How the Cost-of-Living Crisis Hurts Workers in Informal Employment in Bangkok, Thailand

Research was conducted with domestic workers, home-based workers, motorcycle taxi drivers and street vendors in Bangkok between June and October 2023. Key findings include:

- **Livelihood challenges**: Amid rising inflation, workers face supply and demand issues that impact their earnings. Many work longer hours to make ends meet and to avoid incurring further debt.

- **Increased food costs**: A typical worker in the focus groups spent 56% of their earnings on food and a third spent more than 75% on food. In mid-2023, 7 in 10 were spending more on food than in early 2023. Workers are reducing individual or household food consumption with potential short- and long-term impacts on food and nutrition security.

- **Cost-of-living concerns**: Workers reported rising household food expenses, electricity and water bills, education expenses for children, and transportation costs.

- **Ongoing debt crisis**: Half of the workers had incurred debt in the past year. Reasons included paying for business expenses, rent and food, education, and utilities. Debt ranged from THB 3,000 to THB 200,000, with monthly interest rates of 1-20%. Informal lenders were the most common source of loans.

- **Technological barriers and adaptations**: Workers are using basic digital tools to improve their livelihoods, including cashless payments and online platforms. Older workers need technology upskilling to adapt.

- **Climate-change-related impacts**: Street vendors note that flooding, drought and excessive heat affect their businesses through increased prices of raw materials, damage to stalls and lower sales. Motorcycle taxi drivers are willing to switch to electric vehicles, but affordability is a concern.

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1 HomeNet Thailand collected data through 10 focus group discussions with 56 workers and 10 in-depth interviews with worker leaders from the four occupational sectors.

Photos courtesy of HomeNet Thailand
Recommendations for Policy and Practice

Support workers’ livelihoods:

- **Guarantee that supportive economic policies are inclusive of all informal occupational sectors:** Workers demand government intervention to control inflation. This includes price controls on utility bills, essential food items and transport.

- **Provide capital to workers in informal employment:** Establish an informal economy fund to provide interest-free or low-interest loans for all occupational groups.

- **Promote and support products and services of workers in informal employment:** Government should procure at least 30% of goods and services from and to worker groups.

- **Provide marketing, vocational and technology upskilling** with a focus on women and older workers.

- **Provide adequate digital infrastructure:** Government should provide free and high quality internet services for workers.

Extend and strengthen social protection:

- **Ensure adequate social security for all workers:** The benefits included under SSF Article 40 should be improved in line with inflation to ensure a decent standard of living. Maternity and child benefits should be expanded to all SSF members. Reforms to the SSF should be made to transform the lump-sum old-age benefit into a pension that guarantees adequate income security. Government should explore including unemployment benefits under SSF Article 40.

- **Improve implementation of the SSF:** The SSF should increase transparency through regular updates of contributions and entitlements, and simplify the process of accessing and claiming benefits. Worker organizations should be empowered to raise awareness of benefits and processes and to help workers register.

- **Expand coverage of Child Allowance and State Welfare Cards.**

Ensure access to public space:

- **Ensure fair and transparent regulations on access to public space:** Government should return footpaths to street vendors and motorcycle taxi drivers who were evicted, and work directly with vendor organizations to manage public space.

- **Invest in urban and workplace infrastructure:** Adequate workplace infrastructure requires the provision of water, electricity, waste management services, street lights, as well as fuel/gas subsidies. Attention should be given to gender, and age-friendly and climate-sensitive workplace infrastructure.

Commit to worker participation and representation in decision-making processes:

- **Include workers in urban development and planning processes.**

- **Promote the participation of workers in institutionalized decision-making processes and social dialogue.**

Guarantee social control mechanisms: Government should guarantee participation and monitoring from the Federation of Informal Workers in Thailand, civil society and academics to assure social dialogue processes are effective and efficient.

About WIEGO

Women in Informal Employment: Globalizing and Organizing (WIEGO) is a global network focused on empowering the working poor, especially women, in the informal economy to secure their livelihoods. We believe all workers should have equal economic opportunities, rights, protection and voice. WIEGO promotes change by improving statistics and expanding knowledge on the informal economy, building networks and capacity among informal worker organizations and, jointly with the networks and organizations, influencing local, national and international policies. Visit [www.wiego.org](http://www.wiego.org)

Note: This document is based on Shouldering the Burden: Impacts of the Cost-of-Living Crisis on Workers in Informal Employment in Bangkok, Thailand. WIEGO Policy Brief No. 30