

Govt to change land use approach for plantation sector

BERNAMA

28/02/2019



PUTRAJAYA, Feb 28 (Bernama) -- The government has conducted a study to change the approach in land use in the country's plantation sector, says Prime Minister Tun Dr Mahathir Mohamed.

According to him, Malaysia was introduced to oil palm plantation sector during the era of

British rule which brought lucrative returns to the colonial master.

"But we were not aware they set up mega estates of more than 10,000 hectares and therefore were able to reap huge profits.

"On the other hand, local residents who imitated the old British method failed because our estates were more like small industries which are sometimes only two to three acres," he said when speaking at the Johor government and Federal government Leadership Retreat here today.

He said small industries would not be able to give high profits and may not even given sufficient returns as they are small estates.

As such Dr Mahathir said oil palm smallholders should change their approach to earn better revenue.

"If we have large plantations, a portion should be used for cash crops and should not only relied on oil palm which needed a long time to start generating revenue," he said.

The Prime Minister said the local people did not copy the method of oil palm plantation by the British comprehensively.

"We are aware oil palm gives us income but we not aware for the oil palm plantation to provide good returns, we need large plantations.

"As such, when the price of palm oil falls, we suffer and asked for subsidy from the government.

"This we have to correct, that is our small farms must be consolidated into a large plantation managed by professionals," he said.

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