# Chapter 6

Structural Change of Rubber Industry

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### **Chapter 6**

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#### Issue of the Change in Planting to Stabilise Farmers' Incomes

It is relatively easy for large-scale farmers to change their planting, but planting diversification is more difficult for small-scale farmers, as their areas of agricultural land are too small to easily switch to alternative plants. Also, it is difficult to find alternatives for rubber that can be sold to generate cash on a daily basis, while other crops can be harvested only few times a year. Farmers in the South, who are accustomed to mono-cultures and a way of life with daily cash revenue, find it especially difficult to change their behaviours and covert to other plants. In contrast, farmers in the Northeast are more adaptable, as they have only recently started to plant NR and they are more accustomed to planting other crops and vegetables.

Impact of price decline Feasibility of change of planting Small impact There are plants other than It is possible to change to Large scale farmer rubber in the farm, and other plants such as palm, Larger than 50 rai also have income from because of large (South) agricultural land. other ways such as aquaculture Planting diversification is Large impact Has only rubber, so there is high impact of decrease in difficult as agricultural land Feasibility of planting is narrow. change and required income Other farm products cannot Small scale farmer support measures High household debt from the be harvested and changed Less than 15 rai are different past lifestyle, and overdue to money everyday as (South) depending on farm rubber, so it is not quite scale and region. Compensate the decrease in attractive for rubber income by family's member farmers in South. working outside. Medium impact As reason in the left, we As rubber plantation starts Small scale farmer can infer that it is easy to from 2000s, there are also Less than 15 rai proceed the change of plants other than rubber (Northeast) planting. existing that can reduce the impact.

Figure 6-1: Rubber farmers' incomes and the feasibility of planting changes

Source: Field Survey in Hatyai (Feb 2016).