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Rubber smallholders seek extra RM300m

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THE Malaysian National Smallholders Association (PKPKM) has requested for an additional RM300 million from the Treasury for the replanting of rubber.

Its president, Datuk Ahmad Arshad, said the additional allocation can be used to finance the re-planting of rubber which is expected to cover 40,000ha to 45,000ha a year under the Seventh Malaysia Plan (1996-2000).

"Simultaneously, the fund can help 100,000 smallholders which are categorised in the lower-income group and 500,000 others which are affected as their rubber estates can no longer provide income," he said in Kuala Lumpur yesterday.

The association, he said, had send a letter to Deputy Prime Minister and Finance Minister Datuk Seri Anwar Ibrahim on the matter.

At present, Ahmad said the Government allocates RM112 million a year to the the Rubber Industry Smallholders Development Authority (Risda) for the replanting of rubber. With such an allocation, Risda can only replant 15,000ha of rubber trees every year.

If the additional allocation is approved, Ahmad said it could develop 300,000ha of rubber smallholdings in the country and, at the same time, create jobs.

Replanting of rubber, he added, is taking place at a slower pace due to the lack of financial assistance.

"The Government has granted RM500 million to help small Bumiputera entrepreneurs ...we are asking for an additional RM300 million to help the rubber smallholders," he said.

Ahmad said accelerating the replanting of rubber will boost the exports of the commodity, which is expected at between RM15 billion and RM20 billion by the year 2010.

The association is also calling for Risda to be under the purview of the Primary Industries Ministry.

It has sent a letter to Prime Minister Datuk Seri Dr Mahathir Mohamad on the matter.

Ahmad denied that the request is "politically-motivated", saying that it is aimed at protecting the interests of the smallholders. Furthermore, he added, the ministry has more research and development activities which can further increase and improve rubber products.

Meanwhile, PKPKM has also called upon the Federal and State Governments to ensure Felda Palm Industries (FPI) Sdn Bhd offers fair prices for fresh fruit bunches (FFB) to Felda oil palm planters.

Ahmad said the price of FFB the FPI offers is said to be lower than what is offered by private factories and not in accordance with the standard price fixed by the Palm Oil Registration and Licensing Authority (Porla).

"Certain FPI factories offer about half that which is offered by private factories."

He claimed that at the moment although the price of palm oil is high on the international market, Felda settlers still do not obtain good prices as what FPI offers is much lower.

The FFB price offered by the FPI for FFB which is picked in the same year also differs from the price offered for FFB which is picked on the same day, he pointed out.

Apart from that, he claimed, FFB grading standards at FPI factories are also not in line with professional standards.

Ahmad urged FPI to be fair, offer competitive prices and adhere to the prices set by Porla, so that Felda oil palm settlers will sell their FFB to them.

He called on FPI to standardise the price rates for FFB at all its factories.

He also urged the local press especially companies which publish Malay newspapers to quote daily cocoa prices.

He said this will be a timely move as the price of the cocoa has risen recently to RM5 per kg.

He explained that the publishing of cocoa prices in Malay newspapers will be helpful to smallholders who are mostly Bumiputeras and who will thus be aware of the going rates for cocoa.

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