

CHAPTER V

CONCLUSION

The wage increase was necessary to allow workers to live a more quality life. Despite rising wages required steps. It must take the market condition into account and be in line with labor productivity. Both employers and employees needed time to adapt. The employers should find ways to increase productivity or cut cost elsewhere. Meanwhile, it's time for employees to increase productivity or quality of production of their own, and the government should review and should gradually raise the minimum wage to at least up to a sufficient level since each province had different cost of living and needed gradual adjustment to minimize the impact on the economy.

The 300-baht minimum wage policy had an impact in both positive and negative way. The positive way was to make basic labor revenues increased. This was a course that would be beneficial to increase purchasing power or the ability to increase saving to workers even more. If the wages rose but the cost of living did not, it would be different. The distance between the minimum wages to the cost ceiling was the same as the negative impact such as operators had to face the increased cost.

Some businesses might pass this to the price of goods but some businesses it could only make a profit decline or profit a loss. However, some businesses did not get the impact on this point. It was very strict in the management of an organization or business that would reduce operational costs to maintain profits in

proportion to the original. The government's policy to increase the minimum wage up to 300 baht would benefit the workers, because those workers revenue would increase the economic condition of the country today.

Therefore, the industry employing a lot of workers would be affected. The industrial cost of labors was high compared to the overall cost of production, so when labor cost rose the total cost would be higher. From all factories in Thailand, there were top five: industries that the most affect manufactories furniture, toys, jewelry and leather industry, apparel industry, textile industry and the printing industry. The more expensive goods helped the local population in terms of living well. However, it would fall to the operator or major industrial plants there. Because they were spending more meanwhile revenue the plant might also be the same plants, so it might be necessary to lay offworkers to reduce costs at the plant. The government must address the issue would occur in the future.

However, according to employers and entrepreneurs or investors, the 300-baht minimum wage had a negative impact more than the positive. The cost of this policy in order get the advantage of the higher cost of goods could not compete with neighboring countries to which the foreign investors turned their investment. Because of that, Thailand lost the foreign investment. Another problem was that the flow of more foreign workers into the country illegally and legally. The previous number of foreign workers was already enough already to a certain extent. The government had announced and released 300 baht minimum wage policy that made more migrants flew into the country.