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LEAD Umno-Mahathir (Reserves)

MALAY RIGHTS NOT LOST WHEN RESERVE LAND ARE ACQUIRED, SAYS PM

KUALA LUMPUR, Oct 12 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad today gave an assurance that the Malays will not lose their rights when their land in Malay reserves are acquired for development.

He said that the government had never set aside the interests of the Malays when development was carried out on acquired Malay reserve land.

"At the very least, the land will increase in value...that in itself means that the interests of the Malays have been taken into account. Besides, the Malay component is usually maintained in the current trend of development," he told a news conference at the end of the three-day Umno general assembly at the Putra World Trade Centre here.

Dr Mahathir was asked to what extent the government could give an assurance that reserve land acquired for commercial purposes would not lead to the Malays losing their rights and interests.

This issue was raised by a delegate who said that the size of Malay reserve land had been reduced from 1.215 million hectares as gazetted by the British to less than 0.81 million hectares in 1982.

Dr Mahathir admitted that the government had not replaced some reserve land acquired for development because of shortage of land but he said that the government also wanted the Malays to continue to enjoy benefits by allowing it to develop the reserve land.

He said that the Malays would never gain any benefit if the status of reserve land was maintained because the value of reserve land was very low and the price of the land would only increase if there was development.

The Prime Minister said that the Malays usually lose their rights and interests over reserve land because of their attitude in seeking too much short-term benefits and not as a result of the government's acquisition.

He said that most of the Malays whose land were acquired would seek compensation in cash although the government requested them to acquire shares in the development projects to be implemented on the land.

"We told them to acquire shares and not take cash but they were more interested in getting cash...they refused the shares. We suggested that they be allotted shop units if they are in hotels for instance, but they were not interested," he said.

The Prime Minister said that the residents of Langkawi, for instance, had always been advised not to sell their land but to acquire shares.

"But they are more interested in getting cash which they could spend. We told them to invest in the ASN or ASB and even then they are sometimes not interested," he said.

Asked whether the refusal of some Malays to acquire shares for their acquired land was because they do not know how to deal in shares, Dr Mahathir said that they need not have to have special skills.

"The shares are acquired the normal way. We assess the land and we issue shares according to the value of the land," he said.

On the government's proposal to acquire the Malay reserve land in Kampung Baru here for commercial development, he said that the government was still negotiating with the landowners on a suitable price for the land so that when developed, the Malays could afford to be involved in the development. -- BERNAMA

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