour and the employers. I do not think anyone is surprised at this, especially as the Minister of Labour is none other than the President of MCA, a party of the rich for the rich. There is a symbiotic relationship between the Ministry of Labour and the employers. The dictionary tells us that **symbiosis** is a mutually beneficial partnership between organisms of different kinds, especially such an association where one lives within the other.

I have been told that the person largely responsible for framing these proposals was one Mr. Chung Shin Che when he was Commissioner of Labour until 1975, when he retired to become the Director of a powerful employer group, namely MAPA or Malayan Agricultural Producers' Association.

How can the workers have confidence in top Labour Ministry officials who are packing their bags to join the employers' ranks to confront them across the negotiating table? This is what I mean by a symbiotic relationship, which suits the Minister of Labour eminently, considering his role as MCA President.

Thus, we see that the employers' interests and views are not only given weight, but become government policy through the active advocacy of Labour Ministry officials whose heart and soul, if not body, are already with the employers' group. Mr. Chung Shin Che is not the first, nor will he be the last, of top Labour Ministry officials who make their way to high-salaried post in Employers' Groups from the Labour Ministry positions.

Employers have also other obvious ways of making their influence felt in the government. To say that the Minister of Labour is holding the balance between the employers on the one side and organised labour on the other side is to misrepresent the facts in Malaysia. What is actually happening is that the Minister of Labour, especially as President of MCA, is ranged on the side of the employers against the workers, as shown by the present batch of amendments to the 1955 Employment Ordinance.

### **Government amendments a retrograde measure**

The major amendments embodied in the Bill before the House is a retrograde one, which erodes further workers' rights, which are already very limited in Malaysia.

I will first deal with Clause 12 of the Bill which seeks to amend Section 16 of the Ordinance. The present Section 16 of the Ordinance reads :

*"Where a labourer is employed in any agricultural undertaking on an estate on a contract of service under which he earns wages calculated by reference to the number of days' work performed in each month of his service, his employer shall be bound either to provide him with work suitable to his capacity on not less than 24 days in each month during the whole of which he is so employed, or if the employer is unable or fails to provide work on 24 days in each month whereon the labourer is willing and fit to work, the employer shall nevertheless be bound to pay to the labourer in respect of each of such days' wages at the same rate as if such labourer had performed a day's work:*

*Provided that any dispute as to whether a labourer was willing or fit to work shall be referred to the Commissioner for his decision;*

*Provided further that in computing 24 days for the purposes of this sub-section account shall not be taken of more than six days in any week."*

Under this section, an agricultural labourer who fulfils three conditions, namely (i) employed in "any agricultural undertaking on an estate"; (ii) worker under a "contract of service"; and (iii) his wages calculated by reference to the number of days of work performed in each month of his service shall be entitled to one of the following : (a) the employer must either provide the labourer with work suitable to his capacity not less than 24 days in each month; or (b) if the employer is unable or fails to provide work on 24 days in each month whereon the labourer is willing and fit to work the employer shall nevertheless be bound to pay the labourer wages on each of such days wages at the same rate as if such labourer had performed a day's work.

This is a form of minimum wage protection which is necessary to ensure that a labourer in an agricultural undertaking may live without undue hardship when he is prevented from working as a result of inclement weather or other factors since he cannot obviously do work for other employers to augment his wages due to the fact that he lives in tied-houses on plantations which in many cases are isolated.

In this way, agricultural labourers will not be subject to the vagaries of weather and nature, as it is well known for instance, that on wet days, rubber tappers cannot tap and employers are 'unable to provide work'.

Many employers have evaded their statutory duties laid down since the colonial days as provided by Section 16(1) of the Employment Ordinance, and it is shocking that the government has all along closed an eye to such employer evasion and irresponsibility.

What is even more shocking is that the colonial masters seemed to be more concerned about the welfare of the agricultural labourers in this regard than the government of Independent Malaysia.

Employers have in fact become bolder today with Dato Lee San Choon as Minister of Labour, and are openly challenging this colonial protection of agricultural labourers.

For over ten years, the former Director of MAPA, Mr. Fernando, had called for updating of the Employment Ordinance, 1955. By this he means the amendment of Section 16(1).

There is now a test case in the Kuala Lumpur High Court between The Manager, Kinrara Estate Vs Govinda Pillai, a tapper, where among other things, the MAPA is challenging the interpretation that employers are statutorily required to give 24 days' work or pay 24 days' wages each month. I do not propose to go into the merits and demerits of this particular case, as it would be sub judice as the judge hearing it, Mr. Justice Harun Has'lim, has reserved judgement.

What concerns us now is the proposed government amendment to Section 16, which is to introduce a new sub-section 3, and which reads:

*" 16(3) Notwithstanding the provisions of sub-section (1) and (2), the Minister may by order exempt any employer or class of employers the operation of this section subject to such conditions as the Minister may deem fit to impose and such order shall be final."*

The question the Minister of Labour must answer all estate workers and the Malaysian public is why is there need for this amendment to Section 16 of the Employment Ordinance 1955 when the High Court is still deliberating on the matter?

### **Disgusting demonstration of Power by Employers**

One would have thought that the Minister of Labour, if he is genuinely interested about the welfare of agricultural labourers, and no less keen as the colonial draftsmen who authored Section 16 would have introduced an amendment to remove beyond all possible doubt the provision that labourers in agricultural undertakings are entitled to the statutory right to 24 days' work or 24 days' wages each month.

The mentality of the Minister of Labour, the MCA President, appears to be even more anti-labour than the colonial masters, for he is doing the exact opposite in diluting and weakening the statutory right of labourers in agricultural undertakings to a minimum of 24 days' work or 24 days' wages.)

For here we are seeing the disgusting demonstration of power of employers and MAPA, who can get the Labour Minister to introduce an

amendment which would safeguard their interests and claims regardless of the outcome in the High Court test case.

The present proposed amendment to introduce a new Sub-section 3 to Section 16 giving powers to the Minister of Labour to exempt any employer or class of employers from the operation of Section 16(1) is clearly to give the MAPA and other non-MAPA employers an escape route should the test case go against them.

This is because this amendment would be redundant and irrelevant if the test case is favourable to them where labourers in agricultural undertakings are not entitled to the statutory right of 24 days' work or 24 days' wages each month.

With this new sub-section (3), the employers would have taken out a complete insurance to safeguard their claims, and achieve what Mr. Fernando of MAPA had been clamouring for over a decade.

Employers who can get the Minister of Labour to introduce labour law amendments in anticipation of any adverse legal outcome, would have no problem in getting the Minister to exercise exemption powers in their favour. Unions and workers, on the other hand, are not even consulted on a matter which involves the erosion of an important trade union right! This is the type of anti-labour, pro - employer government we have in Malaysia.

The vesting of absolute discretion on a Minister is highly undesirable as it is always open to abuse and corruption. What principle is the Minister to adopt in exempting employers from the operation of Section 16 (1)? Is this power to be dependent on the likes and dislikes, the whims and fancies of the Minister at the particular moment of time? Is he required to give any reasons, or allowed to protect himself and hide his abuses behind the wall of 'no reasons need be given'? Can he exercise his powers of exemption to employers on the basis of political affiliation or on the basis of the size of political contribution to the MCA? How can such abuses be checked?

These questions highlight the undesirability of vesting absolute discretionary powers on the Minister. For all the above reasons, and especially on the ground that this provision for exemption is not justified today as it was not justified 21 years ago when it was put on the statute book by the colonial masters, I have given notice to move an amendment during the Committee stage to delete this proposed new sub-section (3) to Section 16, and I hope the Minister of Labour can be enlightened enough to support it.

**Repeal of Section 60G on Redundancy Entitlement and Section 60H on Retirement Entitlement is putting the clock of industrial relations backward**

I now come to Clause 30 of the Bill which seeks to repeal Sections 60G and 60H.

Section 60G of the Employment Ordinance reads :

*"No labourer who has been in continuous service with an employer for less than three years shall be entitled to any retrenchment benefit on the termination of his service by the employer on the ground of redundancy or by reason of any re-organisation of the employer's profession, business, trade or work."*

Section 60H of the Employment Ordinance reads :

*"No labourer who has been in continuous service with an employer for less than five years shall be entitled to any retirement benefit other than the sums payable under the Employees Provident Fund Ordinance on the cessation of his service with the employer."*

Both sections 60G and 60H are unsatisfactory on two grounds : firstly, they provide a qualifying period namely that workers with less than three years' service shall not be entitled to retrenchment benefits while workers with less than five years' service shall not be entitled to retirement benefits.

Secondly, the Employment Ordinance does not provide the quantum or basis for the computation of the redundancy and retirement benefits for those who qualify.

A further unsatisfactory feature of both these provisions is that they do not provide an express statutory right to workers to retrenchment benefits where they have worked for more than three and five years respectively. This is why employers have contended that Sections 60G and 60H merely provide a qualifying period for making a claim for retrenchment and retirement benefit without any obligation on the part of the employers to pay. For instance, if a company closes down, and a union puts in a claim for retrenchment benefit under Section 60G, it must be subjected to the qualifying period of three years, and the employer can either entertain the claim and negotiate on the quantum or reject the claim outright on the ground that there is no such entitlement.

The High Court case of *Malayan Pineapple Company Sendirian Bhd. Klang v. Food Industry Employees Union* (originating motion No. 64 of 1974) settled the issue.

In upholding the Industrial Court's award of retrenchment benefits to the retrenched workers, Mr. Justice Azmi, in his judgement said :

*"I do not agree that under Section 60G there is no obligation on the part of an employer to pay retrenchment benefits. Since the section provides for qualification period for making retrenchment benefits, then it follows those who qualify must have a legal right to such benefit ..... Any other interpretation would render the section meaningless."*

Here again, we see the disgusting demonstration of employer power in

the country. Through their pressure, the Minister of Labour had introduced an amendment to repeal Section 60G and 60H which will remove the workers' legal entitlement and right to retrenchment benefit after working for three years, as upheld by the Azmi judgement. The same applies with regard to the legal entitlement and right of a worker to retirement benefit after five years' service.

The hard-won gains of the workers in the Courts can so easily be robbed away by the employers through the judicious use of their influence with the Minister to get him to introduce amending legislation.

### **Rights of workers in job security**

The Minister of Labour has not fully explained or justified the abolition of two legal, though limited, rights of workers to retrenchment and retirement benefits, apart from the fact that the employers are opposed to these rights.

Employers, and the government in Malaysia, must recognise the legitimate right of the workers to enjoy a reasonable measure of job security so as to be able to plan their own and their families' lives. Employers and the Minister of Labour, who is MCA President, do not understand that to workers, loss of employment because of retrenchment or otherwise, is often a disaster, leading even to the breaking up or uprooting of families and homes. Retrenchment benefits must be a statutory right of every worker as an economic cushion against the hardships of loss of employment.

Just as a property owner has a right in his property and when he is deprived he is entitled to compensation, a long-term employee must be considered to have a right analogous to a right of property in his job. A worker must be recognised as having a right to security in his work and his rights must gain in value with the years. If he loses his job, he must be entitled to compensation for loss of the job — just as a director gets a compensation for loss of office.

With the repeal of Section 60G and Section 60H, the workers in Malaysia are thrown back into the industrial jungle, and have lost a measure of social security which they had enjoyed, in the event of loss of employment.

I understand that the Minister of Labour had explained to some trade union leaders that Section 60G and 60H contain qualifying periods so that workers who had worked less than three years and five years are not entitled to retrenchment and retirement benefits respectively, and that the repeal of these two sections would remove the qualifying periods.

If this is true, then the Minister of Labour is guilty of the grossest form of deception, for the effect of the repeal of Sections 60G and 60H is not to remove the qualifying periods for entitlement to retrenchment and retirement benefits, but to remove these entitlements altogether!

I know that sub-section (2) of Section 102 of Ordinance is being amended to insert a new paragraph (da) to give the Minister power to make regulations '*prescribing entitlement to and payment of retrenchment benefit.*' This however is merely a red herring.

This provision cannot hide the fact that workers will lose their legal entitlement to retrenchment and retirement benefits, for new paragraph (da) of Section 102(2) does not restore to workers this legal right to retrenchment and retirement benefits. It is now left completely to the Minister, where he chooses, to '*prescribe entitlement to and payment of retrenchment benefits*' – in other words, to the social conscience, compassion for the sufferings of the poorer sections of the community, and commitment to give workers social security of the Minister of Labour. A Minister of Labour who will rob workers of existing statutory rights to retrenchment and retirement benefits cannot be very kind to claims of workers to retrenchment and retirement payments!

Furthermore, from what we have seen of the power of the employer groups, both outside and inside the very inner councils of policy-making circles, we can understand why the Employers' groups are not in any way disturbed or agitated by new paragraph (da) of Section 102 (2), for they know that this will practically be a 'dead letter'.

Sections 60G and 60H should be amended, not by abolishing the workers' legal rights to retrenchment and retirement benefits, but by removing the qualifying periods and providing the basis for computing such benefits.

This is why I shall be introducing amendments during the Committee stage to delete the Minister of Labour's present proposal to repeal Sections 60G and 60H but to amend them so as to remove the qualifying periods and leave the worker's statutory rights to retrenchment and retirement benefits intact.

### **Maternity allowance**

The proposed new Part IX on Maternity Protection is substantially the same as the existing Part IX except for new Section 37 (1) (c) which will limit a female employee's entitlement to maternity allowance to three children.

The employers' groups are of course delighted, and are in fact the originators of his amendment. But has the Minister fully consulted the trade unions on this?

While family planning and population control is an accepted goal, population control must be undertaken as part of an overall national policy. If population control measures are only confined to one section of the population, then the workers will be fully justified in feeling aggrieved in being penalised.

I do not see why in this case the Minister of Labour could not have fully discussed this measure with the labour movement, and secure their agreement. I have no doubt that the organised labour movement would agree to limiting of maternity allowance at some point, if this is firstly, part of an overall national population control policy ( e.g. extended to all areas of government and public activity like granting of privileges whether in urban or rural areas); and secondly, as part of a reform of labour laws.

But here again, we have a Minister of Labour who is too arrogant to consult the wishes of labour, and who cannot rise above his class background.

### **Contract Labour**

I now come to another major change as envisaged by new Section 2A. This will enable the Minister to prohibit by order the employment, engagement or contracting of any person or class of persons to carry out work in any occupation in any agricultural or industrial undertaking, constructional work, statutory body, local government authority trade, business or place of work other than under a contract of service entered into with the owner or principal of such undertaking, constructional work, trade, business or place of work, or with that statutory body or local government authority.

On the making of any such order, all persons or classes of persons specified in the order would become employers and employees for the purposes of the Employment Ordinance and other written law. The Minister will also be given power to exempt or exclude persons and class of persons from the operation of any provision of the Ordinance.

I have many a time inside this House spoken on the exploitation of the working class in Malaysia through the pernicious use of contract labour system, as this permits the employer to get cheap labour by enabling him to avoid his other responsibilities to a regular worker, as security of employment, medical benefits, E.P.F., leave and other fringe benefits.

Thus a contract tapper can be paid as low as \$40 a month, when the MAPA rates for a tapper is around \$4 a day basic wage. I understand that there are easily 100,000 to 150,000 contract tappers, who are exploited as wage slaves. They are also cheated in the weighing of their produce, whether latex or oil palm bunches.

Contract labour is also very prevalent in other sectors of the economy. In the debate on the Royal Address on 16.4.1974, I had called for the abolition and regulation of contract labour. Where work is of a permanent nature, a contract system is clearly designed to deny the workmen security of service and other labour benefits required by law. In such cases, contract labour system should be abolished. Where work is of an intermittent or temporary nature or is so little that it would not be possible to employ full-time workmen, contract labour may be permitted but it must be regulated.

There have been two major industrial court cases which highlight the abuses of the contract labour system. In Industrial Court Case No. 35 of 1974, *NUPW v. United Patani Arumugam Pillai Estate, Kedah* (Award No. 1/75), the President, Mr. Abraham, referred to the *'callous attitude of both the Estate and the contractors towards the security and future well-being of the workers'* in the case before him, and added: *"If this pattern (of contract labour) were to continue in the industry, there would be quite a large number of workers with insecure employment, in spite of years of service with the estates concerned, and subject to the whims and fancies of the so-called independent contractors."*

In another major case, Industrial Court Case No. 44 of 1974, *R. Vengettasamy v. Luen Hoe Estate, Sungai Patani* (Award No 8/75), the President, Mr. Abraham said: *"Perhaps, a stage has been reached where it may be desirable to regulate contract labour and in some cases to provide for its abolition. Legislation on the lines introduced in other countries could be contemplated in view of the increasing trend towards such a contract system in many of the industries. While there may be a need for contract labour in certain circumstances, regulation would be necessary to curb any unfair labour practices that may arise therefrom....."*

#### **Subramaniam Committee on Contract Labour a farce and charade**

As a result of these mounting pressures, the Minister of Labour announced last year that a special committee had been set up with representatives of his Ministry, employers and unions to *"identify the problems, if any, arising out of labour contracting in the major industries, i.e. (a) the engagement of workers as 'independent contractors', and (b) the engagement of workers through contractors for labour; and to recommend the extent to which labour contracting should be regulated in the interests of all concerned."*

This committee was under the chairmanship of Y.B. S. Subramaniam, then Parliamentary Secretary to the Ministry of Labour.

This special committee on contract labour never made public its report, and made no in-depth study of the whole problem of contract labour in the country. In fact, this committee completely neglected to study the problem of contract labour in an important sector, the constructional industry, where large numbers of contract labour are engaged.

This raises the question whether the Minister of Labour has formed this special committee on contract labour merely for publicity, when in fact, the real decision is made elsewhere.

According to its terms of reference, one of the functions of this Subramaniam Committee is to recommend to the Ministry of Labour legislative measures needed, and the extent, to regulate contract labour.

But as late as the month of May, the Subramaniam Committee was meeting on what to recommend to the Minister, when on 12.4.1976, the Minister of Labour had already tabled for first reading in the Dewan Rakyat the Employment (Amendment) Bill 1976, which among other things make provision with regard to contract labour.

Was the Subramaniam Committee on Contract Labour consulted before the drafting of the government's contract labour proposals in the Employment (Amendment) Bill and its tabling on 12.4.76 for first reading?

The truth is the union representatives on the Subramaniam Committee were not aware that the Amendment Bill had been drafted and tabled for first reading on April 12. The Minister, and through his Parliamentary Secretary, Y.B. Subramaniam, had deceived and misled the Special Committee on contract labour, leading the union representatives at least to believe that they were there to recommend measures for Ministerial action when the Minister has already decided and acted — no doubt with the guidance of the Employers' Groups.

The Subramaniam Committee on Contract Labour is a farce and charade. This explains why it dealt with the problem so superficially and so narrowly. This explains why the Committee was unable to present a cogent, intelligent and authoritative report on the problems of contract labour in the various industries in the country.

The present legislative proposals to control the abuses of contract labour is most unsatisfactory and can only please the employers.

Under the new section 2A (1) the Minister may by order prohibit contract labour in any agricultural or industrial undertaking, constructional work, statutory body, local government authority, trade, business or place of work. But the Minister is then given powers to exempt persons or class of persons from the operations of his own order !

This means taking away with one hand what is given by the other. What is the criteria of exemption ? Are MCA contractors to get special privileges, and those too who make big political contributions? The employers should normally be the persons who are most worried about any regulation of contract labour, but they are quite happy about this government proposal. This speaks for itself !

What is needed to eliminate the abuses of contract labour is to have a separate Act on the abolition and regulation of contract, which lays down the principles under which contract labour is to be abolished or permitted. A machinery must be established, such as a Contract Labour Licensing Board in certain categories of work in accordance with well laid-down principles e.g. where work is regular and perennial. The Board, which should sit in public so that it can be seen to be open, fair and impartial, should be entrusted with the responsibility of licensing and regulating contract labour where it is permitted, where work is temporary or intermittent, or where it is insuf-

ficient to employ considerable number of whole-time workmen, to ensure that contract workers enjoy minimum social and labour safeguards.

**Section 15 (2) of Employment Ordinance should be amended so that workers absent because of strike will be away on reasonable excuse**

The government is proposing some literal amendments to Section 15 (2). I am surprised that the government did not take this opportunity to amend Section 15 (2) to put beyond all controversy the right of a worker to go on a lawful strike and such absence would be regarded as reasonable excuse without any breach of contract.

This is the call that I made on 16.4.1974 in this House, for such a minor amendment would have ended considerable labour hardships and sufferings and stopped management exploitation of workers.

But this will be to go against employers' wishes, which the Minister of Labour holds in holy respect. This is why although employers defied labour law provisions, the government had not taken any action against the employers. A good case in point is the South East Asia Firebricks Sdn. Bhd. dispute, in which 73 workers were still locked out for over two years despite an Industrial Court award ordering their reinstatement. This order had been specifically restored by the Federal Court, last Monday, where the Federal Court dismissed the application for stay of proceedings while granting conditional leave to the employers to appeal to the Privy Council. Although the workers' union had filed a complaint to the Attorney-General, no action had been taken.

I have no doubt that if the intransigent party had been the workers, the workers and their union would have been denounced as anti-national probably branded as a 'communist' and a few arrested under the Internal Security Act, while the union will be issued with a show-cause letter by the Registrar of Trade Unions why it should not be de-registered.

I am therefore proposing an amendment on this section, which would give the workers the right to strike without breaking any contract of service.

### **Shift workers**

There are many other amendments which are generally detrimental to the interests of workers, for instance, Clause 23 of the Bill which provides a definition of rest day for shift workers as "*any continuous period of not less than 24 hours*". This means a worker who is on the 2 p.m. to 10 p.m. shift on one day can be required to start work the next day on the 10 p.m. shift on the ground that he had already a rest-day of 24 continuous hours. This will deprive a worker of normal family lives and is inhuman and completely unjustifiable.

Then there is Clause 24 of the Bill, which provides a new sub-section (3) for Section 60 providing a new and lower basis for the computation of

pay for work on a rest day. Under the present provision, "any labourer who at the request of his employer works on a rest day shall be paid an extra day's wage at the ordinary rate of pay for one day's work in addition to the ordinary rate of pay for that day."

This will be replaced by a new sub-section (3) where a worker would earn less. The new sub-section provides that an employee employed on a monthly rate of pay who works on a rest day shall be paid for any period of work (i) which does not exceed half his normal hours of work, wages equivalent to half the ordinary rate of pay for work done on that day; and (ii) which is more than half but which does not exceed his normal hours of work, one day's wages at the ordinary rate of pay for work done on that day.

Again Section 60C is amended so that an employee engaged in regular shift work can now be required to work for more than 12 hours a day.

All these amendments make serious inroads into labour rights.

But it is the new Section 2B which is the most horrifying amendment. The new Section 2 B reads.

*"The Minister may by order exempt or exclude, subject to such conditions as he may deem fit to impose, any person or class of persons from all or any of the provisions of this Ordinance."*

#### **Minister of Labour given powers to oppress workers**

This is an extraordinary and far-reaching amendment which gives the Minister the power to exempt the operation of any provision in the Ordinance. The Employment Ordinance is aimed at providing a minimum of terms and conditions of service to workers, below which employers cannot go.

This is the purpose of Section 7 in the Ordinance providing that "no condition of any contract of service shall be contrary to the provisions of this Ordinance and any such condition which is contrary to such provisions shall be void and of no effect". Although the wording of Section 7 is being amended, the effect remains the same, which is that "a term or condition of service which is less favourable to an employee than a term or condition of service prescribed by this Ordinance shall be void and of no effect to that extent and the more favourable provisions of this Ordinance shall be substituted therefor."

Section new 2B, however, makes Section 7 irrelevant, and arms the Minister of Labour extraordinary powers in giving the Minister of Labour power to take away the prescribed minimum terms and conditions of service which the highest legislature had legislated for workers.

This makes the Minister of Labour omnipotent, the superman in the industrial relations field, who has the power to decree that employers can be exempted from the statutory need to observe the provisions laid down by the Employment Ordinance with regard to termination of notice, holidays, hours of work, rest day, sickness benefits, maternity benefits, and any one or all the provisions in the Ordinance.

**At a time when Malaysian workers had the honour of having a Malaysian to be head of the ICFTU of the so-called free world, Malaysian workers have become more unfree.**

It is indeed a great irony and tragedy that at a time when Malaysian workers have the honour of one of them to lead the International Confederation of Free Trade Unions, the workers in Malaysia should at the same time become even less free.

Section 2 B of the Amendment Bill will completely nullify all the rights won by labour to ensure that labour is not a 'commodity'.

In coming to Parliament with this proposed new section 2 B, the Minister of Labour is in fact seeking to usurp the powers of Parliament. For if the Labour Minister has the powers as envisaged in Section 2 B, then it is all a farcical exercise for Parliament to pass any labour laws to govern minimum standards on terms and conditions of employment for workers. Parliament might just as well pass a one-section Act giving the Labour Minister all the powers to make any regulations or rules concerning employment as he in his wisdom decides, for this is what the new Section 2B means.

I am horrified by the audacity of this proposal, which is contrary to all the notions and norms of democratic legislation, and typify the arrogant attitude of the class of whom the Labour Minister is a representative of their God-given right to rule and decide the destiny, the happiness and sorrows of the working population !

### **Motive for Systematic Emasculation of labour rights**

Workers of Malaysia have a right to know the motive behind this systematic emasculation of workers' right, and under the new Section 2 B, the power of the total elimination of workers' rights is now vested in the hands of one man, the President of MCA cum Minister of Labour.

The Minister of Labour is introducing these anti-labour amendments to try to attract back foreign investors who, in the last two years because of internal and regional developments, have shied away from Malaysia.

The government has however, in the usual fashion, embarked on a policy which will make the situation worse. For stability cannot be built on further exploitation of the workers and drastic denial of their basic rights to a decent and human life.

On the other hand, the passage of these new amendments to the Employment Ordinance will inject into Malaysian body politic a new poison which will sour up the ground even more, and will be a great de-stabilising element, creating new sources of tension, sharpening class conflicts.

I noticed that it has become more and more fashionable for leaders and members of the government parties to brand critics and opponents as 'anti-national' or 'communist-inspired', and we hear recently of so-called exposes of trade unions, student organisations, and even political parties as having been infiltrated by communists. There will probably be those who will be quick to label as communist all who are opposed to the present amendments to the labour laws, whether from Opposition parties or trade unions.

It is such hysteria and myopic refusal to understand the genuine grievances of the workers which are chiefly responsible for the losing battle for the hearts and minds of the people.

The government must pause, and in the interests of greater national solidarity, heed the voices of the poor and working class.

#### **Proposal to refer amendment bill to Select Committee and for Enactment of a totally new Employment Act**

I call on the government not to disregard the mass dissatisfaction of workers and their representatives over this amendment bill. I am sure the government had spies at the special conference of affiliated unions of the MTUC held at the MTUC headquarters on 20th June 1976, where workers' representatives, especially at the union and state levels were very bitter and frustrated about these proposed amendments.

The government has nothing to lose by giving more time for a fuller consultation and discussion of these amendments before enacting them into law. On the contrary, the government has everything to gain, for it will contribute to the lessening of social tension and class conflict.

For this reason, I will propose that this Bill be referred to a Select Committee, for this will give the MTUC and other interested organisations fullest opportunity to discuss and convince, or be convinced, of the suitability and unsuitability of these proposals.

The MTUC has up to now been unable to get its voice heard. For instance, I have not received any communication from the MTUC explaining the MTUC's proposals and stand on each and every one of the proposed amendments. I understand that the MTUC is seeking a meeting with the Prime Minister on these amendments.

It would be most improper to say the least for the Labour Minister to rush through these amendments now, when he has undertaken to arrange a meeting between the MTUC leaders and the Prime Minister on these very proposals.

Finally, what Malaysia and our workers need is not the piece-meal amendment of the Employment Ordinance, 1955, cutting it up and pasting all over it every few years. What Malaysia needs is a new Employment Act which will give due recognition to the place of workers in our society. It is another cause for shame that despite the fact that we have been Independent since 1957, for 20 years, we have still to base our labour laws on colonial legislation — and what is worse, eroding rights given in colonial times instead of building upon them.

The reference of this amendment Bill to a Select Committee will also have the advantage of enabling a deeper consideration and study of the question of introducing an entirely new Employment Act to provide minimum safeguards to workers in Malaysia.

ADDITIONAL SPEECHES

*"The Minister has great powers under the Internal Security Act, and many are arrested and detained, not because they are guilty of subversion, violence, or activities that would cause racial disharmony, or danger to national security, but because they are the political opponents and critics of the powers that be."*

Speech when moving a \$10/- cut in the salary of the Home Affairs Minister during the debate on the 1976 Ministry of Home Affairs estimates on December 9, 1975.

I rise to move that the salary of the Home Affairs Minister be cut by \$10.

The Minister of Home Affairs wields wide powers to protect the security of the nation. His function is particularly important at this stage when the country faces an upsurge of communist guerrilla activities both in the towns and jungles.

We see however gross abuse of power in the Ministry of Home Affairs which tramples on the basic rights of Malaysians, and which can only erode public confidence in the democratic system and provide an inspiration to the upsurge of communist guerrilla activities.

Thus, the government claims that the communists cannot win in Malaysia because there is genuine democracy here. When the Prime Minister returned from his visit to New Zealand and Australia, he said Malaysian students who took part in protest demonstrations against him during his tour, should come back and hold public rallies instead.

But, in actual fact, public rallies have been banned since the last general elections, except where there are by-elections.

The Minister has great powers under the Internal Security Act, and many are arrested and detained, not because they are guilty of subversion, violence, or activities that would cause racial disharmony, or danger to national security, but because they are the political opponents and critics of the powers that be.

Datuk James Wong's detention is the most glaring instance of a patriot who was detained under the Internal Security Act, not because he had sought to subvert or overthrow the elected government by unlawful means, but on trumped-up charges to remove a political opponent to the Chief Minister of Sarawak from the active political arena.

#### **Datuk James Wong's detention : Background**

Datuk James Wong was arrested by several police officers from Kuala

Lumpur at his Kuching home on Oct. 30, 1974. He was informed by the police that he was arrested pursuant to Regulation 7(1) of the Preservation of Public Security (Detention) Regulations or PPSR.

He was brought to Kuala Lumpur for detention. On December 28, 1974, a Detention Order, signed by the Federal Secretary, Sarawak, Engku Ibrahim bin Ngah, was served on him, and on January 3, 1975, Engku Ibrahim bin Ngah signed a Removal Order under the PPSR directing Datuk James Wong's removal from Taiping Prison, Perak, to Kamunting Detention Camp, Perak.

On 10th March, the High Court in Borneo issued a writ of Habeas Corpus for the release of Datuk James Wong on the ground that his detention under the PPSR was unlawful.

Immediately after his release, he was re-arrested outside the Kuching High Court under the Internal Security Act, 1960, and flown back to Kuala Lumpur on the same day.

An order of Detention, dated 10th day of March, 1975, pursuant to Section 8 of the Internal Security Act, 1960, was served on him on the same day, together with the grounds of detention and allegations of fact.

The grounds on which the detention order was made reads:

*"That you, Datuk James Wong Kim Min have since 1974, acted in a manner prejudicial to the security of Malaysia in that you have actively, knowingly and willingly collaborated and assisted a foreign power in its claim over Limbang."*

The Allegations of Fact, signed by the Deputy Home Affairs Minister, Datuk Samad Idris, in the name and on behalf of the Minister of Home Affairs, reads:

*"Allegations of Fact : That you, Datuk James Wong Kin Min had, during a meeting with the agent of the foreign power in May 1974, agreed to receive the aid of that foreign power to enable you to discredit (which you did) the existing Government of Sarawak and to replace it with a government formed by you and you also agreed that the government so formed by you would arrange for the secession of Limbang to that foreign power; and you further agreed with the said agent of the foreign power to receive assistance from that foreign power to accomplish the aforesaid purpose."*

On April 5, 1975, Datuk James Wong wrote to the Minister of Home Affairs from the Kamunting Detention Camp, asking for particulars of the allegations for his detention.

Datuk James Wong wrote *"I regret to have to inform you that the grounds and the allegation of facts supplied to me are vague, inadequate*

and insufficient for me to make adequate representation before the Advisory Committee before whom I would like to make objections against my detention under the Detention Order aforesaid.

"I humbly submit that to be able to make a proper and adequate representation before the Advisory Committee, I should have the following particulars :

- (a) the name of the agent who allegedly met me in May 1975;
- (b) the date and place of the alleged meeting;
- (c) the Foreign Power concerned;
- (d) the form of aid or assistance which I have allegedly agreed to receive."

The Ministry, in a letter dated 17th April 1975, signed by Mohd. Khairi bin Haji Wan Ali, b.p. Ketua Setiausaha, Kementerian Hal Ehwal Dalam Negeri, replied:

*"Segala butir-butir yang dipinta, sebagaimana yang terdapat di dalam surat tuan itu, adalah butir-butir yang tuan sendiri sekian maklum."*

*("all particulars that you have asked for in your letters are well-known to you") - translation.*

This set a very dangerous precedent for the arbitrary arrest of critics and dissenters, for all that the government need to do is to put up trumped-up charges, and when asked to give particulars of the allegations, state the accused should know about the details himself ! This makes a complete mockery of the Rule of Law that a person should be informed of the charges preferred against him.

During the Advisory Board hearing of Datuk James Wong's appeal, it was said that the "agent of the foreign powers" was Seri Begawan, Brunei, and the time of the meeting was 10 p.m. in the year of 1974, and that he had received \$4 million from the Seri Begawan of Brunei. However, two crucial particulars were never supplied, namely the exact date of the alleged meeting and the place thereof.

On 6th May, at Taiping, Dato James Wong made a sworn affidavit that:

- (i) he did not receive a single cent from Seri Begawan of Brunei;
- (ii) that he did not know the Seri Begawan of Brunei personally, and that his last meeting with him was in or about 1965 when he was the Deputy Chief Minister of Sarawak and had accompanied the present Prime Minister, Tun Abdul Razak,

on an official visit to the then Sultan of Brunei;

- (iii) that he had not met the Seri Begawan since 1965 and had never corresponded with him;
- (iv) that he was never in Brunei at 10 p.m. on any day in May.

These statements are made by Datuk James Wong on oath, and he could be charged with perjury if the Government has proof, as stated by the Deputy Minister of Home Affairs in reply to an oral question on 6. 11. 1975 "*bahawa penahanan Datuk James Wong adalah atas asas dan bukti-bukti yang cukup.*" ("*that the detention of Datuk James Wong was on sufficient basis and proof.*")

That the Government has not charged Datuk James Wong with perjury is proof that the Government cannot disprove the veracity of Datuk James Wong's affidavit, which means that the government's allegations of fact for the detention of Datuk James Wong is merely fictional and has no relation with facts.

Datuk James Wong's detention is therefore not motivated by any threat that he posed to national security, but the threat he and his party, the SNAP, posed to the Sarawak National Front.

This cannot be condoned and must be condemned as a naked, arbitrary exercise of power, and it is for this reason, that I move that the salary of the responsible Minister be cut by \$10

The Minister should uphold fairness, justice and order the immediate and unconditional release of Datuk James Wong, against whom the Ministry could not offer a single evidence to back up its allegation of facts, while on the contrary, Datuk James Wong has adduced overwhelming evidence in his affidavit that he did not and could not have met the Seri Begawan of Brunei and had received \$4 million in agreeing to secede Limbang to Brunei.

I will only conclude with the following quotations from Datuk James Wong's affidavit :

*"I do not want to see Limbang, a place where my late parents are now buried and where I was born and I had lived for many years, being taken away from Sarawak and Malaysia by any foreign power, including Brunei or any persons therein.*

*"In none of my speeches both in Parliament or in the Council Negeri and outside these Houses, have I advocated the annexation of Limbang by an foreign power.*

*"I am one of those persons who supported the formation of Malaysia at its very early stages. I have done my best from 1961 to 1963 to bring Sarawak including Limbang into the Federation of Malaysia."*

For his part in help forming Malaysia, he was conferred the Datukship and Malaysia Commemorative Medal (Silver).

Finally, he said : *"Although I am now in detention, my views on this point have not changed an iota. I maintain, and I would fight with all my heart and strength to ensure that Limbang shall always remain part and parcel of Sarawak and of the Federation of Malaysia."*

## Speech on Royal Address on April 16, 1974

Mr. Speaker, Sir, during the last Budget Session three months ago, I had called for a Commission of Enquiry into the hunger strike conducted by the political detainees in Batu Gajah and Taiping Camps and at that time we were not in possession of the full facts. On February 16, 1974 — thanks to the Minister of Home Affairs — I had visited the Batu Gajah Detention Camp and met representatives of the political detainees. From the accounts which they told me about the circumstances causing the 47-day hunger strike by over 200 political detainees from 29th December, 1973 to February 12, 1974 — the events during the strike — I am more than convinced that there is a prima facie case warranting a commission of enquiry into allegations of physical violence and atrocities perpetrated on the detainees by the warders and the F.R.U. men. This is what I was told by the detainees whom I met in the Batu Gajah Camp in the presence of senior prison officials.

On 29th December, 1973, the political detainees at Batu Gajah Detention Camp heard news of the death of another detainee at the Taiping Detention Camp, Wong Sui Sang, from Yong Peng, Johore. Since his detention, Wong Sui Sang had rheumatic pains in the various parts of his body and despite treatment, he was unable to cure tinnitus, or continuous ringing in the ears. As a result of poor medical care and bad living conditions in the detention camp, his condition deteriorated.

To the Batu Gajah detainees, Wong Sui Sang's suicide was a final protest against the unsatisfactory living and medical conditions in the Kamunting Camp in Taiping, and he died hoping that his death would lead to improvement in the camp conditions. He left behind a testament.

The confrontation between the prison officials and the detainees arose when the detainees attempted, and failed to see the Superintendent of the Camp to find out the real reasons for the death of Wong Sui Sang and for permission to make arrangements to send a condolence telegram and money to the deceased's family. The detainees were restless, and the Federal Reserve Unit who were summoned threw tear gas canisters and fell upon the detainees, assaulting and beating them up with great brutality. In the first assault, many were severely injured, and some six or seven detainees were hospitalised with severe head and body injuries. Among those hospitalised were Lee Ban Chian from Muar, Yap Bee Hui from Penang, who received nine stitches, and Lim Choon Hwa.

The detainees were locked into their individual cells and, according to them, these physical assaults and brutalities were continued in the individual cells. In protest, a hunger strike was called.

I have been told that during this period, the detainees were let out

in twos and threes to take their baths, and when they were late or slow, they would be kicked, assaulted and beaten up, sometimes by the use of batons which were stabbed into their abdomen, ribs, kidneys or other sensitive parts. One particularly shocking episode concerned the transfer of political detainees at Taiping Camp to Batu Gajah Detention Camp after the Taiping political detainees had launched a sympathy hunger-strike on 13th January, 1974 to support the Batu Gajah detainees.

There was no incident during the trip from the Taiping Camp to Batu Gajah Camp. On arrival at the Batu Gajah Camp, the Taiping detainees had to enter one by one, separated by some distance, into the Camp. The detainees from Taiping told me that they had to file through two lines, on one side formed by F.R.U. men and the other by warders, who beat them with batons, kicked them and assaulted them with aluminium cups as they went through. The Taiping detainees suffered head injuries, back injuries and other bodily pains.

This was about 1 p.m. on 14th January, 1974. At about 2 p.m., the Taiping detainees were let out in twos and threes from their individual cells to take their bath, and in the process, they were again beaten up. The F.R.U. men also went into the cells to beat up the detainees. They would order the detainees to take off their clothes and kicked them. That whole afternoon, the detainees confined at the adjoining blocks could hear sounds of beating and cries of pain.

I have been given some specific instances of police brutality and manhandling. Thus, in the case of Lim Joo, when he was going to bathe, he was beaten up by two warders with batons stuck into his stomach. For the next five or six days, he passed out blood. I have been given the number of the two warders concerned, and if the Minister of Home Affairs is interested, I am prepared to give him those numbers.

Others who were badly hurt as a result of the daily assaults were Chao Bee Poh of Kedah and Goh Sao Nien of Penang. But in the majority of cases, when the F.R.U. men or warders were committing physical violence or manhandling the detainees, they removed their number badges to avoid identification.

On February 5, the 38th day of the hunger strike, one Lim Yoke Wan of B Block, who was the last to come out to bathe that day, was assaulted severely by two officers and two warders at about 3.37p.m. The detainees have also given me the names of the two officers concerned.

On February 6, Goh Siew Peng, who had been sent to hospital earlier after severe beatings, was again assaulted by two officers and warders and lost consciousness. This was his fourth assault, and he was reduced to a critical stage. One detainee who saw Goh in hospital found Goh unable to

talk, and the hospital authorities, convinced that Goh would not live if he was again assaulted, refused to let him return to the camp.

Because the F.R.U. and warders chose sensitive parts, like kidney, ribs, stomachs, for their targets of brutality and assaults, many detainees suffered severe internal wounds and internal haemorrhage. A number are still having difficulties in urination. Among those who were critically injured were Lee Ah Ming from Pontian, Tan Boon Siong of Kedah and Tay Chee of Segamat. One of the detainees from Muar has been sent to Tanjong Rambutan Mental Hospital as a result of the treatment he received during the 47-day hunger strike.

Whatever explanations the Minister of Home Affairs may have given — and I felt greatly disappointed by the flippant and, if I may say so, rather irresponsible attitude that he showed during Question Time on this question — to exonerate his officers, there is clearly an irrebuttable case for a public inquiry headed by a High Court Judge to go into these very serious and specific allegation of police atrocities in the camps.

National and international opinion, especially the Amnesty International were shocked by the reign of terror and atrocities in the camp during this period. Unless there is a public inquiry to ascertain the true facts of the 47-day hunger strike, and punish those officers and personnel guilty of atrocities, this will remain a great scandal and shame for Malaysia, for the Ministry of Home Affairs and, even more so, to the record of the Honourable Minister of Home Affairs himself. I am not suggesting that the Minister is personally responsible for these atrocities, but as the Minister concerned, he should not be a party to them which he will be if he refuses to order a public inquiry to bring to book those responsible for such heinous conduct.

I hope that the Minister of Home Affairs would have no reason to hush up the entire matter, as the Minister of Health had tried to do with regard to the mass hospital deaths at the Malacca Hospital from July 21 to August 20, 1973 as a result of gross negligence, maladministration and incompetence of the hospital administration.

His Majesty, in his Gracious Address, spoke of improving national security. But we know that in the last one year, there has been an intensification of detentions under the Internal Security Act. More and more Malaysians are disappearing from their homes and places of work, without being given an open trial.

The D.A.P calls on the Government to put all the ISA detainees to an open trial or release them, for this concept of detention without trial runs counter to the Rukunegara concept of the Rule of Law. The Rule of Law, if it is to be meaningful, must uphold the fundamental rights of men against arbitrary arrests, and not the right of government to arbitrary arrest.

Furthermore, the Rule of Law does not mean that all laws of a country

are embraced by it, for if this is the definition, then it ceases to have any meaning, for South Africa's apartheid laws, the Nazi and Fascist laws of inhumanity and genocide, are all protected by the Rule of Law in the sense that they were enacted by the rulers of the country. Laws, properly enacted by Parliament or other Legislatures, may still offend the Rule of Law for they offend the very essence of human freedom, dignity and justice.

*"There can only be national unity if the Government regards every problem which touches and concerns large sections of the population as a national problem. It will be the surest recipe to national disharmony if the problems of one community are considered as national problems, while the problems of another community are downgraded as sectional problems."*

Speech on the Royal Address on April 18, 1973.

I must confess deep disappointment and regret, shared by decisive sections of the people in the country, that the Government in this policy pronouncement has conspicuously omitted reference to the burning issue in the country — namely, the mass failures in the 1972 M.C.E./S.P.M. examination merely because of failure in the Bahasa Malaysia paper.

I had hoped that the Government would take this opportunity to show to the people and the world that it is a liberal, broadminded and statesman-like one, which genuinely cares for the interest and welfare of all sections of the population.

When the Honourable Prime Minister took over the reins of office three years ago, he promised to break from the previous Administration which had the habit of sweeping unpleasant things under the carpet. It would appear that the present Government is not only afflicted by the same disease, but is actually sweeping unpleasant things under a bigger and more capacious carpet.

Since the release of the MCE/SPM results on 19th March 1973, the whole country has been astir with shock, fear and gloom at the high rate of mass failures in last year's examination. The results of major English and Chinese schools, which had traditionally maintained very high standards, are particularly unbelievable.

Thus, in Penang, St. Xavier's Institution had a pass rate of 26 per cent; Chung Ling High School 26 per cent; Han Chiang High School 27 per cent; Methodist Boys School 27.1 per cent; Penang Free School 57 per cent.

In Kuala Lumpur, Jalan Cochrane English School scored only 28.3 per cent passes; Bukit Bintang Boys' School in Petaling Jaya 30 per cent; Assunta Convent in Petaling Jaya 58 per cent; Methodist Boy's School, 62 per cent.

One of the best schools in Perak, St. Michael's Institution, has the shocking result of only 17.4% passes. In Malacca, Malacca High School has 57 per cent passes.

These figures, bad as they are, do not convey the enormity of the problem, especially for English and National-type secondary schools. For instance, in the case of the Jerantut Secondary School, Pahang, although the school scored 45% passes, there were 100% non-Malay failures.

According to figures given by the Minister of Education in his statement of April 4, 1973 out of 37,126 who sat for the MCE last year 21,061 failed including 14,331 who failed because of Bahasa Malaysia. A total of 27,784 non-Malays and 9,342 Malays sat for the MCE examination. Of these 9,314 non-Malay and 6,751 Malays passed. Out of the 14,331 who failed because of Bahasa Malaysia, 14,166 were non-Malays and 165 Malays.

In percentage terms, this means:

	Malays	Non-Malays
Passed MCE 1972	6,751 (72.25%)	9,314 (33.5%)
Failed Bahasa Malaysia	146 (1.5%)	14,116 (51%)
General Failure	2,445 (26.25%)	4,354 (15.5%)
Total	9,342 (100%)	27,784 (100%)

This means that 23,430 non-Malay students or 84.5% would have passed the 1972 MCE if not because of Bahasa Malaysia instead of the present 33.5% pass. An education system which fails 66.5% of the non-Malay students, 51% of whom for failure in Bahasa Malaysia, warrants an open, public and impartial inquiry.

What makes a public inquiry all the more compelling and necessary is the fact that the overwhelming majority of these 14,000 students failed because of Bahasa Malaysia are above-average, even brilliant, and conscientious students, large numbers of whom scored a string of distinctions, some even six, seven or eight distinctions, while out of the 14,330, at least 10,000 would have got Grade One if not for failure in Bahasa Malaysia.

This is the first time that thousands of brilliant and conscientious students have been failed and their future wrecked because of Bahasa Malaysia. Over the last three years, over 30,000 students have become victims of the Government's MCE education and examination system. At the rate things are going, unless there are drastic remedial measures, by the end of this decade, these victims are going to be joined by some 100,000 others suffering the same fate.

There is no reason at all why every year, thousands of brilliant and conscientious students should fail Bahasa Malaysia and therefore the entire MCE when they can distinguish themselves in difficult subjects, like mathematics and science, if the examination is fairly and justly carried out, and the education system is competent and adequately-staffed with qualified teachers in Bahasa Malaysia.

It is not easy to score a string of distinctions in the MCE. It is probably easier to become a Minister or Assistant Minister in Malaysia. I would like to know and the people would like to know, how many Ministers or Assistant Ministers can claim to have achieved six, seven or eight distinctions during their Cambridge examination. Yet today, our younger brothers and sisters and our children who could do what the Assistant Ministers and Ministers could not do are being failed in the thousands every year wrecking their future.

When I asked in this House last year for the reasons for the mass failure of MCE candidates in Bahasa Malaysia in the previous two years, the Honourable Minister of Education gave the ridiculous reply that the students did not pay adequate attention to the subject as they do to science and mathematics. Such an explanation is not borne out by facts. The students know that if they fail Bahasa Malaysia, they fail the entire examination however well they may do in science and mathematics, and they have the example of thousands of their predecessors failing the MCE despite a host of distinctions in other subjects as reminders and warnings.

The students, their parents and the public know that the MCE candidates had tried their level best in Bahasa Malaysia. Neither can it be said that the 14,330 who failed the MCE Bahasa Malaysia did not have a grounding in Bahasa Malaysia, as they passed the common Bahasa Malaysia paper when they sat for the Lower Certificate of Education examination in 1970. Furthermore, large numbers of the 14,330 students had either excellent or creditable schools records of their performance and attainments in Bahasa Malaysia. Students who scored distinctions or credits during their schools' mock MCE examination in Bahasa Malaysia failed as miserably as those who got poor passes or failed. In Chung Ling High School, Penang, the student who won the Bahasa Malaysia contest for the whole school also failed in MCE Bahasa Malaysia.

Many conscientious teachers wept when they saw the results, for they were something they had never expected in the wildest of nightmares. Surely, something is fundamentally wrong with the MCE examination and education system where students who can get distinctions in a string of other subjects, and who have tried their level best supported by excellent school record of their attainments in Bahasa Malaysia, cannot pass the MCE Bahasa Malaysia paper, not in one instance, or ten, or hundred, or one thousand, but 14,330 and not for one year, but year after year.

The sins and defects of the MCE examination and education system must not be visited on the heads of tens of thousands of innocent young Malaysians. There must be an immediate full-scale and public inquiry into the grave and many defects of the MCE examination and education system to find out the true causes of the mass failures in Bahasa Malaysia by non-Malay students, to look into the inadequacy of genuinely qualified teachers in Bahasa Malaysia, the teaching methods, the setting and marking of examination scripts, and to propose remedies.

The scandalous and atrocious MCE results have created a deep seated crisis of confidence, and it will be no exaggeration to say that no issue since the reconvening of Parliament has so shattered the people's confidence not only in the integrity of the whole education system, but of the whole Government itself.

The national unity which His Majesty mentioned in his Gracious Speech has suffered a grievous setback as a consequence. There can only be national unity if the Government regards every problem which touches and concerns large sections of the population as a national problem. It will be the surest recipe to national disharmony if the problems of one community are considered as national problems, while the problems of another community are downgraded as sectional problems.

It has been obvious for some time that there are groups in the country, representing some very influential and highly-placed persons, who are delighted at the present system which fails some 10,000 candidates a year because of Bahasa Malaysia. To these people, the resent MCE results must have come as an even greater pleasure. These are people with narrow, petty and small minds, who do not want to see the creation of a genuine multi-racial society and nation, and are the true anti-national elements in the country. These people vehemently oppose the establishment of any public inquiry into the causes of the mass failures, not for any high-sounding national considerations, but for the most unspeakable of reasons.

Let me stress here that the question of the position, status and place of Bahasa Malaysia as the national language of Malaysia is not in question, and let no Member of Parliament stand up and let go with a big speech on it in the hope of evading and clouding the issue, with emotion and sentiment in the absence of reason and good sense.

It will also be appropriate here to rebut one argument that will be advanced in the course of the debate, namely, why nobody made any noise when in the old days English was a compulsory language in the Cambridge examination. This argument is invalid. Among other things, there is one big difference between the two instances, for I do not believe that you have a parallel situation where tens of thousands of candidates fail the Cambridge examination despite the fact that they get a string of distinctions in other subjects.

The Honourable Finance Minister recently in his speech in Washington said that to solve the present international monetary problems, instead of groping and floundering until the next crisis arises, "*What is needed now and badly needed too is the political will and the political courage to do what is right.*" I would commend to the Finance Minister and his Ministerial colleagues to do precisely what he preached, and do in Malaysia, and with reference to the scandalous MCE results of 1972, to have the "*political will and political courage to do what is right*" for the educational welfare and entire of all Malaysian children.

The right thing to do is to institute a Royal Commission of Inquiry into the causes and reasons for the high rate of Bahasa Malaysia failures and to give conditional passes to MCE candidates who would otherwise have passed not for failure in Bahasa Malaysia with the proviso that they repeat the Bahasa Malaysia paper. MCE candidates who would have qualified to proceed to sixth form if not for the failure in the Bahasa Malaysia paper should also be given sixth form places subject to the proviso that they repeat the Bahasa Malaysia paper.

If the Government can spend so much time and money to have a Parliamentary Committee to hold public inquiries into such an inconsequential problem as whether to permit the screening of X-films, it is a sad commentary on the leaders of this country if on such a matter of overriding importance as the education and future of young Malaysians, it should treat it as of even less import than X-films.

The argument of the Minister of Education so far for refusing to grant conditional passes to the 14,330 candidates for failure in Bahasa Malaysia is that the award of MCE fixed by the University of Cambridge Local Examinations Syndicate, does not allow the award of conditional passes. These rules are man-made and can be man-unmade, especially when there are cogent and over-powering reasons that special exceptions should be made for the 14,330 students. To require these students to repeat the MCE for another year, despite the fact that they have got distinctions which they cannot improve upon, is a most wasteful and short-sighted policy.

In any event, are there places for the 25,000 MCE/SPM failures, when even now, many National-type secondary schools do not have enough teachers for subjects required to be taught in Bahasa Malaysia although one school term has ended? Is the Government going to give these failures one year of free retention, as it is basically the defect of the system which is the cause of the failures?

I urge the Cabinet to give serious consideration to this entire problem, and view it not as a sectional, non-Malay problem, but as a national problem with the view towards releasing the forces of unity and goodwill and not towards setting free forces of division, hatred and deep and simmering resentment against the presently constituted society.

More than the educational future of 14,330 persons is involved in this issue. What is being decided is whether the essence and spirit of a multi-racial Malaysia is to be salvaged or destroyed beyond redemption, and let the rot set in.

Another cause of grave concern for the nation arising from last year's MCE/SPM results is the continued high rate of failures among Malay students in mathematics and science. Mathematics and science hold the key to the modernisation of the rural Malaysians, and although this has itself been preached ad nauseam by the Government, very little seems to be done to pitchfork the rural Malays into the age of technology and science.

Up to today, we do not have detailed analysis from the Ministry of Education on the performance of Malay students in science and mathematics, apart from the general information that the failures continue to be very high.

The high rate of Malay failure in science and mathematics can only be solved if a strong base in these two subjects are laid in the primary school levels. A study of the mathematics and science attainments in the national primary schools will show that this is not being done. Thus, in the 1972 Std. V Assessment Test for national primary schools, 40 per cent failed in mathematics and 40 per cent failed in science. Unless the primary base in mathematics and science is laid firmly, Malaysia will not get the corps of Malay scientists, technologists, engineers and doctors needed by the nation.

The Minister of Education has announced that the special survey on school drop-outs has been completed, and called on the members of the public to help solve this problem, which he described as too big for the Government alone to handle.

I am happy that during Question Time it was announced that the report would be released to the public and that if Members of Parliament wish it, he will also make available the original report, because it is important that if members of the public are to help in solving this problem, then they must be fully taken into confidence. It is in this regard that I am surprised that when he made the announcement he said that in the public interest, it may be necessary that some portions of the report should not be released, and I hope the Honourable Minister will be able to clarify on that.

There is no doubt that the entire education system from the primary up to tertiary level needs a drastic review and reform. The standard and quality of education in the primary schools is particularly appalling. Thus, in the 1971 Std. V Assessment Examinations, 221 national primary schools had 100% failures, with Trengganu with the dubious honour of leading with 59 schools, Kelantan 44 schools, Pahang and Johore 39 schools each and Kedah 33 schools.

A decade or two ago, holders of MCE certificates could find jobs easily. Today, they are only qualified to join the army of unemployed and probably pride themselves for being educated unemployed. If these youngsters, who have the academic ability to go to university and university places are denied higher education opportunities, then they will be condemned to unsatisfying and secondary jobs for the rest of their lives, nursing a bitterness against society. We urge the Minister of Education to give HSC places to every successful MCE candidate with good grade and that every MCE first grader should be offered a HSC place in schools.

The Government should expand HSC and university places to meet the thirst and demand for higher education among young Malaysians. It is reported that some 6,000 applicants for university places this year will be rejected. The DAP calls on the Government to allocate funds to absorb these students to give them places in pre-university and university institutions. Such money will be well invested.

We would also seriously urge the Government to set up a Cabinet Committee to look into the question of providing free secondary and tertiary education, as the present system helps the children of the rich and wealthy, and reduces the chance of the poor to develop his potential and ability to the fullest through tertiary education.

During the National Day celebrations last year, the Alliance Government's slogan was to build a "Masyarakat Adil", a Just Society. It is time the Government, especially in the vitally important sphere of education, which affects the entire future of our children, prove by deeds that they really cherish and desire a "Masyarakat Adil".

Finally, Mr Speaker, Sir, on behalf on the Opposition Parties, namely Parti SNAP, Parti PEKEMAS and the DAP, I wish to submit a joint amendment, of which written notice has already been given to the Setiausaha, to the Motion standing in the name of the Honourable Member for Tumpat, that at the end of the motion, after the words "*with which the Third Session of the Third Parliament has been opened*", to add the following words:

*"But regrets that the Government has conspicuously omitted reference to a matter of grave national concern, namely the high rate of failure in the 1972 MCE/SPM examination merely due to failure in Bahasa Malaysia although some of the candidates did very well in other subjects; and the continued high rate of failures in mathematics and science in the national schools jeopardising the education and future of the new generation of Malaysians and setting the clock back in welding national unity in Malaysia."*

The Opposition Parties are acting as one on this amendment because of the magnitude and importance of the issue concerned. We urge all Members of Parliament, including all those outside the three sponsoring Opposition parties to stand up in this Chamber and let the voice of the people from all corners of the country to be heard and weighed.

I urge the Government to treat this matter, which affects the future well being of Malaysia as a united multi-racial nation, as a national problem, and not as a partisan or sectional problem and allow everyone of its Members of Parliament freedom to speak and vote according to his conscience so that the Government can be guided by the true cross-section of the views, hopes and wishes of the people who elected us into office.

Speech by Member of Parliament for Bandar Melaka, Lim Kit Siang, in the Dewan Rakyat on 14th and 15th January 1974 during the 1974 Supply Committee Stage debate on the Ministry of Health.

I MOVE to cut the salary of the Minister of Health by \$100.

On August 22, 1973, I called a press conference in my Malacca office making public the unusually high number of deaths in the Malacca Hospital during July and August last year, because of the breakdown of the hospital's autoclave, i.e. sterilisation plant, leading to blood and saline poisoning of the patients.

I called for a public inquiry into the deaths, and into the negligence and maladministration of the Malacca Hospital which made such mass deaths possible.

In response to my call and disclosures, the Minister of Health on August 24 ordered an investigation by his Ministry of Health.

Straits Times of August 25, 1973, reported:

"Health Minister Tan Sri Lee Siok Yew ordered today a full investigation into 12 deaths at the Malacca General Hospital earlier this month.

"In a statement, Tan Sri Lee said there had been allegations linking the deaths with an autoclave (sterillisation plant) breakdown at the hospital.

"Tan Sri Lee said it was unfortunate that some people had associated the 12 deaths with the breakdown of the autoclave.

"He stressed that the deaths could be due to many factors and in fact the nature of the illness could lead to death.

"I would like to clarify that one autoclave was condemned on July 21. Immediate action was taken by the hospital authorities to use the second autoclave available in the hospital.

"However, since August 13, the second autoclave also started to break down and was immediately stopped from being used.

"At the same time, action was taken to instal two new autoclaves which were already available in Malacca General Hospital.

"While waiting for the two autoclaves to be commissioned steps were taken to obtain the necessary sterilised supplies from Seremban General Hospital and the Central Medical Stores in Kuala Lumpur."

The Minister's statement of August 24 was a tissue of lies, made deliberately to mislead me, the press, the people, the country, and to mislead his Cabinet colleagues.

### 107 Deaths

THUS, FIRSTLY, there were not 12 deaths during the period in question, but 107 deaths.

The Minister kept insisting there were only 12 deaths until December 19, when he was confronted with incontrovertible figures which I produced in this House. The average monthly mortality rate for the Malacca General Hospital for the first six months of this year was 70, but for the one month period from July 21 to August 20 when the autoclave broke down, there were 107 deaths — or an excess of 37 deaths.

SECONDLY, at the relevant time in question, the Malacca Hospital did not have two operational autoclaves. There was only one autoclave for sterilising bottles and drums of dressings and cottons and one disinfecting unit for mattresses and beddings. It is true that the Malacca Hospital had received two new autoclaves and they could have been installed for operation in May. Unfortunately, owing to the mal-administration of the hospital authorities, no steps were taken to install them until innocent persons had died enmasse.

THIRDLY, the Minister said that the so-called 'first autoclave' was condemned on July 21. In actual fact this autoclave was to be condemned two months earlier in May. In other words, a condemned autoclave was used for two more months when it should have been taken out of operations.

### Disinfecting Unit

FOURTHLY, when the autoclave that was to be condemned in May was finally condemned on July 21, the hospital authorities substituted it with

the disinfecting unit meant for cleaning mattresses and beddings to sterilise bottles and drums.

This disinfecting unit had no means to ascertain whether the correct pressures, times and sterilisation had been made.

No wonder that the Head of the Surgical Department in the Malacca Hospital refused to have his drums sterilised in this manner, and on his own initiative, made arrangements for his medical materials to be sterilised by the Muar General Hospital — and he was still doing so well into September.

The use of the disinfecting unit to sterilise bottles and drums and medical materials was the cause of the contamination of bottles, saline and blood.

FIFTHLY, the Minister said that since August 13 the second autoclave also started to break down and was immediately stopped from being used.

As I have explained, there was no second autoclave, but only a disinfecting unit. (Anyway, I am sure autoclaves are not made to last for only three weeks).

There was no question of 'started to break down.' On August 13, a gynaecologist accidentally discovered moulds and particles in a saline bottle, sent to the laboratory for analysis and foreign bodies were discovered.

#### **42 bottles of blood destroyed**

This was why on August around August 15, the hospital authorities ordered the destruction of 42 pint-bottles of blood and over 2,000 bottles of saline.

It can thus be seen from the above that the Minister's statement on August 24 was studded with lies and falsehoods. What I want to know is whether he deliberately told those lies and falsehoods, or he allowed himself to be completely misled by his underlings to tell lies and falsehoods.

In either case, he does not show his competence or qualifications as a Minister of Health.

The month from July 21 to August 20 was indeed a nightmarish month

in the Malacca General Hospital, not only for the patients and their relatives, but also for the doctors, nurses and the hospital staff — those who are dedicated, those whose conscience are still alive.

Maternity, surgical and medical cases which required blood transfusion or transfusion of saline, or salt solution in drops, reacted adversely. Especially beginning in August, the majority, of them reacted with rigeurs or convulsions. Others collapsed, lapsed into a coma and died. There had even been cases of deaths on the operation theatre, with the doctors and nurses at a loss as to what was happening — all running here and there, trying to contact each other, seeking mutual consolation and comfort which they could not find.

Routine cases of Caesarian operations, where deaths should not occur, ended up fatally. Surgical cases expired, and died. It was really a chamber of horrors and deaths.

On August 9 alone, there were 7 deaths. The mortuary was so crammed that corpses had to be put outside. In order to illustrate to this House the enormity and the iniquity of what had transpired during the episode, I will give some instances of the unusual deaths, and they have all one common feature, i.e. either blood transfusion had been given or saline drips administered.

### **Case histories**

1. Zaiton bt. Mohamed, 33, housewife, admitted on July 19 and was in hospital for 26 days for pre-natal care before labour pains came on August 12. It was to be her eleventh delivery, and that was why she was in for twenty-six days, so that she could be given full medical care, and nothing amiss could take place. She had a Caesarian operation. She was given drips after the operation on August 12, sometime after midnight. When her husband, Rahim bin Mohamed Jan, saw her on the morning of August 13, she was tired but conscious and asked for food, but she was not given. She was given drips again; her hands became bloated. At about 6 p.m. she had rigeurs, her whole body was heated up as if "it was on fire", and she died with her whole face and body turning blue at 9 p.m. She is survived by eleven children.

2. Vaithilingam s/o Kuppusamy, 35, rubber tapper. He went on his own, walked to the hospital, on August 10 for a stone in the bladder operation. He was given drips and blood transfusion. After his operation on the morning

of August 10, complications developed. A second surgery took place the same afternoon. He died on August 11 at 7.00 p.m. I have been told that it is unusual for a fairly young man on a common complaint of stone in the bladder to die and he was assured, and his family was assured, that it was an ordinary routine operation before he went in. The death certificate gave as cause of death; Acute Renal Failure. Was there a previous check on the renal condition before the operation?

3. Choo Khing Bui, 27, admitted on 16.8.73 at 2 a.m. for her sixth birth. In all five previous pregnancies she had normal deliveries. The husband went on the 17th August at 5 p.m. to the hospital to see her and was told that his wife was in a serious condition. He could not find out why or how. He had to wait until 10.00 p.m., when he was informed by a doctor that his wife was dangerously ill. When he was taken to see her, her hands and arms were bloated, and he saw her receiving drips. She was in semi-consciousness until she died on the 18th of August at 12.50 a.m. The death certificate gave as cause of death "Endotoxin shock", which I have been told means blood poisoning. The deceased was in a fit condition as late as 16th August, when she could wash her own clothes in the hospital. She leaves behind 6 children and her latest child survived her.
4. Salpiah binte Hassan 46, admitted on 7th August for growth in stomach, for what hospital authorities said was an ordinary operation. Operated on 14th August, the patient coming out of operation in great pain, shouting and shivering. Given blood transfusion and drips. Died on 17th August. After her death, the family was told she underwent cancer operation. Before the operation, the family was not aware that the patient had cancer nor was the family aware that she was going to undergo cancer operation.
5. How Joo Choon, housewife, she was admitted on 29th June for a simple repair of a hernia. Operated on 2nd July, 1973 followed by complications. On August 2nd she developed rigeurs when she was given drips, which was repeated on 11th August, 1973. Lapsed into coma after 11th August and died on 19th August. Died because of a simple hernia repair operation. The family was assured before her operation on July that hers was a very, very simple and routine operation.
6. Theresa Das, 40, female. She was alive and well up to June, 1973 when she developed an ulcer on her left leg, and received outpatient treatment. Admitted to the General Hospital on 3rd August because of fever. She was later transferred to the gynaecology ward because of a lump in her lower abdomen.

Blood tests revealed that she was suffering from anaemia as well. Accordingly she was given a blood transfusion on 9th August 1973. Her mother visited her on the same evening after the blood transfusion, and found that her daughter was having fever and rigours. The ward nurse was informed but the mother was assured that there was nothing to worry, everything was all right. She went home at about 6 p.m.

The next morning at about 6.30 a.m. a policeman came and knocked at her house and informed her that her daughter was very seriously ill and advised her to go to the hospital immediately. She was too late, and found her daughter cold and very dead. Theresa had no operation, but only a blood transfusion to boost her up for an operation. Cause of death given in the death certificate was "Myocardial Infarction". She has no history of chest pain to suggest that she had a heart complaint or disease.

7. Jamuldin Anan, 1 year 2 months. Admitted on August 9th at 4.30 p.m. for breathing difficulties. Given injections. Operated on the 10th August and died the same morning.

8. Tan Kim Chat, 20. She was admitted on July 19th on first case of pregnancy. She was given drips on 26th July. Gave premature birth on July 27th at 12.30 a.m. Baby was still-born, but mother alive and well. The husband saw the wife at 8 a.m., and was told by the doctor that she was all right. Later in the morning, she had rigours and died at 2.30 p.m., turning blue the whole body. The cause of death given in her death certificate was 'pulmonary embolism'. Tan Kim Chat was a strongly built person, who had no previous complaints about her health.

9. Lee Yong Wai, 2 years: Admitted on 14th August for intestinal obstruction. Operated on 14th midnight. The boy was well on 15th August. Given drips and complications developed, was given a second operation, lapsed into unconsciousness and died on 17th August. The parents were told on 15th August that the child had fully recovered from the operation by the medical staff. This must be the last unfortunate case, for before the boy lapsed into unconsciousness, the hospital authorities rushed in to remove all the saline bottles. They must have discovered about the autoclave contamination but for Lee Yong Wai it was too late.

10. Sukanthiranagy d/o Sithamparam 23: Sent from Segamat Hospital to Malacca Hospital on 10th August 1973 at 7.30 p.m., underwent Caesarian

operation. Died on 11th August 1973. Cause of death given: "Septicaemic shock."

I need not go further. It is not a very pleasant thing to narrate these deaths, the circumstances of their deaths, but if the Minister wants, if he does not have them, there is a full list of all those who died from 21st July to 20th August here, exceeding the average monthly mortality in the Malacca Hospital by some 37 persons.

If on August 13th, a gynaecologist had not accidentally discovered about the contamination in the saline bottles, more would have died. It is criminal negligence on the part of the hospital administrators to allow the whole situation to go on for one month, although unprecedented mortality rates were piling up every day.

I am not saying that autoclaves cannot break down. I know in other parts of the world autoclaves as machines now and then do break down, but there should, in any responsible hospital administration a monitoring mechanism and system whereby if there is unusual mortality rates for investigations to be made, enquiries to be held to find the cause. I am no doctor but I believe that is what would be done by hospitals where there is a minimum amount of patient care and responsibility.

I know that during this period, the doctors and staff were in panic, for they knew something was wrong but yet could not pin down the cause of the mass deaths. In fact, there was a high level attempt to hush up this entire black chapter in the history of the Malacca Hospital, and if it were not for my public disclosure on 22nd August, probably they would have succeeded.

In this connection, it is worth noting that on 18th or 19th August, the Health Minister was in Malacca and met the Malacca Hospital authorities. Was the Minister of Health privy to an attempt to hush up the entire episode?

### **Hollow Reasonableness**

I had right from the beginning sought to co-operate with the Minister of Health in order to get to the bottom of this ghastly episode. Unfortunately, the Minister of Health, apart from presenting an exterior of sweet reasonableness, of concern, of affability, seemed more interested in hushing up the matter.

On my initiative, I met the Minister of Health in his office in Kuala Lumpur on 30th August 1973 to tell him of the seriousness, the magnitude of the whole affair, and for which later some irresponsible cheap MCA officials tried to capitalise and say the D.A.P. chaps are running after MCA Ministers.

Tuan Pengerusi: Panjang lagi Yang Berhormat?

Tuan Lim Kit Siang: Panjang.

Tuan Pengerusi: Ahli Yang Berhormat boleh sambung lagi esok kerana masa sudah cukup.

(The Dewan Rakyat resumed meeting the next day on 15th Jan. 1974).

Tuan Pengerusi: Saya beri dalam masa 10 minit sahaja lagi.

Tuan Lim Kit Siang: Mr. Chairman, Sir, as I was saying yesterday, on my initiative I met the Minister of Health in his office in Kuala Lumpur on 30th August, 1973 to tell him of the seriousness of the whole affair. He told me that he had no axe to grind and that the Committee of Investigations which he had established under the Secretary-General of his Ministry, together with some representatives from the universities, would be given complete freedom to probe into the matter.

At my request, he promised that the relatives and next-of-kin of the deceased would be given opportunities to appear before the investigation committee to relate the circumstances of their dear one's death.

#### **Broken promise**

This Ministerial promise was repeated by the Minister himself to the Malacca State Chief Medical and Health Officer, the Medical Superintendent of the Malacca Hospital, Heads of Departments of the Malacca Hospital and the then Acting Malacca State Chief Minister, Datuk Tan Cheng Swee, at a closed door meeting when the Minister visited the Malacca Hospital on 4th September and Heads of Departments of the Malacca Hospital. I was also invited to this meeting, together with my colleague Bernard St. Maria, the Malacca State Assemblyman for Kota Timur.

Unfortunately, when in public, the Minister refused to make the commitment, and to this date, with the completion of the work of the Committee of Investigations into the Malacca Hospital deaths, the Ministerial promise has been broken.

I want the Minister to tell this House why he broke this promise to allow the relatives of deceased to appear before the Committee. Is it because of pressures from his subordinates which he could not overrule?

The Minister set up a six-man Inquiry Committee, described subsequently as a 'departmental inquiry' by its Chairman, the Secretary-General of the Ministry of Health, Encik Abdul Majid Yusof, into the so-called 12 deaths mentioned by the Minister on August 24.

The other members were Prof. Lau Kam Seng of the University of Malaya, Prof. Francis Morasingh of the Universiti Sains Penang; Dr. Lim Teong Wah of the Institute of Medical Research, Dr. C.C. Lopes, Director of the National Blood Bank and Dr. Ezaddin bin Mohamed of the Ministry of Health.

To members of the public, all the six members of the committee are directly or indirectly associated with the Ministry of Health or the government.

### **Inquiry defects**

The six-man inquiry committee suffers from four basic defects:

1. Its proceedings were not conducted in public;
2. It did not include an Opposition member, a foreign medical expert or a representative of the deceased families so that its findings would be the last word on the matter and accepted without reservations by the public;
3. It did not investigate into all 107 cases of deaths between July 21 and August 20 last year, when the autoclave broke down;
4. It did not hear representations and testimony from the relatives and next-of kin of the deceased.

The Minister is no stranger to these views of mine, for I had in August and September written to him several letters conveying my views, thoughts

and information in my command so as to try to get him to take firm disciplinary action and corrective measures.

The Minister's objection to the inclusion of an Opposition member on the investigation committee is that the investigation is a medical problem which should be handled by medical or professionally-qualified people. This is not a strong enough reason, for the chairman of the committee, Encik Abdul Majid Yusof, is himself a non-medical person.

Another highly unsatisfactory aspect about the investigation committee's work is its inordinate delays and long postponements. The Minister had personally assured me that he wanted to have the Committee complete its work as early as possible. The press secretary of the Ministry of Health is on record as saying that the investigation committee would complete its findings at the end of September.

About five months have passed, we still have no news about the results of the committee's investigations. I understand that the investigation committee had submitted its report to the Minister a few days ago, and if so, I call on the Minister to immediately make public the findings and make available to every Member of Parliament a copy of the report.

I want to say in advance that I cannot but approach the investigation committee's findings with grave reservations and qualifications, because of the reasons which I have given and other reasons which I shall touch on a short while later.

### **Commission of Inquiry**

Here, I would like to know why the Minister of Health was so opposed to the holding of a Public Commission of Inquiry into the Malacca Hospital deaths so that a proper accounting, either way, can be made. There had been public inquiries for lesser tragedies, like the Raja Laut four-storey building collapse and the Pasir Mas derailments. Compared to them there is no doubt that the Malacca Hospital deaths put them in the shade, both in terms of lives involved, and the gross inefficiency concerned.

Another unsatisfactory feature about the investigations is that the Minister failed to take all necessary action to ensure that subordinate hospital staff would feel free and unrestrained to give full, frank and truthful testimony without fear of alienating or antagonising superiors to their future detriment.

As I wrote in my letter to the Minister on 21 September 1973, and I quote:

"Recently, the Malacca Hospital authorities have launched a witch-hunt to blacklist and mark for punishment personnel whom the top administrators suspect are responsible one way or another for furnishing information leading to my call and campaign for a public inquiry into the Malacca Hospital deaths.

"You assured me at our meeting on August 30 that you are personally anxious to get to the truth of the entire tragic affair and that there would be no witch-hunt either by the Ministry of Health or the Malacca Hospital authorities to victimise or penalise any officer or staff merely on suspicion that that person had given information to me.

"The most crucial and pressing task at hand is to find out how many innocent people died in the Malacca Hospital in July and August, and how to restore public confidence in the Malacca Hospital, and not to embark on a witch-hunt which can only end up as a wild goose chase just to satisfy some personal pride or venom.

"I urge you therefore to look into this matter personally, to ensure that the Malacca Hospital authorities will not be permitted to victimise or penalise any person for speaking truthfully, or for some unfounded suspicion, or to settle some personal score."

In this connection, I cannot understand why the Minister did not take immediate disciplinary action against the Medical Superintendent of the Malacca Hospital, Dr. Wong Mae Yee, whose continued presence in the administration could only have a deterrent effect on the staff from speaking freely. Why wasn't the Medical Superintendent suspended immediately, as the officer in overall charge of the hospital during the mass hospital deaths, to clear the way for a thorough inquiry?

I have nothing personal against Dr. Wong Mae Yee. In fact, it is a very unpleasant task for me. However, I have my duty to my constituents, the people of Malacca and Malaysia, and I shall perform my unpleasant task with the greatest reluctance.

It is my considered conclusion that Dr. Wong Mae Yee must bear the brunt of the responsibility for the maladministration in the Malacca Hospital.

In fact, if the doctors, nurses and staff are allowed to give their views freely without inhibition or fear, I have no doubt a similar verdict would be rendered by them.

On 14th September last year, when opening a conference of State Health Directors and Heads of Divisions in Kuantan, the Minister of Health ordered hospital authorities to take action against the few who are blemishing the good name of the hospital service and assured them of his full support.

Unfortunately, the Minister the Health has himself proved that he lacked the resolution or authority to exercise impartially disciplinary powers against heads of divisions.

#### **Kua Tai Hock's death**

In fact, on the eve of the Minister's special visit to Malacca on the 4th September, a two-year old boy, Kua Tai Hock, died unnecessarily. The facts of Kua Tai Hock's case is as follows:

Kua Tai Hock was having fever for one week, and had been receiving outpatient treatment from the Malacca General Hospital. Kua Tai Hock had difficulty in breathing, was sweating and had cold hands and feet.

On 2nd September night, his mother, Madam Tan Leong, took him to the Malacca General Hospital as he was very ill. Kua Tai Hock was seen by a doctor at about 10.15 p.m., after which he was given outpatient treatment again, without being admitted.

While waiting to collect the medicines, Tai Hock's condition worsened, breathing became more difficult and his finger tips were turning blue. Madam Tan Leong pleaded with the nurses on duty for help. This time, the doctor came back, accompanied by another doctor, who both examined the boy and had him admitted into hospital. When Tai Hock reached the ward, he was seriously ill. He was put under the oxygen tent, but he had to share it with another baby. Later in the night, this other baby died but Tai Hock continued to be under the same oxygen tent. There was no change of bed or bedsheet or the tent canopy even though one patient had just died.

Since Tai Hock's admission into the ward, no other doctor saw or reviewed his condition. He was very ill, restless and breathless. Madam Tan asked the staff nurse to help and she gave him an injection. His condition did not improve. It was only until about 9.30 a.m. the next morning, on 3.9.73

– 12 hours after his admission the previous night – that Kua Tai Hock was seen by a doctor, by which time the boy's condition was already very bad. The boy died at about 1.30 p.m., despite attempts to save his life. The cause of death was given as Bronchopneumonia with G.I. bleeding. This case of Kua Tain Hock happened after the autoclave affair.

### Unanswered Questions

Many questions cry out for answer here:

(1) Was Tai Hock's death unavoidable and necessary, especially when he had been receiving outpatient treatment for one week previously from the hospital – which means that all along, the hospital doctors did not think his case serious enough to warrant admission.

(2) Wasn't there a doctor on call at the Malacca General Hospital at night to see or review serious cases hour by hour?

(3) Why didn't a single doctor attend to Tai Hock for 12 hours despite his serious condition on admission?

(4) Was it hygienic and compatible with standard hygienic practice to continue to use any oxygen tent for a patient although another person has died under it, without any change of bedsheet?

(5) Was there adequate, early and timely medical supervision and nursing care?

The mother of the boy, Madam Tan Leong, wrote to both the Medical Superintendent of the Malacca Hospital and the Minister of Health on the boy's death. I also wrote to the Minister of Health on the matter but I did not receive even an acknowledgement.

On 29th November, 1973, the Medical Superintendent, Dr. Wong Mae Yee, in reply to the mother, which apart from "merasa sedih di atas kehilangan anak puan dan dukacita di atas segala kesusahan yang berlaku" failed completely to answer the five questions which was posed.

I will quote only one relevant paragraph from Dr. Wong Mae Yee's letter to the mother:

"Sentiasa ada seorang Doctor Pelatih di dalam panggilan pertama untuk Wad, beliau boleh memanggil Pegawai Perubatan di dalam panggilan kedua apabila perlu dan Pegawai Perubatan boleh juga memanggil Pendaftar ataupun Doktor Pakar Perubatan apabila perlu. Oleh kerana anak puan sakit teruk beliau sepatutnya memberi tahu Pegawai Perubatan dalam tugas panggilan dan juga melihat anak puan semula. Oleh yang demikian, doktor yang berkenaan telah diberitahu supaya jangan mengulang perkara ini lagi."

### Guinea pig

This has prompted the mother, in her letter to the Ketua Setiausaha of the Ministry of Health on 4th December, to make the following very heart-breaking comments and I quote:

"Pada ertinya saya terpaksa come to the conclusion that:

(a) Seorang Doktor Pelatih sahaja telah memeriksa dan memberi rawatan kepada anak saya;

(b) Tidak ada Pegawai Perubatan yang reviewkan, assess keadaan anak saya pada malam 2.9.73. Anak saya bukan sakit ringan, dia sakit teruk.

"Seorang Doktor Pelatih is just learning and under supervision. How can he decide on my son's fate? He is not qualified yet. My son died because at the crucial and critical period after admission he was not attended to by a qualified doctor. My son need not have died. My son is not a guinea pig for the houseman to learn from his mistakes so that all the Hospital authorities can say is "oleh yang demikian, doktor yang berkenaan telah diberitahu supaya jangan mengulang perkara ini lagi."

And what has the Minister of Health done concerning this case, although I personally wrote to him? As far as I know he seemed to have ignored it.

The reason why I am moving the present motion is because I am tired of the Minister's exterior of reasonableness and concern, his promise of action, which all comes finally to nothing.

Last Tuesday, in the wake of great publicity, the Minister of Health made a surprise visit to the Seremban General Hospital and ticked off the

authorities for the shabby state of the general hospital there. He also found that only three of the seven ambulances were in working order. This is all good, but the question is whether these visits accompanied by such great publicity will do any good.

### Maternity ward lift

On 4th September, the Minister made a highly-publicised visit to the Malacca Hospital. He was good enough to ask me to come along. I told him again of the breakdown of the lift in the maternity ward of the Malacca Hospital, which I had raised in Parliament previously (on 24.1.73) and which had been out of order for two years.

Apart from the inconvenience to the expectant mothers, in the three-storeyed maternity ward, the unrepaired lift poses a threat to the health and lives of maternity cases which underwent operation. As I told the Minister and the State Medical and Health Officer during the visit, after an operation, the blood pressure will be low and it is essential that the brain should not lack blood or death can ensue. If patients after operation are carried up the stairs on an incline, with the head at a higher level than the legs, then the head will not receive blood. This is highly dangerous to post-surgical cases.

The Minister of Health promised to take immediate action and today, five months have passed and the lift is still out of order. If the Minister of Health cannot do a small thing like getting a lift fixed for two years, what other things can he do?

I have in this House raised cases of unnecessary deaths before due to negligence of the hospital staff, but I have never been able to get satisfactory action taken by the Minister of Health.

In January, 1972, I raised in this House the death of one Puan Chong Lan Jin 27, a housewife on 16.9.71. On 14th Sept. 1972, she was rushed down from Batang Melaka to the Malacca Hospital with a Salvation Army clinic, recommendation for hospitalisation. But when she came to the Hospital, the Hospital refused to admit her. Her husband had to take her back to Batang Melaka, about 15 miles away to find the Salvation Army nurse and bring her down to the Hospital. Only then she was admitted, i.e. after getting the poor woman to travel 45 miles. She died on 16th September, 1971.

The Minister took a light-hearted attitude to this and other similar cases.

So to conclude, Tuan Pengerusi, the Malacca Hospital has acquired such notoriety that for many years now, the well-to-do and the big shots in the MCA, for instance, do not go there but only the poor go there. But for the poor they have no other place to go but the Malacca Hospital and there is a need for a shake-up at the Malacca Hospital, which has not been done.

If the Ministry of Health is to start on a new page to regain public confidence and credibility, then there must be a Public Commission of Inquiry into the mass deaths. This is also necessary because we owe it to the doctors and nurses, because it is a slur on the reputation of the conscientious doctors and nurses who serve in the public service. I have come across doctors and nurses who have left Government Service because they find that they are associated with such incompetence and inefficiency to which they see no change, no possibility of reform.

