

CHAPTER I

INTRODUCTION

The purpose of this essay is to make a study of replanting in the rubber industry of Malaya. Most of us know that replanting is overwhelmingly important to the survival of Malaya. The rate of development in Malaya depends on the price of rubber. Whether development projects written in the development plans will be carried out or not is chiefly dependent upon the availability of funds, the size of which is, to a large degree, dependent upon the revenue collected from the export of rubber. Thus a fall in the price of rubber will bring forth less revenue than expected in the budget. To offset the fall in the price of rubber, which is anticipated in the near future, replanting with high-yielding rubber is the main theme of the day.

Replanting has been a difficult task since its commencement. It has necessitated Government participation in the form of subsidies without which the results of to-day would not have been achieved. In general, difficulties of and problems in the process of replanting has forced upon the Government to play a major role. Thus the Government has initiated various replanting schemes to help both the estate and the small-holding sectors of the industry.

The schemes organised by the Government to promote replanting are very induisive. Owners of rubber trees are paid to replant their trees and they themselves are to reap the yields when the trees have matured. As such we should expect very good responses from the people concerned. This is true of the estate sector which has even surpassed the target allotted. But with regard to the small-holding sector the responses have not reached the target allotted. It is this paradox that I have included as one of the objects of my study

The scope of my study covers replanting only in the Federation of Malaya excluding the other states in Malaysia because insufficient facts on them are available.

The method of my study is chiefly through interviews and secondary sources. In writing this essay it is not possible for me to launch a pilot survey to gather the necessary informations. But instead I have had some discussions with the Administrators of the estate and small-holding replanting. Furthermore, my discussion with a member of the Rubber Producers Council has also helped me greatly in writing this essay.