

VOCATIONAL TRAINING FOR RURAL YOUTH IN VIETNAM TO MEET REQUIREMENTS OF INDUSTRIALIZATION, MODERNIZATION

In recent years, the Government has promulgated numerous supporting policies and implemented vocational training programs for rural youth. Rural youth has received many incentives when attending vocational training to get better jobs and income. However, there are still many challenges in attracting rural youth to enroll in vocational training and in providing vocational training services to meet the requirements of industrialization and modernization. These challenges require the continuation of synchronized implementation of solutions to support rural youth to attend vocational course as well as improvement of training quality to meet the needs of the labor market and start-ups .

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I. BACKGROUND

Industrialization, modernization requires the inevitable needs to improve the quality of human resources, combined with investment in modern, advanced equipments and technologies and techniques to create higher labor productivity, quality and effectiveness.

Vietnam was in a period of golden population with over 54.5 million workers (2016), of which 1/4 of population are adolescents. Nationwide, the rate of trained workers accounted for 53%, but the proportion of employees having certificates accounted for 21.6% of labor force. Of which, the percentage of workers with university and higher degree was 9.09%; with college degree was 3.17%; it was 5.43% with intermediate level; and 3.53% with primary vocational training level¹. The correlation of labor share in accordance with the four levels above was: 1:0.33:0.57:0.37, indicating that the labor structure was illogical

Youths are considered to be “fortune” of each nation, but a country can only be wealthy when young people are equipped with the knowledge, skills and high-productivity jobs. In fact, professional qualifications and skills of young people are still limited, especially in rural areas.

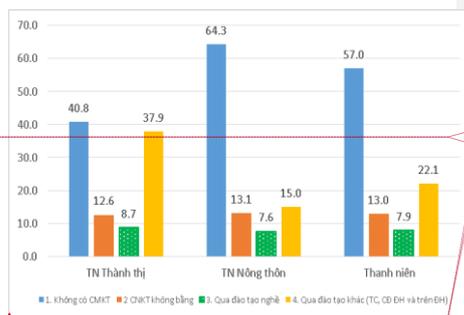
¹ Labor and Employment Survey, Quarter II/2017, GSO

The percentage of trained rural youth was 36% (compared to urban areas of nearly 60%). This situation posed great challenges for strengthening the capacity of applying science and technology, dynamism, creativity as well as the role of young people. The urgent requirement is equipping knowledge and skills for rural youth in order to serve the requirements of industrialization and modernization of the country and to build modern rural areas.

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Figure 1: Structure of rural youth's technical qualifications in 2016 (%)



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Source: Labor and Employment Survey, 2016, GSO

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2. VOCATIONAL TRAINING FOR RURAL YOUTH

2.1 Achievements

2.1.1 Supporting policies for rural youth participating in vocational training

Over the past 20 years, the vocational training network has strongly developed. As of 31/12/2017, the country has 388 colleges, 551 intermediate schools and 1340 vocational education centers². The expansion of the root network, coverage (each district has at least one vocational training facility) and diversity in the training profession have created more opportunities for rural youths to access and make decision for vocational training in locality. Decision No. 761/QĐ-TTg promulgated in 2014 on investment in training key occupations according to ASEAN and international standard, developing high quality vocational schools has created opportunity for the youth in general and rural adolescents to learn high qualification of occupations.

During the period 2008-2015, the Government had issued many policies and projects to support vocational training in which the rural youths were the beneficiaries. The 2013 Employment Law, Article 16 stipulates that "workers in rural areas who are under 3 months or at primary level of vocational training in vocational training institutions receive tuition support."

The promulgation of the Law on Vocational Education (VET), which became effective from 1/7/2015 marks a milestone in the comprehensive restructuring of the vocational education system. The law stipulates many contents of preferential policies for learners, focussing on learners in the training process. Clause 2, Article 62 of the Law on Vocational Education stipulates that learners are exempt from tuition fees if they are under the poor category and ethnic minorities, the ethnic minority youth living in the extremely difficult socio-economic conditions. In addition to the support policy, the Law also contains provisions to ensure the smooth transition among levels of training in the same or other occupations in the national education system and reform of the training methods such as credit training. These fundamental changes have helped learners, especially those with difficult economic conditions

to flexibly participate in vocational training, which enables them to shorten or extend their study time in accordance with the capacity, conditions and circumstances of their family and individuals.

The Project on Vocational Training for Rural Workers until 2020, which was launched in 2009, has created favorable conditions for rural youths to access to vocational training with almost all fees exempted. Policy beneficiaries are also supported for food expenses, travel allowance (even though the allowance is quite low). Some localities have actively raised the level of allowance to attract rural young people to participate in vocational training. In addition, the training institutions also have policies on tuition fee exemptions, scholarships, and at the same time create favorable conditions for students to study while working, contributing to ensuring income for students. Vocational training fees at all levels are considered by most of rural learners and their families to be low or medium and affordable and not a burden for learners

Decision No. 46/2015/QĐ-TTg dated 28/9/2015 on increasing the level of subsidy for food for trainees at primary vocational training level and under 3 months training to 30,000 VND/person/learning day (2 times higher than before) has facilitated trainees, especially rural young trainees to attend vocational training at ease.

The project on "Supporting Youth attending Vocational Training and Job Creation", chaired by the Central of Ho Chi Minh Communist Youth Union, has implemented many projects and activities on vocational guidances and job recommendation for young people at localities.

In summary, the expansion and renewal of the vocational education system and the implementation of supporting policies have created favorable conditions for vocational trainees, in which the rural learners receive many financial incentives as well as other supports when attending vocational training.

2.1.2 Rural youth's employment after training

The result of collaborative research between the OECD and ILSSA in 2016 showed that the majority of trainees in technical vocational colleges and intermediate vocational schools are guaranteed employments after graduation. The average employment rate of rural youth

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² Statistical data on Vocational Education in Vietnam 2015-2016

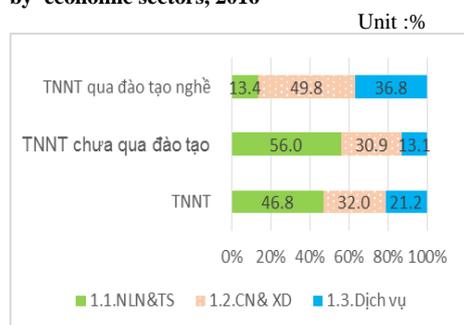
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participating in vocational training was over 80%³. Among paid employees, the proportion of trained employees who had been signed labour contract and participated in social insurance was higher than the untrained group, they were 28% compared to 21, 3% respectively. The proportion of young people with vocational training was higher than that of non-trained workers (41.8%)⁴.

Trained rural adolescents mainly worked in non-agricultural occupations, of which 49.8% worked in the industry-construction sector and 36.8% in the service sector. Agriculture continued to be the main source of employment for unskilled workers and attracted very few trained rural workers, accounting for only 13.4% (2016).

Figure 2: Employment structure of rural youth by economic sectors, 2016



Source: Labor and Employment Survey, 2016, GSO

2.1.3 Rural youth's incomes after training

After graduating, due to getting a better job, most of rural adolescents' income is higher. In 2009, the annual average income of a young rural worker was 4.09 million VND/month, of which it was 4.922 million VND/month for trained group. Rural youth who joined vocational training and worked in the construction industry had the highest income: 4.86 million VND per month. The income of trained rural youth in agro-forestry-fishery sectors was lower than industrial and service sectors, but much higher than that of untrained rural ones (4.5 million compared to 2.9 million).

With regards to technical jobs, nearly all students had been recruited by enterprises and received relatively high salaries before graduation. For

³ Result of the Research on Vocational Training for rural youth in Vietnam, ILSSA and OECD, 2016
⁴ Calculated from VHLSS data, 2016

example, for mechanical engineering, welding jobs, it was over 9 million per month, almost three times higher than the regional minimum wage⁵.

Figure 1: Average income of rural youth, 2016
Unit: thousand dong

	Rural youth	Un-trained rural youth	Trained rural youth
Average income	4,093	3,864	4,822
1. Agro-forestry-fishery sector	2,918	2,826	4,539
2. Industry & Construction	4,380	4,218	4,862
3. Services	4,012	3,500	4,790

Source: Labor and Employment Survey, 2016, GSO

2.2 Some shortcomings

2.2.1 Difficulties in attracting learners to participate in vocational training

Although there has been significant changes in the awareness and opinions of learners and families, "prejudices" and misconceptions to apprenticeship still exist. In fact, many rural adolescents do not participate in vocational training mainly because they want to study other higher education or seek jobs immediately to earn income. Rural youth at the ages from 16 to 18 are less likely to attend vocational training due to continuing to study high school. After graduating from high school, although they do not pass examinations to enter colleges, universities, many young people do not choose vocational training but decide to go to work to earn money immediately. They usually do simple jobs in urban areas, industrial parks, and even they accept seasonal jobs with low income. In fact, the situation that factories using non-trained employees remain popular.

The implementation of training in "agriculture" occupations still faces many difficulties in attracting rural youth, not only due to the expansion of the industry and services sector, but also because of difficulties in accessing land and production capital to develop and deploy large-scale and modern agricultural production models.

⁵ Overview of welfare policy for the youth in Vietnam, OECD 2017

2.2.2 Training quality has not met requirements of industrialization and modernization

The quality of vocational training has not met the requirements of employers and start-up entrepreneurs in particular, especially demand for high quality human resources serving the industrialization and modernization process. Many training programs for rural labour are not derived from actual needs of localities and learners.

Vocational training project for rural labour are mainly short-term courses at low level of qualification, therefore it is difficult to meet the skill requirements of the modern and high technical services and business sectors. In addition, there is a lack of concentration in investment resources for vocational training for rural workers; lack of investment in high-tech occupations and specialized training equipments; Some teachers do not have access to modern technology and vocational training equipment.

2.2.3 Other difficulties

Mechanisms and policies to motivate and encourage enterprises to participate in vocational training have not been implemented vigorously and effectively, especially in rural areas. The coordination between training establishments and enterprises in improving job skills is not close and effective.

The propaganda and apprenticeship counseling of localities and training establishments is still unprofessional and unspecific, as well as not meeting the needs of learners.

In some poor rural areas with underdeveloped economy, especially in some mountainous region, rural youth studying about non-agricultural occupations are facing troubles in finding jobs, self-creating jobs, and not be able to use their gained occupational knowledge.

3. POLICY IMPLICATIONS

Vocational training is a path that is appropriate to the learning capacity and economic conditions of almost rural youths. Over the past time, the Government has implemented many policies to encourage and support young people in participating in vocational training but the results are still limited. Therefore, further measures need to be undertaken to attract more trainees to join the vocational courses, and to help them find jobs and create favorable conditions for them to promote their abilities and contribute effectively to the country's industrialization and modernization.

- For state management agencies

- Promote information dissemination activities, vocational and employment counseling to villages and hamlets to create opportunities for rural youths to approach adequate, specific and timely information.

- Invest focusly with prioritizing for high quality schools; ensure the fund for training of high-tech occupations to meet the requirements of industrialization and modernization and restructuring of rural economy and human resources preparation for the 4th industrial revolution.

- Integrate policies and training programs with support for job transitions for rural youths, and support for good start up projects of rural youth in terms of technical and financial aspect.

- **Businesses**

- Strengthen cooperation with vocational education establishments: share knowledge about advanced technologies and technology application; participate in designing training program;

- Improve the quality of internships: create conditions for trainees to practice based on the requirements of skill levels and qualification.

- Support the conditions ensuring the high quality of technical vocational training for training establishments.

- Prioritize the recruitment of trained rural young people in localities.

- **Training establishments.**

- Strengthen effectively the propaganda and counseling on vocational training; support rural youths to select suitable jobs and occupations.

- Renovate actively training programs in association with local economic development demands and the process of restructuring the rural economy.

- Establish closer links with enterprises, implement flexibly training courses by address, ensure employment for rural youths after training.

INSTITUTE OF LABOUR SCIENCE AND SOCIAL AFFAIRS
Tel: 024-38246176
Address: No. 2 Dinh Le str., Hoan Kiem dist., Hanoi
Website: www.ilssa.org.vn

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