

**BEIJING** – Former colonial powers should not lecture countries that they once exploited on their domestic affairs, said Malaysian Prime Minister Najib Razak in a sharp rebuke to Western powers as he looks to build ties with China.

Making this point in a commentary published in the state-run China Daily yesterday, Mr Najib also lauded Malaysia's growing ties with China, where he is currently on a six-day visit.

He recalled how 42 years ago, his father and then-prime minister Abdul Razak had embarked on a "journey into the unknown to sow the seeds of mutual understanding and trust" with China, when others had questioned Malaysia's move to be the first country in the region to establish diplomatic relations with Beijing.

"Decades later, my father's decision to place his trust in China has been validated, and we have harvested the fruits of his vision," wrote Mr Najib, noting that China was Malaysia's largest trading partner last year, a position it has maintained since 2009.

Having visited China in various capacities over the last two decades, he has been "struck by the strength of our relationship, how it has grown over time, and the depth of future opportunities", he said. "I have seen how China has retaken its place on the world stage as a great power".

While Sino-Malaysia relations are on a firm footing, Mr Najib said "there can be issues where even the closest of friends may disagree".

"When it comes to the South China Sea, we firmly believe that overlapping territorial and maritime disputes should be managed calmly and rationally through dialogue, in accordance with the rule of law and peaceful negotiations," he said. "More generally, we believe it is incumbent upon larger countries to treat smaller ones fairly. And this includes former colonial powers. It is not for them to lecture countries they once exploited on how to conduct their own internal affairs today."

## Najib rebukes West as he seeks to build ties with China



Malaysian Prime Minister Najib Razak visiting JD.com yesterday to view how modern automation technology allows the company to sort almost 500,000 packages every day. PHOTO: NAJIB RAZAK'S FACEBOOK

China claims most of the energy-rich waters, through which about US\$5 trillion (S\$6.9 trillion) in ship-borne trade passes every year. Neighbours Brunei, Malaysia, the Philippines, Taiwan and Vietnam also have claims.

Chinese Vice-Foreign Minister Liu Zhenmin said on Tuesday that Malaysia had pledged with Beijing to handle South China Sea disputes bilaterally.

Mr Najib is the second leader of a nation with rival territorial claims in the South China Sea to visit Beijing in two weeks. The first, Philippine President Rodrigo Duterte, played down his country's dispute with China. Malaysia has been relatively understated.

During Mr Najib's visit to China, bilateral relations have received a boost

after Malaysia agreed to buy four Chinese naval vessels and signed 14 bilateral agreements totalling RM144 billion (S\$47.7 billion). Mr Najib met Chinese Premier Li Keqiang on Tuesday, and is scheduled to hold talks with President Xi Jinping today.

Malaysia also welcomed the China-backed Asian Infrastructure Investment Bank, which marks a turning point "of peaceful dialogue, not foreign intervention, in sovereign states", said Mr Najib in his commentary.

Global institutions needed to be inclusive of "countries that were given no say in the legal and security infrastructure that was set up by the victors of the Second World War", he added, in another indirect reference to Western

powers such as the United States.

Mr Najib's ties with the US have been strained following a civil suit filed by the US Department of Justice to recover more than US\$1 billion in assets said to be embezzled from state investment firm 1Malaysia Development Berhad (IMDB). Some analysts view his tilt towards Beijing as a response to the snub from Washington.

But China is also keen to cultivate new allies, said Mr James Chin, director of the Asia Institute at Australia's University of Tasmania. "China for its part wants to be closer to Malaysia in economic and political terms because it's trying to draw Malaysia into its sphere of influence," he said.

Asked about Malaysia and other South-east Asian countries cosyng up to China and possibly drifting away from America, US State Department spokesman Jim Kirby dismissed the suggestion. "We've long maintained that we believe it's in our interest to have other nations in the Asia Pacific region have productive, meaningful, bilateral relationships. This is not a zero-sum game for us," Mr Kirby said during a daily press briefing.

"For Malaysia and China to enter into some kind of agreement, whether it's on paper or not, whether it's just better bilateral relations, that's all to the good in terms of regional security and stability, in our view."

Asked if the US was concerned that other Asian allies such as the Philippines were leaning towards China, Mr Kirby added: "If those relationships can lead to productive and peaceful resolutions of some of the tensions in the region — to include perhaps the South China Sea — we would welcome that."

"Everywhere we go in the Asia Pacific region, it's reiterated time and time again how important foreign leaders there view American presence, American economic assistance and participation and trade, as well as American leadership. So we don't view it as a binary sort of equation." **AGENCIES**

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## US Senator thwarts sale of assault weapons to Philippines police force

**WASHINGTON** – The United States' State Department halted the planned sale of some 26,000 assault rifles to the Philippines' national police after Senator Ben Cardin said he would oppose it, according to Senate aides.

The aides said Senator Cardin, the top Democrat on the US Senate Foreign Relations Committee, was reluctant for the US to provide the weapons given concerns about human rights violations in the Philippines. The development could further strain relations between the two treaty allies.

News of the thwarting of the weapons sale was met with disappointment among the Philippine police and government, but they said alternative suppliers would be found. "We do not stand to lose anything. There are tens of other countries that manufacture better and probably cheaper assault rifles than the US," Filipino Senator

Panfilo Lacson told The Manila Times.

Police spokesman Dionardo Carlos said the Philippines had yet to be notified about the sale being stopped.

The relationship between the US and the Philippines, a long-time ally, has been complicated lately by President Rodrigo Duterte's angry reaction to criticism from Washington of his violent battle to rid the country of illegal drugs.

More than 2,300 people have been killed in police operations or by suspected vigilantes in connection with the anti-narcotics campaign since Mr Duterte took office on June 30.

The US State Department informs Congress when international weapons sales are in the works. Aides said Foreign Relations committee staff informed the State Department that Mr Cardin would oppose the deal during the department's prenotification

process for the sale of 26,000-27,000 assault rifles, stopping the deal.

Asked about the issue, State Department spokesman John Kirby said that US law does not allow the department to comment on the status of commercial arms sales.

"We're going to stay committed to working closely with members of Congress to deliver security assistance to our allies and partners worldwide, including the Philippines," he said, adding that at the same time, the US remains deeply concerned by reports of extra-judicial killings by or at the behest of the Duterte administration.

"We encourage thorough and transparent investigations into all credible reports and allegations of extra-judicial killings and we strongly urge the Philippines to ensure that its law enforcement efforts are consistent with its international human rights obligations," said Mr Kirby. "Our assistance programmes are designed to address human rights concerns by expanding Philippine capacity to conduct effective, lawful investigations,

and professionalising the criminal justice system so that it's more accountable, transparent, effective, and just."

Mr Ronald dela Rosa, the Philippine national police chief and staunch supporter of the war on drugs, said he liked the American rifle, but suggested China as an alternative small-arms provider.

"We really wanted the US rifles because these are reliable," he told broadcaster ABS-CBN. "But if the sale will not push through, we will find another source, maybe from China."

Last month, Mr Duterte told US President Barack Obama to "go to hell" and said the US had refused to sell some weapons to his country, but he did not care because Russia and China were willing suppliers.

According to some US officials, Washington has been doing its best to ignore Mr Duterte's rhetoric and not provide him with a pretext for more outbursts. An open break with the Philippines could create problems for the US in a region where China's influence has grown. **AGENCIES**

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**Mr Ronald dela Rosa**  
PHILIPPINE NATIONAL POLICE CHIEF



Many of the SMEs surveyed cite obstacles such as having a lean workforce, which makes it hard for them to let workers take time off for training. PHOTO: BLOOMBERG

## Most SMEs say they can't send workers for skills training

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**SINGAPORE** – Despite the Government's clarion call for workers to upgrade their skills in order to stay relevant in the future economy, the vast majority of small and medium enterprises (SMEs) are finding it difficult to invest in skills training for their employees.

Citing obstacles such as having a lean workforce, which makes it hard for them to let workers take time off for training, and other more pressing priorities, 85 per cent of the SMEs surveyed in an annual study said they are "hindered in their efforts to upgrade the skills of their workforce".

In all, 2,513 companies took part in the latest SME Development Survey, which is into its 14th year. Among other findings, the survey — conducted by DP Information Group — found that a greater proportion of SMEs (7 per cent, compared with 2 per cent in 2014 and last year) were looking to downsize their operations, as part of efforts to manage costs under the current sluggish economic conditions.

DP Info chief operating officer Lincoln Teo said the upgrading of employees' skills will be a major challenge for SMEs in the next few years. "Singapore is entering a slow growth period, and most SMEs are experiencing challenges growing their revenue while managing cost and improving productivity," he said. "Implementing training and development strategies while keeping their employees focused on the business is a delicate balance... Many SMEs simply do not have the capacity to redeploy their employees into training as it will impact the day-to-day operations of their company."

Mr Teo suggested that SMEs turn to "agile and technology-based training programmes such as scenario-based learning".

Among the respondents who faced obstacles that prevented them from taking part in manpower development initiatives, half indicated that it was "difficult to commit employees for such initiatives due to a lean workforce". Almost 40 per cent said they have "other priorities to focus resour-

ces and time on". Among the various sectors, the manufacturing sector had the highest proportion (90 per cent) of firms that faced challenges in developing their workers' skills. At the other end of the spectrum was the retail sector (74 per cent).

The survey also found that 82 per cent of the respondents were having problems hiring young staff. The top reasons cited were an inability to meet the expectations of these workers, and these employees also found that the work environment is not challenging.

Together, SMEs here employ about 70 per cent of the total local workforce. The survey showed that SMEs were mostly receptive to hiring professionals, managers, executives and technicians above the age of 40, thanks to the tight labour market and Government incentives and programmes.

Compared with surveys conducted in 2014 and last year, the proportion of companies looking at downsizing their operations has crept up, but Mr Teo noted that this could mean reducing office space or factory operating hours, and not necessarily shedding workers.

Singapore Business Federation chief executive officer Ho Meng Kit, who was also at a press briefing on the survey findings, added: "(One example is) you have restaurants with many branches, and (when) you find that the rental is high and you can't get labour, you downsize. Another example is tenants who have more than one factory location, and they consolidate to save on rental and overheads."

Nevertheless, in order to manage costs, most companies are looking to raise productivity, to source for cheaper supplies or raw materials and to reduce their overheads.

Mr Ho said he was concerned with the finding that 22 per cent of the respondents said they were facing financing-related challenges, an 8 percentage point increase from last year.

He added that the SBF would be "monitoring the situation closely to assess if current Government-backed loans for SMEs are sufficient" to support the sector, or whether more help is needed.

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