

MANUFACTURING SURVEY APRIL 2020

AustCham Thailand conducted a survey in April 2020 on the impact of COVID-19 on members in the manufacturing sector. The purpose of the survey was to try to understand the issues being faced and the extent of those issues, including financial hardship.

Results as follows:

1. What Manufacturing sector does your organization support?

Sector	% responses
Automotive	39%
Industrial services	17%
Medical Equipment	11%
Sheet metal fabrication	11%
Household Consumer	5.5%
Aerospace	5.5%
Hospitality Industry of Laundry and Beverage	5.5%
All, service provider in industrial estates	5.5%

2. Has your organization been impacted by an Employee with COVID-19?

Yes	12.5%
No	87.5%

3. If yes, what steps did you take?

Plant closure 1 day	50%
Plant closure 14 days	50%

4. If choosing second option, did you obtain any Government support during this?

-

5.Has your organization been impacted with the volume loss?

Yes	69%
No	31%

If yes, what percentage of volume loss have you seen occur?

100%
90 %
17%
50-60%
55%
50% new customer land sales
Seasonally 30% down and order cancellation
20-40%
20% in March, 80% in April
Reduced sales and reduced profits

6.Does your organization currently experience financial / cash flow difficulties?

Yes	56%
No	44%

7.Have you needed to implement work from home policy?

Yes	47%
No	53%

8. If yes, what impact has working from home had on your organization?

Comment	% responses
Reasonable, loss in productivity	75%
Minimal, business as usual	25%

Comments: There some individuals that take advantage of the situation
Experienced a reasonable administrative lag

9. Please add any further comments or request for information that you might be seeking.

- Government tracking requirements are now placing the responsibility of employee on the employer, including the payment of accommodation. It would appear government funding during this crisis is not available. under what circumstances will the government support companies with financial hardship.
- Government should subsidize wages (50%+) during this period. It is the only truly impactful help they can provide.
- We're laying people off permanently We will be forcing salary reductions for all Indirect Labour Loss of 30% OT for all DIRECT labour. Forced Holiday periods- 2 weeks in June Reduced capital/growth spending.
- Customer cash flow and working hours have impacted our own cash flow, provision of utilities. Worse is restriction of travel to visit Thailand. Demand stagnation. Supply disruption.
- Clarity in regard to force majeure in laying people off and or furlough no pay.
- Plant shutdown implemented from 4th April to 4th May due to volumes reductions.
- The biggest is the uncertainty, when will the community be safe, defaulting customers and will we eventually need to close the business to stop the spread of the virus.