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Abstract- The results of this study show that Kien Giang has an abundant youth laborer force; 43% of laborers are between the ages 15 to 29, most of whom are involved in the handicraft sector and non-agriculture wage employment, while most laborers aging between 45 and 60 are involved in agricultural work. However, laborers had a difficult time finding jobs after participating in career training because the quality of training was not high and because the duration of training was short. Of those being trained, 51% received training in industrial and construction professions.

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# Laborer Status and the Effect of Vocational Training on Employment and Income of Rural Laborers in Kien Giang Province, Vietnam

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Abstract- The results of this study show that Kien Giang has an abundant youth laborer force; 43% of laborers are between the ages 15 to 29, most of whom are involved in the handicraft sector and non-agriculture wage employment, while most laborers aging between 45 and 60 are involved in agricultural work. However, laborers had a difficult time finding jobs after participating in career training because the quality of training was not high and because the duration of training was short. Of those being trained, 51% received training in industrial and construction professions.

The gender of workers, the type and form of vocational training received, linkages among training schools, the organizations using trained laborerers, and the duration of career training all impact the employment of laborerers after rural vocational training. Besides these factors, the type of household, the amount of production land, the ages of trainees, the linkages among training schools, and the organizations using trained laborerers all impacted the incomes of those receiving career training.

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#### I. Introduction

n the process of industrialization and modernization in general and the development of agriculture and rural sector in particular, the mission of building the qualified human resource plays an important role. Among 87 million people of Vietnam population in 2010, 72% of them live in the rural sites and 75% are laborers. They mostly work in the field of agricultural production and are a potential abundance laborer force for Vietnamese economic development in both the past and the future . In 2010, out of 1000 people at labor age in the rural sites, about 43 were unemployed . The unemployment rate of the rural laborers is 2.3 times higher than that of the urban (General Department of Statistics, 2011).

In 2010, the population of the Mekong Delta (MD) was 17.3 million people in which the laborer force was 10.2 million people and occupied 20.10% of the laborers in the whole country. The abundant human resource is potential for the socio-economic development of the region. The Mekong Delta is the biggest granary of the country; however, the rate of the trainees only occupies 7.80%; the rate of laborers over the university level is 2.90%, the lowest of the country

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while the rate of the unemployed rural laborers accounts for 6.35%, the highest in the country. Therefore, creating employment and improving income of rural laborers become a necessary mission for the development policy of the region (General Department of Statistics, 2011).

Kien Giang province is one of the four provinces in the core economy region of the Mekong Delta. In recent years, the vocational training has focused on training according to the laborer demand of the bussinesses to solve the problem of employment in the province. Nevertheless, some places have not had the initiative in the vocational choice to train for the local laborers and have not paid enough attentions to the mission of planing and developing human resource. Hence, the local laborer force has not been planed in training and employing the local laborers. Besides, a number of people, especially those located in remote, borderline regions and islands have limited access to the information of policy for laborers and employment (Department of Laborer, Invalids, and Social Affairs in Kien Giang, 2012).

Vocational training for the rural laborers plays a very important role for the socio-economic development. However, the quality of the rural laborers is low and has not satisfied the social needs; the rural laborer markets are unprompted and unstable. Those are the challenges in the process of the industrialization and rural agriculture modernization. Thus, the study of "Laborer Status and the Effect of Vocational Training on Employment and Income of Rural Laborers in Kien Giang Province, Vietnam" was carried out to evaluate the laborer status; the rural vocational training; and the reasonable solutions for enhancing the laborer quality; increasing the employment and improving income of the rural laborers.

#### II. METHOD OF STUDY

#### a) Site of study

Kien Giang province has 15 administrative units and is located in the Mekong Delta of Vietnam with the total land of this province is 6.346 km². Kien Giang has potential resources for socio-economic development, modern structure of agriculture industry economy and development of human ecology tourist services (http://www.kiengiang.gov.vn).

Population of Kien Giang province in 2010 was 1.71 million people; 73.11% of which live in rural area; the laborer force was 1.12 million people in which over 90% was in the ages of the laborers (Department of Statistics in Kien Giang province, 2011).

#### b) Methodology

Data of the study were collected through group discussions at the community level and interviews with 175 farming households. Data on this topic were analysed using descriptive statistics and correlative regression analysis.

#### III. Results and Discussions

a) Laborer status, vocational training and employment in the rural sites of Kien Giang province

#### i. Structure of laborers

The results of the study showed that the ages of 15-29 occupied 43% of the total laborers in 2012. This is a healthy youth laborer force because those people have more potential abilities to acquire advanced knowledge to improve their vocational levels for development of many economic professions. The ages of 30-44 accounted for 36% of the total laborers; they are experienced laborers but their acquirement of advanced knowledges is limited. Finally, the ages of 45-60 comprised 21% of the total laborers; they have more experiences but they face more difficulties to acquire advanced knowledge because their memorizing ability has reduced. Therefore, investment policies need to focus on developingappropriate vocations with the local laborer potentials (Interviews of 175 farm householders in Kien Giang province, 2012).

#### ii. Vocational Traing for Laborers Force

The study results reveal that the perception of people in the rural sites of Kien Giang has changed considerably since 51% laborers demanded the vocational training of the industry and the construction while the rate of the laborers would like to improve the agricultural vocation remained only 30%. This is an important premise to develop the sustainable rural agriculture towards the industrialization and modernization (Group Discussion at Community Level, 2012).

#### iii. Employment of Rural Laborers

Among laborers, 52% of them work in the field of agriculture and small productions because they are old-age traditional vocational of local laborers. Meanwhile, laborers in the age group between 15 and 29, participated in the the hired laborers for the non-farm works and the handicrafts, and occupied 43% for these works require for healthy young laborer forces with their potential abilities for acquiring advanced knowledges into their employments. While, other vocations belong to the age group between 30 and 44. (Interview of 175 farm householders in Kien Giang province, 2012).

#### iv. Effect of Rural Vocation Training

In the past years, the vocational training of Kien Giang province gained good initial results because 68% of the rural laborers perceived positive effects from local vocation training.

Actually, the arrangements of the rural laborers for short vocation training and the assignments of the vocation training were not well-organized. Besides, 38% of the trainees did not have the jobs with their trained vocations. This important problem needs to be paid attention to. Some vocational training programs were inappropriate for the priority of the local socioecononomic development such as: training of sewing but no local factory for sewing or training of agriculture in the industrial areas,...

23% of vocational trainees did not follow their demands because the vocational training of some local authorities was conducted basing on the quota assigned by upper authorities; therefore, the quality of training was of no effect (Group Discussions at the Community Level, 2012).

- b) Factors Affecting Employment and Income of Laborers from Rural Vocation in Kien Giang Province
  - i. Factors Affecting Employment after Rural Vocation Training

The variables include gender of laborers, type of vocation, form of vocational training, and linkages of training, correlated with the employments after the vocational training received by the rural laborers (Table1)

Table 1: Correlation between independent variables and employments after rural vocational training

| Independent Variances   | В      | S.E.  | Wald   | df | Sig.  | Exp(B) |
|-------------------------|--------|-------|--------|----|-------|--------|
| X1. Type of household   | -0,154 | 0,762 | 0,041  | 1  | 0,840 | 0,857  |
| X2.Land area            | -0,194 | 0,160 | 1,472  | 1  | 0,225 | 0,823  |
| X3. Gender of laborerer | 2,260  | 0,569 | 15,764 | 1  | 0,000 | 9,580  |
| X4.Age of laborerer     | 0,277  | 1,038 | 0,071  | 1  | 0,790 | 1,319  |
| X5. Educational level   | -0,191 | 0,388 | 0,242  | 1  | 0,623 | 0,826  |
| <u> </u>                |        |       |        |    |       |        |

| X6.Type of vocation                    | 5,314 | 1,157 | 21,088 | 1 | 0,000 | 203,113 |
|--|-------|-------|--------|---|-------|---------|
| X7. Form of vocational training        | 1,743 | 0,563 | 9,594  | 1 | 0,002 | 5,714   |
| X8. Duration of vocational training    | 0,422 | 0,236 | 3,197  | 1 | 0,074 | 1,525   |
| X9.The linkages among training schools | 1,660 | 0,597 | 7,742  | 1 | 0,005 | 5,259   |
| Constant                               | 5,168 | 4,113 | 1,579  | 1 | 0,209 | 0,006   |

Source: Interview of 175 Farm Householders in Kien Giang province, 2012.

ii. Factors Affecting Total Income from Rural Vocation in Rural Area

The results of the regression analysis showed that the variables such as type of household, land area,

age of laborer, type of vocation, form of vocational training and linkages among training schools affected directly the total incomes from the rural vocation (Table 2).

Table 2: Correlation between independent variables and total incomes from rural vocation

|  | Coefficient       | Standard deviation | Value t     | Significance |
|--|-------------------|--------------------|-------------|--------------|
| Constant   | -58.062,12        | 33.437,05          | -1,74       | 0,08         |
| Type of household  | 30.483,78         | 15.605,78          | 1,95        | 0,05         |
| Land area  | 13.606,01         | 4.340,73           | 3,13        | 0,00         |
| Gender of laborerer  | -4.522,42         | 13.809,77          | -0,33       | 0,74         |
| Age of laborerer   | 1.130,70          | 616,64             | 1,83        | 0,07         |
| Educational level  | 2.081,12          | 1.930,79           | 1,08        | 0,28         |
| Type of vocation   | -23.937,13        | 11.916,68          | -2,01       | 0,05         |
| Form of vocational training  | 65.632,55         | 14.138,56          | 4,64        | 0,00         |
| Duration of vocational training<br>Linkages among training schools | 5,96<br>34.006,20 | 14,17<br>13.593,75 | 0,42<br>2,5 | 0,67<br>0,01 |

Source: Interview of 175 Farm Householders in Kien Giang province, 2012.

- c) Feasible solutions on Employments and Incomes of Laborers in Rural Areas in Kien Giang Province.
- Improve the effect of vocational training courses for the rural laborers; train vocations according to the demand of the employments and incomes of laborers and businesses.
- Introduce employments before the vocational training to ensure trainees having employments after vocational training. Besides, link with businesses to open vocational training classes.
- Provide training of value chain in agricultural vocations to meet demands of market and requirenents of local authorities.
- Train non-agrictural vocations according to demands of companies at the present and in the future.
- Train vocations for the age group of 19 and 20 years old, active and creative ages for vocational training at the present and in the future.
- Increase training duration; balance between theory and practice; improve trainers' quality to ensure qualified trainees after vocational training in order to attract laborers participating in vocational training.

- Make policy on credit for production, business and service for the trainees after vocational training, in particular, for the poor. Besides, ask for a loan from local banks so that households can set up cooperatives to access credits and find stable outputs of their products.
- Coordinate among bussinesses to look for international markets for stabilizing the outputs of their products and scale up business and production to provide more employments for laborers.
- Develop forms of vocational training in the field schools at the Centers for Community Training.
- Set up and strengthen laborer market information systems at the Centers for Promotion of Employment to provive necessary information for laborers looking for employments and businesses recruiting employees.

#### IV. Conclusions

The study results showed that most rural laborers were young laborers with the ages from 15 to 29 in the study sites of Kien Giang province; however, these laborers did not meet the laborer market in term of

qualified laborers; they almost worked on the handicrafts and non-farm hired employment; while a large number of laborers aged 45 years old and above worked in the agricultural sector.

Vocational training program in recent years has not attracted volunteer laborers to participate since vocational training has not effected high enough because of unemployment after training and no linkage between vocational training organizations and companies/factories employing the trainees.

The factors of laborers' gender, vocation type, vocational training form and the linkage between vocational training organizationss and companies/factories employing the trainees affected directly the employments of laborers after rural vocational training.

The factors of household type, land area, ages of trainees, type of vocation, form of vocational training and linkage between the vocational training organizations and the companies/factories employing the trainees effected directly total incomes of laborers after rural vocational training.

Rural laborers in Kien Giang tended to choose industry and construction professions for vocations. This was a good perception of the rural laborer. This matter was an advantage for the process of economic development in Kien Giang.

#### V. RECOMMENDATION

To improve the vocational qualification of laborers and effects of vocational training, the following recommendations should be considered:

#### a) For the leaders of village and district levels

Survey frequently the vocational training demand of laborers and the laborer demand of the businesses.

Assign the local officials to participate in workshops on vocational training in different locations in order to exchange experiences to each other.

Make a good condition to the Centers for the Employment Promotion to connect the laborers with businesses.

Reinforce the supports for the vocational trainees.

#### b) For the leaders of provincial level

Enlarge the vocational training organizations to meet with the vocational training demand of the laborers in locality.

Make rapid decisions on the demand of vocation training classes proposed by organizations in the province.

#### c) For the vocational training organizations

Recruit and educate skilled trainers to train trainees effectively.

Set up practical training curricula for laborers.

Link with businesses to set up training courses following the contract of these businesses.

#### d) For the businesses

Coordinate with te vocational training organizations in the locality to train and to hire employees after training.

Develop priority feasible vocations in the local conditions.

Implement the priority policy for recruiting the trained laborers and for providing the salary/wage to them in the locality.

Promote the employees to participate in the advanced vocational training courses.

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