

Development of entrepreneurship for ensuring social and economic sustainability of the Zhatay Urban District of the Sakha Republic (Yakutia)

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Abstract. The success of the socio-economic development of the city area “Zhatay” of the Sakha Republic (Yakutia) in the near and distant future will be determined by the state and implementation of development projects by the city-forming enterprises and the level of entrepreneurship development. Therefore, as part of the study, an analysis of the state of the business sector was carried out, and directions for the development of entrepreneurship with a view to the socio-economic sustainability of the city area “Zhatay” were outlined. The complex of projects in the field of entrepreneurship will contribute to the creation of favorable conditions for the infrastructural development of the territory and the improvement of the quality of life of the population of the city area “Zhatay”.

Keywords: entrepreneurship, socio-economic development, city area, enterprises, small business

1. Introduction

The city area “Zhatay” is characterized by a slow pace of development of entrepreneurship. In 2016, the number of small enterprises decreased by 32% because of the removal from the register of inactive companies. On the territory of the city area “Zhatay” there are no statistical bodies and tax service. Registration of entrepreneurs by the district administration is impossible, as entrepreneurs lack such a duty [1; 6]. Entrepreneurs register their enterprises in the city of Yakutsk, which cases many additional problems

2. Materials and Methods

The study was conducted on the basis of general scientific methods within comparative and logical analysis, by analyzing the structure and dynamics. In the applied sociological research the quantitative method was used. In particular, we conducted a survey of the village residents and applied a “desk” research (statistics, secondary data).

3. Results

In 2017, 92 small enterprises operated in the city district, including micro enterprises. The share of employment in small business amounted to 5.8% of the total average number of employees in the economy. At the same time, the ratio of the average number of small business employees to the average number of employees of organizations increases slightly [2].

Table 1. Indicators of development of entrepreneurship of the city area “Zatay” [3].

Indicator	2015	2016	2017
The number of small and medium-sized enterprises, units.	125	86	92
- Agriculture;	0	6	6
- Manufacturing industries;	11	4	4
- Production and distribution of electricity, gas and water;	4	2	2
- Construction;	47	30	30
- Wholesale and retail trade;	24	26	26
- Hotels and restaurants	2	0	1
- Transport and communication	17	14	14
- Financial activities	3	1	1
- Real estate transactions, rental and provision of services, including:	11	1	1
- Other community, social and personal services.	6	2	4
The average number of employees, thous. ppl.	95	163	185
- Agriculture;	6	6	7
- Manufacturing industries;	20	31	42
- Production and distribution of electricity, gas and water;	3	1	1
- Construction;	12	19	19
- Wholesale and retail trade;	30	28	28
- Hotels and restaurants;	2	0	0
- Transport and communication	16	26	26
- Financial activities	3	5	5
- Real estate transactions, rental and provision of services, including:	2	11	11
- Health care and social services	2	4	4
- Other community, social and personal services.	3	32	34
Turnover of small enterprises, mln. rub.	53	53	57.5

There is a positive trend in the growth of production and services. Thus, for the period 2015-2017, the turnover increased by 8.5%, or 4.5 mln. rub. In 2017, in the structure of small enterprises, the largest shares were accounted for construction (32.6%), trade (28.3%), and transport (15.2%), agriculture (6.5%).

The trade sector is represented by 26 objects (including shops, pavilions, kiosks) selling a wide range of industrial and food products, including baby food. In addition, 2 enterprises are engaged in bottling and delivery of bottled drinking water to the population and organizations. An enterprise provide funeral services (PE Gommerstadt), and the Arctic Hemistri LLC produce household chemicals successfully. The transport sector is mainly represented by taxi services. There are 4 taxi services.

Among small businesses should be distinguished the Zhaataysky metalwork plant LLC, which is engaged in the manufacture of tanks and reservoirs for various purposes and volume, modules of diesel power plants and household premises, container-type gas stations, houses for fishermen and hunters, mobile fire installations, self-propelled drilling machines, small size shipping ferries with a capacity of 10 tons. In providing similar services, the company competes with similar enterprises in Russia.

Despite a small number of entrepreneurs in agriculture, they make a significant contribution to the development of agricultural production. The main direction of agricultural development is crop production and it is implemented by such farms as “Em,” “De,” “Pyagay,” “Kan”.

The peasant PE “Em Grigoriy” successfully works in the plant industry. On September 11, 2013, between the government and PE “Em Grigoriy” an agreement was concluded “On the provision of subsidies from the state budget of the Sakha Republic (Yakutia) and the budget of the city area “Zhatay” for co-financing of the municipal investment project “Organization of processing and storage of vegetables in the “Zhatay” area.”

The purpose of the investment project “Organization of processing and storage of vegetables in the city of Zhatay” was the organization of long-term storage grown on the territory of the city area “Zhatay” by a farm holding vegetables and their further processing. To implement the project at the expense of PE “Em Grigoriy,” the necessary infrastructure was established, namely 2 vegetable storage capacities ranging from 800 to 1,000 tons each. According to the technical conditions, a gas pipeline, power lines were installed for the required power of the purchased equipment, heating and power supply to the warehouses was installed and started up. A vegetable processing manufactory has been working since 2015. The work of the manufactory is seasonal. The manufactory works only 3-4 months after harvest. Processed and packaged vegetables are delivered to the trading networks of the city area “Zhatay” and the city area of Yakutsk.

The peasant farm “Kazantsev” is engaged in breeding quail. To date, the farm has more than 500 birds. The peasant farm “Kravchenko” is engaged in horse breeding. In 2017, it had 57 heads, with 45 mares.

The household services are provided to the population by entrepreneurs, among which there are sewing and repairing clothes; shoe repair; hairdressing and beauty services; printing services; laundry services; construction, including installation of plastic windows, stretch ceilings, installation of plastic pipes, heating and air conditioning systems; home appliance repair; a children’s cafe with a game room, entertainment and assortment of dishes, etc.

To implement the existing projects and support of small business, the Government of the Republic of Sakha provides subsidies. In 2017, within the framework of the Municipal Program for the Development of Small and Medium-Sized Enterprises, all the planned activities were implemented in full. The subsidy to small businesses that provide social services in the field of manufacturing in the city area “Zhatay” was provided in full in the amount of 750.0 thous. rub. [4]

Today, there is a municipal program “Support and development of entrepreneurship in the city area “Zhatay” for 2017-2019,” in accordance with which subsidies are provided to small and medium-sized businesses, which are involved into socially important services. In addition to co-financing the costs of the current municipal program, grants are provided for start-up entrepreneurs from the local budget [5]. In addition, an ombudsman was appointed in the Zhatay city district, a Coordination Council on entrepreneurship development was created, and a regulatory legal framework was developed.

4. Discussion

Along with the positive trends in the development of entrepreneurship in the city area “Zhatay”, it is necessary to highlight the needs of the population in additional production and services, which were identified at the strategic session on September 29, 2018, and which could be implemented within the small business:

- Organization of complex car maintenance;
- organization of a cafe with a complex of entertainment services for leisure of the population (organization of holidays, contests, master classes, etc.);
- Organization of a private dental clinic;
- Organization of a single center for delivery of the GTO;
- Creation of a children’s car park, playground, play park;
- Creation of a center for processing agricultural products;
- Creation of an electronic library;
- Creation of a tourist area;
- Fish farming, etc.

5. Conclusion

Thus, the structure of individual entrepreneurship by type of economic activity is not sufficiently balanced, as there is a bias in the provision of services. At the same time, the city area “Zhatay” has the potential for the development of entrepreneurship. At the same time, the convenient geographical location of the city area, access to Internet resources, the existing groundwork from existing

entrepreneurs, the desire of people to develop the territory of the urban district determine favorable conditions for the support and development of small business in the city area “Zhatay.”

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