

REPORT OF THE
PROCEEDINGS
OF THE SECOND
LEGISLATIVE ASSEMBLY,
PENANG

3 RD SITTING OF THE
SECOND SESSION FRIDAY
26 TH, NOVEMBER **1965**

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26th November, 1965.

PRESENT:

- The Hon'ble Mr. Speaker (Tuan Haji Sulaiman bin Haji Ahmad, P.J.K.)
„ the Chief Minister (Dato Wong Pow Nee, P.M.N.)
„ the Legal Adviser (Enche Ibrahim bin Abdul Manan)
„ the Member for Glugor (Enche Aziz Ibrahim, J.M.N., J.P.)
„ the Member for Muda (Tuan Haji Ismail bin Che Chik, A.M.N., J.P.)
„ the Member for Sungei Bakap (Mr. Kee Yong Chin, J.P.)
„ the Member for Permatang Pauh (Enche Ariffin bin Shariff, P.J.K.)
„ the Member for Sungei Pinang (Mr. D. S. Ramanathan, J.P.)
„ the Member for Kelawei (Mr. Tan Khim Hoe)
„ the Member for Dhoby Ghaut (Enche M. S. A. Zachariah)
„ the Member for Tanjong Bungah (Mr. Cheah Seng Khim, J.P.)
„ the Member for Kapala Batas (Tuan Haji Ahmad bin Haji Abdullah, A.M.N.)
„ the Member for Bagan Ajam (Mr. Phee Joo Teik, P.J.K.)
„ the Member for Nibong Tebal (Tuan Haji Sahid bin Hassan, P.J.K.)
„ the Member for Balik Pulau (Tuan Haji Ahmad bin Mohamed Taib)
„ the Member for Tasek Glugor (Enche Ahmad bin Haji Jamil)
„ the Member for Butterworth (Mr. Williams David)
„ the Member for Bayan Lepas (Enche Ismail bin Hashim)
„ the Member for Tanjong Barat (Mr. Teh Ewe Lim)
„ the Member for Tanjong Tengah (Mr. Teh Geok Kooi)
„ the Member for Tanjong Utara (Mr. Khoo Kay Por)
„ the Member for Ayer Itam (Mr. Lim Kean Siew)
„ the Member for Tanjong Selatan (Mr. Khor Peng Seah)
„ the Member for Jelutong (Mr. Tan Hock Hin)

ABSENT:

The Hon'ble the Member for Kota (Dr. Lim Chong Eu)



The Assembly resumes at 10.00 a.m.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, yesterday I was touching on the question of the apparent lack of ability of the State Government to administer. I will continue with this, Mr. Speaker, Sir, to go on with the Auditor-General's Report.

Mr. Speaker, Sir, **item 33** says that Workmen's Compensation awards, and gratuities of Government servants totalling \$15,206.70 held by the State Social Welfare Officer were credited to a Federal Trust Account instead of the Social Welfare Trust Fund. Mr. Speaker, Sir, this is only a matter of crediting it into the right column, and yet it says that this Trust Fund was not credited with this amount; and, therefore, the Trust Fund was understated at the close of the year. It is just the same, Mr. Speaker, Sir, as I said yesterday about the 10 Watchmen who have been employed to look after our reservoirs because of Confrontation. Now Confrontation is a matter of Emergency and therefore this should go into the Emergency Account or special account, not into the Annually Recurrent Ordinary Account. Mr. Speaker, Sir, it is all these small things which go to show whether or not a person is capable of managing his affairs or his company's affairs — in this case, the State's affairs.

Then we come to the **Government Trust Funds**. It says here:—

" The Tabular Summaries of the Unallocated Stores and Workshop Account Fund No. 1 for 1964 and No. 2 Fund for 1963 and 1964 have

not yet been submitted for audit."

Tabular Summaries of Unallocated Stores and Workshop Account Fund — this is only a question of checking up from the books of the Store Accountant as to what the Unallocated Stores Fund stands at and submitting it purely to audit. Surely any competent auditing clerk could do it. We do not even need a special auditor or a qualified accountant to submit summaries of an Account Fund of Unallocated Stores. Yet this was not done.

Then we come to the item of **Losses** — losses in the P.W.D. and the Social Welfare Department. Now, our Social Welfare Department is certainly very small and yet it lost two typewriters and had even lost one wall clock costing \$22.50. In the case of the Public Works Department — one Remington typewriter was lost, 6 old cast-iron pipes were lost; and these losses were written, it says here, by the Hon'ble the Chief Minister himself. The City Council has a far larger Budget. The City Council has a far more complicated auditing system. We do not have any complaint from the Auditor in the City Council except praise, and we do not get losses like these — typewriters, wall clocks, even cast-iron pipes, are lost. Now, Mr. Speaker, Sir, **item 39** says:

" A loss of various articles valued at \$646.80 from the site of the State Low-cost Housing Scheme at Kampong Melayu, Ayer Itam, was not reported in writing in accordance with instructions. So far as I am aware, the loss has not been written off, but the lost articles have been replaced out of 1965 provision."

Articles lost in a building site

not reported in writing and the articles have been replaced out of 1965 provision, although the losses have not been written off! Two offences in one — not reporting it and replacing it when it is not written off. So, Mr. Speaker, Sir, these items, as you go through them point by point, begin to give a very peculiar picture of the State Government. I do not know why it should be so. Perhaps the Hon'ble the Chief Minister may have a reason for this, but at least the people of Penang deserve an explanation.

Then we come to the item under the title of **"The Accounts: General"** in the Auditor's Report. Item 40 says:

"An important safeguard against misappropriation of revenue is the effective check over the distribution and use of official receipt forms. Under the present system, there is no check except what is imposed by the Audit Department. The Federal Public Accounts Committee has expressed the view that the Audit Department should not be responsible in the first instance for this checking. In October 1964, the Federal Treasury addressed the Penang and other State Governments regarding the proposal that State Treasurers should take over this responsibility in respect of revenue forms in use in State Departments, except where there is some officer, such as a Commissioner of Lands, who could undertake part of the work on a State-wide basis. I understand that the State Government has not found the proposal acceptable."

The Federal Public Accounts Committee has suggested that the Audit Department should not be responsible and the Treasury has addressed the Penang State Government that this should be

done, but the State Government has not found the proposal acceptable. And this, according to the Auditor-General is "an important safeguard against misappropriation of revenue." So how can we really accept statements and Budget proposals and financial accounts from year to year when, even in the question of control of revenue, the system is found to be lacking? What is the point of having a Public Accounts Committee? What is the point of having Treasury officials to assist the State Government when the State Government can tell the Federal Government, "Well, you can go and mind your own business. We know what is best."

Then on the question of accounts, the next paragraph talks of **reconciliation statements**:

"The Land Officer, Butterworth, has not yet submitted revenue reconciliation statements of Irrigation and Drainage Rates for 1964. The water supply reconciliation statements for 1964 have not been received from two District Councils. To this extent, I have not been able to satisfy myself that the revenue due has been collected, carried forward as arrears or remitted with proper authority."

In other words, people under the Land Officer can play ducks and drakes with revenue collection and the State Government seems impotent in its efforts to carry out proper administration over the Land Office in Butterworth.

Then we come to **water supply arrears**. We are asked to approve in the Supplementary Budget a sum of \$59,000 for increase of consumption, annually recurrent expenditure for our water supply to the rural areas. In this item 44,

the Auditor-General has this to say:—

“ According to the Water Supply registers maintained at the District Council North, Butterworth, some \$19,000 water revenue dating from between 1956 and 1963 appears to be a doubtful debt.”

In other words, monies owing from 1956 have not yet been paid.

“In most cases, the consumers cannot be traced, due to change of occupancy (I suppose — it says ‘occupant’), and either there is no deposit or the deposit is insufficient. It is not clear to me why these arrears were allowed to accumulate, as there are adequate safeguards in the law.”

According to the Hon'ble the Chief Minister in Question Time, he says he wants to follow undang₂, but the law here says there are proper safeguards; the law allows safeguards to be taken for these arrears in revenue collection in the District Councils. Or is it because the District Councils come under the same party of control that they have been treated with great favour? I do not know but certainly the Hon'ble the Chief Minister ought to explain to this Assembly.

Item 46, Budgetary Control — we have been talking about the Budget and this is a direct criticism on the budgetary control:

“ Expenditure in 1964 was generally well controlled. On Revenue Account the Original Estimate was a balanced budget; the actual out turn was a surplus of over \$1 million. As already stated, the Development Estimates were unrealistic.”

“The Development Estimates were unrealistic.” He is not a politi-

cian; he is an Auditor-General of the Federation of Malaysia; and he says that it is unrealistic.

Then he comes to the **Control of Stores — item 47**: “I have not yet seen Stock Verification Reports for 1962, 1963 and 1964 for several departments.” Not one, but several departments. No Stock Verification Reports from several departments for the last three years — up to now will be four years. I do not know what the Auditor-General will say in the next four years. I hope he is not sacked in the meantime.

Mr. Speaker, Sir, on the question of **District and Land Offices** — when the Auditor-General came to deal with the accounts of District and Land Offices, he starts off by saying (this is at the bottom of page 8): “The Public Accounts Committee concurred with this proposal, but the State Government appears to have taken no action” to enable Quit Rents to be collected forthwith. So Quit Rents are missing because of the delay in the preparation and issue of leaves. Quit Rent is one of the basic sources of income of the State Government over its land, State land. Now, if even Quit Rent, which is only a sum of two or three dollars a year in some cases — in some cases even less — the Government is unable to collect that money, then can we have confidence in the State Government to administer the State?

Item 49 says —

“ As stated in my last four Reports, Quit Rent on certain leases has not been revised when due. At least 120 leases are affected, and action has now been completed to revise the rents from 1st January,

1965. The revenue which has been lost amounts to about \$29,000."

Item 51 says —

" Hire-purchase instalments were not collected promptly from the purchasers of houses in the various Low-cost Housing Schemes, and as a result some \$4,500 were in arrears at the end of 1964."

Since Government only started low-cost housing some time in the beginning of last year or end of last year, the sum of \$4,500 is quite high. What would happen in 10 years' time? Who is going to pay for it? Are we?

Mr. Speaker, Sir, item 50, Drainage Rate —

"Accordingly, the collection of rates for the years 1963 and 1964 appears to have been unauthorised. This matter also affects the collection of Late Fees on such rates, and the whole question is now under correspondence."

So, when I said 39, I was wrong: there are 40 items because I did not count this item — 40 out of 67 paragraphs. So, **Mr. Speaker, item 52** —

"The law requires that Alienation Fees should be collected before Memoranda of Agreement are executed, and the State Government's policy is that the first few monthly instalments made by the house-purchasers should be treated as payment of Alienation Fees. In respect of the Kampong Herriot and Bagan Jermal Low-cost Housing Schemes, although the required agreements have been executed no adjustment for Alienation Fees has been made from the Development Fund."

In other words, he is saying very politely that even in low-

cost housing payments and arrangements for sales of low-cost houses, the State Government is making a mess of things; but since I am a gentleman and I do not wish to be rude, I will confine myself to pointing out errors. And so the Auditor-General says in **item 53**:

" So far as I am aware, Memoranda of Agreement for the Ayer Itam, Bukit Berapit (Phase I) and Kulim Road Low-cost Housing Schemes and the Kampong Bahru Squatter Resettlement Scheme have not been executed. It is desirable that early action be taken to execute the required agreements to legalise the occupation of State Land."

Mr. Speaker, Sir, one can help — but, at least, one must help with some amount of efficiency.

Then, **Mr. Speaker, Sir,** coming to the **Public Works Department** — he says, starting:

" In my last Report, I stated that a considerable quantity of stores which were not accounted for in any records had been found in the Public Works Department Workshops."

Stores not to be found in records were found in workshops — that means to say, somebody must have written off these stocks in previous years although the stores were there and, therefore, they were not in the accounts any more but they happen to be there as well in the stores.

"They have since been taken on charge. Part of these stores would appear to be free supplies from the Federal Government, and the balance has been valued at approximately \$17,000. The claim from a local firm for approximately \$4,000 is still under investigation. A new

accounting procedure was introduced at the Penang Workshop in July, 1964 and at the Bukit Mertajam Workshop in May, 1965."

Now, I am not an accountant. Listed there is an item of criticism. It is not accounted although, in fact, it has a general certificate to say that the situation is not satisfactory but, because it does not pin-point to any specific item, I have left it out.

The next item says this:

" Four packing cases containing architraves intended for lifts in the Bangunan Tuanku Syed Putra have been in the Public Works Department Store since January, 1962. These articles, which cost \$1,800, were the wrong size for the job for which they were purchased."

Well, purchasing wrong-sized articles for a matter as big as the **Bangunan Tuanku Syed Putra and architraves** — I am afraid not ordinary things but important things which should have been calculated from the beginning with regard to size, quantity and quality — and yet money was spent for stores which were of the wrong size. Then, Mr. Speaker, Sir, it goes on:

" Stores costing approximately \$28,300 were purchased towards the end of 1964, the major portion of which were not used during the first four months of 1965. These purchases were apparently unnecessary and were made to utilise funds available in 1964."

In other words, the State Government saw fit to buy \$28,300 of goods in order to utilise funds which otherwise would not have been utilised — and the major portion of these goods

have in fact not been used for the first four months in 1965.

Now, Mr. Speaker, Sir, so far I have dealt with the question of accounting, of store-keeping, the question of ordering, supervision and so on; but even small things like the use of a Landrover — **item 58** —

" During 1964, a Landrover of the Public Works Department was used to convey workmen from their homes at Batu Uban and Jelutong to their place of muster at Sungei Pinang Garage. I have not seen authority for this use of departmental transport."

Why can't an authority be issued if it was necessary? Maybe there was flooding and people could not travel, or maybe there was a failure in communications, or maybe there was some emergency and a Landrover was used. Surely it is not difficult to sign a proper authority — unless no authority could have been given because the Landrover should never have been used? Mr. Speaker, Sir, log-books are books kept for the use of cars, mileage and so on. And then from that item, it goes on to say:

" Examination of the log books of Public Works Department vehicles revealed lack of proper control over the issue and recording of fuel and lubricants. The department has admitted that over a period of about six months no checks were carried out on the log books by a responsible officer."

For six months no checks on the log-books of vehicles in the Public Works Department! Mr. Speaker, Sir, what can the State Government say in answer to this damaging indictment of the

State Government by the Auditor-General?

Mr. Speaker, Sir, not being satisfied with this, the Auditor-General saw fit to put another section into his Report called "GENERAL." He felt that he had again to give a picture of what is happening in the State Government. Therefore in **item 61** he says:

" Two Audit Queries on the 1964 accounts and one on the 1961 accounts are still unsettled."

Queries as far back as 1961 unsettled! Is it so difficult to settle this, or is it that they cannot be settled?

Item 63:

" The accounts of the four District Councils and the State of Penang Scholarship Fund are either under examination or have not yet been rendered for audit."

Always these four District Councils — they don't pay money to the State Government; they don't collect revenue for the State Government; they don't prepare proper accounts to the State Government; and nothing is done about them. Why? Are they the favourite children of the State Government? Which are the four Councils? One in the south of Province Wellesley, Butterworth (North Province), Central and the Rural District Council of Penang.

Member for Dhoby Ghaut (Enche M. S. A. Zachariah): And the City Council of George Town.

Member for Ayer Itam (Mr. Lim Kean Siew): The City Council, unfortunately, does not come under criticism at all. There is not one mention, not one criticism of the accounts of the City

Council. The only thing about the City Council is all the money owing by the State Government to the City Council but, in fact, that money can be paid from monies owing by the District Councils to the State Government.

Member for Dhoby Ghaut (Enche M. S. A. Zachariah): It has got to be proved first.

Member for Ayer Itam (Mr. Lim Kean Siew): So, Mr. Speaker, Sir, over \$500,000, the Butterworth District Council owes \$664,874 — one item alone. The dispute with the City Council is only a matter of \$600,000. The only Council that does not owe the State Government anything, or whose accounts do not come under query, is the City Council. All the other four Councils — State Councils, to which the Member for Dhoby Ghaut belongs — have been given favourite treatment. I do not know why he stands up in their defence when he very well knows that he completely cannot defend this indefensible position.

Chief Minister: Mr. Speaker, Sir, on a point of clarification — the City Council will not come into this picture because the City Council is not collecting so many dues for the State Government. The local authorities collect water and many other things — that is why they come in.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, now we come to the last item, **item 65**, which gives the financial position of the four District Councils in the State, particularly the District Council South, Nibong Tebal, and so on — and it says:

" The financial position of the

four District Councils in the State, particularly the District Council South, Nibong Tebal, must be viewed with concern. Apart from other considerations, the arrears of revenue have been allowed to grow from year to year and adequate action has not been taken to collect them. Details of the position at the end of each of the last five years are as follows:"

and a whole list shows that a sum of slightly over \$800,000 is owing from the District Councils. This last column, 1964 — \$157,215 from the Rural District Council, Penang; \$664,874 from District Council North; District Council, Bukit Mertajam \$84,817; District Council, Nibong Tebal, \$94,174.

Then he finally ends by —

" The Audit Report on the State Accounts for the year 1963 was presented to the State Legislative Assembly on 25th November, 1964, but has not yet been considered by the State Public Accounts Committee. The Committee's Report on the 1962 Accounts and Audit Report were laid before the Legislative Assembly on 27th August, 1964." —

politely saying it took two years for the Audit Report to be approved and laid before the Legislative Assembly! Mr. Speaker, Sir, do I need to go any further to summarise the complete lack of ability or interest of the State Government to administer the State, or is it because we have people such as the Hon'ble Member from Dhoby Ghaut who is so used to bring about confusion by irrelevant statements that the Government has been unable to carry out its duties properly?

Mr. Speaker, Sir, the Hon'ble the Chief Minister yesterday said

that at least the State Government has honestly revealed the position before the people. I think, Mr. Speaker, Sir, the Ayer Itam By-election is a threat and also is a severe indictment of the State Government. I say this not because I have won the election but because that is obvious. I say it because it is quite clear that the only reason why the State Government is sitting on the other side to-day is because the Opposition was split in the 1964 Elections. If the Opposition decided to get together on the same basis as the Alliance — in other words by a unity of convenience — I do not think they can last that long.

Mr. Speaker: That statement is not included in the merits of the Bill which we are debating.

Member for Ayer Itam (Mr. Lim Kean Siew): The Hon'ble the Chief Minister kept on insulting and saying that Government is honest. I am going to show it is doubtful.

Chief Minister: Mr. Speaker, Sir, it is honest. I request the Honourable Member to consider very carefully when he doubts its honesty.

Member for Ayer Itam (Mr. Lim Kean Siew): No, in answer to what you said. Since you question it, I am going to mention it. Sir, can I continue?

Mr. Speaker: As long as you confine yourself to the merits of the Bill.

Member for Ayer Itam (Mr. Lim Kean Siew): He passed a comment and I can pass remarks on that comment. Otherwise, he will think that I accept it. Now I will

show you why, Mr. Speaker, Sir. I do not mean honest or dishonesty in the legal way. I just mean a moral approach. If it is so, why did the Alliance have an opening ceremony of an old road, the Thean Tek Estate Road, which was opened over a year before the opening ceremony — when we invited the Deputy Prime Minister of the Federation of Malaysia to come and cut ribbons, and cut the tape. They found little school boys to wave flags for people who came in big cars in the sun! If the State Government is sincere, publish the Munro Report: do not hide it!

Chief Minister: Mr. Speaker, Sir, on a point of clarification — this State Government has no authority to publish that. I would like to ask the Honourable Member to bring the matter up in Parliament.

Member for Ayer Itam (Mr. Lim Kean Siew): I will. Don't worry, I will.

Chief Minister: Thank you.

Member for Ayer Itam (Mr. Lim Kean Siew): Now, Mr. Speaker, Sir, with regard to the question of the **causeway** — we know the position to-day, which is that nothing can be done until we have got the World Bank team to come and investigate the possibilities. Well, that was thrown open to the Ayer Itam By-election by the Government as if it was about to come to fruition. I knew for a fact that, unless special protection works are made, no causeway can be built; and I do not need a World Bank team to tell the Government —

(1) it is too long;

(2) the tides are too strong;

(3) the currents are shifting, so that ships with deep-water tonnage, ocean-going ships with a heavy deep draft, are unable to go up to the new wharves to berth alongside the pier just about 1/8th of a mile from shore — big shelf there.

Member for Sungei Pinang (Mr. D. S. Ramanathan): Mr. Speaker, Sir.

Member for Ayer Itam (Mr. Lim Kean Siew): With regard to the question of a bridge, I wish to inform this Assembly that I have been informed reliably that they have some shafts into the bottom of the channel and, after striking 100 feet, have not hit rock formation. That was why they started this bridge.

Mr. Speaker, Sir, my Honourable Friend yesterday touched upon the **Ayer Itam hawkers**. If they have been in existence there without prosecution from the Police as long as the late Chor Sin Kheng was a Member of the Assembly, why have they been prosecuted to-day? And I wish to inform this Assembly that it is unfortunate that they did not come to me but, if they had come, I shall certainly defend them against this Police action to the last. What was not obstruction when the late Member of Ayer Itam was a Member of this Assembly has suddenly, overnight, become an obstruction!

Chief Minister: Mr. Speaker, Sir, this Assembly has no control over the Police.

Member for Ayer Itam (Mr. Lim Kean Siew): Yes. But, Mr.

Speaker, Sir, I would like to ask why is it that the timing was so convenient that one week after it was clarified that I had become a Member of the Assembly Police started taking action when in fact, for the last 30 years no action has been taken?

Now, Mr. Speaker, Sir, we have also to deal with the question of **roads**. There has been a boast that we have built many roads — 14.88 miles, I think. May I point out, Mr. Speaker, Sir, that over 12 miles of roads were rural roads and many of those roads led to nowhere — for example, Jalan Aziz Ibrahim. Jalan Aziz Ibrahim is a road leading from the main trunk road to the sea. There was a proposal to have another road leading across the kampong. But it was not done. This road runs alongside the boundary of a big development scheme. And we know who it benefits. Such a road would benefit the developer. Would you call that a rural development road? And, since it goes out to the sea and passes only about five houses on the way, has money been well spent?

We also know, Mr. Speaker, Sir, that the **University site at Bukit Glugor** was first zoned as a university site. It passed hands when it was under that zoning and, when it passed hands some time after, the State Government decided to lift it from "Compulsory Acquisition" and shift the university site to the present site. Is that efficiency?

We have, Mr. Speaker, Sir, as I mentioned, four houses at the bottom of Muka Head. For many years, we have been talking of zoning Pantai Acheh as a forest reserve, as a park for tourists. I was in that Committee — I think

in 1962 or 1961 — the Beautification of Penang Committee, and we decided to have a road from the present Telok Bahang to the Lighthouse. At the end of that proposed there are now four houses — built because the State Government could not control the building, because it was not zoned: so he could put up four houses. I am not accusing the developer, or anything. After all, he is an owner of land. He has the right to build. He can build 200 houses. But why is it that it has not been zoned so that he cannot build houses there?

Again on the question of roads: recently a new school has sprung up in Ayer Itam Road, at the boundary of Scotland and Ayer Itam Roads, so that there is now the Penang Free School, the Convent, the Day Teachers' Training College, the La Salle School, the Chung Ling High School, the Han Chiang School and this school — seven schools within the radius of about one mile, all flowing into Ayer Itam Road and congesting Ayer Itam Road. Is it small wonder that people say, "When they leave school and we wait for a bus, we cannot get a bus for two hours during school time." No number of buses can fulfil the needs of the travelling public when seven schools spill into one road!

Chief Minister: Mr. Speaker, Sir, on a point of clarification, education is not within the purview of this House.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, the new school was built on State land. I do not wish to go into controversy of this point but I do know that there were suggestions that the site should

be sited somewhere else but it was insisted that the school should be sited here. Education is not within the purview of this Assembly, I agree. But then it is under the control of the State Government and you cannot build schools without land, and it is up to the State Government to decide on which land to give.

Chief Minister: Mr. Speaker, Sir, I would like the Honourable Member to read carefully the Constitution of our country.

Member for Ayer Itam (Mr. Lim Kean Siew): Well, Mr. Speaker, Sir, I am glad I am getting a lesson on the constitutional law this morning — or the interpretation of it as per the Hon'ble the Chief Minister of Penang.

So, Mr. Speaker, Sir, when the Hon'ble the Chief Minister states that "its policies are therefore intended to produce the maximum good for the people, not only in the form of increased prosperity but also in the achievement of peace, happiness and harmony in the State. These policies have formed the guide lines of any action undertaken by the Government, and it is in this spirit that the Penang State Supply Bill for 1966 has been prepared," before he says that, he should have said it should therefore be the policy of the State Government to look after its own affairs, manage the State properly — make sure that accounts are done properly and kept; make sure that the stores are examined; make sure that log-books are examined — before we go on to policies with regard to the peace and harmony of the State of Penang.

Mr. Speaker, Sir, perhaps it can be said that the fundamental

point for planning, especially for under-developed countries, is to provide for labour and employment. Now, Mr. Speaker, Sir, I come to the question which affects the Mak Mandin scheme, the free port status of Penang and the whole development of the Budget and, in fact, the main tenor which is to be found in the Budget Speech of the Hon'ble the Chief Minister. Mr. Speaker, Sir, the problem of Penang is unemployment. We have no tin mines; we have no iron mines; we have no new land; our fishing is an overcrowded profession; our rubber estates are not growing; our rice-fields still remain under the same acreage. There is only one thing that Penang has, which Penang has a right to keep — free port. Good national and international communications, good railway and road services, good water supply, good labour potential and good education — are we to throw these away, in fact for a mere pittance? Unlike Selangor, unlike Perak, unlike Pahang, we have no new land to develop. Unlike Perak, Selangor, and now South Kedah, we have no tin mines to operate. And yet what is the position, and what has the Government done about it? I will deal with it, Mr. Speaker, Sir, point by point.

Now, the main problem of Penang is unemployment. We have been given figures by the Hon'ble the Chief Minister who said yesterday that unemployment is approximately 12,000. May I, Mr. Speaker, Sir, correct that immediately? Registered unemployment figures, registered unemployment figures, stand at 12,000.

Chief Minister: On a point of clarification — what figures we have from the Labour Depart-

ment are those people registered for employment. That does not mean they are unemployed. Some of them may have been employed but are looking for better employment; some have temporary employment; and some may be unemployed.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, 14,000 — I correct myself — are registered for employment. That is not the unemployment figure, nor is it a true picture of unemployment in Penang. They have said figures can do a lot, can do many things. The taste, as I said in Parliament, of the pudding is in its eating! Ask anybody in Penang whether or not unemployment has been on the increase. Listen to them. Mr. Speaker, Sir, according to figures, there had been a census taken in 1947 and 1957 and the Annual Report gives comparative figures. In 1962 there was a survey of under-employment and unemployment by the Federal Government. There was also a publication called "Looking Ahead: Employment in Malaya in 1982," dealing with the Five-Year Plan as well from 1957 to 1962. I suggest that the Executive Committee of the State Council read these publications and the Munro Report, if it is available. The position, Mr. Speaker, Sir, is that the unemployment figures given by the Hon'ble Minister of Finance stands at 50% for those of unemployment and under-employment and 30% for those unemployed for over one year. He has obtained these figures from the survey that the unemployment figures in 1962, and he has said that the position for 1964 and 1965 remains the same. His figures are also projection figures worked out from old calculations. But he did not say one thing:

when these figures come to the question of Penang's unemployment and economically active percentages from which we can calculate unemployment figures, they were in fact lumped together with figures from Kuala Lumpur and Negri Sembilan both of which States have the highest activity rate in Malaya. In other words, they have the highest percentage of unemployment in Malaya. By lumping Penang into it, they have managed to bring up the percentage of unemployment in Penang but the true position is this: that, working on the basis of 530,000 in the State of Penang in 1957 and the rate of growth of 3%, we in fact have something slightly over 700,000 people in Penang. Calculating that of 700 over thousand, and working it on activity rate and the economic activity percentage of 35% (which is the figure given by the Federal Statistics Department), we have an estimate of 48,500 unemployed in Penang at the moment — assuming the industrial growth and the position given for the increase of population at 22%, according to the Finance Minister's Budget Speech this year or what he said in the Budget. Mr. Speaker, Sir, that, together with the registered account here — I am dealing with the registered unemployment figure of 5,700 people in 1957, according to our Census Report — would bring the total to about 54,000 unemployed. And the increment of 22% in our industrial growth to supply employment is, in fact, reducing the economically active percentage of people who are working — economically active from the ages of 15 to 59. In case my figures are challenged, I have the calculations here. So the economically active percentage is dropped from 35% to 33.9%.

Now, Mr. Speaker, Sir, when we say "economically active," we are not dealing with people who are holding marginal jobs. "Marginal jobs," Mr. Speaker, Sir, means those people who do some kind of work for some kind of income — for purposes of unemployment as opposed to under-employment. Any person who does the slightest amount of work would be considered employed. When two or three of you sit down at the Esplanade, you get 40 or 50 boys coming round to ask you if you want Kwayteow or Hokkien mee or satay, or roti babi or laksa; or if you want kopi or Leng Chi Kung. Those 40 people are classified as employed, although they are in what is known as "marginal employment." The man who pushes a little cart with five sticks of sugarcane because he does not want to beg is employed. The little girls in Teik Soon Street or McCallum Street who stick and label paper bags together at \$30 a month are employed, although unemployed. I am not counting that: I am counting the question of projection. We are taking the fully unemployed — in other words, the number of people for whom there are no jobs. The percentage of housewives in Penang is the highest in the whole of Malaya — people who are working in houses — over 75%. Mr. Speaker, Sir, Penang, as I have said, has the highest percentage of unemployment in all States of Malaya. And the 15 to 59 age group in 1957 was only 55.9 whereas those in other States were in fact over 60% some, and some over 70%. Mr. Speaker, Sir, in 1957 the economically active group rate — those who are actively working in Penang — was 25.9%; in Selangor it was 34.5; in Johore 37.8; in Negri Sembilan it was

38.9; in Perlis it was 37.2; in Kedah it was 35.9; and in Perak it was 34. Penang is the only State, apart from Malacca — which, again, is very old established town — that did not hit the 30% mark. In other words, only 30% of those who could get jobs were working.

So, Mr. Speaker, Sir, now let us come to the question of whether it is true that there is so much employment. What was obvious in 1957, apart from the fact that Penang had the lowest employment? First of all, Mr. Speaker, Sir, in 1957 it was quite clear that rice cultivation could not be expanded. In fact, according to figures — from 1959 to 1960 the acreage in padi cultivation was 39,270 acres; in 1962 to 1963, 39,290 acres. And, Mr. Speaker, Sir, the figures for cultivation of agriculture, fishing and forestry fell from 1947 to 1957 by 7,731. The only glimmer of light and hope in the whole of our Development Estimates is in Drainage and Irrigation. Rightly or wrongly, the State Government ought to be called the 'Government of drains and ditches.' Significantly, because of double-cropping, rice production increased by 60% — therefore giving more employment, higher rate of employment, to the padi planters: not necessarily that there are more people employed on the fields but the same person can double-crop instead of cropping once. And there has been a significant increase of 60% — double-cropping. Of course, the former Minister of Agriculture & Fisheries, Enche Aziz Ishak, claims credit for this. Nevertheless, there has been this increase.'

Mr. Speaker, Sir, mining and quarrying remain static. Manu-

facturing has increased: now, with Mak Mandin completion, maybe by a thousand more. Other than that, the manufacturing sector has showed no significant increases in the last few years. Commerce is dying. Building construction has shown an increase of \$5,000 because of the sudden spurt of building works in Penang to take over from pre-war housing and overcrowding. But the peak has passed. It is dying. It is nothing. Soon many of these people will be unemployed. What is the Government going to do about it?

As for rubber, in 1959 there were 28,514 acres in rubber estates under cultivation — small-holdings: there are no figures. They have not been compiled but there is no reason to suspect that they have increased. In 1962 we had 27,760 — so there was a slight drop in the acreage under rubber estates. Again, fortunately, there is another glimmer that rubber production has increased because of the replanting from 1952 onwards to replace old pre-war trees. But land is nil. No development whatsoever.

Mr. Speaker, Sir, we come to fishing. We have been told that fishermen are going to have their licences reduced but I want to ask the Hon'ble the Chief Minister a pertinent question. Has the number of people involved in fishing increased? Are there more people working in the fishing industry to-day as compared to, say, 1962 or 1963; and how many per cent? According to what I understand, the numbers employed in fishing from 1947 to 1957 in fact fell from 6,764 to 5,665 and by 1960 had dropped again to 5,342. I believe that, with Confrontation, the position is even worse. And the average output

per man in 1960 was 1.8 tons compared to 2.6 tons throughout the rest of Malaya. They are catching less fish per fisherman. That is the answer. There has been, it is true, a tuna factory. How many thousands have the tuna factory employed as labourers? I understand 50 workers approximately and there are some trawlers that come from Japan and operate from here. But the tuna factory is not sufficient to deal with the growing population and the growing unemployment problem of Penang. So we have the problem of the trawlers. Why? The answer is very simple. We have the problem of the trawlers because the trawler fishermen cannot find alternatives. So, Mr. Speaker, Sir, this situation of the trawler fishermen shows the acute overcrowding of fishing in Penang, and the fact that fishing is fishing being carried out under overcrowded conditions. You cannot solve this problem by law only. You catch them; they will come again. You catch the trawlers from Penang; they will come from Pulau Ketam. You catch them from Pulau Ketam; they will come from Muar. You catch them from Muar; they will come from Singapore. You catch them from Singapore; they will come from Thailand. You catch them from Thailand; they will come from Kuala Muda. By that time, a new trawler fishing fleet has been started in Penang. Then you start all over again and start catching them in Penang and going down south and to the north and back. This, Mr. Speaker, is the position with regard to fishing.

Now, what about agricultural land? What about agriculture? Mr. Speaker, Sir, according to my figures, the problem about land

is just as acute. There is no new land left in Penang to open up. All available land has been used or is under usage. There are no reserves except the Pantai Acheh Forest Reserve. There is no scheme for the opening up of new lands. Let me give you some figures. In Malaya, under the Federal Land Development Authority scheme proposed in the Five-Year Plan of 1957 to 1963, there are 198,500 acres scheduled for development to employ potentially 39,700 people. Of this — Johore has 53,948 acres, Pahang 29,420 acres and Selangor 19,650 acres; Penang — nil, nil, zero.

Chief Minister: No land.

Member for Ayer Itam (Mr. Lim Kean Siew): Nothing, yes. I am glad the Hon'ble the Chief Minister is backing me up. There is no land. Malaya has 5,042,000 acres of unalienated land with potential employment for 1,800,100 people. Malaya has a forest reserve of 1,846,700 acres with potential employment for 369,300 people. Pahang has 2,535,000 acres of unalienated land and 869,500 acres of forest reserves. Selangor has 56,300 acres of unalienated land and 75,400 acres of forest reserve, and so on. Trengganu has quite high figures. Penang has 'Nil' for land, 'Nil' for potential employment, 'Nil' for forest reserves — everything is 'Nil.'

Member for Sungei Bakap (Mr. Kee Yong Chin): It is fully developed.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, we therefore come to this. It is quite clear as from 1957 that the position is that the population has grown; that the position is that the Government knew what

it had to do in 1965. It was even made more clear that in 1962 their statistics for employment were dropping and, unless something is done, Penang will slowly come to face the problem of unemployment as Malacca has had to face. Penang, which has produced four of the Justices for Singapore, the Prime Minister of Malaya, the Hon'ble Member for Kota, several senior Police Officers, the Assistant Comptroller of Customs of Singapore and various other high-ranking officers, was faced with a growing unemployment problem which was clear since 1957—8 years ago. The Budget Speech of the Honourable Minister says that in the last 8 years, the people have seen continuous development; and talks of the First Malaysia Plan of 1966 — 1970 — counting chickens before they are hatched! Because we do not even know if the World Bank is going to lend us the money for the First Five-Year Malaysia Plan. So, Mr. Speaker, Sir, what was therefore left for Penang — clear in 1957, clearer in 1960 and most clear at the end of 1963 — was free port. The development of the industry in Penang. — let us deal with the question of the industry in Penang. Now, what is the position about the industry in Penang? We have heard the statement made in the papers this morning by the Minister of Commerce, I believe; and it is that we have about 100 factories in operation under pioneer status in the whole of Malaya. Why should — this is a question we have to ask — why should the majority of these pioneer status factories be situated in Selangor? Why should not Penang have a fair share of this industrial development? Why, in fact, has the State Government allowed such a preference to be

given to Selangor? Mr. Speaker, Sir, the figures at the moment stand at 100 factories under pioneer status in operation — no, 99 factories in operation throughout the whole of Malaya other than Penang and one in Penang, the sugar refinery plant. Altogether, if I am correct, Penang's share of pioneer status of 115 built and to be built is 4. Correct me if I am wrong. It was 3 in 1964 and I believe it is 4 to-day. The figure in 1964 was 3.3% for Penang, 65% for Selangor. What are we doing about it? One of the two big pioneer status factories is the sugar refinery; and the jute mill — the jute mill is entirely from foreign capital. Not one cent's benefit to the local people. Its purpose is to get raw jute from Pakistan to be manufactured here, sold here and re-exported. For whose benefit? Is anyone in Penang making a profit except employment? And when you talk of employment, we are even in as bad a situation because when the Mak Mandin scheme is completed, we are only going to have increased employment, new jobs, for only 1,500 people and to-day it stands at something like 205, if my memory has not failed me. So, Mr. Speaker, Sir, can we honestly say that the Mak Mandin scheme is of benefit and we are having a large, or vast, industrial expansion? The situation on the question of Mak Mandin is really ludicrous. It was clear, Mr. Speaker, Sir, from the 1957 Census that Penang had the lowest rate of employment of any State, that Penang had a complete shortage of undeveloped land. It was clear that fishing was overcrowded and it was clear that the only area which Penang could develop was the industrial sector. I would put it this way. The industrial sector,

tourist sector and educational sector — these are the three main things which we must concentrate our planning on: industrial sector, tourist sector and the educational sector. And after 8 years, what has been done? The only rise in employment figures are in the commercial and the service sector, of which Penang has the highest rate. Now, do not flatter ourselves that that is a healthy sign of employment because it is well known — as it is well known in the entertainment industry — that, when you spend on entertainment, you have spare cash. That is well known. But, if the commercial and service sector of employment increases, it means that there is a shortage of employment because the service sector includes peons, tambies, labourers, watchmen, small hawkers, hawkers' assistants, coffee-shop assistants, clerks, typists, petition writers, and so on.

Mr. Speaker, Sir, I do have the figures of the pioneer factories just now but I think I can make it clear. Now, in 1964 there were 59 pioneer factories for Selangor, 19 for Johore, 6 for Perak and 3 for Penang — giving percentages of 66.7 to Selangor, 21 to Johore, 6.6 to Perak and 3.3 to Penang. If you accept my contention that our primary bids for expansion are free port and the industrial sector, you must admit that the Federal Government has treated us very, very poorly indeed. It has given Selangor a new deep-water wharf, new railways; and it has attempted to take away the importance of Penang as a port. It has developed industrial estates in Petaling Jaya and given pioneer status to the capitalists of Selangor; and deprived Penang of its only hope to deal with unem-

ployment and the growth of it. How can the State Government sit with complacency and say we have in fact made plans and we have gone and developed our land? Mr. Speaker, Sir, the only thing here in industrial development these last two days is that, when the Mak Mandin scheme is completed, I suppose with the second phase we are going to have 1,500 new jobs or increase of employment. N.P. There is a Juru causeway which will open up some 2,700 acres of land. Other than that, there are tons of factories throughout Penang and nothing else. We do not need the World Bank experts to tell us we have to solve this problem. I can tell the Assembly to-day that our main target must be the development of Butterworth southwards towards Bukit Mertajam as a heavy industrial sector, and the development of Butterworth and George Town, and their surrounds, as a light industrial sector. There must be special arrangements made for deliveries of goods to the Mainland from Penang Island and goods manufactured in Penang must not only have preferential treatment in Customs duty but also with regard to fees they have to pay for transportation across to Butterworth. We do not need a causeway at the moment. We do not need a bridge at the moment. What we need is a very efficient ferry service and cheaper rates. What the people complain about is this: "When we manufacture goods in Penang, we have to pay higher costs for transportation to the Mainland. We have to pay higher Customs duties to the Mainland. Give us, therefore, cheaper transport on the ferry and special Customs duty — and we will survive." The businessmen in Penang are not fools. They know what to expect. They

form 70% of the population of Penang. If you deprive them of free port, 70% of those affected will be Chinese people, too. That is what they want immediately. It can be done. There is unemployment. We can get Customs people. We can get people to join who are prepared to work at night because people whose stomachs are hungry cannot have the luxury of choice, nor do they want the luxury of choice. But how we can develop Penang when only three factories in 1964 and one in 1965 have been given pioneer status in Penang?

Mr. Speaker, Sir, according to calculations by economists, in an industrial estate we expect to employ at the rate of 25 to 30 workers per acre. So, when the Hon'ble the Chief Minister answered one of the Honourable Members yesterday in this Assembly to the effect that one cannot know, or cannot approximate, figures of employment in the industrial estate, he is not quite correct. You can have projection figures in an industrial estate — it is 25 to 30 people per acre. 1,000 acres equal 25,000 to 30,000 people employed. There are only a few hundred acres, I believe, in the Mak Mandin site and only 105 acres are to be used. The fruition of the second scheme, perhaps, may be in the distant future unless people are encouraged to come to Penang to invest. It was significant that the Hon'ble the Chief Minister spoke of the Juru causeway and the opening of 2,700 acres of land for industrial development by the Juru causeway. If that is pushed through immediately, there is still some hope. And let us not be too pessimistic but let us grasp the bull by the horns and carry out this programme. Eight years have gone by. We cannot hope

to solve the unemployment problem but at least, if we start now, we can syphon the unemployed in this direction from year to year even as the World Bank experts are working out their figures. Juru land is swampy land, which means that we must fill the land as early as possible. The Mak Mandin scheme, unfortunately, has not had a very good reputation because it was based on marshy land and there has been filling; but the filling is sinking and people who have laid foundations in the Mak Mandin scheme are complaining to the Government that their land is sinking. The floor is going lower and lower and, until it stops sinking, they cannot put heavy equipment or machinery on to the premises. In some instances, it has sunk as much as two feet in the last one year. People in Tassek do not have to drill deep for their foundation. People in Mak Mandin have to go deeper: they have to go four feet beyond the filling in order to strike strong foundations on which to build the factory. Now, Penang is quite different from Tassek and even quite different from Petaling Jaya. If people can go to Petaling Jaya and to Tassek, they can come here. Petaling Jaya is roughly 24 miles to the berths at Port Swettenham. They have to load their materials on to the railway at Port Swettenham, convey it 24 miles to Petaling Jaya and unload it into lorries and take their materials to the factories in Petaling Jaya. And Petaling Jaya stands in the middle of nowhere — like Subang Airport, a glorious edifice coming out of the deep jungle to show the progress of Man standing in isolation, with a few dogs running here and there: something in common with Petaling Jaya. But Penang is different, Mr. Speaker, Sir. In Penang,

we have the labour potential; we have the schools; we have the educated people. Penang Port is known internationally, but Port Swettenham is not known internationally. Captains have to be practically blackmailed to take their ships to Port Swettenham because of shifting tides and mud-banks. The Railway spent several hundred thousand dollars in providing services to the new berths in Port Swettenham. We have the third best lighterage service in the whole world next to Copenhagen and Yokohama. But what has happened to the lighterage owners? Ask the Member for Dhoby Ghaut if he is suffering or not. He is a lighterage owner. I really admire his stoic silence even though he is suffering. I am sure he must be screaming his head off in the absence of this Assembly. But, Mr. Speaker, Sir, why do we allow the Federal Government to treat Penang like a labour colony? We must insist that the Federal Government must give us this one hope to survive. We have no tin mines, no iron mines, no new land — nothing. We have only one hope. Give us the chance to grasp at this hope.

Mr. Speaker, Sir, it is very surprising also that the Federal Government has planned a new railway to add up to the new terminus but has made no feeder services to the Mak Mandin Scheme. We expect at least a feeder service. A good industrial estate should have proper road and rail communications. We have proper air, road, sea and rail communications, proper skilled labour and unskilled labour potential; but we only have road services to the Mak Mandin industrial site and, therefore, it has put us in the same position as the Tassek industrial site. Tassek

has a chop, so they can make cement. Penang has what? We have a deep-sea berth but we have no railway to serve the Mak Mandin Estate; and the new Juru land — I do not know how long it is going to take. So, Mr. Speaker, Sir, this is the position with regard to the industrial development of Penang — the heavy industrial sector.

What about the light industrial sector, Mr. Speaker, Sir — shirts, small iron gates? Maybe we can manufacture little pills — Aspro pills, medicinal supplies and so on — cement bricks, hollow bricks and things like that. Along Bridge Street we see the small foundries. Along Sungei Pinang Road we see the small foundries. But what is their complaint? Their complaint is: "What is the use of our manufacturing goods here when we are taxed on our produce as if our produce is foreign produce when exported to the Mainland?" The position is fantastic. The Finance Minister's attitude is: "Well, you have been living on the fat of the land. If you insist on free port, you pay duties as if you are a foreign country." But we are not a foreign country. We are all equal persons. We happen to be living in Penang — that is all. The Chief Minister happens to come from Bukit Mertajam, within the Common Market area.

Chief Minister: In Penang.

Member for Ayer Itam (Mr. Lim Kean Siew): Pardon?

Chief Minister: In Penang.

Member for Ayer Itam (Mr. Lim Kean Siew): You are now in Penang?

Chief Minister: I come from Penang.

Member for Ayer Itam (Mr. Lim Kean Siew): Oh, I am sorry. He was anyway living for many years in the Customs Area, and now he is in Penang. And just because he has come to Penang or because he happens to have been born in Penang, does he have to suffer just as if he is a foreigner? This was a Straits Settlements colony of the British Government. When Malaysia was formed, it was expected that we should join the Federation of Malaysia. Some people wanted Penang to remain a colony of Britain, to be independent from the Federation of Malaya. We said, "No, we must all get together;" and yet on this question of taxes, we are treated like foreigners. Surely we should do something about it.

Mr. Speaker, Sir, coming to the question of ports — the free port position of Penang. This is my next subject after industry. In 1961 the total cargo dealt with for the whole of Malaya the States of Malaya, was 45% by Penang discharged and 43% loaded. This compares to Port Swettenham's 36% and 38%. Mr. Speaker, Sir, the entrepot trade between 1958 and 1962 showed an increase, and revenue from this in 1958 was \$237.6 million which in 1952 had increased to \$351 million; so that Mr. Speaker, Sir, in fact Penang depended very largely on its trade of Penang port. Penang port was the most important port apart from Singapore. With regard to Malaya we were the premier port. So the Prime Minister's statement that Penang shall maintain itself as a premier port after the breakaway of Singapore was a correct state-

ment. Unfortunately some of its Ministry members did not agree that it should remain so. Mr. Speaker, Sir, in 1960 Penang had 3,167 ships from foreign ports while Port Swettenham had 1,672, and even today Penang remains the most important port. But, Mr. Speaker, Sir, with the loss of this free port Penang will stand to lose. The question is, how much? According to calculations by the loss of trade with Indonesia, one thousand workers were affected. One thousand to four members of a family equals — four thousand people were affected because one thousand workers mean one thousand families, one thousand families of average four each would come to four thousand people. Mr. Speaker, Sir, it has been calculated that with the loss of the free port we will lose employment of between twenty to twenty-five thousand. Some people have calculated it at thirty thousand, but we will let it remain at twenty-five thousand. Twenty-five thousand plus fifty-four thousand becomes seventy-nine thousand or eighty thousand. With the loss of free port we will be confronted with an unemployment figure of eighty thousand people. This is not a small number. No amount of industrialisation can cope with this figure. Mr. Speaker, Sir, we do not know why Selangor should be made the prestige port of Malaya; why Port Swettenham should be developed at the cost of Penang? We only know this — loss of free port will affect twenty-five thousand people, approximately 70% of which are Chinese and 30% of which are other people, mostly Indians. Now, Mr. Speaker, Sir, without the Federal Government helping us in our industrialisation to com-

pensate for this loss, how can we risk to lose the free port? It has been argued by the Federal Government that if Penang gives up its free port status then it would come into the Customs Area and the Federal Government would expect to make \$7 million additional revenue in taxes. \$7 million additional revenue in taxes — that is the key word! And Mr. Williamson, Tariff Advisory Board Chairman, of no great credit to himself, instead of investigating the situation in Penang came here and told us, "You are living off the fat of the land." What fat? There is no land to live off. We are living off the lean of the land, not the fat of it. It is no credit to him that he should come and tell us to give up the free port status because we are living off the fat of the land, obviously thinking of the \$7 million the Federal Government hopes to profit from the loss of free port by additional revenue. But, Mr. Speaker, Sir, I can tell the Minister of Finance, as indeed the Hon'ble the Chief Minister should inform the Minister of Finance, his figures are wrong; his projection is wrong. You can make \$7 million at the present rate of employment, at the present rate of income; but are you sure that when we lose our free port we will still have that much money to spend? If we lose that free port we will become poorer, and if we become poorer we will buy less, and if we buy less there will be less revenue. There will be no \$7 million for the coffers or for the ever emptying coffers of the Federal Government. Can we say that with the loss of free port our income will still be the same, off the lean of the land, not the much? Loss of the free port will

bring about the loss of jobs for twenty to twenty-five thousand people at the projection figure, because no proper figures have been given, and no proper figures have been compiled, and even if they have been compiled they have never been published. But after we have lost the free port and after unemployment has increased by twenty-five thousand, what is going to happen to us? How is the Federal Government going to finance and feed these twenty to twenty-five thousand workers? They take away the free port, unemployment rises, they have to feed the unemployed with more money and it will cost the Federal Government more than \$7 million a year to feed the people who will have been affected by the loss of free port. The loss of free port will mean Government must find alternatives and we have no alternatives. As the Hon'ble the Chief Minister has just said we have no land left. The only thing is industry, and we have 3.3% for pioneer status industries and fifteen factories in the process of erection at Mak Mandin Scheme. Mr. Speaker, Sir, \$7 million investment per year by the Federal Government to cope with the loss of free port will not be sufficient to cover loss of employment or increase industry sufficiently to give employment to twenty-five thousand people. So, Mr. Speaker, Sir, it is indeed shocking that the future of Penang is being bargained away so easily.

Mr. Speaker, Sir, I then come back again to ask the State Government of Penang that since it is so obvious even to a person like myself, a 'lawyer burok', who has no figures, it can be seen that the situation should

have been investigated since 1957. Why has not the State Government pressed more vigorously to obtain the services of proper survey teams in order to do proper planning before today? Eight years after 1957 we are told, "Oh! we are still waiting for service." Maybe what the Hon'ble the Chief Minister says or hinted yesterday has more than a germ of truth because I have been wondering, and that in fact the Federal Government controls the State Government to a far greater degree than it would admit, because Mr. Speaker, Sir, I found in his speech yesterday acknowledgement after acknowledgement, and thanks after thanks to the Federal Government. And every time something is granted he says, "with thanks to the Federal Government." If the Federal Government is not discriminate against us then I can understand his attitude. But the Federal Government is not giving preferential treatment to Penang and is robbing Penang of her one chance to survive. Then it is time that the State Government should say, "To Hell with the Federal Government. We will proceed as we like and we will fight you." It does not matter if we belong to the same party. We certainly represent different interests and our interests are in conflict. You just cannot feed Selangor, feed Selangor, feed Selangor, with empty mosques, empty aerodromes, empty Parliament building, and new industrial sitessim simply to tell the visitors from abroad that we have a beautiful capital, when behind that facade of stainless steel and glass and concrete and gilded domes is a mass of suffering humanity. Mr. Speaker, Sir, the position is that until we know the State Government is to be

blamed. There is no attempt to locate proper secondary industries in Penang; no proper zoning or planned industrial development both for Penang and Province Wellesley, except for Mak Mandin Scheme; there is no proper planning for the East-West Coast road, and so on.

Mr. Speaker, Sir, having dealt with the question of the port and the industrial site, we must next come to the East-West Coast road. Many years ago — that is how story books begin — a team of Canadian experts came to Malaya and carried out a national survey. Many years ago they decided that the north of Malaya must be developed by an East-West Coast road. And many years ago the plan was scuttled. Since then what do we have? Ministers from the Central Ministry saying, "No, No, No. We must shift the East-West road to the south, we won't go to Kelantan because it is a P.M.I.P. State." Maybe they stink. I do not know. Anyway we come to Kuala Brang in Kuala Trengganu. And that road is going to come right across the hills of Malaya. Where to? To Sungei Siput. Why to Sungei Siput? Why not to Penang? Why Sungei Siput? And from Sungei Siput lorries carrying timber are supposed to go up the ninety crowded miles from Sungei Siput to the port of Penang.

Chief Minister: Mr. Speaker, Sir, on a point of clarification, I hope the Honourable Member will raise this in Parliament. And he can be assured we will give him our thanks.

Member for Ayer Itam (Mr. Lim Kean Siew): Alright, give me your support which I can then

produce as evidence.

Chief Minister: We have submitted memorandum upon memorandum. The State Government has been working for this East-West Road via Baling; not via Sungei Siput because the Sungei Siput road will also lead to Penang. We want it to come through Baling to Penang. Then our industrial sites will survive. If the road goes to Sungei Siput then the industrial estates in Penang will collapse.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, I am so glad that the Honourable the Chief Minister is supporting me in my argument.

Chief Minister: Mr. Speaker, Sir, on a point of clarification, that is not supporting. I want the Honourable Member to raise this matter in Parliament. I doubt whether the Honourable Member has ever touched on this in Parliament.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, may I continue?

Mr. Speaker: I want you to complete, because after 10 o'clock we will adjourn the Assembly. And then a chance will be given to the other people. You have been given 2½ hours, from yesterday.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, I think one cannot limit the number of hours. One cannot tell the speaker to stop. I will probably stop a few minutes after 2.30. I have free port to touch on. I have Penang Hill Road; I have University; and I have so many

other things.

Mr. Speaker, Sir, as I said, many, many years ago a plan was laid for a East-West Coast Road. Since then they have been shifting sites. If it is decided to go down south it is not to the benefit of Penang. If the road goes down from the south it means that users of the road will have to come up 90 miles to the north along an overcrowded highway; and goods sent from Penang would have to go down 90 miles over an overcrowded highway before they can go east. I am glad that the Honourable the Chief Minister has informed this Assembly that they have made representations; and I hope that these representations would have sufficient weight to make the Government change its mind. I understand it is about to change its mind, although it has spent a lot of money in trying to develop a pilot track from Sungei Siput to Kuala Brang.

Mr. Speaker, Sir, the whole purpose of this road must be aimed at the industrial development of Penang. As the Chief Minister has said, we cannot survive without this East-West Coast Road. But with the development of the East-West Coast Road, and only with the proper siting of this road, can we plan, because if the road comes to the south, as he says, we are dead. It is no use. It will have been of no benefit to Penang, and it will no longer be of any benefit. All that will happen will be that it will become another rural development road — a road into the hinterland in the hope that the jungles on both sides of the fringes of the road can be cleared and developed. But if it comes from the north then we can also

put in ribbon roads along the longitudinal valleys of the Malayan range of mountains for rural development, new estates; and at the same time make certain that the whole of the north turns Penang into a collection centre as well as an industrial centre. So, Mr. Speaker, Sir, unless incomes are raised, especially amongst the poorer classes, our markets cannot be increased. And if our markets cannot be increased then our industries will suffer because it is well known that industries would have to depend upon a home market as well as an export market. And only, Mr. Speaker, Sir, by opening the East-West Coast Road can we hope that there will be a full development of our industrial programme. And it is also quite clear, Mr. Speaker, Sir, that the East-West Coast Road is one of the most fundamental factors of our planning. We do not need to wait for the World Bank survey to complete its Report before we come to this section of the planning.

Mr. Speaker, Sir, so much for Mak Mandin Industrial Estate, industry, free port and East-West Coast Road. All these deal with the manufacturing and commercial centre of our island. All this deals with perhaps the major portion of our hopes for the future of Penang. But, Mr. Speaker, Sir, in itself that is not sufficient. Penang is also known — that is, according to the Tourist Association — as the Pearl of the Orient. I think it was Fitzpatrick, the American Travel Reporter, who gave it this name. What are we making of this pearl? What are we doing with this pearl of this so-called orient? Are we having sufficient development programmes for developing Penang as a tourist and a holiday resort?

Penang, Mr. Speaker, Sir, had one unique thing which nobody else has got. It is in a way isolated; it is in a way a pocket cut away from everything else. And perhaps that has made a lot of people tend to think of themselves in isolation. Sometimes quite petty things have assumed an unnecessary air of importance. But Penang fortunately has a very beautiful sea, has very beautiful beaches, has a beautiful range of mountains, and very great potential for walks. We can walk up Penang Hill, and walk down to Balik Pulau by the hill paths. We can go up to Ayer Itam Dam, and walk across to Balik Pulau. We can have cycle races round the whole of Penang Island. We can have motor-car rallies up our reservoirs — Bukit Dumbar, Guillemard Reservoir, and so on. But what are we doing with all these?

It was proposed by me, I think, many years ago that the whole of the Ayer Itam Dam site should be developed as a Park, as well as to allow sculptors to display their sculptures along the walk around the banks of the reservoir, with benches. It was my suggestion that the open space with the granite quarry face should be turned into an open-air auditorium during festival occasions — during Hindu festival occasions or Christmas — for open-air performances to develop local talent, to allow dancing, and to allow open-air theatres to be performed at the Ayer Itam Dam, so that it will become a kind of cultural centre; so that people can come to Penang for their holidays — be it Thai-pusam, Chinese New Year or Hari Raya Holidays; so that they can go up to the Parks there, and they can see fountains, and they can see open-air performances.

Penang is most suitable for it. But did we have any support? Did the State Government support this proposal? No. Is there any plan? No.

Mr. Speaker, Sir, not only do we need this in Ayer Itam. We also had money for the Queen's Hall which can be turned into a kind of centre. Instead of which what do we have? We have little nooks and corners like Hutchings School for the Penang Museum; and no place for lecture halls and for exhibitions; Fort Cornwallis of historic importance, an historic curiosity. Personally I do not like it. But my personal interest does not come into the picture. But many people like to have a look at it if you want tourist trade. But what do we have? We are going to somehow deface it by building something else — a Pilgrimage Control Office or Satay Park, or some kind of thing.

Then we go round to the beaches. As I have said, our beaches are slowly being destroyed one by one by one. The Chinese Swimming Club, once upon a time a favourite resort for everybody, especially beginners who cannot swim — young boys and girls. They do there because there are no strong currents and no strong tides, and the bottom of the sea shelves gently into the channel — no steps and no sudden drops. Today, as I say, one cannot swim there without getting an orange peel in one's mouth. Some of the buildings on the beach site were put there because they could take advantage of the beach. They saw a beautiful beach; and speculators said, "Ah, a very lovely beach. Let me put my house there." They put up some houses there. And very soon there is no more beach left, only houses; so that

our wonderful beautiful amenities are being swallowed up one by one because there is no planning; because speculators have made it impossible for the Government to plan properly. Then we cross the Swimming Club to the next beach where the Penang Swimming Club is; and the same history repeats itself. And now Miami Beach is going to be destroyed. And once Miami Beach is destroyed you have to go to Telok Bahang. And when you come to Telok Bahang you are confronted with this low-cost housing; so badly planned, they are already slums before they are started. And even at \$15.50 the Government has got to go begging for tenants.

So, Mr. Speaker, Sir, we go round the island and go up the hill. What do we have up the hill? I can put a proposal to the Government, and I don't know whether I should give it. It has much business potential, and a large tourist attraction, if only you are going to put the road up the hill, and if you are going to take advantage of it. Now we have the Penang Hill Hotel and the Tea Kiosk. The Tea Kiosk is congenial and colonial; the Penang Hill Hotel is brash, vulgar and crude. And you have the choice of one of two, and nothing in between — upwards into the 19th century, or the vulgarity of the 20th century. And in between the two stands, in isolation, Bel Retiro.

The Assembly adjourns at 12.00 noon.

The Assembly resumes at 2.20 p.m.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, one person from this Council, as

I was leaving for lunch, had the audacity to challenge the accuracy of my figures and my statements in this House this morning. I would therefore like to take this opportunity to point out to him, and indeed to all (interrupted).

Mr. Speaker: But the challenge is not made in this Assembly. I consider it is not officially made in this Assembly.

Member for Ayer Itam (Mr. Lim Kean Siew): No, no, no, Mr. Speaker, Sir, I am just using it as a kicking-off point. I would take this opportunity openly to tell him and all the people in this Assembly that my figures are, I believe, in fact the figures of Mr. Munro himself; and his conclusions. A lot of my statements were Mr. Munro's conclusions; and I firmly believe that they are to be found in the Munro Report which I also firmly believe is a very serious condemnation of the lack of activity of the State Government especially. So I hope that will satisfy those people who still wish to query my figures and my percentages. I have not purely created these figures out of my head, nor have I just come to those conclusions because I am a Member of the Opposition. No doubt, I have aired my views as a Member of the Opposition.

Chief Minister: Mr. Speaker, Sir, on a point of clarification: Is he trying to clarify the points raised in this Assembly or outside this Assembly. If they are outside the Assembly, may I have your ruling whether it may be debated here?

Mr. Speaker: I have already told him.

Member for Ayer Itam (Mr. Lim Kean Siew): I am not debating, Mr. Speaker, Sir. I am just telling the Hon'ble the Chief Minister for his benefit, should he also challenge my figures, that they are to be found. They are the figures of Mr. Munro.

Chief Minister: Mr. Speaker, Sir, I never challenged anybody. I never challenged the figures. In fact I am going to check up the figures. I never challenged.

Member for Ayer Itam (Mr. Lim Kean Siew): You may check it up — I think it is in the Munro Report — and have another peep at it, unofficially.

Chief Minister: Mr. Speaker, Sir, on a point of clarification: I would like to get your ruling. Have we got to debate points which are discussed outside this Assembly?

Mr. Speaker: My ruling is that I am not going to allow any point which has been brought outside this Assembly to be debated.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, I am not debating. He is debating. Debating takes two sides. When a man makes a statement it is not a debate. When the other fellow answers it becomes a debate. I am glad you ruled against it.

Mr. Speaker: It is open to debate.

Chief Minister: Mr. Speaker, Sir, if you permit then I will debate.

Member for Ayer Itam (Mr. Lim Kean Siew): I suppose you have ruled against him, Mr. Speaker,

Sir?

Mr. Speaker: I rule against the statements made outside this Assembly.

Member for Ayer Itam (Mr. Lim Kean Siew): Yes, Mr. Speaker, Sir; very well.

Any way, the point is that those figures can be found in the Munro Report. Now, I was before adjournment talking of the development of the Hill Road, and the lack of tourist attraction on Penang Hill.

Mr. Speaker, Sir, in order to have a fully-developed tourist plan we must deal with the question of tourism as a whole, and the potentialities of Penang as a tourist centre. Perhaps, Mr. Speaker, Sir, Penang is probably the highest tourist attraction in the whole of Malaysia. We have a wonderful landscape and seascape, with an around-the-island road, and vantage points up Penang Hill. We have a free port status, with excellent shopping facilities offering a wide range of goods. We have numerous hotels — no doubt not of international quality but good enough on international standards; we have entertainment, including access to our beaches. We also have places of historic interest, and education, and religion, and numerous festivals which can attract the tourists to Penang. Mr. Speaker, Sir, not only do we have these attractions, but Penang is an international port, and there is easy access by road, rail, sea and by air which lead out both to the East and to the West. The people whom we attract are partly international tourists — not very many, but some; and there are South-East Asian people from Thailand, from Singapore, and so

on. And then we have local people coming from Perak, Selangor, Kota Bahru — even by air now, Pahang and Johore. Mr. Speaker, Sir, but what has the Tourist Association or the Tourist Board done for us? They have encouraged visitors to the Kota Tinggi Falls; they have assisted in the establishment of a post of Publicity Officer to encourage tourism in Pahang's King Edward VII Park. They have even made huts so that curious people at night can go and sit down to watch turtles lay eggs, as if that itself is such a wonderful sight. But for Penang, what has the Government done for our tourist industry? As far as I know, Penang has not only those attractions I have spoken about. Penang also has a wonderful bird life. Bird sanctuaries should be provided. A well-known photograph of an ipis has been taken in Penang. It is also a migratory station for birds moving out from the cold of Central Asia during winter. We have varieties of parrots which no-one seems to know about.

Mr. Speaker, Sir, the best that we can do for Penang Hill is at least to have a road developed; and the whole of the north of the top of the Penang Hill zoned to come under the control of a Board set up for the purpose of the development of Penang Hill. I understand that when the road proposal up the hill was decided Government had to zone an area 200 feet on both sides to prevent land speculation, because people were thinking of buying land alongside the hill road. This I hope the Government will not allow. But then, unless Government has live plans it will have an empty space on both sides, to be rented to big combines; and

it will therefore fall into the hands of the rich speculators whom I will deal with at the moment. Unless the Government starts a Board — an independent Board for the development, running and exploitation of the Penang Hill top — we cannot have a proper development plan for the Penang Hill. Not only must we go up to Penang Hill, but we must provide overnight chalets or some log cabins for small families to live in; we must provide different grades of hotels; and we must provide a walk right up to Tiger Hill, that is, to the end of the walk; and paths down, as we have suggested, to Balik Pulau.

Mr. Speaker, Sir, we have all heard of the restaurant up at Bangunan Tuanku Syed Putra, the new Government building. They said it was going to be a first-class restaurant for tourists — easy of access, by the port — where people can sit down and have a sip of their coffee, and look at the port from that vantage point. It was to be a major tourist attraction when the building was put in a course of construction. We were told it was going to be a first-class restaurant. What has become of that restaurant? It is dead. I understand it has been closed down. Why? No planning.

Chief Minister: Mr. Speaker, Sir, there was no planning for a restaurant, but for a canteen. For security reasons that has got to be stopped.

Member for Ayer Itam (Mr. Lim Kean Siew): For security. I am sorry. I am very glad it was wrong. It turns out to be not even a restaurant, but a canteen.

So let us hope this will not happen to Penang Hill; that the same reasons for stopping that restaurant will not happen to Penang Hill. I will show you, Mr. Speaker, Sir, that unless we develop Penang Hill the whole of Penang Hill might suffer the same fate as the canteen at the top of Bangunan Tuanku Syed Putra. If there is no plan this will happen. Why? Maybe land speculation on top of Penang Hill, or inability to develop. And then later on people might be prohibited from certain parts of Penang Hill because of the base under construction, which I could not ask questions about because it was supposed to be a Federal matter although it is State land. If that base on Penang Hill is built there will be a military zone. After the military zone there will be a security zone. After that there will be nothing left of Penang Hill. Another major attraction will be gone. Why not put the base at Kedah Peak amongst the rice-fields? Why at Penang Hill? Because it is at Penang Hill our tourist trade may be gravely affected. No-one wants to enjoy a holiday next to a military base, especially if it is a surface-to-air guided missile base. If it is that sort of base we will be done for, because if you use a missile you must understand that the missile can go 10 miles out of course. The whole of Ayer Itam may be demolished.

Chief Minister: Including the Honourable Member.

Member for Ayer Itam (Mr. Lim Kean Siew): Including the Honourable Member. And certainly I do not like to die.

Mr. Speaker, Sir, from Penang Hill we expect the tourists either

to come down to visit Ayer Itam or to cross over to the other side by the new road. It is unfortunate that until today Ayer Itam has not been put under proper planning. Thuggery at one time made it so infamous that Thai travellers wrote to the "Straits Times" complaining that four of them coming down the pagoda were stopped by extortioners. That was before I was the Honourable Member for Ayer Itam. And the tourists said it would affect tourism because they were certainly going to tell their friends in Thailand that if they went up the pagoda they may be relieved of their burdens. I intend to see that thuggery is stopped in Ayer Itam, and I might as well make it clear to this House — thuggery which has been flourishing in the last few years. But I myself cannot provide any constructive planning. Constructive planning must come from the State Government, Mr. Speaker, Sir.

Mr. Speaker: May I know approximately how many subjects more you are going to touch on? You have been speaking from yesterday until today. I appreciate that there is no Standing Order limiting the time of speaking by Members of this Assembly, but I would like to point out to you that under Standing Order 117 (1) and (2) I have the discretion to follow any parliamentary practice if I want to. I still don't want to use that. But can you make your speech a little shorter, and give other Members a chance to speak? Standing Order 117 (1) says that in case of doubt the Standing Orders of the Assembly shall be interpreted in the light of parliamentary practice relevant thereto.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, if only

the State Government did not make so many mistakes I would not be so long in explaining.

Mr. Speaker: That is all. I hope you can give a chance to somebody else to speak.

Member for Ayer Itam (Mr. Lim Kean Siew): Well, Mr. Speaker, Sir, when are you going to stop this debate on the Budget?

Mr. Speaker: I have not decided yet. I am still thinking about it. I just point out to you that under Standing Order 117 you can still follow the Parliamentary practice if you could just elaborate on the facts in point.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, we in Penang have only got three things left: the free port and the industrial sector, tourism and education. I am touching on tourism, and I will be coming to education; and then I will sum up. But, Mr. Speaker, Sir, you must allow me some time to talk on tourism because although it appears to be small it will affect the pockets of many shopkeepers.

Mr. Speaker: I appreciate your view of talking about tourism; but it is not necessary to repeat about the Snake Temple. The Snake Temple is already there.

Member for Ayer Itam (Mr. Lim Kean Siew): No, Mr. Speaker, Sir; I was talking about the new road. That is what I was coming to.

Member for Sungei Pinang (Mr. D. S. Ramanathan): Mr. Speaker, Sir, may I rise on a point of order? I have hesitated to intervene up to this stage. But I must point out that we are discussing

the State Supply (1966) Bill; and the items of tourism and University site, and other things on which the Honourable Member for Ayer Itam has touched all appear in the State Development Budget.

Member for Ayer Itam (Mr. Lim Kean Siew): Oh God, Mr. Speaker, Sir. I don't like to enlighten my Honourable Friend from Sungei Pinang; but if he knows what is a Budget speech he will know that it is on the Budget speech that we talk on Government policies. May I continue, Mr. Speaker, Sir?

Mr. Speaker: Yes.

Member for Ayer Itam (Mr. Lim Kean Siew): He should have hesitated longer, of course. Obviously he did not hesitate long enough. If he had he would have found out how wrong he was.

Well, Mr. Speaker, Sir, when we come down to Ayer Itam we see a new road leading across to Sungei Ara. That is where the Snake Temple is found. But I am not going to talk about the Snake Temple. I am going to talk about that new road. And from that new road I will show the absurdity of our position today, and how it is that private speculation has caused so much havoc to our State. Now, Mr. Speaker, Sir, this new road itself — I must congratulate the Government on it — is a good road. It has cut the road right across to Bayan Lepas, and has in fact opened up new vistas, new areas. But in Penang we are short of land. Any new road must have a dual function. One function is to open up land. The other function is for the purposes of tourism. When this new road was opened the Government cut through a lot of land

which is still unzoned. One portion of it the Government is buying for the purposes of low cost housing. That itself is certainly very well, Mr. Speaker, Sir. But that whole area has now been opened up for the development of a light industrial complex. Why? The fish from the south of the island — the bad fish — can be brought straight through to that valley which could be used for high concentration of poultry-rearing — chickens and ducks — especially ducks feeding on bad fish. With that base, and other livestock as a base — because Thean Teik Estate has a lot of small farms — we can have a canning industry. And there can be collection centres for vegetables; and our meats and our livestock — freshly-slaughtered livestock — to be put into ice boxes to be conveyed from Penang into the mainland. If we have a whole semi-agricultural and light industrial complex in that Ayer Itam area which includes Thean Teik Estate we would serve a dual function: one for tourism, for people to see the development centres, and the other thing to provide a small complex for the development of light industry, and poultry and other livestock farming. But if you don't zone it now land speculation is going to force up the price.

And, Mr. Speaker, Sir, I have already stated that tourism depends on proper zoning; that tourism depends on proper arrangements and building plans for the State of Penang. But, Mr. Speaker, Sir, it has been said by Mr. Munro himself that one of the greatest dangers to the successful implementation of such a policy lies in the current lack of planning control within the boundaries of the State, and the consequent wide-

spread speculation in land. The latter, apart from its debasement of agricultural and rural economy, is quite capable of stultifying — if not completely neutralizing — further land development. The primary necessity seems to be for the authorities concerned to decide whether they intend or wish to plan, or whether planning is to continue to be dictated by the private developer for the immediate profit of the few, and to the long-term detriment of the many. This is the danger confronting our tourist industry. When the Government decided to zone the beaches "Open," before the Government could even decide to do so a certain developer had put up a house there. I do not wish, as I said, to mention names in this House. Before the Government could take over land for the purposes of a University, when the land was zoned for compulsory purchase it was bought by a private purchaser. So now we have ribbon development everywhere, and we cannot plan properly. I am not saying that the developer has committed a crime. He has committed no crime. He is a speculator. He wants to make money. It is up to us to stop him. He can make money. It is his legitimate right. But who profits?

The same thing will happen to the Sungei Ara land as has happened in Muka Head where four houses were put up when there was a talk of cutting a road across to Muka Head. The same all the time. We get these speculators. Penang Hill Project: I suppose the speculators are interested in getting special leases and rights. And now the road leading to Sungei Ara not being zoned. People are beginning to buy estates — \$2,000 an acre; \$2,500

per acre. This is serious. We cannot plan if we do not wish to exercise our powers.

And, Mr. Speaker, Sir, it would be unfortunate for us to assume that the Penang Hill Road was started for the purposes of elections, or that it will be built without proper planning control, and without proper plans for the development of Penang Hill. The State Government says it has no money. The State Government says that its budget is a deficit budget. Now, we are not getting more revenue from fishing. We are not getting more money from agriculture. We are not getting more revenue from rubber. We must find new source of income. Development of industries is one. Direct participation in future development is another. And what we need, Mr. Speaker, Sir, is that in this kind of project there is direct participation by the Government, so that the Government need not only get an income directly: but our Government will be able to have direct control over this. The Alliance is supported by big capitalists, big shots. Naturally the Honourable the Chief Minister will be brought under pressure by all these big shots to make sure that their interests are not affected.

Chief Minister: Mr. Speaker, Sir, I object to that remark.

Member for Ayer Itam (Mr. Lim Kean Siew): Which remark, Mr. Speaker, Sir?

Chief Minister: That the Chief Minister is under the control of the capitalists.

Member for Ayer Itam (Mr. Lim Kean Siew): No, o; will be subject to pressure of the capitalists.

Chief Minister: I even object

to that remark, Mr. Speaker, Sir.

Mr. Speaker: Can I have your explanation on the purpose of your mentioning that?

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, it is very simple. I do not know why it is objected to. Our State Government is run, as you know, by Political Parties. The Government — in fact the Minister of Home Affairs, Dato Ismail, and I believe the Honourable the Prime Minister — has said they believe in capitalist development. This is a fundamental point as far as we are concerned. The Alliance supports capitalism. Capitalists will support the Alliance for the interests of capitalism. I am not saying that 'A' is trying to influence the Chief Minister personally, but that 'A' as a capitalist in a capitalist Party would try to subject the Government to pressure of capitalism. It is the same thing in England between the Conservative Party and the Labour Party with regard to the nationalization of steel. The big steel barons support — and make it quite clear that they support — the Conservative Government, and do not want nationalization. The Labour Parties say they may believe in nationalization. That kind of pressure. I don't mean any other kind of pressure. It is an ideological Party pressure.

Mr. Speaker: That is in order.

Chief Minister: Mr. Speaker, Sir, on a point of clarification, my Government is not under the influence of anybody except the Alliance Party. And we have interest for capitalists as well as for the workers and everybody.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, I

am very glad to hear his explanation; that his Government is under the influence of nobody except the Alliance Party, etc., etc., etc.; which is what I have said. You are under the influence of nobody except the Alliance Party which is a capitalist organization believing in capitalism, and supported by capitalists.

Chief Minister: Mr. Speaker, Sir, I object to that portion where he said that the Alliance Party is dominated by the capitalists.

Member for Ayer Itam (Mr. Lim Kean Siew): That, Mr. Speaker, Sir, as I would imply if I were in his place, is a matter of opinion. And my opinion is that it is subjected to pressure of capitalists, and it is a capitalist Government.

Mr. Speaker: My wish is this: I don't want any debate on the Supply Bill which we have before the House to be divided into other subjects because in the Standing Orders it is clearly said that the debate must be confined to the merits of the Bill. And I hope there will be no more argument over other things. Please confine the debate to the merits of the Bill.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, my argument is a very simple one — that our Government cannot plan and run the State effectively unless it has State control over certain projects like tourism and development of the Hill Road, and proper zoning proposals, and that it will find it difficult to do so if it allows capitalists who are in the Alliance Party to have their way. And I specifically (interrupted)

Mr. Speaker: May I have some

understanding? Is there no capitalist in any other Party in this country? I want to have that.

Member for Ayer Itam (Mr. Lim Kean Siew): What do you define by capitalism?

Mr. Speaker: That is what I want to know from you. You are the man who says that.

Member for Ayer Itam (Mr. Lim Kean Siew): It is very simple, Mr. Speaker, Sir. I define a capitalist to be a person who makes use of his capital to get profit.

Mr. Speaker: No. You said there are capitalists in the Alliance Party. May I know whether there is any capitalist in any other Party?

Member for Ayer Itam (Mr. Lim Kean Siew): Well, he can say there are capitalists in the Socialist Front. Let him say so. I won't stop him.

Mr. Speaker: Then alright. It is not only in the Alliance Party, I take it.

Member for Ayer Itam (Mr. Lim Kean Siew): No, I don't want to be drawn into that issue. I am only saying that as far as the Alliance is concerned it is subjected to capitalist pressure. That is my point. I cannot be taken away into argument. But, of course, if you wish to argue on the question of Parties, Mr. Speaker, Sir, then, with your permission, I will go into it now.

Mr. Speaker: I will not allow this arena to be used for a political campaign. I tell you this is going to be strictly for the merits of the Bill. And I intend to stop anything that is not relevant to

the merits of the Bill.

Member for Ayer Itam (Mr. Lim Kean Siew): Thank you, Mr. Speaker, Sir. Then don't ask (interrupted)

Mr. Speaker: And I even intend to give you a limit of time if you don't confine yourself to the merits of the Bill.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, I am afraid that if you are going to give me a limit of time (interrupted)

Mr. Speaker: When the Speaker is speaking, will the Honourable be tolerant a bit. Under Standing Order 117 I can rule even to give a proper time for the Honourable Member to speak.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, with greatest deference to you, as far as a speaker is concerned, once he is on his feet you cannot rule him in time. You can rule a time for a debate, but you cannot tell me, "You can only speak for 10 minutes or 15 minutes," especially when he objects to my using the word capitalism, and you ask me if there are no capitalists in other Parties. I have to explain my position.

Mr. Speaker: Let be with it. And I want you now to confine yourself directly to the merits of the Bill which is before the House now.

Member for Ayer Itam (Mr. Lim Kean Siew): So, may I continue without further interruptions?

And as long as this Government is subjected, as I said, to capitalist interference with regard to zoning, and there is land specu-

lation, then, as I have quoted just now, the State Government will find it difficult, and will find it quite stultifying because it will completely neutralize future planned development. These are words not of mine, but of a person who is not a politician. It seems to me, Mr. Speaker, Sir, to break my speech at this stage, that you want me to end as early as possible.

Mr. Speaker: What I want is for you to confine your speech to the merits of the Bill. And I don't want the argument to raise up other subjects which are not in the merits of the Bill before the House because the Standing Orders state very clearly that in the Second Reading of a Bill we should confine our remarks to the merits of the Bill. You do that. That is all I want.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, then will you direct your speech to the Honourable the Chief Minister because it was he who interrupted me?

Mr. Speaker: I will remind the Honourable Members that from now on, if any Honourable Member stands to interrupt any Member, speaking on a point of clarification, I must first seek from the Honourable Member speaking whether he will give way or not. If he gives way then the clarification may be obtained. If any Honourable Member stands up for a point of order I want to know from the Honourable Member what Order is to be quoted

Member for Ayer Itam (Mr. Lim Kean Siew): Thank you, Mr. Speaker, Sir. Then, of course, Mr. Speaker, Sir, I needn't have to explain on interruptions. I also don't like to be interrupted.

Now, Mr. Speaker, Sir, I will come to the question of a University. The question of a University is also important from the point of view of getting income to people. There are two ways: firstly, the University can spend a lot on capital investment — buying of land, putting up new buildings, and have a small teaching staff, with a small library, and house students in the University itself. This is a residential type of University. The other one is the mass type of educational system — a non-residential or semi-residential type of University. Such a University would mean, modulation will be provided for students coming from other States especially poor students coming from Kedah, Perlis, Kelantan, Trengganu, and so on. Those people who can afford it or who live in Penang shall be non-resident students of the University. Now, the more the students we can classify into the non-residential sector the more these people have to stay outside; and the more they stay outside they will be put up as lodgers; and if they are put up as lodgers we will give added income to families, and therefore augment the income of families in Penang. Lecturing theatres need not necessarily be confined to a place, let us say, near the aerodrome at Bayan Lepas. That may be too far away. Lecturing theatres can be found within the town itself, e.g., if you will, Queen's Hall or Dewan Sri Pinang. You may build it. That can be used as a lecture theatre. And Penang General Hospital itself could be used partially as a teaching hospital. In this way we need to spend less capital, and we will be able to have a University faster; and we will give a lot of added income to householders. I do not know what the

Memorandum is. But certainly when we have the Memorandum which the Honourable the Chief Minister is going to give to us we will then be able to examine the thing in fuller detail.

The Honourable the Chief Minister must not think that in my making these proposals he should ignore these proposals simply because I am in the Opposition. Who knows, one day I might cross over too and join up with the Government. In that case I will be known as a very good man who had not been discovered before.

Mr. Speaker: That is not in the merits of the Bill. Again, I rule that out of order.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, now there is one matter I would like to touch upon very briefly. This is the water front of Penang. Together with tourism and industrial development we must consider the Weld Quay water front. There are two ways of looking at the Weld Quay water front. The first way: Shall we develop it as it is — houses on stilts, with proper planning, so that we can paint up beautiful houses, and so that people coming will see Weld Quay as a distinctive feature of Penang? In which case we must insist on proper health, water and lighting facilities. Or we should reclaim land; in which case alternative accommodation must be found for the people in Weld Quay. But to stand in the middle, in the neither — neither world, would be wrong. Today the people in Weld Quay are not considered as permanent dwellers. They have temporary occupation licences. Some of the people have put up unauthorized

buildings on which the Government, I believe, has taken out orders to pull down. In the first place, with all our policemen, how did those houses come to be built? This is going to cost us money for pulling down. It is going to cost the State expenditure to pull those houses down; and, of course, a lot of inconvenience and difficulties for the people. Either we allow them to continue, or we should not have allowed them to be put up. My answer, of course, is that since they have been put up because of inefficiency then they should be allowed to continue until you want to develop Weld Quay. I know, Mr. Speaker, Sir, that the Government intends to develop Weld Quay; but it is taking a long time over it. I know, Mr. Speaker, Sir, they want to reclaim a lot of land; but they are taking a long time over it. I know that people are putting in plans for its development; but the Government has not come to a conclusion. Why? A private enterprise wants to put it up. You throw it out to tender, or you negotiate properly. Have a proper Committee set up and decide whether or not it is to be built. And if you put up reclaimed land there then those houses have to come down. And if you are going to pull down those houses then you must provide them alternative accommodation. But with confrontation and the loss of free port those people are finding it difficult even to find existence in the present houses. So you have another social problem on your hands. Over 1,000 families live there. You must find accommodation for them. You must find substitute income for them. You must find alternative work for them. Have you any plans? The whole of Weld Quay is a big problem.

There has been talk and talk and talk, involving many politicians including my honourable friends on this side of the House, or from both Parties; the Honourable the Chief Minister himself last year. But until today there were no plans. Why is it? If the Government is going to reclaim land the Government should do it as quickly as possible. If they do it, it will involve several square miles of land to be reclaimed which may be useful to the people of Penang. But, Mr. Speaker, Sir, this Government has not come to a definite conclusion.

And we go on to the question of low cost housing in dealing with the question of Weld Quay. The Government is spending money on low cost housing. But if I am not wrong I believe that the Central Government has a pilot scheme for construction of low cost housing in Penang, on Penang Island, to be based upon the western system. And it is supposed to be cheaper than the cost for conventional low cost building. If that is so, Mr. Speaker, Sir, should not the Honourable the Chief Minister find out first when it is going to happen, how many houses are going to be put up, before we decide to continue building more low cost housing?

Member for Dhoby Ghaut (Enche M.S.A. Zachariah): Mr. Speaker, Sir, on a point of clarification.

Mr. Speaker: Would the Honourable Member like to give way for the clarification?

Member for Ayer Itam (Mr. Lim Kean Siew): No, Mr. Speaker, Sir; he just talks rubbish.

Mr. Speaker: How do you

know he will talk rubbish?

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, I have intelligence. I have past experience. From my past experience, Sir.

Mr. Speaker: I wish you to withdraw that. You are making a remark before somebody says something. It has not come to my judgment yet whether he talks rubbish.

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, it is not difficult to come to conclusions regarding my honourable friend the Member for Dhoby Ghaut.

Mr. Speaker: It is left to me as a deciding factor.

Member for Ayer Itam (Mr. Lim Kean Siew): No, Mr. Speaker, Sir; I am not giving way.

Mr. Speaker: Alright, just say you are not giving way.

Member for Dhoby Ghaut (Enche M.S.A. Zachariah): Very unparliamentary.

Member for Ayer Itam (Mr. Lim Kean Siew): He is speaking sitting down, Mr. Speaker, Sir, I observe.

Mr. Speaker, Sir, if the Minister of Local Government is going to put up low-cost housing, as I said, we must find out how many houses he is going to put up, whether it is going to be cheaper, and in which part of town, Rifle Range area, or is it going to be in Weld Quay area. If Weld Quay, where there is less development, the sooner the better. But we have to come to a conclusion

sooner or later.

So, Mr. Speaker, Sir, I will deal with the other points, I think, when we come to the details of the budget. But I would like to conclude by saying that in fact the position in this Assembly is such that if you give me one week I cannot finish criticizing the Government. I have not done the question of flood alleviation. I have not done the question of drainage. I have not done the question of kampongs. I have not done the Kuala Muda Scheme on which Government has borrowed money from the World Bank to use the waters for irrigation — the intended waterworks and the supply of the equipment for water to be drained from the Kuala Muda.

Mr. Speaker: May I know which Government borrowed the money?

Member for Ayer Itam (Mr. Lim Kean Siew): The Central Government borrowed the money.

Mr. Speaker: Then leave the matter to the Central Government.

Member for Ayer Itam (Mr. Lim Kean Siew): Very well, Mr. Speaker, Sir. But he mentioned that a Committee has been set up to study the flood problem of the Kuala Muda because they draw waters from the Kuala Muda. I believe the irrigation scheme, the flood scheme and the water scheme are all inter-related. The flooding comes from the Kuala Muda; the water for the irrigation is going to come from the Kuala Muda; and our water supply, if it comes to fruition, will draw its waters from the Kuala Muda River itself. So it happens to tie up together. Anyway, I cannot even touch on the Bukit Tambun

scheme and off-shore mining in Bukit Tambun, and the recovery of the land on the South Province side near Bukit Tambun.

So, Mr. Speaker, Sir, the Government, from what we have seen today, has two alternatives; either they have to pull up their socks, get on with the job, or, if they do not like to co-operate, resign. Let us take their places. So, to be constructive I would propose here. Perhaps the Government could have accused us of not being constructive because it is easier to criticize, especially if we cannot have proposals in the Opposition. Well, I want to be constructive. I will say this: set up a State Development Board immediately — a State Development Board is necessary — and we can deal with certain fundamental things which I will now deal.

First, its motto should be "Let Penang Survive." That should be its motto. Its aim would be to develop Penang once more into a premier State in Malaya. Mr. Speaker, Sir, to cope with its duties divide its functions into various sectors. One would be protection of our free port status, Mr. Speaker, Sir, which if destroyed would threaten 20,000 to 25,000 people, 70% of whom are Chinese, and 30% others.

Secondly, wherever possible Government should participate directly in development plans and development industries, and co-operate with the public by floating Limited Companies as well. I suggest this because the Alliance Government does not believe in socialism. If we were there we would just do it directly

And the next point is industry.

The Board must concentrate on the development of industries. Heavy industry should be concentrated particularly in the region south of Butterworth. Road, sea and rail facilities should be provided. Such heavy industries should aim towards the development of the gross national product for the whole of Malaya, especially in the export sector; heavy industries to export. And all those industries for export shall be given preferential treatment. Any duties paid for raw materials on those goods for export shall be repaid back to manufacturers — a kick-back — so that they can sell our capital equipment, our products abroad without duty on raw materials, so that we may compete with foreign firms. This heavy industrial centre shall be used to complement the expansion of secondary and manufacturing sectors. This means that together with the nucleus of heavy industry we will have light industries all round, service industries, and so on; so that capital machinery produced by the heavy industries shall supply the Malaysia factories with equipment with which to manufacture service goods like cloth and so on. Again, this light industrial sector shall aim at exports as well as imports; and where goods are exported there shall be a kick-back in the raw materials. This sector in Butterworth shall also be a collection centre; this is quite clear. In other words it should feed outwards the whole of North Malaya, including the East Coast. The goods from the East Coast can be collected by these secondary industries, and used, so that the whole of North Malaya, based on Penang, will flourish. This is necessary because we must offset the preponderance of prejudice given in favour of Selangor.

Penang must be developed as a light industrial sector for light industries. When I said there was no land for industries and expansion of industries I meant no land for agricultural produce and agriculture. There is land for industrial purposes on Thean Teik Estate — the new road from Ayer Itam to Paya Terubong, the surrounds of Paya Terubong, the whole of Thean Teik Estate up to Paya Terubong; you can see it. Thousands of acres are there ready for industrial development; the whole of Sungei Pinang area; the whole of Weld Quay area, if reclaimed; and Bridge Street area — thousands more acres ready for light industrial development. We need it. Unless incomes can be raised, especially amongst the poorer class, the market cannot be increased. And this is one of the major problems facing our Malaysian industries. We have got to employ people, and give them sufficient income so as to expand their purchasing ability. And by expending their purchasing ability we increase our own home market, and allow our goods to be sold to these people. As long as they live on sub-existence level, and as long as they are poor and cannot afford we cannot have that market. And because of the lack of internal market heavy production should be aimed, at the beginning at least, at the export market.

Now, Mr. Speaker, Sir, we can see that Penang is a centre for external and internal communications. It has entry points for raw materials, for fuel, and for capital equipment. There is enough labour here. And, Mr. Speaker, Sir, there is employment saturation in other sectors; that is to say, the other sectors cannot absorb more labour. So labour can be

poured into our new industries.

Then, Mr. Speaker, Sir, fourthly, we have very fully-developed educational facilities for technical, executive and administrative training. So, Mr. Speaker, Sir, industrially speaking, we need to develop Penang as a North Malayan industrial complex; not up to the standard of Singapore, but at least up to the standard of Petaling Jaya. Petaling Jaya has to import labour. People from Penang and other States have to go to Petaling Jaya for jobs. We have the people here — skilled people who can make doors, frames, gates; skilled mechanics, skilled with their hands. And they are crying for employment. So, Mr. Speaker, Sir, we must, in order to set up these industries, have proper zoning; not to allow speculators to force us out into the cheap lands. The present situation is that every time the Government sees a new piece of land for development some developer has bought it. So it has got to the marsh of Mak Mandin, the marsh of Juru, and there pile the marsh with earth in order to make it capable of development.

Mr. Speaker, Sir, the next thing is that we must have a proper plan for the tourist industry to develop all those centres: the Hill Road; we must have proper hotels, and tourist interests must be maintained; the Tourist Association should set up a membership in which members shall subscribe to a certain price list of goods to be purchased, and any tourist who has got a card may purchase in his shop goods at the price agreed to with the Tourist Association, so that they do not have to go to Campbell Street, and bargain and bargain, and find out they have had a bad bargain in

the end. We must retain our free port status until such time as it no longer appears necessary.

The question of a causeway is a diversion — a red herring. Why? Because, Mr. Speaker, Sir, what the producers of Penang want is this:

- (1) Cheaper transport facilities to Butterworth;
- (2) Easier transport facilities to and from Butterworth;
- (3) Kick-back for goods manufactured here for export, so that the goods exported abroad do not have to pay duty;
- (4) Goods sent to Butterworth must be taxed only with regard to their component parts — their raw materials, and not as finished products;
- (5) They want a 24-hour service for their goods.

Here we must remember what the Honourable the Chief Minister said. He said that they have tried to obtain a 24-hour Customs service for the travellers from Penang to the mainland, especially the manufacturers. But the big objection comes, I believe he said, from the Customs themselves. The Customs don't want to work a 24-hour service. Mr. Speaker, Sir, be that as it may, the question is: Is the State Government capable or able to persuade the Customs to do a 24-hour service. If we cannot, why have a bridge? The same problem will arise — you have a causeway shut at 12 o'clock because the Customs don't want to work any more. So we are in the same position as using the ferry. If you have a

bridge we have to pay for it. It will cost a few million dollars. The cost of travelling arises. When we cross to the other side they say, "Sorry, come tomorrow at 8.30 a.m." What would have changed if we had a causeway here? This is just a red herring.

Mr Speaker, Sir, the Honourable the Minister of Finance has stated that we have no money; that we are short of money; and that we have to save money. But the deficit should not, however, be taken to mean that the State is already in difficulty. If we have no money when the expenditure is less than \$20 million, how can we think of a University, and think of a bridge? what is the interest if you borrow from the Federal Government? 5% of \$100 million; how much does it come to? 5% of \$500 million; how much does it come to for the University and for the bridge? So, what the Honourable the Chief Minister is saying really is that we must depend on the Federal Government. The Federal Government says it must depend on the World Bank. And the World Bank says, "We must send experts." The experts say, "We have not investigated." So, since we have no money we should try to see other ways first. The increase of port facilities and the ferry service is one alternative. Give a kick-back to the manufacturers. And then we can discuss the other things.

Another thing is, Sir, the facile way in which our economy has been tackled. It is this: that we must spend what we have got; that we have got very little, so we must save. Mr. Speaker, Sir, that is the housewives' economy. That is not national economy. We all know that unless money is circulated you cannot get money;

that capital comes out of equipment and labour. In times of difficulty it has sometimes been found necessary to expand the economy by pouring money into public hands. Roosevelt in 1929, and up to 1931, in the moment of slump in America, employed unemployed labourers to open up roads, to widen roads, to dig holes in the road, so that they could be given employment. We have to sink money in gainfully. Employ this money in order to get profits; in order to push up the economy. The complaint of the time, that we have no money, is very unfortunate. You know we are losing. To say that there is no cause for alarm is not in itself sufficient. We have to float loans. We have to involve loose public money in proper development schemes. We must involve and invest our money not in capital-wasting development schemes, but in capital-producing development schemes. Here my criticism of the rural roads goes back to the argument: When you build a 66-foot-wide road near Kuala Sungei Pinang leading to about 20 houses it —

- (1) does not benefit the country's economy because you have got to spend more money to repair the road;
- (2) does not boost up the economy of the villagers because they still have to go on their bicycles.

A bicycle on a 5-foot track is as much a bicycle as it is on a 66-foot road. But a 66-foot road with beautiful carriageway will allow lorries to go in; and it will be useful provided it is income-producing. But if it is not income-producing then I am afraid that it would be a waste. Therefore

Mr. Speaker Sir, what we say of the Government is that after 8 years it has produced no plans, no proper plans for industrial development, and no plan for the solution of the unemployment problem. It has no plans for many other things; and it is not even able to administer the State properly. How, Mr. Speaker, Sir, is the State going to obtain money for the Education Rate through collection by the District Councils, I wonder. Already the District Councils are unable to collect revenues for the State Government. In the last four years there has been an increase in this sector of our Administration. To cast an additional burden of collection for the Education Rate would I think make the situation more absurd. Perhaps we can say that the State Government has only planned to confound confusion itself.

Mr. Speaker, Sir, it is indeed a very sorry situation for us to hear the Honourable the Chief Minister say that the year 1966 is one of great significance for it marks the launching of the next Development Plan. This launching seems to be like the launching of little boys when they are firing their fire-crackers — launching those little fire-cracker rockets — because as far as we can see in the last 8 years the State Government is unable to get up and to lead Penang out of its present difficulties, which was obvious as far back as 1957. So, Mr. Speaker, Sir, I therefore ask the Chief Minister to consider our proposals carefully, and to see whether or not it would be able to change its policy of subservience to the Federal Government to that of a strong, viable, independent, and perhaps aggressive Government, with the sole intention

(interrupted).

Chief Minister: And to be separated from Malaya?

Member for Ayer Itam (Mr. Lim Kean Siew): to stand up and fight the Central Government in order to let Penang survive.

And, Mr. Speaker, Sir, I have never advocated separation of Penang from the States of Malaya. And here I would like to draw attention to the unfortunate remark of my friend from Tanjong Barat. With regard to his remarks the other day, I have asked for a transcript of his remarks. I have not got it.

Mr. Speaker: This matter will be dealt with accordingly when we receive your letter.

Member for Ayer Itam (Mr. Lim Kean Siew): I am not dealing with the complaint, Sir. I am just touching on his remark.

Mr. Speaker: Does his remark have anything to do with the merits of the Bill?

Member for Ayer Itam (Mr. Lim Kean Siew): Mr. Speaker, Sir, I wish to make it very clear that it has never been our intention to have Penang separated from Malaya, nor to crush Malaya. He has mistaken me for Lee Siew Choh of Singapore unfortunately. We have asked that Malaysia should be dissolved. But that is a line which we have taken for a long time; that there should be a proper re-alignment of the whole situation, and a re-unification of Singapore and Malaysia. But we have never asked — in fact we fought against the moves — to separate Penang from the Federation of Malaya. And when in 1952

the late Heah Joo Seang went to England to set up a separate State for Penang under the auspices of the Straits British Association we were against it. We are interested, however, in making Penang a premier State of Malaya. We are interested, however, to put Penang back on its feet. We are interested, however, to see that we do not allow the Federal Government to emphasize on Selangor at the expense of the State of Penang.

Member for Tanjong Barat (Mr. Teh Ewe Lim): Tuan Speaker, Sir, the Bill as presented by the Honourable the Chief Minister came under fire from this side of the House for very good reasons, which once again revealed the unrealistic manner in which the Budget has been prepared, and again exhibits the inefficiency of the Alliance State Government who had the opportunity of running the Government for the last 8 years, as Penang is facing a very bleak future. From what we can see, instead of devising ways and means of increasing revenue, our expenditure is increasing, so that this could be passed back in the form of development of Penang. And it is believed the Government, as the Budget revealed, has increased expenditure unnecessarily. And I must say the Honourable the Minister of Finance has been criticized to some extent, which has already been touched upon by Honourable Members on this side of the House. Although it is only an estimate, and therefore could not be expected to be accurate, nevertheless it should be realistic enough, or as realistic as possible.

In the Report of the Auditor-General, item 20 on page 4, it is stated that the Estimates can-

not be regarded as realistic; and many other items have already been dealt with by Honourable Members from this side of the House. It also shows that for works and so forth provisions have been made but never utilized. In the light of such an attitude and the unsatisfactory manner of tackling matters, I wonder how development could be done in Penang. And what is far worse is the arrears due which could not or had not been collected. All these have already been made known to us by this Report.

And you must admit that we need funds badly. All these are previous funds — funds which could have been utilized befittingly for good purpose. But due to the inefficiency and incompetence of the Alliance Government all these things have been eaten up. We are able to appreciate from the Auditor-General's Report that in the District Councils on which the Honourable Member for Ayer Itam has already touched upon, and which appears on page 8, item 44, arrears were even allowed to accumulate. In spite of this, these District Councils are now required to collect what is known as the Education Rate. Well, they are given an extra undertaking. In the present undertaking which they had been doing for ages they have not done a good job. And we are expecting them to collect something extra! Let us take this fact: Is the Education Rate proper? I would say this Education Rate is a very iniquitous one. It says here (interrupted).

Chief Minister: On a point of clarification, the State Government is not responsible for Education Rate.

Member for Tanjong Barat (Mr. Teh Ewe Lim): I think for col-

lection. District Councils are collecting on behalf of the State Government. Let us be frank about it. How could you ask ratepayers to pay 2% Education Rate? It amounts to giving one thing with the right hand and taking it back with the other.

Another important point is: Is it proper to collect Education Rate?

Chief Minister: On a point of clarification, is the Honourable Member trying to debate on Education Rate, or is he trying to point out that the Local Authority is not capable of collecting? The Local Authority is only the agent for collecting money for the Central Government. For a debate on the merits or demerits of Education Rate the proper place should be Parliament.

Member for Tanjong Barat (Mr. Teh Ewe Lim): Well, I will try to look up the point where this thing is tied up with the Report. And from the Bill you see that allowances are going up; salaries are going up; and we are engaging more people. But if we go through the Budget the increase has not been so much. But then the allowances are increasing at a very alarming rate. And this Report from the Auditor-General has served a good purpose. It has given a lot of opinion on what the State Government has not been able to do; its inefficiency; how things are not properly done, so that funds which are badly needed couldn't be utilized.

In the speech by the Honourable the Chief Minister, he touches upon such things as the prosperity of Penang, in which I am sure all of us are very interested. But let us be frank about this. Of course, on the other side of

the House the Honourable Members who are in business circles, and Honourable Members from the Banking fraternity certainly can tell the Government that Penang is facing a depressing time. In fact we are having a depression, and things do not appear so bright as reported inside this Report. In fact it appears very gloomy and bleak. We on this side of the House have touched on the establishment of a State Economic Development Board; but unfortunately this was turned down by the Government, and as a result we find things are being run by the State Government without much planning. Not only without much planning, but without vigour and push. So much has been said about Mak Mandin Industrial site. What has not been reported is the snail's pace that has been going on at Mak Mandin. The Government brag about Mak Mandin. It can offer employment for only 1,000 persons; whereas in this Report I understand that yearly we are having something like 5,000 people leaving school. But then nothing is being done, or any plan formulated to absorb these people on leaving school.

And talking about the economic development of Penang, we talk about industrialization. There is one very important factory which has just been set up at Prai, and that is the sugar factory. The Honourable Member for Ayer Itam has already touched on industrialization of the factories. Let us ask ourselves why without the sugar factory we were paying a lower price for sugar; with the sugar factory at Prai we are paying more. Let us consider the point whether such factories benefit the people in general. With the exception of a few hundred

who manage to get employment in the factory, and apart from Mak Mandin where there are a few factories, have we any other factories that are large enough to absorb the unemployed? In this Report Government keeps on bluffing the people, and says there is no cause for alarm. I warn the Government that there is cause for alarm. As I said, the yearly release of those fresh from school who are being added to the ranks of the unemployed, and also the fact that Government has got no planning shows a lack of vigour, vitality and push in planning the future of the State of Penang. It seems the State Government is contented with the snail's pace that is going on at Mak Mandin; and it is crowing like a silly old cock over a small reserve of not even \$10 million. Well, let us take a lesson; let us look at Singapore, although it has already broken from our country. Learn from the people there. They have shown to us what they could do, and how the good services of the Economic Development Board performed wonders.

And on this Report it is stated very clearly here by the Honourable the Chief Minister that the deficit should not, however, be taken to be that the State is already in difficulty. Well, the State may not be in difficulty, but the State Government certainly is; and the people are aware of it. And there is also contradiction by the Government itself. On page 2 it is stated that it is the intention of the State Government to carry on contributing to the State Development Fund. On page 10 Government contradicts itself. It says here: "At this rate of growth on annually recurrent expenditure it may not be possible for the State

Government to continue making further contributions to the State Development Fund for long unless steps are taken to increase revenue," which I have just touched upon. And on the question of Entertainment Duty, which is one of the biggest sources of income for the State, I wonder if the State Government has considered that the revenue derived from entertainment is expected to rise, and if people spend more on entertainment these days. Well, I think on this the State Government could do something more. People in many homes have T. V.; that is entertainment. I think Government can do something on this too. And further down it says, "It is generally accepted that a rise reflected in this item indicates prosperity," when there is no prosperity, as Government later on admits — "The Government is also aware that unemployment is widespread in the State and the figures supplied by the Employment Exchange indicate that the average number of persons registered on a per-month basis is approximately 14,000." It says in the first sentence that it indicates prosperity; but subsequently Government contradicts itself.

Well, having done through this Report, I do not think that the Alliance State Government has done much for Penang. And down here, on page 7, it is stated that "It is with this in mind that the State Government has requested the Central Government for the services of a team of experts to carry out an economic survey of the whole State." The Alliance Government has been in power for 8 years. And after 8 years what have we got? Only a small Mak Mandin which does not give employment to more than a thou-

sand people now. So, unless the State Government takes a more realistic view and embarks on a more vigorous, aggressive programme, as has been brought to the notice of this House earlier by Members on this side of the House, we are being gradually left behind. And not only that; we will come to such a stage where we find that our children who are coming after us will find it hard to earn a decent living. And to sum up, I do hope that the State Government will accept every criticism from this side of the House, and try to put Penang on a footing where we could become once again a premier port.

Thank you.

Member for Jelutong (Mr. Tan Hock Hin): Tuan Yang di-Pertua, saya bangun menyokong ulasan₂ yang telah di-keluarkan daripada pehak pembangkang, terutama sekali Ahli Kawasan Ayer Itam yang baru. Pada masa yang lalu, Y. A. B. Ketua Menteri berkata "Kerajaan bersikap ukor baju di-badan sendiri di-dalam polisi kewangan dan keadaan kewangan Negeri ini ada-lah tegoh." Tetapi tahun ini, kata₂ saperti ini tidak terdengar lagi. Mungkin kerana dalam Peranggaran ini kita kekurangan wang sebanyak \$1,500,000 dan wang ini harus di-keluarkan daripada simpanan kita. Tuan Yang di-Pertua, sudah terang keadaan kewangan Negeri kita sedang merosot — sedang menuju ka-arrah kelemahan. Kalau keadaan saperti demikian di-teruskan, saya fikir tidak berapa lama lagi keadaan kewangan Kerajaan Negeri ini akan jatuh bankrupt.

Tuan Yang di-Pertua, Kerajaan Negeri selalu membanggakan atau selalu mengatakan hubungan Kerajaan Negeri dan Kerajaan Pusat ada-lah sangat baik. Kami juga

berpendapat hubungan yang baik dari kedua₂ Kerajaan ada-lah baik dan kerjasama harus di-dapati, tetapi hubungan ini tidak harus mengorbankan kepentingan ra'ayat dan penduduk₂ di-Pulau Pinang ini. Hubungan baik ini harus digunakan untuk kebaikan ra'ayat Pulau Pinang, untuk meminta Kerajaan Pusat supaya lebih mengambil berat dan memberi bantuan yang banyak kepada Kerajaan Negeri. Kerajaan Negeri tidak kuat dalam mewakili dan membela kepentingan ra'ayat Negeri apabila mereka menghadapi Kerajaan Pusat. Umpama-nya, soal taraf pelabohan bebas, dan satu chontoh lagi ia-itu wang pemberian Kerajaan Persekutuan — pemberian wang mengikut bilangan kepala. Dari angka₂ yang saya dapat, ia-itu tahun 1962, '63, '64 dan '65, wang yang di-beri kepada Negeri ini sebanyak \$4,038,400. Tahun 1966, di-anggarkan wang yang di-dapati dari Kerajaan Pusat sa-rupa juga — satu sen pun tidak bertambah. Tuan Yang di-Pertua, semua orang tahu dan ma'alum penduduk, di-Negeri Pulau Pinang ini bertambah tiap₂ tahun. Maka sa-harus-nya mengikut bilangan penduduk atau mengikut kepala, maka wang pemberian ini-harus di-tambahkan sam-bang dengan bertambah-nya bilangan penduduk₂ di-Pulau Pinang ini. Tetapi Kerajaan Pusat terus memberikan wang yang sama sahaja dengan masa yang lalu. Kerajaan Negeri pun terima sahaja-lah bilangan yang kurang ini dari Kerajaan Pusat. Sikap ini terhadap Kerajaan Pusat telah mengorbankan kepentingan ra'ayat Negeri ini. Saya maseh ingat lagi pada masa yang lalu wakil dari pembangkang pernah mengemukakan soal ini dan kalau saya tidak silap, ketika Wakil Kawasan Sungei Pinang maseh menjadi sa-orang anggota pembangkang, beliau pernah membangkitkan perkara ini dan mendesak Kerajaan supaya

meminta lebih pemberian wang mengikut kepala kepada Kerajaan Pusat. Tetapi hingga hari ini (dalam Peranggaran tahun ini) kita dapati wang₂ ini sa-rupa juga dengan tahun₂ yang lalu. Saya tidak tahu jika Ahli Sungei Pinang hari ini maseh porchaya kepada pendapat₂ yang dahulu dikeluarkan oleh beliau. Dengan kedudukan beliau sekarang di-sebelah Kerajaan, maka beliau harus menuntut atau mengeluarkan pendapat-nya dalam Mesnuarat Kerajaan dan menyampaikan pendapat-nya kepada Kerajaan Pu.at.

Tuan Yang di-Pertua, keadaan saperti ini berbangkit juga dalam pemberian wang Kerajaan Pusat kepada jalan raya Negeri. Ketua Menteri berkata dalam ucapan-nya bahawa "jumlah yang bertambah daripada wang pemberian jalan ini ada-lah tidak sa-imbang dengan jumlah yang bertambah bagi perbelanjaan menjaga dan memperbaiki jalan₂ Negeri" dan beliau berkata lagi "jika di-kira perbelanjaan pentadbiran Jabatan Kerja Raya, maka perbelanjaan menjaga dan memperbaiki jalan₂ ada-lah lebih daripada jumlah pemberian yang di-dapati atas dasar tiap₂ batu." Tuan Yang di-Pertua, semua chukai₂ jalan, semua lesen₂ yang ra'ayat Pulau Pinang membayar semua-nya di-ambil oleh Kerajaan Pusat. Sepatut-nya, Kerajaan Pusat ada-lah bertanggung penoh dan Kerajaan Pusat harus mengeluarkan perbelanjaan untuk menjaga dan membena jalan₂ raya di-Negeri ini. Tetapi malang-nya Negeri ini harus menanggung separoh daripada perbelanjaan untuk menjaga dan membaiki jalan₂ di-Negeri ini. Pada tahun 1966, perbelanjaan bertambah sebanyak \$121,142 untuk menjaga dan membaiki jalan₂ di-Negeri ini. Tetapi tambahan yang di-beri oleh Kerajaan Pusat hanya \$100,980 sahaja. Ini berma'ana, Kerajaan Negeri harus mengeluarkan

kan \$20,162 untuk menjaga dan membaiki jalan₂ raya di-Negeri ini. Tuan Yang di-Pertua, ra'ayat Negeri Pulau Pinang harus membayar chukai kepada Kerajaan Pusat tetapi separoh perbelanjaan untuk menjaga dan membaiki jalan raya harus di-keluarkan oleh wang ra'ayat Pulau Pinang juta. Dengan ini, kita mendesak Kerajaan supaya meminta lebeh banyak lagi wang daripada Kerajaan Pusat dengan meminta Kerajaan memberi wang ini sa-imbang dengan tambahan₂ jalan₂ raya di-Negeri ini. Tadi Pihak Pembangkang telah mengeluarkan kechaman₂ terhadap Kerajaan Negeri ini dan di-antara lain, mereka pernah berkata Kerajaan ini lemah — “ya, benar” — kerana dalam perkara ini Kerajaan Negeri harus mewakili kepentingan ra'ayat Negeri dan menuntut kepada Kerajaan Pusat supaya kepentingan ra'ayat Negeri Pulau Pinang tidak di-korbankan. Tuan Yang di-Pertua, kerana Kerajaan tidak ada ranchangan₂ yang dapat mengatasi soal₂ yang penting, maka kedudukan kewangan Negeri ini sudah lemah dan makin hari makin lemah. Tambahan perbelanjaan jauh lebeh daripada tambahan₂ yang dapat dari hasil. Bagi tahun 1966, hasil bertambah sebanyak \$570,438 tetapi perbelanjaan bertambah sebanyak \$935,593. Y. A. B. Ketua Menteri telah mengaku “perbelanjaan wang yang berulang dalam Negeri ini ada-lah bertambah lebeh juga lagi daripada hasil perolehan.” Dan beliau berkata lagi “Mengikut keadaan ini, ia-itu jumlah perbelanjaan wang berulang pada tiap₂ tahun makin bertambah, maka tidak dapat tidak pemberian wang kepada Kumpulan Wang Pembangunan pada masa yang panjang melainkan langkah₂ hendak-lah di-ambil untuk menambahkan hasil perolehan.” Kami harap langkah₂ untuk menambahkan hasil perolehan yang di-sebutkan oleh Ketua Menteri bukan-

lah berma'ana beban ra'ayat akan bertambah dan chukai akan ditambah.

Tuan Yang di-Pertua, soal penganggoran ada-lah satu soal yang penting dalam Pulau Pinang ini dan perlu di-atasi dengan segera. Menyelesaikan soal ini atau mengatasi masa'alah penganggoran ini ada-lah tanggung jawab Kerajaan. Tetapi kerana Kerajaan tidak ada ranchangan₂ yang berkesan, maka soal ini makin hari makin hebat. Mengikut angka₂ yang di-beri oleh Kerajaan Pusat, pukul rata ada 14,000 orang mendaftar diri di-Pusat Menchari Pekerjaan. Sungoh pun Y. A. B. Ketua Menteri dalam penjelasan-nya memberitahu bahawa beberapa orang yang mendaftarkan diri di-Pejabat ini untuk menchari kerja bukan berma'ana mereka menganggor. Tetapi saya perchaya kebanyakan orang yang pergi mendaftar ada-lah penganggor dan angka₂ yang di-sebutkan tadi bukan-lah angka₂ penganggor yang sa-benar-nya. Angka₂ yang sa-benar-nya ada-lah jauh lebeh banyak daripada itu — sebab-nya banyak orang yang menganggor tidak mendaftarkan kepada Kerajaan. Mengikut Y.A.B. Ketua Menteri dalam ucapan beliau kelmarin, beliau mengatakan ada-lah di-anggarkan kira-kira 5,000 orang murid₂ yang tamat sekolah pada tiap₂ tahun akan menchari pekerjaan. Dan Ketua Menteri mengaku bahawa kemudahan₂ untuk mendapat pekerjaan tidak-lah begitu banyak bertambah saperti yang di-harapkan. Tuan Yang di-Pertua, soal penganggoran sudah hebat — tambah lagi tiap₂ tahun, 5,000 orang murid₂ keluar dari sekolah yang mahu menchari kerja. Dengan tidak ada ranchangan₂ yang konkret — yang berkesan — bagaimanakah soal penganggoran ini dapat diselesaikan atau di-atasi? Dengan ini, keadaan semacam mesti-lah soal penganggoran makin lama

