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Call to tap into RM2b imported beef market

KLUANG, Sun. - Plantation owners should tap into the RM2 billion annual demand for imported beef in Malaysia by breeding foreign high-quality cattle, Tun Dr Mahathir Mohamad said today.

By resorting to integrated farming, plantation owners could sharply raise their profit margin and help reduce dependence on imported beef, added the former Prime Minister.

Visiting a cattle farm specialising in breeding Argentinian Brangus at Padang Hijau here, Dr Mahathir said he was baffled as to why plantation owners refused to venture into cattle breeding despite its lucrative returns.

He said oil palm plantations were excellent breeding ground and it needed 1.2 hectares each to graze, adding that high-quality foreign breeds like the Brangus yielded twice as much beef as local cattle.

"Every year, we import around 200,000 head of cattle at a cost of RM2 billion.

"If we could reduce this amount by breeding our own cattle, then it would also help cut back on currency outflow.

"If plantation owners do not want to do it themselves, then they could always get others to do it for them.

"But they don't seem to be interested even though they could have a supplementary income," he said.

Dr Mahathir appeared impressed with the operations of Padang Hijau farm, reputedly the first in the country to breed imported cattle on a large scale under the national development programme of the local cattle industry.

The 280ha farm belongs to Malaysian company Kris Agritech Sdn Bhd, which over the next five years aims to supply one-third of the country's demand for imported live cattle, now estimated at 67,000 head of cattle.

After a short briefing on the cattle breeding operations here involving a 1,500-strong herd, Dr Mahathir was given a quick tour of the facilities.

He was then treated to lunch with Brangus beef on the menu.

Dr Mahathir gave the thumbs-up to the Brangus cattle, which he said weighed a hefty 450 kilogrammes when ready for slaughter and produced quality beef that was similar to imported prime cuts.

He expressed hope that Malaysia could reduce its dependency on imported beef, which now made up 81.5 per cent of the national demand, by becoming more self-sufficient in domestic beef production.

"We have tried for years to set up cattle farms, but lacked private sector support since no one heeded the Government's call to start cattle farms, especially on oil palm plantations.

"I hope that with the Kris Agritech effort, which is a solely Malaysian venture, we can now have our very own large-scale cattle-rearing industry in the country," he said.