

CHAPTER VI

CONCLUSION

The intensity with which European estates were sold in 1956-58, seems to have slackened appreciably. On the contrary from May to August, 1959, three acquisitions by European Companies of European Companies have occurred, for example, Seafield-Amalgamated has acquired the capital of 8 other rubber companies; Kuala Lumpur Rubber Co. purchased two other Companies¹ and Singapore United and Bukit Sembawang have merged.² As opposed to sales which are made to local nationals, the former do not lead to an export of capital.

Subdivision, of estates, especially in densely populated areas will continue so long as the demand for land remains, though this could be lessened by the projected Government land development schemes. Here the degree of mobility is important for population pressure, especially along the West Coast, would only be relieved if people were willing to move to a new area. On the other hand, subdivision among beneficiaries will continue unless inheritance laws are substantially modified.

A cause and an effect relationship exists between subdivision and replanting; each contributing to the other. Although replanting has a strong influence on subdivision, it appears that buyers and

1. The Straits Times, 19/8/1959.

2. The Straits Times, 25/8/1959.

12

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subdividers are not really aware that such grants can only be obtained against a title. Nor do they envisage such a long time for the completion of subdivision.

The demand for subdivision would lessen once the replanting schemes terminate. Yet, investment in rubber land, particularly by local persons would continue so long as high prices are obtainable for rubber.

The net effect of subdivision seems to be that additional expenditure will have to be incurred by the government in providing the services, once contributed by former estates.

