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PM: USAGE OF RUBBER IN MAJOR LOCAL PROJECTS NOT ENCOURAGING

KUALA LUMPUR, April 28 (Bernama) -- Prime Minister Datuk Seri Dr Mahathir Mohamad said today the usage of local rubber products in major on-going projects was not encouraging.

This could be due to the fact that consultants, architects and engineers were not receiving enough exposure, he said.

Speaking at the opening of the International Rubber Products Exhibition Centre, Dr Mahathir hoped the relevant parties and other policy makers would be exposed to the use of more Malaysian rubber-based products.

"We must have faith in the use of our own rubber-based products not only in the projects concerned but in development projects on the whole. I hope in future relevant emphasise would be given on the use of our own products in development projects," he said.

Dr Mahathir said: Foreigners will have less faith in our products if we ourselves are not willing to use it," he said.

On the exhibition centre situated in the compound of the Rubber Research Institute (RRI) at Sungai Buloh, 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 developed on a privatisation basis 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 is still producing products to be supplied to foreign distributors with renowned brand names.

These products are 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, adding that the time has come for Malaysia to create, design and produce its own products with its own brand name.

"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 is currently the world's fifth largest consumer of natural rubber and the largest consumer of latex but 70 percent of the rubber used is in the form of latex.

"This is due to our industry which is more focused on the latex dipped subsector," he said, adding that there should be continued efforts to diversify the rubber manufacturing sector to make it more stronger.

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

The Prime Minister also said that export value of rubber-based products exceeded the export value of natural rubber beginning 1992 except in 1995 when prices of rubber were high.

"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," he said. -- BERNAMA

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