



# MINIMUM WAGE, FRINGE BENEFITS, AND EDUCATIONAL ATTAINMENT AS PUSH FACTORS TO SELF-EMPLOYMENT ON THE WORKERS OF CASTILLEJOS, ZAMBALES.

<sup>1</sup>Abigail T. Dumagat, <sup>2</sup>Danica C. Ombao, <sup>3</sup>Marie Antoinette L. Rosete

<sup>1</sup>Student, <sup>2</sup>Student, <sup>3</sup>Co-Author

<sup>1</sup>Business Economics Department,

<sup>1</sup>University of Santo Tomas, Manila City, Philippines

**Abstract:** The mandated minimum monthly compensation a company must give its employees is called the "minimum wage." When the minimum wage rises, some firms can find it hard to pay higher salaries, which could result in reductions in force or a cutback in working hours. Regulations requiring a minimum wage attempt to prevent employees from exploitation and provide a fair salary, but they can also operate as a motivator for self-employment. This study determined the longstanding debate surrounding the concept of a worker's decision, emphasizing its impact on minimum wage, fringe benefits, and educational attainment. We contended that lower minimum wage and favorable fringe benefits can operate as a push factor for workers to switch to self-employment. However, higher educational attainment doesn't have much impact on self-employment. Using IBM SPSS Statistics software program, a cross-sectional quantitative technique particularly the ordinal regression analysis was used to calculate the data from the primary data collected from the participants using a quantitatively prepared survey questionnaire. Lastly, researchers recommend stakeholders, educators, and legislators encourage the development of a community in which people are able to make wise choices about self-employment.

**Index Terms** - Self-employment, Minimum wage, Fringe benefits, Educational Attainment, Self-employed workers

## I. INTRODUCTION

In economics, the idea of a minimum wage has long been a subject of contention. In addition to affecting employment rates and economic growth, minimum wage regulations are established to protect workers from being taken advantage of by their employers. One of the most contentious government interventions in the economy is the minimum wage, which many experts believe is a very effective instrument for addressing specific problems in the labor market (Paun et al., 2021). Despite this, economists and politicians are increasingly concerned that these restrictions will have unexpected implications, particularly in the context of self-employment. The self-employment rate is one of the potential effects of minimum wage. Self-employment is frequently viewed as a method for people to break free from the limits of traditional employment and acquire greater autonomy and control over their jobs. But how does minimum wage affect workers' decisions to work for themselves rather than for others?

Interestingly, self-employed people report higher levels of job satisfaction given that they were found to make less money than workers overall (Hamilton, 2000) or deal with a specific uneven income distribution, frequently with low income (Merz, 2007) even longer hours of labor (Merz et al., 2009). The analysis demonstrated that negative self-selection mechanisms are not the reason for the lower wages of the self-employed. A different theory is that self-employment provides non-monetary employment benefits, including work autonomy. People who want to control their careers and have more flexibility with their work hours are choosing self-employment at an increasing rate. However, launching a firm may be challenging, and the associated financial risks dissuade many potential entrepreneurs. Laws requiring a minimum salary may encourage some people to explore self-employment as a feasible alternative to formal employment.

The paper investigated the relationship between minimum wage and workers' preference for self-employment. It explicitly examined whether minimum wage constraints impact employees' decisions to choose self-employment rather than traditional employment and what variables influence this decision. Furthermore, the paper looked at the potential effects of this trend on the labor market and the overall economy.

This research started by thoroughly assessing prior studies that looked at how minimum wage regulations affected employment and entrepreneurship. Using the data gathered from in-person survey questionnaires, the researchers determined the labor force, which became the basis for analyzing the effects of minimum wage rate, fringe benefits, and educational attainment on workers' decisions. A discussion of the conclusions, their policy implications, and suggestions for future study will round out this research.

In conclusion, the study drew conclusions from current studies on minimum wage regulations, self-employment, and labor market dynamics. To give a thorough picture of how minimum wage regulations and self-employment choices relate to one another, it also incorporated empirical data and analysis, such as survey findings and case studies. This research sought to add to the continuing discussion about minimum wage legislation and how it affects the labor market. Additionally, this study aimed to educate decision-makers and other interested parties on the advantages and disadvantages of minimum wage rules for the self-employment sector.

### **1.1 Statement of Objectives**

The objective of this study was to identify how the given variables could affect a worker's decision-making in terms of employment. These are as follows:

1. To determine how minimum wage affects the worker's decision in terms of income satisfaction.
2. To determine the effect and influence of fringe benefits that motivated a worker to choose self-employment.
3. To identify whether higher levels of education may be more likely to pursue self-employment.

### **1.2 Scope and Limitations**

The focus of discussion in this study was to analyze the impact on workers' decision to prefer self-employment by considering factors such as minimum wage rate, fringe benefits, and educational attainment of the workers. The coverage of this study was focused on the 2022 data coming from the Municipal Office of Castillejos, Zambales, which includes the number of business establishments in the said area, presumed to be the same as the total number of self-employed workers since there is no concrete data of self-employed workers available. The data gathered became the basis for the researchers to prove the objectives of the study.

### **1.3 Significance of the Study**

The various studies that tackle the minimum wage and advantages of self-employment strengthened the aim of this study, which proved that minimum wage, fringe benefits, and educational attainment play a vital role in workers' decision to pursue self-employment compared to traditional employment. This research contributed to the employment industry of our country by providing more information on the effects of minimum wage regulations as to how workers decide whether to stick to traditional employment or shift to self-employment wherein they can be their "own boss" in their job.

## II. LITERATURE REVIEW

### 2.1 Worker's Decision in preferring self-employment

In most developing countries, the proportion of self-employed people who work for themselves alone and without any help from others is increasing. (Boeri et al., 2020). The decision of a worker to opt for self-employment over regular employment can be influenced by a variety of factors, particularly among the poor (Poshke, 2013). Poor people frequently create enterprises that don't thrive and contribute little value since their survival concerns force them to work for themselves. (Banerjee and Duflo, 2011). Some employees may prefer having more freedom to plan their time or other non-financial advantages of being their own boss (Hurst and Pugsley 2011).

Numerous studies show that self-employed people are happier in their work than comparable traditional employees (Nikolova, M., 2019). Individuals who work for themselves report much higher levels of job satisfaction than those who work for organizations. (Benz and Frey, 2008). This higher rate of work satisfaction is sometimes related to the value entrepreneurs place on flexibility and freedom (Hundley, 2001). As a result, as compared to traditional employees in dependent employment, self-employed people have significant traits in common with underemployed workers, such as lower wages and working hours, a higher prevalence of part-time labor, and a larger risk of losing their income (Krueger, 2018).

Self-employment has thus far attracted the attention of entrepreneurship scholars. However, they have mostly focused on what drives people to work for themselves (Caliendo et al., 2014) while excluding the long-term career perspective (Burton et al., 2016). In contrast, career scholars have mainly focused on careers in organizational contexts (De Vos et al., 2020), neglecting individuals with non-standard career paths (i.e., self-employed workers) (King, 2004).

Driven by the lack of insights into the long-term careers of self-employed workers (Burton et al., 2016), When considering self-employment, we use a career-oriented approach and look beyond the initial stages (Lo Presti et al., 2018). (De Vos and Van der Heijden, 2015) defined sustainable careers in self-employment as, "Person-career fit is "the degree to which an individual's career experiences are compatible with his or her needs, values, interests, and talents." It is defined as "the sequence of an individual's different career experiences, reflected through a variety of patterns of continuity over time, crossing several social spaces, and characterized by individual agency, herewith providing meaning to the individual." (Parasuraman et al., 2011). So, the purpose of this research is to contribute to our understanding of how single self-employed people may develop their careers in a way that is happy, healthy, and productive.

### 2.2 Minimum Wage to Worker's Decision in preferring self-employment

By raising the minimum wage, some low-paid employees' incomes are likely to be boosted at the expense of others who are unable to find employment or consumers who must pay higher prices. (Samuelson, 2010). This study aligned with Sumer B. (2018), who states that workers may not be satisfied with income levels if the existing minimum wage is insufficient to cover their essential needs. The rate of self-employment was negatively impacted by an increase in the minimum wage (Hout and Rosen, 2000). The minimum wage has a considerable negative impact on the chance of self-employment (Cheng and Liu, 2017). Since the middle of the 1990s, a number of empirical research have come to the conclusion that raising the minimum wage has little to no impact on employment (Barbara et al., 2017). This had consequences for political debates. (Bruce and Mohsin, 2006) have investigated how the minimum wage affects self-employment while using it as a proxy for wage rigidity.

The degree to which legal minimum wages in developing countries have an impact on actual wages is of substantial interest to analysts and policymakers in both developing and developed countries (Terrell, 2005). Data from (DOLE, 2021) indicates that it is clear that Castillejos' minimum wage is lower than the average national minimum wage. Increases in the minimum wage led to a decline in wage employment and an increase in self-employment. Larger businesses are able to lure workers away from self-employment as income rises and markets grow over the course of economic growth (Blau, D. M., 1987). Rarely is the impact of minimum wages on the transitions between labor that is covered by minimum wage laws and a job that is not examined in the research on the consequences of minimum wage legislation (Belman and Wolfson, 2014). Similar to the minimum wage, the regulation of the unregulated labor market, particularly independent contracting and the internet gig economy, has received more attention from legislators (Glasner, 2023).

Among other things, higher minimum wages can have a significant positive effect on family income levels and, therefore, on the ability to exit poverty (Vasquez et al., 2018). Increases in the minimum wage are documented in the literature as having positive pay effects that may trickle through to workers earning higher earnings (Gregory, T., & Zierahn, U., 2022). On the possible adverse consequences, such as job losses, there is less consensus (Neumark and Shirley, 2021). There is substantial empirical evidence that labor market policies such as the minimum wage and unemployment benefits have a negative effect on self-employment (Caliendo, 2019), such as job loss in the case of individuals receiving this level of income or widespread price rises. (Vasquez et al. 2018). (Garrett and Wall 2006) find a significant negative association between the self-employment rate and the minimum wage in the United States.

**H01: Minimum Wage has no significant impact on the Worker's Decision**

### **2.3 Fringe Benefits to Worker's Decision in preferring self-employment**

The decision of employees to opt for self-employment has long been the subject of research on the link between fringe benefits. Several studies have examined what motivates people to work for themselves, including financial variables like perks and salary. Compared to wage workers who just switch positions within wage employment, those who transition into self-employment see a sustained increase in their financial satisfaction (Georgellis and Yusuf, 2016). They claimed that people who transition from wage work to self-employment report higher job contentment, while people who do the reverse experience less satisfaction with their jobs (Hanglberger, D., & Merz, J., 2015). According to research, persons looking to enhance their income may find that working for themselves is a practical choice. In addition to one survey, self-employed individuals made, on average, more money than their employed workers (Blanchflower and Oswald, 1998). Another study revealed that self-employed people in many nations make more money than workers and also have greater levels of job satisfaction. (Middletown, 2014).

Self-employed people benefit from the ability to decide on their own benefits package when it comes to benefits (Bradley, J., 2016). The benefits of self-employment are associated with non-pecuniary benefits, which include flexibility in your working hours and "being your own boss". They have the option to pick their own vacation and sick leave policies, buy their own health insurance, and invest in retirement plans. (Bennett, J., & Rablen, M. D., 2015). The same advantages, such as paid time off, health insurance, and retirement plans, that workers receive from their employers are not available to self-employed people (Borgschulte, M., & Cho, H., 2020). For people who are thinking about working for themselves, this might be an important downside. (Kumar, 2007).

Self-employment causes the income allocation to increase for low-income people but to decline for high-income people (Holtz-Eakin, Rosen, and Weathers, 2000). (Taylor, 1996) Self-employment draws people in because it offers independence from managerial restrictions and higher projected earnings compared to paid work. (Clark and Drinkwater, 2000) proposed that the disparity between a person's expected earnings from paid employment as opposed to self-employment has a significant impact on the employment decision. In conclusion, there is a complicated and nuanced link between fringe benefits and employees' preferences for self-employment. Self-employment has a lot of problems and obligations, but it also has a better potential for income and more flexibility over benefit plans.

**H02: Fringe Benefits have no significant impact on the Worker's Decision**

### **2.4 Educational Attainment to Worker's Decision in preferring self-employment**

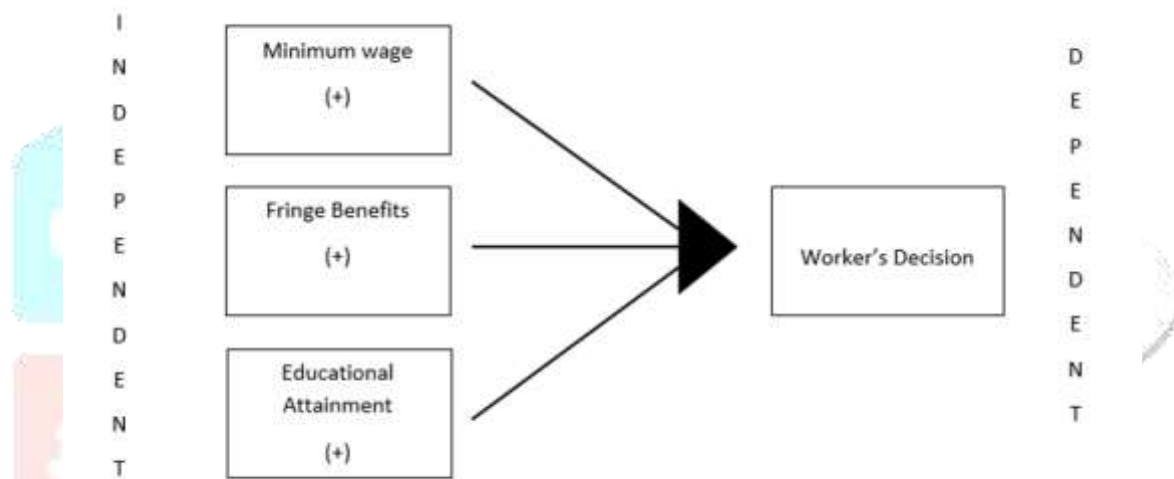
Self-employment has evolved into a significant policy tool for employment promotion in a wide number of nations (Blanchflower, 2004). In recent years, the self-employment economic literature, which has been continuously expanding over the past few decades, has blossomed. On the one hand, a lot of research has calculated or simulated the microeconomic characteristics that affect occupational choice, such as educational attainment (Parker, 2009). Depending on the sort of education obtained, the impact of education on self-employment may also vary (Coad and Segarra, 2014). This proves the study about highly educated people could be less responsive to the uncertainty that comes with establishing their own businesses and prefers the stability that comes with regular employment, according to Boldureanu et al. (2020). Findings by Cho et al. (2018) show that people may be discouraged from engaging in self-employment due to the prevailing assumption that education leads to secure and stable employment.

According to (Kim, 2007), the likelihood of selecting self-employment and educational achievement is positively correlated. More educated people, especially those with degrees, are more likely to say that they choose self-employment because of factors like "independence," "better working circumstances," and "the nature of their occupation," according to (Dawson, Henley, and Latreille 2009). In countries with higher degrees of autonomy and an entrepreneurial culture, the positive effects of education on self-employment are greater (Obschonka et al., 2013). The educational level seems to be significantly associated with a self-employed person's capacity to generate employment (Henley, 2005).

Those with higher levels of education than those with lower levels are more inclined to engage in self-employment activities (Borjas, 1986). (Lazear, 2004) discovered that those who hold numerous occupations and have a higher level of education than those who hold only one or a professional position are more likely to set up their own businesses. Regarding the association between income expectations and level of education, (Praag et al., 2009) discover that the benefits of education for employees and business owners may vary.

### **Ho3: Educational Attainment has no significant impact on the Worker's Decision**

## **2.5 Research Simulacrum**



## **III. RESEARCH METHOD**

### **3.1 Research Design**

This research used a quantitative approach and cross-sectional data to determine the relationship between the variables involved in the study. The researchers used a variety of statistical programs, mostly Microsoft Excel, and the major statistical tool for processing the raw data is SPSS. The study incorporated diagnostic tests such as ordinal regression tests such as Goodness-of-Fit, Pseudo R-Square, Parameter Estimates, and Test of Parallel Lines This has been demonstrated to be appropriate because Gonzalez (2021) used this methodology in his research.

### **3.2 Area of Study**

The study was conducted in Castillejos, a 3rd Class Municipality in the Province of Zambales. The rationale behind this chosen area is because one of the researchers is situated in the said area which gives them easier access to gather the necessary data needed to conduct the study.

### 3.3 Subjects

The chosen respondents of this study are the current workers such as sellers and retailers in the area where the study was conducted. The qualifications to meet in order to participate in this study are as follows: (1) the location of their business is within Castillejos only (2) self-employed worker or business owner.

To determine the number of participants needed to answer the survey questionnaires and the sample size, the researchers utilized Calculator.net for a more accurate result. Using a population size of 91, a margin of error of 5%, a confidence level of 95%, and a population proportion of 50%, the sample size needed came up to 74 respondents.

<b>Area of Study</b>	Castillejos, Zambales
<b>Population Size</b>	91
<b>Margin of Error</b>	5%
<b>Confidence Level</b>	95%
<b>Population Proportion</b>	50%
<b>Sample Size</b>	74

### 3.4 Data Instrument

The primary data collecting method was chosen by the researchers to obtain the necessary study-related data. A purposive sampling method will be utilized to easily identify who among the population is qualified to be respondents. To specify observable and quantifiable components of the study, a survey questionnaire including likert scale items will be employed. The correlation between the dependent variable and independent factors would be determined by the study variables. The data instrument was developed by the researchers after careful consideration of pertinent study-related questions. The series of questions regarding the study are as follows: the demographic profile, worker's decision, minimum wage, fringe benefits, and educational attainment have an effect on the respondent's decision to prefer self-employment.

The tools used to collect the data are unbiased. Regardless of age, gender, religion, socioeconomic standing, or ethnicity, the researchers will treat all respondents and their responses with respect. Ensuring that the data gathering tools' writing is inclusive, unbiased, and transparent, avoiding words or phrases that could be sexist or culturally discriminatory.

### 3.5 Data Collection Procedure

An informed consent form was attached along with the survey questionnaires to ratify the approval of the respondents to participate in the study. The researchers created survey questionnaires to be answered by the respondents involved in the study. An explanation of the reason and importance of the study will be provided in order for the respondents to understand the mere essence of conducting the study. Upon giving the survey questionnaires to the respondents, they will be asked by the researchers to answer them truthfully and accordingly. Since the main purpose of the study is to know whether minimum wage, fringe benefits, and educational attainment have certain effects on the workers' decision-making to prefer self-employment, researchers believe that this method is the most suitable procedure to gather the information needed. After the survey questionnaires had been answered, the researchers were able to evaluate the findings using Microsoft Excel and Statistical Package for the Social Sciences or SPSS software program.

In order for the research site to be suitable and for the safety and protection of the chosen respondents and researchers, the participants provided informed consent, which shows that they are fully aware of the research's goals, procedures, risks, and rights. They were also informed of the steps taken to protect their privacy and security.

The kind of research locale required the researchers to create safety measures. A few examples of this are developing emergency plans, taking safety measures, or establishing safe and secure locations for data collection.

### 3.6 Ethical Considerations

The researchers recognized that the information acquired would be highly confidential and that they appreciated all of the answers they got because participation in the survey for this study is voluntary. In accordance with the Data Privacy Act of 2012 (DPA), its Implementing Rules and Regulations (IRR), and additional regulations of the National Privacy Commission (NPC), and other relevant laws of the Philippines, the personal data that will be obtained through the survey is to be used exclusively for research purposes only. You may be confident that all data gathered will be handled in the most confidential manner.

### 3.7 Results Deployment and Impact

In order to share with the respondents whatever would be the result of this study, the researchers informed them via text message since they were able to get every contact information of the respondents during the data collection process. The results will become a tool for them to understand more about the essence of self-employment and they were able to share it also to their families and friends to also encourage them to set up their own business if they wanted to acquire more income and have a full control over their working hours and other benefits that they may get from being self-employed. This was also a tool for them to apprehend more their decision of taking into consideration being a self-employed worker. The final manuscript will be sent to publications for their additional reference coming from this study.

### 3.8 Data Analysis

#### 3.8.1 Econometric Model

The study's dependent variable is the Worker's Decision to prefer self-employment, while Minimum Wage, Fringe Benefits, and Educational Attainment are the provided independent variables, ordinal regression model was the statistical method used to measure the said variables.

$$\ln \left( \frac{WD}{1 - WD} \right) = a_0 + a_1 MW + a_2 FB + a_3 EA + \epsilon$$

Where:

WD = Worker's Decision to prefer self-employment

MW = Minimum Wage

FB = Fringe Benefits

EA = Educational Attainment

$a$  = Constant term or intercept

$a_1$  = Alpha coefficient of Minimum Wage

$a_2$  = Alpha coefficient of Fringe Benefits

$a_3$  = Alpha coefficient of Educational Attainment

$\epsilon$  = Error term

### 3.9 Mode of Analysis

Before being exported to SPSS, Microsoft Excel was used to refine and validate the gathered data. To investigate the connection between the independent and dependent variables, ordinal regression analysis was applied. Parameter estimations were employed in conjunction with the following tests to assess the efficacy of the analysis:

#### 3.9.1. Goodness-of-Fit

A goodness-of-fit metric is a useful tool in statistical research since it may be used to determine if the null hypothesis can be rejected given the amount of the empirical disparity measure. A technique involves figuring out the test's asymptotic setting and how it behaves at a high quantile of the distribution. (Chwialkowski et al., 2016).

#### 3.9.2. Pseudo R-Square

The basis for measures is likelihood ratios. The degree of improvement provided by the entire model, or the model with predictors, over the intercept model without predictors is indicated by the ratio of the likelihoods. Since a probability is a number between 0 and 1, its log is either less than or equal to zero. The likelihood log will be bigger in magnitude than the likelihood log of a more likely model if the likelihood of the model is very low. (Ombui et al., 2011).

#### 3.9.3. Test of Parallel Lines

The test of parallel lines can be used to determine whether it is reasonable to assume that the parameters are the same within each category. A single set of coefficients for each category in a model and an estimated model with distinct sets of coefficients for each category are tested in this test. (Saharwal et al., 2023).

## IV. RESULTS AND DISCUSSION

To perform the regression analysis using SPSS, researchers exploited the parameter estimate techniques to obtain the needed results

**Figure 4.1.1 Parameter Estimates**

		Parameter Estimates						
		Estimate	Std. Error	Wald	df	Sig.	95% Confidence Interval	
							Lower Bound	Upper Bound
Threshold	[WD = 1.0]	-1.165	1.388	.705	1	.401	-3.885	1.555
	[WD = 1.5]	.661	1.370	.233	1	.630	-2.025	3.346
	[WD = 2.0]	2.298	1.396	2.710	1	.100	-.438	5.033
	[WD = 2.5]	5.502	1.723	10.196	1	.001	2.125	8.878
Location	MW	.966	.467	4.287	1	.038	.052	1.881
	FB	.121	.279	.188	1	.664	-.426	.668
	EDA	-.683	.405	2.839	1	.092	-1.478	.112

Link function: Logit.



Figure 4.1.1 shows the regression results signifying the positive relationship between (MW) Minimum Wage and (FB) Fringe Benefits with (WD) Worker's Decision. Contrary to that, (EA) Educational Attainment depicts a negative relationship with (WD) Worker's Decision. With a parameter estimate of 0.966, Minimum Wage (MW) exhibits the strongest positive relationship which entails that a one unit increase in MW is correlated with an average of 0.966 units of increase in WD. Hence, the relationship between MW and WD is statistically significant with a p-value of 0.038. FB shows a positive relationship with MW with a parameter estimate of 0.121, however, the p-value of 0.664 is statistically insignificant which indicates that we accept the null hypothesis since the p-value is greater than 0.01 alpha. EDA portrays a negative relationship with WD having a parameter estimate of -0.683, and it is statistically insignificant with a p-value of 0.092 since it is greater than 0.01 alpha.

**Figure 4.1.2 Pseudo R-Square**

Pseudo R-Square	
Cox and Snell	.126
Nagelkerke	.134
McFadden	.049

Link function: Logit.

According to Fig 4.1.2, The logistic regression model's fit was measured using McFadden's Pseudo R-squared statistic, which yielded a result of 0.049. It shows that the model represents 4.9% of the variance in the dependent variable (worker's decision), which explains only a small percentage of the variation in the result and implies that factors outside the purview of the model influence the worker's decision.

**Figure 4.1.3 Goodness-of-Fit and Model Fitting Information**

Goodness-of-Fit			
	Chi-Square	df	Sig.
Pearson	152.119	197	.992
Deviance	136.056	197	1.000

Link function: Logit.

Model Fitting Information				
Model	-2 Log Likelihood	Chi-Square	df	Sig.
Intercept Only	169.939			
Final	159.987	9.952	3	.019

Link function: Logit.

As shown in Figure 4.1.3, the p-values for Pearson's Chi-Square test and Deviance test are 0.992 and 1.000 respectively, and both are not significant to reject the null hypothesis. The Model Fitting Information has a p-value less than 0.05 alpha, which indicates that the model is statistically significant and shows a good fit.

Figure 4.1.4 Test of Parallel Lines

**Test of Parallel Lines<sup>a</sup>**

Model	-2 Log Likelihood	Chi-Square	df	Sig.
Null Hypothesis	159.987			
General	153.569 <sup>b</sup>	6.418 <sup>c</sup>	9	.697

The null hypothesis states that the location parameters (slope coefficients) are the same across response categories.

- a. Link function: Logit.
- b. The log-likelihood value cannot be further increased after maximum number of step-halving.
- c. The Chi-Square statistic is computed based on the log-likelihood value of the last iteration of the general model. Validity of the test is uncertain.

According to *Fig 4.1.4*, The null hypothesis, which states that the lines are likely parallel, is supported by enough statistical evidence when the p-value for a test of parallel lines is 0.697. Given the high p-value, it is more likely that any discrepancies between the lines seen are the result of random chance instead of a methodical break from parallelism.

## 4.2. Discussion

The study discovered that the amount of income in terms of worker satisfaction played a vital role in the worker's decision to prefer the self-employment nature of work. According to Sumer B. (2018), which believes that workers may not be satisfied with income levels if the existing minimum wage is insufficient to cover their essential needs. In addition to that, data from (DOLE, 2021) indicates that it is clear that Castillejos' minimum wage is lower than the average national minimum wage. As a result, this serves as a push factor for why people choose self-employment as a substitute source of income.

The study's findings on the relationship between fringe benefits and workers' decisions show a positive relationship. This means that fringe benefits that workers were able to acquire from shifting to self-employment played a vital role in their decision-making. This aligns with the study by Georgellis and Yusuf (2016) that, compared to wage workers who just switch positions within wage employment, those who transition into self-employment see a sustained increase in their financial satisfaction. A study by Hanglberger, D. & Merz, J. (2015) claimed that people who transition from wage work to self-employment report higher job contentment, while people who do the reverse experience less satisfaction with their jobs. In terms of benefits, self-employed workers reported having more control in deciding which kind of benefits they would want to get. As seen in the study by Bradley, J (2016), in which he found out that self-employed people benefit from the ability to decide on their own benefits package when it comes to benefits. To test the relationship between fringe benefits and worker's decision to prefer self-employment, researchers utilized questionnaires about how important fringe benefits motivated and affected their decision. It has been affirmed by the study of Bennett, J. & Rablen, M. D. (2015), in which they argue that the benefits of self-employment are associated with non-pecuniary benefits, which include the flexibility in your working hours and "being your own boss". They have the option to pick their own vacation and sick leave policies, buy their own health insurance, and invest in retirement plans. However, the above mentioned benefits were contrary to the findings of Borgschulte, M., & Cho, H. (2020), in which they dispute that the same advantages, such as paid time off, health insurance, and retirement plans, that workers receive from their employers are not available to self-employed people.

The study's results suggest that educational attainment has a statistically positive impact on the worker's decision to become self-employed. A good assumption to consider for the adverse effect is that people who have higher educational attainment tend to be risk averse. Highly educated people could be less responsive to the uncertainty that comes with establishing their own businesses and prefer the stability that comes with

regular employment, according to Boldureanu et al. (2020). Moreover, higher-educated participants often expressed the belief that there are better prospects for regular employment. Findings by Cho et al. (2018) show that people may be discouraged from engaging in self-employment due to the prevailing assumption that education leads to secure and stable employment.

## V. SUMMARY

### 5.1. Summary and Conclusion

This study aims to determine the longstanding debate surrounding the concept of worker's decision, emphasizing its impact on minimum wage, fringe benefits, and educational attainment.

A survey questionnaire was deployed in person in Castillejos, Zambales, on October 28, 2023. The data instrument is divided into five sections, including the respondent's socio-demographic and dependent and independent variables measurements. Furthermore, a cross-sectional quantitative approach was utilized to perform an ordinal regression analysis of the data gathered. Ultimately, the study seeks to contribute to the ongoing discourse on minimum wage legislation, offering insights into its impact on the labor market and serving as a resource for decision-makers and stakeholders interested in the self-employment sector's advantages and disadvantages.

The empirical results show that two of the independent variables (MW, FB) exhibited a positive relationship with the dependent variable (WD), while the independent Variable (EA) exhibited a negative relationship with the dependent variable. Individuals who change from regular employment to self-employment indicate long-term gains in workplace fulfillment and financial well-being, mostly because they have more control over the benefits they receive. The intricate relationship between these variables emphasizes how challenging it is for people to decide whether to pursue self-employment. In conclusion, this study has examined the minimum wage and fringe benefits as vital factors influencing the number of workers in Castillejos, Zambales, who work as self-employed.

### 5.2. Policy Implications

The level of income that a regular worker gets brought about by the standardized amount of minimum wage played a significant role in the decision of former employed workers to shift into self-employment. Although not everyone will have the capacity to establish their own businesses, factors such as minimum wage and fringe benefits will be a sort of basis for them to deviate their path from just being a regular employed worker to being the "own boss" nature of work, in line with their intention for earning a potential higher income. Self-employment not only provides benefits for gaining high earnings, but it also helps a person build his or her character since it endows positive attitudes, high morale, builds motivation, and other character development attributes. In addition, from the perspective of educational attainment, higher educational attainment does not necessarily guarantee either success or failure will be the outcome of preferring self-employment. It is still depending on the willingness and ability of a worker whether he or she will be considering self-employment.

To further strengthen the idea of having greater work satisfaction and benefits with self-employment, there is this program by Social Security System under the Department of Labor and Employment, which grants those self-employed workers who are members of SSS an Employees' Compensation Program (ECP) to be able to receive loss of income benefits, carer's allowance, medical benefits, rehabilitation services, and other work-related accidents or injuries. The variety of benefits that self-employed workers can get will be a huge help and to have at least support coming from the government even though they are not really regular wage workers.

## REFERENCES:

- [1] Barba-Sánchez, V., Atienza-Sahuquillo, C. Entrepreneurial motivation and self-employment: evidence from expectancy theory. *Int Entrep Manag J* 13, 1097–1115 (2017). <https://doi.org/10.1007/s11365-017-0441-z>
- [2] Belman, Dale, and Paul J Wolfson. 2014. “The new minimum wage research.” *Employment Research Newsletter*, 21(2): 2.
- [3] Bennett, J. M., & Rablen, M. D. (2015). Self-employment, wage employment, and informality in a developing economy. *Oxford Economic Papers-New Series*, 67(2), 227–244. <https://doi.org/10.1093/oep/gpu047>
- [4] BENZ, M. A. T. T. H. I. A. S., & FREY, B. R. U. N. O. S. (2008). Being independent is a great thing: Subjective evaluations of self-employment and hierarchy. *Economica*, 75(298), 362–383. <https://doi.org/10.1111/j.1468-0335.2007.00594.x>
- [5] Bhorat, H., Kanbur, R. & Mayet, N. The impact of sectoral minimum wage laws on employment, wages, and hours of work in South Africa. *IZA J Labor Develop* 2, 1 (2013). <https://doi.org/10.1186/2193-9020-2-1>
- [6] Blanchflower, D. G., & Oswald, A. J. (1998). What makes an entrepreneur? *Journal of Labor Economics*, 16(1), 26–60. <https://doi.org/10.1086/209881>
- [7] Blanchflower, D. (2004). Self-employment: More may not be better. <https://doi.org/10.3386/w10286>
- [8] Blau, D. M. (1987). A time-series analysis of self-employment in the United States. *The Journal of Political Economy*, 95(3), 445–467. <https://doi.org/10.1086/2614>
- [9] Boeri, T., Giupponi, G., Krueger, A. B., & Machin, S. (2020). Solo self-employment and alternative work arrangements: A cross-country perspective on the changing composition of jobs. *The Journal of Economic Perspectives: A Journal of the American Economic Association*, 34(1), 170–195. <https://doi.org/10.1257/jep.34.1.170>
- [10] Boldureanu, G., Ionescu, A. M., Bercu, A., Bedrule-Grigoruță, M. V., & Boldureanu, D. (2020). Entrepreneurship Education through Successful Entrepreneurial Models in Higher Education Institutions. *Sustainability*, 12(3), 1267. <https://doi.org/10.3390/su12031267>
- [11] Borgschulte, M., & Cho, H. (2020). Minimum wages and retirement. *Industrial & Labor Relations Review*, 73(1), 153–177. <https://doi.org/10.1177/0019793919845861>
- [12] Borjas, G. and Bronar, S. (1986) Consumer Discrimination and Self-Employment. *Journal of Political Economy*, 97, 581-605. <https://doi.org/10.1086/261617>
- [13] Bradley, J. Self-employment in an equilibrium model of the labor market. *IZA J Labor Econ* 5, 6 (2016). <https://doi.org/10.1186/s40172-016-0046-8>
- [14] Bruce, Donald, and Mohammed Mohsin. 2006. “Tax policy and entrepreneurship: New time series evidence.” *Small business economics*, 26(5): 409–425.
- [15] Burton, M. D., Sørensen, J. B., & Dobrev, S. D. (2016). A careers perspective on entrepreneurship. *Entrepreneurship: Theory and Practice*, 40(2), 237–247. <https://doi.org/10.1111/etap.12230>
- [16] Calicdan, J. P. J., Gavino, C. J., Estrada, H. F., Cortez, J. M., & Balaria, F. E. (2020). Effects of Rice Liberalization Law on Rice Production, Farmers’ Wages and Government Budgets. *International Journal of Advanced Engineering, Management and Science*, 6(6), p. 275–281. <https://dx.doi.org/10.22161/ijaems.66.7>

- [17] Caliendo, M., Fossen, F., & Kritikos, A. S. (2014). Personality characteristics and the decisions to become and stay self-employed. *Small Business Economics*, 42(4), 787–814. <https://doi.org/10.1007/s11187-013-9514-8>
- [18] Caliendo, M., Schröder, C., & Wittbrodt, L. (2019). *The causal effects of the minimum wage introduction in Germany* (Issue 1). Universität Potsdam. <https://doi.org/10.25932/PUBLISHUP-42692>
- [19] Campos Vázquez, R. M., Esquivel, G., & Santillán Hernández, A. S. (2018). The impact of the minimum wage on income and employment in Mexico. *CEPAL Review*, 2017(122), 189–216. <https://doi.org/10.18356/d81adc80-en>
- [20] Canelas, C. (2014). *Minimum wage and informality in Ecuador*. UNU-WIDER.
- [21] Carpio, D., Nguyen, X., Nguyen, H., Carpio, X. D., Nguyen, C., & Wang, C. (n.d.). *The impact of minimum wages on employment, wages and welfare: The case of Vietnam*. Uni-muenchen.de. Retrieved March 2, 2023, from [https://mpira.ub.uni-muenchen.de/83677/1/MPRA\\_paper\\_83677.pdf](https://mpira.ub.uni-muenchen.de/83677/1/MPRA_paper_83677.pdf)
- [22] Cengiz, D., Dube, A., Lindner, A., Zipperer, B., Autor, D., Card, D., Findeisen, S., French, E., Horvath, H., Kezdi, G., Kline, P., Machin, S., Manning, A., Mullainathan, S., Naidu, S., Rebitzer, J., Reich, M., Vincze, J., & Wilhelm, D. (2019). *Nber working paper series the effect of minimum wages on low-wage jobs: Evidence from the United States using a bunching estimator*. Nber.org. [https://www.nber.org/system/files/working\\_papers/w25434/w25434.pdf](https://www.nber.org/system/files/working_papers/w25434/w25434.pdf)
- [23] Cho, Y., Robalino, D. A., & Watson, S. M. (2016). Supporting self-employment and small-scale entrepreneurship: potential programs to improve livelihoods for vulnerable workers. *IZA Journal of Labor Policy*, 5(1). <https://doi.org/10.1186/s40173-016-0060-2>
- [24] Chwialkowski, K., Strathmann, H., & Gretton, A. (2016, June). A kernel test of goodness of fit. In *International conference on machine learning* (pp. 2606-2615). PMLR.
- [25] Clark, K., & Drinkwater, S. (2000). Pushed out or pulled in? self-employment among ethnic minorities in England and Wales. *Labour Economics*, 7(5), 603–628. [https://doi.org/10.1016/s0927-5371\(00\)00015-4](https://doi.org/10.1016/s0927-5371(00)00015-4)
- [26] Clements III, J.S. (2010). *Agricultural Commodity Futures and Farmland Investment: A Regional Analysis*. Dissertation. Georgia State University. p. 1-107. [https://scholarworks.gsu.edu/real\\_estate\\_diss/8](https://scholarworks.gsu.edu/real_estate_diss/8)
- [27] Dawson, C. J., Henley, A., & Latreille, P. L. (2009). Why do individuals choose self-employment? *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.1336091>
- [28] De Vos, A., & Van der Heijden, B. I. J. M. (Eds.). (2015). *Handbook of research on sustainable careers*. Cheltenham: Edward Elgar Publishing.
- [29] De Vos, A., Van der Heijden, B. I. J. M., & Akkermans, J. (2020). Sustainable careers: Towards a conceptual model. *Journal of Vocational Behavior*, 117, 1–13. <https://doi.org/10.1016/j.jvb.2018.06.011>
- [30] Dewi, S. G. (2018). The effects of minimum wage throughout the wage distribution in Indonesia. *Signifikan Jurnal Ilmu Ekonomi*, 7(2), 221–232. <https://doi.org/10.15408/sjie.v7i2.6125>
- [31] Fang, T., Lin, C. Minimum wages and employment in China. *IZA J Labor Policy* 4, 22 (2015). <https://doi.org/10.1186/s40173-015-0050-9>
- [32] Fields, G. S. (1994). The unemployment effects of minimum wages. *International Journal of Manpower*, 15(2/3), 74–81. <https://doi.org/10.1108/01437729410059323>
- [33] Galán, S., & Puente, S. (2015). Minimum wages: Do they really hurt young people? *The B.E. Journal of Economic Analysis & Policy*, 15(1), 299–328. <https://doi.org/10.1515/bejeap-2013-0171>

- [34] Garrett, T. A., & Wall, H. J. (2006). Creating a policy environment for entrepreneurs. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.840148>
- [35] Georgellis, Y., & Yusuf, A. (2016). Is becoming self-employed a panacea for job satisfaction? longitudinal evidence from work to self-employment transitions. *Journal of Small Business Management*, 54, 53–76. <https://doi.org/10.1111/jsbm.12292>
- [36] Glasner, B. (2023). The minimum wage, self-employment, and the online gig economy. *Journal of Labor Economics*, 41(1), 103–127. <https://doi.org/10.1086/719690>
- [37] Gonzalez, D. (2021). *The Impact of the Minimum Wage on Unemployment*.
- [38] Gregory, T., & Zierahn, U. (2022). When the minimum wage really bites hard: The negative spillover effect on high-skilled workers. *Journal of Public Economics*, 206(104582), 104582. <https://doi.org/10.1016/j.jpubeco.2021.104582>
- [39] Gujarati, D. (2004). *Basic Econometrics 4th Edition*. New York: McGraw-Hill.
- [40] Hanglberger, D., Merz, J. Does self-employment really raise job satisfaction? Adaptation and anticipation effects on self-employment and general job changes. *J Labour Market Res* 48, 287–303 (2015). <https://doi.org/10.1007/s12651-015-0175-8>
- [41] Henley, A. (2005). Job creation by the self-employed: The roles of entrepreneurial and financial capital. *Small Business Economics*, 25(2), 175–196. <https://doi.org/10.1007/s11187-004-6480-1>
- [42] Holtz-Eakin, D., Rosen, H., & Weathers, R. (2000). Horatio Alger meets the mobility tables. <https://doi.org/10.3386/w7619>
- [43] Hout, M., & Rosen, H. (2000). Self-employment, family background, and Race. <https://doi.org/10.3386/w7344>
- [44] Hundley, G. (2001). Why and when are the self-employed more satisfied with their work? *Industrial Relations: A Journal of Economy and Society*, 40(2), 293–316. <https://doi.org/10.1111/0019-8676.00209>
- [45] Hurst, Erik, and Benjamin Wild Pugsley. 2011. “What Do Small Businesses Do?” *Brookings Papers on Economic Activity* 2 (Fall): 73–142.
- [46] Kim, D., Kim, W.-Y., & Bai, J. H. (n.d.). *The effect of minimum wage on self-employment*. Akes.or.kr. Retrieved March 2, 2023, from <http://www.akes.or.kr/conf/papers/2021/3B4F.pdf>
- [47] King, Z. (2004). Career self-management: Its nature, causes and consequences. *Journal of Vocational Behavior*, 65(1), 112–133. [https://doi.org/10.1016/S0001-8791\(03\)00052-6](https://doi.org/10.1016/S0001-8791(03)00052-6)
- [48] Krueger, Alan B. 2018. “Independent Workers: What Role for Public Policy?” *Annals of the American Academy of Political and Social Science* 675 (1): 8–25.
- [49] Kumar, A., & Schuetze, H. J. (2007). Self-employment and labor market policies. *Department Discussion Papers*. <https://ideas.repec.org/p/vic/vicddp/0704.html>
- [50] Lazear, E. P. (2004). Balanced skills and entrepreneurship. *The American Economic Review*, 94(2), 208–211. <https://www.jstor.org/stable/3592884>.
- [51] Lean, H.H., Huang, W., & Hong, J. (2014). Logistics and economic development: Experience from China. *Transport Policy*, 32, 96–104. <https://doi.org/10.1016/j.tranpol.2014.01.003>

- [52] Lo Presti, A., Pluviano, S., & Briscoe, J. P. (2018). Are freelancers a breed apart? The role of protean and boundaryless career attitudes in employability and career success. *Human Resource Management Journal*, 28(3), 427–442. <https://doi.org/10.1111/1748-8583.12188>
- [53] Mahan, M.Y., Chorn, C.R., & Georgopoulos, A. (2015). White Noise Test: detecting autocorrelation and nonstationarities in long time series after ARIMA modelling. In: Proceedings 14th Python in Science Conference. <http://dx.doi.org/10.25080/Majora-7b98e3ed-00f>
- [54] Mathou Tchinda, J. laure, & Bing, H. R. (2017). Job satisfaction of self-employed workers: Empirical evidence from Cameroon Data. *INTERNATIONAL JOURNAL OF MANAGEMENT SCIENCE AND BUSINESS ADMINISTRATION*, 3(6), 43–58. <https://doi.org/10.18775/ijmsba.1849-5664-5419.2014.36.1006>
- [55] Miao, C. (2015). Self-employment and happiness in China - diva. Self-employment and happiness in China. <https://diva-portal.org/smash/get/diva2:911383/FULLTEXT01.pdf>
- [56] Minimum wages. (n.d.). *The minimum required?* Resolution Foundation.org. Retrieved March 2, 2023, from <https://www.resolutionfoundation.org/app/uploads/2017/07/The-minimum-required.pdf>
- [57] Neumark, D., & Shirley, P. (2021). Myth or measurement: What does the new minimum wage research say about minimum wages and job loss in the United States? <https://doi.org/10.3386/w28388>
- [58] Nguyen, C., & Wang, C. (n.d.). *The impact of minimum wages on employment, wages and welfare: The case of Vietnam*. Uni-muenchen.de. Retrieved March 2, 2023, from [https://mpa.ub.uni-muenchen.de/83677/1/MPRA\\_paper\\_83677.pdf](https://mpa.ub.uni-muenchen.de/83677/1/MPRA_paper_83677.pdf)
- [59] Nikolova, M. (2019). Switching to self-employment can be good for your health. *Journal of Business Venturing*, 34(4), 664–691. <https://doi.org/10.1016/j.jbusvent.2018.09.001>
- [60] Ombui, G. M., Geoffrey, M., & Gichuhi, A. W. (2011). Using ordinal regression modeling to evaluate the satisfaction of Jomo Kenyatta University of agriculture and technology faculty of science students. *Journal of Agriculture, Science and Technology*, 13(1).
- [61] Pantea, S. (2020). The effect of minimum wage hikes on employment: Evidence from regional panel data from Romania. *Economic Systems*, 44(3), 100805. <https://doi.org/10.1016/j.ecosys.2020.100805>
- [62] Parasuraman, S., Greenhaus, J. H., & Linnehan, F. (2000). Time, person-career fit, and the boundaryless career. *Trends in Organizational Behavior*, 7, 63–78.
- [63] Parker, S. C. (2009). *The Economics of Entrepreneurship*. <https://doi.org/10.1017/cbo9780511817441>
- [64] Paun, C. V., Nechita, R., Patruți, A., & Topan, M. V. (2021). The impact of the minimum wage on employment: An EU panel data analysis. *Sustainability*, 13(16), 9359. <https://doi.org/10.3390/su13169359>
- [65] Poschke, M. (2013, November). *The Decision to Become an Entrepreneur and the Firm Size Distribution: A Unifying Framework for Policy Analysis*. Retrieved April 19, 2023, from <https://docs.iza.org/dp7757.pdf>
- [66] Sabharwal, A., Goyal, B., & Joshi, L. M. (2023). An application of ordinal regression to extract social dysfunction levels through behavioral problems. *AIMS Public Health*, 10(3), 577.
- [67] Samuelson, P.A.; Nordhaus, W.D. *Economics*, 9th ed.; McGraw-Hill: New York, NY, USA, 2010.
- [68] *Self-employed SSS members now covered under the EC Program: Employees' Compensation Commission*. Employees Compensation Commission. (2019, April 17). <https://ecc.gov.ph/self-employed-sss-members-now-covered-under-the-ec-program/>

- [69] Shasta Pratomo, D. (2014). Does minimum wage affect hours worked of paid employment in Indonesia? *International Journal of Social Economics*, 41(5), 362–379. <https://doi.org/10.1108/ijse-01-2013-0009>
- [70] Sümer, B. (2018). Minimum Wage as An Ethical Issue. *Revistia Research and Publishing*, Volume 3(Issue 1). [https://revistia.com/files/articles/ejms\\_v3\\_i1\\_18/Beyza.pdf](https://revistia.com/files/articles/ejms_v3_i1_18/Beyza.pdf)
- [71] Taylor, M (1996), Earnings, independence or unemployment: why become self-employed? *Oxford Bulletin of Economics and Statistics*, 58(2): 253-66.
- [72] Terrell, K., & Almeida, R. K. (2008). *Minimum wages in developing countries : Helping or hurting workers?* <https://openknowledge.worldbank.org/handle/10986/11742>
- [73] Tonin, M. (2011). Minimum wage and tax evasion: Theory and evidence. *Journal of Public Economics*, 95(11–12), 1635–1651. <https://doi.org/10.1016/j.jpubeco.2011.04.005>
- [74] Van Praag, C. M., Witteloostuijn, A. van, & van der Sluis, J. (2009). Returns for entrepreneurs versus employees: The effect of education and personal control on the relative performance of entrepreneurs vis-a-vis wage employees. *SSRN Electronic Journal*. <https://doi.org/10.2139/ssrn.1520895>





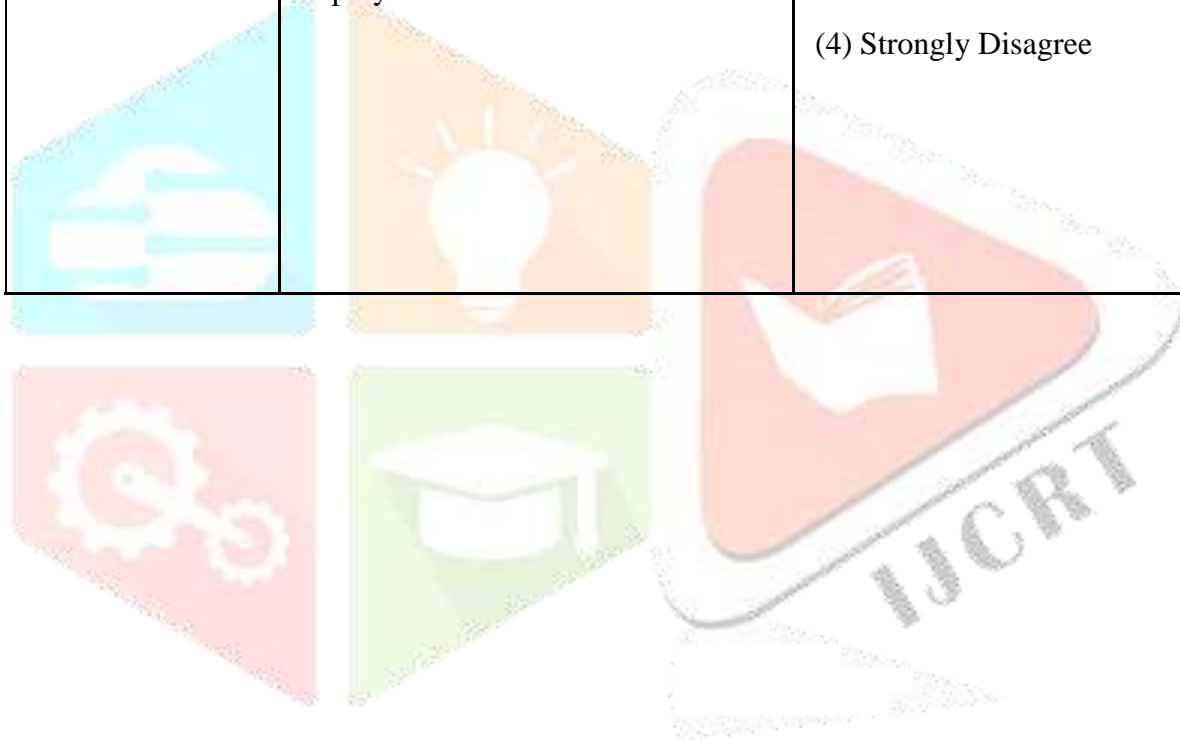
## Appendix A

Table 1.0 Data Instrument domains, variables, and measures

Domains	Variables	Measures
<b>Demographic Profile</b>	Age	Current Age of the respondent (numerical input)
	Sex	Female Male
<b>Worker's Decision</b>	Do you agree that the desire for higher income is one of the reasons that attracted you to self-employment?	(1) Strongly Agree (2) Agree (3) Disagree (4) Strongly Disagree
	In the overall aspect of being self-employed, do you believe that opting to work as self-employed is a wise choice?	(1) Strongly Agree (2) Agree (3) Disagree (4) Strongly Disagree
<b>Minimum Wage</b>	How satisfied are you with your current income level?	(1) Very Satisfied (2) Satisfied (3) Dissatisfied (4) Very dissatisfied

	Are you satisfied with the minimum wage in your area to meet basic living expenses?	<p>(1) Very Satisfied</p> <p>(2) Satisfied</p> <p>(3) Dissatisfied</p> <p>(4) Very dissatisfied</p>
<b>Fringe Benefits</b>	How important are fringe benefits (non-salary perks) in your decision to become self-employed?	<p>(1) Very Important</p> <p>(2) Important</p> <p>(3) Not Important</p> <p>(4) Not very Important</p>
	As a self-employed worker, how important are flexible working hours and family support benefits among the fringe benefits that motivated you to choose self-employment?	<p>(1) Very Important</p> <p>(2) Important</p> <p>(3) Not Important</p> <p>(4) Not very Important</p>
<b>Educational Attainment</b>	How important do you think educational attainment is for success in self-employment?	<p>(1) Very Important</p> <p>(2) Important</p> <p>(3) Not Important</p> <p>(4) Not very Important</p>

	<p>Do you agree that individuals with higher educational attainment are more successful in their self-employment ventures?</p>	<p>(1) Strongly Agree (2) Agree (3) Disagree (4) Strongly Disagree</p>
	<p>Do you agree that abilities and skills acquired through education are essential in order to succeed in self-employment?</p>	<p>(1) Strongly Agree (2) Agree (3) Disagree (4) Strongly Disagree</p>



**Appendix B****CONSENT FORM FOR THE RESPONDENTS**

Magandang Araw!

Kami po sina Danica C. Ombao at Abigail T. Dumagat, *4th Year College Student* sa kursong *Bachelor of Science in Business Administration major in Business Economics* na mga mag-aaral ng University of Santo Tomas- Manila. Kayo po ay aming inaanyayahan na makilahok sa aming palatanungan hinggil sa aming pananaliksik. Ito po ay boluntaryo lamang at maaari po kayong tumanggi na huwag makibahagi. Sa kasalukuyan, kami po ay nagsasawa ng pag-aaral na pinamagatang “*Minimum Wage, Fringe Benefits, and Educational Attainment as push-factors to self-employment on the workers of Castillejos, Zambales*”, ito ay naglalayon na matuklasan kung anu-ano nga ba ang epekto ng minimum wage hinggil desisyon ng mga manggagawa na piliin na lamang maging *self-employed*.

Ang aming pag-aaral na ito ay nangangailangan ng pitong pu't apat (74) na mga respondente upang makilahok sa aming palatanungan. Sa pagsasagawa ng pananaliksik, kami po ay magbibigay ng mga papel na naglalaman ng mga katanungan na kailangan sagutin ng kalahok kalakip ng *Consent Form* na ito upang magbigay linaw sa layunin nito. Magtatagal lamang po ng dalawa hanggang tatlong minuto ang pag sasagot sa aming palatanungan. Inuulit po namin, ang pag sagot nito ay boluntaryo lamang at maaaring tumanggi kung hindi ninyo ninanais na makilahok sa aming pag-aaral. Ang pananaliksik naming ito ay walang katumbas na anumang kabayaran bilang kapalit ng inyong pakikilahok sa pagsagot ng aming palatanungan.

Kalakip ng pag-aaral na ito ay ang maingat naming pagpapahalaga sa anumang personal na impormasyong inyong ibabahagi sa amin. Alinsunod sa Data Privacy Act of 2012, aming ipinapangako na ang mga impormasyong makakalap namin ay para lamang sa pagsasagawa ng aming pananaliksik, at ito ay bibigyan po namin ng importansya at mahigpit na seguridad bilang pagbibigay respeto sa aming mga respondente. Kung kaya't wala po kaming inaasahang magiging panganib sa inyong paglahok sa pananaliksik na ito.

Anuman ang magiging resulta ng aming pananaliksik na ito, ay maaari naming ibahagi sa inyo upang magbigay din ng karagdagang kaalaman sa pagtuklas kung anu-ano nga ba ang epekto ng minimum wage hinggil desisyon ng mga manggagawa na piliin na lamang maging *self-employed*.

**Pahintulot ng kalahok:**

Kung kayo po ay sumasang-ayon na makilahok sa aming palatanungan, mangyari po lamang na ilagay ninyo ang iyong pangalan, lagda at *contact number* sa espasyong aming inilaan sa ibaba.

**Pangalan at Lagda ng Kalahok/ Contact Number**

Kalahok/ Respondente

Kung kayo po ay may katanungan hinggil sa aming pananaliksik, maari po ninyo kaming *i-text* o tawagan sa aming mga numero:

09178025946 - Danica Ombao

0968712653 - Abigail Dumagat

Maraming Salamat po,

**Danica C. Ombao****Abigail T. Dumagat**

Mananaliksik

Mananaliksik

**Appendix C****SURVEY QUESTIONNAIRES****Part I. DEMOGRAPHIC PROFILE**

Question 1: Age? \_\_\_\_

Question 2: Sex?

 Male Female**Part II. WORKER'S DECISION**

Question 1: Do you agree that the desire for higher income is one of the reasons that attracted you to self-employment?

 1 Strongly Agree 2 Agree 3 Disagree 4 Strongly Disagree

Question 2: In the overall aspect of being self-employed, do you believe that opting to work as self-employed is a wise choice?

 1 Strongly Agree 2 Agree 3 Disagree 4 Strongly Disagree**Part III. MINIMUM WAGE**

Question 1: How satisfied are you with your current income level?

 1 Very satisfied 2 Satisfied 3 Dissatisfied 4 Very dissatisfied

Question 2: Are you satisfied with the minimum wage in your area to meet basic living expenses?

 1 Very satisfied 2 Satisfied 3 Dissatisfied 4 Very dissatisfied

**Part IV. FRINGE BENEFITS**

Question 1: How important are fringe benefits (non-salary perks) in your decision to become self-employed?

- 1 Very important
- 2 Important
- 3 Not important
- 4 Not very important

Question 2: As a self-employed worker, how important are flexible working hours and family support benefits among the fringe benefits that motivated you to choose self-employment?

- 1 Very important
- 2 Important
- 3 Not important
- 4 Not very important

**Part V. EDUCATIONAL ATTAINMENT**

Question 1: How important do you think educational attainment is for success in self-employment?

- 1 Very important
- 2 Important
- 3 Not important
- 4 Not very important

Question 2: Do you agree that individuals with higher educational attainment are more successful in their self-employment ventures?

- 1 Strongly Agree
- 2 Agree
- 3 Disagree
- 4 Strongly Disagree

Question 3: Do you agree that abilities and skills acquired through education are essential in order to succeed in self-employment?

- 1 Strongly Agree
- 2 Agree
- 3 Disagree
- 4 Strongly Disagree