

Privilege Speech
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RICE SHORTAGE

By Councilor Pilar C. Braga, PhD

Madam President, as early as March 10, there had been “warnings” in newspapers by international food specialists and global agriculture scientists about the coming food emergency particularly rice shortage – that increased pressures on rice supply and rising food prices are a domestic and international reality. Even officials of the World Food Program forecasted that the price of rice will continue to increase probably until 2010.

But then again, even as early as 2004, the Philippine Rice Research Institute (IRRI) made already a startling revelation which has fallen on deaf ears that the supply of rice is globally threatened.

The Department of Agriculture has warned of a rice deficit of 2.1 million tons this year, equivalent to about two months’ consumption. To address the shortfall, the Philippines is buying rice abroad but has failed to get enough from exporting countries like Vietnam.

Statistics show that there are about 8.5 billion people worldwide who depend on rice as their staple food. As population grows, rice demand increases which could eventually lead to its shortage in due time. There are four other factors which pose threat to the supply of rice namely water shortage, global warming, shortage of rice farmers and decreasing of rice lands.

Culminating late last week the wholesale price of premium rice rose by 31 percent and that of well-milled rice by 36 percent from 2001 to February 2008, according to data from the Bureau of Agricultural Statistics. This means that price of rice has spiraled from 26 pesos a kilo to a whopping 33 pesos a kilo – and “talks” are going on that it may continue to increase to 40 pesos per kilo before December this year.

The statistics of the Philippine Rice Research Institute gives a different picture – our farmers’ productivity is steadily increasing: rice production in the Philippines has grown steadily from 14.6 million metric tons in 2005 to 15.3 million in 2006 to 16.3 million in 2007 – and this year 17.2 million metric tons - which is clearly double than that of Thailand.

Thailand is one of the world's top rice exporter, while we have become a major importer of rice. WHY?

Our population has grown by 30 million since 1990 – we are now 90.4 million and this means more mouth to feed. Total hectarage dedicated to rice farming had also declined – conversion of rice lands into residential, industrial and recreational purposes are the main causes, that is why we are importing rice mainly from Vietnam. As of now, agro-corporations control at least 200,000 hectares of the country's land.

So, what is it? Are we facing a rice shortage or not?

If we are facing a shortage, the people should be told frankly that there is a shortage and should also be informed about the measures that the government and the private sector are taking to mitigate the shortage. Rice is the most important food commodity in the Philippines; a shortage would mean hundreds of thousands, if not millions of Filipinos going hungry.

There are three identified three signs of an impending rice crisis—the country's traditional rice sources such as Thailand and Vietnam could not commit to any volume; the price of rice has jumped sharply in the world market, and the price of other basic commodities are also starting to increase.

The current concern over an impending rice shortage should prompt the government to

- adopt a rational and integrated rice production program;
- to accelerate the agrarian reform program so that farmers would have more land on which to cultivate rice;
- to issue a moratorium on the conversion of rice lands to lands for the cultivation of corn and alternative crops as well as their use for subdivisions and entertainment or commercial complexes;
- to stop the operations of the rice cartel which buys rice cheap from the farmers and makes a killing selling it at high prices; and
- to build more irrigation systems and distribute more fertilizers to boost productivity.

On the local level, we need to be enlightened on how the National Food Authority is meeting this impending crisis – there have been speculations, unverified “reports,” and grapevine talks that the rice cartel are having a hand in hoarding and manipulating rice supplies, that NFA rice

are being repacked and sold at a higher price; that NFA outlets are selling rice at “unusually high price;” and that there is connivance in high places regarding the distribution of NFA rice supplies.

We call on the Department of Agriculture and the National Food Authority to crack down on traders believed to be behind alleged rice cartels and NFA distributors who violate the guidelines on selling NFA rice.

Madam President, the impending rice crisis is literally a life-and-death problem. The poor sector stands to be affected severely by the food shortage as a result of the diminishing importation of rice. The government has to tell the people frankly whether the country is facing a rice shortage. Then, the government has to take urgent measures before the situation gets out of hand.

Madam President, allow me to pass the corresponding resolutions regarding these matters at the appropriate time. Thank you.

COUNCILOR PILAR C. BRAGA, PhD
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Davao City