

SINGAPORE GOVERNMENT PRESS STATEMENT

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TEXT OF SPEECH BY THE PRIME MINISTER,
MR. LEE KUAN YEW, ON HIS MOTION ON THE MALAYSIA
AGREEMENT IN THE LEGISLATIVE ASSEMBLY
ON TUESDAY, JULY, 30, 1963.

Mr. Speaker, Sir, I have His Excellency's recommendation that this motion be proceeded with. I beg to move the motion standing in my name.

As the House will have noticed, my motion has been phrased in several parts :

In pursuance of the resolution of this House taken on the 10th June, 1963, that there should be an early settlement fair and just to both sides on the basis of the terms of the White Paper (Paper Command 33 of 1961) and mindful of the long and arduous battle for merger, this House.

WELCOMES the successful outcome in the final agreement reached in LONDON on 9th July, 1963 which agreement contains the terms in the said White Paper with amendments made on a quid pro quo basis, Singapore getting a Malaysian Common Market written into the Constitution in return for a percentage of Singapore's revenue of national taxes instead of an annual lump sum as contribution for Federal services in Singapore, and -

I think this is of some importance, Mr. Speaker, Sir, and I would like to underline these words -

TAKING COGNIZANCE of the exchange of memoranda on the financial arrangements as in Paper Misc. 4 of 1963 which sets out the basis on which the Singapore and Federation Governments arrived at their respective percentages and the component parts thereof, and -

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I would also like to underline these words -

SUBJECT to the fulfilment of the conditions set out in the exchange of letters between the Singapore Government and the Federation Government and the Singapore Government and the British Government contained in Paper Misc. 5 of 1963, this House

ADOPTS the constitutional provisions and amendments contained in Paper Command 22 of 1963.

I would like to underline first, Mr. Speaker, Sir, that this adoption is subject to the fulfilment of the conditions set out in the exchange of letters. As Members may be aware, some of the conditions and terms agreed to between the British Government and ourselves and the Federation Government and ourselves are – the British Government with regard to Service lands and \$10 million for the Second Infantry Regiment, and, from our point of view, for reclamation of land in place of land retained by the British Government for the bases; and in the case of the Federation Government the other items set out.

First, may I apologise, Mr. Speaker, Sir, for the somewhat lack of melody in my voice, but I can assure the House that I will try my best to be audible, to be simple and be straightforward, because I think what is required now is some straight talking.

Sir, I do not know if Members have received copies of our proposed amendments –

MR. SPEAKER: There is a paper intituled “Malaysia Agreement Paper Command 22 of 1963 Corrigenda”, and a letter dated 25th July, 1963, from the Prime Minister of Singapore to the Deputy Prime Minister of the Federation of Malaya. Are those the two documents?

THE PRIME MINISTER: That is so.

MR. SPEAKER: They are with the Clerk and can be distributed.

THE PRIME MINISTER: Yes. Have they been distributed, Mr. Speaker, Sir? Would they?

MR. SPEAKER: Yes.

Copies of the documents distributed to Hon. Members.

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MR. SPEAKER: I am not quite certain how the Prime Minister proposes that this Corrigenda should get into Paper Command 22 of 1963. Subject to what the Prime Minister has to say, perhaps it might be convenient if this Corrigenda be marked as Paper Command. 23 of 1963, and later on, at the

end of the motion, it could be added with further amendments as contained in Paper Command 23. of 1963.

THE PRIME MINISTER: Thank you very much for this proposal, Mr. Speaker, Sir. I so agree that it be named Paper Command. 23 of 1963.

MR. SPEAKER: Order. I am sorry to interrupt the Prime Minister again. I understand there is already a Paper Command 23. This should be Paper Command 24.

THE PRIME MINISTER: So be it.

MR. SPEAKER: Mr. Prime Minister, please continue.

THE PRIME MINISTER: Mr. Speaker, Sir, this debate, which will end on Thursday evening, marks the end of an era. That era began in 1945 when the British troops returned to Malaya and, by a unilateral act of the British Government, Singapore was severed from the mainland. The struggle went on inside and outside official bodies, the then Legislative Council both here and in the Federation, until 1949 when the M.C.P. launched its armed revolt.

It reached a turning point in the year 1957, August 31, when the British decided to grant Malaya independence, but not Singapore. Singapore, it seems, was ordained to remain forever in semi-tutelage with internal self-government but with supreme authority in matters of defence, foreign affairs and, for that matter, internal security in the hands of the British Raj.

I do not wish to detail an account of the years 1945 to 1948 or, even more unpleasant, the years 1948 to 1957. Suffice it to say that this unilateral division of the country was never accepted by the peoples either the Federation of Malaya or of Singapore. In Singapore, for the purposes of this debate, the last few chapters began with 1955, when the first semi-elected Assembly assumed office with elected Ministers working with British officials in charge of Home Affairs and Finance. Year by year we went back to London with more or less greater or lesser results. And for us, the last chapter to merger really began with 1959. Then for the first time power, other than defence, foreign affairs, and internal security which were shared with Malaya and the British, was bestowed on a completely elected Government.

Sir, the history of Singapore and indeed the history of South-East Asia may well have been different had we decided any other way. In 1959 we were quite convinced, even before we assumed office, that there was no other way. The nexus between Singapore and the Federation was so complete that to perform dissection would have taxed the skill of the greatest political surgeons who ever existed, and certainly there were none either in Malaya in Singapore or, for that matter, in Britain. Singapore, it was generally recognised, was dependent on Malaya for many things. Forty per cent of its entrepot trade, nearly three-quarters of its water supply. And it was believed that with a friendly Government in the Federation, Singapore could be kept indefinitely a military base in semi-independence. In 1956, the Member for Anson, to whom history has given a few lessons – or he has chosen not to learn from them – led an all-party delegation. It failed, partly because he did not understand the circumstances in which Singapore was placed and the determination of the then British Government that it should remain in semi-tutelage. I urged the then Secretary of State for the Colonies, a very able and forceful character, who decided to give independence to Malaya, that he should, despite the advice of his officials, tie up Singapore with the Federation, for there was too much at stake. As it was, the talks failed. We returned, and the British, in a completely empirical manner, true to their traditions, played for time and played their hand out for the last few years, from 1956 to 1959. We went back each year; in 1957,

to reach agreement in principle; in 1956, to sort out the constitutional details. By then the Secretary of State for the Colonies had accepted the fact that if Malaya was lost to the Communists, then Singapore could not be held. Indeed there was every danger that the Communists would be more successful in finally capturing this area if the territories were kept apart than if the territories were kept together. But it took another two years – from 1959 to 1961 – before the British were convinced of the next step of the argument: that if Singapore was not in Malaya, then Singapore and Malay would ultimately be lost to the Communists. The British had hoped that the Government that would come into office in Singapore would be satisfied with what the former Chief Minister (the Member for Anson) described as “ the sensation of power”. The Prime Minister, the Ministers of the Government, and even one Infantry Regiment to do it honours. But real power resided with them. They expected an elected Government, i.e. us, to keep their bases viable. In order to do that , the anti-colonial must be muted and the Communist menace crushed from time to time as it manifested itself. And indefinitely we went on as a semi-colony.

I think it took a full two years before we brought the British Government round to the view that our conclusion was correct. If played that way, both Singapore and Malaya would be lost. Slowly the unpleasant and brutal facts were placed before the Federation Government. What had been

publicly known was that Malaya was vital to Singapore, but what we did not emphasise, lest we offend our friends across the Causeway, was that Singapore was vital to their survival. Quietly over the golf course, sometimes even across the poker table, and sometimes over a meal, a friendly discussion always came. It had one theme song: merger is inevitable, either by consent or by force of one territory over the other. Let me say, Mr. Speaker, Sir, that the possibility of Singapore overwhelming the Federation is not a possibility to be altogether dismissed. Being what we were, having regard to the susceptibilities of our friends in the Federation, the line was put over softly, gently, and politely. Finally a note was struck in the hearts of the Federation Ministers. On the 17th of May, the Tunku came down to announce that he had decided that there should be a closer political and economic association of the Federation of Malaya, Singapore, and the three Borneo territories.

The rest of that is recent history. Suffice it to say, on 3rd June I responded. On 10th June, my colleague the Deputy Prime Minister stated terms which were basic and fundamental to a successful merger, terms on which merger could be achieved between the Federation and Singapore. Autonomy in many matters, including Labour and Education.

Then the real fight began. For the first time, after shouting and denouncing the British for all these years since 1945, the Malayan Communist Party did a right-about-turn. They denounced merger and Malaysia as a piece of neo-colonialism. Sir, I do not know whether they really believed in it. Perhaps they have shouted it for so long that they have bemused themselves into believing that it is true. But today I will tell part of the story. I cannot tell the whole story because sometimes recent history should be allowed to pass without comment or time to mellow judgment. I know enough and I can disclose enough of recent history to prove that it is not a colonialist plot. It took a lot of persuasion and argument to bring the Tunku around to merger. And he only wanted merger with Malaysia. Sir, I do not blame him. Being what he is – anxious to preserve what he thinks are the valuable traits in the Federation, a stable rural population that provides security and ensures the continuance of the Alliance Party in power – he was reluctant to embark on a project the result of which he could not foresee.

Without the Borneo territories, the Chinese would outnumber the Malays and, with it, the logical consequences of its effects on the balance of power.

Sir, the British encouraged the Tunku to believe that eventually he could get the Borneo territories because it was a good idea and generally it was for a good thing. You will remember, Mr. Speaker, Sir, in November/ December 1961 there was a little bit of argument as to the future of the defence bases in

Singapore. The argument was presented as a problem of defence bases. But, in truth, it was the reluctance of the British to give up their territories in Borneo. That was a backwater – silent, calm, placid, -- and their rule could have endured for another decade or more. The Governor of Singapore – a gentleman of no mean talent – felt that his pennant in Singapore, as Chief Secretary and then as Governor, should yet be kept flying, that he had to govern through the then Chief Minister. He governed. He was not anxious to upset North Borneo and its peoples; neither was the Governor of Sarawak. But I give this compliment to the British, as I give to an adversary whom I respect, a compliment not to be lightly dismissed. Competent, capable, with a great deal of knowledge of the ways of men, like an electronic computer with an immense amount of data fed in, data of over 400 years of governing and manipulating human beings. For two years they tried to manipulate us into doing what they thought was the role of the Singapore Government - keep the bases viable, break the Communists up from time to time, and carry on. For two years we resisted. Then one day they decided that it just could not go on. And the fight began. I say that the greatest ignominy that had befallen the Communists was the fact that the Scottish feudalists – in their terminology; I do not call him a feudalist as I think he is extremely competent in his own way as a representative of an Empire, but he persuaded a group of highly suspicious and security conscious Communist front operators to come out into the open, and the fight began. As long as the Communists were playing hide and

seek – for the Government, not against the Government, sometimes for so long as it is for the benefit of the people, as they say, sometimes against. The Tunku was not contemplating merger or even Malaysia for that matter. What he wanted was a clean-cut decision, then he would take over security for both Singapore and the Borneo territories. And he wanted no more than security. It is partly because of these historic beginnings that we had such an immense amount of trouble subsequently.

After Anson, we had that motion of confidence in this House one night, and the break was final and irrevocable. Then we talked business with the Tunku. There was no pre-arranged or pre-conceived plan as they thought. They were bemused and deluded. The British arranged in the midst of the Anson by-election to bring their Governors over for unnecessary consultations to arouse their suspicions, put them in a state of fright. They panicked and broke away.

They came out from the bushes and made a bid for power, an action they will always regret. Their policy was the united front. If they cannot unite with nationalists who are democratic socialists, who on earth could they unite with? So they have found themselves in an ignominious alliance with the Liberal-Socialists, the United Democratic Party –

The Minister for Culture (Mr. S Rajaratnam): The Member for Anson.

THE PRIME MINISTER: The Member for Anson. They even tried to inveigle the Member for Hong Lim. But there was no more cover. It was a bit of nylon for a fig leaf and when the rains came, it was most embarrassing. All this was a tortuous process, and what was required was absolute and utter determination and the nerve to see it through. Even right now, I say it needs nerve to see it through to the 31st of August. Not me, just one man, because one man cannot see this through. It needed sufficient resolution in the whole group of men. I am proud that it has been the privilege of my colleagues and myself to have played a part in this. We settled the terms. Because the Tunku was fearful of labour troubles, general unrest, instability in Singapore and possible bankruptcy, he was anxious to have as little as possible to do with us as he could. But he knew he could not afford to give away security. What he wanted was the police, army and foreign affairs. The rest we can run ourselves –

An Hon. Member: Prisons.

THE PRIME MINISTER: Yes, prisons. I beg your pardon. Thank you. My colleague has just reminded me. The three of us – the Minister for Culture, the Minister for Finance and I brought the wrath of the Communists on us because we went up there, played golf, talked over dinner and lunch.

They hated us more than the others because we forge this thing. We put in civil aviation and telecommunications because we think it makes nonsense of a federation for us to have to make a trunk call every time we wanted to go to Johore.

Then the White Paper was agreed, the basis of which was that we should have 15 seats in Parliament, which is a few seats less than what we would be entitled to in a complete merger, in return for which we ran our own State. Mind you, at that time, Mr. Speaker, Sir, the general impression was that we were bankrupt because there were strikes, banners, protests, marches and a whole host of other things which made Singapore appear on the surface financially an unattractive proposition. But all that time when we were drafting that White Paper together, the Finance Minister knew that he had a surplus each

year calculated and designed meant for development – a surplus of over \$100-million.

Then came the Cobbold Commission because the Tunku stood firm that he would not go ahead without Borneo. So through the months of argument, debate, the open encounter, which ended with the Referendum.

Mr. Speaker, Sir, the moment we settled that, new problems began. For then some very unwise politicians in the M.C.A. in Kuala Lumpur thought that since all was agreed now was passed, then they could not only eat their cake, but also have it. So you see in Command Paper, Misc. 4 of 1963, a curious exchange of memoranda. Sir, they have to be published because at the end of 1964 a review must take place. In our computations, even at its inflated best, even with confrontation and that Army and Navy and Air Force doubled and internal security for Singapore no longer the responsibility of the British but four battalions must be raised locally, we do not believe that money can be spent, nor indeed will be spent. Because to get \$1.80 from us, the Federation Government has to spend \$8.20. So I do not think they will spend. Knowing the Finance Minister and his colleagues, I do not think they will spend \$8.20 just in order to do us in by \$1.80. That is the ultimate figure we have arrived at.

Now, you will see in Document I, the first proposal by the Federation side. Meanwhile the officials had been meeting. We met the Ministers for the first time on the presentation of the paper dated 21st of March. Document I. There was the proposal. I am sorry to have to go into this, but I think it is necessary to place this on the record. The Member for Cairnhill says this is all a lot of eye-wash. These documents speak for themselves. There was a proposal that they should collect our money, contrary to the terms of the White Paper. They wanted to collect because by then they had discovered that, far from being bankrupt, we were a prosperous State and, therefore, if they collected and doled and paid for our expenses, they would collect a surplus of \$110 million each year.

In Document II is our counter. We said we were prepared briefly to give them a share of Singapore's prosperity, provided the Federation ensured that Singapore prospered. And it could only prosper if it had a Common Market on terms which would allow over a period of time an adjustment of Singapore's economy. Any sudden cataclysmic change would have been disastrous. That paper was rejected by the Federation side in Document III. The only concession they made was they were still to collect, but they would only keep half the surplus. Not unnaturally, my colleagues and I were not greatly impressed or grateful for such a suggestion. Then the long wrangle – part of it on the golf

course, part of it in the conference room, part of it over the luncheon table.

Finally we got down to calculations, and Documents IV and V are projections of revenue and expenditure for 1964, based on actuals for 1961 and on provisional actuals for 1962.

In document VI, on 10th of June, I made a statement to this House. I was convinced, and so were my colleagues, that merger was inevitable. But I was not convinced that the success of the new Federation was inevitable, and it was our duty to ensure that in so far as is humanly possible it should have a good start. To plunder Singapore, which Document I would have done, would have been a bad start. I would not have put my money on it if we had agreed to Document I. Because then over the years, as the people realised the financial implications of the terms on which we were absorbed by the Federation, bitterness would rancour in their hearts; and without a successful Singapore Malaysia could not succeed.

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Document VII, Mr. Speaker, Sir, is what is known in the newspapers as “the ultimatum”. I saw in the newspapers the Member for Cairnhill waiting patiently outside while the ultimatum was being considered inside the Cabinet room. I do not know whether he was for Singapore. But even if he was, I wondered whether that was the way to fight for Singapore.

Sir, this is an extremely complex situation. If you fight too harshly and too hard, then you bring about bitterness that is bound to endure into Malaysia, and make the sense of unity and purpose and amity between the peoples less likely. If you yield and give way, then you will be raped and plundered, and that makes Malaysia a certain failure. So between the two extremes, a balance has to be struck. I do not want to deal in detail with the financial arrangements. My colleague, the Minister for Finance, who bore the brunt of the detailed work and the argument with his counterpart in the Federation, will do so. If I know him, he will do so competently.

Document VIII was our reply. It is not easy, Mr. Speaker, Sir, -- no, Document IX, I am sorry, the point-by-point reply. Document VIII was the ultimatum. Document IX was the reply. On the 22nd of June, on a Saturday, we sent a letter.

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If Malaysia was a neo-colonialist plot, all this would have been unnecessary. The British had the power constitutionally and in actual fact to bring this about. But I think they were wise in not exercising that power. They allowed free and open negotiations leading to a voluntary and satisfactory conclusion. If Malaysia was a neo-colonialist plot, today Brunei would be in

Malaysia. For the Sultan exists and survives by leave and licence of the British army. But I think they are also sufficiently wise and prudent to understand that the ruler has the support of the large bulk of his people, sufficient for even Azahari to treat him with some respect to leave well alone. But I am quite sure too that the gradual process of attrition, the wearing-down process of argument day in day out will finally ensure that fair and just terms are agreed and endorsed by the peoples of Malaya and Brunei. I am not unhopeful of the future. I have read what has been said in the papers, and sometimes I think it is wiser not to say some of these things. But nevertheless, I think the Sultan was deeply hurt by many things that happened in Kuala Lumpur. I think also that some of the Federation Ministers, in their state of anxiety, were unnecessarily severe in their expressions to the Sultan. I am also convinced that this electronic computer which has learnt how to handle chieftains, revolutionaries and revolts and mutinies over 400 years, even though getting a bit old and not quite as good as it used to be, will bring its whole force to bear on this little sultanate and eventually Malaysia will triumph by reason, by argument, by logic, and not by force. I think I can pay no better tribute to them than the fact that in the last round they really beat us in London. Sir, we had them, as the expression goes, by the neck. We had settled with the –

The Minister for Finance (Dr. Goh Keng Swee): By the throat!

THE PRIME MINISTER: Sorry. By the throat. We had settled with the Federation. We had not settled with the British. We had put in our claims. All W.D. lands with no title to be returned forthwith to Singapore. Consternation, Mr. Speaker, Sir. Meanwhile the Secretary of State had joined forces with the Federation to coerce us into getting us to cough up for Borneo. Finally, \$100-million, interest for five years. Originally, it was almost a hundred per cent labour, Mr. Speaker, Sir. All labour which cannot be found in Borneo must be taken from Singapore. The Tunku intervened. But before that, the moment it looked like settling, we presented the claims. Then the British said they would cough up the lands. But only part of it. So we said \$20-million must be paid as compensation for lands which are retained. I am quite sure that if only we had waited another 24 to 48 hours we would have got the money. But for various reasons the Tunku believed that 8th July was a lucky day by the stars.

The British knew this and they worked on him because they could not work on us and get us to give way. We lost because the Tunku said we must sign on that night and so the signing began at quarter to twelve on the 8th of July. I think it ended about 12.10 in the morning of the 9th of July. And we had to give up. From \$15-million we agreed to \$10-million. Was this a new colonialist plot? The basic factors were there, and the moment the U.K. Commission here drew the Communists out into the open, their days were doomed. They allowed the

fight to go on. In the last resort the gun would have to be used, but they left it alone. Very wisely too. They made a decision in 1957, when the Member for Cairnhill was the Chief Minister, and again in 1958 – he did not make the decision; the Governor did – that the P.A.P shall go on. The then Director of Special Branch, when he saw the way the elections were going in 1959, decided to hop it.

Mr. Rajah: What does that mean?

THE PRIME MINISTER: That means scoot! If they had their way, they would have done the stupid thing, as they always do, Mr. Speaker, Sir. They never calculate. They always play poker, as I often do with the Member for Cairnhill and with the Tunku, just to pass the time of day in order to get one or two odd points in. I always lose. I never win. I am no good at bluffing. It is true, Mr. Speaker, Sir. The game of bluff is one which I find a very unprofitable and a very hazardous thing to do. I am telling him right here and now. There are no cards closed; five cards in hand; changing – pretending to change two, keeping three. None of that. My cards are on the table. It is within the power of the Opposition to block this. If it does so, Malaysia is postponed; there will be general elections. But I am confident, because the bits and pieces on the chess-board have been calculated. Even if he wanted to, UMNO cannot do it. They

cannot go against the signature of their own Tunku. And this is what the bundle of documents handed in means. The Tunku has agreed, and unless they want to disavow their own parent organisation, they must vote for it. Therefore, it will go through. And I speak this knowing the bits and pieces on the chess-board, as we always try carefully to calculate the possible moves and counter-moves.

Mr. Speaker, Sir, at last we have reached almost the end. Another 30 days. Midnight of 30th. One second past midnight, I hand over security, police, prisons, army. I will no longer have an Infantry Regiment to salute me. They will only line up outside this Assembly by leave and licence of the Deputy Prime Minister of the Federation of Malaysia. But as against that, I will no longer have to look and care for the safety of the Members opposite. So I think it is not such a bad exchange. We are going to keep 72 to 73 per cent of our revenue.

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The calculation varies according to the projection. It is between 72 and 73 per cent. Of course, even before the agreement was signed, they denounced it. They have always denounced it. The noose is around their throats and they know it. And those whose hearts are guilty must be unhappy at nights. And that is it should be. They have 30 days left. All I want is peace, quiet, tranquility for the next 30 days. And I mean it. Whilst I am in charge, it is my

duty to see that law and order is maintained. If anybody breaks it, he meets the consequences of the law. It is quite simple. There are the courts. We go in accordance with established practice. The Member for Thomson complains bitterly. He got the Member for Cairnhill to side with him. As I have said, he does not know which side he is on, except that I know he is always on his own side.

Mr. Rajaratnam: The wrong side.

THE PRIME MINISTER: In this case, I think he is on the wrong side, as my colleague has said, because if he has been going around, he will know that there is a great deal of feeling about this. A blunt unthinking act.

Now, Mr. Speaker, Sir, the broad agreement – the financial terms which for two weeks really occupied so much of our time and tested our nerves. We are giving 37 per cent of our total revenue, or 40 per cent of national taxes, not giving it away free. All the police officers will be paid by the Federation. We have 5,000 officers as against the Federation's 20,000, i.e. 25 per cent is in Singapore, to be paid for. Prisons -- we have got two. We are now going to build a new one and knock down the old one. I have said it will not be my responsibility, but I am quite prepared to forward any memoranda on the shape

and size of the windows for sunshine and whether the bedsheet should be on the left-hand side or the right-hand side of the wall. I think they ought to be grateful. The people who have tried to ruin the country – I think they ought to be grateful that no worse fate is in store for them. Prisons, Telecoms, Post Offices, Civil Aviation, the Courts and Judiciary –

Dr. Toh Chin Chye: Meteorological officers.

THE PRIME MINISTER: Even the Meteorological Office.

An Hon Member: Make rain this time!

THE PRIME MINISTER: We will make rain. Do not worry.

Singapore always forges ahead, Mr. Speaker, Sir, despite everything. We

innovate. We started TV. We started rain-making. We will start a lot of other things. This is in the nature of things.

Sir, in return for this we have a Common Market. I expected this to be received at least by right-minded men who are not Communists with rapturous applause and praise for the Tunku, if not for me, at least for the generosity of the Tunku and his Deputy. But the Member for Anson, I think, has again gone off

the beam. I read in the newspapers that he has denounced it as a sell-out: that we in four years have done more damage than the British did in over a hundred years.

Mr. Rajaratnam: Than the Japanese.

THE PRIME MINISTER: Than the Japanese. I do not know whether he knows that this is the end of an era. I think it will not be unfair to put it in this way: that as things get tougher – and things will get tougher because, as I have said, we are not showered by congratulations as we come into being (very far from it) – we have to be on the look out for enemy agents. I mean “enemy” in the proper sense of the word, in war. And those who aid and abet the enemy will go down with him, and we will suffer none in our midst. This, I am sure, reflects in a very mild way the views of the two Ministers I met last week – the

Deputy Prime Minister of the Federation and his close colleague, the Minister for Internal Security. I saw them with regard to the matters in the letter which I have tabled to this Assembly. I also discussed a few other things about the transitional provisions on the 31st August. I can tell them and the Members on the other side that although we have our quarrels with the M.C.A., we have none with either the Deputy Prime Minister of the Federation or his colleague, the Minister for Internal Security. That is because we did a lot of calculation. I can tell them

that, knowing them for what they are, they are not likely to shirk the responsibility to see that their strength – and they have strength, Mr. Speaker; the Opposition to Malaysia should believe me when I say that they have strength; do not believe that all these little upheavals in Penang and Taiping are going to upset Malaysia. No. They have real basic ground strength, and they have no hesitation in using that strength to see that Malaysia remains secure, prosperous, and progressive. We are with them on that.

Sir, the Member for Anson has criticised the Common Market. I will leave the details to my colleagues, the Minister for Finance. All I would say is this: eight wise men, learned in these matters, came from the World Bank. They are men who drafted or helped to draft some of them, e.g. the Treaty of Rome, on which the prosperity of the European Economic Community was based. The report has been published. Annex J of Paper Command 22 of 1963 sets out all the main terms of this Common Market. I quite believe the Member for Anson is an intelligent man. In fact, the then Colonial Secretary in 1956 said, in a rather patronising way, that he was quite an intelligent fellow. But the trouble with him is that he is too clever. I am prepared to put my reputation on this matter on the side of eight learned experts, practical men of the world, whose business is high finance and economics as against the judgment of the Member for Anson. I am quite happy and satisfied to test public opinion by the

expressions of the Chinese Chamber of Commerce, whose President has welcomed it, and who is, in fact, in the midst of setting up a few factories, and I think very wisely too – why not, and miss the opportunity? -- the Indian Chamber of Commerce, the British Singapore Chamber of Commerce. These are men of commerce and trade is their lifeline, and they say, “This is good.” Five years of complete free port status while we industrialise product by product. For the next seven years, we gradually harmonise. And we can refuse to put on any tariff but pay them a percentage of the taxes which they would have got had we put a tariff on. In other words, we have 12 years in all. If we cannot succeed in 12 years, then I say, we do not deserve to succeed; we really will perish. And it will be because of the evil machinations of men opposite, and their smiles will be wiped off their faces when the moment of brutal truth dawns upon them. This is literally the end of this era, Mr. Speaker, Sir – three more days (today, tomorrow, and the day after), then we will adjourn sine die. When we meet again, it will be under the new Constitution. We will probably miss some old friends and some old enemies, and maybe the country would be the better for it.

I make no bones about it. We have fought and put our lives in our hands, and our necks on the chopping block. For two years we have fought them. And I say I will fight them for another 30 days, and never flinch from it. I beseech the Member for Queenstown not to misjudge the situation. Twice he has already made an error of judgment, now leading to a lot of inconvenience – flying out

counsel – to himself and his colleagues. I would much rather that they led more quiet and peaceful lives. They nearly started one in the Harbour Board with 100-odd hard core chaps. I say, the Fire Brigade is ready. Let us have no arson before the 31st of August. After 31st August they want to take on the Malaysian Army, Navy, Air Force, together with the P.K.I. on their side, I say it is up to them. Good luck to them. I have not the slightest doubt of the outcome and if they are in doubt, I think they should have their heads examined.

Sir, repent? I say no. I think I should not say this because I would like them to sleep well of nights.

Sir, merger always has been of historical necessity and those who oppose it will, in Marxist phraseology, be buried by history. I think my colleagues and I on this side have read enough of Karl Marx to understand their thinking. Buried by history, Sir, is a phrase which means you are a fool. I mean “you” metaphorically. You went against the current and inevitable process. My colleague says it is not too late. I say, well, good luck to them. Maybe if they change, go to church and pray, or kneel down, count their heads, there is still time.

As I have said, the battle really began in 1945, 18 years ago. But for the last four years, the dramatis personae have been - (1) The British. (2) The Communists. (3) The Federation Government. (4) The Singapore Government. Four principal actors. Not all ad idem, Mr. Speaker, Sir. From time to time, each finds his interest affected and shifts his position. I will give you a simple illustration. In London when the British wanted us to cough up for Borneo, they were with the Federation side squeezing us to make us pay; they suggested interest – a free loan of \$150-million, free of interest for 10 years. I was so astounded by the suggestion, Mr. Speaker, Sir, that I bit my lip. I calculated and I said that was \$80-million. I got the shock of my life. So the matter was dropped. We were kept awake at nights. Mind you, so were the British team. But they sustained themselves with pots of – I saw some hot milk being boiled, while they offered us whisky and soda, which I thought was a very friendly and hospitable way of doing business – abstemious on their part, hospitable to those who were their guests. They only gave up one night or rather one morning. I think it was Thursday morning before the Monday we signed, when they sent a representative and banged on our Committee Room. We said we were in session and in popped the Deputy U.K. Commissioner. He found us sitting down with a typewriter box stacked with sandwiches and all other necessary condiments and sustenance for the battle. Then they gave up. Because he knew we could go on well into breakfast time and it would still be

\$100-million, five years free of interest, labour from Singapore. Then they gave up.

But the moment we put the claims on the British, an immense transformation took place. The Federation Ministers, three of them, suddenly became our allies. They became our great friends and supported us in the claim to get the land back and get a lot of money. Because, not unnaturally, the more money we got, the more money we were likely to give them. These were the strains and stresses between the four principal parties.

Now, Sir, as a good Marxist, if I were the Member for Queenstown, I would exploit these contradictions. There was a contradiction between the Members on the Front bench opposite and us over the 15 set. He could have exploited it to his advantage. He threw it away. He would never know what a ghastly error it was. Here we were all for Malaysia. We were all for a non-Communists – they wanted an anti-Communist, we want a non-Communist Malaysia – never mind. Anyway, no Communist. But for various reasons, we wanted 15 seats before Malaysia. They had a chance to prove to the world that the people of Singapore, if ever they believed in it, were against Malaysia. They say the Referendum was rigged. Here was the chance of a contradiction to be exploited, but it was thrown away. Alas, what poor Marxists they were!

Well, Sir, what happens after? I have given what I think is a fair resume of what has taken place. Of course, there were some side characters – clowns, court jesters, general retinue. The Member for Anson played his part, a useful sounding board. From time to time he comes in like one of these Punch and Judy shows. Suddenly the lion roars, dashes across the stage, vanishes. The Member for Cairnhill, the faithful follower and retinue, defended by the Alliance, who said he was only taking orders as is his duty if he wants to survive. Then there was Dr. Faust – Dr. Lee, the Member for Queenstown. He was Dr. Faust. He went to Medical College and he never read his book. I went to Raffles College and I read a little book called “Dr. Faust”. A man, Marlow, wrote this book. He said Faust sold his soul to the devil. He bought time and had a wonderful time in the process, he did everything he wanted. What a glorious time – the leader of the masses. What did he say over T.V.? Eighty-thousand people, he said, turned up at his MAY DAY rally last year and this year 40,000 – braggadocio. This year we counted three were 12,000. Last year we counted there were 30,000. But nevertheless, tumultuous applause; systematic applause, Sir; the rhythmic clap is a wonderful thing; it is a thrill that only those who have been on the platform with the microphone can understand: the sensation of power – ecstasy. “But the time has come,” says Mephistopheles. “Your time is up”. And so it will be Thursday night, the end of an era – as you leave the

Chamber, if you do not mind, Sir, after you have left the Chamber, for old friend's sake, Let Old Acquaintance Be Forgotten -- Auld Lang Syne. We meet again under a new flag. The British Union Jack is down. No nonsense about all this neo-colonialism. Everybody who says that the Federation Parliament is a neo-colonialist one, I think, will be dealt with in a summary manner, and quite rightly so.

There have been others. The Member for Hong Lim and his famous resolutions. He plays a curious role, Mr. Speaker, Sir. He is like a vulture waiting for our friends in the Barisan to disappear. The Barisan has got a flag dashing into battle with slogans on it. He has the same flag with the same slogans. He is hoping that when that flag is burnt up, the followers will take the lead from his flag, and so he inherits the 25 per cent blank votes. But he is clever enough not to get too close. If he is too close, then when the fire is opened, he might get killed. So he leaves a respectable distance between the Barisan flag and himself. I would say that he could be Mephistopheles if he were born in a different age, because he had the kind of approach for it. It was reading the papers. He was exhorting us to massacre the Opposition. "Ah, ah, here is another swipe coming." Waiting for it, he says. "If only these chaps will disappear." No leaders left. He has the same slogans. Whatever they say, he says one day afterwards. One day afterwards, he comes out with the same

slogans. Sometimes he makes a mistake, but he quickly retracts because he is wise enough to see he does not get into trouble.

“Three cheers for Azahari,” said the Barisan. One day later, the Member for Hong Lim said, “Three cheers for Azahari.” One week later, he said, “Down with Azahari because he is anti-Chinese.” And by the time Azahari got to Jakarta, he said, “Down with the whole Brunei revolt.” He was in favour of Singapore helping to keep down the Brunei rebels. He is a vulture of no mean intelligence but rather superficial. He also never calculated beyond the brink. What happens after the abyss? I say, quite frankly, in the new era, those who wobbled along the brink will find it a bit gutsy and windy. It is better to come back safely to land, abjure all these things, denounce Communism and adventurism. They have denounced the Member for Hong Lim as an opportunist in their publication. I have it here with me. The word they use is “opportunist” in the Plebeian. I say that the biggest opportunists were the 13 of them.

An hon. Member: Fourteen.

THE PRIME MINISTER: Yes, 14 of them. They thought they were going to win. I am not interested, Mr. Speaker, Sir, in who wins or loses. I am determined to see that Singapore survives as a coherent, sensible and happy

society. I have a stake in this, Mr. Speaker, Sir. I do not sell the Tunku de Havilland aeroplanes or try to build airports. I am not in the contracting business. But I have a family here rooted, unable to run away, and I am determined to see that Singapore remains a happy and sensible place where nobody is slitting each other's throats, shouting mass slogans and ending up in chaos and anarchy. There will be a new play when we next meet. After this session, we will prorogue. There will be a recess, a new Constitution, and new dramatis personae. But I think we will be deluding ourselves if we believe that the Communists have been disposed of just by merger and Malaysia. We will be deluding ourselves if we believe that by scrubbing out the Barisan or knocking out a few of the front leaders the ground position will be resolved. The ground position has improved not because the Barisan has been scrubbed out but because they have been left there to make mistakes and to expose themselves for the lot of political adventurers and opportunists that they were – anti the people.

Finally, that is what they came to. They who talked of the masses ran away from the masses that night in Hong Lim.

Sir, whatever our shortcomings – I do not make any pretence; we have quite a number – there is no anaemia amongst my colleagues. We do not suffer from leukaemia. We have enough red corpuscles to see the country through. Yes, we lost Hong Lim two years ago. We will go back and fight

again. They booed us at the Referendum. They got booed back. They booed us at Jalan Besar. They were booed back, and they nearly ran away too. But that night at Hong Lim one week ago, I thought, was poetic justice. All I did, Mr. Speaker, Sir, was to draw the attention of the crowd to the fact that here were people who were moaning the fact that the country was going into a haven of security and prosperity. And they got so frightened that they switched off the lights, ran down the stairs and scooted. (Interruption in Mandarin). The camera does not lie. They are always afraid of the camera. They go round like bandits tying handkerchiefs and covering up their noses. Why? Are these really heroes of the revolution? Did Lenin do these things, stay in his Party headquarters and send pregnant women into battle? Really, Mr. Speaker, Sir, I am not bothered and concerned with the front leaders, but I say I am bothered and concerned with the gentlemen that I have met whom the police cannot find, and they are men of no mean calibre. Yes, I concede that we have never made the error of under-estimating our opponents' capacity for harm, and they have enormous capacity for harm. With a small group of people, they can mount an enormous offensive.

At the last rally in Shenton Way for the Referendum, they were really good, , Mr. Speaker, Sir. I can only think of the Catholic Church as equally well versed in these things – the expertise. I was watching the Coronation on television in Europe as it took place by ~~Telstar~~ link-up, and Pope

Paul was crowned not inside St. Peter's but outside in the Square with 500,000 people watching. It was a really massive demonstration and an emotional experience not likely to be forgotten by those who took part, and on television for the world. I am quite sure they must have studied some of these things. I happened to be in St. Peter's when the first Pope appeared on television and it was quite a fascinating experience. I have said this before, without irreverence, that I admired and respected the technique. The Pope came out in his palanquin shouldered by chaps with scabbards and hats and so on with due pomp and panoply. As he came down the aisle, I heard shouts of "Viva il Papa" and crowd underneath shouted "Viva il Papa" and nuns and other devotees went into an ecstasy. Then I looked up at the pillars and at each pillar on the aisle was a set of choir boys. They knew how to do it. They triggered it off with "Viva il Papa" and there was a ground reaction of "Viva il Papa". It was very good, Mr. Speaker, Sir. When I saw that Coronation, I said, now that was the way to install a Government – not this silly business. We tried to do that in the City Hall but it was not quite as good. Next time, we will do better. We live and learn. Oh yes, we always learn. Never make the error of believing that they are obtuse, obstinate and obdurate. When we make mistakes, we admit them and we learn from them. The old Ministers used to be sworn in inside Government House – a little private cosy party – and then they drank sherry with each other. But the Pope was there. There were 500,000 people in St. Peter's Square packed like

sardines and everybody who took part in it would remember it to his dying day. And they tried to do something like that in Shenton Way. We watched it. We sent chaps to watch. Five hundred chaps will suddenly walk off and then walk round the block and come back the other side. So you get a feeling that lots of fellows are coming to the meeting. In fact, they are the same chaps – the same 30,000 fellows. That was what they had there – the maximum. But they were good – the clapping and the cheering. They were trained and they made a lot of noise for 30,000 chaps. But then the ballot boxes were opened that night, the Member for Nee Soon – he has lost interest now in life generally or he is fed up with all politics and quite rightly so. If I were him, I would be fed up with politics. (Interruption) Yes, his survival instinct is the best of them all. He is the most intelligent chap of the lot. That is why he cannot be bothered with all this. Why should he? This is all leading to an impasse, a confrontasie from which there is no retreat. And he does not want to be in it. But let us never forget that the battle goes on! We will be deluding ourselves. And I want to stress this because sometimes in jest one says things which are taken seriously. I do not believe you can resolve these things by just chopping off a few heads. It cannot be done that way. It can be done – I think we have demonstrated that it is possible – by two concurrent weapons. One is economic and social progress, and expanding economy, a rising standard of living and rising expectations. We turned the tide, Mr. Speaker, Sir, when we built houses, homes, schools, clinics

and community centres. There was the tangible evidence of a better life. That is the first arm and that was why we were determined that we should keep our money to provide amenities to the people even if it meant no merger. But it would have brought merger anyway because there was too much at stake. Even if for the moment, let us say it was postponed for six months or for one year, it would have come back because the basic factors have not changed.

The other arm is the open argument. They lost out on the open argument. They were telling lies to the people that they were sold out on citizenship. The Member for Anson, who was with them, suddenly right about turned and bit them and said, "Oh, miraculous." Now he has decided he has no chance to cash in on the pro-merger support. So he goes back to anti-merger. I think what he lacks is a little bit of ballast in him, otherwise he would not be doing these things. He is like a straw in the wind. He is a bit erratic. As I have said, in that one year when he was Chief Minister, never was so much humbug enacted by so erratic a Chief Minister in so short a time. I have to crib Churchill for that. I think that was what I meant. (Interrupted) No, Sir, I will not be so unkind as to say that. One makes up one's mind where one stands. Everybody recognises after a while; it may take some time. People thought we did sell out Singapore and so on. They were spreading the lie to the people. They thought that with their cadres on the ground and signing all these petitions and organising

and, according to them, 98 per cent of Kreta Ayer was against merger. So they said. When the ballot boxes were opened, they got the shock of their lives because Kreta Ayer had the least of the blank votes. What was it – three per cent, four per cent?

Dr. Goh Keng Swee indicated dissent.

THE PRIME MINISTER: Three or four per cent. They were clever people. They were not like our Alliance friends. Our Alliance friends were waddling around not knowing what it was all about. But they had 14 chaps. They knew that we wanted to know where their support was. They did not know which constituency was on which table; but we had to have 51 tables for 51 constituencies. I concede when my opponent intelligently beats my plan. They knew that if we wanted to know the result we must count table by table.

And so into the ballot boxes they threw in the ballot paper and the polling card which showed the constituency. It was very clever. A submarine device, an anti-submarine mine. The next time they go there, they will find that we will also put in polling cards of many constituencies all into the same boxes. They will then have to think out another way. But the men behind them are intelligent. They never did this. I wanted to do this the intelligent way because I know the battle goes on. So I said, “Fifteen seats, fight it.” No power is attached to the

15 seats. This is important. But the men behind are intelligent. They never did this. For the 15 seats we could have proved to the world that the people of Singapore were for Malaysia definitely beyond any doubt. We could also have found out in the one year how much their support has been whittled down. Yes. And if anything goes wrong, it does not matter because it is a controlled experiment. It is only 15 seats. No power. 15 in 1959 seats. There was a long-stop. The wicket-keeper, long-stop. But I am thinking of obtuse gentlemen now. A forced 51 seats before March next year. They probably thought they could get an advantage, an edge over us. We had also taken that into account. Hence the back of the envelope says “delegation of powers to detain secret society gangsters.” That is one of the amendments in Paper Command 24. There will be no gangsters running around at election time. They have also learnt. We live and learn. If chaps switch sides, the next time they will go out of this Chamber. Why not? Anybody who comes into this Chamber on the basis of his Party’s symbol, when he backs out from the Party, he leaves. Yes. We must be prepared to live, learn and innovate. And I say we will do it. What is more, if we are intelligent, we will succeed.

Sir, before I go into the constitutional provisions – I will take probably 45 minutes to draw Members’ attention to the important parts – I would like to place on record my appreciation and that of my Government for the

dedication of a band of officials who were not only able but also worked very hard. They went beyond the normal bounds of duty. They fought for what was right for Singapore to do the right thing by the Government they serve. I would like to say to them that their effort was appreciated. It made a big difference because it saved me from having to read every single document from cover to cover. I have to peruse them.. But it does help if we know that some sharp intellects have been through them, marked up the parts which looked dubious or spurious and left me to decide.

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Our problem, I think, over the years, as the enemy underground increases in intelligence and experience, is to find more and more people of ability on our side, because ultimately this battle can only be won if there are enough men of integrity and ability to run the democratic system. Two things are fundamental. If there is no integrity the whole thing is a humbug. If it is self-interest, then it will go down in corruption, decadence and disarray. If there is integrity, piety and goodness but without the ability to give it the drive and the dynamism that it requires, then it cannot go very far. That is our problem, both in the public service and in public life generally. And as we secure stability in Malaysia, I think it is more likely that we draw men out. More and more are taking on duties and responsibilities beyond their professional lines, as members of public boards and statutory corporations. I think more and more will be convinced that they have a duty and a role to society if they want the good things that they know and the good features of this system to endure.

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Sir, now may I run through very rapidly the important provisions? I have not the slightest doubt that they will be attacked by Members on the other side. I am not the slightest bit concerned because they are honourable terms. They can be defended and justified at any time and every time.

Sir, first, if they will turn to what is, I think, the most important section – page 73 of Paper Command 22. There in Part II, Members will see our local autonomy: Education, Medicine, Labour and social security, Pensions, Factories. Concurrent list – List III (B). These are all under the control of the State Government. I think I would like to draw the attention of Members to item 20 at page 74:

‘Until the end of August, 1968, and thereafter until Parliament with the concurrent of the State Government ... elections to the Legislative Assembly.’

And so all this humbug that the Singapore Government cannot be trusted to conduct the elections will now cease. This is what the Tunku signed and agreed upon.

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Sir, there is one section for which an amendment will still have to come. There will still be several amendments. One is the authority for prosecution by the State Advocate-General. That will be made by an amendment to the Criminal Procedure Code. We are not quite sure yet how best to do it. The parliamentary draftsmen in Kuala Lumpur and our State Advocate-General are in consultation.

Then, if I may run quickly – Page 98 of the Federal Constitution. Article 131 provides for appeals from the Supreme Court to the Federal Court. Then at page 35, Article 50 of Command Paper 22 of 1963; Audit. Then pages 213 to 231, minor amendments to the Customs, Excise and Income Tax laws under the financial agreement. Members know that this was a vital matter in issue. Who collects? I think this is a matter of very great importance. I am happy to report that we have resolved it. We will collect and the power is delegated to us irrevocably, and the only way in which it can be revoked as if the Singapore Government is unable, unwilling or incapable of collecting and whether it is or is not, it is a matter which can be tested in the courts. That is provided for in the Annex, page 230; paragraph 10. “Disputes as to interpretation or application of this Agreement.” In other words, it is a justifiable issue, not one which is for the Finance Minister of the Federation to decide.

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Broadcasting and Television – Page 232. Members will see that we are in charge of the staff, administration and the day-to-day programmes. We will have, as we expand, the right to have more radio frequencies and channels for transmissions of television programmes. Any over-all policy will be of Pan-Malaysian application unless, for some reason of national interest or of national

importance, it should be applicable in the rest of Malaysia but not in Kuala Lumpur. In other words, what was agreed in the White Paper is now enshrined.

Page 137, Article 8: Cabinet to exercise general control, direction of Government.

Page 19, Article 23: Citizenship. I do not know what the Member for Anson is complaining about. He said that it was miraculous in August last year when we all became Malaysian citizens. Now he says it is second-class citizenship because we are not allowed to vote in the Federation. I just do not understand it, Mr. Speaker, Sir. He knew that there is no change in the opposition. It was as stated. What is enshrined here was what stated in the exchange of letters in July and August last year. I may add that the voting disability is reciprocal. They cannot come here. We cannot go there.

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Common market and Tariff Board, page 34: Article 48 (c). The Constitution of this Tariff Board and rules cannot be altered without our concurrence. Sir, I want to make this point. All these State responsibilities – religious freedom, education, labour, Tariff Board – I think there is some misunderstanding, particularly with the Church, and I had to make a statement on freedom of religion. No Government can bind all governments for all time. It is

not in the book of law to do that. What we can do is to bind ourselves. If some future State Government gives the concurrence to the Federation to alter this, then these things can be altered. They are alterable with consent. It may well be that 50 years from now, when we become more united, I think in the long run perhaps quite a lot of these other items should go to the centre. But I think it must be done on a quid pro quo basis. If more goes to the centre, then as we put in more money to the centre to discharge its responsibilities in the centre, so we should send more representatives to the centre. But the point I would like to make is this. All these State privileges which are safeguarded are safeguarded to this extent: that the Constitution cannot be changed without the consent of the Singapore Government. I think lawyers understand this. But I would like to stress it for the purpose of the lay reader, particularly to the newspapers and other mass media, that a future State Government which is not committed to this policy can change it.

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I draw your attention also to page 26, Section 32, “Liaison as to citizenship”. They have to inform us of naturalisation, and I think they must be on a concurrent basis. They are going to naturalise as Singapore citizens and other citizens – Sections 31 and 32.

Then on pages 38 and 39, the Singapore branch of the Public Services Commission, Section 55(1) to (8). Mr. Speaker, Sir, you will find the Constitution safeguards in Page 47, Section 69, the most important paragraph of which reads:

‘No amendment shall be made to the Constitution without the concurrence of the Governor (‘Governor’ here means the Yang di-Pertuan Negara) if the amendment is such as to affect the operation of the Constitution in relation to Singapore as regards any of the following matters –’

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and one of them is religion in the State. In other words, there can be no legislation. As I have stated publicly, I am not a supporter of immorality, but my Government does not intend to introduce any legislation regarding khalwat (I think it means “found in close proximity under suspicious circumstances”, and other offences connected with the Muslim law, and so on.

Then Page 30 – there is now an amendment which will be included in Page 30, for delegated power to the Singapore Government to detain those for secret society activities. The C.P.I.B. – I think this is a very important section – is contained in the first of the letters in Paper Misc. 5 at page 2:

‘Sixthly, it is agreed that because of the interests of the Singapore Government in the prevention of corruption, the organization of the Corrupt Practices Investigation Bureau and the powers of the State Advocate-General in relation to the prevention of corruption under the Prevention of Corruption Ordinance, 1959, will not be altered without the consent of the Singapore Government.’

Sir I have tried to get that into the Constitution, but I am afraid time was so pressing on the 8th of June that we had to leave that particular one only in this exchange of letters. I would like to point out that where there is a response in a reply to an exchange of letters, then that goes into the Constitution. For the others, they are covered in my letter of the 22nd of July where there is just an agreement. But it is open to the subsequent Government in the Federation – I do not think the present Government will go back on its words – if a non-Alliance Government to go back on it if it desires, because the C.P.I.B. will not be enshrined in the Constitution. But I think the fact that it continues and will

continue with civilian investigators will be a powerful deterrent to keep in check the excessive use or any abuse of power of officials in all departments of the State. If I may mention particularly those departments who think that because the Central Government is far away – like Police and Immigration which will pass into the hands of the Central Government – is 260 miles away and therefore they might get away with it. Therefore, I think it is useful that we should have these powers to prosecute locally through the State Advocate-General and civilian investigators.

Elections is at page 63, Section 95. There you will see, Mr. Speaker, Sir, provision made for the Singapore Government to conduct the first elections. These 15 elected representatives will go on beyond the general elections which will be held in the Federation after Malaysia Day. Our intention then was that elections should be held before Malaysia Day and then the 15 elected would take their places in Federal Parliament, and when the Federal Parliament dissolves as it must under the Constitution in the middle of 1964, these representatives will remain Members for the life of the second term, in other words, for the first Parliament elected throughout Malaysia. However, our plans are somewhat altered now in view of the decision taken by the Opposition, and I think we shall have 51 Members here before our representatives will appear in the Federal Parliament. There may have to be some interim provision

for a token representation by representatives. I do not propose to have the 15 elected from this House. It may well be that we might send two or three Ministers to represent Singapore until the elections for the 15 representatives take place, which I hope will be done not so very long after Malaysia now.

Sir, the fundamental liberties are all enshrined in the Federal Constitution for easy reference the second edition of the Federal Constitution (Articles 5 to 13) can be found in pages 28-32. And it is subject to section 60 of Paper Command 22 at pages 41-42, which says that so long as we have autonomy in Labour and Education there will be power through Education and Labour laws to prevent double enjoyment. Sir, I made this quite clear in my statement to this House which was published in the Financial Arrangements, Paper Misc. 4 of 1963, when I stated that his provision had been agreed to. I think it is Document VI, at page 50 of the Paper – sorry, Mr. Speaker, Sir, it has not been flagged but I will give the reference later and I do not think I should take the time of the House. I made it quite clear then. I will give the reference at a later date, and I think it is also in the Hansard. You may remember, Sir, that there cannot be double enjoyment. I think it is proved it is as much in our interests as in the Federation's interests because if either side introduce free secondary education – let me put it in a neutral way – ahead of the other, then there is bound to be a drip of students from one territory to the other seeking that

free education. And since tax is paid by one territory, it is only paid by the residents of that territory, then the enjoyment of the rights of free education should only be limited to people of that territory. By way of example, if we give free secondary education then we would want to have the right to prevent students from other territories coming into our schools and vice-versa. Similarly in the first phase of factories in Jurong, we may, I think not unnaturally and I do not want to over-emphasise this point because we want to be flexible about it but we want to have the right to ensure that only Singapore citizens are employed in the factories. And similarly if an iron mine or a steel mill were put up in Johore next to the iron mine, they may, not that they will, require as part of the terms that only citizens of Johore are employed. And so on. Free port status, Mr. Speaker, Sir, page 226, sets out the Common Market arrangements and the gradual erosion of the free port over a period of 12 years, right up to 1975. The franchise of Singapore citizens is set out in page 26, Article 31. The reciprocity is there – citizens vote here and nobody else, and Malaysian citizens who are not Singapore citizens also cannot vote here, and we will have to decide later on the basis of reciprocity, the residence period required before a man decides to be one or the other. Financial Arrangements – Annex J. Financial Review – page 229, paragraph 8. I think that is a matter of some importance:

The arrangements specified in paragraphs 6 and 7 above shall remain in operation until 31st December, 1964. The two Governments shall then review these arrangements and shall decide upon any amendments to be made to them in respect of the two year period commencing 1st January, 1965. There shall be a similar review in respect of each subsequent period of two years. In default of agreement between the two Government, any issue in dispute shall be referred to an independent assessor appointed jointly by the two Governments. In default of agreement between the two Governments on the choice of an assessor, the Lord President of the Federal Court, after considering the views of both governments, shall appoint an assessor from among persons recommended by the International Bank for Reconstruction and Development as being persons enjoying an international reputation in finance. The recommendations of the assessor shall be binding on both governments. Such reviews shall have regard to all relevant factors.”

Hence, the importance of Paper Misc. 4, for in our contention, as you will see from the papers that we have put up, even on the basis of their full Defence expenditure being, in fact, extended which we doubt and I do not think

they will do it just to spite us because as I have said they have got to spend \$8.20 to \$8.30 to our \$1.70 to \$1.80 for which they have got to spend the rest of their \$10 from their own pockets, and they have got to take into account donations made by the British or other friendly governments to us for defence. I would like to restate or state again our position. Our view is on their figures. We say it is 34.3 per cent of national taxes or 23 per cent of total revenue of Singapore. We have agreed to 40 per cent because of the importance of the 8th of July and because we wanted to make a concession in view of the fact that Common Market was agreed to be in the Constitution. But after 31st December, 1964, there will be a review and what is important is this: that although we may be only a State Government, if in the review we do not agree, then an independent assessor has to be appointed. And if we do not agree with the assessor, then it must come from a panel of persons put forward by the World Bank. So there can be no question of bias in these matters.

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I would like to stress this particular point for the information of Members because one of the points made by the Opposition is that we have given away a lot of money, which is quite untrue. Three-quarters of what we have given away will be spent in Singapore itself, which we are now spending in Singapore – Police, Prisons, S.I.R., and so on. Telecommunications, civil aviation meteorological office, and the extra one quarter is for the internal security and defence expenditure which we now have to incur because we are part of the Federation. We also pay part of foreign affairs which we do not have now and part of Parliament, the 15 seats which will be warmed in the Central Parliament; somebody has got to pay for the leather being worn out.

Freedom of movement, I mentioned this yesterday, Mr. Speaker, Sir. This is another important provision at page 42, clause 60(1). You will find that in sub-clause (3), we are adding in this amendment now:

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“any such restriction shall apply reciprocally to the States of Malaya and the State of Singapore”.

It should really be in “the States of Malaysia”. I think the draftsman has forgotten this. It should be the States of Malaysia. We may not wish to take any person from Malaya and I have already mentioned a few of the gentlemen

who used to give us a lot of trouble. There are two types – political undesirables and secret society elements. We have the right to request such a person shall not enter our State, just as the Federation will have – I saw in the newspapers today, someone mentioned “Sheikh Azahari”. It was not Sheikh Azahari I had in mind. What I had in mind was Said Zahari, the former editor of Utusan Melayu, who is a Singapore citizen. He came back to Singapore and he found the Federation causeway blocked against him and he never went back. Well, in the same way, we have got quite a number of gentlemen, Mr. Speaker, Sir, who do not add much to the prosperity of Singapore and, in fact, increased the general police expenditure, the C.I.D. expenditure of Singapore. I think they can well be looked after by the State from whence they came.

House of Representatives, 15 seats, page 13, Article 9. Judicial and Legal Service, page 37, Article 54(3); appointment of judges, page 17, Article 17. Then, languages. In this Assembly (page 46) it will continue as it is, which I think is the point Members on the other side from Barisan Sosialis ought to remember. If the country had chosen alternative B, complete merger, they would all be disqualified even from this Assembly because many of them cannot speak English or Malay, even after four years of free tuition.

Sir, the definition of “Malays” will now include Malays born in Singapore and that is included in page 77, right at the bottom – Article 160 (interpretation). It means really that all the special privileges which a Malay can get in Malaya will now be available to the Malay born in Singapore. I would like to make the point that in Singapore the position remains as it is. In other words, there is no ratio for licences or other profits, Government patronage and jobs in the civil service on the basis of race. So we believe in the principle of open competition that has been accepted by the Federation and it will continue after Malaysia.

Muslim religion, page 137. The Agong will be the head of the religion. It is at page 137, Section 6.

Naturalisation to be with the concurrence of the Singapore Government, page 23, Section 27(7).

Then Permanent Secretaries and State Advocate-General to continue as they are, page 139, Articles 18 and 19.

Now, police officers, page 56. Sir, may I pause with police officers. There is a certain amount of disquiet. I have had to discuss this matter with the

Deputy Prime Minister in the Federation and the Minister for Internal Security because there is some unhappiness at the contemplation of losing their present salary scales on promotion. What it proves therefore is that no person shall lose anything after Malaysia. Sir, I am advised, and Members would have seen my letter to Tun Razak and Dr. Ismail, and they have agreed to confirm this in a letter that nobody will lose. The problem is what happens on promotion? Grade for grade, the Federation pay is slightly less than ours. According to some officers, it is appreciably less. My officials, my Permanent Secretary and the State Advocate-General, advise me that 85(2)(a) "shall be employed on terms and conditions not less favourable than those applicable to him immediately before Malaysia Day" means that his promotion prospects also cannot be reduced.

Sir, I do not want to press this matter too hard on these things which have been agreed, but I would like to point out that what may happen will be that if the force insists on that, gets an interpretation of this section by the Federal Court, that there may be a very few promotions, or new designations will be created. One problem would be, supposing the establishment were reduced for each of the grades and then new grades are created, something, something Pegawais instead of A.S.P., and that is put on the Federation post. Therefore, my point is that it is not profitable to pursue the legal argument to the end. They may

well win the legal argument. I can see the merit of the argument. But I think it is much better to go on the substance of the case. We are paying to the Federation the full some of money we are paying the police, that is included. We are paying a sum of money with projections on the basis of present salary scales. That is the important point, Mr. Speaker, Sir. Projections on present salary scales. In other words, if they cut down salaries on promotion, then our contribution to the Federation will go down. I think if they do that, then we must press for it on the review on 1st January, 1965. I cannot bind the future government, but for myself I would be trying to press that very hard and take the savings from that and give allowance to officers serving in Singapore. We are doing that, Mr. Speaker, Sir, in the case of the judges. In fact, we are doing more than that in the case of judges. There will be a Bill put through on a certificate of urgency to settle the judges' salaries and that of the State Advocate-General. You will find it in my letter to Tun Razak. They will go on to the Federation Judges' basic, which is higher than ours. But for the present officers, that will mean they will lose from the allowance from \$400 to \$120. So the State will make up the difference of \$280, and other perks will be carried on the State budget. In other words, the judges will get the benefit. We are paying the Federation the full sum of money which they will have to pay our judges, included in that 40 per cent. And on review, that will be also taken into account. They will have to pay them, the judges, the lawyers and so on. Sorry, the judges. The lawyers will appear on the

State budget, I think. We will carry over and above that the sum of \$280 to make up for the fact that they should not lose the allowance. I think it is on the whole a fair and reasonable solution to what is after all a difficult establishment problem. I would like once again to make the position clear to the police force, and this applies also to the army, that nobody will lose anything and that I would say they have a very strong case to take total gross take-home pay or even on promotion as what they are today, because we are paying for it. I think the argument is invincible. There is no gain saying the fact that since we pay for it, we ought to get it. The standard of living in Singapore is high, and that is that. I think it is unconscionable for the Central Government to make the State Government pay what is now paying and then to reduce the salary and keep the balance. I am quite sure that is not the intention of the Federation Government and I would like to give the officers the assurance of my Government that we shall try and resolve this in a way which will be conducive to a unified Malaysian Police Force. There are problems of a Malaysian Police Force because if the Malayan and the Borneo Police were to come up to our levels then their budgets will really go up very high because their scales, particularly in Borneo, are much lower than ours. But then their cost of living is lower than ours –

Mr. Speaker: Order. If the Prime Minister is going on –

THE PRIME MINISTER: No. May I just finish the constitutional point, and then I will wind up? Because I have only got another 10 points to make.

Police Force Commission, page 105, Article 140 of the Federal Constitution, second edition; not of this.

The present machinery for the collection of taxes to continue, page 228, section 5, Tax Collection, and it cannot be altered without our agreement. That is section 10. The authority is irrevocable unless the State Government shows it is unwilling or unable to discharge this function sufficiently, which I do not think anybody can accuse the Singapore Income Tax Department or the Singapore Customs and Excise of being either incompetent or unwilling --

Mr. A.P. Rajah (Farrer Park): Too willing.

THE PRIME MINISTER: “Too willing”, says the Member of the Grand Alliance.

Pensions liability, page 147, Article 78.

And then page 46, Article 68. I would like to read this one Sir, I think this is a matter of some importance to draw attention of Members to.

These are points which would have been lost in a complete merger:

‘Nothing in Clause (2) of Article 8 or Clause (1) of Article 12 shall prohibit or invalidate any provision of State law in Singapore for the advancement of Malays;

This is in order to allow us even after Malaysia to give Malays free education, right from school to university. The Federation Government is unable to do this because their Constitution prohibits them from discriminating in education between races.

Even the Federal Service if the post is recruited in Singapore there will be no restriction. Let us assume, for instance, the Director of Telecommunications recruiting staff, technical assistants, then the Director of Telecommunications, Singapore, recruiting in Singapore will recruit regardless of race. In other words, opportunities on the basis of free competition, special position of Malays in education, Malay settlements, and if they want bus licenses, then I am afraid they will have to go to Johore, some other State,

because it has been agreed with the Federation Government that these shall be so, and we will continue so.

General: permanent secretaries to continue, page 139 of Paper Command 22, Articles 80 to 90. Secondment and voluntary transfer, page 167, Article 102. Sir, the point here is that any person who is seconded in the general service or the Judiciary, public service of the Federation as the case may be, his position is safeguarded here. He can if he likes opt to go into the Federal Service or he will remain on secondment, as he wishes.

Then page 146: I read in the newspaper something about some Opposition parties thinking this is not a good idea, but I would like to point out that this has been agreed.

Page 144, Section 30. This is the State Constitution. 30(b) "The seat of a member of the Legislative Assembly shall become vacant if he ceases to be a member or is expelled or resigns from the political party for which he stood for the election. In other words, any person winning an election on a party symbol loses his seat." I think that will provide a stable government for 5 years – there will be no more musical chairs in this Legislative Assembly. The Member for Queenstown doesn't like the PAP, he won on the PAP symbol, he

resigns and stands on his own symbol. That has been agreed with the Federation Government. Members will notice that in my letter to Tun Razak and also on the envelope signed by the Tunku.

Appointment of Yang di-Pertuan Negar, Page 135, Article 1. Yang di-Pertuan Negara head of executive, article 7, page 131; Yang di-Pertuan Negara page 157, Article 42, to exercise prerogative of mercy – that is in the Federation Constitution.

Mr. Speaker, Sir, I have on the question of citizenship, you will remember that I reported to the House that we had agreed that there shall be no double enjoyment, but I was mistaken. It is in Hansard, Volume 20, No.2, Friday, the 5th April, Column 25. That is a progress report of Constitution provisions for Singapore in the Federation of Malaysia in accordance with White Paper Command 33 of 1961 and it reads as follows: “Another point is the spelling out of State autonomy with the consequential position that Malaysian citizens who are Singapore citizens cannot have double enjoyment of vote, State autonomy in matters like education and labor and at the same time have treatment of education and labour in other States.” The which I am sure the Member for Anson is going to raise a hue and cry about is the reciprocal section. In other words, it does not mean that we will exercise these rights, but it does mean that if

either State, if either the Federation of Malaya or Singapore has, let us say for the sake of argument, free university education, we could stop students from the other side coming over. We could if we wanted to restrict the ... employment to only Singapore citizens. This is the constitutional position. I do not think in the long run that it is conducive in the Federation to so this because the Borneo territories have sought to keep our labour out for the time being and I think it's a concession we have to make to them because there is a genuine fear in Borneo and Sabah and Sarawak that they might be overwhelmed by more energetic, sophisticated technicians, merchants and bankers. Therefore we have also put in this provision and purely as a reciprocal safeguard. Ultimately, I think it is a bargaining counter, that is if they put their fences down we'll put our fences down. I mean to give a simple illustration. There is no university in Borneo and they will either have to go abroad on Colombo Plan scholarships or seek admission to the University of Singapore which is nearer than the University of Malaya in Kuala Lumpur well, we accept them as a rule, Poly, the University and the technical schools. Even Nanyang University has got Sarawak and Borneo students, and I think we would like to continue that practice. But constitutionally speaking, as long as they have got a fence against our workers going there, in other words, so long as there is a certain amount of exclusiveness on their side, and for that matter on the Federation side, so we must have the right to exclude them if we wish.

I emphasise that in the long run these barriers must go as the Federation grows in unity and particularly under the threat of external pressures, I think it is inevitable that we will all grown closer to one another because our problems are the same. We share a common fate and the chances are, if one part of the Federation goes under, so will the others. But I would like to make this point. It has often been referred to by Barisan Sosialis members and also the Member for Anson has taken up the cry, of second-class citizens. I say that in Malaysia far from being second-class, I would be proud to be a Singapore citizen and it is a privilege to be a Singapore citizen because you have got public housing which you don't have in other parts of Malaysia to the same extent; you have got educational facilities that you haven't got elsewhere in Malaysia, and the possibility if our rate of growth is contained, free secondary education for everybody, not just for Malays within two years, by the third year, by any government that comes into office – the money is there, the expansion is there, and the right to social welfare benefits, unemployment benefits. These are privileges that are to Singapore citizens of Malaysia, not to Malaysia citizens who are not Singapore citizens. As against that there are the prohibitions that we cannot vote in the Federation, nor can they vote here. But I was attracted, Mr. Speaker, by an argument put forward at the Prime Minister's conference in September last year, and I think whilst we all make our bargaining

position as strong as possible, we have at the same time to look at the future where our destinies converge. And one Prime Minister, a very able speaker, said he was against Britain joining the European Common Market: If Britain joins Europe, then it's sheer humbug to say ... well, he didn't use the word 'humbug' it would be sheer pretence to say ... stock joke with Europe, and it is also a military stock joke, economic and political union. And he said in his experience of federation – he has got experience of federations – a federation goes one of two ways, either the force is centrifugal or centripetal. In other words, either the bits and pieces break away or they come closer and closer together. And I cannot envisage splitting up – they must come closer and closer together, it must be centripetal.

But nevertheless, I think we should have every bargaining counter.

I mean, generosity and charity is a desirable characteristic, but I think it is in this particular instance, it is a luxury for us. We like to be generous to the rest of Malaysia and you will see from the exchange of letters that we offered 2% of our national taxes, both income tax and excise, as a component part of the prosperity index for Common Market. Not a thing to be despised – 2%, 3% -- it is \$6-million, now grows to \$12-million in five years' time and grows to \$20-million in 10 years' time. It is written in the Constitution in so far as human ingenuity can provide in legal documents, all the safeguards and all the bargaining counters.

And I think we had quite an ingenious team on our side, Mr. Speaker, Sir, with sharp intellect.

We had the smallest team in London, two Ministers against the Federation's six, even Sarawak came with a delegation of seven, I think. North Borneo – six. But there were only two of us. And our officials were only five, plus my personal secretary who acted as secretary and stenographer. But I would say there was no point, not even half a point which we unwittingly threw away. If we gave away a point, it was because there was some concession, some generosity of approach on the other side. I would not like to pretend that it has been otherwise. It would be dishonest because the letters clearly show, and I am afraid the attitude of certain gentlemen in Kuala Lumpur in high places continue to show a degree of aloofness and lack of understanding of our problems. You cannot govern Singapore on the basis that it is a small state and that you can squat on it. This is the vital heart of a throbbing region, a region in the midst of flux and turmoil and revolution. This is the centre – a big market place and now with common market, the industrial base. Nothing can take away our natural harbours, our airport. I do not know if Members have read hard-headed businessmen's appraisal of Singapore after Malaysia. Share prices bear it out, land prices, land values bear it out. The Member for Farrer Park will know. There is no gain saying this. And we are prepared to share all this with Malaysia

provided gradually over the years as we throw in more into the common pool, so our voice in national matters must increase. That is, I think the gradual process. On certain matters, like education, I think it will be difficult – for 50 years, may be even more – to quite fit in with the Federation or, for that matter, with the Borneo pattern. It is one of these things that have happened in history. The British made a decision in 1845 to separate us without knowing the immeasurable consequences of that act that led to a whole series of events which culminated in riots, strikes, civil disobedience and only ended – I mean, really we turned the tide of education when the boycott failed. Sometime before that we convinced the Chinese that nobody was going to kill Chinese education, let alone this government. The Member for Queenstown has a son in an English school, whilst the Parliamentary Secretary for Education has his children in a Chinese school. How could it be? There is no answer to that. There can be none. And as I say, far from being ashamed of being a Singapore citizen, it is a prize to be gained in Malaysia, one which we will not lightly give away.

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Sir, on the financial arrangements, I want to make three points.

First, about the entrepot trade. There will be a lot more talk of selling away the birth rights of Singapore and all the rest of it, particularly from the Member for Anson – he has already shot that line; it will be difficult for him to retract. Apart from eight competent expert minds having been brought to bear on the matter from the World Bank. I would like to add this: that our own team is the Economic Development Board for we do not embark on something on the basis of a guess, a leap into the dark. That is not the way we do things. It has been carefully worked out. Two-thirds of our entrepot trade is on primary products, like rubber, copra, pepper, coffee. And principal market for these products lie outside Malaysia.

If Members will look at the Exchange of Documents, there is one signed by the Finance Minister of the Federation. It is on the fourth page – “Letter from the Finance Minister.” The third letter. “Common Market.” “The Federal Government undertakes not to impose export duties in Singapore in respect of primary products other than minerals, including oil, produced in Singapore.” In other words, on our present statistics, two-thirds of our entrepot trade is unaffected – rubber, copra, pepper, coffee. They will go on as usual. No need for bounded warehousing and the rest of it. Bonded warehousing comes in the case of tyres. By way of example, if and when tyres are manufactured.

Tyres are now manufactured in Kuala Lumpur. I have not the slightest doubt that Dunlops will apply for protection in the Common Market. Sir, this is another point I would like to make. We may be 1/14 of Malaysia, but we have got forty percent of the purchasing power of the total as against sixty percent in Malaya. Purchasing power. Any advertiser of consumer goods can confirm that. It is borne out by the statistics, the sales of radio sets, transistors, 100 percent of TV nearly apart from Johore not paying for licences but getting free entertainment from Singapore. And I would say we have a strong bargaining position, and we intend to exercise it. Let us say tyres are included. Once a commodity is protected, then it can be manufactured anywhere in Malaysia. The protection is not for a particular factory, but for a particular commodity, and for that reason Bridgestone is opening up in Jurong. That is as it should be. If in fact the proximity of rubber estates from South Johore to Jurong, then Dunlops will beat Bridgestone. If it is not, then in the end Bridgestone will sell probably in South Malaya and Singapore, and Borneo because it is cheaper to export tyres from here to Borneo than from Kuala Lumpur by rail -- Klang to Kuala Lumpur, down to Singapore by ship, handling charges, freight charges and so on, and this is a point worth remembering.

Next, customs, excise and income tax will remain State departments. In other words, we can ourselves ensure that there will be as little

inconvenience as possible caused to the commercial community. This is covered in Article 5 of Annex G. Now, Sir, if one would look at the financial arrangements, one could see in the ultimatum – page 61 – I do not think it was an ultimatum, Mr. Speaker, Sir. It was somebody in the Finance Ministry lost his temper and decided to write a tough letter, requesting a reply within 48 hours. Page 61, “Powers to be reserved by the Federal Government: Power to prohibit imports and exports of any class of goods.” Sir we could not agree to that because it means putting our lifeblood, our trade, into the hands of a Federal Finance Minister, who may not be as sensitive to Singapore economy as we are. For instance, they banned South African goods. I do not approve of South Africa and apartheid. But I think it is very difficult when a ship comes in – you are a big port – and say, part of the cargo is South African, and so you will not work the cargo, for political reasons, to show sympathy with the struggles of the African peoples. That has been done in the Federation. We share that sympathy, but I think we are sufficiently aware of the realities, the practical difficulties which it will involve us in. Therefore we are not party to that. And that means that we will go on as we are. That is a point worth remembering, Mr. Speaker, Sir. And also Chinese textiles have been banned in the Federation for various reasons. I do not think we want to get committed to these policies. We are a big trading area. We trade in the world’s goods, with the rest of the world. And that way, I think, is the best way for all of us. And now this power cannot be

exercised, if one were to look at Annex G, Members will see that it is only with the consent of the Singapore Government this power can be exercised. So when the Member for Cairnhill says it is all bogus, I think he must either have been unaware of these difficulties. I think he is probably either not in the inner conclave of the Alliance in Kuala Lumpur, or perhaps he was just shooting an election line. There were serious differences which, very fortunately patient, prolonged – sometimes tortuous, sometimes bitter – but always determined negotiations – provided a conclusion in the end, a successful solution.

Then the other point is, unlike the Federation, the law on foreign banks – owned by foreign nations – will not apply. Banking is concurrent. Prohibition in the Federation on the Bank of Indonesia, Bank Negara, and the Bank of China – will not apply in Singapore. We will continue as we are.

Sir, I would like to take this opportunity at the last meeting of the Assembly with these two powers – as I said when we meet again, I will have discharged my responsibilities, I hope completely, successfully without a blot on my copybook: no riots, no revolution, no arson; thirty days to go – actually 29 because the 31st is no longer our responsibility, but nevertheless we will always do our best to ensure – and the Singapore Government has valuable experience in these matters – to give advice if it is sought by the Minister responsible in the

Federation. And we would not like to shirk our responsibilities because I think if through insensitivity or other reasons some wrong policy were instituted, then we would all suffer in Singapore and in Malaysia.

I would like to compare the end of our first term of office with that of the last Government led by the Member for Anson and the Member for Cairnhill. I see the Member for Cairnhill is roaring through insensitivities or other reasons some wrong policies were instituted then we will all suffer in Singapore in Malaysia. I would like to compare the end of our first term of office to that of the last Government led by Member for Anson and the Member for Cairnhill.

I hear the Member for Cairnhill is raring for blood, coming in for the kill, finishing off the PAP Government. Sir, whether he does or whether he does not whether we are returned in the next elections to be held sometime before the end of the year, even though we have got the right to go on till March next year, I give an undertaking that I think we will have elections before that as, I think, the Member for Cairnhill wants. That was one of the reasons why he postpones the 15 seats in order that there will be accommodation made, so there will be better chance for the Alliance. Sir, my colleagues and I have been accused for arrogance, of inaptitude, of stupidities. Sir, whatever our faults we leave the

country at the end of our first term of office in a healthier state than we came into office. The last days of the last Government was a pathetic sight. I have read of the last days of Nanking before the Koumintang fled – papers strewn on the office floor, Ministers packing away gold bars, secretaries packing away valuable furniture to fly out to Canton, then to Taiwan and there was an atmosphere of decay. This was a newspaperman's account of what took place in Nanking. And in the last year, particularly the last few months that was the state of the country and the Government and the officers – morale had collapsed, it was a Government that was only interested in its own survival. When we took over, Sir, I had no office, no provision had been made for an office. That is a fact. It was agreed already before the Chief Minister went out of office that he would vacate his office and give it back to the Assembly and I took office without an office having been prepared. The then Chief Minister never expected to be returned, so he did not care about it. Why worry about the stationery and the office, but I say, Sir, whoever takes over from us we will give full inventory.

Yes, we are proud men, because we are proud to do the decent things by the country. We have brought it to security and we have brought it into harbour.

Whatever happens the ship is safe and hull and the Members on the other side, particularly the three Members in UMNO know that. Whoever assumes office after the elections will find 400-million dollars in the kitty which was not there, will find development plan which will carry on, it has a momentum that will carry

on into the first three years of the next Government. The United Nations team on urban re-development is enthusiastic with our prospects. The finances, the revenue and the possibilities of re-building plans are afoot to knock down Outram inspite of the difficulties about the Pulau Senang riots and will proceed. We came in and found things at a standstill. The former Financial Secretary was an expatriate. He had decided that the time had come for him to retire and he left. There were no plans in hand for anything, there was very little money left in the kitty either. Amongst other things, if ever, it is the will of the people so be it that some other Government take over, if it can do better but it will find every office in every Ministry ticking and in my Ministry, Sir, it will find that there are two typists who know how to do Japanese flowers arrangements – a very important factor. It shows that somebody cares, flowers are being grown in the Botanic Gardens, a car comes down on its way to pick me to office and picks up the flowers. Somebody in the office gets a ten dollar allowance to put the flowers and arrange it nicely. I am proud whoever takes over from me has an aquarium where you cannot see the corner. This is true – we have got one of the best aquariums in this part of the world and ours – I do not know what you call a man who looks after, who is a specialist in aquariums. Somebody in the office gets a \$10 allowance and makes the flower arrangement. Good. That is no exaggeration. That is how.

An aquarium, very good. It is not mine, Mr. Speaker, Sir. This belongs to Singapore, and I am proud that whoever takes over from me has an aquarium where you cannot see the corner. We have got one of the best aquaria in this part of the world and I don't know what you call a man who looks after it who is a specialist – an aquarist? I don't know, I have to look it up in the dictionary. He has done what is called a panoramic tank. At a certain angle, a parabolic curve is so arranged that no fish lying in the corner can see the other. I have never had the privilege of seeing that. It has a close ... link to Malaysia.

That, Mr. Speaker, Sir, is part and parcel of whoever runs Singapore under the new Constitution. He will inherit something that - something that ticks.

We have been asked, and I in particular have been asked what is my personal ambition. And I have answered these questions in the last few days, and I am intrigued to see the Member for Choa Chu Kang trying to cause trouble with the Tengku. He is always trying to read out the book of Three Kingdoms – over 1,000 tales in which every human situation imaginable in the (ancient) world is recited – in court treachery, cowardice, bravery, love, hatred, trickery, roguery ... is recounted in these anecdotes. One of every (few thousand), and this comes under: how to cause trouble amongst people who are against them? And cause them to fight. I was asked whether I would – somebody asked me, I cannot

remember – as a Minister for Malaysia. And I say, Mr. Speaker, Sir, we are
enough in the foreseeable future to acknowledge a debt.

There will be no (?) P.A.P. Minister for Malaysia – the Member for Choa Chu Kang still wants to try. Then they say Don't worry. In 10, 15 years' time the Tengku will be out; I will be taking over as Prime Minister of Malaysia.

I don't know what will happen in 10 to 15 years' time. I hope we would be a united people and prosperous, and I would be (ashamed?) to think I of myself not making a contribution to the prosperity of this country, and I see that he is a fool who believes that he can govern Malaysia without the support of the Malays.

I can envisage a P.A.P. in the Government of Malaysia, and sometime late in the future working in conjunction with Malay leaders, but I cannot imagine a Singapore P.A.P. spreading out only to the ... and capturing a majority of the seats and controlling the destiny of Malaysia. That is not possible, and I will explain why, Mr. Speaker.

Whatever the Tengku may be to the Communists – and although he is in many ways straight forward, he prefers the simple approach. He is a realist and understands the mechanics of power. That is why when he met my two other colleagues, when we met and discussed the White Paper he said, “I want Police, Army, Prisons.”

And this is an important (?) matter. This is Army (?). He understands the mechanics of it and , brought up in the shadows of terrorism (?), he knows how to govern this country.

The Member for Anson never do. He was ... from pillar to post, changes his mind every second. When the Tengku says No, it would take a long time for him to say Yes. ... 1959 wanted merger, and waited until 1963 before we got any. It was a very long time. It was only because of the inevitability ...

of no merger leading to what ... North v. South. That is what is called merger by consent, otherwise you have got merger by force. So we have got an Army, and Police, and what is more an administration.

In Singapore it will be completely free ... administration but I think we must be realistic and ... no Malayan Government can ever see the people ... in the near future ... in other words even if by a fluke, by some wrong

distribution of seats one ... with the majority of seats do you think that they will govern the country? The (?) is solid, the Army is solid, the Police is solid. So where is the Government.....

I am all for Malaysia

If we do our in bringing the people together in ... more by exhortation and example than by force. Force is not possible in this situation. But persuasion, example and exhortation and co-operation. And that is what we are to do. And at the same time we understand our strength.

No authority in Malaysia after the first ten years, when the new generation grows up and all are Malaysian citizens – not all are now, half are immigrants who do not have citizenship of Malaya (?) – when we do have all the people when the new generation grows up in ten years' time and the proportion and distribution of population is such, the racial components are such that no party can govern relying on only one race. The Chinese governing just by the Chinese race; I say, so with the Malays, so with the Indians (?). There are about 41% Chinese, 44% Malays ... and Indians ... Therefore there must be a partnership, or we will perish or slit each other's throat. This is just logic.

And I say that if there is to be a partnership it must be on a basis of equality. I cannot just find a Malay stooge and dub him as a Malay leader and say, "Here you are. I appoint him a Prime Minister. Shake him by the hand. That is not possible. And vice versa. Vice versa.

In other words, you cannot have appointed a Chinese (?) and say he represents Chinese (?) Shake him by the hand. And say, "Here you are. He is your leader". That is not the way. Chinese or (?) Malays, by ... leader it means he leads, he fights for the nation and for the section, for the community that he represents. In my case it has been my privilege to fight for the just rights of Singapore in Malaysia. And therefore I say we have a role to play in Malaysia, not to take over but co-operate. We understand the economics of power, too.

We are also sufficiently acquainted with the respective power positions

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In other words, you cannot have the same Chinaman and say that he represents China and shake him by the hands and say, here you are our leader. That is not the way the Chinese are just like the Malays. By definition a "leader" means that he leads, he fights for the nation and for the section of the community that he represents. In my case, it has been my privilege to fight for the just rights of Singapore in Malaysia, and therefore I say we have a role to play in Malaysia,

not to take over but to co-operate. We understand the mechanics of power too. We are also sufficiently acquainted with the respective power positions and deploy of ham in power and ultimately as long as the Tengku is there, he will be the leader of Malaysia, and to everybody's advantage because I think whatever one can say of him, he is not a communalist which is a very great thing in this country. If he were and he tried to stymie or obstruct the activities of four million Chinese in Malaysia out of ten million, then I say he will go down the drain just like a few other countries have, riots took place, Mr. Speaker, Sir, recently in some countries, they burned Chinese lorries and shops, now they cannot get the vegetables from the country to the town and the price of vegetables has gone up in the town and the chaps in the country have suffered because they cannot sell the vegetables.

A great deal to keep the people together. Whoever follows him must find like-minded persons to work with. In the long run the next generation brought up in the same school and in the same condition, then race will cease to matter as we speak one language, common language, we begin to feel one. May be not in my lifetime, but I hope in the one that follows me, but in my lifetime and that of my colleagues, whatever happens we are not running away from here. We have no gold mines stacked away into suitcases ready to climb into an aeroplane. If the country perishes, we will be, but what we are determined to see is that it does not perish, either through wickedness like those who manipulate

Barisan Socialis or through stupidity and greed like some who try to loot and no doubt will try to loot Singapore.

There are lots of pickings in Singapore, lottery tickets can be sold and I am told three-million lottery tickets are estimated to be sold every month. Just think of it, Mr. Speaker, Sir. I mean you and I tied to our emolument on the vote and here they can print lottery tickets. Through printing the tickets you make money. They estimate they sell three-million tickets in Singapore alone, the capacity they have been watching the Turf Club. By selling tickets you make money. Chaps win prizes they feel happy, they give you a percentage, so definitely all round you win. There are other things too which they try to convert and put it into the centre – licences, the life blood of Singapore trade, free trade, tenders and they did not get it. They tried to. They sent a document, Mr. Speaker, Sir. They will not get it and I say the people of Singapore will have the sense to feel it. If they choose to let the Government that will do these things, well then I say we have all lost, because that is the first step towards chaos, anarchy, a military dictatorship, followed by the Communists when all breaks are down, and it is our duty to keep it that way.

In other words, what my colleagues has said on Sunday when we went to Siglap is that two things are required of anyone who wants to inherit the

right to spend this 400-million dollars stacked away for the country to carry out the building plans, the industrial projects in Jurong nearly completed, harbour, rail roads, water, power – integrity. Absolute and utter integrity that can stand the closest scrutiny at any time. And the other is determination to see that right is done. I do not know whether the same Assembly will meet again, Mr. Speaker, Sir. I am not in a position to tell my opponents these things but I hope in the next Assembly you will find a government worthy of an industrious and able people.

30th July, 1963.

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