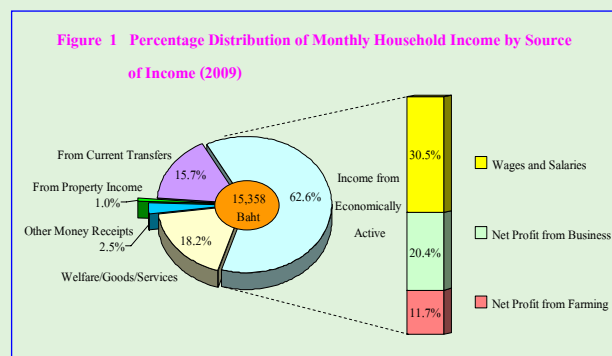


EXECUTIVE SUMMARY

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 13,100 households were in the Northeastern 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 15,358 baht per month. The major source of earnings (62.6%) was from economically active such as wages and salaries (30.5%), followed by net profit from non-farm business (20.4%), and the net profit from farming (11.7%). Income from economically inactive was mainly from assistance from other persons outside the household or from the government (15.7%), followed by income from asset and property rental such as interest receipt (1.0%). The other source of earning was from assistance in term of welfare/goods and services (18.2%).

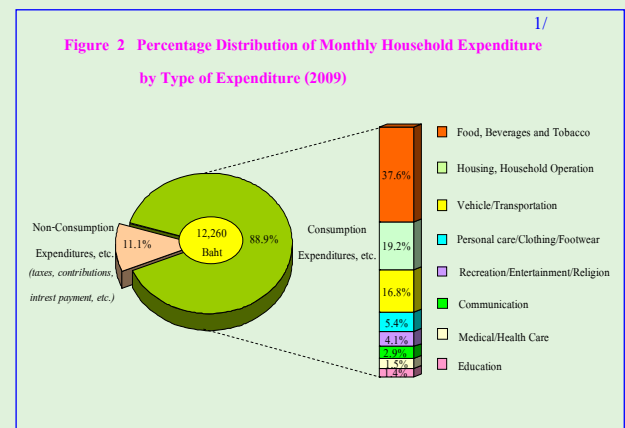


expenditure for necessary items for daily life, which excluded saving and capital formation expenditures such as purchase or hire-purchase of house and land, etc.

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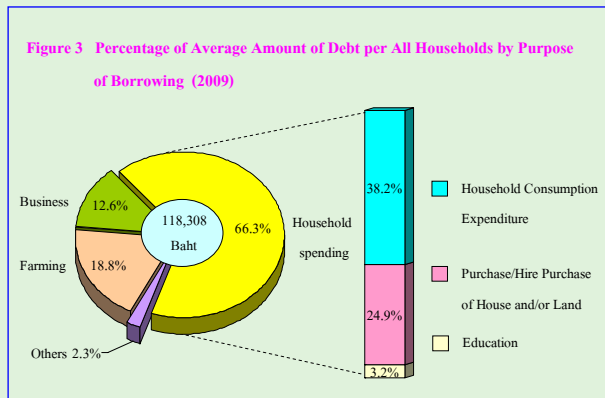
2. Household Expenditure (2009)

During the 2009 survey, household in the Northeastern region spent on average 12,260 baht per month, or approximately 79.8 percent of their income. By this amount, 88.9 percent was spent on household consumption, 37.6 percent of household consumption was spent on food, beverages and tobacco, of which 1.1 percent and 0.6 percent were respectively spent on alcoholic beverages and tobacco products. Following the expense on food, beverages and tobacco were for housing and household operation (19.2%), vehicle and transportation (16.8%), personal care / clothing / footwear (5.4%), recreation/entertainment/religion (4.1%), communication (2.9%), medical and health care (1.5%), and education (1.4%). Finally, the rest of 11.1 percent was spent on non-consumption expenditure such as taxes, gift, insurances, lottery and gambling, and interest payment.



3. Household Debt (2009)

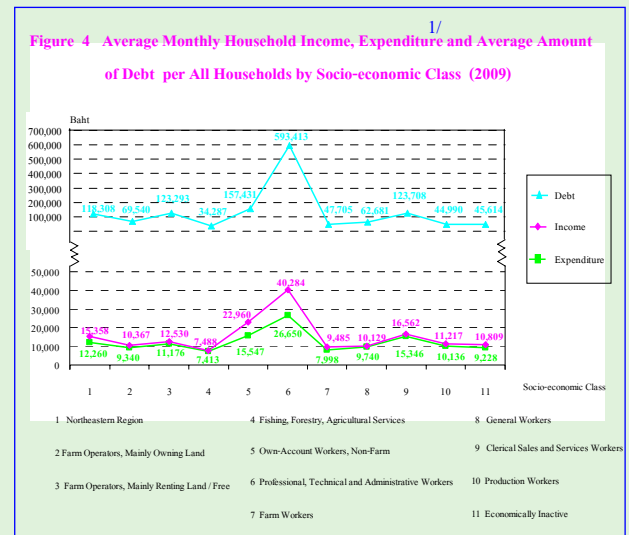
During the 2009 survey, over a half of private, non-institution households in the Northeastern region (72.8%) were indebted, which was 118,308 baht per household or approximately 7.7 times of household income. Most of the household debt (66.3%) was for household spending, of this amount 38.2 percent was for the purpose of household consumption, followed by the purpose of purchase/hire purchase of house and land (24.9%), and for education purpose (3.2%). The rest were for agricultural operation and for business operation in non-farm business (18.8% and 12.6%, respectively).



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 40,284 baht per month, followed by households of operators in non-farm business and households of clerical, sales and services workers (22,960 and 16,562 baht, respectively). The lowest earning approximately 7,488 baht per month was of households of fishing, foresting, and hunting. The result also showed that by type of occupation most of households with high income spent more and had high debt.

Furthermore, it was noticed that households of general workers had the ratio of expenditure to income approximately 96.2 percent, resulting in the lowest proportion of their remained money for saving and repaying debt comparing to other occupational groups (which were around 66% - 93%).



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 (8.7%) was higher than that of household expenditure (6.0%). As a result, the proportion of expenditure per income declined from 84.0 percent in 2007 to 79.8 percent in 2009. Concerning household debt, the result showed that while the number of indebted households and the ratio of debt to income decreased (1.9% and 2.5%, respectively), the amount of debt increased from 105,006 to 118,308 baht.

^{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.

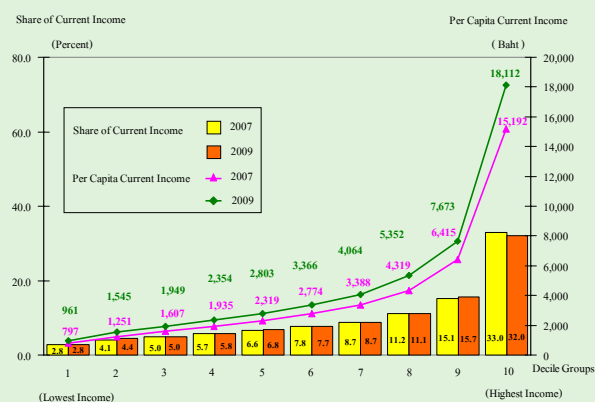
Table 1 Changes of Income, Expenditure, and Debt (2007 to 2009)

Items	2007	2009	Annual percentage changes
			2009/07
Income (Baht)	12,995	15,358	8.7
^{1/} Expenditure (Baht)	10,920	12,260	6.0
Proportion of Expenditure per Income (Percent)	84.0	79.8	-2.5
Average amount of debt per household (Baht)	105,006	118,308	6.1
Indebted Households (Percent)	75.6	72.8	-1.9
Ratio of Debt to Income (Times)	8.1	7.7	-2.5

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 32.0 percent, whereas that of the first group was 2.8 percent. Furthermore, it was found that income inequality had decreased. That is, the percentage share of income of the highest income group fell from 33.0 percent to 32.0 percent. In addition, the result of the Gini coefficient analysis had declined from 0.390 in 2007 to 0.382 in 2009. However, the share of income of the lowest group between 2007 and 2009 remained the same (2.8%).

Considering an average monthly income per capita, it was found the increase figure averagely from 3,552 baht in 2007 to 4,244 baht in 2009. For instance, income per capita of the lowest-income group rose from 797 baht in 2007 to 961 baht in 2009, while that of the highest income group decreased from 15,192 to 18,112 baht in 2009 or approximately 18.8 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 19.1 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)	0.390	0.382
Per Capita Current Income	3,552	4,244

^{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.