

19 MAY 2001

Mahathir-Palm Oil

DIVERSIFY CROPS, LIVESTOCK - PM TO OIL PALM GROWERS

JOHOR BAHRU, May 19 (Bernama) -- The Prime Minister today advised oil palm smallholders not to be dependent only on one commodity for their income and instead diversify their crops and livestock rearing activities in line with the New National Agriculture Policy.

They could cultivate fruit trees, vegetables and herbs which could cure certain diseases and also rear ducks and turkeys instead of just focusing on chicken and cattle, Datuk Seri Dr Mahathir Mohamad said.

The Prime Minister who is on a two-day visit to Johor was speaking at a luncheon at Saujana, the Johor Menteri Besar's official residence here. Some 2,000 people including Barisan Nasional Secretary-General Tan Sri Mohamed Rahmat, Information Minister Tan Sri Khalil Yaacob, several other Cabinet Ministers and representatives of Non-Governmental Organisations (NGO) attended the function.

Johor is one of the biggest producers of palm oil in the country and has the largest concentration of palm oil refineries in Pasir Gudang.

Dr Mahathir said diversifying crops and livestock rearing could help cushion the effects of the fall in the price of palm oil in the world market.

Dr Mahathir noted that when palm prices shot up markedly in the world market some 15 years ago, many smallholders chopped off their rubber trees and went into oil palm cultivation.

"Their action caused the country's palm oil exports to increase five fold from two million tonnes to 11 million tonnes," the Prime Minister said.

By growing food crops, the farmers would be helping in the development of the country's food industry and also producing food items for export, he said.

Oil palm growers could also venture into fresh water fish breeding and take up handicraft making particularly those with the necessary skills in using natural resources with full commitment, the Prime Minister said.

Dr Mahathir said Johor being a major producer of palm oil could switch to the alternatives mentioned in view of the vagaries of the oil palm market.

"At one time the price of palm oil topped RM2,400 per metric tone when the country was going through a recession but when the economy improved as at present, its price went down," he said.

Dr Mahathir also advised the people to plan their finances well and invest their money in trust schemes or keep their money in the bank in good times.

"It is better for us to manage our domestic finances well so that we will not face many problems when the downturn sets in," he added.

Earlier, Dr Mahathir who is Umno President had a meeting with Johor Umno leaders at the Umno office in Jalan Yahya Awal here.

Dr Mahathir later left for Sabah.

-- BERNAMA

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