

Sawitree Phobkratoke 2011: Saving Potential of Thai Agricultural Households. Master of Science (Agricultural Economics), Major Field: Agricultural Economics, Department of Agricultural and Resource Economics. Thesis Advisor: Mrs. Isriya Bunyasiri, Ph.D. 117 pages.

The objective of this research paper is to study income, consumption and ability to save and factors determining potential to save among Thai agricultural households. The agricultural households from every regions are selected from the Household Socio-Economic Survey (SES), National Statistics Office in 2009.

The agricultural households in Thailand has an average monthly income of 15,701 Baht. The net profit from farm income accounted for 63.65 percent of total income. The wage and salaries accounted for 7.43 percent of total income. The income from money assistance from other people outside household accounted for 4.64 percent and The net profit from business accounted for 3.73 percent respectively. The farm households has an average monthly expenditure of 11,099 Baht.. The agricultural households has an average monthly potential to save of 4,612 Baht, accounted for 29 percent. Northeastern households have the lowest level of potential to save whereas the Southern households have the highest level of potential to save. Fruits household have the lowest level of potential to save whereas the Agricultural Services households have the highest level of potential to save. Households has more 5 rai have the lowest level of potential to save. Education of primary school level or higher of household head have the highest level of potential to save. Households in municipal areas have the level of highest potential to save and households has more 1 type of agricultural have the lowest level of potential to save.

The empirical results of factors determining the potential to save using the Two – Stage Least Squares method has shown that positive factors influencing the potential to save are permanent income and education of primary school level or higher of household head. Negative factors influencing potential to save are numbers of types of farm more than 1 and households who have debts. The transitory income are insignificant in explaining for potential to save. The agricultural households in Thailand has an marginal propensity to save 0.69. Southern households have the lowest level of marginal propensity to save whereas the Northeastern households have the highest level of marginal propensity to save. Rice farming household have the lowest level of marginal propensity to save whereas the Crop households have the highest level of potential to save. The Households in municipal areas have the level of highest marginal propensity to save less than the households in non-municipal areas.

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Thesis Advisor's signature