

Abstract

Structural changes in production process are assessed in this study, targeting Thai Food Industry. Changes in intermediates usage can be determined using Input-Output analysis under Leontief's concept. Database used in this study is GTAP, the multi-sectoral multi-national input-output table from 1997 – 2011. Leontief's coefficients calculated from GTAP data show that there is structural change in intermediates usage, between domestic intermediates and imported ones, among those years, especially in Food Product nec. Sector of Thailand. This sector involves productions of canned food, process fruits and vegetables, preserved sea-food, and animal foods. The coefficients show that there has been increasing in imported intermediates usage in the sector. This is caused by shortage of those intermediates domestically because of plants and animal diseases, not tariff barrier and climate change, for instances. To cope with the problem, producers in the industry have to import intermediates from neighborhood countries. Moreover, producers tend to reduce the risk of the problem by looking for an opportunity to invest abroad and increase the chance to make contract farming. Labor shortage is also important for producer side and it tends to get more severe in the future.