

UCAPAN Y.A.B. PERDANA MENTERI,
DATUK HUSSEIN ONN, DI UPACARA
MERESMIKAN PERSIDANGAN DAN
SIMPOSIUM KELAPA SAWIT
ANTARABANGSA DIBILIK NIRWANA,
HOTEL HILTON, KUALA LUMPUR
PADA 14HB JUN, 1976, JAM
10.00 PAGI

Y.B. Datuk Musa Hitam,
~~Menteri Perusahaan Utama,~~
Minister of Primary Industries.

~~Y.B. Menteri-Menteri,~~
Honourable ministers.

~~Tuan-tuan Yang Terutama,~~
Your Excellencies.

~~Distinguished Delegates dan~~
Ladies and Gentlemen.

~~Tuan-tuan dan Puan-Puan sekalian,~~

Saya berasa amat sukacita kerana dapat bertemu muka dengan pakar-pakar dalam perusahaan Kelapa Sawit, dan seterusnya meresmikan Persidangan dan Simposium Kelapa Sawit Antarabangsa pagi ini. Terlebih dulu, sukalah saya menucapkan tahniah kepada penganjur Persidangan dan Simposium ini, atas dayausaha mereka menyusun dan mengaturkan acara Persidangan dan Simposium serentak ini.

Distinguished Delegates,
Ladies and Gentlemen.

1. It is a great honour to me to be invited to open this morning the International Oil Palm Conference and the International Symposium on Palm Oil Processing and marketing. I would like to congratulate the sponsors of the Conference and the Symposium — that is, the Malaysian Agricultural Research and Development Institute (MARDI), the Oil Palm Growers' Council, the Malaysian Palm Oil Producers' Association and the Incorporated Society of Planters — for their initiative

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and efforts in organising them. Present
at these conferences and symposium are many
experts in the oil palm industry, and to

those who come from abroad, I would
like to bid them a very warm welcome
to our country.

I am informed that this conference
cum symposium is the fifth in the series.

As you probably know, the agricultural sector
will continue to remain the largest contributor
to the Gross Domestic Product (GDP) in Malaysia.

(1976-1980),

Under the Third Malaysia Plan, agriculture

will continue to be the largest source

of employment providing about 126,000

new jobs or 17% of total new employment

in the country, raising total employment

in the sector to about two million in

1980. The bulk of the jobs created will

be in new land development schemes.

3. For many years, before and after the Second World War, Malaysian economy had solely depended on rubber and tin. This of course was a great disadvantage. Thus since the early sixties,

we have begun to diversify our economy,
 and among the agricultural ^{cross} diversification,
 we have gone for the oil palm in a big
 way. During the second Malaysia Plan period
 (1971-1975), about 288,000 acres of new land
were planted with oil palm by the Federal
 Land Rehabilitation and Consolidation Authority (FELCRA)
alone. This does not include the acreage planted
 or replanted by private estates and State
 Economic Development Corporations. Over 13,700
families were settled.

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Production of palm oil increased by 200%

from 424,000 tons in 1970 to 1,276,000 tons

in 1975. Kernel production increased

from 91,000 tons to 252,000 tons.

The acreage under oil palm in Peninsula

Malaysia increased by 115% during 1971-1975

from 667,380 to 1,436,000. Smallholdings

accounted for 43% of the total acreage, while

the remaining 57% was under estates.

In Sabah, the area under oil palm increased

by 49% to 142,000 acres, and in

Sarawak from 2,400 acres to 37,500 acres.

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As regards export performance during the period 1971 - 1975, in 1971 the volume (valued at M\$ 380 m) of palm oil exported was 564,000 long tons whereas in 1975, the volume was 1,026,000 long tons valued at M\$ 1,268 m. As regards palm kernel oil, in 1971 the volume exported was 5,000 long tons valued at M\$ 4 m, whereas in 1975 it was 104,000 long tons valued at M\$ 107 m. In 1975, palm oil was notably the second biggest export earner after rubber.

Statistics are always tiresome, nevertheless my reason for quoting them is to emphasise the importance of the oil palm industry to economy and well-being of the people of this country. Such being the case, this

conference and symposium, therefore, is very timely bearing in mind that the industry is now and will in the future have to face stormy weather.

6. May I tie you a bit more by quoting you a few more statistics. As we all know, palm oil has become a major rival for an increasing share of the world market for fats and oils. From a modest share of 4% of the world's exports of fats and oils in 1961, palm oil now constitutes about 13% of the world's total trade in this group of commodities.

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Malaysia alone accounts for about 52% of the world's production and 67% of the palm oil export. In the last few years, there has also been a growing expansion ~~of~~ in the production of other vegetable oils, such as soyabean oil, coconut oil, rapeseed oil (I can't understand the reason for the name — perhaps this oil, which is the product of an immoral act should be condemned, avoided and boycotted) sunflower seed oil etc. Thus the prices for all these types of oil have been very competitive resulting in ~~violent~~ ^{violent} fluctuations from time to time. Something must be done

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about this, as well as other matters associated with palm oil industry. It is indeed fortunate that there are dedicated people, such as you are, who are conscious of the problems and challenges which beset the industry, and who from time to time ~~meet~~ ^{get} together to find solutions to these problems and devise ways and means to meet these challenges.

I am informed that there are more
than 80 papers (80? am I informed correctly)
which will be discussed at this conference
and symposium. With such a number of papers,
the problems faced by the industry must
indeed be many. However, I am aware
that there are many problems, not that I
am an expert in this field, but because
my colleague, the minister of Primary Industries
has told me so. In this matter, I have
to depend primarily on his advice and
judgment, because in matters of primary
industries, they are primarily his responsibilities.

8. As the palm oil industry in this country is a relatively new one, research work on all its aspects is obviously of the utmost importance. For examples, research on the use of fertilizers, inter-cropping, protection against crop losses due to weeds, diseases and pests, production cost, marketing, transportation, milling, quality and yield improvements, new uses of palm oil, utilization of waste products, ^{and refining,} effect on the environment, processing, bulking, and many others.

9. In Malaysia, for a number of years now, we have carried out research activities on oil palm both by the private sector as well as by government agencies such as the Rubber Research Institute and MARDI. I am told that the Chemara Research Station in the State of Johore is one of the best in this part of the world. This piece meal research structure may be alright to start off with. We need more than this in the future. I believe nothing less than a full-fledged Research Centre should be considered.

10. To improve the marketing system of palm oil in this country and to facilitate increasing export of palm oil, arrangements are being made to establish a Palm Oil Exchange in Kuala Lumpur.

As the industry expands, some measure of co-ordination is necessary to maintain the quality, production and viability of the industry. With this end in view, we propose to establish a Palm Oil Registration and Licensing Authority (PORLA). Eventually, we would be thinking of establishing a Standard Malaysian Palm Oil scheme, as has been done with regard to rubber.

11. In conclusion, may I once again welcome
 you all to Malaysia, and I hope that in
 spite of the 80 working papers that you
 have to digest and discuss, you will still
find ^{some time} ~~some time~~ to have a look around
 and see our country and meet our people.

I now have great pleasure in
declaring open the International Oil Palm
 Conference and the International Symposium
 on Palm Oil Processing and Marketing, and
 wish you all every success.

Thank you.



PERKHIDMATAN
ARKIB PERDANA MENTERI



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