

12. The Upper Northeastern Provincial Cluster (Group 3) - Khon Khaen, Maha Sarakham, and Roi Et: Out of 314,287 people working under SMEs in the cluster, 105,447 or 33.6 percent of the total were in manufacturing. Retail accounted for 89,501 jobs or 28.5 percent. The services sector had 81,774 employees or 26 percent, and wholesale had 12,251 employments or 3.9 percent of the cluster's workforce.

13. The Lower Northeastern Provincial Cluster (Group 1) - Nakhon Ratchasima, Chaiyaphum, Surin, and Buriram: There were 385,343 people working for SMEs in the cluster. This was the highest number of employment under SMEs in the Northeastern region. Manufacturing provided 130,012 jobs or 33.7 percent of the total, while retail had 111,106 employees or 28.8 percent. The services sector was hiring 87,070 people or 22.6 percent of the workforce, and wholesale did likewise to 18,309 employees, or 4.8 percent of the total.

14. The Lower Northeastern Provincial Cluster (Group 2) - Yasothon, Si Sa Ket, Amnat Charoen, and Ubon Ratchathani: This cluster had a total of 218,641 employees working under SMEs. Retail was its top sector, hiring 75,741 or 34.6 percent of the total. Manufacturing also hired 67,001 people or 30.6 percent of the total, while the services and wholesale sectors accounted for 48,870 and 8,812 people working under SMEs, or 22.4 and 4.0 percent of the cluster's workforce respectively.

15. The Upper Southern Provincial Cluster (Group 1) - Surat Thani, Ranong, and Chumphon: The group's SMEs provided jobs for a total of 142,425 people, of which 49,635 or 34.8 percent were in the services sector. The retail SMEs hired 41,190 employees or 28.9 percent of the total, while manufacturing accounted for 33,792 jobs or 23.7 percent, and 10,944 people or 7.7 percent of the total were working for wholesale SMEs.

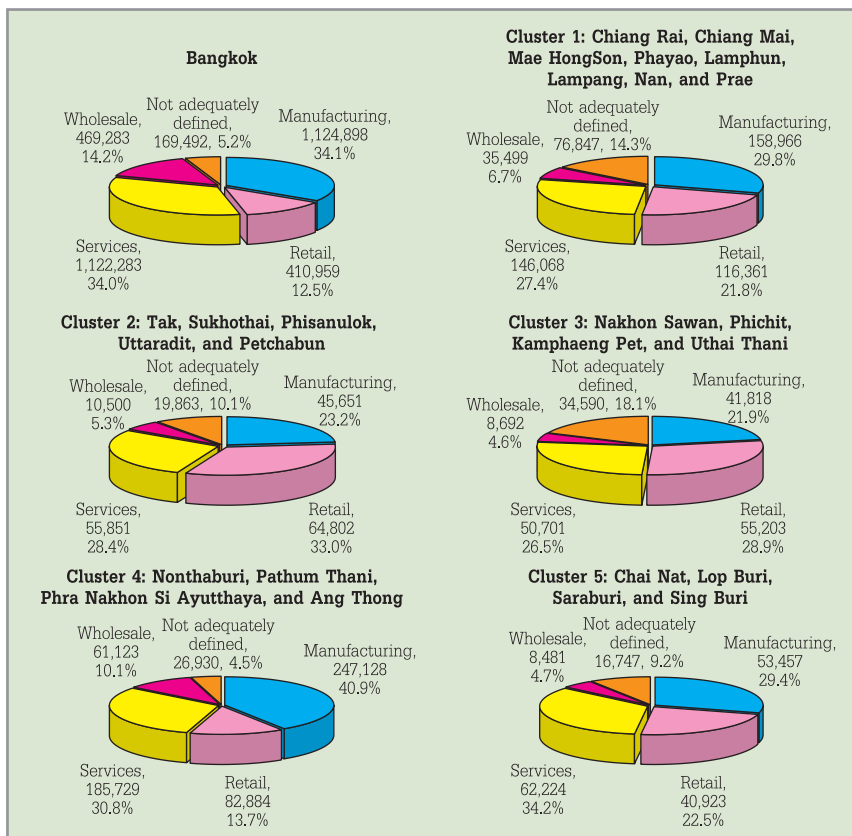
16. The Upper Southern Provincial Cluster (Group 2) - Nakhon Si Thammarat, Phatthalung, and Trang: This group had a total of 196,056 employees working for SMEs, the highest number in the entire Southern region. Its services sector held the greatest proportion hiring 59,329 people or 30.3 percent of the cluster's workforce. Retail provided jobs for 55,013 people or 28.1 percent. Manufacturing has 53,343 employees or 27.2 percent, and wholesale hired 15,413 employees, accounting for 7.9 percent of the group's employment under SMEs.

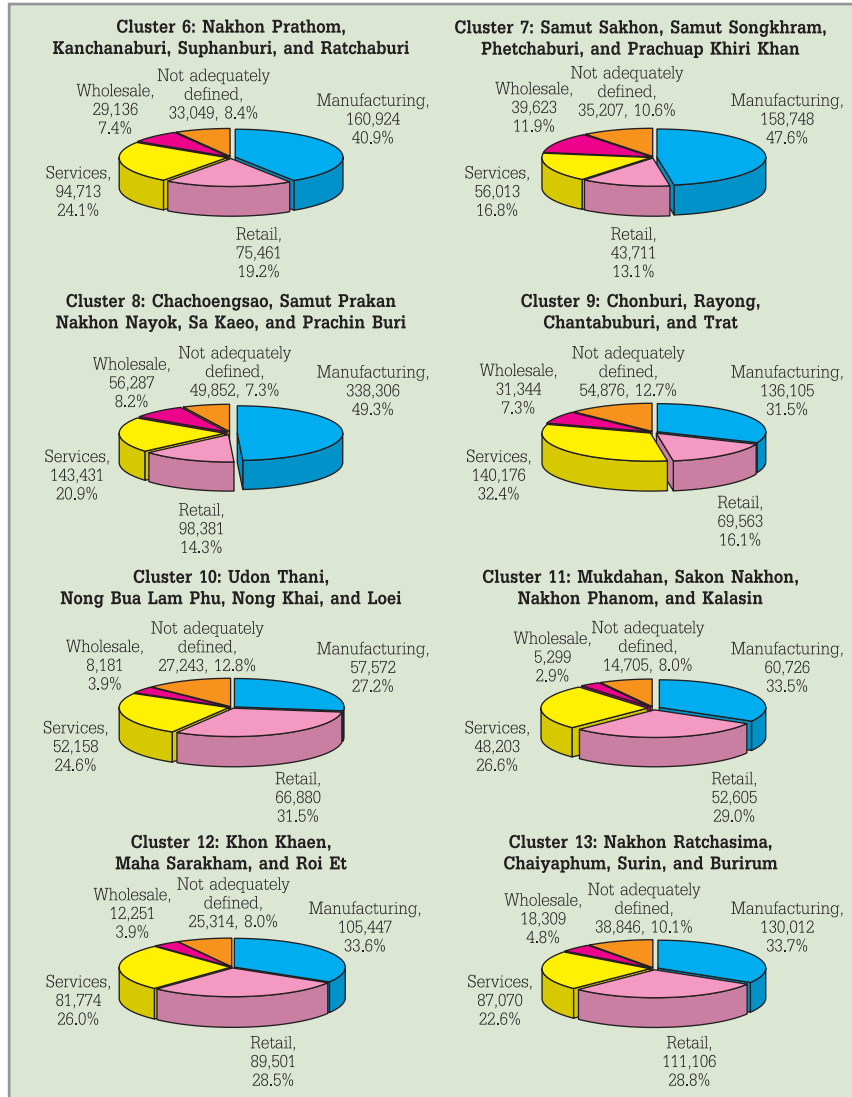
17. The Upper Southern Provincial Cluster (Group 3) - Krabi, Phang-Nga, and Phuket: A total of 153,378 jobs in it were under SMEs. The leading sector was services with 69,843 employees or 45.5 percent of the workforce. Retail had 30,126 employees or 19.6 percent, while manufacturing and wholesale accounted for 27,536 and 11,256 jobs, 18.0 and 7.3 percent of the total respectively.

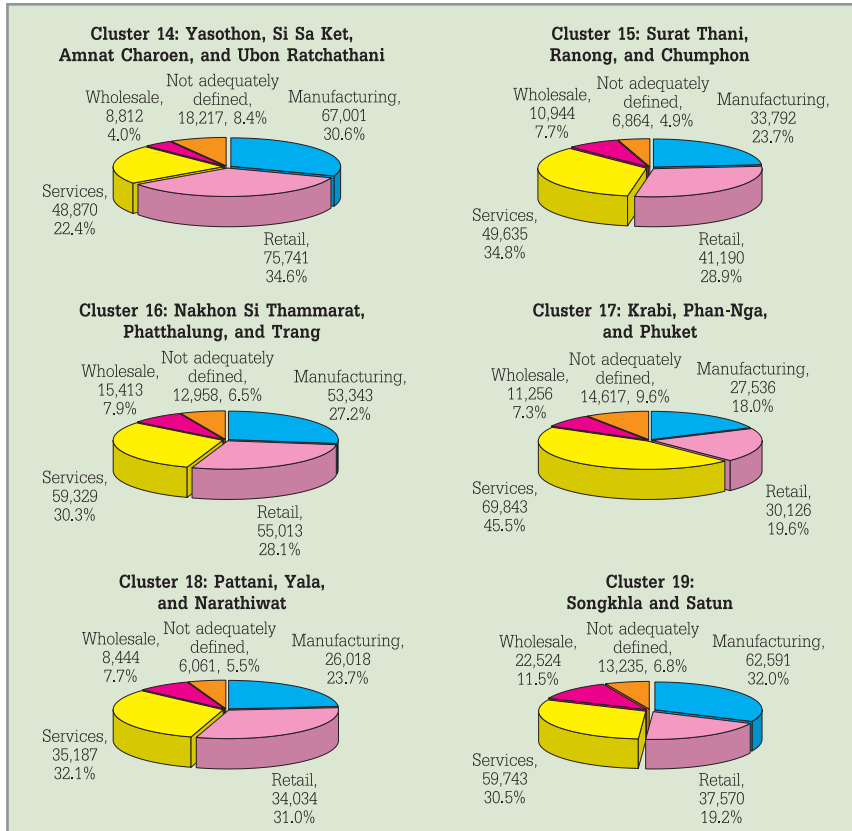
18. The Lower Southern Provincial Cluster (Group 1) - Pattani, Yala, and Narathiwat: This group had 109,744 people working under SMEs. As many as 35,187 employees or 32.1 percent of the total were in the services sector. The retail sector hired 34,034 people or 31 percent of the total, while manufacturing offered 26,018 jobs or 23.7 percent. The wholesale sector, with 8,444 employees, was sharing 7.7 percent of the group's workforce.

19. The Lower Southern Provincial Cluster (Group 2) - Songkhla and Satun: This group's SMEs provided 195,663 jobs. Manufacturing held the highest share with a total of 62,591 employees or 32 percent of the workforce. The services sector had 59,743 employees or 30.5 percent, while retail held a 19.2 percent share hiring 37,570 people. Wholesale held the smallest proportion of 11.5 percent with its 22,524 employees.

Figure 3.4 Employment Under Small and Medium Enterprises in 19 Provincial Clusters According to the Provincial Cluster Development Strategy in 2004







Source: The 1997 Industrial Census and The 2002 Business Trade and Services Census

by National Statistical Office

: List of registered establishments, Department of Business Development, Ministry of Commerce.

: List of insured employees, the Social Security Office

: List of registered manufacturers, Department of Industrial Works

Compiled by: the Office of Small and Medium Enterprises Promotion

3.6 Employment Under Manufacturing Small and Medium Enterprises in 2004

In 2004, the manufacturing sector had a total of 4,216,603 employees, of which 3,233,484 or 76.7 percent were under SMEs. In reference to the number of employment by industry, food and beverages manufacturing had the highest number of 707,400 employees. SMEs in this sector were accounted for 574,856 or 81.3 percent of these jobs. The food and beverages manufacturing SMEs also contributed to 17.8 percent of the total employment under the manufacturing SMEs.

The industry where employment under SMEs held the highest share was wood and wood products (except furniture), 96.5 percent of the workforce were working under SMEs.

Concerning the employment averages in the manufacturing sector, records showed that medium enterprises had an average of 200 employees. The industry with the highest average was manufacturing of office appliances, accounting machines, and computers, which had an average of 584 employees. Recycling was the industry with the lowest employment average of 52. The overall employment average for the small enterprises stood at 5 employees. The SE with the highest employment average was manufacturing of motor vehicles, trailers, and semi-trailers, which generally hired 28 employees. The industry with the lowest employment average was wood manufacturing (except furniture), with an average of 3 employees (Table 3.3).

Table 3.3 Number of Employment Under Manufacturing Small and Medium Enterprises in 2004 by Industry

| Industries | Total employment (persons) | IE (persons) | SMEs (persons) | % of SMEs in particular industry | % in total manufacturing SMEs | Average Employment under ME (persons) | Average Employment under SE (persons) |
|--|----------------------------|--------------|----------------|----------------------------------|-------------------------------|---------------------------------------|---------------------------------------|
| 1. Food and beverages | 707,400 | 132,544 | 574,856 | 81.3 | 17.8 | 208 | 4 |
| 2. Clothing | 387,577 | 44,908 | 342,669 | 88.4 | 10.6 | 302 | 4 |
| 3. Textiles | 348,693 | 82,550 | 266,143 | 76.3 | 8.2 | 269 | 4 |
| 4. Rubber and plastic products | 295,385 | 64,653 | 230,732 | 78.1 | 7.1 | 216 | 23 |
| 5. Radio, television, equipment and tools manufacturing | 284,878 | 190,465 | 94,413 | 33.1 | 2.9 | 368 | 25 |
| 6. Furniture manufacturing | 257,479 | 28,563 | 228,916 | 88.9 | 7.1 | 257 | 8 |
| 7. Metal parts ex machinery and equipment | 238,247 | 35,034 | 203,213 | 85.3 | 6.3 | 154 | 6 |
| 8. Tobacco products | 178,417 | 30,144 | 148,273 | 83.1 | 4.6 | 90 | 4 |
| 9. Wood and wood product ex furniture | 155,476 | 5,404 | 150,072 | 96.5 | 4.6 | 211 | 3 |
| 10. Other non-metal mineral product | 154,052 | 30,780 | 123,272 | 80.0 | 3.8 | 174 | 10 |
| 11. Motor vehicles, trailers, and semi-trailers manufacturing | 138,135 | 56,972 | 81,163 | 58.8 | 2.5 | 249 | 28 |
| 12. Articles of leather, bags, and footwear | 129,376 | 35,001 | 94,375 | 73.0 | 2.9 | 303 | 15 |
| 13. Electrical machinery and tools | 121,675 | 54,560 | 67,115 | 55.2 | 2.1 | 265 | 22 |
| 14. Printed matter, printing and reproduction of medias | 115,467 | 20,181 | 95,286 | 82.5 | 3.0 | 142 | 9 |
| 15. Chemicals and chemical products | 105,364 | 22,307 | 83,057 | 78.8 | 2.6 | 121 | 17 |
| 16. Machinery and equipment | 91,620 | 22,392 | 69,228 | 75.6 | 2.1 | 146 | 10 |
| 17. Base metal | 66,709 | 24,370 | 42,339 | 63.5 | 1.3 | 146 | 15 |
| 18. Paper and paper products | 65,161 | 15,314 | 49,847 | 76.5 | 1.5 | 160 | 16 |
| 19. Medical instruments, optical instruments, clocks and watches | 45,037 | 30,784 | 14,253 | 31.7 | 0.4 | 164 | 17 |
| 20. Other transport equipment | 25,602 | 14,761 | 10,841 | 42.3 | 0.3 | 304 | 10 |
| 21. Office appliances, accounting machines, and computer | 11,982 | 9,935 | 2,047 | 17.1 | 0.1 | 584 | 12 |

| Industries | Total employment (persons) | LE (persons) | SMEs (persons) | % of SMEs in particular industry | % in total manufacturing SMEs | Average Employment under ME (persons) | Average Employment under SE (persons) |
|--|----------------------------|----------------|------------------|----------------------------------|-------------------------------|---------------------------------------|---------------------------------------|
| 22. Coke, products from petroleum distillation, and nuclear fuel | 8,230 | 2,953 | 5,277 | 64.1 | 0.2 | 108 | 11 |
| 23. Recycling | 1,114 | - | 1,114 | 100.0 | 0.03 | 52 | 8 |
| Others | 283,527 | 28,544 | 254,983 | 89.9 | 7.9 | 125 | 6 |
| Total | 4,216,603 | 983,119 | 3,233,484 | 76.7 | 100.0 | 200 | 5 |

Source: The 1997 Industrial Census and The 2002 Business Trade and Services Census

by National Statistical Office

: List of registered establishments, Department of Business Development, Ministry of Commerce.

: List of insured employees, the Social Security Office

: List of registered manufacturers, Department of Industrial Works

Compiled by: the Office of Small and Medium Enterprises Promotion

3.7 Employment Under Services Small and Medium Enterprises in 2004

The services sector had a total of 3,365,210 employees, of which 2,755,485 were working under the SMEs, accounting for 81.9 percent of employment in the entire sector. Hotel and restaurant was the leading industry, hiring 736,726 people. The SMEs in the industry shared 87.8 percent of its workforce, hiring 647,021 employees.

Recreational, cultural, and sports activities was the industry with the greatest employment contribution from SMEs, as much as 91.5 percent of the jobs were under SMEs.

Close inspections of the employment averages in the services sector showed that the medium enterprises usually hired an average of 93 employees. The industry with the highest number of employees was business services, which hired 4,266 people. The computer services ME had the lowest average of 12 employees. The

average employment for SE was 3. The highest average was found in business services, which had 43 employees, while health and social services had the lowest average of only 1 employee (Table 3.4).

Table 3.4 Number of Employment Services Small and Medium Enterprises in 2004 by Industry

| Industries | Total employment (persons) | LE (persons) | SMEs (persons) | % of SMEs in particular industry | % in total services SMEs | Average Employment under ME (persons) | Average Employment under SE (persons) |
|-------------------------------------|----------------------------|----------------|------------------|----------------------------------|--------------------------|---------------------------------------|---------------------------------------|
| 1. Hotel and restaurants | 736,726 | 89,705 | 647,027 | 87.8 | 23.5 | 89 | 3 |
| 2. Business services | 370,859 | 52,222 | 318,637 | 85.9 | 11.6 | 4,266 | 43 |
| 3. Transport services | 362,626 | 42,083 | 320,543 | 88.4 | 11.6 | 129 | 3 |
| 4. Real estate services | 311,367 | 72,393 | 238,974 | 76.7 | 8.7 | 42 | 3 |
| 5. Recreation, culture, and sports | 117,529 | 9,953 | 107,576 | 91.5 | 3.9 | 58 | 2 |
| 6. Health and social services | 80,019 | 47,393 | 32,626 | 40.8 | 1.2 | 79 | 1 |
| 7. Computer and associated services | 26,271 | 6,876 | 19,395 | 73.8 | 0.7 | 12 | 13 |
| 8. Others | 1,359,813 | 289,100 | 1,070,713 | 78.7 | 38.9 | 97 | 4 |
| Total | 3,365,210 | 609,725 | 2,755,485 | 81.9 | 100.0 | 93 | 3 |

Source: The 1997 Industrial Census and The 2002 Business Trade and Services Census by National Statistical Office

: List of registered establishments, Department of Business Development, Ministry of Commerce.

: List of insured employees, the Social Security Office

: List of registered manufacturers, Department of Industrial Works

Compiled by: the Office of Small and Medium Enterprises Promotion