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Rubber

MAJOR RUBBER PRODUCERS SHOULD MEET TO DISCUSS PRICES, SAYS KENG YAIK

PANTAI REMIS, Nov 2 (Bernama) -- Primary Industries Minister Datuk Seri Dr Lim Keng Yaik today proposed a meeting of trade and economic ministers of the three major Asean rubber producing countries and private rubber suppliers with buyers to stabilise and improve the prices of rubber.

He also suggested that the next Asean Economic Ministers Meeting discuss a marketing strategy for the commodity due to the lack of coordination and cooperation among the Asean rubber producing countries -- Indonesia, Thailand and Malaysia -- in the marketing of rubber.

At present, the prices of rubber quoted by the buyers and the private sector especially tyre manufacturers were low and fluctuating while the three producing countries supply the commodity at different prices, he told reporters after visiting Changkat Keruing, about 20km from here.

He said that although the prices of rubber had increased following the depreciation of the Ringgit, the rates were still very low compared to the prices of other commodities like palm oil and cocoa.

Dr Lim said that the prices of palm oil, cocoa and timber increased between 30 and 35 per cent due to the depreciation of the Ringgit, but the price of rubber only increased by 13 per cent, from RM2.60 in July to RM2.90 at present.

During the same period, the price of palm oil increased from RM1,200 per tonne to RM1,700, while cocoa increased to RM5,000 from RM3,000 per tonne.

Dr Lim said the low and fluctuating prices of rubber were due to some buyer countries and companies quoting different prices causing several rubber producing countries to produce rubber in surplus.

To stabilise the prices of rubber, he also suggested that the trade and economic ministers from the three countries visit several leading tyre companies like Goodyear in the United States, Michellin in Europe and Brigestone in Japan, the major buyers of rubber.

He said that it was important for these three producing countries to take firm actions to stabilise the rubber prices rather than focusing on production capacity and production of the neighbouring countries.

The depreciation of the Ringgit and other Asean currencies should have led to increased foreign exchange as trade was done in the US dollar, he said.

Meanwhile, commenting on DAP secretary-general Lim Kit Siang's challenge to him to have an open debate three days prior to the Sungai Bakap by-election, Dr Lim who is Gerakan president said that it was childish.

He said that the opposition leader had only now made his appearance after two years' absence after the party met its greatest defeat, in the 1995 general election especially in Pulau Pinang.

Dr Lim urged the residents of Sungai Bakap to vote for the Barisan Nasional's Lai Chew Hock, who will be contesting against DAP's Goh Kheng Huat and two Independents, Abu Harith Ahmad and K. Ganesh in the by-election on Nov 8.

He said that Lim was a dubious character, claiming to support the leadership of Prime Minister Datuk Seri Dr Mahathir Mohamad in Parliament but acted otherwise during the by-election campaign.

He said that under the BN state government led by the Gerakan, Pulau Pinang's economy continues developing with its rapidly growing industries

having benefited the workers. -- BERNAMA
RZS ATI RM