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Mahathir-rubber

MAHATHIR: MEGA PROJECTS NOT USING ENOUGH RUBBER

KUALA LUMPUR, April 28 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today the use of rubber products in local mega-projects under construction is not encouraging.

Perhaps, he said, this happened because project consultants, architects and engineers did not get sufficient exposure to such products.

Opening the Malaysian International Rubber Products Exhibition Centre here, Dr Mahathir hoped that for major projects being planned now, parties and policy-makers involved would be familiarised with Malaysia-made products.

"We must create the confidence in our rubber-based products for use not only in mega-projects but all development projects. I hope in future due emphasis should be given to the use of our own products in development projects," he said.

Dr Mahathir said: "If we ourselves are not willing to use own products, obviously foreigners will have less confidence in them."

On the exhibition centre, located at the Rubber Research Institute (RRI) in Sungai Buloh near here, he said it would become an information and reference centre for those interested in the manufacturing of rubber products.

The centre would also expose local entrepreneurs and attract them to venture into the manufacturing of rubber-based products.

Rubber can be used for the manufacture of 10,000 types of products but of this, only a small amount is produced in Malaysia, he said.

Dr Mahathir also said that the exhibition centre, sited in the centre of "the city of rubber" which would be privatised soon, will act as a catalyst to the development of the manufacturing of rubber products.

Entrepreneurs, manufacturers, consumers, importers and exporters as well as researchers would be able to converge at the centre in efforts to enhance the level of the country's rubber manufacturing sector.

The Prime Minister also said that Malaysia was still producing products to be supplied to foreign distributors with renowned brand names.

These products were accepted as foreign products and usually such distributors would obtain more profits due to their brand names pasted on the products.

"While we, who produced the high quality products, get less profit," he said.

It was time for Malaysia to create, design and produce its own products with its own brand name, he said.

"There is no reason why we cannot market products with our own brand name if the quality is the same and the price is appropriate," he said.

"Sooner or later, our products will be accepted and our own brand name will have a premium which is at par with foreign brands," he said adding that Malaysia has succeeded in marketing the Standard Malaysian Rubber (SMR) as quality rubber.

Dr Mahathir said Malaysia was currently the world's fifth largest consumer of natural rubber and the largest consumer of latex but 70 per cent of the rubber used was in the form of latex.

"This is due to our industry which is more focused on the latex dipped subsector," he said.

There should be continued efforts to diversify the rubber manufacturing sector to make it more stronger, Dr Mahathir said.

He said export value has increased from some RM390 million in 1986 to RM4,000 million in 1996.

Export value of rubber-based products exceeded the export value of natural rubber beginning 1992 except in 1995 when prices of rubber were high, he said.

"This resulted in the export value of the rubber industry to total RM7,700 million, without taking into consideration contribution from the rubber-wood furniture at some RM1,400 million," Dr Mahathir added. --

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