

EXECUTIVE SUMMARY

The National Statistical Office carried out the Business Trade and Services Survey every two years, the 2010 survey is the 24th round. The main purpose of the survey is to collect the basic business information to be used by both public and private sectors for policy formulation and planning development. The survey covered business establishments engaged in wholesale trade, retail trade, hotels and restaurants, real estate activities, recreational and other services activities throughout the country.

The field work was conducted during May 1 to August 31, 2010. The data presented in this report was the information on business operation during January 1 to December 31, 2009 of the establishments located in **Northern region**. The major findings are as follows:

1. Number of establishments by division of business industry

The survey result showed that there were in total 282,108 establishments in Northern region. Most of them (about 49.3 percent) were engaged in *retail trade (except of motor vehicles and motorcycles), repair of personal and household goods*. This is followed by those engaged in *hotels and restaurants* of about 17.2 percent. The business establishments engaged in *sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel* and *other service activities* were about 11.6 and 9.6 percent respectively. The other divisions of business industry not mentioned above had rather low proportion; each division had less than 4.0 percent of the total.

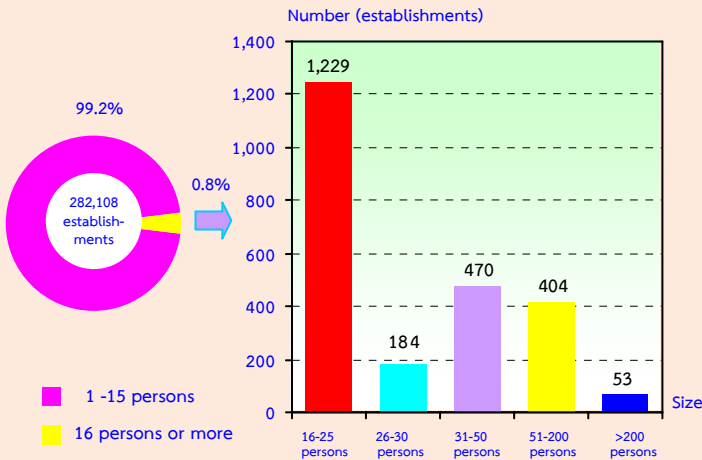
Table 1 Number and percentage of business establishments by division of business industry

Division of business industry	Number	%
Total	282,108	100.0
Sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel	32,827	11.6
Wholesale trade and commission trade, except of motor vehicles and motorcycles	9,959	3.5
Retail trade, (except of motor vehicles and motorcycles), repair of personal and household goods	139,074	49.3
Hotels and restaurants	48,372	17.2
Real estate activities	9,324	3.3
Renting of machinery and equipment without operator and of personal and household goods	3,359	1.2
Computer and related activities	707	0.3
Research and development and other Business activities	7,179	2.5
Recreational, cultural and sporting activities	4,213	1.5
Other service activities	27,094	9.6

2. Size of establishment

The business establishments located in Northern region, most of them (about 279,768 establishments or 99.2 percent) were establishments with 1-15 persons. Those with more than 15 persons engaged were about 2,340 establishments or 0.8 percent. Of this number, establishments with 16-25 persons, 31-50 persons, 51-200 persons, and 26-30 persons amounted to 1,229 establishments, 470 establishments, 404 establishments, and 184 establishments respectively. The largest size of establishments, with more than 200 persons engaged, was only 53 establishments.

Figure 1 Number of business establishments by size of establishment (number of persons engaged)

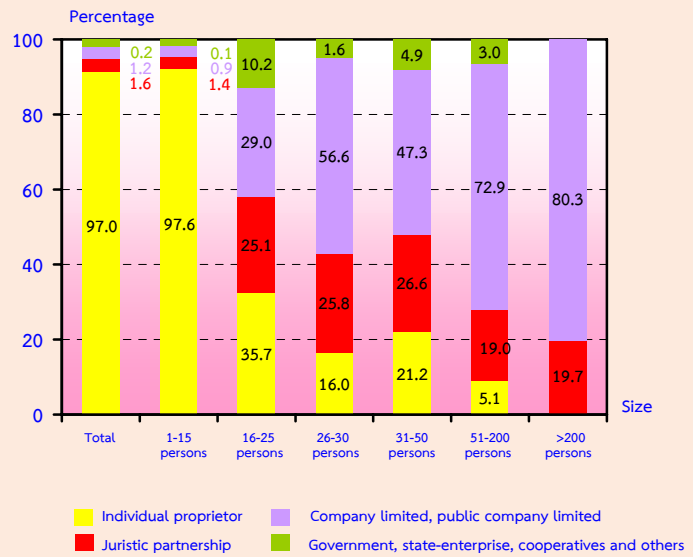


3. Form of legal organization

Most establishments (about 97.0 percent) were individual proprietor. The establishments as juristic partnership and company limited and public company limited had the close proportion, of about 1.6 and 1.2 percent respectively. Those, which were in the form of government, state-enterprise, cooperatives and others, were very small proportion, of about 0.2 percent.

Considering by size of establishments, it was found that a high proportion of the establishments with 1-15 persons engaged (about 97.6 percent) was in the form of individual proprietor. While a high proportion of about 80.3 percent of establishments with more than 200 persons engaged was in the form of company or public company limited.

Figure 2 Percentage of business establishments by form of legal organization and size of establishment

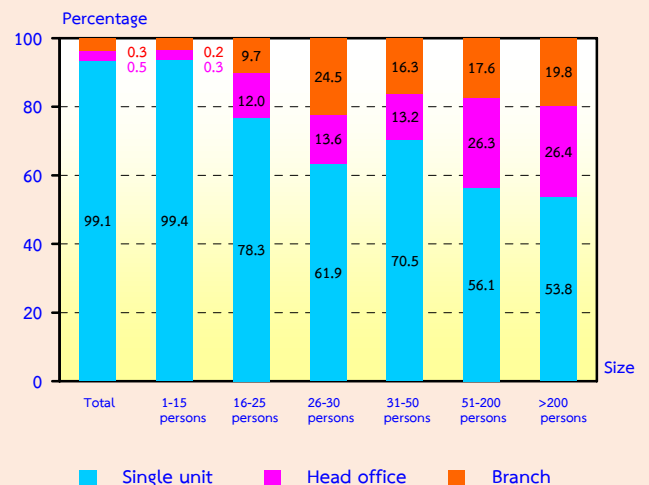


4. Form of economic organization

The majority of establishments in Northern region (99.2 percent) was in the form of single unit. About 0.5 percent was a head office, and the rest of about 0.3 percent was an office branch or subsidiary.

Considering the form of economic organization by size of establishment, it showed that there was higher proportion of single unit form in all sizes of establishment.

Figure 3 Percentage of business establishments by form of economic organization and size of establishment

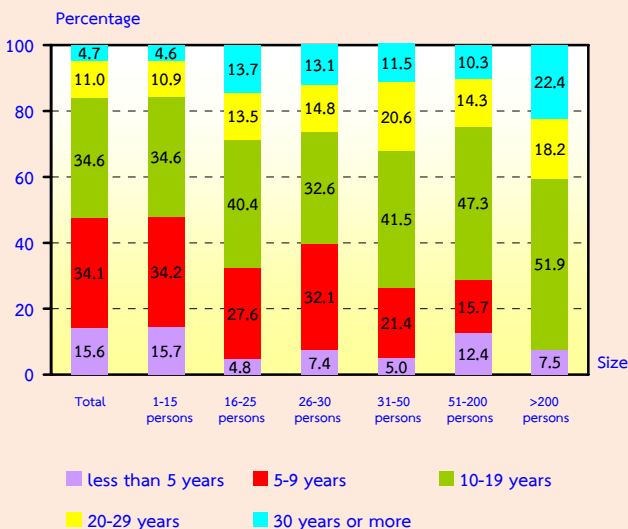


5. Period of operation

Most of the establishments (about 34.6 percent) have operated their business for 10-19 years. The establishments operated their business for 5-9 years were about 34.1 percent. Those with operation less than 5 years and 20-29 years were about 15.6 and 11.0 percent respectively. The establishments operated their business for 30 years or more had the lowest proportion, of about 4.7 percent

Considering by size of establishments, (persons engaged), it was found that more than half of establishments in all sizes have operated their business for 10 years or more.

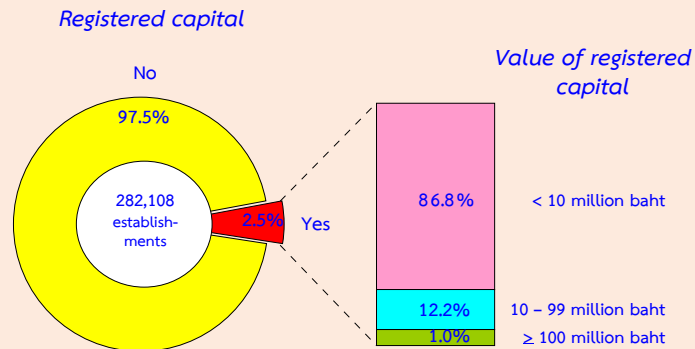
Figure 4 Percentage of business establishments by period of operation and size of establishment



6. Registered capital

The number of business establishments with registered capital amounted to 7,118 establishments or about 2.5 percent of the total. Most of them (about 86.8 percent) had less than 10 million baht of registered capital. Those with 10-99 million baht of registered capital were about 12.2 percent. The establishments with 100 million baht of registered capital and over were about 1.0 percent.

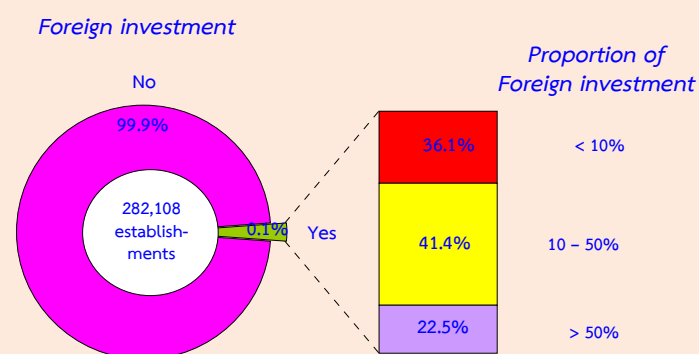
Figure 5 Percentage of business establishments by registered capital



7. Foreign investment or foreign share holding

The majority of business establishments in Northern region (99.9 percent) had no foreign investment or foreign share holding. Out of these, about 41.4 percent was for foreign share holding around 10-50 percent and about 36.1 percent was for foreign share holding less than ten percent. The rest of about 22.5 percent had foreign investment with a share over fifty percent.

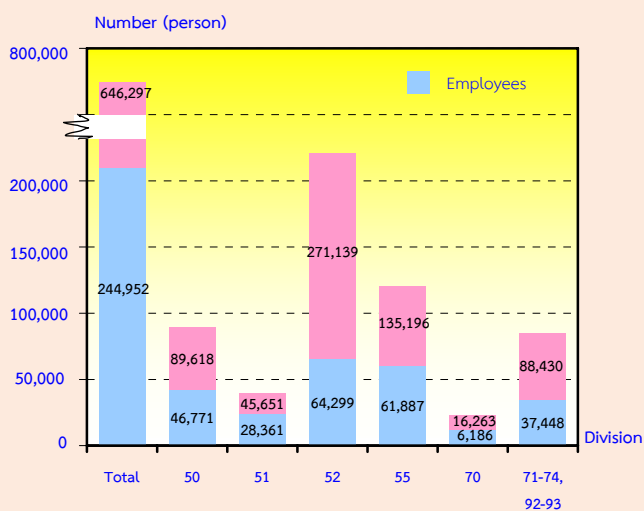
Figure 6 Percentage of business establishments by foreign investment or foreign share holding



8. Number of persons engaged and employees

In 2009, the number of persons engaged in the business establishments in Northern region amounted to 646,297 persons. Of this figure, the number of employees was 244,952 persons. Considering by division of business industry, it was found that most of employees engaged in *retail trade (except of motor vehicles and motorcycles) and repair of personal and household goods* of about 64,299 persons or 26.2 percent. This was followed by those engaged in *hotels and restaurants* about 61,887 persons or 25.3 percent. Employees engaged in *sale, maintenance and repair of motor vehicles and motorcycles*, accounted for 46,771 persons or 19.1 percent. The rest engaged in other business industries.

Figure 7 Number of persons engaged of business establishments by division of business industry



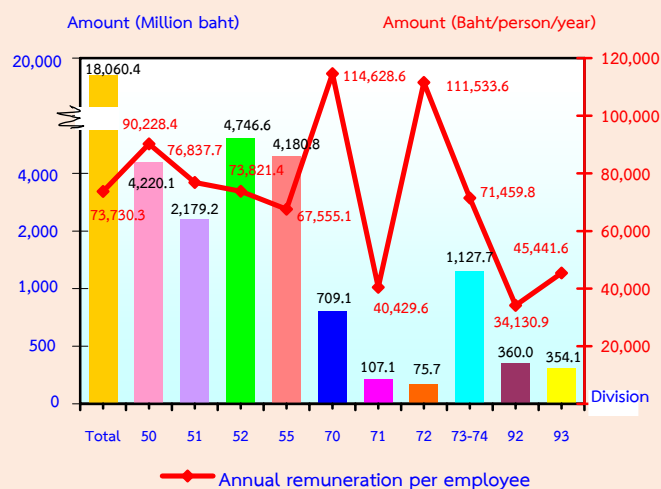
Persons engaged refer to owners or juristic partnerships, unpaid workers and employees

- Division 50 Sale, maintenance and repair of motor vehicles and motorcycles
- Division 51 Wholesale trade and commission trade, except of motor vehicles and motorcycles
- Division 52 Retail trade, (except of motor vehicles and motorcycles etc)
- Division 55 Hotels and restaurants
- Division 70 Real estate activities
- Division 71 Renting of machinery and equipment
- Division 72 Computer and related activities
- Division 73 Research and development
- Division 74 Other business activities
- Division 92 Recreational, cultural and sporting activities
- Division 93 Other service activities

9. Remuneration

Remuneration of all employees engaged in business establishments in Northern region was about 18.1 billion baht or about 73,730 baht per person per annum. Employees engaged in *real estate activities* received the highest annual remuneration of about 114,629 baht. This is followed by those engaged in *computer and related activities* received the annual remuneration of about 111,534 baht per persons. Employees engaged in *sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel and wholesale trade and commission trade (except of motor vehicles and motorcycles)* received the average annual remuneration of about 90,228 baht and 76,838 baht per person respectively. Employees engaged in *recreational, cultural and sporting activities* received the lowest annual remuneration of about 34,131 baht per person.

Figure 8 Remuneration and annual remuneration per employee by division of business industry



10. Receipts, expenditures and value added

In 2009, the value of receipts, expenditures and value added of business establishment in Northern region amounted to 520.8 billion baht, 420.2 billion baht and 100.6 billion baht respectively. The ratio of the value added to the receipts was about 19.3 percent. For the average value of receipts per establishment and per person engaged, it was about 1.8 million baht and 805,800 baht respectively. Meanwhile, the average value added per establishment and per person engaged amounted to 356,500 baht and 155,600 baht respectively.

Considering by division of business industry, the result showed that most of the receipts and value added were from *retail trade (except of motor vehicles and motorcycles), repair of personal and household goods* which had the highest proportion of about 210.1 billion baht and 39.6 billion baht respectively. This is followed by those engaged in *sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel* which amounted to 194.5 billion baht and 24.9 billion baht respectively. However, the establishments engaged in *computer and related activities* had the lowest amount of receipts and value added of about 936.0 million baht and 311.5 million baht respectively.

Table 2 Receipts and value added of business establishments by division of business industry

Division of business industry	Receipts			Value added			Value added per receipts (%)
	Value (Million baht)	Per establishment (In Thousand baht)	Per person engaged (In Thousand baht)	Value (Million baht)	Per establishment (In Thousand baht)	Per person engaged (In Thousand baht)	
Total	520,779.4	1,846.0	805.8	100,575.4	356.5	155.6	19.3
Sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel	194,505.5	5,925.2	2,170.4	24,983.5	761.1	278.8	12.8
Wholesale trade and commission trade, except of motor vehicles and motorcycles	64,804.2	6,507.1	1,419.6	10,840.6	1,088.5	237.5	16.7
Retail trade, (except of motor vehicles and motorcycles), repair of personal and household goods	210,080.7	1,510.6	774.8	39,568.9	284.5	145.9	18.8
Hotels and restaurants	29,642.6	612.8	219.3	13,237.9	273.7	97.9	44.7
Real estate activities	7,670.4	822.7	471.7	4,277.9	458.8	263.1	55.8
Renting of machinery and equipment without operator and of personal and household goods	1,107.2	329.6	149.1	639.0	190.2	86.1	57.7
Computer and related activities	936.0	1,323.9	559.8	311.5	440.7	186.3	33.3
Research and development and other business activities	5,029.6	700.6	197.2	2,930.3	408.2	114.9	58.3
Recreational, cultural and sporting activities	2,757.5	654.5	163.7	1,246.9	296.0	74.3	45.2
Other service activities	4,245.7	156.7	114.8	2,538.9	93.7	68.7	59.8

11. Conclusions and recommendations

The results of the 2010 Business Trade and Services survey showed that there were in total 282,108 business establishments in Northern region. Most of them (about 99.2 percent) were establishments with 1-15 persons. The major business was *retail trade (except of motor vehicles and motorcycles), repair of personal and household goods*, accounting for 49.3 percent. Persons working in business establishments amounted to 646,297 persons in total. Out of this, 244,952 persons were employees receiving the average annual remuneration about 73,730 baht per person. Moreover, the establishments contributed value of receipts, expenditures and value added of about 520.8 billion baht, 420.2 billion baht and 100.6 billion baht respectively.

● Problems and obstacles of establishments

About 21.2 percent of business establishments reported their problems and obstacles. The main issues were the effect of political situation, the business competition, the increase of production cost and the effect of economic crisis.

● Aid needed from the government

About 17.5 percent of business establishments expressed their opinion on aid needed from the government. The main issues were the need for a low loan interest rate, an improvement of political situation, a tax reduction scheme and an economic stimulus scheme.