

Anwar and Muhyiddin at loggerheads over Felda debts

ALOR SETAR: The debts of Felda settlers have become a matter of contention between Datuk Seri Anwar Ibrahim and former prime minister Tan Sri Muhyiddin Yassin.

Anwar said that he, as the Finance Minister, had signed the allocations to address the debt waiver just last month.

As such, he questioned Muhyiddin's remarks that the issue about the debts had already been settled during his tenure as prime minister.

(It was reported on June 28 that the unity government would restructure Felda's debts through the issuance of sukuk and revolving credit. This was part of efforts to restore Felda's financial position. This also allowed Felda to cancel 80% of the settlers' debts of RM8.3bil.)

Speaking during a dialogue session at Universiti Utara Malaysia yesterday, Anwar said the national budget presented during the previous Perikatan Nasional administration did not provide

allocations to dispose of the settlers' debt totalling RM8.3bil.

"It was only during Budget 2023 in November last year under the Madani government that an initial allocation of RM990mil was handed over to Felda for that matter," said the Prime Minister.

As such, he questioned Muhyiddin's contention that the matter had been resolved prior to this when the allocations were in fact approved under the unity government.

Anwar, however, acknowledged that there was an agreement made in principle during the previous administration but the allocation was not signed and approved.

Yesterday, Muhyiddin said in a Facebook post that Felda's debts were disposed of during his tenure as prime minister.

"This was verified by the Minister in the Prime Minister's Department in a reply to Parliament on Feb 23," he said, adding that the waiver of the

debts was carried out in 2021.

During a speech at Felda's Settlers' Day celebration in Serdang, Selangor on Friday, Anwar had said that the government had approved allocations of up to RM1bil annually for a decade to ensure the survival of Felda.

He said the distribution of Felda's sukuk financing funds was previously delayed due to the government's commitment to financing the economic stimulus package.