

**THE VIABILITY OF INCORPORATING COMPENSATION
FUND INTO THE NATIONAL LAND CODE 1965**

By

Aqilah Zuhaili Binti Zahari	(2010379713)
Izyan Syazwani Binti Mohamad Basri	(2010590101)
Nur Ellena Binti Mohamed Razif	(2010940001)
Raikhan Nor Binti Hashim	(2010780193)

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ABSTRACT

This research paper discusses the viability of introducing compensation fund into the National Land Code 1965 and comprises on reviews and discussions regarding the fund, together with analysis on different laws adopted in different state, and cases. This research is fully library based as collection of data and relevant information are gathered from textbooks, journals and articles, with the usage of the internet. At the end of this research we will also provide recommendations to amend the current law, as well as mechanisms in implementing the compensation fund.

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CHAPTER ONE: INTRODUCTION

Introduction

Land is defined as those parts of the surface of the earth that are capable in law of being owned.¹ From time to time development of law is needed in order to uphold a proper land administration system due to the evolution of the society and the changes of the societies' need. When Malaysia adopted the Torrens system, one of the principle which is the compensation fund was not adopted, therefore the benefit of Torrens system was not fully enjoyed. Thus, throughout this research paper, compensation fund as a whole will be discussed.

Chapter one is an introductory chapter discussing the research background, problem statement, research objectives, research methodology, scope, limitation of the research and the significance of this research. Next, chapter two is a review of literature on compensation fund. Thirdly, chapter three explains the legal perspectives of the Torrens system specifically compensation fund. Lastly, the final part of this research paper; chapter four discuss the mechanism in applying and incorporating the compensation fund into the National Land Code 1965.

1.1 Research Background

Pre dating the introduction of the Torrens System, laws governing land matters differ from one state to the other. Tanah Melayu was divided into three parts, which are the Straits Settlement, the Federated Malay States (FMS) as well as the Unfederated Malay States (UMS), each with its own regulations relating to land transactions and ownership. Before the occupation of British, all land was deemed to belong with the Ruler, and his subjects are allowed to cultivate the

¹ E.A.Martin & J.Law, *A Dictionary of Law*, (Oxford University Press United States 6th Ed. 2006)