# FACT SHEET

# Hawker policy in Thailand

## 1. Background

1.1 Similar to many other Asian countries, Thailand has a long history of street vending. In Bangkok, the largest city in Thailand, street vending has provided local Thai people with cheap and convenient access to a wide range of goods and a means of making a living. According to a survey conducted by the International Labour Office<sup>1</sup>, a majority of street vendors surveyed were satisfied with their occupation because of the income earning opportunity and work autonomy.<sup>2</sup> In recent years, street vending has also been considered as a way to nurture entrepreneurship, as well as adding to the tourist attractions of Bangkok by bringing vibrancy and vitality to the city.

1.2 In Bangkok, street vending has brought with it urban problems such as obstruction to pedestrian and vehicular traffic. It has also given rise to hygienic problem as many of street vending activities are related to the sale of cooked food along the streets. As such, the local government has designated various locations as street vending areas subject to regulatory controls such as the restrictions on the trading hours of street vendors. This fact sheet makes reference to the Bangkok city for the study of hawker policy in Thailand, covering information on the regulation and management of street vending, different forms of government-run markets, and the emergence of the new-generation street vendors.

<sup>&</sup>lt;sup>1</sup> International Labour Office is the permanent secretariat of the International Labour Organization.

<sup>&</sup>lt;sup>2</sup> See International Labour Office (2006a).

## 2. Regulation and management of street vending

2.1 The *Public Health Act 1992* regulates street vending in Bangkok.<sup>3</sup> Under the *Act*, no person is allowed to carry out street vending activities along public roads and footpaths unless authorized by the Bangkok Metropolitan Administration. The Bangkok Metropolitan Administration is the local government of Bangkok established under the *Bangkok Metropolitan Administration Act 1985* to be responsible for the management of the city. It is responsible for, among other things, setting out rules governing street vending in Bangkok and issuing personal hygiene guidelines for the compliance of street food vendors.

#### Registration of street vendors

2.2 In Bangkok, street vendors are required to register with the Bangkok Metropolitan Administration in order to carry out their street vending activities legally. Registered street vendors are issued with a licence card with a term of one year subject to renewal. In 2013, there were over 20 000 registered street vendors in Bangkok.<sup>4</sup> Registered street vendors are required to pay a monthly fee to the Bangkok Metropolitan Administration for the cleaning and maintenance of streets occupied by them.<sup>5</sup> While registration is required for street vending, there are also a number of unregistered street vendors in Bangkok.<sup>6</sup>

<sup>&</sup>lt;sup>3</sup> This section is based on the *Public Health Act 1992*, the only relevant legislation available on the Internet. As at the publication of this fact sheet, the Bangkok local government has not responded to our request for providing up-to-date information on the regulatory regime governing street vending in Bangkok.

<sup>&</sup>lt;sup>4</sup> See Ministry of Housing and Urban Poverty Alleviation in India (2013).

<sup>&</sup>lt;sup>5</sup> The monthly fee is approximately 300 Baht (HK\$71).

<sup>&</sup>lt;sup>6</sup> See American Journal of Economics and Business Administration (2010) and Farang In Bangkok (2011).

#### Vending zones and time

2.3 The Bangkok Metropolitan Administration is empowered to designate public areas for street vendors to carry out their selling activity after consulting with the local traffic police division. In Bangkok, there are hundreds of street vending areas across the 50 districts of the city. Yet many street vendors are still found to operate in public spaces not authorized for trading activities. In this connection, the Bangkok Metropolitan Administration has announced to step up the enforcement action against these unauthorized street vendors, particularly those selling at bus stops, crosswalks and pedestrian bridges.

2.4 Within the authorized areas, the Bangkok Metropolitan Administration specifies the trading hours for the operation of vending business. The trading hours vary among different areas. In many areas, vending on streets is permitted only after rush hours. For example, vendors on Ratchadamri Road and in the Tha Phrachan area are required to vacate their respective sidewalks from 5:00 pm to 7:00 pm each day in order to ensure that the sidewalks are free for use by pedestrians.<sup>7</sup> Ratchadamri Road is in the central business district and Tha Prachan is a district popular with tourists and university students.

## *No-vending day for cleaning streets*

2.5 As a measure to deal with the hygiene problem caused by street vending, the Bangkok Metropolitan Administration has since the early 2000s designated one day in a week as the cleaning day on which no vending is allowed on streets. Every Wednesday was initially set as the cleaning day which was changed to every Monday in 2005. In 2013, the Bangkok Metropolitan Administration changed the cleaning day again to every other Monday. Under the new arrangement, street venders are allowed to conduct their business on alternate Mondays when street cleaning does not take place.<sup>8</sup>

<sup>&</sup>lt;sup>7</sup> See The Urbanist Dispatch (2014).

<sup>&</sup>lt;sup>8</sup> See The Nation (2013) and International Labour Office (2006b).

## **3. Government-run markets**

3.1 Street vendors can only operate their business in the designated areas. Some vending activities are conducted along the streets ("on-street vending") whereas others take place on a vacant land or in a covered complex ("off-street vending"). These designated areas bring together a number of vendors to form what is commonly known as markets. In Bangkok, shopping in markets is popular among local people and foreign visitors. Many of the markets have grown into famous shopping destinations, such as the Bo Bae Market, the Khaosan Road night market, the Chatuchak Weekend Market and the Bon Marche Market.

#### On-street vending

#### Day market

3.2 Located in central Bangkok, the Bo Bae Market is one of the largest day markets famous for both retail and wholesale shopping. There are hundreds of street vendors selling a selection of low-price clothes, textiles and jewellery. Adjacent to the Bo Bae Market is the Bo Bae Tower which advertises itself as the largest garment wholesale centre in Thailand with about 1 300 stalls under one roof.

## Night market

3.3 The Khaosan Road night market is another popular on-street market in Bangkok. Except for the cleaning days, the Khaosan Road is closed at night and turned into a market filled with stalls selling a host of inexpensive food targeting at young people. The market also sells other variety of goods, such as clothes, local handicrafts and jewellery, which target at foreign tourists.

## Off-street vending

## Outdoor market

3.4 The Chatuchak Weekend Market, covering a land area of 1.2 sq km, is considered as the largest and most popular outdoor market in Bangkok. The market comprises over 9 000 stalls selling a great variety of low-price goods including household items, accessories, handicrafts, arts, book, clothes and food. The Chatuchak Weekend Market was formerly run by the Bangkok Metropolitan Administration. Since the lease expiry in early 2012, management of the market has been taken over by its land owner, the State Railway of Thailand.

#### Indoor market

3.5 The Bon Marche Market is housed in a covered complex with a variety of shops, markets stalls, restaurants, cafes and coffee shops. It is a successful government-run market with the amenities and infrastructure to enable stall vendors to conduct their business under a clean environment. Located in the north of Bangkok, the Bon Marche Market sells a wide range of goods such as fresh food and high-quality clothes, jewellery and accessories targeting primarily at middle- and upper-class customers.

#### Re-development of vending sites

3.6 In Bangkok, selling in designated vending sites has been a major means of living for many Thai people. However, there is a growing trend for the government and land developers to redevelop these sites, especially those located in prime areas, for more lucrative business uses such as malls and hotels. A notable example is the closure of the renowned Suan Lum Night Bazaar in central Bangkok in 2011. The market, together with the adjacent site areas, would be redeveloped into high-class shopping facilities, commercial buildings and a hotel.

## 4. New-generation street vendors

4.1 The high unemployment rate in Bangkok during the Asian financial crisis in 1997 has led to the emergence of new-generation street vendors, who were previously educated white collar workers and laid off during the crisis. They make use of their commercial and entrepreneurial skills to create their own street vending businesses in the city. Many of them run multiple stalls in markets located in strategic areas (such as central business districts and popular tourist spots) and target at high-end customers to earn relatively higher profit Some have even developed their own brand names or established margins. their own factories, and their stalls serve as the outlet and/or wholesale distribution network for the goods produced by them. This stands in contrast to traditional street vendors, who are mostly urban poor selling low-priced products sourced from wholesalers or factories. With the emergence of new-generation street vendors, street vending in Bangkok no longer serves mainly as a means of living for the urban poor but also as a career choice for many educated people.

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Research Office Information Services Division Legislative Council Secretariat 12 June 2014 Tel: 2871 2122

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