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States have shortchanged landowners, says Osu (HL)

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KUALA LUMPUR, Mon. - In a strongly-worded statement, Land and Co-operative Development Minister Datuk Osu Sukam charged today that State Governments had "shortchanged" landowners in enforcing the Land Acquisition Act.

"As a result, one State Government is facing about 100 legal suits," he said today.

Osu's statement came in the wake of Kedah Menteri Besar Datuk Seri Sanusi Junid's admission last Wednesday that the State was contesting some of the 70 cases filed against its land acquisition activity.

Sanusi had said most of the acquisitions were conducted during the tenure of his predecessor, Tan Sri Osman Aroff.

However, Osu declined to name or give a hint on the State Governments concerned when he spoke to reporters after opening a dialogue on "Alternative Development" at Universiti Malaya this morning.

The two-day dialogue is jointly organised by the Centre for Leadership and Development Studies and Universiti Malaya's Centre of Studies for Environment Management.

Osu was asked by reporters to comment on Prime Minister Datuk Seri Dr Mahathir's statement in London last week on the tendency of State Governments to repossess land for purposes other than those specified by the Act.

"We try to do things that we think is good for the people," the Prime Minister had said, "but State Governments sometimes only see the advantage given to them."

This is the second time in three days Osu has hit out at errant State Governments.

Last Saturday, he said abuse of power by State Governments in the acquisition of land for development purposes was rampant, forcing landowners to seek legal redress.

Osu said Dr Mahathir would not have voiced his concern over the indiscriminate land acquisition by State Governments without first gathering ample information.

"The Prime Minister would not have come out with a strong statement unless he had the relevant statistics to back his claims," he said. "This shows that there were abuses to section 3B of the Land Acquisition Act which allows the Government to acquire land for development purposes."

Although the Act is clear and has noble intentions, Osu said the implementation had deviated from guidelines stipulated in the provision.

"Only when the landowners cannot develop their land can the State Government acquire it," he said, "and pay compensation based on market price."

The amended Act, which had been passed by Parliament, would be enforced nationwide once the King gives his royal assent, expected to be in June.

The Act would give landowners the opportunity to develop their land on their own or on a joint venture basis with the private sector.

Osu confirmed that his ministry had received many complaints from landowners who claimed that compensation for land acquired by the State Governments was inadequate compared to the price at which they later sold it to the private sector.

Dissatisfied landowners were welcome to seek redress in court, he said.

"We have provisions under the (amended) Act which allow disgruntled landowners to appeal to the court if they feel that the State Governments

have failed to uphold the law."

Osu said there would be two certified assessors to assist the court.

The verdict, he said, would be based on the decision of the majority.

"This decision, however, is final and there will be no more recourse in the future."

Asked if the abuses were due to lack of co-ordination between the Federal and State Governments in implementing the Act, Osu said State Governments acted arbitrarily, contrary to rules and regulations agreed upon by the Federal and State Governments.

To a question on whether the problem was serious, Osu said:

"We are concerned with the plight of landowners ... we are working hard to ensure that the amendments to the Act will deter acquisition of land by State Governments which can cause hardship to landowners."

On the difference between the value of the land paid by the State Government and the market rate or compensation granted by the court, Osu said the amount varied from case to case.

"I do not have the figures," he said, "but there are instances where the court allowed 10 per cent above the value paid by the State Government."

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