

SELF - EMPLOYMENT OF RURAL YOUTH IN THAI NGUYEN, VIETNAM

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Abstract

This study investigates the status of self-employment of rural youth in Thai Nguyen province - Vietnam. This paper uses descriptive methodology to indicate the rural youth self-employment in Thai Nguyen province. The results show that the self-employment of rural youth labours in Thai Nguyen is still low and face with a lot of difficulty.

Keywords: *self-employment, selection self-employment, give up, reason*

1. Introduction

Thai Nguyen is a mountainous province of Vietnam, where about 64.7% citizens has are living in rural areas (Thai Nguyen Statistical Office, 2018). Every year, a number of people enter the labor force... but the ability to accept workers of the business sector and the government sector are limited, so number of these graduated labours have been became redundant. Creating employment for Youth can not depend on only state programs, each Youth must take initiative, directly and firstly to find jobs or create jobs for themselves. Self-employment not only helps to create jobs for workers, but also contributes to creating a startup ecosystem, promoting self-reliance and promoting the special creativity of the current generation of young people. However, infact, the youth labour often like the paid wage job than create job by themselves; some of rural youth labours have selected self-employment, but not maintain in long time. Find the reason why rural youth chose self-employment or not will help the management find the solution to resolve employment for youth labours.

This article is organized as follows: Section 2 is methodology. Section 3 provides the status and the reason of self-employment decision of rural youth in Thai Nguyen province. Section 4 provides recommendations and conclusions of the paper.

2. Research methodology

2.1. Data collection method

Secondary data collection method

Secondary data used in this study were data collected from published documents such as the Statistical Yearbook, journals, mass media...

Primary data collection method

In order to find the reason why rural youth chose or not chose self-employment, besides the secondary data collected from the published documents, authors also use primary data. These data were collected from survey 398 rural youth in Thai Nguyen Province by used a questionnaire.

The questionnaire was divided into two parts: the demographic information of the interviewee and the main content.

In the main content the information of reason for chose/not chose/chose continue self-employment. Thai Nguyen city, Daitu district and Phu Binh district are selected as a location to survey.

2.2. Methods of analysing and processing data

Statistical description analysis method

Statistical description analysis method was used to describe and analyze the collected data, from that provide a comprehensive picture of the actual investment in GAP tea production in Thai Nguyen province. According to the result, author propose d some solutions to attracting and using capital effectively for tea production in accordance with GAP standards.

3. The reality of self-employment in Thai Nguyen Province

The results of self-employment of rural youth in Thai Nguyen

Thai Nguyen is the third largest center for human resource education and training in Vietnam, with a large population, every year from 15 to 16 thousand people enter the labour force. According to the survey results of the Labor Statistics report of the General Statistics Office, the ratio of young force doing business or self-employment for themselves and their families in Thai Nguyen in recent years is quite low.

The youth force who owns the business, the period of 2013 - 2017, accounted for only 2.1% of the Thai Nguyen youth labor force, the lowest belonged to 2014 that was only 1.2% of the total youth labor force. Recently this rate has tended to decrease, from 2.0% in 2016 to 1.6% in 2017.

Table 1. Results of self-employment of rural youth in Thai Nguyen

Items	2013	2014	2015	2016	2017
Business owner (%)	2.1	1.2	1.8	2.0	1.6
Working for family or themselves (%)	4.6	5.1	5.2	4.8	4.5

Sources: GSO VN (2014-2017)

Young people who work for themselves and their families have also accounted for a low percentage. The results show that in the period of 2013 - 2017, the highest rate was in 2015 with 5.2% of young people self-employed themselves and their families in the total labor force of Thai Nguyen province, the lowest was in five. 2017 only 4.5%. This trend is also decreasing continuously in the last 3 years of this period.

Major structure in self-employment

Self-employment of rural young labours is allocated in 3 areas: Agriculture, construction industry and service trade (including transportation, hotels and restaurants). In particular, mainly operating in the field of agriculture and services.

Table 2: Major structure in self-employment of rural youth in Thai Nguyen province

Unit: %

Items	2015			2016			2017		
	Labour force	Business owner	Self-working	Labour force	Business owner	Self-working	Labour force	Business owner	Self-working
Agriculture	40.3	17.5	79.3	38.3	16.9	79.0	39.2	16.1	79.5
Construction	22.3	62.4	5.8	24.1	63.0	6.0	25.6	63.5	6.2
Services	36.4	20.0	14.9	36.7	20.0	15.1	35.2	20.4	14.3
Total	100	100	100	100	100	100	100	100	100

Sources: GSO VN (2016-2018)

The reason for self-employment decision

The case of deciding to create jobs, then not continue or give up is a popular phenomenon in the survey area. During the survey, several reasons are discovered.

*** Selection self-employment**

The first reason why young people choose to create jobs for themselves is because they cannot find jobs by the health issues, or do not meet the qualifications, ... (64.67% of respondents agree). The second reason is due to essential needs, the pressure of living costs makes them decide to create jobs by themselves (63.76% of the respondents). The third reason is that they want to find a job to avoid oppression, pressure from the paid working environment, towards a free and comfortable job, so they choose to create jobs by themselves (55.04% of the people). Only over 30% of people agree to create jobs for their interests.

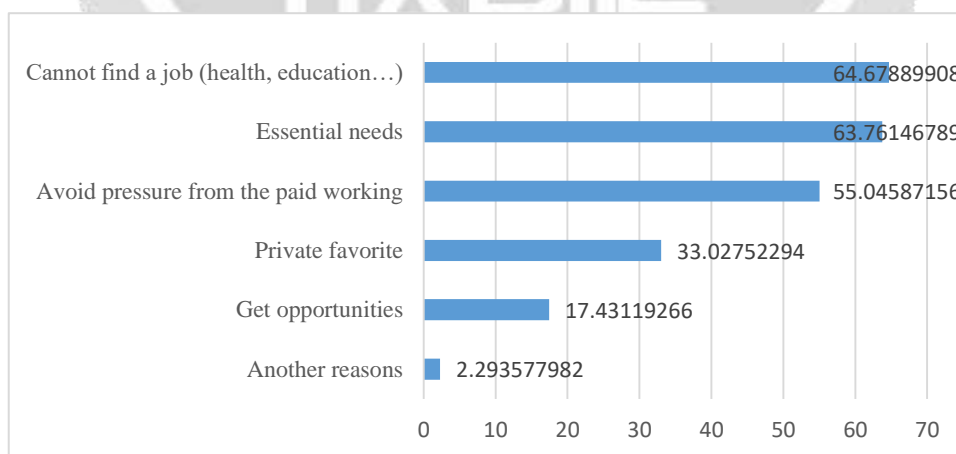


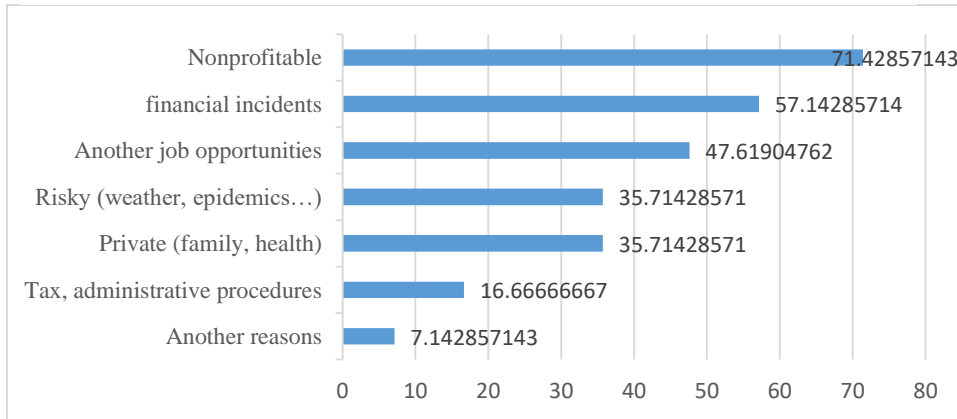
Figure 1: Reasons for choosing self-employment

Source: Authors's survey

*** Giving up self-employment**

Survey results show that many young people have chosen to create jobs by themselves, after a short time they have chosen to give up that job. Therefore, it is necessary to identify the reasons why they have decided to giving up.

Figure 2. Reason for giving up self-employment (Unit: %)



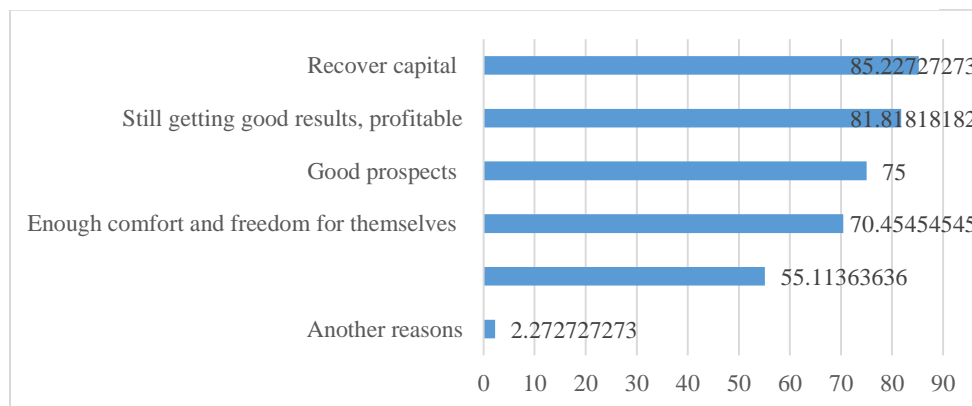
Source: Authors’s survey

In the case giving up self-employment, the main reason came from unprofitable business (71.4% of respondents). self-employment is also a risky activity, 57.1% of respondents agree with the reason that giving up self-employment is due to financial problems. Leaving self-employment may be because they have a stable job or another business opportunity (47.6% agree). In addition, there are reasons such as risks, incidents such as weather, epidemics (35% of respondents), or personal reasons such as family or health (35% of respondents). The causes from administrative procedures also received agreement but with a low rate (only 16.7%), in addition to other reasons (7.1%).

*** Maintaining self-employment**

After deciding to create jobs for themselves, many young people continue to maintain that activity. The reason why young labours continue to maintain self-employment has been explored.

Figure 3. Reason for maintaining self-employment (Unit: %)



Source: Authors’s survey

Firstly, due to large investment costs, they need to maintain to recover capital (85.2% of respondents). Secondly, the work they are doing is still getting good results, their business is profitable (81.8% of people agree). Another reason that their self-employment activity had good prospects (75%). Current work is enough comfort and

freedom for themselves (70% of people agree). And some others reasons such as they do not want their family or relatives disappointed with them...

4. Conclusions

Self-employment creation is a measure to help create jobs for redundant workers in the market, help labours be more active in solving their own jobs, reducing the burden of job creation for the government. However, at present, the rate of self-employment is still low and self-employed people still face many difficulties, so it is necessary to have government support to make it easier for these forces creating job themselves. Some solutions can be implemented such as:

- (i) Promoting propaganda about entrepreneurship to create awareness about self-employment, self-employment benefits.
- (ii) Creating mechanisms for rural youth to easily access credit and financial sources to support self-employment.
- (iii) Developing vocational training services, job skills and self-employment.
- (iv) Completing the policy system, and improving the implementation of policies to support youths creating jobs for themselves.
- (v) Promote the role of families and other close relationships in supporting self-employment of rural youth.

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