

A saviour in bad times

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CONTRARY to popular belief, Malaysia's rubber sector is not a sunset industry, and the government has permanently categorised it as one of many strategic crops to assist the country's economy in bad times.

Malaysian Rubber Board director-general Datuk Dr Kamarul Baharain Basir said the commodity has proven to be a saviour to the country whenever other sectors of the economy are down.

"Due to this reason, rubber is here to stay and will always be a strategic crop, earning the country RM6 billion a year, of which 75 per cent are used for the tyre industry, Kamarul told Business Times at the board's headquarters in Kuala Lumpur recently.

(The RM6 billion revenue does not include other rubber-based products such as rubber gloves, condoms, catheters, rubberwood-based furniture and others).

Kamarul said for this reason, the board, which is the government custodian agency for the country's rubber sector, has earmarked land in states which are not suitable for oil palm to be planted with rubber, such as Kedah which is too dry for oil palm.

Other states include Pahang, Perak, Kelantan and Terengganu.

Kamarul, however, said Malaysia has a limited labour force and land to grow rubber, which currently spans over 1.2 million ha.

A majority of the 1.2 million ha are owned by 250,000 smallholders that churn 95 per cent of the country's rubber output.

As a long-term solution, the board is intensifying efforts to double or triple pro-

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Director-general
Malaysian Rubber Board

duction on the very same plot to to maintain its global position.

"Although Malaysia is no longer the world's largest rubber producer, we can still be a formidable player by more than doubling production at the very same hectare."

In terms of land availability, Malaysia can no longer compete with Thailand and Indonesia, but Kuala Lumpur can still be the world centre for rubber science, research and development (R&D) and other technological advantage.

Malaysia is currently the world's third largest rubber producer with an output of 1.2 million tonnes last year after Indonesia (2.7 million tonnes) and Thailand (3 million tonnes).

The three countries command up to 75 per cent of global output.

Kamarul said the government finds R&D in upstream, midstream and downstream segments as vital to push the industry ahead of other rubber-producing nations.

Because of this, the in-



A rubber tapper at work at a plantation in Beranang, Selangor. Better technology has enabled farmers to tap more latex from rubber trees. — Reuters picture

dustry now has better capacity, capability and knowledge to produce higher yielding rubber clones such as its 500, 600 and 2000 series.

"With better technology, rubber tappers can collect 80 grammes per tap per tree from 25 to 30 grammes before.

"In the long run, the industry aims to harvest 4,000kg per ha per year compared to the national average of 1,500 kg per ha per year."

Kamarul said through R&D, the industry can also produce better rubberwood trees, weighing 1.4 cu m from 0.8 cu m before.

About 80 per cent of rubberwood is exported in the form of furniture.

He added good agriculture practices and better technology such as the light-intensity tapping system helps the industry understand the rubber trees better.

The board funds its activities via a 4 sen cess collected for each kilogramme produced supplemented by various grants allocated by the Finance Ministry.