

PKR: Felda settlers staring at debt, not payment

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PKR vice-president Nurul Izzah Anwar claimed today that Felda settlers will not get any incentive payment from Felda Global Ventures Holdings' (FGVH) listing, instead they will be forced to take up loans to buy shares in the company.

"According to reliable sources, the settlers and Felda workers will not receive free shares or incentive payments from the listing.

"Instead, PKR understands that it will be compulsory for the settlers and Felda workers to apply for loans from a few selected banks in order to buy FGVH's shares...", she said in a statement today.

NONENurul (right) added that on top of the settlers having to fork out RM100 to RM200 when the 100 percent loan is issued, the full amount must be met within six months.

The 'daily rest', an interest calculated daily on outstanding loans, is also fixed at five percent, 2.5 times higher than for the loan issued to the scandal ridden National Feedlot Corporation, said Nurul.

'Big banks to benefit'

"Clearly what is described by Prime Minister Najib Abdul Razak as a 'quantum leap' is slanted at providing opportunity for the financial institutions involved to reap the benefit of the hard work of Felda settlers and workers," she said.

Nurul added that that FGVH must also foot "high fees and charges" for the advice and the management services for the listing provided by Maybank Investment, CIMB Investment, Morgan Stanley, JP Morgan and Deutsche Bank.

palm oil plantation 111005Furthermore, Nurul said the listing will dilute the bumiputera equity in that any company can purchase FGVH's shares in the open market.

"More unfortunate will be the fate of the settlers' children from the second and third generation when their dream to become a new generation of settlers managing 360,067 hectares of palm oil plantation owned by Felda Plantations Sdn Bhd are shattered as they would have been leased to FGVH for 99 years for the listing," she said.

The premier, she said, must explain the "trap" behind the windfall for settlers promised by the government.

Najib had in March said the government will announce a windfall payment for Felda settlers in May in conjunction with the listing of FGVH.

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