



SOUTHEAST ASIAN COUNCIL
FOR FOOD SECURITY AND
FAIR TRADE
(SEACON)

SESSION 4
FTA: PROSPECTS ON MALAYSIAN
FOOD SECURITY AND IMPACT ON
CONSUMERS

ASLI
AgriTech & Biotech Forum

30 March 2010

3 KEY POINTS:

1. Food Security of Malaysia has been compromised from availability, accessibility, affordability, and acceptability aspects, despite the various initiatives in FTAs to improve the economy of country.
2. Liberalization has produced higher economic growth (based on GDP), but has not translated to better employment and income.
3. FTA could present imbalance and detriments to the interest of Malaysia and the general public.

1. Food Security of Malaysia has been compromised from availability, accessibility, affordability, and acceptability aspects, despite the various initiatives in FTAs to improve the economy of country.

- **Availability** - the food crisis and shortage of flour, sugar, cooking oil, etc.
- **Accessibility** – export ban on rice by exporting countries
- **Acceptability** – food safety (melamine, dried fruits with lead, products labeled in foreign languages)
- **Affordability** – increase in food prices (chicken), coupled with stagnant wage rates, and unemployment

2. Liberalization has produced higher economic growth (based on GDP), but has not translated to better employment and income.

Malaysian Trades Union Congress General Secretary G. Rajasekaran, "...with the FTAs, there would hardly be any noticeable impact on the local job market." (MEF, 16 Jan 2010)

Wage Rates	1987 (RM)	2010 (RM)	Non-Exec in manufacturing sector
Asst. Accountant (F)	750 - 850	849 – 1862	Account clerk
Personnel / Exec Officer (F)	900 - 1 ,200	777 – 2,040	General Clerk
Technical Assistant (F)	700 - 900	792 - 1,664	Technical Asst.
Welder	390 - 920	813 -1,879	Wireman/Welder
Production Supervisor	530 - 1700	1,513 - 3,001	Production/Technical Supervisor

(F) Fresh recruits

Source: compiled from MIDA and MEF

FTA could present imbalance and detriments to the interest of Malaysia and the general public.

- The five core elements of an ASEAN single market and production base are
 - free flow of goods -
 - free flow of services,
 - free flow of investment,
 - freer flow of capital and
 - freer flow of skilled labor.



Thank YOU

With FTAs....

**It is easy to get everything you want, provided
you first learn to do without the things you
cannot get.**

Elbert Hubbard