

Case Study: Mrs Maew Asa (Clothes Sewing)

Mrs Maew Asa (a fictitious name) was 52 years old and a native of Chiang Mai. There were five members in her family. Her husband was engaged in a serious accident that affected his brain so that he had to leave his job with the government. Living with her husband in Suphan Buri province, Maew had to take care of her husband and her two children, who were undergraduates. Maew's monthly expenses amounted to 20,000 THB (666.67 USD), which included an installment payment for the land, the children's educational expense, loan repayment and other household expenses. It was fortunate, Maew said, that her husband was still entitled to his civil servant's welfare benefits so his regular medical check-up and medicines at the hospital were not charged. Maew's income came from her husband's pension and her sewing work.

Maew started her working life at the age of 18. After spending three years as a sales assistant, she resigned to take up a better-paying job of cosmetician. Four years after that, she got married and then attended a beautician's training course. She moved to live with her husband and also open a beauty parlor in Phachuapkhirikhan province's Hua Hin district. When her husband had an accident, they had to return to live in Suphan Buri, which was the homeland of Maew's husband. Here in Suphan Buri, Maew also opened a beauty parlor for some time but the business was not good as expected. In 2002, district community development officials introduced villagers to the idea of organizing themselves into occupational groups. Maew saw some villagers already did sewing work; she then suggested that they organize into a group. At first, her group had 12 members who took sewing orders as well as producing their own goods.

However, taking sewing orders from contractors led to a lot of problems for her group met. The prices were forced down. In bidding for government agencies' work, such as sewing pupils' mattresses, her group had to compete with other middlemen. In addition, a two-percent deposit of the proposed price was required to secure the work. Sometimes the group won the bidding but had no money for the deposit, as the group leader Maew often had to use her personal funds to pay for the needed deposit. Another big problem was the employers' delayed payments for the job already done; some of them paid the wages after receiving the work for 15-30 days. Over the past couple of years, all employers have made their payments in this manner, which so negatively affected Maew's liquidity that at times she had to take out loans to serve as the group's revolving fund and the group members' wages.

Over the past two years, fewer orders came in because of the economic downturn. Some employers just folded up. Others asked for lower prices. Maew said the group would not accept the orders because when the transport and QC expenses were taken into account, it was not cost effective. Certain employers, such as those selling pants at Bangkok's Chatuchak Week-end Market, would deliver their work to the group instead of vice versa, but asked that the wage be lowered from five baht per pair to 3.50 THB(0.12 USD). Maew said she had to accept the work to keep the group members employed; otherwise they would suffer and have to look for work to survive. She feared her group members might join other groups, which would certainly affect their group's sustainability.

So the group's solution was to take more orders or more work from many contractors and either make sure that the work would be cost effective or ask the employers to deliver the work to the group to avoid the transport cost. Maew believed that trying to solve the group's problems was better than being unemployed.
