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NEWS

Add value, PM tells smallholders

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NEW THRUST: Don't just remain producers of palm oil and latex but find ways to increase revenue, says Najib

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PRIME Minister Datuk Seri Najib Razak said yesterday smallholders should not only focus on producing commodities, but also must be involved in activities that add value to their produce and increase income.

"Apart from being more productive and practising good governance, they must also think outside the box and find ways to increase revenue from other activities. Smallholders should not remain only as the producers of palm oil and latex."

Najib was speaking at the dividend presentation ceremony and launching of Smallholders Young Generation Programme or GeMPek here yesterday.

Najib said using the same approach, Malaysia was able to develop and prosper as it did not remain only as a commodity producer, but also actively participated in the whole chain — from planting of oil palm and rubber trees to the manufacturing and marketing of commodities and downstream products.

"There are many African countries, including those which gained independence almost at the same time as Malaysia, which could not prosper although they are rich with natural resources such as oil, iron ore and diamonds.

"They cannot enjoy the maximum benefits as they only focused on the production of the commodities while the downstream activ-



Prime Minister **Datuk Seri Najib Razak** being greeted by people before breaking fast at Masjid Chini 2 near Kuantan yesterday. Pic by Zulkepli Osman

ities and marketing are being controlled by multinational companies," he said, adding that he found this out at the Global Smart Partnership Dialogue in Tanzania.

Najib said the government regarded smallholders as the development thrust in rural areas while rubber and oil palm were considered the country's strategic commodities.

Therefore, when the prices of palm oil and rubber dropped, he said the government had approved a RM160 million one-off allocation to help affected smallholders.

"The prices of these commodities will depend on the global economy. For instance, it will depend on the ability of developed countries to pull through the economic crisis or whether China's economy can

expand further."

Najib said the Rubber Industry Smallholders Development Authority (Risda), which was the brainchild of his father Tun Abdul Razak Hussein, had also helped 401,454 smallholders nationwide.

They, he said, were the backbone of the oil palm and rubber industries in the country.

Through various programmes implemented by Risda, he said, smallholders' rubber production had increased 223 per cent from 717kg per hectare per year in 1973 to 1,604kg per hectare per year last year.

At the function, Najib handed over RM193.5 million in dividends to smallholders who joined Risda's new plantation and commercial replanting schemes last year and

this year.

A total of 16,080 smallholders were involved in the Clustered New Plantation Scheme while another 21,314 participated in the Commercial Replanting Scheme.

"The distribution of these dividends is timely as it will allow the smallholders to make preparations for Hari Raya," said Najib.

He said the government would allocate RM10 million for the implementation of programmes for smallholders' children under Risda next year.

Some 2,000 SPM candidates who were the children of poor smallholders will also get RM50 in monthly aid from Risda. On behalf of Risda, Najib also presented RM557,000 to five non-governmental organisations in Pahang.

Before breaking fast with the people at Felra Chini 2, Najib said Muslims in the country should be grateful that they could perform their religious obligations during Ramadan peacefully.

He said the situation was different in war-torn countries where Muslims had to fast under challenging conditions, adding Egypt was in serious conflict. "We have many Malaysian students there and we pray for their safety."

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