

CHAPTER VII

THE ROLE OF THE GOVERNMENT IN THE FISHING ECONOMY

In an underdeveloped country like Malaya where a large proportion of the people are illiterate and conservative and living in an environment of beliefs, customs and traditions, the development of the fishing economy cannot be left to private enterprise. Under the conditions mentioned above, the population cannot be expected to be enterprising, to be able to see opportunities and to snatch them. They are shortsighted⁺¹ and prefer present wants to future wants and cannot be expected to calculate the future meticulously. Therefore, Government's initiative in mobilising capital, administrative personnels and technical knowledge and creating the necessary conditions needed for progress is essential. The Government undertakes direct investments by providing the necessary facilities to help the production of fish and its marketing. These include the provision of better communicational facilities, landing jetties, erection of coldrooms and ice plants. It helps to bring about structural changes in the economy by nursing up the cooperative societies through education and loans on easy terms and prepares the fishermen for greater productivity through the provision of health services and technical training.

Direct Investments:

a) Resettlement schemes: One of the major problems of giving financial aid to the fishermen is that the fishermen are widely scattered along the coastline making it difficult and uneconomical to provide them with new gears, boats, engines and other ancilliary facilities because of the difficulty of control, supervision and the

⁺¹This fact is supported by Mr. Low Wan Kin of the Planning and Research Branch, Fisheries Division, Ministry of Agriculture and Cooperatives.

collection of debts. The scheme to resettle the fishermen in selected areas is ingenious. Resettlement means agglomeration of the fishermen in a particular area. This ensures a better success for the operations of the cooperative society. One of the conditions for eligibility to be resettled is that the fishermen must be members of the cooperative society for that resettlement scheme. The scheme ensures better marketing system as the collection of fish is easier from fishermen concentrated in a village and it is economical for the cooperative society to purchase its own transport facilities, and install its ice plant and coldroom. Supervision and control of the fishermen and the collection of debts are easier. The fishermen have to land their fish at the landing jetty provided and they have to market their fish through their cooperative society.

The objective of the resettlement scheme is to raise the level of income of the fishermen through the provision of mechanised crafts, synthetic nets, and bigger boats with which the fishermen can fish more efficiently. These are bought on hire-purchase system from the society. The debts are repaid in installments from the catches. Cooperative marketing of their fish ensures no exploitation of the fishermen and a fair return to their labour.

At the moment, there is only one resettlement scheme, the Kuala Linggi Scheme, in operation and another two such schemes being planned.

The Kuala Linggi scheme at Malacca aims at regrouping the scattered fishermen from Kuala Linggi area, Kuala Sungei Baru and Tanjong Kling. The scheme was implemented in 1961. All fishermen, 114 in total, are members of the Kuala Linggi fishermen's cooperative society which manages the loans given to the fishermen and markets their fish.

In this scheme, the Central Government, the Malacca State Government and the Fisheries Department cooperated to provide the necessary facilities to the fishermen of the scheme. The Central Government provided a loan of \$300,000 at 4% rate of interest per annum to the society to purchase boats, engines and nets for the member fishermen and provide subsistence allowance to purchase household basic necessity goods to them. It also undertook the erection of a landing jetty for the fishing boats to berth and land their fish. The Malacca State Government provided the site to resettle the fishermen and 80 low-cost timber houses to shelter the fishermen and their families, roads and water supplies. The Fisheries Department provided a fish packing shed to store the

fish overnight while waiting for transport to dispose it at the Malacca Central Market.

Under this scheme, fishing is the only occupation of the fishermen. There is no subsidiary occupation like agriculture because of the difficulty of securing land for such purposes. This is the main disadvantage of the scheme. The size of the catches depends on uncertain factors beyond the control of the fishermen. Confrontation has reduced the volume of fish produced by the scheme recently.

In 1963, the Telok Gedong Scheme was started. This scheme aims to resettle 150 fishermen families from the Selangor coast on a 50 acre site at Telok Gedong in the district of Klang near Port Swettenham provided by the State Government. It is a project undertaken by the Central Government, the Selangor State Government and the Fisheries Department.

Under the Federal Government Financial Assistance to the Fishing Industry Programme, the Central Government planned to :

- (i) purchase and install a \$260,000 ice plant capable of producing 30 tons of ice daily;
- (ii) provide \$400,000 to the cooperative society for the purchase of boats, gears and engines for sale on hire-purchase to the fishermen;
- (iii) provide \$115,000 to the cooperative society to act as a revolving capital fund for making advances to the fishermen in the marketing of their catches.

The Selangor State Government undertook to:

- (i) provide a site for the scheme;
- (ii) build 150 low-cost timber houses for the resettled fishermen and their families;
- (iii) provide 400 acres of land in the same area to provide the fishermen with subsidiary occupations, either agriculture or animal husbandry;
- (iv) provide roads and water supplies for the scheme.

The Fisheries Department undertook to provide at Port Swettenham a jetty, a catwalk and a fish packing shed for the use of the resettled fishermen.

The Selangor fishermen's cooperative credit and marketing society has been formed to manage the loans of the

scheme and to market the fish of the member fishermen. The catches will be unloaded at the jetty at Port Swettenham where they will be weighed, graded, packed in ice and stored in the shed from where the fish will be taken to Kuala Lumpur and sold through the wholesalers on a 5% commission. The scheme is now in an advanced stage of implementation. The land has been cleared and the ice plant is now under construction. Twenty-seven houses have been built and the catwalk has been completed.

The scheme is similar to the Kuala Linggi Scheme but with one advantage. It provides 400 acres of land for the subsidiary occupations of the fishermen.¹

A third scheme at Mersing, Johore is still in the planning stage now. In North-western Malaya, there are also plans to resettle the scattered fishermen of the Kedah, Province Wellesley and Perak coast, for example, at Pulau Langkawi.

Halting Bungalows and Rest Houses⁺²

Due to the rapid rate of mechanisation, fishermen now often travel far away from their bases in search of fish. In view of this fact, the Government has decided to build rest houses and halting bungalows at strategic places for the fishermen to rest themselves during their fishing trips.

In the East Coast, 2 rest houses, each costing \$25,000 have been built, one at Pulau Rendang to serve the Kelantan and Trengganu fishermen and the other at Pulau Tioman to serve the Pahang and East Johore fishermen. During the North East Monsoon, the fishermen find it difficult to operate from the mainland. They frequent these islands which act as off-shore bases from which they can operate.

In the North-west region, there are plans to build 3 halting bungalows, one at Telok Kumbar (Penang) costing \$4,500, at Kuala Muda (Kedah) costing \$4,500 and at Pulau Langkawi (Perlis) costing \$65,000 similar to those of the

⁺² See 1957 Annual Report of the Fishing Industry.

⁺¹ For information regarding the Kuala Linggi Scheme, see the confidential file regarding it. For information regarding the Telok Gedong Scheme, see the confidential file concerning it. These files can be found at the Planning and Research Branch, Fisheries Division, Ministry of Agriculture and Cooperatives.

East Coast islands of Pulau Rendang and Pulau Tioman to serve the needs of the migratory fishermen.

Jetties:

Jetties are important to the fishing villages because they not only speed up the process of landing fish but allow the fishing boats to berth by their sides as well. No longer is it possible for the boats to come to the shore to be pulled up to the foreshore for shelter like before because mechanised boats are larger and heavier than non-mechanised boats. The Government has felt the importance of jetties and is trying, as far as possible, to provide a landing jetty for every fishing village. It has been able to do so in a number of places (see Map 3).

Coldrooms:

The importance of coldrooms in fish marketing has already been emphasised in the third chapter. In 1959, eight coldrooms were planned for the East Coast fishing villages. These consist of three cold storage depots, each at Tumpat, Kuala Besut and Kuantan and five small fish and ice depots, each at Marang, Kuala Trengganu, Dungun, Kijal and Kuala Kemaman. With the help of the Canadian Government under the Colombo Plan Aid Scheme, the East Coast project was completed in 1963. These eight coldrooms are today managed by the East Coast Cooperative Marketing and Transport Union. For the safe transport of fish, the Government through the same agency have ^{acquired} one refrigerated and two insulated trucks. On the West Coast, the Government has established one coldroom at Kuala Linggi and planned for two more at Telok Gedong and Mersing.

Fisheries School and Research Centres

In its effort to develop the fishing industry, the Government has established two Fisheries Schools, one at Glugor, Penang, and the other at Kuala Trengganu to give technical training to the fishermen regarding their occupation. This will be dealt with later. At the same time, the Government has established two research centres, one at Glugor, Penang, which deals with the marine aspects of the fishing industry and the other at Malacca which concentrates on researches in fresh-water fisheries. For a more

comprehensive study of marine fisheries, the Government plans to build a large marine aquarium at the research centre in Penang.

Roads and Communications

"If a community is unable to transport any surplus production to a market, it must live by subsistence
...fishing..... An isolated community can eat so much food..
...Surplus production is of little use once subsistence level has been reached. This is why so many development projects have failed to lift regions beyond this level - transportation facilities should precede all efforts to increase production!"⁺¹ The importance of roads in the development of the fishing industry cannot be underestimated. For this matter, the Government is aware of it. Between 1961 and 1963 inclusive, the Government has spent \$118,400,000⁺² in the building of rural roads. This does not include expenditure on the building of bridges in the rural areas. In the same period a total of 1,465.2 miles of roads⁺³ were constructed. A significant proportion of this mileage is in the rural areas which benefit the rural population, fishermen inclusive. For example, the opening of the Maran Road⁺⁴ connecting the East Coast with Kuala Lumpur by a shorter route has stimulated the fishermen of North Pahang and South Trengganu in fish production, the opening of the East Coast Railway⁺⁵ has stimulated the export of high grade fish from Tumpat to Singapore and further improvement of road communication between Kuala Trengganu and Kota Bharu ⁺⁶ has greatly stimulated the export of fresh fish from Besut and Kuala Trengganu to Kota Bharu. The proposed cutting of the East-West Road through the main range across Lower Perak connecting the East Coast to the West Coast will open up to the East Coast fishermen an extensive market in the West Coast urbanised population from Penang to Kuala Lumpur. This will stimulate the East Coast fishermen to step up fish production.

+1 See W. Hughes: Transportation - the Neglected Factor in Economic Development in *Ekonomi*, December, 1963.

+2 & +3

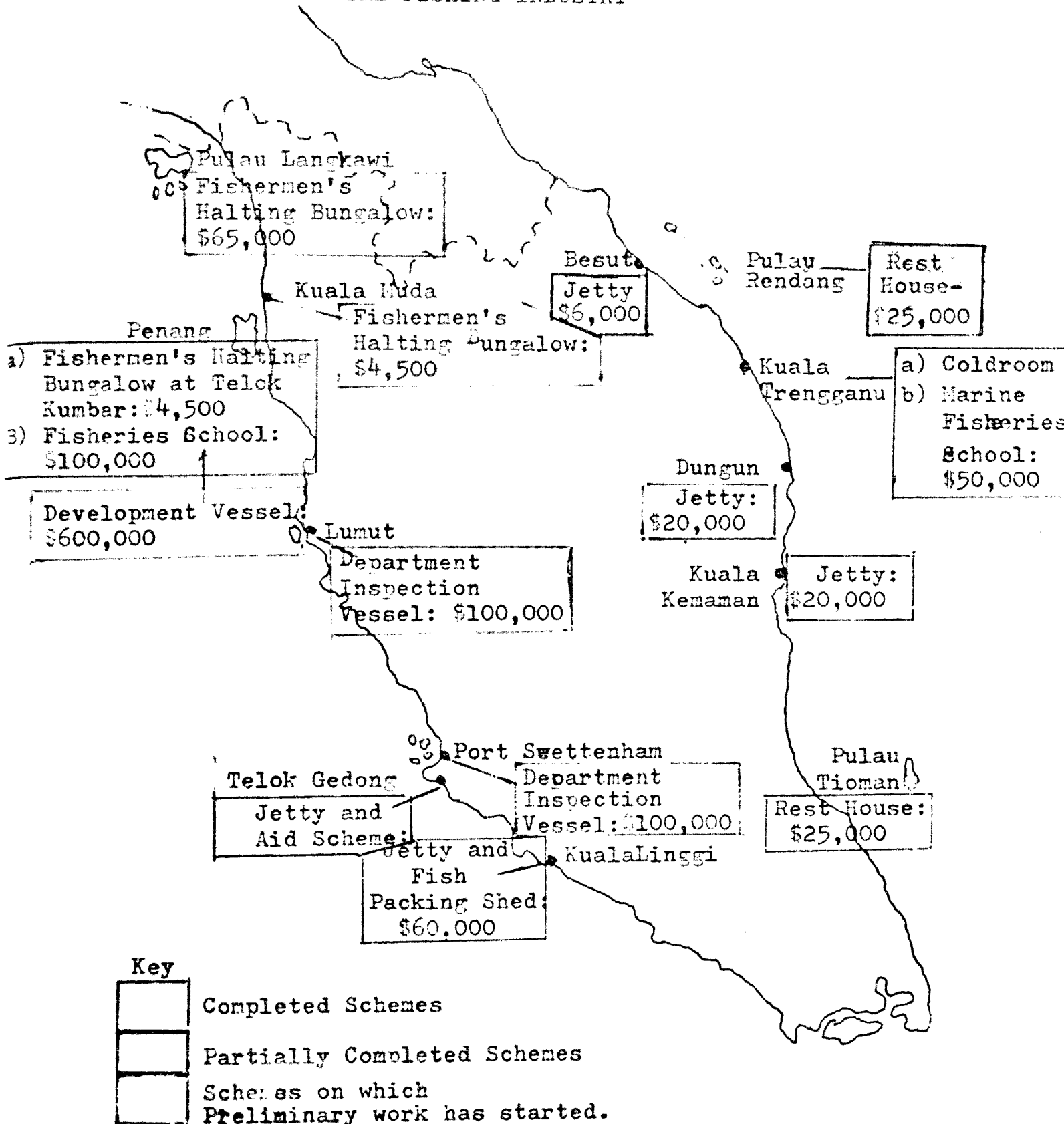
See Interim Review of Development in Malaya under the Second Five Year Plan

+4 See 1956 Annual Report of the Fishing Industry.

+5 & +6 See 1957 Annual Report of the Fishing

Industry.

MALAYA: SOME OF MAJOR SCHEMES OF THE GOVERNMENT TO AID THE FISHING INDUSTRY



(Note: Please turn over to next page).

Source: The map is reproduced from the Wall map at the Planning and Research Branch, Fisheries Division, Ministry of Agriculture and Cooperatives, Kuala Lumpur.

Education

In the field of education, the Government is the only agency that can provide the fishermen with cooperative and technical education and provide the necessary facilities and grants for research to promote the development of the fishing industry and train the necessary technical people for the jobs.

Cooperative education is an important tool in the success of the cooperative movement. For it to grow, a carefully prepared and well executed programme of education in cooperative principles and techniques is essential. Due to lack of time, appreciation and understanding of the role of cooperative education and lack of qualified personnels to do it, little attention has been given to the role of cooperative education since the fishermen's cooperative movement was started in 1956. But it is never too late to begin now to consolidate the existing cooperative societies and let them grow further. Cooperative education can be given by holding weekly classes for the fishermen and to ensure that they act on the ideas imparted to them, the choice of those giving the talks is highly important.

a) Courses for all fishermen: A Course should be organised in each fishing village to educate the fishermen in the practice of cooperative societies and the benefits to be derived from them. Weekly classes should be organised to impart such knowledge to them. The objectives of the courses are:

- (i) to develop a sense of social responsibility;
- (ii) to create awareness to their problems and make them realize that these are surmountable through the cooperative movement;
- (iii) to train them in study club techniques.

During classes, they should be encouraged to discuss freely to air their problems and difficulties. It is the duty of the man in charge of the class to tackle these satisfactorily. Therefore, he must be one well-versed in

cooperative principles, able to discuss convincingly and be able to command the respect of the fishermen.

Success comes when people act on new knowledge, not when they just know it. Diffusing knowledge is comparatively easy but getting people to understand, accept and apply it is difficult. Therefore, much depends on the leaders and field officers who conduct these classes.

Words are too abstract. Therefore, talks should be supported by films, slides and photographs to make people see the points raised and get the interpretation of these talks as they are intended.

A key factor in influencing the effectiveness of the message is the person who delivers it. He must have the respect and confidence of the fishing population, have a good knowledge about cooperative principles to be able to discuss effectively and understand the customs, traditions and the problems of the fishermen⁺¹. For this matter, it is important to get a local man much respected by the fishing population to conduct these classes. In the Malay fishing villages, it is necessary for the classes to be conducted in local Malay and in the Chinese fishing villages, the local dialect should be used.

The key purpose of the classes is to plant new ideas in the mind of the fishermen, that is, transfer useful ideas to the people who need it and to make sure that these ideas result in the action for which it is intended. Handled well, these classes will enable the 59,000 fishermen to lift themselves through their own efforts to higher levels of income and standard of living.

b) Leadership courses: Acknowledged leaders and potential ones, if properly trained, are the key to social and economic changes for they are able to influence the mass and make them change in the desired direction. These leaders should be selected from the fishing villages and the village classes and sent for further training in leadership, cooperative education and study club techniques at selected regional centres, for example, the Fisheries School at Penang and Kuala Trengganu. These are the people who are going to play an important role in the fishermen's cooperative movement. It is important to locate and develop such

⁺¹ See J. P. Leagans: The Communication Process in Rural Development.

leaders and use them. We have the capabilities and the talents. It is a matter of finding them and putting them into good use.

c) Courses for personnel: These courses are for those who are going to manage the cooperative societies. The courses should include training in business management, fish marketing techniques and the proper keeping of accounts.

The greatest obstacle in educating the fishermen is the high degree of illiteracy which hinders the progress of the fishing industry and the cooperative movement. In English, over 70% of the Indians, 80% of the Chinese and 90% of the Malaysians are illiterate as is indicated by Table 18 below.

TABLE 18

MALAYA: LITERACY RATE IN ENGLISH
BY PERCENTAGE

Age-Group in Years	All Races	Malaysians	Chinese	Indians
10 - 14	14	8	17	30
15 - 19	16	8	20	27
20 - 29	11	5	14	18
30 - 39	9	3	11	15
40 - 49	7	3	7	9
50 - 59	4	2	4	7
60 - 69	2	1	2	5

Source: 1957 Census of Population of the Federation of Malaya.

The literacy rate in Malay is even lower among the Chinese and the Indians than in English. Over 90% of the Chinese and the Indians in any age group are illiterate in the Malay language (see Table 19 on page 112). Though the literacy rate is comparatively very much better as compared to the literacy rate in the English language among the Malaysians, yet it is not high by absolute percentage figure considering the fact that Malay is the mother tongue to the Malaysians. Over 50% of the Malaysian population above 30 years are illiterate in the Malay language (see Table 19).

TABLE 19

MALAYA: LITERACY RATE IN
MALAY BY PERCENTAGE

Age-Group in Years	All Races	Malaysians	Chinese	Indians
10 - 14	40	74	5	9
15 - 19	35	65	5	8
20 - 29	28	52	3	4
30 - 39	24	40	3	4
40 - 49	16	31	2	2
50 - 59	11	23	1	2
60 - 69	8	16	1	1

Source: 1957 Census of Population of the Federation of Malaya.

As literacy is important in the progress of any industry because information can be disseminated very rapidly by bulletins, pamphlets, magazines and books, it is essential that adult education classes should be provided at every fishing village. As Malay is to be the official national language of the country by 1967, I suggest that the fishermen should be literate in Malay than in any other languages. We cannot wait for the younger generation who are now attending classes to grow up and take over the occupation of their fathers.

In 1963, a total of 583,313⁺¹ children are in the rural schools having primary classes and 21,035⁺² children in the rural secondary schools. With the present policy of free primary education throughout the country, in the near future, all the people will be literate and I foresee an accelerated development in the fishing industry and a stronger cooperative movement then.

With a literate fishing population, information written in simple Malay on circulars and pamphlets can be sent frequently and regularly to the fishermen. This is a faster means of circulating information as it can reach all fishermen in remote and nearby areas at the same time.

⁺¹ & ⁺² See Interim Review of Development in Malaya under the Second Five Year Plan.

Technical Education and Research

Of the four elements namely, fishery resources, labour, capital and knowledge, necessary for fishery development, knowledge is the most important and effective for in its absence, resources, manpower and capital will be misused and wasted. Its importance can be visualised from the declaration by a survey team in Turkey: "Probably no other type of investment, public or private, will produce a greater return per unit of outlay than investment in health and in education. A generally literate, vigorous and skilled people is not so spectacular or tangible a symbol of progress as a hydroelectric plant or a steel mill but his value is infinitely greater."¹ It is only through education that labour can acquire skill and develop ideas and entrepreneurship can be developed. Otherwise, the latent talents of the nation will be left dormant and unexploited. Knowledge must precede development. Therefore, a good scheme of fisheries education and research is necessary. Such a scheme exists today.

Due to mechanisation, the problem to provide training facilities for fishermen in simple navigation, maintenance and repairs of engines arises. Training in these are provided by the two Fisheries School at Glugor, Penang, and Kuala Trengganu. Trainees are taught the following things:

- (i) Simple navigation and boat handling;
- (ii) Practical and theoretical instructions in repairs and maintenance of boat engines;
- (iii) Instructions on modern fishing gears and fishing method technology;
- (vi) Principles of the cooperative movement.

These trainings are of invaluable help to the fishermen in their occupation. The knowledge gained makes them more skillful and efficient. Instructions in the principles of the cooperatives to the fishermen will be of invaluable help in strengthening the cooperative movement.

⁺¹ See L. Berube: Memorandum: Economic Research Report: Suggested Programme of Fisheries and Marketing Development in Malaya, page 4.

The language of instruction is Malay and the minimum academic qualification is Standard Five education in a Malay School. Each course takes in 20 students and lasts from three to four months, after which the trainees have to sit for an examination on what they have learned. Up to 1959, 437 fishermen⁺¹ have received training in these two schools. There are plans to expand the two schools so that a larger number of fishermen can be taken in for each course. This is refreshing.

There is no doubt that the curriculum as outlined above is of great benefit to the fishermen. It will be best for the Government to open up more such schools, for example, in Johore and Selangor to accept fishermen from Southern and Central Malaya respectively so that the benefits of technical education can be diffused as extensively as possible. The trainings will provide the fishing industry with highly skilled fishermen adequately trained in fishing techniques and the maintenance of engines, boats and nets.

In the field of higher education, Malaya plans to build a Technical Fisheries College to provide the personnels for further research and education to develop the fishing industry.

In the University of Singapore, there is a fisheries unit withing the Deaprtment of Zoology, which teaches fisheries technology and fisheries economics. Successful students receive diplomas. The first batch of graduates received their diplomas only at the beginning of this year.

At the same time, our bright young men have been sent overseas on scholarships to study in the Fisheries Colleges and two Fisheries Universities in Japan. Many of the Malaysans are also studying fisheries science in Canada under the Colombo Plan Aid Scheme.

These people will be of great help to the development of the Malayan fisheries when they graduate from these Colleges and Universities. There is no doubt that the progress of the fishing industry will be accelerated in the near future when we have the qualified and energetic people to work in this sector of the Malayan economy. Today, progress in this field has been slowed down by the lack of qualified men to do the jobs.

⁺¹See 1959 Annual Report of the Fishing Industry.

In addition, the Japanese Government is considering this year to send Japanese experts in various fields under the scheme similar to the American Peace Corp to help economic development in Malaya. It is not too much to expect tremendous assistance from their fishery experts considering the fact that Japan is one of the leading fishing nations in the world.

To tap the rich fishery resources of the off-shore fisheries, the fishermen must be trained in navigation to navigate 100-250 ton fishing boats far out into the South China Sea and the Indian Ocean. They must be trained in fishing gear technology to operate the highly complex nets, fishery preservation technology and refrigeration to freeze the fish properly when they are caught in order to preserve them. The Government has done something by training people at the University of Singapore and at the two Fisheries Schools and by sending them abroad to study on scholarships.

Experimental Fishing Vessels

These vessels are necessary to train the fishermen in navigation, seamanship and fishing, to test the practical value of different fishing methods and gears and to explore new fishing grounds. There have been many experiments in fishing methods and gears and in exploring new fishing grounds in the past, but because of the absence of a properly equipped vessel, the operations were small-scaled ones and not intensive⁺¹. With properly equipped fisheries investigation vessels, many problems connected with the study and development of the Malayan fisheries can be solved and many new things about the seas surrounding us can be learned. It is for this purpose that the Government has planned to acquire three development ships, two costing \$100,000 each to be based at Lumut and Port Swettenham and the other costing \$600,000 to be based at Penang (see Map 3). The benefits of having these vessels can be seen from the success of the United States' oceanographic vessel, the "Pioneer", which carried some investigation in Malayan waters in the early part of this year. Among other things, the vessel discovered the largest concentration of fish food in the Straits of Malacca where there also existed a large shoal of tuna larvae⁺².

⁺¹ See Annual Reports of the Fishing Industry, 1956-59.

⁺² See June, 1964, issue of the Straits Times.

Financial Assistance

Adequate capital is needed by the cooperative societies for various reasons which have already been elaborated. During the infancy stage, the Government will have to provide the bulk of the capital required before the running of the operation becomes smooth and capital becomes self-generating. But before that stage is reached, the Government will be the only principal source of funds to run the cooperative societies. The Government has not been shirking from its responsibilities but on the contrary, is trying to do its best in financial matters and others to help the cooperative societies.

In the field of fish marketing, it has set up a survey to study the present marketing system, its problems and difficulties, and to make recommendations to the Government. The survey is still underway at the moment.

Health of the Fishermen

Health is a very important element in any industry. It is basic to development. The effects of mechanisation and of the provision of better catching gears and bigger boats to the fishermen and of the technical training given will be ineffective if fishermen are not physically fit to fish efficiently. All such efforts will be wasted to a large extent. Health is a very important determinant of efficiency.

For this matter, the Government is not neglecting its responsibility to keep the rural population healthy so that they can work efficiently on their farms and in fishing. Under the Second Five Year Plan, the Government proposed to spend \$39.4 million on rural health centres. It intends to build 27 main health centres, 148 health sub-centres and 652 mid-wife clinics, but by the end of 1963, it expects to complete 17 main health centres, 93 health sub-centres and 406 mid-wife clinics⁺¹.

⁺¹ See Interim Review of Development in Malaya under the Second Five Year Plan.