

EXECUTIVE SUMMARY

The National Statistical Office carried out the 2008 Business Trade and Services Survey, which is the 23rd round, in 2008. The main purpose of the survey is to collect the basic business information to be used by both public and private sectors, in business policy formulation and planning development. The survey covered business establishments with one person engaged or more in wholesale trade, retail trade, hotels and restaurants, real estate activities, recreational and other services activities, located in municipal areas and non-municipal areas, throughout the country.

The field work was conducted during April 1 to July 31, 2008. The data presented in this report was the operation of the business establishments business located in **Whole Kingdom** during January 1 to December 31, 2007. The major findings are as follows:

1. Number of establishments by division of business industry

The results of the survey show that there were in total 1.6 million establishments in Whole Kingdom. Most of them (about 48.0 percent) were engaged in *retail trade, (except of motor vehicles and motorcycles), repair of personal and household goods*. Followed by those engaged in *hotels and restaurants* and *sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel*, of about 15.7 and 11.1 percent respectively. The other divisions of business industry not mentioned above had rather low proportion, each had less than 10.0 percent of the total.

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

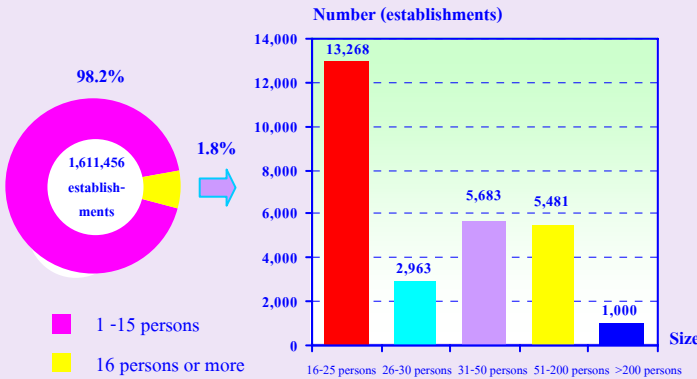
Division of business industry	Number	%
Total	1,611,456	100.0
Sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel	178,720	11.1
Wholesale trade and commission trade, except of motor vehicles and motorcycles	74,624	4.6
Retail trade, (except of motor vehicles and motorcycles), repair of personal and household goods	772,534	48.0
Hotels and restaurants	253,383	15.7
Real estate activities	75,928	4.7
Renting of machinery and equipment without operator and of personal and household goods	21,175	1.3
Computer and related activities	6,234	0.4
Research and development	52	-
Other business activities	42,486	2.6
Recreational, cultural and sporting activities	28,581	1.8
Other service activities	157,739	9.8

2. Size of establishment

The majority of business establishments (about 1.58 million establishments or 98.2 percent) were small scale establishments with 1-15 persons. Those with more than 15 persons engaged were about 28,395 establishments or 1.8 percent. Of that total, about 13,268 establishments were engaged in establishments with 16-25 persons. For those with 31-50 persons, 51-200 persons and 26-30

persons amounted to 5,683 establishments 5,481 establishments and 2,963 establishments respectively, while the largest size of establishments (with more than 200 persons engaged) amounted to 1,000 establishments.

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

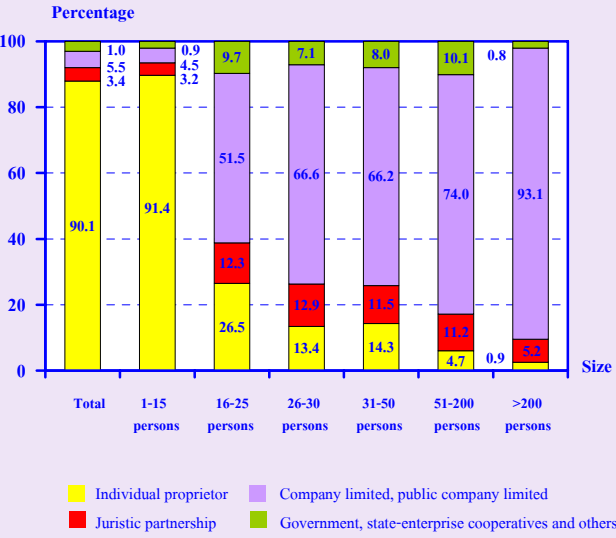


3. Form of legal organization

Most establishments (about 90.1 percent) were individual proprietor. The establishments as company limited, public company limited and juristic partnership were about 5.5 percent and 3.4 percent respectively. Those, which were in the form of government, state-enterprise cooperatives and others, were very small proportion, of about 1.0 percent.

Considering by size of establishments, it was found that the form of individual proprietor was found with higher proportion in smaller establishments than in the bigger size ones. That is, the smallest size with 1-15 persons engaged had the highest proportion, of about 91.4 percent; and the largest size with more than 200 persons engaged had the lowest proportion, of about 0.9 percent. In the other hand, the largest establishments as company limited, public company limited had the highest proportion, of about 93.1 percent, while the smallest size had the lowest proportion, of only 4.5 percent.

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

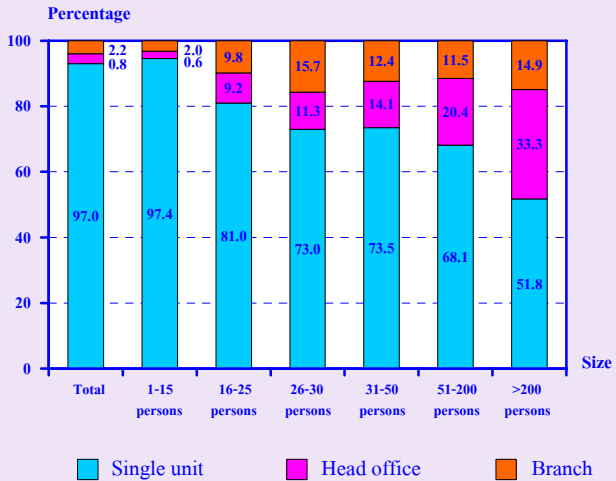


4. Form of economic organization

The majority of establishments in Whole Kingdom or 97.0 percent was single unit. About 2.2 percent was branch or subsidiary, and the rest of about 0.8 percent was head office.

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

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

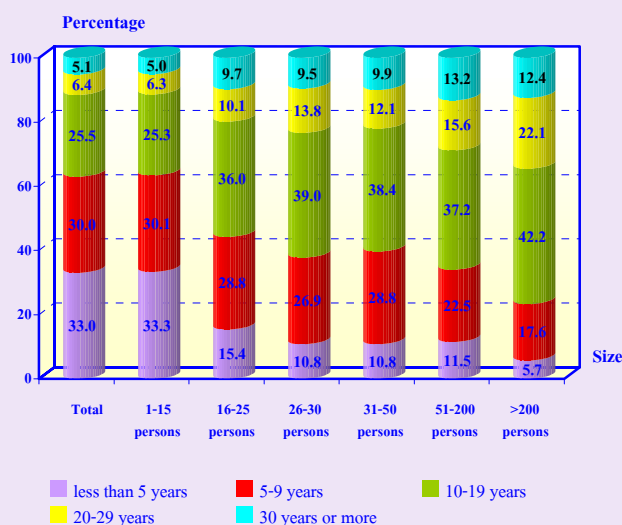


5. Period of operation

Most of the establishments (about 63.0 percent) have operated their business less than 10 years. The establishments operated their business for 10-19 years were about 25.5 percent. Those with operation for 20-29 years and 30 years or more were about 6.4 and 5.1 percent respectively.

Considering by size of establishment, it was found that more than half of the establishments, with 16 persons engaged or more have operated their business for 10 years or more. However, most establishments, with 1-15 persons engaged (63.4 percent) have operated their business less than 10 years.

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

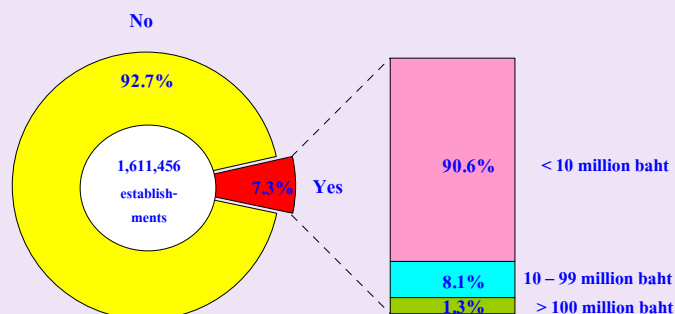


6. Register capital

The number of business establishments with registered capital amounted to 117,727 establishments or about 7.3 percent of the total. Most of them (about 90.6 percent) had less than 10 million baht of register capital. Those with 10-99 million baht of register capital were about 8.1

percent. The establishments with 100 million baht of register capital and over were about 1.3 percent.

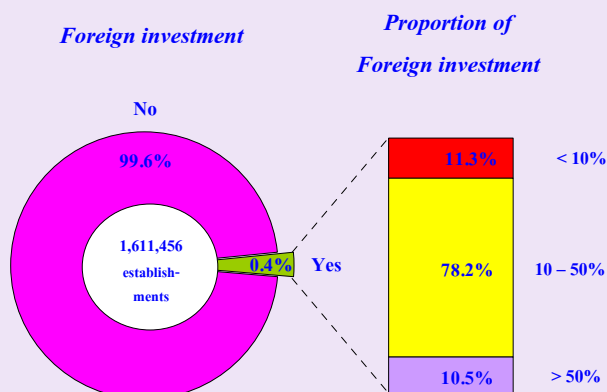
Figure 5 Percentage of business establishments by register capital



7. Foreign investment or share holding

The majority of business establishments in Whole Kingdom or 99.6 percent had no foreign investment or share holding, while the rest of about 0.4 percent did. Out of these, about 78.2 percent was 10-50 percent of share holding and about 11.3 percent was less than ten percent of share holding. The rest, of about 10.5 percent was over fifty percent of share holding.

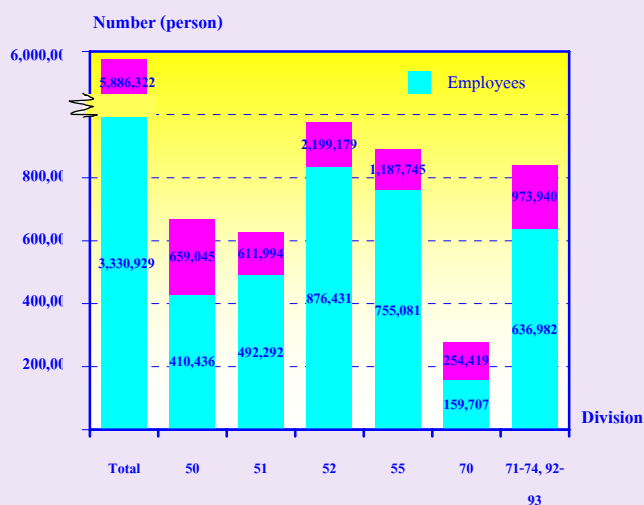
Figure 6 Percentage of business establishments by foreign investment or share holding



8. Number of persons engaged and employees

In 2007, the number of persons engaged in the business establishments in Whole Kingdom amounted to 5.9 million persons. In terms of employment, the number of employees amounted to 3.3 million persons. Considering by division of business industry, it was found that most of them engaged in *retail trade, (except of motor vehicles and motorcycles) repair of personal and household goods*, of about 876,431 persons or 26.3 percent. Followed by those engaged in *hotels and restaurants*, of about 755,081 persons or 22.7 percent. The rest engaged in business industry not mentioned above.

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



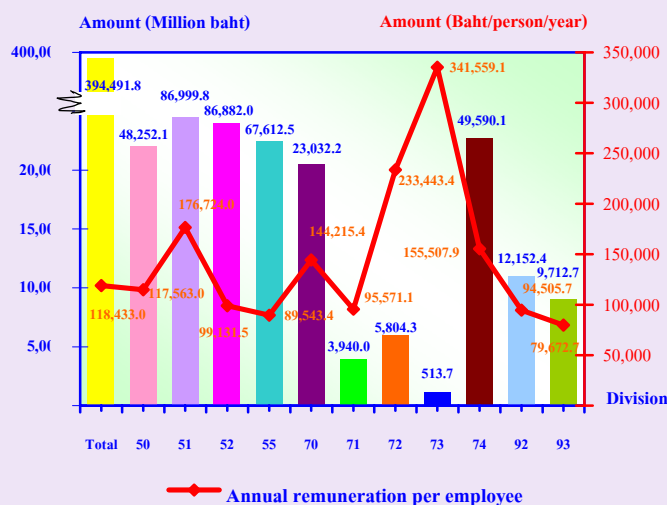
Persons engaged refer to owners or juristic partnerships, unpaid workers and employees

- 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

The employees engaged in business establishments in Whole Kingdom received the total remuneration of about 394.5 billion baht or about 118,433 baht per person per annum. The employees engaged in *research and development* received the highest annual remuneration, of about 341,559 baht. Followed by those engaged in *computer and related activities* received the annual remuneration, of about 233,443 baht per person. The employees engaged in *other service activities* received the lowest annual remuneration, of about 79,657 baht per person.

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



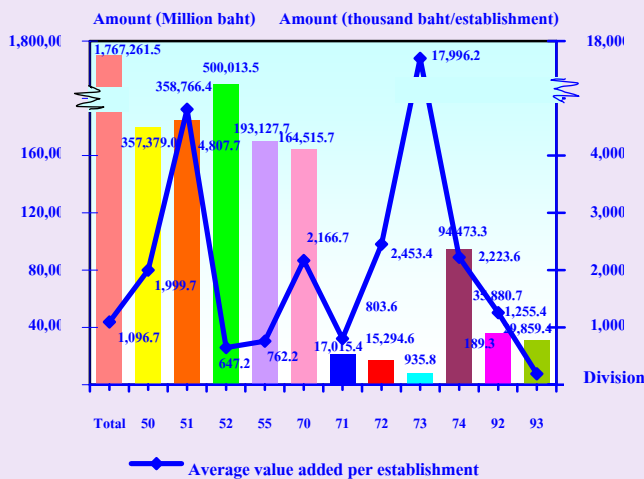
10. Receipts, expenditures and value added

In 2007, the value of receipts, expenditures and value added of business establishments in Whole Kingdom amounted to 8.2 million million baht, 6.5 million million baht and 1.8 million million baht respectively.

Comparing the value added to receipts, it was about 21.5 percent. For the average value of receipts per establishment and per person engaged, it was about 5.1 million baht and 1.4 million baht respectively. While the average value added per establishment and per person engaged amounted to 1.1 million baht and 300,200 baht respectively.

Considering by division of business industry, it was found that the establishments engaged in *retail trade (except of motor vehicles and motorcycles) repair of personal and household goods* had the highest value added of about 500.0 billion baht. Followed by those engaged in *wholesale trade and commission trade, except of motor vehicles and motorcycles and sale, maintenance and repair of motor vehicles and motorcycles, retail sale of automotive fuel* amounted to 358.8 billion baht and 357.4 billion baht respectively. However, the establishments engaged in *research and development* had the lowest value added of about 935.8 million baht.

Figure 9 Value added of business establishments by division of business industry



- 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)
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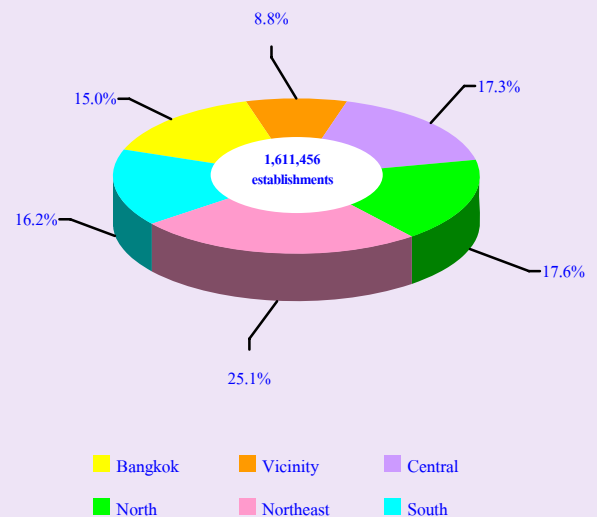
11. Data comparison among regions

Comparison of the operation information of business establishments with at least one person engaged among regions, the major findings are as follows:

- **Number of establishments**

The results of the survey show that most of the establishments (about 404,203 establishments or 25.1 percent) were located in Northeastern region. In Northern and Central regions, there were close proportions, of about 17.6 percent and 17.3 percent respectively. About 16.2 percent and 15.0 percent were located in Southern region and Bangkok respectively. In the Vicinity had the lowest proportion, of about 8.8 percent of the total establishments in the Whole Kingdom.

Figure 10 Percentage of business establishments by region

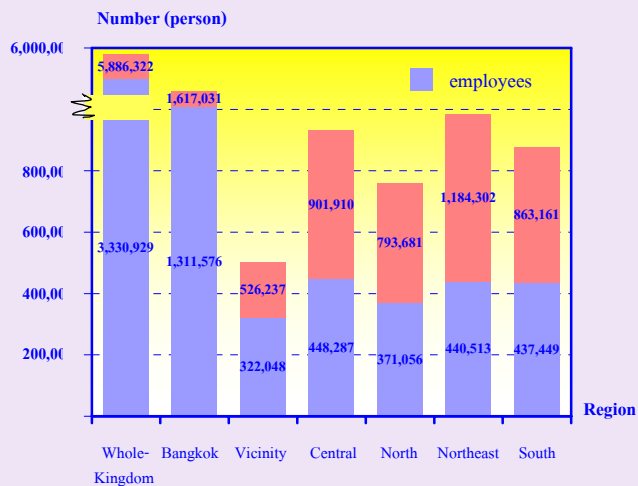


- **Number of persons engaged and employees**

Most persons engaged (about 1.6 million persons or 27.5 percent) were the workers of establishments located in Bangkok. The workers of establishments located in Northeastern and Central regions were about 20.1 percent and 15.3 percent respectively. In Southern and Northern regions, there were about 14.7 percent and 13.5 percent respectively. The workers working in establishments in the Vicinity had the lowest proportion, of about 8.9 percent.

Considering the number of employees, it was found that, Most of the employees (about 1.3 million persons or about 39.4 percent) were in Bangkok. In Central, Northeastern and Southern regions, there were close proportions, of about 13.5 percent, 13.2 percent and 13.1 percent respectively. While those in Northern region and Vicinity had the proportions, of about 11.1 percent and 9.7 percent respectively.

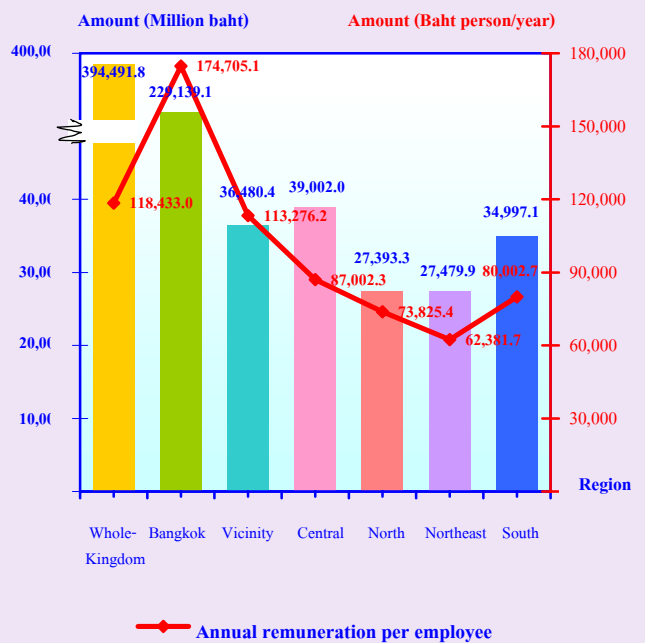
Figure 11 Number of persons engaged of business establishments by region



- **Remuneration**

Comparing the annual remuneration per employee among regions, it shows that the employees in Bangkok received the highest annual remuneration, of about 174,705 baht per person. Followed by those in the Vicinity and Central region received the annual remuneration, of about 113,276 baht and 87,002 baht per person respectively. While those in Northeastern region received the lowest annual remuneration, of about 62,382 baht per person.

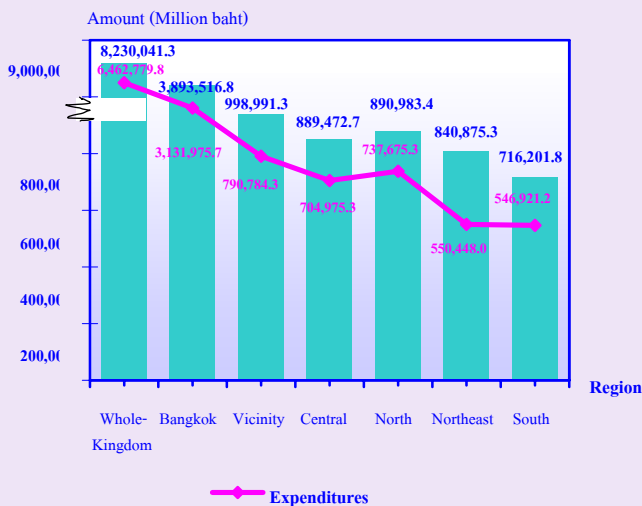
Figure 12 Remuneration and annual remuneration per employee by region.



- Receipts, expenditures and value added

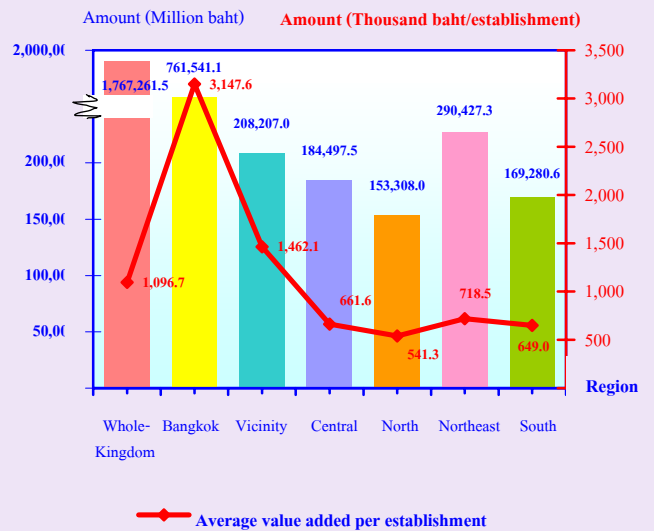
In terms of receipts and expenditures of establishments, it was found that the establishments in Bangkok had the highest value of receipts and expenditures, of about 3.9 million million baht and 3.1 million million baht respectively. Followed by those in the Vicinity had about 999.0 billion baht of value of receipts and 790.8 billion baht of expenditures. While those in Southern region had the lowest value of receipts and expenditures, of about 716.2 billion baht and 546.9 billion baht respectively.

Figure 13 Value of receipts and expenditures of business establishments by region



Considering the value added, it shows that the establishments in Bangkok had the highest value added and average value added per establishment, of about 761.5 billion baht and 3.1 million baht respectively. For those in Northern region had the lowest value added and average value added per establishment, of about 153.3 billion baht and 541,300 baht respectively.

Figure 14 Value added of business establishments by region



12. Data comparison of business trade and services during 7 years

Comparing the data of business trade and services survey during 7 years, the result showed the operation of business establishments in the Whole Kingdom was favorably growth. It was effected by the increasing in number of establishments, as well as the employment, the remuneration and receipts.

Furthermore, the thai economy continues her sustainable growth should emphasize on development investment promotion, increasing employment and goods and services improvement in order to support the demand in the country and from abroad.

Table 2 Principal data of Business Trade and Services in 2001 - 2007

Data items	2001 ^{1/}	2002 ^{1/}	2003 ^{1/}	2005 ^{1/}	2007 ^{2/}
Number of establishments (Establishments)	1,180,350	1,180,240	1,179,313	1,206,242	1,611,456
Number of persons engaged (Person)	3,813,734	4,081,304	3,986,604	4,413,102	5,886,322
<i>Average per establishment (Person)</i>	3.2	3.5	3.4	3.7	3.6
Number of employees (Person)	1,868,094	2,318,746	2,130,165	2,631,378	3,330,929
<i>Average per establishment (Person)</i>	1.6	2.0	1.8	2.2	2.1
Remuneration (Million baht)	154,928.5	220,742.1	210,540.5	301,840.3	394,491.8
<i>Average annual per employee (baht)</i>	82,934.0	95,199.0	98,837.6	114,708.1	118,433.0
Receipts (Million baht)	3,120,509.6	3,834,774.4	4,088,883.2	6,515,144.3	8,230,041.3
<i>Average per establishment (Thousand baht)</i>	2,643.7	3,249.1	3,467.2	5,401.2	5,107.2
<i>Average per person engaged (Thousand baht)</i>	818.2	939.6	1,025.7	1,476.3	1,398.2
Expenditures (Million baht)	2,239,609.4	2,906,785.4	3,192,609.2	5,129,057.5	6,462,779.8
<i>Average per establishment (Thousand baht)</i>	1,897.4	2,462.9	2,707.2	4,252.1	4,010.5
<i>Average per person engaged (Thousand baht)</i>	587.3	712.2	800.8	1,162.2	1,097.9
Value added (Million baht)	880,900.2	927,989.0	896,274.0	1,386,086.8	1,767,261.5
<i>Average per establishment (Thousand baht)</i>	746.3	786.3	760.0	1,149.1	1,096.7
<i>Average per person engaged (Thousand baht)</i>	231.0	227.4	224.8	314.1	300.2

Note : ^{1/} Business Trade and Services Survey 2002-2006, Whole Kingdom

Coverage : The business establishments with at least one person engaged, located in fixed premises in Bangkok, Pattaya, municipal areas and non-municipal areas, forming as sub-district administration organization throughout the country.

^{2/} Business Trade and Services Survey 2008, Whole Kingdom

Coverage : The business establishments with at least one person engaged, located in fixed premises throughout the country.

13. Conclusions and recommendations

The results of the 2008 Business Trade and Services survey show that there were in total 1.6 million business establishments in Whole Kingdom. Most of them (about 98.2 percent) were small scale establishments with 1-15 persons. The major business was *retail trade, (except of motor vehicles and motorcycles), repair of personal and household goods*, (about 48.0 percent). Persons working in business establishments amounted to 5.9 million persons. Out of this, about 3.3 million persons were employees receiving the annual remuneration, of about 118,433 baht per person. Moreover, the establishments contributed value of receipts, expenditures and value added, of about 8.2

million million baht, 6.5 million million baht and 1.8 million million baht respectively.

The survey also incorporated questions concerning problems and obstacles of business establishments, which was about 29.4 percent. Of these, 41.2 percent was suffered from a higher production cost, 29.5 percent from economic crisis and 23.0 percent from lower purchasing power etc.

About 29.4 percent of business establishments expressed their opinion on aid needed from the government. Of these, about 46.9 percent needed for oil and goods prices control, 33.9 percent required lower rate loan and 17.9 percent for government regulation improvement etc.