

*(Mesyuarat dimulakan pada jam 9.18 pagi)*

*(Tuan Speaker mempengerusikan Mesyuarat)*

## DOA

### PEMASYHURAN OLEH TUAN SPEAKER

**Tuan Speaker:** Bismillahirrahmanirrahim. Assalamualaikum Warahmatullahi Wabarakatuh. Selamat pagi dan salam sejahtera. Ahli-ahli Yang Berhormat, I have granted leave of absence under Standing Order 81 to Yang Berhormat Datuk Haji Talib Bin Zulpilip, Minister in the Chief Minister's Office and the Honourable Member for N67 Jepak for today's sitting.

### PERBAHASAN USUL PENGHARGAAN ATAS UCAPAN TYT YANG DI-PERTUA NEGERI SARAWAK

*(Penggulungan oleh Para Menteri)*

**Tuan Speaker:** Dengan hormatnya, saya menjemput Yang Berhormat Datuk Amar Douglas Uggah Embas, Timbalan Ketua Menteri, Menteri Permodenan Pertanian Tanah Adat dan Pembangunan Wilayah untuk menyampaikan ucapan penggulungan.

**Timbalan Ketua Menteri, Menteri Pemodenan Pertanian, Tanah Adat dan Pembangunan Wilayah (YB Datuk Amar Douglas Uggah Embas):** Terima kasih Tuan Speaker. Selamat pagi, salam sejahtera, salam Negaraku Malaysia.

First, I would like to join all my Cabinet colleagues and Ahli-ahli Yang Berhormat in thanking Tuan Yang Terutama Yang di-Pertua Negeri Sarawak for his gracious opening address of the First Meeting of the Second Session of the Eighteenth State Legislative Assembly.

Tuan Speaker, His Excellency's address is invaluable guidance and advice to all of us, as we continue to discharge our duties and responsibilities to develop Sarawak especially by transforming the rural social economic landscape.

Tuan Speaker, it is indeed my greatest pleasure also to congratulate the Right Honourable Datuk Amar Member for N.8. Satok, on his appointment as the sixth Chief Minister of Sarawak on 13<sup>th</sup> January 2017. His appointment as the New Chief Minister augurs well for the State of Sarawak as he has vast experience in politics and administration of the State.

The Right Honourable Chief Minister's vision to transform the State through the digital economy leading to the emergence of new era, the digital era. The idea was mooted out by visionary and a brave leader. His vision of the future is crystal clear. He moves forward with confidence and work tirelessly to prepare Sarawak to face the 21<sup>st</sup> Century. While implementing his programme, he never underestimates the challenges ahead. Whatever ahead, uncharted, unpredictable. He devises calculated and well-planned strategy to bring his people to new frontier of a promising future, future of great opportunity and prosperity.

Tuan Speaker, Yang Amat Berhormat Ketua Menteri knows that what can transform Sarawak. We trust him, trust his judgement, and trust his commitment. I would like to reaffirm here, this morning, our commitment in supporting the Right Honourable Chief Minister's bold mission to developing Sarawak into an advance and high income State by

2030. To those who choose to question his sincerity, my advice is open your eyes and to those who choose to ridicule him, examine your caution.

Tuan Speaker, during the last Cabinet reshuffle, a number of our colleagues were promoted. With this opportunity I would like to congratulate Yang Berhormat for Bukit Sari N.82 on his appointment as Deputy Chief Minister. On the same note, I would like also to congratulate our newly appointed Ministers, Ahli Yang Berhormat for N.15 Asajaya and Ahli Yang Berhormat for N.67 Jepak. Congratulations also to our two newly appointed Assistant Ministers, Ahli Yang Berhormat for N.42 Semop and Ahli Yang Berhormat for N.30, Balai Ringin.

I would also like to congratulate Ahli Yang Berhormat for Tanjung Datu on her victory in the Tanjung Datu by-election. The overwhelming support reflects voter's confidence in her commitment to continue developing Tanjung Datu constituency. May I also welcome her to this august House. My Ministry would like to record our appreciation for Ahli Yang Berhormat for N.32 Simanggang, Ahli Yang Berhormat for N.27 Sebuyau and Ahli Yang Berhormat for N.34 Batang Ai, who had been assigned a new portfolios. Our Ministry welcomed the two new Assistant Ministers, Ahli Yang Berhormat for N.20 Tarat and Ahli Yang Berhormat for N.79 Bukit Kota

Tuan Speaker, it is with a very heavy heart that I would like to express my deepest condolence to the family of the late Datuk Patinggi Tan Sri Adenan Bin Haji Satem on his demise on the 11<sup>th</sup> January 2017. The late Datuk Patinggi has been a towering figure to the State. He has contributed immensely to the development of the State and his passing is a great loss to all of us. He has left behind a legacy that will be cherished by all Malaysians.

I would also like to express my condolences to the families of the late Datuk Patinggi Tan Sri Dr. Wong Soon Kai, the former Deputy Chief Minister and the late Temenggong Datuk James Jimbun Pungga, the former Member of Parliament for Kapit. Both of them have also contributed much to the development of the State.

Tuan Speaker, under the recent Cabinet reshuffle, my Ministry has been assigned a strategic role in modernising the agriculture sector, accelerating native land and regional development. This is crucial to accelerate the economic growth and development of the State under the Socio-Economic Transformation Plan (SETP).

The focus on Regional Development is timely and strategic as it is vital in Ministry's endeavour to achieve a balanced development and to reduce regional disparities in the State. Balanced development is critical to enable us to leverage on the vast development potentials of an area according to its resources, so that the economic benefits derived are shared and enjoyed by the people of all regions, all races in the State.

My Ministry is revamping the land approval process to accelerate the development of NCR land in the rural areas. This new process is intended to ensure that development of the NCR land can be implemented successfully, speedily by the investors and the landowners.

This is a strategic new direction and therefore, I would like to reiterate that my Ministry is fully committed to ensure the successful implementation of these new thrusts.

Tuan Speaker, in 2016, the agriculture sector contributed 13.7 percent to the State economy and provided approximately 300,000 employment opportunities. More importantly, the agriculture sector has contributed in eradicating poverty and uplifting the livelihood of the rakyat especially those in the rural areas. Thus, concerted effort will be pursued by my Ministry to further develop and increase the contribution of this important sector to the State economy.

Taking cognizance of these facts and with the new strategic thrusts of the Ministry, our main objectives for the State agriculture sector would be:

- (a) to eradicate poverty especially the hardcore poor;
- (b) to increase the income of the farmers to RM4,000 per household by 2020;
- (c) to reduce income disparity between urban and rural areas;
- (d) to achieve food self-sufficiency as well as food security; and lastly
- (e) we want to be the net exporter of agriculture produce.

To realise these objectives, my Ministry will implement transformational initiatives namely:

- (a) Modernisation and Commercialisation of Agriculture Sector;
- (b) Acceleration of Native Land Development; and
- (c) Consolidation and streamlining of all Regional Development programmes and projects.

*Modernisation and Commercialisation of Agriculture Sector*

*Venture Capital for Agriculture Commercialisation*

Tuan Speaker, past and present efforts of Government to commercialise the agriculture sector have generally focused on providing subsidies to smallholder producers and small entrepreneurs. Such subsidies are usually in the form of production inputs, materials and small equipment. The main drawback in this approach is that it focuses on primary production and does not address all the issues along the supply chain.

In particular, there is not enough attention is given to post-harvest handling, value-added processing and marketing. Past attempts to address those issues have not been very effective, and serious bottlenecks in our agriculture supply chain still remain. The other major weakness in our present smallholders system is the lack of organised effort that can ensure reliability of supply in terms of volume and product quality that the market demands.

Tuan Speaker, therefore, if we are to bring about agriculture transformation and achieve a quantum leap in agriculture production and trade, we need to consider other development approaches and adopt new business models that can accelerate agricultural growth. This will help to raise the income of the rural communities. The new business models must be able to harness the financial resources and business acumen of the private sector, while leveraging on their management and technical expertise.

This means that agriculture businesses must be developed and managed by corporate entities. By giving the corporate sector a bigger role in developing and managing commercial agriculture, we can ensure commercial viability while reducing the financial burden on the Government.

To embark on this new direction, the State Government proposes to establish a Special Purpose Vehicle (SPV) which will be tasked with identifying commercially viable agriculture businesses for investment purposes, and subsequently to form a subsidiary

company to manage and operate the business. The SPV may finance the business either from its own resources, or it may form joint ventures with suitable private partners.

The key feature of the SPV business model is that the SPV will divest itself of its equity in the venture once the business becomes successful and achieves a sound and financial footing. At that point, the equity belonging to the SPV would be offered at par to cooperatives or business organisations formed by the participating farmers and land owners.

The proposed SPV will be a new corporate entity created under an existing State Statutory Body. To enable the SPV to function and operate, the State Government has decided to provide a sit grant or venture capital to the tune of RM100 million. The funds will be used as investment capital in the establishment of the new agriculture businesses by the SPV.

#### *Establishment of Sarawak Agriculture Products Export Corporation*

Tuan Speaker, marketing and sales is crucial for the continued health of any businesses, and agriculture business is no exception. Agriculture production in Sarawak, especially in the agrofood sector, faces many obstacles when it comes to marketing. Our domestic market is so small so we have to look to export markets to enable the sector to grow. To ensure that our agriculture produce can find ready markets both locally and abroad, there is a need to organise and facilitate the marketing process along the whole supply chain, starting from production to post-harvest handling, processing, packaging and finally marketing.

Export markets in particular, has very stringent standards for product quality, packaging and labelling that we must comply with. Different markets would be expected to have their own specific requirements. Access to such markets may also be subjected to non-tariff barriers imposed by the importing country.

An example is the Sanitary and Phyto-Sanitary (SPS) requirements that most countries put in place to protect their local industry. Trade in agriculture produce may also be governed by bi-lateral or multi-lateral agreements which are generally designed to facilitate trade in specific products between countries.

In addition to those regulatory impediments, our agriculture product also has to contend with the logistics of delivering our goods from local farms to consumers abroad. With our generally under-developed transport infrastructure and distance from potential markets, proper management of logistics is crucial in order to reduce costs and increase competitiveness.

Tuan Speaker, our production base is also quite diversified, comprising smallholders, small entrepreneurs and large-scale producers. Consequently, there is a need to develop strong linkages between producers and exporters in order to ensure reliability of supply in terms of volume and quality. Finally, much of the marketing activities will inevitably involve business to business (B2B) arrangements between local exporters and their businesses partners in the importing countries.

Given the multi-faceted and complex nature of the processes involved in managing the export of agriculture produce from the State, there is a need for a dedicated agency or corporate entity to perform that function effectively. Therefore, the State Government has proposed to set up the Sarawak Agriculture Products Export Corporation to play that role. The Corporation is expected to be the gateway for the export of all agriculture products from the State.

In carrying out those functions, the Corporation will make greater use of information and communication technologies (ICT) in linking producers with buyers. This will be in line with Yang Amat Berhormat Chief Minister's vision of a digital economy for Sarawak. With the establishment of the Sarawak Agriculture Products Export Corporation and application of ICT, agriculture production from corporate entities, entrepreneurs and smallholders can have better access to overseas markets.

*Promoting Anchor Out-Grower Farming and Establishment of Collecting, Processing and Packaging Centres*

Tuan Speaker, one of the critical issues faced by our smallholder farmers is the lack of access to market for their agricultural produce. In order to address this issue, my Ministry is promoting the Anchor Out-Grower Farming approach. This approach will leverage on the strength and capacity of the private sector as the Anchor Farmer in large scale farming in major food production areas.

The anchor farm would act as a prime mover in driving the production of large volume of quality agricultural product and at the same time would provide assured market access for smallholder producers. The smallholder producers will become the out grower farmers to the anchor farm and to be linked through contract farming mechanism. The agreed quantity, quality standards and price of agricultural produce will be determined through the negotiation between the anchor company and the smallholder growers.

To complement this initiative, my Ministry has planned to set up several Collecting, Processing and Packaging Centres (CPPC) at strategic locations in the State. Under this initiative, the Department of Agriculture and Federal Agricultural Marketing Authority (FAMA) will work closely to ensure sufficient produce, efficient and effective marketing operation of the CPPC. With the anchor farming and CPPC initiatives put in place, my Ministry hopes to be able to enhance the production of large volume of quality agricultural produce to meet the domestic and export market requirements and also to resolve the marketing issues faced by the smallholder growers.

*Agriculture in the Digital Economy*

Tuan Speaker, my Ministry fully support the State agenda to develop the digital economy. We would give high emphasis on the application of Information and Communication Technology (ICT) along the whole value chain and supply chain to develop the agriculture sector in the State.

Our immediate efforts would focus on the development of a comprehensive agricultural database with ICT application and e-Commerce for agricultural business transactions. In the near future, my Ministry would like to encourage more commercial farmers or private companies to venture into a high-tech agricultural production technology such as precision farming in the State.

*Food Production*

Tuan Speaker, the high food import bill of the State at RM4 billion in 2015 is a great concern to the State Government. The State's Self Sufficiency Level (SSL) in 2015 for fruits and vegetables, rice and fish were at 64%, 48% and 93% respectively.

The adoption of modern technology is still very low resulting in low productivity of food production. Much effort is needed to improve the current farming system including new development approaches so that food production system will be more efficient.

Besides providing all the prerequisites of modern farming inputs such as farm infrastructure and facilities, seeds, crop care and maintenance, post-harvest and marketing, farm productivity could be boosted through the adoption of smart farming technologies. These technologies would have to be transferred to the farmers to resolve issues related to farm productivity.

As my Ministry is focusing on modernisation and commercialisation of agriculture, strengthening agriculture extension is the 'Way Forward' to transform agriculture to meet the objective of high income farming community. In addition to that, my Ministry through the Department of Agriculture Sarawak, has been and shall continue to intensify its agriculture extension services to the target groups.

Tuan Speaker, as agriculture sector is given more emphasis, it is pertinent that the Department of Agriculture revamps its current Agriculture Extension System to include the training of specialist technicians on the various subject matters at the grass root level. This entails the setting up of a dedicated unit within the Department of Agriculture to manage the extension programme. This Unit with the rural agriculture stations will drive the delivery of extension services closer to the rural farming communities.

#### *Animal Breeding through Artificial Insemination*

Tuan Speaker, the challenges faced by the livestock industry in the State are the unavailability of quality breeding animals and the restriction on importation of live breeders. To safeguard our Foot and Mouth Disease free status, we can only source live animals from countries that are free from this disease.

To address these challenges, my Ministry through the Department of Veterinary Services will set up an Artificial Insemination Unit and to make available artificial insemination services for breed improvement and quick multiplication of our cattle, buffalo, goat and indigenous pig numbers in the State.

In fact, semen from good breeding stock, free from specific diseases can be obtained at a much cheaper price than importing live breeders and have been proven successful for their genetic improvement in many developed countries.

#### *Buffalo Production*

Tuan Speaker, Sarawak needs to increase buffalo population to meet the high domestic demand for buffalo meat and from neighbouring Negara Brunei Darussalam. The buffalo population dwindled from 11,000 heads in year 2000 to 5,500 heads today. I think that is why Yang Amat Berhormat Ketua Menteri appointed Assistant Minister in my Ministry from Limbang, orang kerabau.

For this purpose, my Ministry has taken steps to increase the buffalo population. These include the importation of breeding buffaloes, implementation of *pawah* programmes, development of entrepreneurs, making available more land for grazing and undertaking artificial inseminations. To finance these activities, RM17.7 million has been approved under the Eleventh Malaysia Plan.

#### *Geospatial Database on Crop Areas*

Tuan Speaker, my Ministry through the Department of Agriculture is implementing geospatial data mapping on cropped areas in the State for planning purposes. The small farm sizes and scattered distribution of crops, especially pepper in the State, has created a big challenge to identify and map out in detail using satellite images. Hence, drone

technology is the better option to capture up to the level of plant stand count. To-date, we have successfully tried out the drone to capture images on the pepper farms and rubber block plantings.

#### *Grain Corn Pilot Project*

Tuan Speaker, Malaysia imported about 3.64 million metric tonne worth RM3.12 billion of grain corn in 2015. Sarawak alone imported about 291,000 metric tonnes worth RM261 million. The bulk of the corn is used in animal feeds and is vital to the growth of the State livestock and aquaculture industries. The amount of corn imported is expected to increase annually.

In line with the Federal Ministry of Agriculture (MOA) initiative to reduce dependency on imported grain corn, the State Government is implementing programmes to produce grain corn locally. For a start, my Ministry as well as Integrated Agriculture Development Area (IADA) Kalaka-Saribas is carrying out pilot projects on grain corn planting to gather enough field data before embarking on a larger scale planting. If the pilot project is proven to be feasible, the State Government would look into commercial planting through the participation of smallholders and private sectors.

#### *Accelerating Native Land Development*

Tuan Speaker, the Government has formulated various policies and programs to improve the livelihood of the rural communities. For this purpose, the NCR Land Development Concept which is a joint venture between the private sector and the NCR landowners, was introduced and implemented. The land owners have benefited from the existing Joint Venture (JV) model particularly through the introduction of New Incentive Payment Scheme in 2015.

However, my Ministry felt that further improvement ought to be made to the existing NCR-JV Model to bring forth greater benefits to the landowners. For this reason, my Ministry is proposing the Leasing Model as an alternative development model to complement the existing JV Model.

#### *The Leasing Model*

Tuan Speaker, the proposed Leasing Model will be based on an agreed fixed monthly rental per hectare between the landowner and the Investor. Under this arrangement, payment of rental will commence from first year of planting and continue over the lease period of 60 years.

The Leasing Model will thus ensure immediate, consistent and sustainable returns to the NCR landowners. This is a good and practical model to accelerate NCR land development. One of the critical components of the Leasing Model is the quantum of rental which should be acceptable to both the landowner and the Investor.

#### *Consolidating and Streamlining of All Projects Approved in Regional Development*

Tuan Speaker, the Government has put in place various development models for Regional Development in the State in the form of Rural Growth Centres (RGCs), Highland Development Agency, Agropolitan, Integrated Agricultural Development Areas (IADAs) and Upper Rejang Development Agency (URDA).<sup>25</sup>

*Rural Growth Centre (RGC)*

Tuan Speaker, my Ministry has decided to revamp the development concept and mode of implementation for Rural Growth Centres (RGC) in spearheading regional development. In this respect, we will engage with the various stakeholders in formulating strategic plan.

*Jawatankuasa Transformasi Ekonomi Luar Bandar Peringkat Bahagian*

Tuan Speaker, during the last DUN session, I have deliberated on the formation of the Jawatankuasa Khas Penyelarasan Strategik Ekonomi Luar Bandar Peringkat Negeri (JKPSELB). Now, I wish to reiterate that the main role of this committee is to set policy directions, plan, coordinate, monitor and evaluate the implementation of approved programmes and projects for the rural economy. For the information of this august House, the committee is coordinating programmes and projects of 31 Federal and State Agencies. Since its establishment, the committee has conducted four meetings.

Tuan Speaker, In order to support the main committee, Jawatankuasa Transformasi Ekonomi Luar Bandar Peringkat Bahagian has been established in all Divisions chaired by Resident and the Divisional Department of Agriculture as Secretariat. Members of this committee comprise the relevant State and Federal Agencies and Statutory Bodies. In executing its function, the committee has engaged with the various stakeholders to seek their views, suggestions and concerns on the implementation of rural transformation programmes and projects.

*Captured Fishery*

Tuan Speaker, the captured fishery industry is one of the important sectors contributing to the economic growth of Sarawak. In tapping this fishery resource, the industry is facing challenges such as encroachment by foreign vessels into our fishing zones and non-compliance to the fishing regulations by deep sea fishing license holders.

The Government views the issue of encroachment by foreign vessels and non-compliance to fishing regulations very seriously. We are taking actions to address these issues. In 2016, out of 163 deep sea licenses approved and issued, 81 were cancelled because of non-compliance of the regulations. On issue of encroachment, since 2015 to April 2017, thirty-three illegal foreign fishing vessels were caught, fined and their fishing boats confiscated.

In our effort to develop the captured fishery industry in the state, the Government has built major infrastructures such as Integrated Fishing ports, fish landing jetties, supporting amenities and utilities such as block ice production facilities, downstream processing facilities, cold rooms and storage facilities.

We need to ensure that these infrastructure facilities and amenities especially at Tanjung Manis Integrated Fishing Port are optimally utilized and 100% of the catches are landed at the port to meet the domestic fish consumption as well as for downstream processing activities.

Tuan Speaker, I would like to inform this august House that ... (*Interruption*)

**YB Encik Chong Chieng Jen:** Thank you Tuan Speaker, thank you Honorable Deputy Chief Minister. On the issue about foreign vessels encroaching into our sea. We have heard this over and over again for many years and the problem still exist and only as late as last week in one of the prominent Chinese dailies. It was reported that there were Vietnamese

vessels now working in cohort with certain license holders of fishing vessels rampaging our sealine, our coastal water.

May I know what is the measure that the Government can take to thoroughly eradicate such a problem? I was also told that our seabed has been destroyed by the trolling method of fishing to the extend that our marine product is now reduced tremendously.

So, my further question is that, when can the Government put its act together truly to eradicate such a problem that has threatened our marine ecology?

**Timbalan Ketua Menteri dan Menteri Pemodenan Pertanian, Tanah Adat dan Pembangunan Wilayah (YB Datuk Amar Douglas Uggah Embas):** Thank you, Yang Berhormat Kota Sentosa. Talking on the issue of the encroachment of the foreign fishing vessels, the Government took a very serious view on this and we have coordinated various agencies to make sure that some concrete strategies are to be taken and if you listen carefully just now, I have here indicated that between 2015 April to 2017, 33 illegal foreign fishing vessels were caught, fined and their fishing boats were confiscated. In other words, once we noticed there is encroachment, our agencies will take actions and those actions include confiscating of the boat. But I think you are also aware that our seas, our Exclusive Economic Zone (EEZ) is not a small area and therefore I appeal to your friends who are fishermen to assist us to report to the agencies if they detected some of these foreign vessels entering our sea waters. I hope they will not cooperate with them. So, Yang Berhormat patut nasihat mereka ini untuk bekerjasama dengan Kerajaan.

Yang kedua mengenai ... *(Interruption)* ... *I haven't answered, please be patient.* Patience is what is lacking in my friend on the other side. We are taking a very serious view on the erosion on our coastline due to some illegal fishing techniques. That's why, we have zone for our coastline A, B, C and C2. So this zone indicates the type of boat that can fish within that particular zone. However, there are people who feel that they want to earn more and therefore go into trolling near our coastline. We take a serious view and serious actions to make sure that those who do not comply with the license requirement, as you have seen I had also indicated that we have cancelled 83/81 license for non-compliance. So Yang Berhormat takes note that we are serious in solving this problem.

**YB Encik Chong Chieng Jen:** Thank you Tuan Speaker. Thank you Honourable Deputy Chief Minister. I have been patient. Patience is a virtue. I have been patient for many years but it pains me to see our natural resources being exploited, being rampaged by foreign vessels and those foreign vessels, mind you Honourable Deputy Chief Minister, they are all our local fishing vessels and the problem that I have raised, that I ... *(Interruption)*

**Timbalan Ketua Menteri dan Menteri Pemodenan Pertanian, Tanah Adat dan Pembangunan Wilayah (YB Datuk Amar Douglas Uggah Embas):** Tuan Speaker, that is nothing new, we are repeating the same point ... *(Interruption)* ... so please

**YB Encik Chong Chieng Jen:** Exactly, I know, but the problem continue to exist, the problem continue to exist all me as late as last week, last week it was reported in Sin Chew, Daily front page. These are Vietnamese vessels. They are actually holding our local fishing licenses.

**Timbalan Ketua Menteri dan Menteri Pemodenan Pertanian, Tanah Adat dan Pembangunan Wilayah (YB Datuk Amar Douglas Uggah Embas):** I think what you saw in Sin Chew Daily is the boat being confiscated by DAP men. That's why you can see ... *(Interruption)*

**YB Encik Chong Chieng Jen:** And also, there is another problem, another specific problem, when, when the ... *(Interruption)*

**Tuan Speaker:** The Minister has addressed. The Minister has addressed.

**YB Encik Chong Chieng Jen:** When the fishermen reported to marine team, the marine told team that there is no diesel, *nadai diesel agik ... (Inaudible)*

**Tuan Speaker:** The Minister has addressed. Proceed, proceed. The Minister has fully addressed the question.

**Timbalan Ketua Menteri dan Menteri Pemodenan Pertanian, Tanah Adat dan Pembangunan Wilayah (YB Datuk Amar Douglas Uggah Embas):** Yang Berhormat is a very experienced parliamentarian, the rule in the House, if I haven't sat down, you don't stand up. So don't bring that unhealthy habit to this Dewan. The Government views the issues of foreign vessels and non-compliance, sorry ... *(Interruption)*

**Tuan Speaker:** The Minister has been generous for giving way to you.

**Timbalan Ketua Menteri dan Menteri Pemodenan Pertanian, Tanah Adat dan Pembangunan Wilayah (YB Datuk Amar Douglas Uggah Embas):** Tuan Speaker, can you read the Standing Order please?

**Tuan Speaker:** Standing Order 33, only if the Minister gives way ... *(Interruption)*

**Timbalan Ketua Menteri dan Menteri Pemodenan Pertanian, Tanah Adat dan Pembangunan Wilayah (YB Datuk Amar Douglas Uggah Embas):** Don't teach your junior how to violate the rules.

Tuan Speaker, I would like to inform this august House that during my briefing at Tanjung Manis Integrated Fishing Port on the 10th May, I was informed that 65 out of 82 of the registered vessels or 79% have docked and landed their catches at the Tanjung Manis Integrated Fishing Port.

The fish landing at Tanjung Manis Integrated Fishing Port has increased by 58% from 12,000 metric tonnes in 2015 to 19,000 metric tonnes in 2016. I am also pleased to inform that Lembaga Kemajuan Ikan Malaysia (LKIM) at Tanjung Manis is now able to generate a net revenue of about RM460,000 in 2016 as against losses incurred in 2015 totalling RM749,000. As of April this year, the total revenue collected is RM617, 726.

Tuan Speaker, the success is mainly attributed to the stern actions taken by the State Government and also close cooperation among the various agencies namely; Lembaga Kemajuan Ikan Malaysia, Agensi Penguatkuasaan Maritim Malaysia, Jabatan Perikanan Laut Sarawak, Jabatan Laut Sarawak and Jabatan Kastam DiRaja Malaysia. My Ministry will continue to closely monitor the situation to ensure that the set regulations are complied by the deep sea fishing licence holders.

*Updates on the Cabinet Committee on Socioeconomic Transformation (SET)*

Tuan Speaker, the Government is committed to implement the key initial interventions based on the recommendations by the Cabinet Committee on Socio-Economic Transformation. As I have mentioned in the last DUN sitting, under this committee we have determined six Key Result Areas to speed-up our economic growth and to achieve the desired socio-economic transformation:

- (a) To increase investment in the industrial sector and SMEs participation especially in oil and gas and timber downstream industries;
- (b) To modernise and commercialise the agriculture sector by enhancing the overall supply chain of the agriculture industry in the State to raise income of farmers;
- (c) To create new growth in the services sector with special focus on tourism industry that will create tremendous spin off to the domestic economy;
- (d) To increase business opportunities in the urban centres in the State through urban development and urban renewal;
- (e) To increase participation in entrepreneurship; and
- (f) To develop landfills and waste management facilities that are environmentally friendly and to enhance the protection and conservation of lakes, water catchments and forest.

Tuan Speaker, I am happy to inform this august House that the implementation of programmes and projects under the six Key Result Areas (KRA) is progressing well. Today, I would like to focus on the progress of KRA 2 which is under my purview of my Ministry. The relevant Ministers had updated the progress of their KRAs under their purview in this august House.

*KRA 2: Modernising and Commercialising the Agriculture Sector*

For the information of this august House, the State Government has approved an allocation of RM80 million to implement the various programmes and projects under the Key Result Area (KRA) on Modernising and Commercialising the Agriculture Sector under the Cabinet Committee on Socio Economic Transformation (SET).

Out of this RM80 million allocation, a sum of RM20 million has been approved for the construction of 51 farm infrastructure projects benefiting 3,900 farm families. Another RM8 million is approved for the establishment of four Collection, Processing and Packaging Centres (CPPC) namely Tarat IQF Plant, Layar Integrated Agriculture Station and in Kapit and Sibu.

A total of RM37 million has been approved for crop development to assist smallholders for the establishment of income-generating projects namely; oil palm, sago, coconut, pepper, fruits, also to provide facilities for Permanent Food Production Zone (Taman Kekal Pengeluaran Makanan) and Agriculture Diversification Programme benefiting 6,454 farm families.

A sum of RM15 million has been approved for livestock development of which RM13 million is for the development of cattle industry and RM2 million for swiftlet projects. My Ministry through the Department of Agriculture and Department of Veterinary Services is implementing all the approved programmes and projects under this KRA. The main target group of this programme is the hardcore poor listed in e-Kasih especially those who have not received any assistance at all. Our target is to ensure all recipients that has not receive any assistance at all will receive assistance by June this year.

*Responses to Issues on Modernisation of Agriculture,  
Native Land and Regional Development*

Tuan Speaker, I shall now respond to comments made by several Honourable Members on matters relating to my Ministry. Firstly, I would like to thank all the Honourable Members for their many constructive comments, ideas and suggestions. I note that some of the comments are very specific while others are more general in nature. On comments of a general nature, most of them have been covered in the earlier part of my speech and I shall not elaborate further. Nevertheless, I wish to assure all the Honourable Members that my Ministry will take note of those comments and pursue all useful ideas for the betterment of the agriculture sector, rural communities and the State economy.

Tuan Speaker, the many comments and suggestions raised by the Honourable Members on matters related to my Ministry are clear indicative of the immense interest on the subject of agriculture, native land and regional development. I am very appreciative of their constructive comments and ideas, and I hope the Honourable Members will continue to assist my Ministry in our efforts to achieve our common goal.

*Tanjung Purun Paddy Project*

Tuan Speaker, on Tanjung Purun Paddy Project, I would like to respond to the issue brought up by the Honourable Member for Tanjung Datu on the status of Tanjung Purun Paddy Project. The scope of works for this project involve the following:

- (a) Upgrading of irrigation, drainage and related works costing RM9.5 million by the Department of Irrigation and Drainage, Sarawak; and
- (b) Construction of tertiary infrastructure, farm development works and procurement of farm machinery at a cost of RM5.5 million by the Department of Agriculture, Sarawak.

For the upgrading of irrigation, drainage infrastructure and related works, tender is expected to be called by July this year. With regards to farm development works, the tender has been finalised and pending signing of contract.

*Setting Up of Federal Agricultural Marketing Authority (FAMA) Office in Kapit*

With regards to the setting up of a Federal Agricultural Marketing Authority (FAMA) office in Kapit, I wish to inform the Honourable Member for Bukit Garam, that the FAMA Office will be ready and operational by 2018. In addition, my Ministry has earmarked a site for the Collection, Processing and Packaging Centre in Kapit Town.

*Menubuhkan Koperasi Nelayan di Maludam dan Lingga dan  
Menubuhkan Kompleks Pendaratan Ikan di Maludam*

With regards to the formation of Koperasi Nelayan in Maludam and Lingga raised by the Honourable Member for Lingga, I would like to advise the fishermen to apply to Suruhanjaya Koperasi Malaysia if they wish to form their own cooperative.

On the proposal to establish Fish Landing Complex at Maludam, I wish to inform Yang Berhormat that LKIM is now studying the possibility of building a new jetty.

*Dewan di Agropolitan Seduku*

Untuk makluman Ahli Yang Berhormat bagi Lingga, the tender for the proposed dewan serbaguna at Agropolitan Seduku will be closed on 7th June 2017.

*Kompleks Pendaratan Ikan LKIM, Beladin*

For the information of the Honourable Members for Lingga and for Beting Maro, the Fish Landing Complex in Beladin is expected to be completed by the end of this year. Once completed, this complex will cater for fishermen both from Maludam and Beladin.

*Ladang Rakyat dan Penuaian Fresh Fruit Bunch (FFB) Tak Sah*

Untuk makluman Ahli Yang Berhormat bagi Beting Maro, terdapat projek pembangunan Tanah Hak Adat Bumiputra (NCR) yang sedang dilaksanakan oleh TH Pelita Beladin Sdn. Bhd. Berdasarkan perjanjian yang ditandatangani di antara Syarikat TH Pelita Beladin Sdn. Bhd. dan peserta projek, pembayaran dividen hanya akan dibuat setelah syarikat mendapat keuntungan.

Walau bagaimanapun, Kerajaan prihatin dengan peserta projek, maka pihak syarikat telah diarahkan untuk membuat bayaran insentif mulai tahun 2009. Bayaran insentif yang telah diagihkan sehingga kini adalah berjumlah RM3.97 juta kepada seramai 599 orang peserta projek. Baki peserta seramai 16 orang belum dapat diberi bayaran insentif kerana terlibat di dalam kes pertindihan tuntutan.

Berhubung dengan Surat Ikatan Amanah (Principal Deed and Trust Deed), seramai 441 peserta projek telah menandatangani dokumen tersebut. Bagi peserta projek yang belum menandatangani Surat Ikatan Amanah, pihak PELITA akan menyelesaikan perkara tersebut dalam masa yang terdekat.

*Write Off of the Skrang Scheme Settlers Loan*

I would like to respond to the issue raised by the Honourable Member for Engkilili on the Skrang Rubber Settlement Scheme which is under the purview of Sarawak Land Development Board (SLDB). Out of the total 257 settlers from Skrang Rubber Settlement Scheme, 163 have not settled their loans.

Based on the agreement between the settlers and SLDB, the land title will be issued to the individual settler once the loan is fully settled.

*SALCRA: Mempercepatkan Proses Penyerahan Surat Hak Milik Tanah*

Untuk makluman Ahli Yang Berhormat bagi Bukit Semuja, SALCRA adalah komited untuk mempermudah penyukatan dan pengeluaran surat hak milik tanah kepada para peserta.

Setakat ini, sebanyak 24,832 bidang tanah seluas 53,536 hektar yang melibatkan 19,410 orang peserta di semua kawasan pembangunan SALCRA di Wilayah Bau-Lundu, Serian, Sri Aman dan Saratok telah disiasat dan disukat. Daripada jumlah tersebut, 11,502 bidang tanah seluas 21,562 hektar yang melibatkan 10,080 orang pemilik tanah Hak Adat Bumiputera, telah dikeluarkan dengan Surat Hak Milik Tanah oleh Jabatan Tanah dan Survei Sarawak.

Bagi Wilayah Bau/Lundu yang merangkumi Estet Kelapa Sawit Jagoi, Bratak, Stenggang, Undan dan Sebako, sejumlah 7,071 bidang tanah seluas 12,961 hektar telah

disiasat dan disukat oleh SALCRA. Daripada jumlah tersebut, 3,236 bidang tanah seluas 6,549 hektar telah dikeluarkan Surat Hakmilik Tanah oleh Jabatan Tanah dan Survei. Baki bidang tanah yang belum dikeluarkan dengan surat hakmilik tanah bagi Wilayah Bau/Lundu ialah 3,835 bidang seluas 6,412 hektar.

Bagi Wilayah Serian, sejumlah 7,239 bidang tanah seluas 11,489 hektar telah disukat oleh SALCRA. Ini merangkumi Estet Kelapa Sawit bagi kawasan Tae, Kedup 1, Kedup 2, Mongkos dan Melikin. Sejumlah 2,062 bidang tanah seluas 3,464 hektar yang melibatkan 1,941 orang peserta telah dikeluarkan dengan Surat Hakmilik Tanah. Setakat ini, 5,177 bidang tanah seluas 8,025 hektar masih belum dikeluarkan dengan Surat Hakmilik Tanah. Untuk makluman Ahli Yang Berhormat bagi Bukit Semuja, SALCRA akan terus membantu peserta-peserta yang belum mendapat surat hak milik tanah mereka.

*SALCRA: Pakit/Panggau Road*

For the information of the Honourable Member for Bukit Begunan, the 7.7km Pakit/Panggau road has been registered under MARRIS. The first 2.7km from the Sri Aman-Betong Trunk Road to SALCRA Estate Office has been upgraded in phases. The upgrading of the remaining portion of the road will be continued as fund becomes available.

*Projek Tanaman Nanas di Balingian*

On the request for assistance in pineapple planting made by the Honourable Member for Balingian, farmers may apply directly to Lembaga Perindustrian Nanas Malaysia (LPNM). Currently, LPNM has two programmes for pineapple planting namely; New Planting and Replanting Schemes.

*Expansion of Oil Palm Area in Julau District*

For the information of the Honourable Member for Meluan, the State Government has approved four NCR Land Development Areas totalling 54,628 hectares in Julau District for oil palm plantation. These areas are;

- (a) Durin Extension Project with an area of 1,535 hectares;
- (b) KJD / Lower Julau Project, 16,318 hectares;
- (c) Sungai Julau/Sungai Pito/Sungai Jiet Project, 6,432 hectares; and
- (d) Merurun/Meluan/Entabai Project, 30,343 hectares of which 6,969 hectares fall within the Gunung Sadok Agropolitan Area.

Any future expansion will depend on the availability of land and the willingness of the landowners to participate.

Tuan Speaker, now I wish to touch on matters under my watching brief.

*Pengurusan Bencana*

*Pemberian Bantuan Mangsa Bencana 2016/2017*

Tuan Speaker, bencana banjir Monsun Timur Laut Negeri Sarawak telah diisytiharkan pada 25 November 2016 hingga 17 Mac 2017. Kerajaan telah mengambil langkah-langkah untuk membantu mangsa-mangsa bencana. Secara keseluruhannya, pengurusan bencana

banjir pada tahun 2016/2017 berjalan dengan lancar. Tiada kemalangan jiwa dalam musim banjir kali ini.

Mengenai bantuan bencana yang disalurkan, pihak Agensi Pengurusan Bencana Negara (NADMA) melalui Angkatan Pertahanan Awam (APM) Negeri Sarawak selaku Sekretariat Jawatankuasa Pengurusan Bencana Negeri telah membayar wang ihsan sejumlah RM7.45 juta kepada 14,909 orang ketua isi rumah banjir pada tahun 2016.

Pada tahun 2017 sejumlah RM87,500 bantuan telah dibayar kepada 175 ketua isi rumah, manakala RM790,000 akan diagihkan kepada 1,580 ketua isi rumah dalam masa yang terdekat.

#### *Permulaan Monsun Barat Daya (Musim Kering) 2017*

Untuk makluman Ahli-ahli Yang Berhormat, permulaan Monsun Barat Daya (musim kering) di Malaysia telah bermula pada pertengahan bulan Mei 2017 dan dijangka berterusan sehingga September 2017. Secara amnya, semasa Monsun Barat Daya, Negeri Sarawak akan mengalami keadaan pengurangan hujan.

Jawatankuasa Pengurusan Bencana Negeri Sarawak sekarang telah menyediakan aset-aset untuk menghadapi kemungkinan berlakunya kemarau yang selalu berlaku di kawasan-kawasan seperti Betong, Mukah dan Miri dengan menyediakan sebanyak 5 buah helikopter, 154 buah lori, 358 buah kenderaan pacuan empat roda, 226 buah bot dan 50 buah ambulans dari pelbagai jabatan dan agensi.

#### *Community Based Disaster Management (CBDM)*

Tuan Speaker, Mesyuarat Jawatankuasa Pengurusan Bencana Negeri Sarawak telah memutuskan untuk mengadakan Community Based Disaster Management (CBDM) khususnya bagi komuniti di kawasan pedalaman untuk menghadapi bencana bagi meneruskan program kesiapsiagaan nasional dengan tema "Siapsiaga Bencana Tanggungjawab Bersama".

#### *Community Emergency Response Team (CERT)*

Selain itu juga, untuk meningkatkan lagi keupayaan masyarakat bagi mengurangkan ketidakselesaian atau kerugian, Kerajaan akan memperluaskan program Community Emergency Response Team (CERT) ke semua kawasan Dewan Undangan Negeri.

#### *Majlis Adat Istiadat*

#### *Codification of the Adat*

Tuan Speaker, one of the core functions of the Majlis Adat Istiadat Sarawak is to codify the customary laws of the natives of Sarawak. To date, the Majlis Adat has codified the Native Customary Laws of eight communities namely the Iban, Bidayuh, Kayan, Kenyah, Bisaya, Lun Bawang, Kelabit and Penan. I wish to inform this august House the drafts for Kajang, Bagatan and Berawan have been completed and submitted to the State Attorney-General's Chambers for vetting. Whereas, for the Melanau, it is in the final draft while for Lakiput, it is still in the first draft.

*Mahkamah Bumiputera*

Tuan Speaker, Mahkamah Bumiputera Sarawak pada masa ini sedang giat melaksanakan Program Khas Bumiputera (PKB) di bawah Rancangan Malaysia Ke-Sebelas. Di bawah program ini ada tiga komponen utama iaitu:

- (a) Pembangunan Kompleks Mahkamah Bumiputera Sarawak dan Majlis Adat Istiadat Sarawak Fasa Dua;
- (b) Projek Naiktaraf Bilik Mahkamah Bumiputera; dan
- (c) Program Latihan Capacity Building.

*Pembangunan Kompleks Mahkamah Bumiputera Sarawak dan Majlis Adat Istiadat Sarawak Fasa Dua*

Tuan Speaker, Pembangunan Kompleks Mahkamah Bumiputera Sarawak dan Majlis Adat Istiadat Sarawak Fasa Dua melibatkan pembinaan dua bangunan iaitu Cultural Centre yang akan digunakan oleh Majlis Adat Istiadat Sarawak untuk menempatkan pameran artifak berbagai suku kaum Bumiputera di Sarawak dan Resource Centre yang akan digunakan oleh Mahkamah Bumiputera Sarawak untuk mengadakan latihan, forum dan menjalankan penyelidikan mengenai adat resam dan budaya berbagai suku kaum di Negeri Sarawak.

Nilai kos projek ini adalah RM30 juta. Projek ini dijangka siap dalam tahun 2019.

*Projek Naiktaraf Bilik Mahkamah Bumiputera*

Tuan Speaker, Projek Naiktaraf Bilik Mahkamah Bumiputera ini bertujuan untuk menaiktaraf bilik-bilik Mahkamah Bumiputera di Pejabat-Pejabat Daerah dan Daerah Kecil di seluruh Sarawak. Setakat ini, sebanyak lapan buah bilik Mahkamah Bumiputera iaitu di Bintulu, Miri, Sri Aman, Siburan, Sarikei, Selangau, Betong dan Pakan telah siap dinaiktaraf dengan melibatkan kos sebanyak RM1.6 juta.

Tiga buah lagi iaitu di Lundu, Engkilili dan Debak telah diluluskan untuk dinaiktaraf pada tahun ini dengan nilai peruntukan RM620,000.

*Latihan Capacity Building*

Tuan Speaker, program Latihan Capacity Building disusun khusus untuk memperkasakan ilmu dan pengetahuan pegawai dan kakitangan Kerajaan yang terlibat dalam urusan dan prosedur mahkamah agar mereka lebih kompeten, berwibawa serta berkeyakinan dalam pengendalian urusan dan kes Mahkamah Bumiputera. Sejak program ini bermula pada tahun 2010 sehingga sekarang, seramai 2,575 peserta yang terdiri daripada Pegawai Daerah, Pegawai Tadbir, Penolong Pegawai Tadbir, Kerani Mahkamah, Peon Mahkamah, Ketua Masyarakat, Ketua Kaum, Kaunselor, Ahli Jawatankuasa Kemajuan dan Keselamatan Kampung dan Pengagit Mahkamah telah menghadiri kursus ini.

*Non-Islamic Affairs' Unit*

Tuan Speaker, now I want to report on matters related to the new Unit Hal-Ehwal Bukan Islam, the brain child of our late Yang Amat Berhormat Ketua Menteri Sarawak, Datuk Patinggi Tan Sri Datuk Amar Haji Adenan Bin Haji Satem and I would like to response to issues raised by Ahli Yang Berhormat for Bukit Assek.. The State Cabinet's meeting on 27 April 2017 formally approved the structure of the new Unit. The Unit is now called Unit Hal-

Ehwal Bukan Islam or the English equivalent, the Non-Islamic Affairs' Unit. I must thank our Yang Amat Berhormat Ketua Menteri for his support and blessing. This is a full-fledged Unit, equivalent in status with other Units in the Chief Minister's Department.

The Cabinet also approved the creation of 17 new posts (Jawatan Berasaskan Caruman) of various grades for 2017. The Unit is headed by a full-time Director, who has been appointed. Now, we are in the process of recruiting the staff to fill all the approved posts. The main functions of the new Unit include:

- (a) Firstly, to evaluate, propose and formulate policies, laws and regulations in relations to Non-Islamic religious affairs in the State;
- (b) Secondly, to act as a focal point for the various religious bodies to liaise and interact with the State or Federal Government agencies such as with regard to their application for land and funding for the construction of the buildings; and
- (c) Thirdly, to promote religious harmony in the State.

The Unit has received eight approvals for land application for the construction of various Non-Islamic religious institutions. We are in the middle of processing 30 applications for funding, both for new construction and maintenance of buildings.

#### *Pengurusan Ketua Masyarakat dan Ketua Kaum*

Tuan Speaker, saya mengucapkan terima kasih kepada Ahli-ahli Yang Berhormat bagi Demak Laut, Daro, Meradong, Saribas dan Kedup yang telah mengutarakan isu-isu berkaitan keberkesanan kepimpinan peringkat akar umbi. Kerajaan Negeri sentiasa peka terhadap aduan rakyat serta Ahli-ahli Yang Berhormat mengenai perkara ini. Oleh itu, Kerajaan Negeri telah merangka pendekatan baharu bagi menangani isu-isu ini. Untuk makluman Ahli-ahli Yang Berhormat, baru-baru ini Kerajaan Negeri telah menurunkan kuasa bagi melantik, melanjutkan dan juga menamatkan perkhidmatan Ketua Masyarakat dan Ketua Kaum di Negeri Sarawak kepada Residen Bahagian.

Berhubung dengan isu penambahan jawatan Ketua Masyarakat dan Ketua Kaum, Kerajaan Negeri akan mempertimbangkan permohonan dan membuat keputusan berdasarkan keperluan semasa dan justifikasi daripada pihak Pejabat Residen dan Daerah.

Selain daripada itu, Kerajaan Negeri juga sentiasa berusaha memperkasakan institusi Ketua Masyarakat dan Ketua Kaum dengan meningkatkan tahap kompetensi mereka. Mereka juga dari semasa ke semasa didedahkan dengan perkara-perkara seperti hal-ehwal pengurusan kewangan, dasar-dasar Kerajaan dan penyediaan profail kampung melalui seminar, dialog dan bengkel yang dianjurkan oleh Kerajaan.

#### *Pemakai Menoa and Pulau Galau*

On the issue of Pemakai Menoa and Pulau Galau, I wish to inform Ahli-ahli Yang Berhormat who have raised the matter, they are Ahli Yang Berhormat for Piasau, Tasik Biru, Bukit Begunan and Ba' Kelalan that, the Government is addressing the issues. The Government has set up a taskforce headed by myself to recommend an amicable solution. The taskforce has conducted several consultations with various stakeholders. The next meeting of the taskforce will be held on the 25th May 2017.

*Conclusion*

Tuan Speaker, in conclusion, I wish to express my gratitude and thanks to Tuan Speaker, for your wisdom and firmness in ensuring that the proceedings were conducted with proper decorum and dignity in this august House. My appreciation and thanks also goes to Yang Berhormat State Secretary, officers from the various State and Federal Ministries and agencies for their dedication and hard work, in providing input and support for the smooth proceedings of this august House. My special thanks to the media for their coverage of the proceedings.

Finally, I would also like to take this opportunity to wish our Muslim friends Selamat menunaikan Ibadah Puasa which is just around the corner and to my Dayak colleagues and friends Selamat Hari Gawai, Gayu Guru, Gerai Nyamai, Lantang Senang, Nguan Menua. Terima kasih, Tuan Speaker ... *(Applause)*

**Tuan Speaker:** Ahli-ahli Yang Berhormat, we will have a short break. Sitting is adjourned to 11.00 a.m. At 11.00 a.m. Yang Amat Berhormat the Chief Minister will deliver his winding-up address.

*(Mesyuarat ditangguhkan pada jam 10.26 pagi)*

*(Mesyuarat dimulakan pada jam 11:15 pagi)*

*(Tuan Speaker mempengerusikan Mesyuarat)*

**Ketua Menteri, Menteri Kewangan dan Perancangan Ekonomi dan Menteri Pembangunan Bandar dan Sumber Asli (YAB Datuk Amar Abang Haji Abdul Rahman Zohari Bin Tun Datuk Abang Haji Openg):** Terima kasih, Tuan Speaker. Terlebih dahulu saya ingin mengucapkan syukur ke hadrat Allah S.W.T kerana di atas limpah kurniaNya setelah dilantik sebagai Ketua Menteri Sarawak yang ke-6, saya diberi tanggungjawab untuk memimpin Negeri Sarawak. Saya juga turut mengucapkan penghargaan dan terima kasih kepada Tuan Yang Terutama Yang di-Pertua Negeri Sarawak kerana telah memperkenankan perlantikan saya dan memberi kepercayaan kepada saya menerajui Negeri Sarawak yang tercinta.

Saya juga ingin menjunjung kasih kepada Tuan Yang Terutama Yang di-Pertua Negeri atas ucapan pembukaannya di Persidangan Mesyuarat Pertama Bagi Penggal Kedua Dewan Undangan Negeri Sarawak Ke-18 yang menyentuh pelbagai aspek pembangunan Negeri Sarawak termasuk ekonomi baru digital.

Tuan Speaker, saya juga ingin menjunjung kasih kepada Duli Yang Maha Mulia Tuanku Seri Paduka Sultan Muhammad Kelima di atas pertabalan sebagai Yang di-Pertuan Agong Yang ke-15. Saya serta pimpinan Kerajaan Negeri, seluruh penjawat awam dan rakyat Negeri Sarawak ingin merakamkan ucapan tahniah ke bawah Duli Yang Maha Mulia Tuanku atas pelantikan dan pertabalan Tuanku sebagai Seri Paduka Baginda Yang Di-Pertuan Agong ke-15.

Saya ingin mengambil kesempatan ini juga untuk menyampaikan rasa dukacita dan ucapan takziah saya kepada Yang Berhormat Datuk Amar Datin Patinggi Hajah Jamilah Binti Anu dan keluarga di atas kembalinya ke rahmatullah Allahyarham Datuk Patinggi Tan Sri Haji Adenan bin Haji Satem, bekas Ketua Menteri kita pada 11 Januari 2017. Saya sebagai rakan politik dan sahabat rapat Allahyarham memang rasa terharu dan sedih di atas pemergian beliau dan saya berdoa agar Allah merahmati dan memberkati roh beliau. Bagi pihak Kerajaan Negeri Sarawak saya menyampaikan setinggi-tinggi penghargaan kami

kepada Allahyarham di atas jasa dan pengorbanan beliau pada Negeri dan rakyat Negeri Sarawak khususnya dan Malaysia amnya.

Ahli-ahli Yang Berhormat, dalam ucapan penggulungan pertama saya sebagai Ketua Menteri Sarawak, saya akan menyentuh beberapa perkara spesifik yang perlu diberi perhatian dan pengamatan Ahli-ahli Yang Berhormat kerana masa depan Negeri kita bergantung kepada arah tuju dan pendekatan pembangunan yang realistik serta praktikal demi masa depan rakyat terutama kaum belia sekarang yang akan menikmati hasil usaha murni kita.

Saya mengucapkan terima kasih kepada rakan-rakan Menteri-Menteri saya serta Menteri-Menteri Muda yang telahpun membantu menjawab serta mengupas perkara-perkara berkaitan dengan Kementerian masing-masing serta isu-isu yang dibangkit oleh Ahli-ahli Yang Berhormat dalam persidangan kali ini.

Tuan Speaker, it is an honour for me to speak to all Ahli-ahli Yang Berhormat in the august House here, for the first time in my capacity as the Chief Minister. It is an honoured task, as well as a challenging task, for me to undertake – to lead Sarawak boldly into a new future which is being defined by the rapid changes that we see in the global economy and in the technology that is now revolutionising the way the whole world lives.

We, in Sarawak, cannot afford to continue to be mere bystanders consuming this global technological revolution. We have to put our heads together to figure out how we can, together, leapfrog into the global technological frontier and participate in the global digital market place. We must find new ways to open up new opportunities in Sarawak for our young people. We must take seriously our responsibility to ensure that the world today and tomorrow also belongs to our children and grandchildren.

It is important that we take big leaps into the right direction. It is important that we plan ahead strategically. It may be difficult, for some, to understand fully the big leaps that I am proposing we must undertake. The tendency is to mix up the ideas with implementation issues. When that happens, it is natural for smart alecks to make nasty remarks about those who give ideas, instead of challenging those ideas directly.

In implementation, for sure, there will be many technical issues that need to be solved. For these, we must leave it to the technical people to solve technical problems. I hope Tuan Speaker I have made myself clearer today.

*In Honour of All Sarawakians*

Tuan Speaker, I strongly believe that Sarawakians are strong and resourceful people. We have many Sarawakians who have done very well for themselves in various fields, at home and around the world. There are many Sarawakians in the global diaspora because they are searching for a suitable environment that allows them to be at their best. While they may be working overseas, I know that most, if not all, of these Sarawakians are still very much Sarawakians at heart.

Of course, we are very proud of Sarawakians who have chosen to stay back at home and contribute to our homeland and ensure that Sarawak continues to grow richer in our very own culture and identity. Sarawakians at home are known for our racial tolerance and social cohesion, choosing to live in peace and harmony, and helping each other to overcome the difficulties that life often throws at us when we least expect them. It is this *esprit de corps* among all Sarawakians, both at home and abroad, which makes us proud as Sarawakians, for it allows us Sarawakians to live a life that is both meaningful and purposeful.

### *Opening up the Local Economic Environment*

Tuan Speaker, I am going to state the obvious, in order to make a point. It is possible for Sarawak to grow much faster, and achieve a higher standard of living, if we can make our local economic environment more conducive for entrepreneurship and business ventures. One of the best ways to improve our local economic environment is to open up.

By “opening up”, we mean making our local economy more accessible for everyone so that anyone who wants to make a good life for themselves will have a chance to do so here in Sarawak.

In “opening up” our economy, we are also exposing ourselves to the challenges that will come domestically as well as from overseas. In responding to these challenges, we cannot just close ourselves further in and protect our comfort zone. We must indeed search for new opportunities created by these new challenges. We cannot close our minds to new ideas. We have to open up. We have to look to the future.

In “opening up” our economy, we want new opportunities to flourish in Sarawak, from ideas that come domestically from among our young generations of Sarawakians as well as young people from other countries who find Sarawak fascinating as a place to work and live. Talent is important for Sarawak and we welcome all talent, both local and global.

The primary focus of “opening up” Sarawak is therefore to create new opportunities for business ventures and jobs. New business ventures come from good ideas that can provide solution to problems in real life.

Good ideas can come from new ways to solve the problems that we find in everyday life not only in Sarawak but also elsewhere in the world.

Good ideas also come from new ways to link and network Sarawak with the rest of the world.

We must constantly re-invent ourselves in order to make ourselves relevant to the world of today. It is the constant search for this relevancy to the constantly changing world that creates the new opportunities for all of us in Sarawak, young Sarawakians as well as old Sarawakians, of all races.

In “opening up” Sarawak, we must also be vigilant in ensuring that our borders are secure, that we tighten our control over immigration, that we protect the strategic interests of Sarawak and that we are in control of our own destiny. There are those who say that there should be no control and there should be free movement of money and people for the economy to be vibrant and dynamic. Freedom and liberty are excellent ideals which we can only foster within an environment which is stable and controllable by us.

In “opening up”, therefore, we mean that we wish to be connected with the rest of the world. We can either build ourselves up domestically and then venture abroad, as some of us have done.

Alternatively, in areas where the global economy is very competitive, we must invite global companies to set up their offices in Sarawak and invest in projects here. In either case, we must make sure that our environment is conducive for both domestic investors and global companies as well as local and foreign talent.

With our small population scattered over a huge landmass, Sarawak cannot be a place for cheap labor. Our labor is cheap only because high-paying jobs are insufficient.

It is therefore important that our strategy to grow Sarawak at faster rate must be to encourage investments in high-tech ventures where talent is the major driving force.

For talent, I strongly believe that Sarawakians are among the cleverest perhaps, and more intelligent people in the world ... (*Applause*) ... We must create good jobs for them so that we can retain most of our clever Sarawakians back in Sarawak and build this country of ours.

If we do not do that, we will be hollowing out our professional people and be left only with the very old who stay behind to guard their houses and their other assets while our economy remains stagnant.

We must get our Sarawakian talents, in collaboration with global talents, to build the Sarawak economy and position ourselves strategically in the world.

#### *Opening up Social Data*

Tuan Speaker, Opening up social data. In the digital world, "opening up" means that data of the Government, the industries and private individuals are shared, so that the data from all different sources are linked together to provide new information that are useful for the general public. Or the data are analyzed so that trends are identified and future needs satisfied in the market place. This sharing of data for the whole society is what is called Big Data.

Big Data forms the basic core of the Digital Economy that Sarawak must leapfrog into. Big Data allows us for the sharing of data so that the complete demand and supply situation are analyzed and brought into control. With Big Data, the demand preferences of the consumers are analyzed, appropriate products or services designed, made and supplied to, and the necessary payments made. Big Data therefore opens up a whole new world of opportunities for businesses as well as for the Government in providing useful services to the general public.

Most of the databases of the Government departments and agencies in Sarawak are already digitized, but in separate dedicated servers. I now want Government servers to be linked so that non-personal and non-sensitive data can be shared and made accessible to the general public.

I wish to announce here that we shall roll-out our first version of this Sarawak Big Data by the first quarter of next year 2018. The Sarawak Big Data will represent a small but first step in our journey of a thousand miles in the development of the Digital Economy of Sarawak. Our database now is still small. But we shall provide sufficient capacity for it to grow with the Digital Economy. The Sarawak Big Data will become a new strategic asset for Sarawak in the years to come, and the Sarawak Government shall own it. Of course we will continue to secure our important data that will not be made accessible to enemy to prevent any abuse or misuse.

#### *Cybersecurity*

Tuan Speaker, with Big Data, the Government and the private sector are opening up our databases to the world and therefore subjecting it to external cyber-attack. Cybersecurity therefore must go hand-in-hand with Big Data. In fact, we must first establish our framework for cybersecurity before our Big Data can be rolled out.

Furthermore, so long as Big Data is made available to the world, we must keep constant vigilance over cybersecurity. Cybersecurity is not only about clear and present danger but also potential new sources of attacks. The knowledge and talent that is required to ensure that the cybersecurity in Sarawak is tight means that we must seriously encourage the development of cybersecurity as an industry itself in Sarawak. In other words, the essential core of the Digital Economy for Sarawak consists of the twins of Big Data and cybersecurity.

### *Digital Highway*

Tuan Speaker, in addition to Big Data and Cybersecurity, I strongly believe that the success of Digital Sarawak rests ultimately on the speed and coverage of the physical infrastructure of cables and fibers which I shall call our Digital Highway.

Currently, Sarawak has an average speed of up to 100 megabits per second per household in the urban areas as they can be connected to the UNIFI broadband.

The problem therefore lies in the rural areas where some are currently being penetrated by satellite services which are slow, occasional and very expensive. The average speed in the rural areas which has access to the internet is about 2 to 4 megabits per second. The relay of signals through the wireless channel require a Line-of-Sight between two towers and in the mountainous interior of Sarawak, many more towers are needed.

This is why I have said the 1,200 towers that we currently have throughout Sarawak are not enough as they cover only the urban centers and even in the urban centers there are many blind spots that is buffering. Furthermore, as we increase the speed, the load gets heavier and heavier and more towers are needed to be built closer to each other. This is why I have said that we need at least 5,000 towers in Sarawak, an additional 3,800 towers if we want to do justice to our ambition of becoming a Digital Sarawak that is good for all Sarawakians, in the urban centers as well as in the remote villages ... (*Applause*)

If I have my choice, Tuan Speaker, I want all those 5,000 towers up by tomorrow ... (*Applause*) This gets my implementers worried, but my point is that they should be worried and figure out how quickly those additional 3,800 towers can be put up on the ground all over Sarawak.

I have allocated sufficient funding to RM1 billion for this and other purposes. So money is not the real problem.

My ambition in building sufficient towers and connecting up all households in Sarawak so that the whole of Sarawak can benefit from the digital age through tele-medicine where doctors in urban centers can advise nurses in rural areas, e-learning where students, and even teachers, in rural areas can also tune in to the many online courses available, and e-commerce where rural farmers can advertise and sell their products.

I have just spoken about the coverage. Tuan Speaker, now, let me turn to the speed of the internet. I want the internet speed on mobile to be at least up to 100 mbps per household in densely populated area and between 20 to 50 mbps in low and sparsely low populated area which is sufficient for the current latest 4G technology. In the near future with 5,000 towers we can even migrate to 5G technology with new spectrum allocation.

Tuan Speaker, for us to achieve the target of up to 100 megabits per second per household, we have to ensure that there is sufficient speed in the backhaul – that is the main

pipe, if you like to call it. From this main pipe will be drawn out to smaller and smaller pipes until they reach the smallest pipes in people's homes.

The current speed at the backhaul today is about 1.3 terabits per second. I announced early last month that I want the backhaul speed to be 2 terabits per second to make our foray into the Digital Economy Sarawak-wide meaningful. That announcement has been received by those who did not understand to be a gross exaggeration. It was misunderstood as tera-bytes which is the size of the files and not tera-bits which is the speed of the data transmission. So, please remember that the 2 terabits I mentioned is for the backhaul speed which is the speed for the main pipe and not the speed to the household which is an average of 100 mbps depending if it is UNIFI or mobile.

I wish to announce here that Telekom Malaysia after my statement at IDECS Conference on 3rd and 4th April 2017, has now graciously responded to Sarawak intention and they will now increase the backhaul speed not just to 2 terabits per second but to 4 terabits per second by June this year 2017 ... (*Applause*) ... Thank you TELEKOM Malaysia for being supportive but I hope they reduce the price too.

#### *Digital Government*

Tuan Speaker, the Government shall spearhead the development of the Digital Economy with the development of Digital Government.

Digital Government is not e-Government where you can do a few basic services online. Digital Government starts with establishing a way to identify each individual in digital form, so that all digital transactions he or she has to undertake with the Government or elsewhere can be linked. The digital identity of individuals forms the basis of the Digital Government.

Digital Government allows us a new approach for the Government to deliver its services to the people. The modern world is now strongly mobile-phone based. I therefore want the Sarawak Government to make a significant presence on the mobile phones of Sarawakians in the coming months. The Digital Government of Sarawak shall be fun, easy to use and friendly to all users. The mobile phone shall be the major interface between the Government and the people for most services which can be delivered digitally.

As you know, we already have the Official Portal of the Sarawak Government under [www.sarawak.gov.my](http://www.sarawak.gov.my). This is a good start. I believe it can be expanded and enhanced.

Digital Government can work with the private industry to come up with information that can help solve problems that we now face in our economy. The solutions to current problems give rise to a whole new world which is called the Digital Economy.

#### *Digital Economy*

Tuan Speaker, the Digital Economy is about finding new approaches to creating customers and creating greater efficiency in the economy. The current focus is creating new customer experience. Customers do not merely consume physically. Customers are now more particular about how they are being treated, how they are being served, whether personal attention is being given to them, whether they are being served efficiently.

The Digital Economy therefore opens up a whole new world of opportunities for the private sector especially the younger generation. This is an area where the Sarawak Government shall actively encourage and incentivise young entrepreneurs.

*Governance for Digital Sarawak*

Tuan Speaker, to take the first step into the digital economy world, the Sarawak Government shall be tabling a new ordinance to govern the development and management all aspects of the digital world in the next DUN sitting before the end of this year 2017.

The proposed ordinance shall provide the legislative framework for establishing a new entity to be called the Sarawak Multimedia Authority. The SMA shall be the Sarawak Government outfit and shall be set up by early January 2018.

I shall personally be driving the formation and development of the SMA to ensure that our policies for the Digital Sarawak are properly formulated and developed to ensure the most benefits that can be derived from this new economic dimension for the people of Sarawak and the Sarawak economy. I shall personally take the chairmanship of the Sarawak Multimedia Authority.

The Sarawak Multimedia Authority shall be guided by a Board of Directors who are experts in various aspects of the digital world. The role of the SMA is to set policies and standards for the development of a world-class standard Digital Sarawak on several key areas including Digital Infrastructure, Cyber security, Digital Government, E-commerce, Talent development, Digital Village and start-ups and R&D in digital technology.

The Sarawak Multimedia Authority shall further create and oversee the development of two new entities: The Sarawak Digital Economy Corporation and the Centre of Excellence for Digital Economy.

The Sarawak Digital Economy Corporation, or SDEC, will also be fully owned by the Sarawak Government. SDEC shall be managed by local talent, to be headed by a CEO and guided by a Board of Directors who are experts in the digital technology and digital economy. The role of SDEC is to implement the policies and programmes for the development of Digital Sarawak in line with the policies of the SMA.

SDEC shall undertake trigger projects to stimulate the Digital Economy as well as to encourage the private sector to participate and flourish in the Digital Economy.

SDEC shall also responsible for the Digital Highway, Big Data and the Big Data Analytic Engine and managing the implementation of Cyber security, E-commerce and talent management. Another area to be formulated by SMA is Digital Village. The Digital Village is an ecosystem for start-ups, entrepreneurs, investors or even Government agencies to develop and express their ideas and innovation. SMA will develop a framework for managing Digital Village for youths. SMA through SDEC will oversee the development of State owned Digital Village and encourage the setting up of similar environment by the private sector. In order to support the young technopreneurs, SMA will also facilitate technopreneurs to get fund and access markets through the Digital Village.

The role of the Centre of Excellence is to undertake R&D activities and to advise SMA of any developments which require a change in policy or standard. The Centre of Digital Excellence shall invite as partners, universities as well as reputable researchers and practitioners, of both local and global origin. The key areas of R&D shall be smart cities, tourism, agriculture and other economic areas. While R&D will be carried out locally, our hope is for Sarawak to be an example of a successful Digital Economy.

Tuan Speaker, Project Immediate Future. Let me announce several projects that we shall undertake in the next three years.

### *Talent Development*

Of immediate concern is that we have properly trained young people who can drive immediately into the Digital Economy. There will be those who are already in the Digital Economy, doing programming, web design and creating content. There are also those who are already in angel financing who are looking out for promising start-ups. They will be immediate beneficiaries when we open up Big Data by the first quarter of next year 2018. In the meantime, we can try to populate the Digital Economy with young people including graduates by encouraging them to get ICT certification for various types of jobs in the digital world. We have collaborate with Huawei on exploring ways to help Sarawak in developing our Digital Economy including training of talents. The training modules are currently available online and I encourage all interested parties to take a look and be involved. I am working on getting people certified on Digital Programme such as done by Huawei or any other reputable programmes by the third quarter of next year. After that, SDEC will provide a longer-term programme for knowledge and skills training and certification.

### *Digital Village and Start-Ups*

To encourage people to get involved in start-ups, the Sarawak Government shall allocate a budget of RM10 million a year for the Sarawak Digital Start-Up Fund. This fund will provide a basic supporting allowance for young people whose proposed projects have been approved for development as a start-up. The funding will start by early next 2018 and I would like to see at least 100 start-up projects by the end of 2018. Those who have successfully developed their start-up projects, they will need additional funding in order to develop their projects further. I will set aside fund for this purpose. Tuan Speaker, I have already allocated RM30 million for setting up of the Digital Village to undertake this start ups programmes which I intend to launch by August this year.

### *E-Commerce*

For e-commerce, we shall introduce a portal that is suitable for our local producers but is connected to the global digital market. There are many levels by which the e-commerce can be developed. In the short term, we can immediately promote the cottage industry as well as seasonal fruits and food which often crops up now and then in various remote parts of Sarawak. I can imagine that the e-commerce can be up and running in a very short time, such as by the end of this year, I think we may need more time to ensure that our transport and logistics and the complete supply chain.

### *Tourism*

For tourism, we shall develop a mobile application for visitors to use when they arrive in Sarawak. It shall contain games for them to play using the local environment. It shall provide information concerning the nearest places to eat and drink, entertainment, accommodation and medical care services. For health tourism, we shall develop and encourage private hospital with packages to attract visitors to use our quality healthcare services in Sarawak, starting with Kuching. In the longer term, we shall establish a virtual museum on a portal with 3D images of places of interest to attract potential visitors to Sarawak. We can also add in the virtual reality of a particular longhouse for an immersive experience.

### *Healthcare*

In the medium term, for healthcare especially in the remote areas, we shall introduce tele-care whereby doctors and medical experts in various parts of urban Sarawak can advise

nurses in remote areas on how to handle more serious cases especially for the ageing population.

### *Agriculture*

For agriculture on a more managed and high-tech scale, we shall promote smart farming in urban and suburban areas for fruits and vegetables with the use of sensor-technology and automation.

For agriculture, we shall also encourage the creation of the supply chain so the consumer knows exactly the inputs in the whole supply chain. This is especially important at a time when there is grave concern over pollution and the contamination of food products.

### *Manufacturing*

In manufacturing, in the medium term, we shall encourage the automation of the production of kek-lapis which is traditionally a labour-intensive and time-consuming process. The challenge is to ensure that the taste from automated production is as good if not better than the hand-made version. Information can be provided to the person supervising the production so that the output can be personalised.

In the medium term, we shall introduce Industry 4.0 on a pilot project for furniture-making, whereby the production of furniture is modernised and fully controlled from design to the sourcing of raw materials, production and marketing.

### *Smart City*

Tuan Speaker, now I change to Smart City. We shall introduce several short-term projects to make Kuching City smarter.

As a pilot in Kuching, we shall provide a mobile application that will provide information on the different modes of transportation that are currently available, with respect to time of arrival of the next bus, the nearest taxi, the nearest vacant parking lots and the payment of parking fees. This will reduce the time waiting for public transportation.

In Kuching as well, we shall provide a full coverage of high-resolution video cameras in busy areas to allow face detection and enforcement. This will deter petty crimes and improve the security of the city centre through video data and surveillance.

The Government shall work with telephone companies to enable micro-payments so that an alternate payment system can be developed to help those who do not have banking accounts. This will improve on the payment of small amounts through the mobile phone for both locals and visitors.

### *Urban Centres*

Tuan Speaker, cities around the world are competing among themselves to attract talent by building liveable cities. The most vibrant city in the world, for many, is London which has managed to reinvent itself many times over the years. London seriously considered built a comprehensive underground public transport system in 1890. The London Underground together with the regional railway lines going northwards helped in the development of London as a business centre with affordable housing built in the suburbs. As the city became empty at night, cultural shows were developed to encourage people to stay back in the city. London today is a global cultural centre, as well as a largest financial centre

in the world. The financial centre is located in the City of London which is only 1.12 sq. miles in size and governed by the Mayor of London.

Other cities in the world that powerful city brands are Paris, Los Angeles, New York City, Singapore, Tokyo, Shanghai and Beijing. They are measured by their “assets” – attractions, climate, infrastructure (particularly transport), safety and economic prosperity. Their mentions in social media and media are also important.

It is therefore important that if we want to jump-start the Sarawak economy to a higher level, we have to focus on developing our capital city of Kuching into a world-class urban centre, not only for visitors but also for our own people.

I believe that for Kuching City to grow physically in an orderly manner, we must plan the city ahead for the next 30 to 50 years at least, if not a hundred years. We must have a long-term vision. London benefited from the long-term vision of its earlier planners, and so did Paris in 1848 under Napoleon III who created the current basic structure plan for the city. We will all not be here when our vision comes to fruition by then, but at least we are laying the foundation for our future generations.

The history of big cities of the world confirms the idea that the development of the big cities actually complement and provide growth of opportunities in the rural areas as the two are interdependent. Rural areas will provide the necessities of urban areas through an efficient transport and logistics system.

With that I come to LRT and Public Transport System.

#### *LRT and Public Transport System*

Tuan Speaker, the core structural plan for Kuching City and for the Greater Kuching area must be the public transport system which will be the catalyst for the future growth of the city. The full public transport system will be an integrated one, with the Light Rail Transit (LRT) as the core and complemented by the Bus Rapid Transit (BRT), taxis and private cars. There will be designs for cyclists and pedestrians.

The key benefit of building a proper public transport system is that it allows for a lower cost of living for its inhabitants, with affordable housing combined with cheap public transportation. We will build communities around the stations of the LRT and BRT, with schools, food courts and commercial centres.

By designing properly the expansion of the Kuching City and the Greater Kuching area, we can ensure that the necessary land areas are set aside for public facilities, especially the public transport system and the parks and greens.

Kuching City shall build sufficient capacity to house the expected increase in talents which will form the critical mass and heartbeat of the city.

The development of each mode of public transport system, be it the BRT or the LRT, will be guided by the expected demand and the suitability of each mode to serve the needs of the people. The LRT will be developed in stages to serve as triggers for the development and growth of Kuching and its surrounding areas.

In the long term, we can envisage Greater Kuching to encompass not just Kota Samarahan and Padawan, but also Bako, Damai, Lundu, Bau, and Serian. The centre of that public transport system is the Kuching International Airport with connections to various parts of Kuching City itself.

If we are looking at the medium term, by its current pace of natural growth, the population of Greater Kuching the car ownership could rise by 25% from 320,000 to 400,000 cars. We are at the threshold of getting into the LRT system.

But the population of Kuching City and Greater Kuching can grow faster than the current pace of natural growth. When Kuching is properly planned, with good connectivity in ICT and transport, the natural rate of growth of the population will rise by more Sarawakians staying back or coming back to live as good jobs can be found at home. We can also envisage Sarawakians from other part of Sarawak coming to live in Kuching because good jobs can be found here. Furthermore, foreign talents may wish to come and live and work in Kuching because good jobs can be found here.

In fact, the challenge for city planning today is how to redesign the city that is attractive to technology-savvy talents of the millennials who are very happy to live in small comfortable rooms with just their laptops and their mobile phones – and of course an internet connection. They of course also want a good public transport system as they may not wish to own a car.

It is therefore possible for Greater Kuching by 2030 to have a population of more than a million people such as 1.2 or 1.3 million. This will be a good critical mass for the Kuching population and economy to grow.

The strategic thinking now is to accelerate the expansion of Kuching City out into Greater Kuching by first building the basic structure of the public transport system with the LRT as the core and supplemented by the BRT and private taxis. The complete structure of the public transport system for the long term should by then have also already been planned. Around the basic structure will be built the required capacity to accommodate the planned increase in population. The ultimate weapon for transforming Kuching into an attractive place for young local and foreign talents is the Digital Economy with our fast speed internet.

I am suggesting that the initial basic LRT structure should be the Kuching International Airport that goes to Kuching City, Kota Samarahan, Damai, Padawan and Serian. We can build the required real estate around these LRT stations based on the concept of TOD (Transit-Oriented Density) development. If we do not start building our LRT now, our land cost will increase in future and we may need more roads, more highways as well as more flyovers to be built which will cost us billions of ringgit.

**YB Puan Violet Yong Wui Wui:** Thank you Tuan Speaker and thank you Yang Amat Berhormat Chief Minister. I heard quite a lengthy of you talking about LRT. So far, we would like to know, what is the total length of construction of the LRT line and also the total cost involved and with you taking over the whole matter of transport system in Kuching, can we take it as a sign that you have no confidence over Ahli Yang Berhormat for Balleh as a Transport Minister to take charge of this matter? So, can I seek clarification from Yang Amat Berhormat the Chief Minister? Thank you.

**Ketua Menteri, Menteri Kewangan dan Perancangan Ekonomi dan Menteri Pembangunan Bandar dan Sumber Asli (YAB Datuk Amar Abang Haji Abdul Rahman Zohari Bin Tun Datuk Abang Haji Openg):** Don't worry. As I said earlier, Sarawakians have talent. Why can't we make use of our talent? At the moment, I am still doing the planning stage, I am still doing the structure plan and the cost will be of course known by then. But I can assure you that we have a new model. I have learned from Hong Kong as well as Singapore how they have done it. Later I tell you. It is still in planning stage okay? Don't worry, Kuching will be better including your constituency. I hope they will vote for Barisan Nasionallah.

Tuan Speaker, I wish to assure the august House that I am talking on the advice of my planners who have been working on this since early this year and based on the study that has been done by experts from Hong Kong and Singapore.

**Tuan Speaker:** Are you taking?

**Ketua Menteri, Menteri Kewangan dan Perancangan Ekonomi, Menteri Pembangunan Bandar dan Sumber Asli (YAB Datuk Amar Abang Haji Abdul Rahman Zohari Bin Tun Datuk Abang Haji Openg):** Okay.

**Tuan Speaker:** Yang Amat Berhormat, are you taking?

**Ketua Menteri, Menteri Kewangan dan Perancangan Ekonomi, Menteri Pembangunan Bandar dan Sumber Asli (YAB Datuk Amar Abang Haji Abdul Rahman Zohari Bin Tun Datuk Abang Haji Openg):** Okay. But I have done the public transport already. Now is the bank, okay.

**YB Encik Wong King Wei:** Ya, before you move on to the development bank, on public transport, I would like to congratulate the vision of Yang Amat Berhormat for planning ahead ... (*Interruption*)

**Ketua Menteri, Menteri Kewangan dan Perancangan Ekonomi, Menteri Pembangunan Bandar dan Sumber Asli (YAB Datuk Amar Abang Haji Abdul Rahman Zohari Bin Tun Datuk Abang Haji Openg):** Thank you, thank you.

**YB Encik Wong King Wei:** ... for the city, yes that I agree and I agree with the LRT and BRT. Yes I agree with LRT and BRT system which has to be integrated together and also other mode of taxi, or other mode of public transport. But my view is that LRT system is more suitable for the inner part of Kuching city rather than we spend a lot of cost to build the long distance of the track to Samarahan in there. Okay, for other, for to link to other satellite city or satellite township for Kuching city other mode should be more suitable. But I leave it to Yang Amat Berhormat's planning but, however, however I urge that the Government should plan properly and make full use of the fund, that existing fund that we have because it is very costly. Many other countries do not really want to invest much on LRT right now and, my question, my question, Yang Amat Berhormat whether ... (*Interruption*)

**Ketua Menteri, Menteri Kewangan dan Perancangan Ekonomi, Menteri Pembangunan Bandar dan Sumber Asli (YAB Datuk Amar Abang Haji Abdul Rahman Zohari Bin Tun Datuk Abang Haji Openg):** Okay, Tuan Speaker. For the information of Ahli Yang Berhormat, in terms of planning, greater Kuching, Serian and Samarahan is regarded as greater Kuching and I agree with you that LRT is intercity. But we take Serian as part of Kuching city because of the distance is not that far. Okay.

**YB Encik Wong King Wei:** 50km, Yang Amat Berhormat whether you are considering, whether you are considering, taking, setting up a proper planning authority because looking at planning authority interprets all the expert and also Honourable Members of this House from both side to take, Yang Amat Berhormat have to be more consultative in terms of this public transport. Thank you.

**Ketua Menteri, Menteri Kewangan dan Perancangan Ekonomi, Menteri Pembangunan Bandar dan Sumber Asli (YAB Datuk Amar Abang Haji Abdul Rahman Zohari Bin Tun Datuk Abang Haji Openg):** Okay. Tuan Speaker... At least you understand my vision, ya. Tuan Speaker,

*The Development Bank of Sarawak (DBoS)*

Tuan Speaker, I am proud to announce that Sarawak Government was given the approval on the 31st March 2017 to establish our own development bank to be called the Development Bank of Sarawak or DBoS. I wish to express my gratitude to the Prime Minister for agreeing to my request to form this important strategic financial institution. The new financial model that I institute will trigger further economic development for Sarawak.

Traditionally, development banks devote financial resources to projects deemed strategic by the Government but which banks may see no commercial viability. Development banks usually make the mistake of encouraging failures by funding ill-conceived projects run by incompetent people. Development banks traditionally borrow from the market or corporates but not the general public in order to fund their operations.

I wish to assure this august House that the proposed Development Bank of Sarawak shall be set up properly and run professionally and DBoS shall play a leading role in the development of Sarawak now and for many fruitful years to come. I shall ensure that the people running the Development Bank of Sarawak are professionals and banking experts and I shall solicit the assistance of the central bank, Bank Negara to help us to ascertain that the proposed candidates are also people with credibility and integrity.

The proposed Development Bank of Sarawak shall be wholly-owned by the Sarawak Government. It will be structured in such a way as to limit the liability of the Sarawak Government from risks in the operations. The proposed Development Bank of Sarawak shall be funded principally through deposits of the Sarawak Government and its agencies as well as through the deposits of big companies through the money market but not the deposits of the general public in the primary money market.

The main role of the proposed Development Bank of Sarawak shall be to finance strategic projects for the Government of Sarawak.

In doing so, DBoS shall also be in a position to lead in the development of the financial market in Sarawak by encouraging more lending and borrowing in Sarawak in order to stimulate economic activities among the private sector in Sarawak.

In this connection, DBoS shall also encourage the funding of strategic projects in Sarawak by financial institutions with regional offices in Sarawak.

DBoS shall complement but not compete with the local bank branches so that its resources can be used to leverage more strategic projects as well as to spread the risks of its lending activities.

Of particular importance to Sarawak is the development of entrepreneurship and DBoS shall lead the local banking industry in the provision of seed capital to start-ups and new ventures, especially in the area of the Digital Economy.

As traditional banking and finance is constantly being challenged to by the Digital Economy, DBoS shall play an instrumental role in spearheading the development of digital finance or fintech in Sarawak.

In fact, the establishment of DBoS shall provide good jobs within the bank as well as in the economy, especially in the area of cyber security, risk management of capital and other assets, management and governance and integrity.

DBoS can also encourage the investment and ownership by Sarawakians of strategic assets in Sarawak by development investment funds which can be subscribed by Sarawakians in the form of bonds and the investment funds

In the longer term when DBoS has helped to bring about the development and therefore having the necessary banking expertise, DBoS may fund strategic projects outside Sarawak, if need be, and which may be owned by Sarawakians in order to increase the return on the capital.

I believe that once the proposed Development Bank of Sarawak is properly established, which could be within the next 12 months, the development of Sarawak shall take on a much more directed and determined course, with prudence always by its side.

#### *Negotiations with PETRONAS*

Tuan Speaker, now I wish to inform the House about the negotiations with PETRONAS. Tuan Speaker, on negotiations with PETRONAS, I wish to state that I shall pursue the negotiations which were started by my predecessor. In doing so, I have to take cognisance of the fact that we are negotiating within an unfavourable environment when the price of oil is low and the cost of production is competitive.

Under such a situation, the request of a 20% royalty, though still in our agenda, has to be managed with care. It does not mean that the Sarawak Government under my leadership is abandoning the request but only when the global oil situation improves significantly will it be meaningful for a meeting between PETRONAS and the Sarawak Government be resumed on the issue of the oil royalty.

In the meantime, however, in lieu of the royalty increase, I have decided that we should continue to pursue our interests in the development of the oil and gas industry in Sarawak, and further negotiate with PETRONAS ways and means by which Sarawak can participate in both the upstream and downstream activities of PETRONAS in Sarawak.

The Sarawak Government will form a Sarawak-owned commercial entity alongside PETRONAS to explore and produce oil and gas in marginal or brown fields in Sarawak that have feasible potential to produce oil and gas.

Furthermore, Sarawak will also participate in downstream activities. I am glad to inform the august House that, as a pilot project, Sarawak has embarked on the manufacture of methanol and its derivatives with the gas assigned to Sarawak. This is the first time methanol plant owned by Sarawak. Based on a pre-feasibility study for a proposed methanol and methanol derivatives plant project in Bintulu, an agreement was signed on 22nd April 2017 for PETRONAS to supply natural gas to the proposed project and for the sale of methanol from the proposed project to PETRONAS.

The Sarawak Government is also actively negotiating with PETRONAS on the details of the shareholders agreement on the 10% equity in the MLNG Plant Train 9. We are also working with PETRONAS for a larger equity in MLNG 2 plant. Let me emphasize here that Sarawak's equity in the MLNG projects is our privilege and not anybody else is allowed to participate in these projects.

PETRONAS has also been directed by the Sarawak Government that Sarawak must be consulted on the utilisation of gas from any new fields. This is to ensure that Sarawak has the first right of refusal in using the new sources of gas for the development of our oil and gas industries as well as the development of other industries in Sarawak.

In fact, as the result of the several agreements recently signed, PETRONAS has committed to supplying 450 million standard cubic feet per day of natural gas for the power and non-power sectors development in Sarawak.

Furthermore, PETRONAS has committed to a baseline value of RM2.1 billion worth of contracts to be awarded to Sarawak companies each year. Since 2013, PETRONAS has given RM15.8 billion worth of contracts to Sarawak companies. The number of Sarawak licensed or registered companies with PETRONAS have increased from 314 in 2013 to 420 in 2016. We will continue to develop ways and means to enhance the participation of Sarawak companies in the oil and gas industry.

I wish to announce that Brooke Dockyard, which is Sarawak Government-owned, has been awarded the Bokor and Anjung projects for offshore Sarawak with a total worth of RM490 million. The scope includes design, construction, offshore installation, hook up and commissioning the entire value chain of an offshore development project. This confidence paves the way for further involvement in marginal fields offshore Sarawak which we can capitalise on.

Tuan Speaker, now I touch on devolution of power.

**YB Encik Wong King Wei:** ... *(Inaudible)*

**Ketua Menteri/Menteri Kewangan dan Perancangan Ekonomi/Menteri Pembangunan Bandar dan Sumber Asli (YAB Datuk Amar Abang Haji Abdul Rahman Zohari Bin Tun Datuk Abang Haji Openg:** Can I continue? Yes? I just continue because I've got some more, a lot more.

#### *Devolution of Power*

Tuan Speaker, The devolution of power process, which started on the 20th January 2016, between the Sarawak Government and the Malaysian Federal Government, has so far been progressing smoothly and surely.

The first phase involved administrative empowerment and resulted in an agreement on 13 points of empowerment. Some have been implemented while others are still being implemented.

The second phase concerns constitutional and finance, particularly on the issues of oil exploration, mining and gas, legislation, land and revenue from land, Federal and State works, education and labour, and State public service. Priority is being given to financial matters, oil, mineral and gas including distribution of gas and revenue from land.

On the issue of finance, it is agreed that a review be conducted as per the Review of Special Grants under Article 112D of the Federal Constitution. Included is the issue of import and excise duties on petroleum products.

The Federal Government also agreed that Sarawak has the authority to pass laws on the distribution of gas in Sarawak and the Gas Supply Act (Amendment) 2016 shall not apply to Sarawak.

Furthermore, the views of Sarawak on the issue of Revenue from Land i.e. (Stamp Duty) and Territorial Sea Act 2012 had been forwarded to the Federal Government and we will be discuss the technical committee and we have Assistance Minister to ha a monitoring this issues.

### *Exemption from Cabotage Policy*

Now Tuan Speaker I would talk a bit on exemption form Cabotage Policy, I wish to thank the Prime Minister for agreeing to the exemption of Sarawak from the Cabotage Policy with effect from 1st June 2017.

The Cabotage Policy is a policy that is used by nations to consolidate international shipping trade through one port for ease of control as well as for the efficient of domestic transportation and logistics. It is usually envisaged that domestic transportation and logistics is by way of road and rail.

In the case of Sarawak, which is separated from the Port Klang by the sea, the conventional idea of cabotage does not apply simply because there is no efficient transportation between Port Klang and Kuching, for example. In the case of Sarawak, which becomes part of Malaysia not by natural geographical proximity but for political reasons, it is correct for us to pursue Sarawak-centric policies which therefore require that international shipping should be allowed directly into the main port or ports of Sarawak.

No doubt our domestic transport and logistics system is still very basic, simply because the volume is small. We have to build the volume to have the critical mass for domestic cargo movements in order to enjoy economies of scale and hence lower costs.

But it does not help when the cost of goods, due to the low volumes, is also being burdened by additional costs that come as a result of the roundabout transportation route that must be followed in pursuit of cabotage.

With the exemption of Sarawak and Sabah and Labuan from the cabotage policy, I hope to see more international trade directly to each of these three areas, as well between us. Of course, we will continue to trade with the Peninsula which will continue to be a major trading partner for Sarawak. But the exemption allows Sarawak to become a centre of our own world and trade directly with other nations as well. As a result, I expect an increase in both international and domestic trade in Sarawak, and a faster pace of economic activities.

### *Bakun Dam*

Tuan Speaker, now I touch on Bakun Dam, I am proud that Sarawak has managed to reclaim the ownership of Bakun Dam, for it is a major strategic asset from which we can derive much benefit in the long term.

It is not clever to say that because Bakun Dam is in Sarawak and if we trap it within our borders; we can exploit it for our benefits, almost for free. It is not clever because, without ownership, we do not have full control of the dam and therefore the dam may not be maintained in the best manner that it can be. Because it is a strategic asset which we must treasure, we must therefore own it and take care of it.

The price for the Bakun Dam is RM2.5 billion in cash and RM5.6 billion in net debt outstanding as of end-December 2016. The Federal Ministry of Finance continues to provide Government Guarantee and Letter of Undertaking to the loans. The RM2.5 billion cash buys the entire equity of the Sarawak Hidro Sdn. Bhd., as well as the Special Rights Redeemable Share.

The RM2.5 billion in cash will be paid for by SEB's internally-generated funds and loan facilities. The net debt of RM5.6 billion will be repaid purely by the cash flows generated by the Bakun dam facilities itself over the remaining duration of the loan of 15 years as against

the asset life span of the dam which will last even more than the 60 years generation licence period given by the Government.

This indeed makes very good business sense. The Bakun Dam is commercially-viable. Once the debts are paid, the Bakun Dam will become another source of income for the Sarawak Government.

Furthermore, by retaining the control of Sarawak over the Bakun facilities which include the hydro lake, the whole Bakun area can be opened up for development – which many of us have hoped for - for broader social-economic benefit including tourism, recreation, aquaculture, community development as well as conservation.

By owning the Bakun Dam, Sarawak is truly the largest power generator in Malaysia. This allows Sarawak to ensure that our power supply is reliable, as we can integrate the Bakun Dam with the Murum Dam and bring about a better management of our power generating capability.

This better management of our hydropower capability allows us to have the ability to attract global digital companies to come to Sarawak and set up their Server Farms which is the underlying hardware for cloud-computing.

This is why I am in charge of energy as well as the digital economy, so that I can ensure that the critical components of our economy are integrated with each other in order to generate greater economic value for Sarawakians.

In sum, buying back Bakun Dam is very good news and logical acquisition by the State Government ... (*Interruption*).

**YB Encik David Wong Kee Woan:** Thank you Tuan Speaker, thank you Chief Minister. Congratulate our Chief Minister for the appointment. Okay, on Bakun Dam, our Chief Minister says it's good news we buy it back. SUPP says that we buy back our autonomy. For valid requisition of purchase we have to look at the net book value of Bakun, how much is Bakun net worth? If I'm not mistaken, it's around RM1.6 billion, but we are buying RM2.5 billion in cash and RM5.6 billion in debt. I don't care whether it is Federal guarantee, we still have to pay that in the end. Chief Minister, Sarawak Bakun Dam is built in Sarawak ... (*Interruption*).

**Ketua Menteri Sarawak, Menteri Kewangan dan Perancangan Ekonomi dan Menteri Pembangunan Bandar dan Sumber Asli (YAB Datuk Amar Abang Haji Abdul Rahman Zohari Bin Tun Datuk Abang Haji Openg):** Your clarification is what?

**YB Encik David Wong Kee Woan:** No, no. Why are we buying, Chief Minister, why are we buying a company with a net worth of RM1.6 billion, if I'm not mistaken. We pay RM8.something billion to buy it back. Is that good business sense? I don't think so.

**Ketua Menteri Sarawak, Menteri Kewangan dan Perancangan Ekonomi dan Menteri Pembangunan Bandar dan Sumber Asli (YAB Datuk Amar Abang Haji Abdul Rahman Zohari Bin Tun Datuk Abang Haji Openg):** Okay.

**YB Encik David Wong Kee Woan:** I don't think so. We are buying over the net worth of the company. It is in Sarawak and SEB is the sole customer of Bakun. We should pay and press down to RM1 billion instead of RM8 billion. Isn't that? We want all the money, I think It's good we buy it back. It should be reasonable the price. Okay.

**Tuan Speaker:** Ahli Yang Berhormat for Palawan.

**YB Encik David Wong Kee Woan:** Ya.

**Tuan Speaker:** What is the premise in your calculation is worth RM1.5 billion? On what premise?

**YB Encik David Wong Kee Woan:** Company search is around RM1.6 billion net worth, okay. I guess the company search is wrong. With the such a big sum we are paying we have to be very careful. Give us the figure, Honourable Chief Minister. It doesn't make sense ... (*Interruption*).

**Tuan Speaker:** Okay, okay ... (*Inaudible*) ... You put your question.

**Ketua Menteri Sarawak, Menteri Kewangan dan Perancangan Ekonomi dan Menteri Pembangunan Bandar dan Sumber Asli (YAB Datuk Amar Abang Haji Abdul Rahman Zohari Bin Tun Datuk Abang Haji Openg):** I can assure you that this Government we got accountant also. Surely, we have done our homework. And then when we find the price is reasonable with due diligences then we take it. We have done our policy, okay.

Tuan Speaker, this is my concluding remarks. Tuan Speaker let me conclude. During my first 100 days, I have announced a number of initiatives which have caused so much apprehension among the DAP members that they are now in "hot soup" and "hot air" themselves. My initiatives are to leapfrog our economy into the current global digital frontier. Those who do not have the courage to embrace bold ideas, instead of leapfrogging, we find them living under the coconut shell.

I want to repeat here to everyone in this august House that as long as I am the Chief Minister, I will ensure that all my initiatives as I have explained earlier will be implemented. If anyone has any doubt of my capability and promise, you are "hot air" yourself. Not like what happened in Penang under DAP which until today has not been able to implement their LRT as promised. I sympathise with Ahli YB for Kota Sentosa who has been deceived by his counterpart in Penang. Our LRT will be funded by our own financial model and not direct Federal funding.

Our financing model for our strategic projects will not be as be as Ahli Yang Berhormat for Kota Sentosa and Ahli Yang Berhormat for Padungan have envisaged which was a primitive and coffee-shop- type of business funding method.

We know that the Sarawak economy is still growing but not as strongly as we have been used to. This is not our fault. The growth of the world economy has been pulled up by the rise of China. The current economic consolidation of China has brought about a fall in commodity prices to lower but more sustainable levels.

We therefore have no choice, if you want to get out of our dependence on natural resources, but to get into the digital world, which has been growing by leaps and bounds, creating millionaires by the day. We must create good jobs for our young in Sarawak so that Sarawak can grow faster.

It is urgent to develop the urban centres in Sarawak. Kuching will take the lead. We need to increase and intensify the urban centres so that a good public transport system based on the LRT but complemented by the BRT, private taxis, private cars and cyclists can be built. We should focus our attention on the creation of new housing areas to cater for a faster increase in the population as we attract talents to urban centres.

The Sarawak Government shall spearhead this digital development but we will leave it to the private sector and the young entrepreneurs. The talented Sarawakians to do whatever they can do best to make a living and a name for themselves. The Sarawak Government will provide all the necessary incentives to help young start-ups to formalise their operations. We shall encourage greater digitisation and more automation, especially in the city centres, agriculture, manufacturing and services, including tourism.

We shall use the availability of our energy to attract global digital companies to host their operations in Sarawak. For this, we need to upgrade our digital infrastructure to world-class level. This we will push.

We shall not forget the rural villages which we want connect in order for us to bring them tele-medicine, e-learning and e-commerce. The growth of the rural areas will be accompanied by the development of the transport and logistics of Sarawak, to ensure that we development complete supply chains.

Tuan Speaker, This is my vision and indeed the vision of Barisan National for Sarawak. God willing, it will come true.

Akhir kata, saya mengucapkan terima kasih kepada Tuan Speaker ke atas pengendalian persidangan kita kali yang cukup kemas dan teratur. Dengan kesempatan ini juga saya mengucapkan Selamat Hari Gawai kepada semua kaum Dayak yang akan meraikannya, "Gayu Guru, Gerai Nyamai, Lantang Senang, Chelap Lindap, Nguan Menua". Kepada umat Islam yang akan menyambut Bulan Ramadan, saya mengucapkan selamat berpuasa dan selamat menyambut Hari Raya Aidilfitri. Saya mendoa agar Ahli-ahli Yang Berhormat dan sekalian yang hadir, selamat kembali ke destinasi masing-masing dan terus memberi perkhidmatan yang terbaik untuk rakyat jelata.

Sekian, Assalamualaikum Warahmatullahi Wabarakatuh, Terima kasih.

**Tuan Speaker:** Ahli-ahli Yang Berhormat, I shall now call upon the Honourable Member for Demak Laut to wind up.

**YB Dr Haji Hazland Bin Abang Hipni:** Terima kasih Tuan Speaker. Bismillah-hirrahmanirrahim, Assalamualaikum dan Salam Sejahtera. Tuan Speaker, terima kasih kerana memberi peluang kepada saya untuk menggulung perbahasan usul penghargaan atas ucapan Tuan Yang Terutama Yang di-Pertua Negeri Sarawak. Semua Ahli Yang Berhormat Dewan yang mulia ini telah melahirkan rasa sedih dan pilu atas pemergian mengejut Allahyarham Datuk Patinggi Tan Sri Adenan Satem dan mengucapkan takziah kepada seluruh ahli keluarga Allahyarham.

We have lost a great State man. We have lost a man with great intelligent. We have lost a man with many talents. We have lost a man with clear principals. We have lost a great parliamentarian. Kita berdoa semoga roh beliau ditempatkan bersama golongan para salihin.

Tuan Speaker, patah tumbuh hilang berganti. Setinggi tahniah kepada Yang Amat Berhormat Datuk Amar Abang Haji Abdul Rahman Zohari dilantik sebagai Ketua Menteri, pengalaman luas berbudi pekerti. Kerja berpasukan, jujur, sabar dan berani. Pejuang tegar digital ekonomi. Selamat berkhidmat kapten baru kami.

Tuan Speaker, semua Ahli Yang Berhormat bersetuju dan menyokong saranan Tuan Yang Terutama Yang di-Pertua Negeri bahawa semua perancangan pembangunan mestilah berasaskan kepada rakyat ataupun people centric demi untuk meningkatkan taraf sosio ekonomi rakyat melalui economic plans yang direka khas untuk rakyat Sarawak seperti

socio Economic Transformation Plan ataupun (SETP) SCORE dan digital economy. Demi rakyat, our at most priority is to set clear guidelines, to improve the overall wellbeing of Sarawakians to solve basic land issues, to build affordable homes, to provide basic infrastructure, to build roads and bridges, to provide good drainage system, to build functional flood mitigation system, schools, clinics, hospitals, mosques, churches, temples, to provide sports facilities, football fields, futsal courts, to ensure water and electricity supply, to provide a good public transportation, LRT and integrated transport system. To introduce modern farming and modern fishing techniques, to encourage and assist small medium industries, to develop food processing industries, to lower the price of goods, to overcome low wages, to provide employment opportunities, to ensure safety and security, to enhance youth development, to further promote tourism, to come up with a comprehensive education system, probably even to have a special school syllabus for Sarawakians.

To solve social issues, to provide welfare and family development, to promote healthy living, to provide an upgrade basic ICT Infrastructure, to continue negotiation with PETRONAS, to develop our own Development Bank of Sarawak, to continue with our struggle for Devolution of Power, Bakun Dam and so on and so on. Semua ini dilakukan demi rakyat.

Tuan Speaker, demi Rakyat, education is the fundamental requirements in determining the level of success of the State trough the skill, knowledge and innovation. The education system need to be improved with more comprehensive plan, focusing on English, Science Technology, Engineering and Mathematic besides improvements on the physical structure of school.

#### *Jawatankuasa Kordinasi Pembangunan Usahawan*

Tuan Speaker, demi Rakyat kita menyokong penuh saranan Tuan Yang Terutama Yang di-Pertua Negeri supaya keusahawanan ditingkatkan bagi melalui penubuhan Jawatankuasa Kordinasi Pembangunan Usahawan, Program Usahawan Graduan Bidang Teknikal dan Vokasional, mengenalpasti, membangun dan membantu usahawan yang berpotensi untuk ke pasaran global, membangun produk-produk tempatan, transformasi usahawan desa, membangunkan koperasi, membangunkan Persatuan Nelayan Tempatan (PNT), membangunkan incubator usahawan, mencari bakat-bakat kreatif yang boleh dibangunkan untuk menjadi usahawan digital.

#### *Ekonomi Digital*

Demi Rakyat, kita juga menyokong penuh saranan Tuan Yang Terutama Yang di-Pertua Negeri untuk melonjakan pembangunan ekonomi yang kreatif dan inovatif. Dalam era yang sentiasa berubah ini, kita mesti melonjak ke arah ekonomi digital sebab inilah ekonomi masa depan. Untuk mencapai matlamat ini, kita haruslah mempunyai ilmu dan kemahiran dalam teknologi dengan memberi fokus ke arah pembangunan keupayaan manusia (e-dagang), perniagaan antarabangsa, sistem pengangkutan moden seperti LRT dan sebagainya.

Transformasi ekonomi rakyat boleh dilakukan dengan membesarkan penglibatan rakyat, memperkasakan modal insan, meningkatkan daya saing, meningkatkan mobility sosial dan meningkatkan kesejahteraan. Ekonomi Digital adalah sebahagian daripada strategi ekonomi yang akan mewujudkan dimensi baru dalam pertumbuhan pembangunan melalui pengwujudan peluang-peluang pekerjaan kepada para belia di bandar mahupun di luar bandar, mengubah cara kehidupan serta cara menjalankan perniagaan. Penduduk dan usahawan di Sarawak akan dapat dirangkaikan dengan warga dunia melalui internet dengan memasarkan produk dan perkhidmatan yang dapat dijual oleh masyarakat pribumi di kawasan luar bandar. Cara perniagaan lama akan berubah, pekerjaan cara lama akan

terhapus dan pekerjaan cara baru akan dihasilkan dengan penubuhan Sarawak Digital Economy Corporation dan perancangan *E-Commerce Y-30* yang akan mempersiapkan para belia untuk memulakan *e-commerce*. Infrastruktur ICT bertaraf dunia perlu dibangunkan dahulu, untuk bergerak seiring dengan ekonomi digital dengan menambahkan menara komunikasi.

### *Digital Village*

Digital Village ataupun Kampung Digital di Samajaya adalah diantara langkah untuk memperkukuhkan infrastruktur untuk mendorong anak-anak muda yang berminda digital menghasilkan model-model perniagaan baru. Halatuju untuk membangunkan ekonomi digital adalah satu keputusan tepat untuk mengubah landskap pembangunan Negeri. Namun begitu rakyat harus juga menyambut seruan dan merebut segala peluang yang telah disediakan oleh Kerajaan dan menjadi masyarakat yang dinamik dan cemerlang terutama sekali golongan belia yang dahagakan kejayaan.

Tuan Speaker, demi rakyat, kita juga menyokong penuh saranan Tuan Yang Terutama Yang di-Pertua Negeri bahawa transformasi sektor perkhidmatan melalui penubuhan Jawatankuasa Kabinet Negeri yang meliputi bidang Sosio-Ekonomi, Transformasi Luar Bandar dan Penyampaian Perkhidmatan dan Sarawak Digital Government juga diantara strategi people centric yang akan meningkatkan Competency Delivery System.

### *Pembangunan Industri Pertanian Moden*

Demi rakyat, Pembangunan Industri Pertanian Moden juga akan dibangunkan dengan mengkomersialkan sektor pertanian melalui *High Tech, High Precision, Smart Farming*.

### *Sektor Pelancongan*

Demi rakyat, sektor pelancongan juga akan dibangunkan melalui penjenamaan unik meningkatkan connectivity di udara, laut dan darat, menaiktaraf tasik-tasik, taman Negara, museum, produk pelancongan, makanan tempatan, pelancongan kesihatan, pendidikan swasta, pelancongan sukan, promosi luar Negara dan pemasaran secara digital.

### *Pembangunan Alam Sekitar*

Demi rakyat, Pembangunan Alam Sekitar juga akan dijalankan dengan melindungi dan mengekal eko-sistem.

### *Transformasi Luar Bandar*

Demi rakyat, transformasi luar bandar juga akan ditingkatkan kerana rakyat luar bandar berhak untuk menikmati segala kemudahan asas dan infrastruktur asas sama seperti di bandar dengan memfokuskan kepada pembangunan sekolah luar bandar, perkhidmatan kesihatan, jalan raya, bekalan air dan elektrik, broadband, tebatan banjir dan lain-lain.

### *Kesejahteraan Bandar*

Demi rakyat, kesejahteraan bandar juga akan ditingkatkan dengan menambah peluang perniagaan, pembangunan semula, mengoptimalkan penggunaan tanah, membangun semula kawasan heritage, meningkatkan sistem pengangkutan awam, rumah mampu bilik, tebatan banjir dan membendung penularan gejala sosial.

Tuan Speaker, demi rakyat Sarawak aspires to become a developed State by 2030 by transforming the State to accelerate economic growth and to reduce income disparity.

Tuan Speaker, in conclusion Selamat Hari Gawai Gayu Guru, Gerai Nyamai, Lantang Senang, Nuan Menua, Selamat Berpuasa, Selamat Hari Raya. Maka dengan ini saya memohon Dewan yang mulia ini untuk meyokong setiap intipati ucapan Tuan Yang Terutama Yang di-Pertua Negeri Sarawak. With this therefore, I beg to move that the question be now put in respect of the motion Standing in my name . Thank you.

**Tuan Speaker:** Ahli Yang Berhormat for Piasau to second.

**YB Dato' Sebastian Ting Chiew Yew:** Tuan Speaker, I beg to second.

**Tuan Speaker:** Ahli-ahli Yang Berhormat, the question is that a motion in the name of Honourable Member for Demak Laut, Yang Berhormat Dr Haji Hazland bin Abang Hipni in appreciation to Tuan Yang Terutama Yang di-Pertua Negeri's address be approved. As many as are of the opinion say "Yes", as many as are of the contrary opinion say "No". The "Yes" have it. the Motion is approved.

*Question put and agreed to*

*Motion is approved*

#### **USUL PENANGGUHAN**

**Menteri Muda Industri dan Pelaburan (YB Encik Malcom Mussen Anak Lamoh):** Thank you, Tuan Speaker. With great expectations, I would like to congratulate and thank Tuan Yang Terutama Yang di-Pertua Negeri Sarawak Tun Pehin Sri Haji Abdul Taib bin Mahmud for his gracious King's address delivered in this august House on 11<sup>th</sup> May 2017.

Taking this golden opportunity, I also would like to congratulate our new Chief Minister, Yang Amat Berhormat Datuk Amar Abang Hj Abdul Rahman Zohari Bin Tun Datuk Abang Haji Openg and his new cabinet members as well as the newly appointed Deputy Chief Minister, ministers and Asst. ministers respectively.

At a personal capacity, I feel deeply moved to extend my deepest condolence to the family of the late Chief Minister Datuk Patinggi Tok Nan for his untimely demise while serving in office. May his benevolent soul rest in peace with a lingering legacy to all Sarawakians.

Tuan Speaker, in any organisation, Niccolo Machiavelli suggested, '*the first method used for estimating the quality of leadership and the intelligence of a leader is to look at the men he has around him.*' As President Woodrow Wilson rightly said, '*As leaders, we should not only use all the brains we have, but all that we can borrow.*'

Fittingly, I would like to express our gratitude and sincere thank to Yang Amat Berhormat Chief Minister for restructuring the State Cabinet with members of diverse academic background and work experiences in their respective ministries. His outstanding choice of subordinates is laudable when he prioritises and postulates the following characteristic:

- (a) character over competence;
- (b) integrity over intelligence;

- (c) sincerity over pretension;
- (d) loyalty over recalcitrance;
- (e) humility over compulsion;
- (f) courage over hesitance; and so on

With such forte and strength of character, moulded by very highly reputable upbringings, it is incredulously insensitive or even mischievous for the Opposition Members to allege that our new Chief Minister is merely blowing 'hot air' when he is so committed to continue and expand those development policies of our previous Chief Minister that have and will benefit all Sarawakians.

Appropriately, new politicians should take Yang Amat Berhormat Datuk Amar Abang Joe as a role model for being the longest servicing politician in this august House with his unflinching commitment and dedication to this very challenging profession. Without modelling, Albert Bandura of Stanford University once said, '*You cannot do what you say until you know how, and you cannot know how until you can see how it is done*'. It is a maxim that you cannot pretend what you're not until you prove otherwise. In idiomatic language it is '*Easier said than done unless you have been there yourself*'.

Tuan Speaker, it is very disappointing to note that some Honourable Members from the Opposition especially from DAP continue to dwell on their pink elephants, thinking and talking about what they don't want, mainly to find faults in Barisan Nasional Government. Based on scientific studies, our brain has a very unique property that it can tackle only one thing at any particular time. So, if you're too preoccupied with negative thinking, your brain won't have the space and time to think about positive things in your life. When it becomes habitual, that negative thought is a powerful spiralling force that keeps pulling you down until it is impossible to break free, resulting in negative outcome every time. The natural law of attraction quoted that, '*You're a living magnet; you invariably attract into your life, the people, ideas and circumstances that harmonised with your dominant thought*.' That is why birds of same feather flock together.

Tuan Speaker, nonetheless, I would like to thank all Honourable Members who had participated actively in the debate on the Motion of thanks to TYT's address for the last 8 days. Meaningful proposals, constructive ideas and relevant comments on specific issues affecting our State went aplenty from both sides of political divide despite resulting in one heavy casualty. At least, I'm glad that the Honourable Member for Nangka was able to stay current on his statistics for illegal immigrants in Sarawak. Salute to you. But it is surprising to note that Honourable Members of DAP seems oblivious to a blatant violation of Federal Constitution with regard to restrictions on dual citizenship for Malaysians. *Ceteris Paribus* Mahatma Gandhi quipped that, '*A person cannot do right in one department of life while attempting to do wrong in another department. Life is one indivisible whole*'.

Tuan Speaker, moving forward, it is my fervent hope that most of our citizens be you are a politicians, civil servants or ordinary civilians can find happiness and peace in the workplace and at home especially in the fast changing world, flooded by information and unfiltered news in the multi-media which carry some elements of uncertainties and questionable authenticity.

As we move forward into digital economy, it is imperative for us to develop the appropriate infrastructure and human resource capacity to ensure positive impacts on our way of life by enhancing cyber security in our country. Salute to the brilliant initiative of new our Chief Minister for the decision to increase the speed and coverage of Internet

connectivity for the betterment of our communities throughout Sarawak, especially for education and business development in rural areas.

With our vision to move towards high income economy by 2030, we should utilise our fast depleting natural resources prudently. We must strive to achieve both economic and environmental sustainability in all our emerging industries so that the future generations continue to have the ability to meet their own needs. Through innovation and creativity, we could harness to full potential our very rich biodiversity for the development of new niche products that can generate more income for the State economy.

Inspired by such great fundamentals, the creation of new Ministry for Science and Technological Research should encourage more R&D work and technology transfer in collaboration with established research institutions and technology providers to improve overall productivity in all of our major industries in Sarawak.

Tuan Speaker, it is noted that most Honourable Members from rural constituencies are very concerned about the urgent need for the provision of adequate infrastructure and basic amenities in Sarawak. Nevertheless, the implementation of Rural Transformation Program (RTP) since the last few years has been very impactful and effective in solving critical problems in our respective constituencies especially to reduce the gap in the quality of rural-urban life.

Boosted by the visionary leadership of our new Chief Minister, we should be able to deliver those expected outcomes with the formation of three State Cabinet committees for socio-economic and rural transformations together with performance and service delivery transformations under the newly restructured ministries and other existing Government agencies operating in Sarawak.

Consequently, we should applaud our civil service at both State and Federal level especially those officers who have served diligently to the best of their ability. As a former civil servant, I also experienced what Oliver Schreiner said; *'Upon the road you would travel, there is no reward offered. The work is the reward.'* But I remain thankful for invaluable experience and opportunities to learn how to get along and getting done through *esprit de corps*, the spirit of understanding and cooperation with others.

Suffice to say with great delight, I would like to commend the excellent performance of Yang Berhormat Datuk Amar Speaker and his team including all civil servants for ensuring the smooth running of those proceedings throughout this DUN session as well as the media for covering this event efficiently.

Lastly, with the impending festive seasons, I would like to say *'Selamat Hari Gawai'* to all my Dayak friends; *Selamat menyambut bulan Puasa dan seterusnya Selamat Hari Raya Aidilfitri kepada rakan-rakan yang beragama Islam, biarpun di luar atau di dalam Dewan yang mulia ini.*

Tuan Speaker, till we meet again, I would like to put forward that this historic first meeting of the second session for the 18<sup>th</sup> Sarawak State Legislative Assembly 2017 is adjourned. *Sine die, sivous plait!* Thank you.

**Tuan Speaker:** Ahli-ahli Yang Berhormat, alhamdulillah Persidangan yang berlangsung selama lapan hari ini telah berjalan dengan lancar dan teratur walaupun adakalanya berlaku sedikit pertikaman lidah ketika perdebatan berlangsung. Berkat kerjasama Ahli-ahli Yang Berhormat suasana sehingga sebegini telah dapat diatasi dengan menjaga ketinggian dan kemuliaan Dewan yang mulia ini. Ahli-ahli Yang Berhormat telah menunjuk semangat yang sungguh memberangsangkan untuk memberi khidmat yang terbaik kepada rakyat dan

Negeri. Kejayaan urusan persidangan ini adalah hasil sokongan, kerjasama dan komitmen semua pihak Kementerian, Jabatan dan Agensi Kerajaan. Saya berharap agar kerjasama seumpama ini akan terus terjalin kukuh dipertingkatkan.

Bagi pihak Dewan yang mulia ini, saya ingin mengucapkan sebanyak-banyak terima kasih Yang Berhormat Setiausaha Kerajaan Negeri, Yang Arif Peguam Besar Negeri, Yang Berbahagia Setiausaha Kewangan Negeri, Yang Berbahagia Setiausaha Persekutuan, Yang Berbahagia Timbalan-Timbalan Setiausaha Kerajaan Negeri, semua Setiausaha Tetap Kerajaan Kementerian, semua Ketua Jabatan dan Agensi Kerajaan, para Pegawai dan Petugas Khas, pihak Media dan semua pihak yang telah bertungkus lumus dalam menjayakan Persidangan pada kali ini.

Ahli-ahli Yang Berhormat kita telah sampai ke penghujung Mesyuarat Pertama bagi Penggal Kedua Dewan Undangan Negeri Kelapan Belas. Bagi pihak Dewan yang mulia ini juga saya ingin mengucapkan Selamat Hari Ibu, Selamat Hari Guru kepada semua warga pendidik, Selamat Hari Gawai kepada semua yang meraikannya. Gaya Guru Gerai Nyamai, Lantang Senang Celap Lindap Nguan Menua dan selamat menyambut bulan Ramadhan Al-Mubarak dan Selamat Aidilfitri kepada semua umat Islam di dalam dan di luar Dewan ini.

Saya berdoa agar Ahli-ahli Yang Berhormat dan sekalian yang hadir, selamat kembali ke destinasi masing-masing dan terus memberi perkhidmatan yang terbaik untuk rakyat jelata. Saya akhiri Sidang Dewan pada kali ini dengan empat rangkap pantun:

*Mesyuarat Pertama Penggal Kedua,  
Persidangan berjalan dengan sempurna,  
Ucapan YAB penggulung pertama,  
Intipati disampaikan penuh bermakna.*

*Negeri Sarawak sentiasa di hati,  
Hidup harmoni kunjung mengunjungi,  
YAB Ketua Menteri sentiasa dihormati,  
Pemimpin waja amat disanjung.*

*Balik kawasan beramai-ramai,  
Persidangan DUN melabuh tirai,  
Hubungan erat terus disemai,  
Salam perpisahan tanda bersurai.*

*Bumi Kenyalang amat dikenali,  
Sarawak terkenal kaya sumber asli,  
Isu dibangkit tindakan menyusuli,  
Persidangan bajet bersua kembali.*

Ahli-ahli Yang Berhormat, the House is now adjourned. "Sine die".

*(Mesyuarat ditangguhkan pada jam 1.17 petang)*