

EXECUTIVE SUMMARY

The National Statistical Office (NSO) had previously carried out the Business trade and Services Census for three rounds; in 1966 and 1988 and 2002, as well as the organization of the Industrial Census in 1964, 1997 and 2007. For the year 2012, NSO has integrated the Industrial Census with the Business Trade and Services Census, the so-called ‘the Business and Industrial Census’. The objectives of the census is to collect basic information on the structure, the distribution and operation of business trade, services and manufacturing Industry. For this, all economic activities located in Bangkok, Pattaya, municipal areas and non-municipal areas were presented in the reports of Business and Industrial Census which were the results of the listing stage.

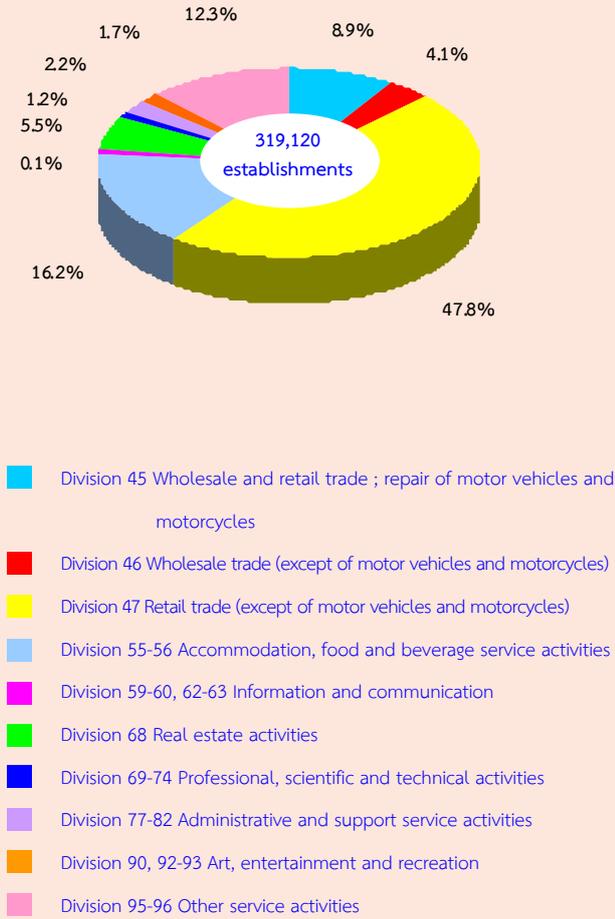
In order to collect detailed information of the establishments engaged in the business trade and services, the sample survey was adopted only for the establishments with 1-10 persons engaged, whereas the rest establishments, i.e. the establishments with 11 persons engaged and over, was collected as a whole. It is to be noted for the 2012 Business and Industrial Census that for non-response units of the establishments with 11 persons engaged and over, the estimation method was applied.

Information presented in this report was summarized from the enumeration stage which covered all the establishments engaged in the economic activity and classified according to the Thailand Standard Industrial Classification (TSIC-2009), e.g. *wholesale trade, retail trade, accommodation, food and beverage service activities, information and communication, real estate activities, professional, scientific and technical activities, administrative and support service activities, art, entertainment and recreation and other service activities*. The data presented was the information on business operation in 2011. The summary information of **Northern region** is as follows :

1. Number of establishments by division of business industry

The census result shows that, there were in total 319,120 establishments in Northern region. Most of them (about 47.8 percent) were engaged in *retail trade (except of motor vehicles and motorcycles)*. This was followed by those engaged in *accommodation, food and beverage service activities* of about 16.2 percent. The business establishments engaged in *other service activities, wholesale and retail trade; repair of motor vehicles and motorcycles and real estate activities* were about 12.3 percent, 8.9 percent and 5.5 percent respectively. The other divisions of business industry not mentioned above had rather low proportion; each division had less than 5.0 percent of the total.

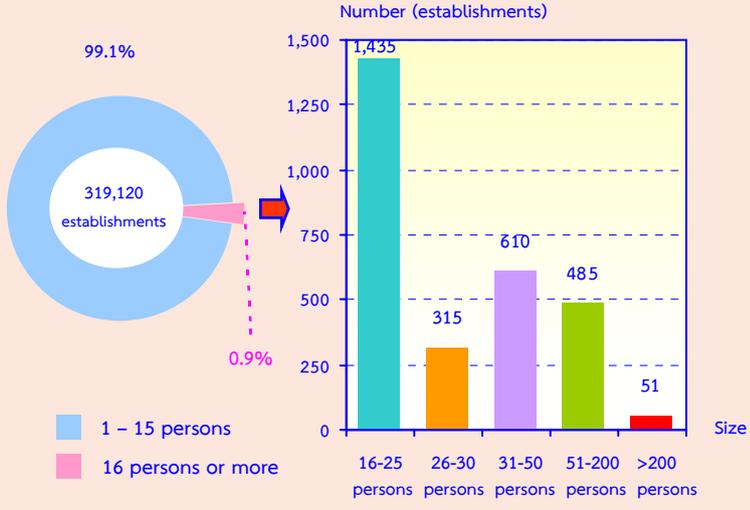
Figure 1 Percentage of business establishments by division of business industry



2. Size of establishment

The size of establishment specified by number of persons engaged, most of them (about 316,224 establishments or 99.1 percent) were establishments with 1-15 persons engaged. Those with more than 16 persons engaged were about 2,896 establishments or 0.9 percent. Of this number, establishments with 16-25 persons, 26-30 persons, 31-50 persons, and 51-200 persons amounted to 1,435 establishments, 315 establishments, 610 establishments, and 485 establishments respectively. The establishments with more than 200 persons engaged, were about 51 establishments.

Figure 2 Number of business establishments by size of establishment

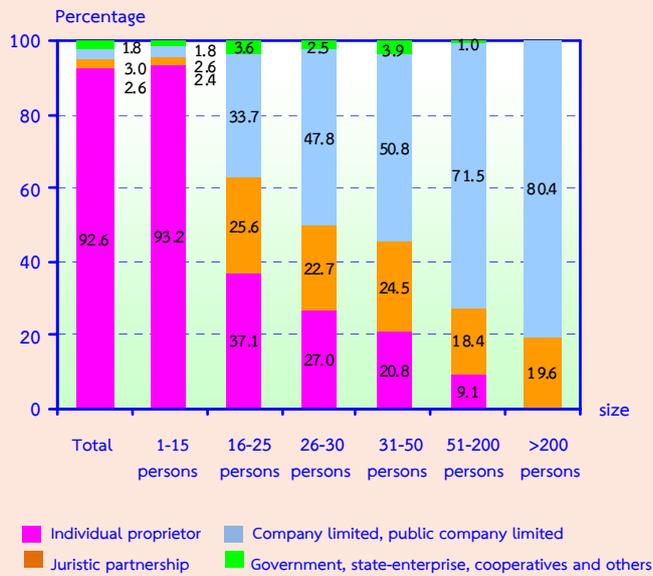


3. Form of legal organization

Most of establishments (about 92.6 percent) were individual proprietor. The establishments which were in the form of company limited or public company limited and juristic partnership were about 3.0 percent and 2.6 percent respectively. The rest of about 1.8 percent was government, state-enterprise, cooperatives and others.

Considering by size of establishment, it was found a high proportion of the establishments with 1-15 persons engaged (about 93.2 percent) which was in the form of individual proprietor. While a high proportion of about 80.4 percent of establishments with more than 200 persons engaged was in the form of company or public company limited.

**Figure 3 Percentage of business establishments
By form of legal organization
and size of establishment**

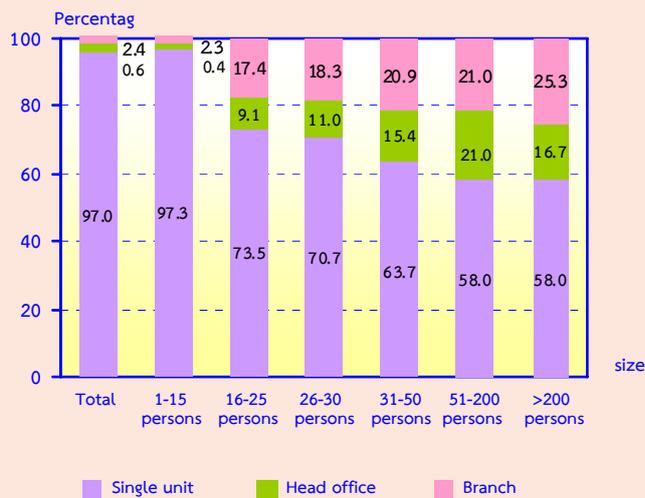


4. Form of economic organization

The majority of business establishments in Northern region (97.0 percent) were in the form of single unit. About 2.4 percent was an office branch or subsidiary, and the rest of about 0.6 percent was a head office.

Considering the form of economic organization by size of establishment, it showed that more than half of establishments in all sizes were in the form of single unit, especially establishments with 1-15 persons were about 97.3 percent.

**Figure 4 Percentage of business establishments
by form of economic organization
and size of establishment**

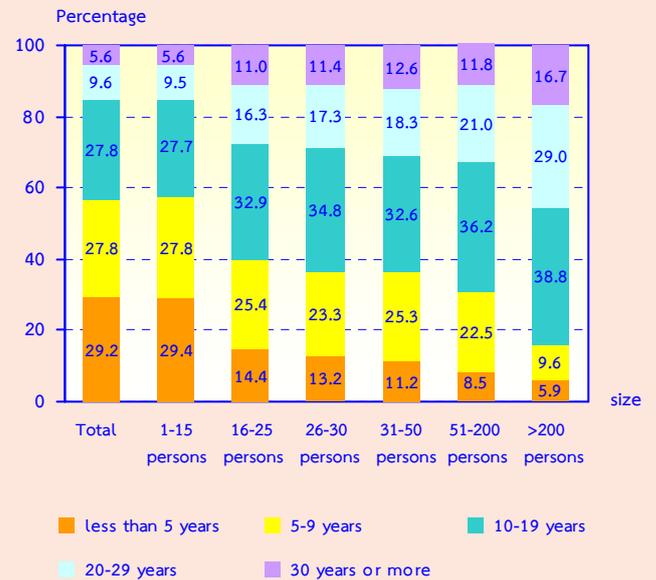


5. Period of operation

Most of establishments (about 29.2 percent) have operated their business less than 5 years. The establishments operated their business for 5-9 years and 10-19 years had the same proportion of about 27.8 percent. Those with their operation business for 20-29 years and 30 years or more were about 9.6 percent and 5.6 percent respectively.

Considering by size of establishment (number of persons engaged), it was found that 57.2 percent of establishments with 1-15 persons have operated their business less than 10 years. Meanwhile, about 60.0 percent of establishments with 16 persons and over have operated their business for 10 years or more.

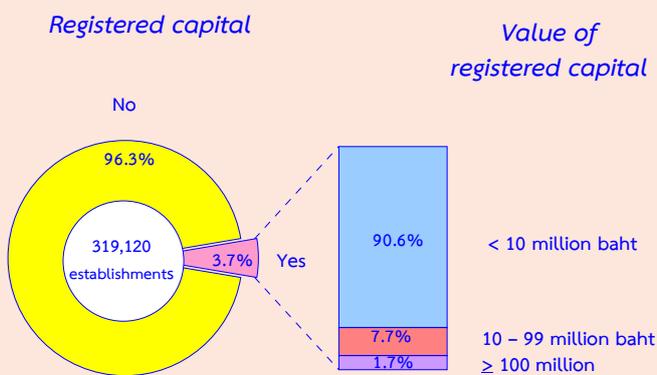
**Figure 5 Percentage of business establishments
by period of operation and size of establishment**



6. Registered capital

The number of business establishments with registered capital amounted to 11,793 establishments or about 3.7 percent of the total. Most of them (about 90.6 percent) had less than 10 million baht of registered capital. Those with 10-99 million baht of registered capital were about 7.7 percent. The establishments with 100 million baht of registered capital and over were only 1.7 percent.

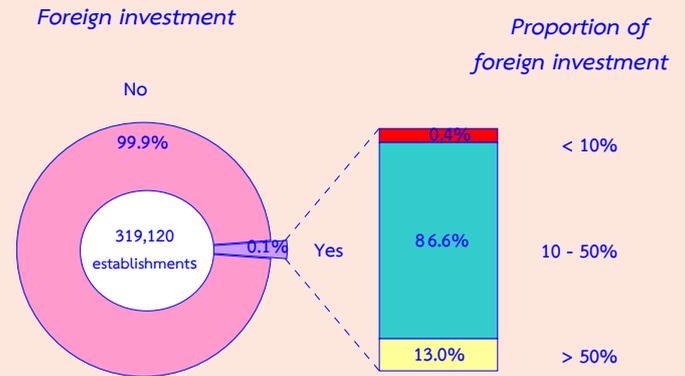
Figure 6 Percentage of business establishments by registered capital



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. For the establishments with foreign share holding were only 0.1 percent. Out of these, about 86.6 percent was of establishments with foreign share holding around 10-50 percent and about 13.0 percent was of establishments with foreign share holding over 50 percent. The rest of about 0.4 percent had foreign investment with a share holding less than 10 percent.

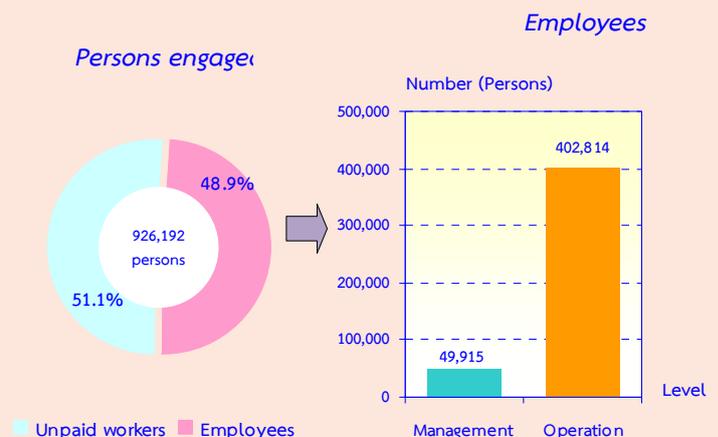
Figure 7 Percentage of business establishments by foreign investment or foreign share holding



8. Number of persons engaged and employees

Person engaged in establishment refers to owners, unpaid business partners and employees. In 2011, there were in total 926,192 persons engaged in establishments located in Northern Region. Of this number, about 473,463 persons or 51.1 percent were unpaid workers and 452,729 persons or about 48.9 percent were employees. Employees engaged in the operational level were about 402,814 persons or 89.0 percent, while employees engaged in management level amounted to 49,915 persons or 11.0 percent.

Figure 8 Number and percentage of persons engaged by level of employees



Considering number of employees by size of establishment, most of them (74.4 percent) were engaged in establishments with 1-15 persons. This was followed by those engaged in establishments with 51-200 persons and 16-25 percent, of about 9.1 percent and 5.8 percent respectively. The establishments with 31-50 persons and more than 200 persons were found the proportion of employees of about 5.0 percent and 3.8 percent respectively. The rest of about 1.9 percent was engaged in 26-30 persons. (Table 1)

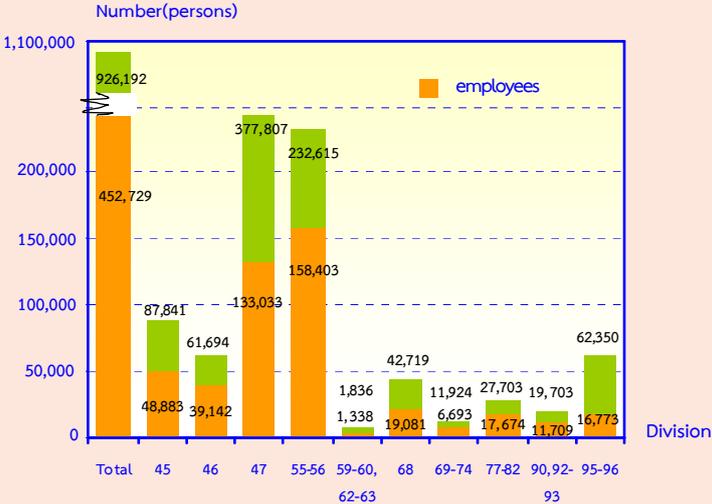
Table 1 Number and percentage of persons engaged and employees in business establishments by size of establishment

Size of establishment	Persons engaged		Employees	
	Number	%	Number	%
Total	926,192	100.0	452,729	100.0
1-15 persons	806,318	87.0	336,966	74.4
16-25 persons	28,434	3.1	26,353	5.8
26-30 persons	8,887	1.0	8,493	1.9
31-50 persons	23,264	2.5	22,243	5.0
51-200 persons	41,869	4.5	41,295	9.1
More than 200 persons	17,420	1.9	17,379	3.8

Persons engaged refer to owners of juristic partnerships, unpaid workers and included employees in the establishments

Looking at division of business industry, it was found that most of employees engaged in *accommodation, food and beverage service activities*, were about 158,403 persons or 35.0 percent. This was followed by those engaged in *retail trade (except of motor vehicles and motorcycles)*, of about 133,033 persons or 29.4 percent. The employees engaged in *wholesale and retail trade ; repair of motor vehicles and motorcycles*, accounted for 48,883 persons or 10.8 percent, while the rest engaged in other business industries.

Figure 9 Number of persons engaged and employees in business establishments by division of business industry



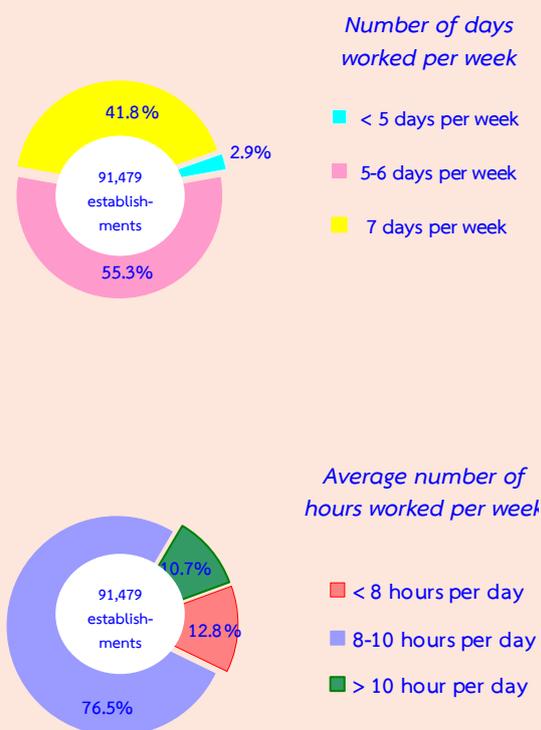
- Division 45 Wholesale and retail trade ; repair of motor vehicles and motorcycles
- Division 46 Wholesale trade (except of motor vehicles and motorcycles)
- Division 47 Retail trade (except of motor vehicles and motorcycles)
- Division 55-56 Accommodation, food and beverage service activities
- Division 59-60, 62-63 Information and communication
- Division 68 Real estate activities
- Division 69-74 Professional, scientific and technical activities
- Division 77-82 Administrative and support service activities
- Division 90, 92-93 Art, entertainment and recreation
- Division 95-96 Other service activities

9. Number of days worked and hours worked by employees of business establishments

In terms of establishments with employees, there were about 91,479 establishments or 28.7 percent in Northern region. Considering by number of days worked per week, it was found that about 55.3 percent was of establishments with employees worked around 5-6 days per week. For those with their employees worked around 7 days per week were about 41.8 percent. The rest of about 2.9 percent was of establishments with their employees worked less than 5 days per week.

Considering by average number of hours worked per day, most of establishments (about 76.5 percent) have employees worked around 8-10 hours per week. Those with their employees worked less than 8 hours per week were about 12.8 percent. The rest of about 10.7 percent was of establishments which have employees worked per week more than 10 hours.

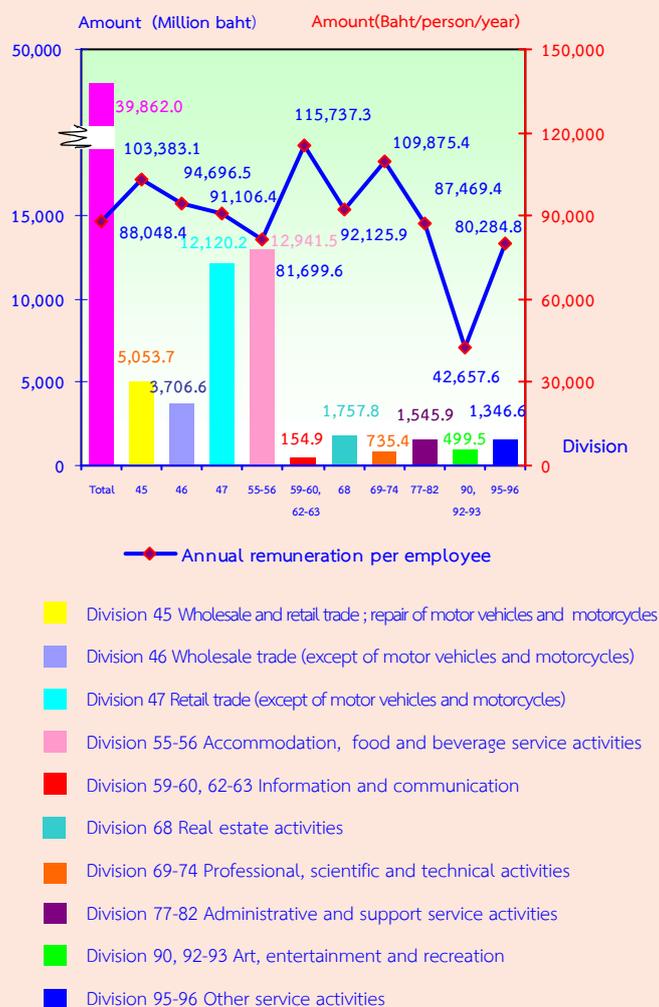
Figure 10 Percentage of business establishments by number of days worked and hours worked



10. Remuneration

Remuneration of all employees engaged in business establishments in Northern region was about 39.9 billion baht or about 88,048 baht per person per annum. Employees engaged in *information and communication* received the highest annual remuneration of about 115,737 baht per person. This was followed by those engaged in *professional, scientific and technical activities* and *wholesale and retail trade ; repair of motor vehicles and motorcycles* received the annual remuneration of about 109,875 baht and 103,383 baht per person respectively. Employees engaged in *art, entertainment and recreation* received the lowest annual remuneration of about 42,658 baht per person.

Figure 11 Remuneration and annual remuneration per employee by division of business industry



11. Income, Intermediate consumption and value added

In 2011, the income, intermediate consumption and value added of business establishments in Northern region amounted to 814.5 billion baht, 598.8 billion baht and 215.6 billion baht respectively. The ratio of the value added to the income was about 26.5 percent. For the average value of income per establishment and per person engaged, there were about 2.6 million baht and 879,400 baht respectively. While also, the average value added per establishment and per person engaged amounted to 675,600 baht and 232,800 baht respectively.

Considering by division of business industry, it showed that most of the

income were from *retail trade (except of motor vehicles and motorcycles)* had the highest of income, of about 394.4 billion baht. This was followed by the establishments engaged in *wholesale and retail trade (except of motor vehicles and motorcycles)* accounted for 137.0 billion baht. Establishments engaged in *retail trade, (except of motor vehicles and motorcycles)* contributed the highest value added of about 91.0 billion baht. Followed by those engaged in *accommodation, food and beverage service activities* accounted for 37.0 billion baht. Meanwhile, establishments engaged in *information and communication* had the lowest income and value added of about 1.3 billion baht and 600.9 million baht respectively.

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

Division of business industry	Income			Value added			Value added per income (%)
	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	814,452.6	2,552.2	879.4	215,609.3	675.6	232.8	26.5
Wholesale and retail trade ; repair of motor vehicles and motorcycles	137,021.3	4,824.4	1,559.9	27,525.2	969.1	313.4	20.1
Wholesale trade (except of motor vehicles and motorcycles)	133,357.7	10,139.7	2,161.6	26,861.4	2,042.4	435.4	20.1
Retail trade (except of motor vehicles and motorcycles)	394,404.6	2,584.9	1,043.9	90,946.6	596.0	240.7	23.1
Accommodation , food and beverage service activities	84,065.4	1,622.8	361.4	36,991.9	714.1	159.0	44.0
Information and communication	1,260.1	3,750.3	686.3	600.9	1,788.4	327.3	47.7
Real estate activities	40,060.7	2,299.7	937.8	18,929.6	1,086.7	443.1	47.3
Professional, scientific and technical activities	3,851.6	1,001.2	323.0	2,101.1	546.2	176.2	54.6
Administrative and support service activities	7,050.8	985.0	253.9	4,610.1	644.1	166.4	65.4
Art, entertainment and recreation	3,035.5	574.8	154.1	1,512.8	286.5	76.8	49.8
Other service activities	10,344.9	264.3	165.9	5,529.6	141.3	88.7	53.5

12. Comparison the overall operation of business trade and services during 10 years

The overall operation of business trade and services during 10 years, it was found that the number of establishments, the employment, the income and value added were favorably growth. However, it was excepted for the year 2009 which was suffered the decrease of business operation due to the impact of global economic crisis. For the year 2011, although there was flooding disaster in Thailand throughout the country, it temporarily affected business establishments. Therefore, the overall operation of business in Northern region in that year still showed an increase.

Comparing the 2012 Business and Industrial census with the 2002 Business Trade and Services survey, it was discovered

that the number of business establishments with one person engaged or more in Northern region increased by 57.3 percent. Subsequently, total number of persons engaged and average number of persons engaged per establishment increased by 70.2 percent and 7.4 percent respectively.

In terms of employment, it was found that number of employees increased by 1.2 times or 117.3 percent. This was resulted in the average number of employees increased by 40.0 percent. It was also found that the annual remuneration grew by 2.5 times or 249.4 percent.

Due to the value of income which was increased by 2.3 times or 228.7 percent, then the value added increased by 2.4 times or 239.9 percent

Table 3 Principal data of Business Trade and Services Industry in 2001 -2011

Data items	2001 ^{1/}	2003 ^{1/}	2005 ^{1/}	2007 ^{1/}	2009 ^{1/}	2011 ^{2/}	Percentage change 2011 and 2001
Number of establishments (establishment)	202,873	202,685	206,839	283,238	282,108	319,120	57.3
Number of persons engaged (Person)	544,042	568,778	688,093	793,681	646,297	926,192	70.2
<i>Average per establishment (Person)</i>	2.7	2.8	3.3	2.8	2.3	2.9	7.4
Number of employees (Person)	208,376	225,724	344,293	371,056	244,952	452,729	117.3
<i>Average per establishment (Person)</i>	1.0	1.1	1.7	1.3	0.9	1.4	40.0
Remuneration (Million baht)	11,408.0	14,792.4	24,193.1	27,393.3	18,060.4	39,862.0	249.4
<i>Average annual per employee (baht)</i>	54,747.2	65,533.1	70,268.9	73,825.2	73,730.4	88,048.4	60.8
Income (Million baht)	247,747.7	424,657.5	728,994.8	890,983.4	520,779.4	814,452.6	228.7
<i>Average per establishment (Thousand baht)</i>	1,221.2	2,095.2	3,524.5	3,145.7	1,846.0	2,552.2	108.9
<i>Average per person engaged (Thousand baht)</i>	455.4	746.6	1,059.4	1,122.6	805.8	879.4	93.1
Intermediate consumption (Million baht)	184,323.3	335,825.5	582,581.8	737,675.3	420,204.0	598,843.4	224.9
<i>Average per establishment (Thousand baht)</i>	908.6	1,656.8	2,816.6	2,604.4	1,489.5	1,876.6	106.5
<i>Average per person engaged (Thousand baht)</i>	338.8	590.4	846.7	929.4	650.2	646.6	90.9
Value added (Million baht)	63,424.4	88,831.9	146,413.0	153,308.0	100,575.4	215,609.3	239.9
<i>Average per establishment (Thousand baht)</i>	312.6	438.3	707.9	541.3	356.5	675.6	116.1
<i>Average per person engaged (Thousand baht)</i>	116.6	156.2	212.8	193.2	155.6	232.8	99.7

Note : ^{1/} Business Trade and Services Survey 2002-2010 , Northern region

^{2/} Business and Industrial Census 2012 : Business Trade and Services Industry, Northern region

13. Conclusion and recommendations

The results of the 2012 Business and Industrial Census (Business Trade and Services) showed that there were in total 319,120 business establishments in Northern region. Most of them (about 99.1 percent) were establishments with 1-15 persons. The major business was *retail trade, (except of motor vehicles and motorcycles)* accounted for 47.8 percent. Regarding persons engaged in business establishments, there were totally 926,192 persons. Of this number, about 452,729 persons were employees receiving the average annual remuneration about 88,048 baht per person. Moreover, the business establishments contributed about 814.5 billion baht of income, 598.8 billion baht of intermediate consumption and 215.6 billion baht of value added.

Comparing information of survey and census during 2002-2012, the result showed the operation of business establishments in Northern region was considerably growth.

This was probably due to the increase in number of establishments, the employment and the remuneration. Furthermore, the overall of Thailand economy was expanded due to more investment in business entities and employment responding to the demand in both domestic and foreign market.

- **Problems and obstacles of business establishments**

About 68.6 percent of business establishments reported their problems and obstacles. The main issues were the increasing of business competitors, the high production cost, the economic crisis, and the lower of purchasing power, etc.

- **Aid needed from the government**

About 62.1 percent of business establishments expressed their opinion on aid needed from the government. The main issues were the economic stimulation, the good prices control, the support of funding, tax reduction scheme and lower rate interest, etc.