Amendments proposed by the Malayan Delegation

Paragraph 2, line 5:
Insert 'one of' between 'Malaya was' and 'the world's largest'.
Insert 'nearly' between 'rubber and' and 'two-thirds of her economy'.

lines 7 and 8
Delete 'most governmental activities in trade matters involved the rubber industry' and insert 'the rubber industry occupied an important position in the Government economic development programme.'

lines 12 and 13
Delete the sentence: 'The foremost national problem of Malaya was that of the competition from synthetic rubber' and insert 'The important problem for Malaya as regards her rubber industry was that of competition from synthetic rubber.'

lines 16 and 17
Delete phrase beginning 'expenditure on rubber' and ending with '$112.6 million'.

lines 19, 20 and 21
Delete last sentence of paragraph and insert the following:
'Up to the end of September 1959 Government assistance on rubber replanting schemes had amounted to $112.6 million (Malayan). Besides the replanting programme the Government of Malaya had also embarked on intensive research in the possibilities of producing improved qualities of natural rubber for the market.'

Paragraph 3, should read as follows:

'The next important agricultural commodity produced in Malaya was rice. It was the staple food of the people of Malaya and rice planting was a national industry in the sense that peasant farmers generally devoted some parts of their holdings to rice production. However, because of the..."
existence of widespread exploitation of the rice growers by middlemen and shopkeepers, it was necessary for the Government to introduce measures to assist the rice growers. The Government solution to the problem of exploitation had been the adoption of a guaranteed minimum price scheme. Before each rice harvest the Government declared the price at which it was prepared to purchase rice. This price was determined by taking into account the estimated price level of imported rice. No grower was compelled to sell his crop to the Government at that price but the existence of the Government in the rice market tended to stabilise the price of local rice at the level declared by Government. This measure had been successful in solving the problem of exploitation but it had brought about the problem of stocks of rice held by Government. While stocks of rice were valuable in times of emergency as the experience of the war years and the immediate post-war years had shown, it was necessary to rotate them because of climatic conditions. To solve this problem the Government introduced another scheme which imposed an obligation on rice importers to purchase from Government a certain proportion of their requirements. Thus at present the importer was obliged to enter into agreement with Government to purchase one ton of rice from the Government stockpile for every two tons they wished to import. This ratio of one to two varied from time to time depending on the size of the stockpile held by Government. Another measure which had been introduced by the Federation of Malaya Government to assist rice growers was the fertilizer subsidy scheme. The original purpose of this scheme was to acquaint rice growers with the use of modern fertilizers to enable them to achieve higher production from their holdings. However the Government having appropriated $10 million (Malayan) to the eleven States of the Federation left it to the State Government to formulate their own individual schemes for the benefit of the rice growers on the condition that such schemes were approved by the Federation Government. This had resulted in some states formulating fertilizer subsidy schemes while others assisting the growers in other ways such as improving drainage and irrigation and giving cash assistance to growers in time of drought.

Paragraph 4, line 3
Delete 'eggs' and insert 'poultry'.

Paragraph 6: delete and replace by the following:

6. In reply, the representative of Malaya agreed that his country was still far from reaching self-sufficiency in rice but he could not agree with the view that it was not realistic to pursue this aim in the long-term. The policy of self-sufficiency in rice was essentially a long-term objective which might not be achieved in the near future. But the widespread exploitation of peasant farmers in the rice-growing industry had made it necessary for the Government to introduce measures to assist the rice growers. However, the Government had adopted active measures to increase the acreage of land under rice. Thus in the land and community development schemes adopted by the Government and which involved the clearing of virgin jungle which occupied about two-thirds of the country each new settler was given sufficient acreage of land to produce rice not only for his family needs but also for marketing. As to other products to which the aim of
self-sufficiency was directed, the country was at present largely dependent on imports of fish from surrounding countries such as Thailand and Cambodia, and the Government was investigating the possibilities of increased fish production. The Government also planned eventual self-sufficiency in other food products such as poultry, eggs, meat, etc.

Paragraph 8, lines 12 and 13
Delete 'despite difficulties which had been encountered, the Government expected that a cocoa industry would come into being in the near future' and insert 'up to date the result of the experiment had not been too encouraging'.

lines 14 to 20
Delete all references to sugar, i.e. sentence beginning 'As regards sugar' and ending 'long terms'.

lines 21, 22 and 23
Delete 'there was a possibility that as a result of the Commission's recommendations, some governmental assistance might be afforded to this industry' and insert 'the report of the Commission was at present being studied.'

line 27
Delete 'foodstuffs'.
Paragraph 9: delete and insert the following:

'9. In the course of discussion of the subsidy provisions for rubber, members of the Committee enquired whether any production target had been established in the rubber replanting scheme. The representative of Malaya stated that the Government had neither fixed any production target nor imposed any limit on the acreage which a planter could replant. But he pointed out that Government assistance under the replanting scheme was limited to a certain proportion of the planter's acreage. Thus in the case of holdings of more than 100 acres in area the maximum acreage eligible for assistance was restricted to 21 per cent of the total area planted with live rubber on 31 December 1954. In reply to questions as to whether the existing cess on the export of rubber would be suspended in the near future the representative of Malaya stated that suspension of the collection of cess was unlikely because it was a valuable source of income for the financing of the replanting schemes as well as the rubber research schemes. He pointed out that there was a close and happy co-operation between the Government and the rubber industry.'

Paragraph 10

Delete last two sentences and insert 'Thus the smallholder was eligible for assistance under two schemes.'

Paragraph 11, last line

Delete 'without incurring losses in recent years' and insert 'the stockpile on a self-financing basis'.

Paragraph 12

Delete second sentence, and insert 'Some small quantities were however permitted to be exported in the past to the surrounding areas such as North Sumatra'.

Paragraph 14

Delete last sentence and insert 'Such restrictions, would run counter to the Government's basic policy of affording assistance to domestic industry through tariffs and other measures less restrictive than import restrictions'.

Paragraph 15, line 7

Insert 'mostly' between 'carried out' and 'on very small peasant farms'.

line 8
Delete 'survey' and insert 'census'.

line 9
Delete 'could' and insert 'would'.

Paragraph 17 last line
Delete 'little was retained for local consumption'.
