

CHAPTER 6 : SUGGESTIONS TO OVERCOME MRL PROBLEMS

From the economic point of view, an asset should be able to uplift a person's well being. Unfortunately, MRL does not only contribute but also obstruct the development of the Malay race (Hashim, 1993). It is no secret that the value of MRL is less compared to a non-MRL. If this problem is not rectified then the initial objective of MRL enactment would not be achieved. In this chapter, suggestions on how to overcome the problem faced by MRL will be deliberated.

6.1 Amending the Enactment

All the current MRL enactments were written during the colonial period. It was written according to the needs of that time. However the conditions and situations have changed from the time it was formulated. Therefore it is high time that the act be amended to suit the current needs.

First, the non-Malay institution should be allowed to indulge in MRL. This is so, because many financial institutions in Malaysia are multiracial in nature. These institutions are endowed with the capital to develop the MRL. By disallowing non-Malay participation an important source of capital is eliminated. By amending the enactment these institutions would be able to indulge in MRL.

However individual developers should not be allowed to MRL. This section of the enactment should be retained. This is necessary to ensure that history does not repeat itself. If not, once again, there might be individuals who could take advantage of the situation by exploiting the Malays.

Second, the section of the enactment which needs to be amended is the part that disallows MRL to be mortgaged to the financial institution. This is so because of the reluctance of the current financial institutions to give loans to MRL owners. According to these institutions they cannot take any action against defunct borrowers because of section 11 of the MRL enactments that forbid any caveats to be written on MRL (Malaysia, 1980).

Besides amending certain sections of the MRL, all the state enactments should be co-ordinated and uniformed. Currently these enactments are so diversified that one nullifies another enactment of the same nature. For instance, Kelantan's MRL enactment accepts only Kelantan born Malay as a Malay, in other words a Malay who is not born in Kelantan is not allowed to buy or own MRL in Kelantan (Pahamin, 1982).

If all these enactments are well co-ordinated then it would reduce the burden of federal government's agencies in developing MRL. Currently, federal agencies such as UDA are facing difficulties in acquiring the MRL because of the variations in these enactments.

6.2 Government Agencies

Government plays an important role in uplifting MRL status. With its machinery and influence, government would not face any problem in making sure that MRL objectives are achieved. The government can use several strategies to achieve this. Among others are:

(a) Bank

Government should set a "bank" where all the relevant information regarding MRL, such as land use and land status, is compiled. This valuable information could be gathered through the district office, which is the most suitable department since it has a land department under its wing.

Through this information, federal government could draw up a comprehensive plan to raise the status of MRL. For example, the government would know exactly where and how much land is available for a particular project. It is no secret that government is trying to find a large amount of land to set up industrial zones. Since quite a large number of MRL lands are available, especially outside of Klang valley, it would be a good idea if government considers these lands when selecting a site. By doing this the government not only will raise the status of MRL but at the same time uplift the socio-economic status of the Malays.

There are various agencies at federal level which could undertake this task. One of them is UDA. However, the Prime Minister's Department would be a better choice because it has the power to direct the state government, which would in turn direct district offices, to collect the information regarding the MRL.

(b) Acquisition

Act No 34 of 1960, Land Acquisition Act 1960, allows the government to acquire a piece of land for any public purposes and by any person or corporation (Muhammad, 1997). Through this act the government could repossess MRL which are too small in size and owned by 'multiple owners'. Since a consensus could not be achieved by the 'multiple owners' therefore government could repossess the land and develop it.

Although, this act says that government should compensate these owners, however the compensation given so far for land taken under this act has caused unhappiness among the public. Therefore it is vital that the compensation given is within the expectation of the owners. By achieving this, the MRL status will be uplifted and consequently guarantees the welfare of Malays.

One important aspect which creates unhappiness among the public concerns the process of land acquisition. Normally, the government does not give sufficient notice and does not inform the owners about the government's intention for such land acquisition. The government should be obliged to inform the owners on what it intends to do with the land and if possible should invite the owner to participate in the

project. This would reassure the owners that, they are not taken for a ride by parting with their land.

(c) New Township

Since many of the MRL is located in the remote areas, where land is abundant, it would be a good idea if the government could use these lands to build new townships. For example, back in the late 1980's, the government announced that a second 'Kuala Lumpur' will be built at Janda Baik. Unfortunately this project was shelved out. There were various reasons given for revamping the project. One of them was that Janda Baik was a MRL and government found it hard to acquire the land, because then the Land Acquisition did not exist.

At present, in view of the existence of the land acquisition act it is easier for the government to acquire land. Therefore it would help uplift the status of MRL if the government were to build new townships or to convert these MRLs into mini industrial zones. However the land status will have to be converted as most of the MRL are classified as agriculture land.

6.3. Merging of the lots

As mentioned in the previous chapter, one common problem faced by MRI the small sized lots which are further worsen by 'multiple ownerships'. One way overcome this problem is by merging all these small plots of MRL and form consortium with all the owners as the members. In this way the owners could have

bargaining power in determining the types of development projects to be undertaken. However they would have to abide to the majority decision.

One constraint to this method is getting a 'leader' who will have to take the initiative to get all the owners and form the consortium. Perhaps the government could act as a catalyst, by encouraging the MRL owners. This method was successfully carried out in overcoming idle paddy field in Tanjong Karang.

6.4 Society

Society plays an important role in developing MRL. As the saying goes "you can bring a horse to the river but it is up to the horse whether it wants to drink or not". For future development the MRL owners should be made aware of their land status. This could be achieved by a number of ways such as:

(a) Educating MRL Owners

The failure of MRL owners to realise the possibility of developing their land without the assistance of the government should be rectified immediately. One of the reasons is the lack of education among the land owners. It is advocated that NGO and political parties should play a key role in educating the MRL owners. An excellent choice would be UMNO Youth.

(b) Spiritual Development

It is not only important to develop MRL but it is equally important that MRL owners be able to hold on to their land after it was developed. To achieve this, the mental strength of the owners should be strong and they should realise that maintaining land ownership is vital to the sovereignty of the Malays.

6.5. Conclusion

Although the government's role in MRL cannot be denied it is equally important that the public too plays its role in uplifting the MRL status. However there must be sincerity and trust in both parties as these characteristic play a key role in achieving this objective. Nevertheless, careful planning and execution of a particular operation should be utmost by anyone who wants to uplift the MRL status. One would have to remember that many of the MRLs are inherited, where they carry a lot sentimental values to the present owners. The owners should realise that it is important to set aside one's sentimental value if one wants to see the Malay race develop in the future.