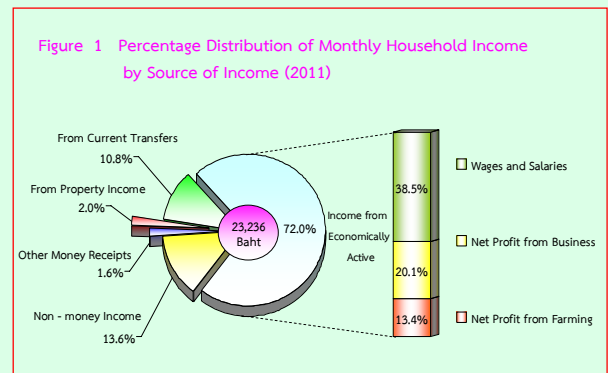


## EXECUTIVE SUMMARY

The National Statistical Office carried out the 2011 Household Socio-economic Survey from January to December 2011. The survey covered household samples in both municipal and non-municipal areas in every province. The sample size for this survey was 52,000 households. 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 on necessary items for daily life, which excluded saving and capital formation expenditure such as purchase or hire-purchase of house and land. The result of the 2011 SES is as following.

### 1. Household Income (2011)

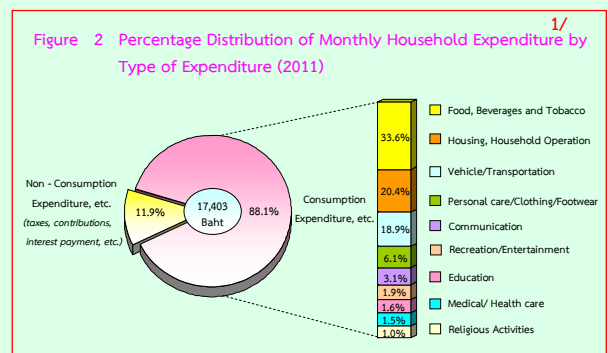
The result of the 2011 survey showed that household nationwide earned on average 23,236 baht per month. The major source of income (72.0%) was from economically activities such as wages and salaries (38.5%), followed by net profit from non-farm business (20.1%), and net profit from farming (13.4%). Income from economically inactive was mainly from assistance from other person outside the household or from the government (10.8%), followed by income from asset and property rental such as interest receipt (2.0%). The other source of earning was from assistance in terms of welfare/goods and services (13.6%).



### 2. Household Expenditure (2011)

During the 2011 survey, household nationwide spent on average 17,403 baht per month. Of this amount, 33.6 percent was mainly spent on food, beverages and tobacco (of which 0.6 percent was paid for alcoholic drinking), followed by expense on housing and household appliances (20.4%), vehicles and transportation (18.9%), personal care/clothing/footwear (6.1%), communication (3.1%), recreation and entertainment (1.9%), education (1.6%), medical (1.5%), and activities related to religious (1.0%).

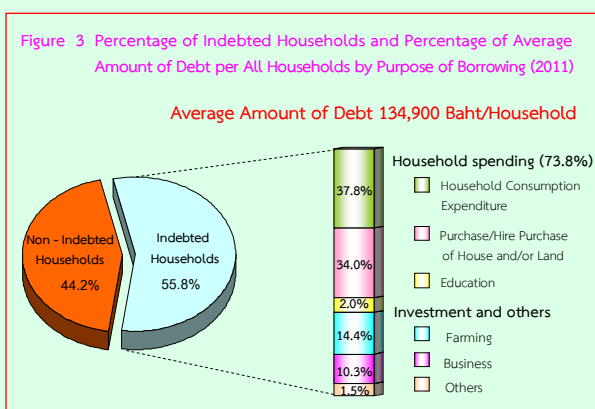
In addition, household also had non-consumption expenditure such as expenses on taxes, gifts, insurance (non-accumulative), lottery, and interest payment, which was accounted for 11.9 percent.



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

### 3. Household Debt (2011)

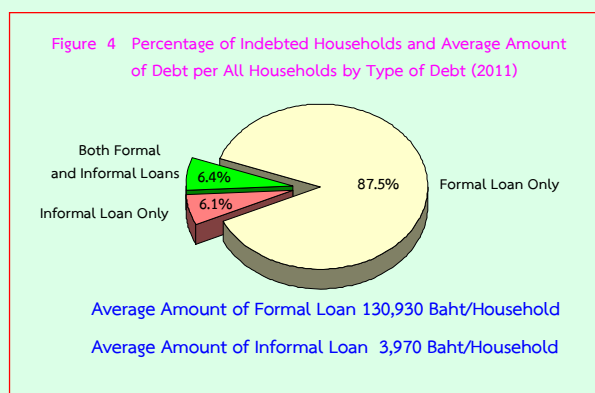
More than half of households in the whole country (55.8%) were indebted. The average amount of debt was 134,900 baht per household. The main purpose of borrowing was for household spending (73.8%), which consisted of household consumption (37.8%), buying house/land (34.0%) and loan for education (only 2.0%). The share of debt for farming was found 4.1 percent higher than those for non-farm business (14.4 and 10.3 percent respectively)



### 4. Indebted Household : Formal and Informal Loans (2011)

#### 4.1) Number of Indebted Household

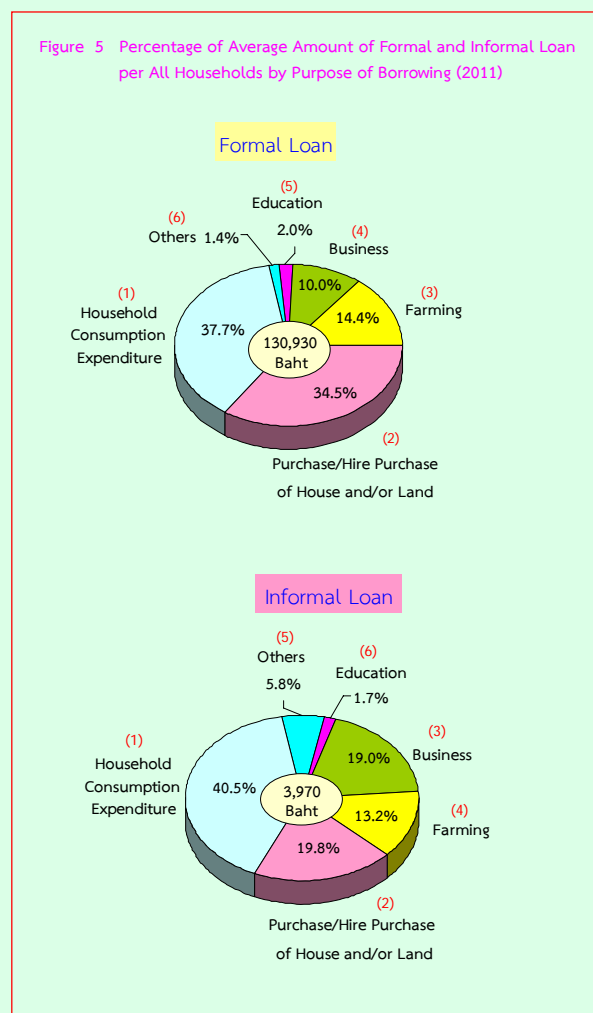
The majority of indebted households borrowed from formal sector, of which 87.5 percent borrowed from formal sector alone. Those who had both formal and informal sectors was 6.4 percent while those who had only informal loan was 6.1 percent.



#### 4.2) Amount of Debt

The 2011 survey result showed that amount of formal loan was about 30 times more than informal loan (130,930 and 3,970 baht per household, respectively). For the formal loan, 37.7% was borrowed for household consumption which was increased from year 2009 (30.6%), followed by loan for buying house/land (34.5%), loan for agricultural business (14.4%), and loan for non-farm business (10.0%). There was only 2.0 percent for the purpose of loan for education.

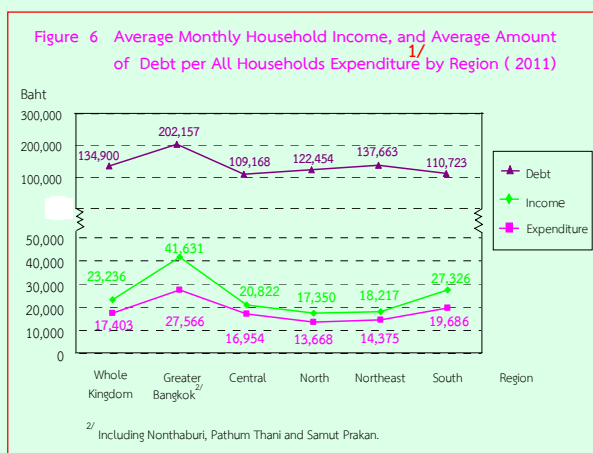
For the informal loan, 40.5% was borrowed for household consumption. This was followed by loan for buying house/land (19.8%), loan for non-farm business (19.0%), and loan for agricultural business (13.2%). There was only 1.7 percent for the purpose of loan for education.



## 5. Household Income, Household Expenditure, and Household Debt (2011)

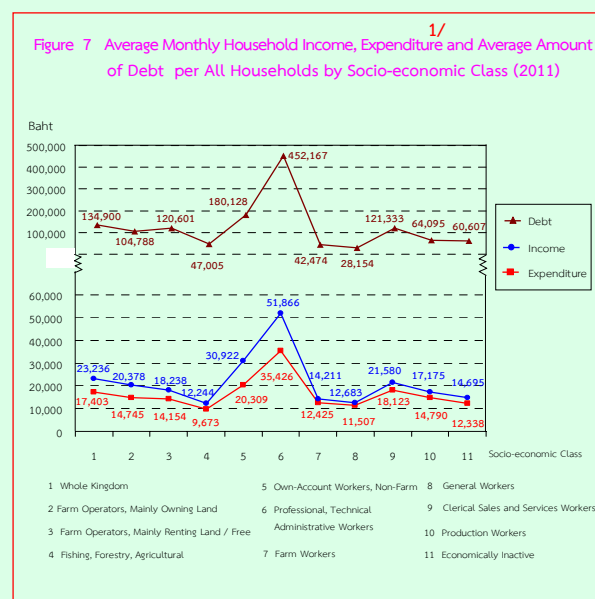
### 5.1) By Region

Considering household income, household expenditure, and household debt by region, the survey result showed that households in Bangkok Metropolis and the three provinces nearby, which are Nonthaburi, Pathum Thani, and Samut Prakan, earned the highest average monthly income of about 41,631 baht. In addition, households in this region also had the highest amount of household expenditure and household debt which were 27,566 baht and 202,157 baht, respectively. The proportion of expenditure per income in this region was 66.2 percent. Households in Central region had the highest amount of income, expenditure, and debt. By this, the proportion of expenditure per income was 81.4 percent. As a result, households in Central region would have less money for saving or for repaying debt comparing to other region. In contrast households in Southern region had the lowest ratio of expenditure to income of about 72.0 percent.



### 5.2) By Household Socio-economic Class (by type of occupation) (2011)

Concerning by type of occupation, the survey result showed that households of employed professional/technical/executive workers earned the highest average income of about 51,866 baht, followed by households of operators in non-farm business, households of clerical/sales/service workers, households of farm operators who mainly owned their land and households of farm operators who mainly rented land/ occupied free (30,922 baht, 21,580 baht, 20,378 baht and 18,238 baht, respectively). Households which earned low average income were those of general workers and those of agricultural operators on fishery/ forestry/hunting (12,683 baht and 12,244 baht, respectively). However, households which earned high income also had high expenditure and debt.

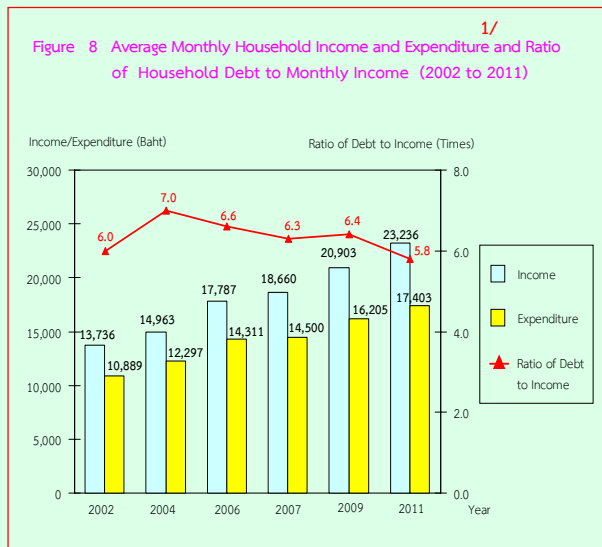


1/ expenditure on necessary items for daily life, which excluded saving and capital formation expenditures such as purchase or hire-purchase of house and land, etc.

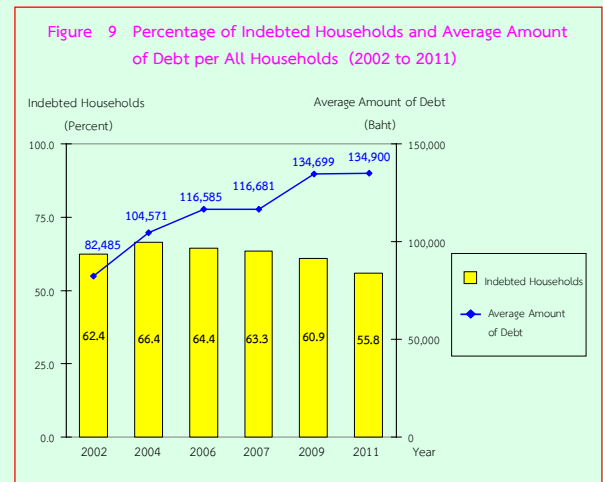
## 6. Comparing Income, Expenditure, and Household of Debt (2002 to 2011) <sup>1/</sup>

During 2002 to 2011, the overall figure showed that income was higher than expenditure on necessary items for daily life. Income had increased from 13,736 baht in 2002 to 23,236 baht in 2011, and in the meantime, expenditure had increased from 10,889 baht to 17,403 baht. Considering the difference between income and expenditure in 2011, it was found that income was higher than expenditure on necessary items for daily life averagely about 5,833 baht per household or approximately 1,823 baht per capita. (household size 3.2)

Concerning the proportion of debt to income, it was found that the figure in 2011 had the lowest ratio (5.8 times) comparing to other years.



It was found that the proportion of indebted households increased from 62.4 percent in 2002 to 66.4 percent in 2004. After that the figure decreased continually to 55.8 percent in 2011. In contrast, the amount of debt rose considerably from 82,485 baht in 2002 to 134,900 baht in 2011.



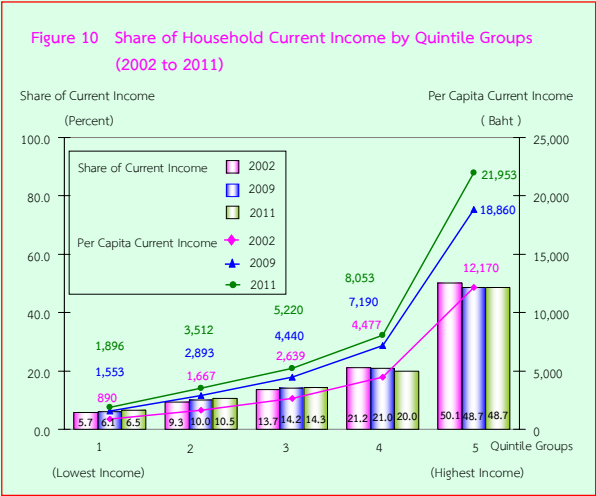
## 7. Comparing Distribution of Household Income (2002 to 2011)

In analyzing income distribution during 2002 to 2011, households were equally divided into 5 groups, from those with the lowest to the highest of their monthly income per capita (the first group earned the lowest income, while the fifth group earned the highest income). The result showed that the percentage share of the least income group increased slightly (0.8%) from 2002 to 2011,

<sup>1/</sup> expenditure on necessary items for daily life, which excluded saving and capital formation expenditures such as purchase or hire-purchase of house and land, etc.

while the share of the highest income group decreased 1.4 percent. In addition, the Gini Coefficient for five quintiles decreased from 0.403 in 2002 to 0.376 in 2011. This was implied the lower of the income inequality overtime.

An average monthly income per capita increased from 3,844 baht in 2002 to 7,226 baht in 2011. Households of the highest income group had an average monthly income per capita rising from 12,170 baht to 21,953 baht, and households of the lowest income group also experienced an increase in an average monthly income per capita rising from 890 baht to 1,896 baht.



	2002	2009	2011
Gini Coefficient (Quintile Groups)	0.403	0.385	0.376
Per Capita Current Income	3,844	6,219	7,226