

THE SOCIOECONOMIC CONDITION OF PENINSULAR MALAYSIA'S INDIGENOUS HOUSEHOLDS INVOLVED IN SMALL-SCALE OIL PALM FARMING

Yew Wong Chin
Sia Mal Kong
Azman Ismail
Lim Jie Wei

ABSTRACT

Ever since palm oil industry replaced rubber industry as the largest share of the agriculture sector in Malaysia in the 1970s, the development of palm oil industry has expanded by leaps and bounds. Today, Malaysia is the second largest producer and exporter of palm oil in the world. In 2019, the palm oil industry contributed RM 38.24 billion to Malaysian GDP and provided close to 1 million employment (including downstream sector). This phenomenal development is mainly attributed to the versatility of palm oil as well as its superior productivity. To the delight of the government and researchers too, palm oil cultivation is proven to be a good match for the indigenous people where reasonable income level can be obtained to raise their socio-economic status while avoiding uprooting the indigenous community far away from their current settlement area. The purpose of this study is to describe the socioeconomic condition of indigenous households involved in small-scale oil palm farming in Peninsular Malaysia. The research methodology of this study employed a qualitative approach and the researchers interviewed 15 indigenous households from two indigenous villages of Pahang state in Peninsular Malaysia. In this study, six socio-economic issues emerge giving negative impact to their relationship as well as productivity to these indigenous small-scale oil palm farming households. Social conflict occurs within communities when certain households obtained additional income by expanding land-use for farming. Other issues include lack of land for new oil palm farm, lack of mechanisation equipment, health concerns, gender inequalities, and lack of training. This study has made some recommendations to enhance the socioeconomic development of the indigenous households through active participation of MPOB advisory unit as well as the training division.

Key words: socioeconomic condition, Orang Asli, oil palm

INTRODUCTION

The oil palm industry is one of the main engines of Malaysia's agricultural sector. This industry employed 4.7 million hectares of the total 6.6 million hectares of agricultural land, accounting for approximately 71% of the country's agricultural land-use (Lau, 2017). The palm oil industry has become the fourth largest contributor to the country's gross national income (GNI), contributing RM52.7 billion in 2009 and ballooned to RM178 billion in 2020 (Choo, 2011).

In the past, Malaysia used to be the largest producer of rubber and tin in the world. Rubber was still the mainstay of the country's agriculture in the 1970s, however, natural rubber suffered sharp drop in the price due to keen competition from synthetic rubber. Comparatively, oil palm has relatively stable prices and market demand had begun to replace rubber as the dominant cash crop in Malaysia's agriculture (Shevade and Loboda, 2019).

After gaining dominance in the agriculture sector in Malaysia in the 1970s. The palm oil industry has not look-back since and continued to increase in terms of acreage and contribution share in Malaysia's economy. Malaysia was the largest producer and exporter of palm oil in the world until it was surpassed by Indonesia in year 2008. Together with Indonesia, the two countries produced 85% of global palm oil. The success in the oil palm industry has made the Malaysian oil palm industry to be one of the key contributors to the Malaysia's Gross Domestic Product (GDP), foreign exchange earnings and creation of employment opportunities (Nambiappan, et al., 2018). This phenomenal development is mainly attributed to the versatility of palm oil as well as its superior productivity.

To the delight of the Malaysian government and researchers too, palm oil cultivation is proven to be a good match for the indigenous people where reasonable income level can be obtained to raise their socioeconomic status while avoiding uprooting the indigenous community far away from their current settlement area.

According to a study by Yew, et al. (2020) there are some indigenous households working as small-scale oil palm farmers in Peninsular Malaysia; whereby the Malaysian Palm Oil Board (MPOB) provides assistance in technical and training to the farmers. Findings from the study indicated that in 2011, under the MPOB first phase initiative, a total of 20 households participated in oil palm planting. Subsequently, 18 of them were allocated with 6 acres of land for each household. Another 2 households were each allocated 12 acres of land for the purpose of oil palm cultivation. From this initiative, the indigenous households are able to earn a monthly income ranges from RM500 to RM1500.

With the government's vigorous promotion and financial support, many indigenous farmers have begun their oil palm cultivation programmes in replacing earlier land use for rubber cultivation activities. However, over the years, many indigenous households who are involved with small-scale oil palm farming are dissatisfied with the actual difficulties. The indigenous youth particularly, portray similar attitudes as the mainstream's youth; that they are not interested in oil palm cultivation due to the working environment that are considered as dirty, dangerous and difficult (Azman Ismail, 2013).

Under this new initiative of oil palm cultivation by the indigenous households, how do they fare in this venture in term of adapting in a new working environment, ability to cope with varied tasks of an oil palm farmer and satisfaction level of income attained? Thus, this study aims to explore the social and economic situations of Orang Asli households involved in small-scale oil palm farming. Also, this study is significant as the Malaysian government as well as the international organizations that promote oil palm argue that this crop through small-scale, household farming has brought development through the creation of job opportunities for the indigenous poor communities, even through large-scale plantations.

ISSUES OF ORANG ASLI HOUSEHOLDS IN SMALL-SCALE OIL PALM FARMING

Agricultural activities among the Orang Asli are often associated with land ownership issues. Based on the Aboriginal Peoples Act 1954, the customary land of Orang Asli includes the areas occupied by them and the surrounding area. However, land is under the jurisdiction of the state government and there is no recognition of customary land unless proper registration of title of land is given to the Orang Asli. Currently, Orang Asli communities work on the land without interference from the authorities. This is due to the goodwill, assistance and courtesy of the state government. Nevertheless, without given proper title to the land, the Orang Asli communities lack security support, and face employment uncertainty as well as land ownership rights (Hooker, 1970).

The Aboriginal Peoples Act 1954 is the main act related to Orang Asli, which does not resolve the land ownership of Orang Asli. Therefore, it is no longer suitable for current era. There is no uniformity between state government on land ownership in Orang Asli settlement areas. If there is a necessity, the state government will take over ownership of the land based on existing legislation. And, the compensation will base on negotiations between the two parties, the state government and the Orang Asli community. Due to this concern, on 27 May 2019, the Ministry of Primary Industries Malaysia (currently known as Ministry of Plantation Industries and Commodities) urged the Chief Ministers in Peninsular Malaysia to facilitate land ownership under the Orang Asli oil palm cultivation program as land ownership is a key prerequisite in awarding the Malaysian Sustainable Palm Oil (MSPO) standard to the oil palm smallholders, of which this includes oil palm crops cultivated by Orang Asli farmers.

The study by Institut Darul Ridzuan (IDR 2014) in 2014 in Mukim Ulu Kinta, Ipoh, Perak focused on socioeconomic and environmental aspects in the Ulu Kinta catchment area with a population of around 1500 people. Based on the study, the Temiar tribe in the area was still carrying out subsistence economic activities such as collecting non-wood produce from the forest such as rattan, bamboo, herbs, petai, durian and fishing from the Upper Kinta River. However, over the years, the main source of income for the Temiar community in the area is no longer from the collection of forest produce, but from working and cultivating oil palm at the small-scale farms they owned according to individual household.

In fact, 60% of the Temiar tribe at the Ulu Kinta catchment area depends on agricultural activities, especially in the oil palm plantation sector. The agricultural sector from oil palm plantations is able to support the economic needs of their families besides promising a significant income of around RM400-RM700 per month (IDR, 2014). This case study of Temiar small-scale oil palm farming at Ulu Kinta catchment area is just one example of many studies that demonstrate oil palm cultivation has actually helped the Orang Asli communities to improve their livelihood by having a more stable income from palm oil. Similarly, a study by Junaidi and Yew (2018) on the Jah Het tribe living in the indigenous village of Sungai Mai, Jerantut, Pahang found that the indigenous households as well as the members of the households, who worked and operated small-scale oil palm farming were very satisfied with their monthly household income status.

Subsequently, Malaysian government assisted the indigenous small-scale oil palm farmers so as to enjoy the income prosperity from the national palm oil industry as well as to meet global sustainability criteria. Among the sustainable programmes conducted for the indigenous farmers is the Jom MSPO Orang Asli, which has been held nationwide since 2017 to enhance the awareness of MSPO certification ("Most oil palm with MSPO", 2020). The Malaysian Sustainable Palm Oil (MSPO) certification scheme is the national scheme, launched in 2015, aims to ensure Malaysian palm oil is sustainably produced and safe for consumption.

Internationally, a study by Jelsma et al. (2017) successfully elaborated the multitude of challenges faced by the indigenous oil palm smallholders in Sumatra's Riau province, with a focus on Rokan Hulu district. In the study, majority of the indigenous smallholders farmers are the Malay, Batak and Javanese farmers, who mostly migrated one generation ago, comprise 19.4% of smallholders farmers, who on average have a 1.2 hectares (approximately 3 acres) plot size. Additionally, these small local and migrant farmers derive an estimated net income of between 1.5 and 2.0 million IDR (approximately RM430 – RM570) per month from oil palm cultivation. There is similarity between these Riau indigenous smallholders and the small-scale indigenous oil palm farmers in Peninsular Malaysia – both were engaged in agriculture prior to adopting oil palm. Moreover, findings of the study show that many indigenous small-scale farmers were engaged in the cultivation of other crops, notably rubber and to a lesser extent paddy.

METHODOLOGY

Sampling, in-depth interviews and data analysis

Through simple random sampling (Flick, 1998) and snowball techniques (Berg, 2001), a total of fifteen (15) small-scale oil palm farmers from two indigenous villages (Kampung Sungai Mai and Kampong Sungai Kiol) of Pahang were interviewed periodically throughout June 2020 to September 2020. In addition, family members of the farmers such as wives and their children were also directly involved in the interview sessions through informal discussion sessions over the telephone. All the names of the informants stated in the manuscript are pseudonyms to protect the confidentiality of participants.

The Malaysian Palm Oil Board (MPOB) initiative scheme was conducted in the indigenous village and has indirectly assisted the Orang Asli households in small-scale oil palm cultivation activities. Most of the participants selected undergone full training on the oil palm farms including cultivation and farming management to create sustainability of oil palm, environmental management, replanting of oil seeds, management of pests and plant diseases as well as best management practices during the oil palm harvesting process.

Next, through the telephone interview method (due to Covid-19 pandemic), the researchers conducted the interview session for around 20 to 30 minutes. Revisit in telephone interview to the participants were carried out should the interview findings were not sufficient for the research objectives.

Interview data were then analyzed using qualitative content analysis (Flick, 1998). The data that has been completely transcribed will be classified first through certain main categories, then classified and analyzed further into other subcategories. Typically, the content of a manuscript will be determined through subthemes and main themes (Kvale, 1996). Language of communication during the interview used is the Malay language because it is the language of communication used by the indigenous communities in creating social relations with mainstream society.

FINDINGS AND DISCUSSION

The results of the study found that these indigenous small-scale oil palm farming households face six social and economic issues such as social conflict occurs within communities due to different income level when certain households obtained additional income by expanding land-use in farming in the village. Other issues include lack of land for new oil palm farm, lack of mechanization equipment, health concerns, gender inequalities, and lack of training.

Social conflict occurs within communities

Social conflict occurs within communities due to different income level when certain households obtained additional income by expanding land-use in the village for oil palm cultivation. It is deemed as unfair practice when others couldn't capitalize on additional land-use or lack of land for new oil palm cultivation. Nevertheless, the better income households argued that it is through their own initiative and efforts to sought for new land within the village, also these new lands are situated much further from their existing farm, without any assistance especially from MPOB. This social conflict resulted in disharmony among different households and social interactions between the neighborhoods have reduced over time.

As Lutz (2005) explains, most indigenous peoples are geographically and politically isolated. Worldwide, almost everywhere, indigenous peoples do not have the same access to political participation, economic assets, income, education, or social status that other groups within the indigenous country enjoy. Thus, because indigenous peoples tend to be poor and marginalized, they tend to be envious of their neighbor success and this creates conflicts within indigenous communities.

Lack of land for new oil palm farming

Orang Asli households participated in the small-scale oil palm farming discovered that their income level had increased and became much more stable than in the past. This income level is able to provide a sustainable and better livelihood to their families. Besides, other members of the family also become more productive by performing farming tasks together with the family head. Thus, they would like to encourage their children to venture in this industry. As a result, youths in the indigenous villages have submitted their application for allocation of land for oil palm cultivation purposes. Additional land for oil palm cultivation will translate into additional income for each household, thus, it is natural for each household to compete for more land. If there is a limitation of new land, they definitely will clamour for more land.

Similar situation of lack of indigenous farming land happens in Indonesia, but with greater negative social impact and it is elaborated in a study by Li (2018). Drawing on ethnographic study in the oil palm zone of West Kalimantan in Indonesia, research findings indicated that increased pressures on lands and illegal land acquisition or grabbing exacerbate weak governance of the sector, damaging the credibility of overall oil palm plantations in Indonesia.

Lacking of mechanisation equipment

Oil palm cultivation is very labour intensive particularly in carrying out harvesting and collecting operations, in which the fresh fruit bunches (FFB) can weight around 20 to 30 kg per bunch. By having mechanical harvesting machine, in-field transporter and loose fruit collectors (such as grabber and motorcycle trailer), it will improve the labour efficiency greatly as well as increase their income level. However, most of these small-scale farmers are unable to afford these equipment due to the small scale of operation.

According to some households, they were unable to harvest tall palms, this technology will reduce their dependence on foreign labour. Increased mechanization of farm tasks will also attract local youths into oil palm farming.

Health concerns

There are increasing health issues due to farm activities in cultivating oil palm, such as the effects of using pesticide and herbicide. As a result, they suffer from skin rashes and headaches. Even though training has been provided by MPOB, the farmers do not carry out proper guidance such as in wearing PPE (Personal protective equipment). Also, due to the usage of such toxic solution, residue is found on the surface water, groundwater as well as in the river where the indigenous community come into contact.

Hossain, et al. (2010) investigated pesticides exposure among oil palm farmers, including plantation workers in Sabah, Malaysia. Frequent exposure to a range of pesticides was reported to increase the risk of having abnormalities in three out of five semen quality parameters (sperm count, motility and teratospermia), although differences were not found by type of pesticide (paraquat or malathion) and the study sample sizes were small (62 exposed).

Gender inequalities

Several households in this study have most of their family members participating in the oil palm farming. However, the head of the household will only allocate pay or salary for adult male members but not to the adult female members. This is widely practiced among the indigenous households. Also, adult female members are not encouraging to make application for new land for their own oil palm cultivation. This imbalanced treatment or behavior stems from traditional gender norms of the indigenous communities.

Lengga Pradipta (2017) in her study investigates on the current situation of the oil palm industry in Indonesia and particularly focuses on how women survive as workers of these oil palm companies. Pradipta's research findings reveal that women workers have more dangerous duties and more physically demanding roles than men workers. In Riau and West Sumatra, oil palm plantation work is designed to be easy but can be very challenging for women. An example of this is the spraying of pesticides. The companies did not provide protective tools such as gloves and masks. This affects the whole family's health because when women get home, they have to prepare food.

Lack of training and skills

The small-scale indigenous household farmings are still weak in many areas of oil palm cultivation, like the proper handling of pesticide and herbicide, FFB grading, as well as financial planning. Almost half of the indigenous households claimed that they have not received proper training in oil palm cultivation and those that received the proper training from MPOB had not imparted such knowledge and skills to other members of the family except through rote learning in the field. They believed that with regular training provided to them, they will be able to improve their productivity and farm management.

CONCLUSION

The indigenous households participating in the oil palm farming are satisfied with the current social and economic conditions attained. Even though, their performance is still considered below par for an average oil palm grower. Anyway, they are optimistic that they could further improve their wellbeing if issues highlighted above in the study can be addressed. However, the impact of the social and economic challenges encountered by the small-scale farmers confirm the need of governmental policies in the enforcement of regulations requiring these indigenous oil palm farmers obtain MSPO certification. This study proposes that efforts should be made to enhance the socioeconomic development of the indigenous households through active participation of MPOB advisory unit as well as the training division.

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Yew Wong Chin

Faculty of Social Sciences and Humanities

National University of Malaysia, 43600 UKM, Bangi, Selangor, Malaysia

Email: vivienyew@ukm.edu.my

Sia Mal Kong

Faculty of Built Environment

Tunku Abdul Rahman University College, 53300 Kuala Lumpur, Malaysia

Email: siamk@tarc.edu.my

Azman Ismail

Economics and Industry Development Division

Malaysian Palm Oil Board, Wisma Sawit, 47301 Kelana Jaya, Selangor, Malaysia

Email: azman@mpob.gov.my

Lim Jie Wei

Faculty of Social Sciences and Humanities

National University of Malaysia, 43600 UKM, Bangi, Selangor, Malaysia

Email: p98201@siswa.ukm.edu.my