

'Most Felda staff wary over proposed FGVH listing'

MalaysiaKini.com

February 13, 2012

Hafiz Yatim

INTERVIEW It may have started as an acrimonious relationship between the 23,000 Federal Land Development Authority (Felda) staff members and the PAS-led NGO Anak, representing the descendents of the settlers.

However, following the proposed listing exercise of Felda's subsidiary, Felda Global Venture Holdings Bhd (FGVH) planned in May, Anak president Mazlan Aliman claims the bulk of the staff are in common cause with them to oppose the move.

"This is because they recognise the listing exercise could be detrimental to Felda where it would face a deficit of between RM1.2 billion to RM1.5 billion, and this matter was raised by their director-general Dzulkipli Abd Wahab, whose protest was rewarded with an order to go on study leave," Mazlan told Malaysiakini in a recent interview.

"Anak's relationship with Felda staff members may have started acrimoniously, as we had brought lawsuits against Felda following the discovery of lower payouts to settlers, made police reports, and lodged complaints to the Malaysian Anti-Corruption Commission and the National Human Rights Commission.

"This, however, changed when the staff members got to know the prospect of a deficit following the listing, and the risks involved. Now, they are worried over their welfare and hence, are now with us."

Mazlan said Felda, before the proposed listing exercise, generated a revenue of RM2.4 billion in 2010, and it needed RM2 billion annually as operating costs to be used for development, infrastructure and the welfare of the more than 112,000 settlers in 317 land schemes nationwide.

However, he pointed out that following the proposed FGVH listing, Felda would only obtain revenue from two sources - namely the rental of 360,000ha of Felda Plantations Land on 99-year leases amounting to RM257 million annually, and the 15 percent revenue from agricultural operations which fluctuates at around RM200 million.

"So from RM2.4 billion, Felda would be left with RM508 million and this is only sufficient to pay the wages of the 23,000 staff. This is the deficit which Felda is likely to face and questions remain as to who would have to fork out the remainder," he asked.

"Felda settlers and staff members know the burden and the risks. They will face difficult times ahead and this has resulted in uneasiness and inside protest. This is why they (the staff members) are with us now," he said.

Former CEO and deputy director removed

Mazlan said all this started when former Negri Sembilan menteri besar Isa Samad became Felda chairperson on Jan 1, 2011 and proposed the listing exercise of FGVH.

He said Dzulkipli had raised the issue of where to find the funds following the deficit expected by Felda after the FGVH listing.

"This has resulted in polemics between Dzulkipli and Isa, where Dzulkipli has been made the sacrificial lamb and asked to go on leave.

Another deputy director Abidin Abdul Rahman, who is secretary of Koperasi Permodalan Felda Bhd

(KPF), which is to be brought into FGVH after the listing, also opposed the move and was transferred back to the Public Services Department.

"The Felda senior management felt it is a legitimate issue as they are concerned about where to get the funding. This is the concern felt.

"Our struggle which may seem to have been in opposition or in contra to them, is now seen as bearing the truth.

"That is why the Felda settlers, their children who have access to information and the Felda staff are with us," he claimed.

For Dzulkifli, Mazlan said, he could never have imagined that such a fate would befall him as he is known to be a loyal staff member working in Felda who started from the bottom, as prior to his "leave" he had never issued any statement against the government.

"He was loyal but he had to be sacrificed because Isa felt he was the stumbling block against the listing. Dzulkifli has been asked to go on study leave, but he is nearing retirement age, what is there to study? This is part of the efforts to remove him," he said.

"I got to know that Isa sent a letter to the prime minister for Dzulkifli to go on leave. I do not know Dzulkifli's status now, but there is no replacement yet for the post of Felda director-general."

Mazlan also pointed out that with the FGVH listing, KPF would now have a reduced stake in Felda Holdings from 51 percent to 35 percent. KPF, he said, has 220,000 shareholders and it gives out 15 to 16 percent dividend annually.

"Some 87 percent of the shareholders are the settlers or their children while the remainder are from the Felda staff members.

"Some of the staff members had invested as much as RM50,000 to RM100,000. A total of 200 staff members had invested a total of RM250,000 in KPF," he revealed.

The Anak president believes that initially, the KPF stake would only be reduced to 42 percent.

However, he has received information that the remainder would be liquidated to be paid as dividends to the Felda settlers, which will be announced by the prime minister to abate the protests.

He added that Felda settlers have their doubts over the success of the listing exercise as in the past such claims of projects benefitting the settlers had failed.

Failed projects

Mazlan said previously there had been proposals from Umno, who view the Felda land as strategic areas on the outskirts of towns and industrial areas.

Hence, he said, they devised plans to develop the area and the state governments had accepted the plans.

For example, in Felda Cahaya Baru in Masai, Johor which is close to Singapore, he said, the settlers were offered RM1.3 million in 1994 to agree to the change in status of their land from Malay reserve to freehold.

"Quite a number of settlers accepted the offer. However, a total of 40 settlers who remembered the original purpose of Felda, chose to hold the land as an asset for their children.

"For the record, the settlers only obtained RM200,000 from the transaction and not RM1.3 million as had been promised 19 years ago," he said.

Similarly in Felda Sungai Buaya in Hulu Selangor, where they were promised RM1 million, Mazlan said they were cheated into surrendering their land but did not receive the proposed amount.

The phenomenon also happened in Felda Sendayan and Felda LBJ (named after former US president Lyndon B Johnson who visited the settlement in 1966) near Seremban.

"After the failed promises, the Felda settlers have wised up and are sceptical about the proposed listing," he said.

Copyright © 1999-2012 Mkini Dotcom Sdn. Bhd
<http://www.malaysiakini.com/news/188981>