

S U M M A R Y

The subject of this survey relates to the various aspects of rubber estates which are diminishing in size. Two aspects of this problem are the selling off, either, of the whole, or parts of an estate, and subdivision.

The data covers mainly the States of Johore, Malacca, Negri Sembilan and Penang. The information was obtained by personal investigation for the four states and by post for the remainder.

A large number of European Rubber Estates were sold in the pre- and post-merdeka periods, the reasons for their sale being political and economic. Uncertainty about the political future and fears of nationalisation coupled with high costs of production formed the basis of these sales. Yet another trend was the selling of parts of an estate, the reasons for this being mainly economic. The chief reason here was the advanced age of the trees.

Of the estates sold, some were subdivided and resold. Two types of subdivision occur, one for speculative purposes, and the other, to qualify for larger replanting grants. Subdivision is profitable both ways. In the former, profits realised in many cases were more than 100%; whereas in the latter, subdivision increased the acreage potential for replanting from 33% - 100%.

The demand for land springs from population pressure; subdivision in a way fills this need, the land being used both for agriculture and for housing. Both the buyers and the subdividers are mainly Chinese. The factors determining the sizes of the subdivided pieces are replanting grants and the capacity to pay. In some cases the estate labour buys up the subdivided estate. Generally, an estate is divided into uniform sized portions but there are exceptions when sizes range from 2 - 30 acres.

Subdivision affects the estate labour, the maintenance of the estate and the productivity of rubber. Labour experiences a drop in real wages, as it loses certain estate amenities. The time aspect of subdivision is particularly serious, since titles are issued only after at least 2 - 3 years. This means that smallholders cannot get replanting grants during this time for they have no titles to the land. Subdivision means increased expenditure as well as less revenue for the government, for while it collects less in taxes it has to spend more in roads and drainage.

Fewer European estates are now being sold. In fact the tendency seems to be some amalgamation of existing European interests. The impetus of subdivision could be lessened by the above factor and also because the smallholders' replanting scheme ends this year.

It appears to me that the problem of subdivision does not get the attention it deserves from the government, for complete data on the subject was not to be had from either the Land or Labour offices. The tendency seems to be to regard it as a good thing since smallholders are owning land, but the losses sustained in other respects are almost completely forgotten.

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INTRODUCTION

The subject of this exercise "The Break-up of Rubber Estates" relates to the various aspects of rubber holdings which have been diminishing in size in the period January 1956 to the first quarter of 1959. The information obtained was sought chiefly on the following points: the extent of the "break-up"; the sizes of the estates involved; the reasons for the sale of these estates; the sizes of the broken pieces and the market for the latter; the profitability of dividing rubber estates; and the consequences of the break-up on the economy of the country.

Below are the definitions used in this exercise:

- I. Rubber Estate: Any rubber holding of 100 acres and above.
- II. Break-up of rubber estates occurs when:-
 - (1) the whole estate is sold and this area is subdivided by the new owner(s).
 - (2) parts of an estate are sold to different buyers.
- III. "Subdivision": In the terminology of the Land Office, subdivision takes place when a particular title is surrendered to the government for the issue of new titles in its place. This can only take place after a resurvey of the land.

- (1) Subdivision takes place when the original owner of an estate subdivided his estate for a specific purpose, e.g., replanting.
- (2) When the estate of a deceased person is divided among his beneficiaries.

TABLE I

SCOPE OF EXERCISE

STATE	DISTRICT	REMARKS
JOHORE	(1) Johore Bahru, Muar, Batu Pahat, Kluang.	Visited.
	(2) Segamat, Pontian, Kota Tinggi, Mersing.	Information obtained from the Registry of Titles, Johore Bahru.
MALACCA	(1) Malacca	Visited.
	(2) Jasin, Alor Gajah.	Information obtained from the Registry of Deeds, Malacca.
NEGRI SEMBILAN	(1) Seremban	Visited.
	(2) Kuala Pilah, Rembau, Tampin, Jelabu, Port Dickson.	Information obtained from the Registry of Titles, Seremban.
SELANGOR	(1) Kuala Lumpur.	Visited. Information on subdivision inadequate.
	(2) Klang, Kuala Selangor, Ulu Selangor, Kuala Langat, Ulu Langat.	No information obtained because unable to visit districts.
PERAK	(1) Larut and Matang, Dindings.	Information received by post.
	(2) Upper Perak.	No problem of subdivision.
	(3) Kuala Kangsar, Batang Padang.	No replies to questionnaires.
	(4) Lower Perak.	Very inadequate answers.
	(5) Kinta, Krian.	No cooperation.
PENANG	(1) Penang Island, Butterworth, (P.W.N.) Nibong Tebal, (P.W.S.) Bukit Mertajam (P.W.C.)	Visited.
KEDAH	10 districts.	Very inadequate information received by post.
PERLIS		No problem of subdivision.
KELANTAN		No acknowledgment of letters sent.
TRENGGANU		No co-operation.

TABLE I (Contd.)

STATE	DISTRICT	REMARKS
PAHANG	(1) Kuantan, Lipis, Pekan, Cameron Highlands, Raub. (2) Temerloh, Jerantut. (3) Bentong.	No problem of subdivision No co-operation. Answers received by post.