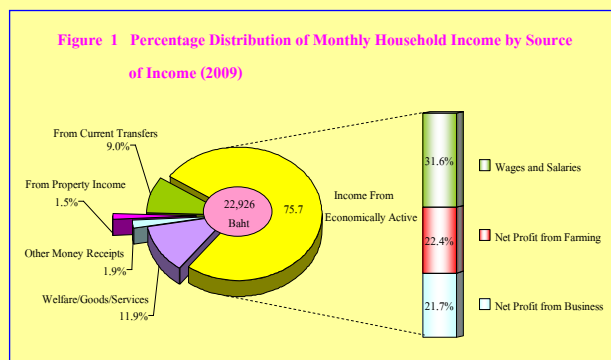


EXECUTIVE SUMMARY

The National Statistical Office has carried out the 2009 Household Socio-economic Survey from January to December 2009. The survey covered household samples in both municipal and non-municipal area in every province. The sample size for this survey was approximately 52,000 households, of this 7,630 households were in Southern region. The survey collected detailed information on income, expenditure, debt and asset of households as well as their housing characteristics. In the survey, expenditure data referred to expenditure for necessary items for daily life, which excluded saving and capital formation expenditures such as purchase or hire-purchase of house and land. The result of the 2009 SES is as following.

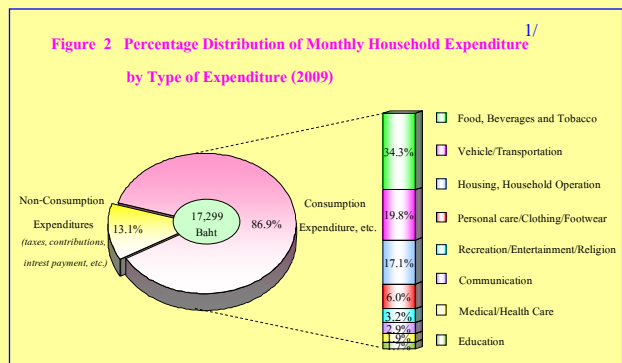
1. Household Income (2009)

The result of the 2009 survey showed that households in this region earned on average 22,926 baht per month. The major source of earnings (75.7%) was from economically activities such as wages and salaries (31.6%), followed by net profit from farming (22.4%), and net profit from non-farm business (21.7%). Income from economically inactive was mainly from the assistance from other persons outside the household or from the government (9.0%), followed by income from asset and property rental such as interest receipt (1.5%). The other source of earning was from assistance in term of welfare/goods and services (11.9%).



2. Household Expenditure (2009)

During the 2009 survey, household in the Southern region spent on average 17,299 baht per month, or approximately 75.5 percent of their income. By this amount 86.9 percent was spent on household consumption, 34.3 percent of household consumption was spent on food, beverages and tobacco, of which 1.3 percent and 0.9 percent were respectively spent on alcoholic beverages and tobacco. The following were the expense on vehicle and transportation (19.8%), housing and household operation (17.1%), personal care/ clothing/ footwear (6.0%), recreation/entertainment/religion (3.2%), communication (2.9%), medical/health care (1.9%), and education (1.7%). Finally, the rest of 13.1 percent was spent on non-consumption expenditure such as taxes, gift, insurances, lottery and gambling, and interest payment.

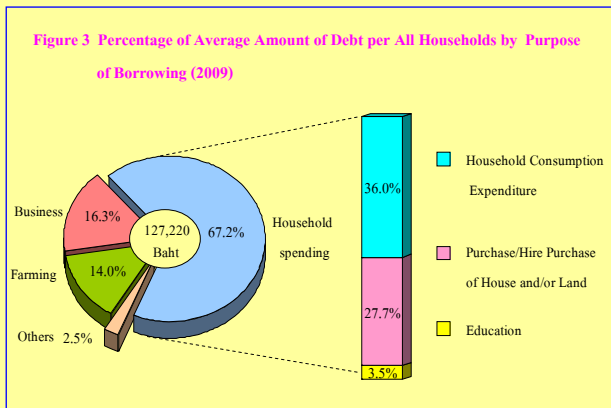


3. Household Debt (2009)

During the 2009 survey, over a half of households in the Southern region (54.8%) were indebted, which was 127,220 baht per household or approximately 5.5 times household income. Most of the household debt (67.2%) was for household spending, of this amount 36.0 percent was for the purpose of household consumption, followed by the purpose of purchase/hire purchase of house and land (27.7%), and for education purpose (3.5%).

^{1/} expenditure for necessary items for daily life, which excluded saving and capital formation expenditures such as purchase or hire-purchase of house and land, etc.

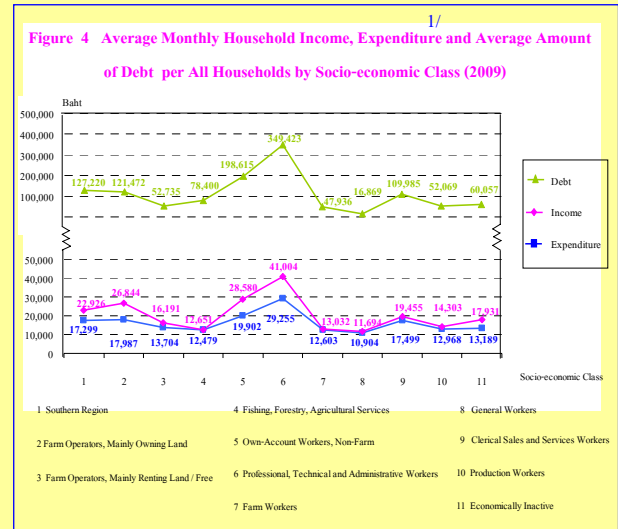
The rest were for business operation in non-farm business (16.3%), and for agricultural operation (14.0%).



4. Comparing Household Income, Household Expenditure, and Household Debt by Household Socio-economic Class (by type of occupation) (2009)

Concerning by type of occupation, it was found that households of employed professional, technical and executive workers earned the most income about 41,004 baht per month, followed by households of non - farm business and households of farm operators mainly owning land (28,580 and 26,844 baht, respectively). The lowest earning approximately 11,694 baht per month was of households of general workers. The result also showed that by type of occupation of most households with high income spent more and had high debt .

Furthermore, it was noticed that for households the ratio of expenditure to income was farm workers approximately 96.7 percent, resulting in the lowest proportion of the remained money for saving and repaying debt comparing to other occupational groups (which were around 67% - 94%).



5. Comparing Changes of Household Income, Household Expenditure and Household Debt (2007 to 2009)

By comparing the annual change rates of household income, household expenditure, and household debt, the survey result suggested that household income and household expenditure increased. By this, the increasing rate of household income (7.8%) was higher than that of household expenditure (4.4%). As a result, the proportion of expenditure per income declined from 80.5 percent in 2007 to 75.5 percent in 2009. Concerning household debt, the result showed that while the number of indebted households and the ratio of debt to income decreased (3.0% and 4.3%, respectively), the amount of debt increased from 118,525 to 127,220 baht.

Table 1 Changes of Income, Expenditure, and Debt (2007 to 2009)

Items	2007	2009	Annual percentage changes
			2009/07
Income (Baht)	19,716	22,926	7.8
Expenditure ^{1/} (Baht)	15,875	17,299	4.4
Proportion of Expenditure per Income (Percent)	80.5	75.5	-3.2
Average Amount of Debt per household (Baht)	118,525	127,220	3.6
Indebted Households (Percent)	58.3	54.8	-3.0
Ratio of Debt to Income (Times)	6.0	5.5	-4.3

^{1/} expenditure for necessary items for daily life, which excluded saving and capital formation expenditures such as purchase or hire-purchase of house and land, etc.

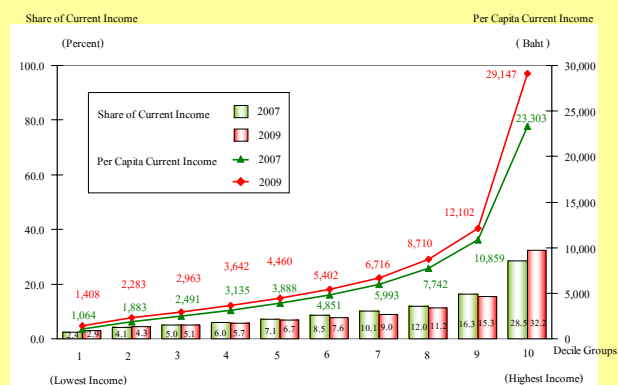
6. Comparing Distribution of Household Income (2007 to 2009)

In the analysis of income distribution, households were equally divided into 10 groups, from those with the lowest to the highest of their monthly income per capita (the first group earned the lowest income, while the tenth group earned the highest income). The result showed that the percentage share of income of the tenth group was 32.2 percent, whereas that of the first group was 2.9 percent. Furthermore, it was found that income inequality had increased. That is, the percentage share of income of the highest income group rose from 28.5 percent to 32.2 percent. In addition, the result of the Gini coefficient analysis had risen from 0.369 in 2007 to 0.382 in 2009. However, the welfare of the lowest group was improved since the share of income increased from 2.4 percent in 2007 to 2.9 percent in 2009.

Considering an average monthly income per capita, it was found the increase figure averagely from 5,590 baht in 2007 to 6,609 baht in 2009, which increased in all groups. For instance, income per capita of the lowest-income group rose from 1,064 baht in 2007 to 1,408 baht in 2009, while

that of the highest income group increased from 23,303 to 29,147 baht in 2009 or approximately 20.7 times the first group. As a result, the gap between the poor (the first group) and the rich (the tenth group) in 2009 was slightly narrowed comparing to the year 2007 (in the 2007 survey, income per capita of the tenth group was 21.9 times greater than those of the first group).

Figure 5 Share of Household Current Income by Decile Groups (2007 to 2009)



	2007	2009
Gini Coefficient (Decile Groups)	0.369	0.382
Per Capita Current Income	5,590	6,609