Vocational Training Report - Viet Nam, 2013 - 2014
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INTRODUCTION

Viet Nam has been broadening and deepening its integration with other countries in the region and the world with advantageous edges and disadvantages, with as many opportunities as challenges. In this context, Viet Nam’s Party and Government have once again affirmed that investment for improved quality of the human resource is one of the top priorities to enhance national competitiveness.

The quality of human resources can be developed mainly by education and training. Therefore, the orientation of fundamental and comprehensive reform of Viet Nam’s education and training is considered the ground for improving the quality of its human resources. One of the moves to legalise this orientation is the approval of the Law on Vocational Education and Training (VET) by the National Assembly. One of the essential contents of this Law is to form the VET system with three training levels of elementary, secondary and college training, and three types of vocational training institutions which are vocational training centre, vocational secondary school and vocational college.

With a view to providing information to policy makers, administrators, vocational training institutions, enterprises and workers about Viet Nam’s vocational training activities as well as international organisations interested in and/or investing in Viet Nam’s vocational training and with the approval of the leadership of the General Directorate of Vocational Training (GDVT), the National Institute for Vocational Training (NIVT) organised the development of Viet Nam’s Vocational Training Report for 2013-2014. This will be the last report entitled “Vocational Training Report” to conform with legal documents at the time of reporting and be consistent with the reports of previous years. This is why the data, basically, are consistently updated to 31/12/2013 despite a later date of publication of the report. The report also uses the term ‘vocational training’ in all the sections except for those relating to the Law on VET mentioned above. In addition, some contents in the policies issued in 2014 having impacts on the content of the Report have also been included. Due to time and resource constraints, the Viet Nam Vocational Training Report 2013-2014 has been largely dependent on the analyses of the data published by competent agencies such as the General Statistics Office, Ministry of Labour – Invalids and Social Affairs (MOLISA) and GDVT. We have also noted possible differences in data at the macro level published by different competent agencies due to different approaches for reference purposes. The Report has also used the results of some relevant surveys and seminar reports by the GDVT and the NIVT.
Apart from the Introduction, the Report consists of:

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Appendices

The development of the Report involved the participation of representatives of different Divisions and units in the GDVT. Many conferences, forums and seminars have also been held. The Viet Nam’s Vocational Training Report 2013-2014 has been developed within the framework of international cooperation between the National Institute for Vocational Training, the Federal Institute for Vocational and Training (BIBB) and Gesellschaft fuer Internationale Zusammenarbeit (GIZ) GmbH in the frame of the “Programmememe Reform of TVET in Viet Nam”, which have made many contributions to the report’s ideas, contents and presentation. As in the previous reports, remarks and assessment made in this report are scientific and objective, and not necessarily reflective of official viewpoints of state management agencies of vocational training.

It is inevitable that there are certain shortcomings in the Viet Nam Vocational Training Report 2013 – 2014 due to limited capabilities and resources. The Compilation Board hopes to receive readers’ contribution. Please send all the comments to the National Institute for Vocational Training at Floor 14, Headquarter office of the Ministry of Labour - Invalids and Social Affairs, Lot D25, Cau Giay New Town, Ha Noi, or vienkhdn@gmail.com.

The Compilation Board
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We would like to convey our gratefulness to all those who have made contributions to the previous reports and this one. Your remarks and comments have enabled us to accomplish this Report.

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Thank you!

DIRECTOR OF NIVT

Dr. Vu Xuan Hung
# LIST OF ABBREVIATIONS

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<th>Acronym</th>
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<tr>
<td>The Ayeyawady-Chao Phraya-Mekong Economic Cooperation Strategy</td>
<td>ACMECS</td>
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<td>Asian Development Bank</td>
<td>ADB</td>
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<td>The Asia-Europe Meeting</td>
<td>ASEM</td>
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<tr>
<td>Association of Southeast Asian Nations</td>
<td>ASEAN</td>
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<td>European Union</td>
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<td>Foreign Direct Investment</td>
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<td>Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH</td>
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<td>General Directorate of Vocational Training</td>
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<td>International Labour Organisation</td>
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<td>Japan Vocational Ability Development Association</td>
<td>JAVADA</td>
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<td>Japan Internation Cooperation Agency</td>
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<td>Vocational Education and Training</td>
<td>VET</td>
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<td>National Institute for Vocational Training</td>
<td>NIVT</td>
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<td>National Occupational Skills Standards</td>
<td>NOSS</td>
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<td>Ministry of Labour – Invalids and Social Affairs</td>
<td>MOLISA</td>
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<td>Official Development Assistance</td>
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<tr>
<td>United Nations Development Programmeme</td>
<td>UNDP</td>
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<td>Information Technology</td>
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<td>Viet Nam Chamber of Commerce and Industry</td>
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1. Policies on vocational training

- The Law on VET was approved on November 27th, 2014 at the 13th National Assembly’s 8th plenum and came into effect as of July 1st, 2015. With the introduction of this Law, Viet Nam’s educational system has undergone great changes. A number of vocational training policies should be amended and supplemented in accordance with this Law.

- The Law on Vocational Education and Training (VET) has restructured Viet Nam’s national education system, comprehensively changing the vocational training system. Accordingly, vocational training consists of three training levels, including elementary, secondary and collegial levels. In the vocational training system, the secondary technical education and vocational training schools will no longer exist. In their place, there will be only the vocational secondary level. Similarly, Viet Nam’s educational system now has only one collegial training level instead of colleges in higher education and vocational colleges in the vocational training system.

In addition, the form of general technical – career guidance centres, which was one of the general education institutions under the Law on Education, will no longer exist as provided by the Law on VET. Their functions have been added to vocational education centres.

- A number of contents in the Strategy for Vocational Training Development in 2011 – 2020 in Viet Nam (approved in Decision 630/QD-TTg dated 29/5/2013), Strategy for Education Development 2011-2020 (approved in Decision 711/QD-TTg on 13/6/2013) and Project on High quality vocational training institutions until 2020 (approved in Decision 761/QD-TTg on 23/5/2014) should be updated, supplemented and amended in accordance with the existing regulations on vocational education.

- Assessment and certification of national vocational qualifications are regulated in one chapter of the Employment Law, which means that the assessment and certification of vocational qualifications are not adjusted by the Law on VET but by the law on labour – employment.

- The Government has approved the Action plan and a number of Projects to implement the Central Committee’s Resolution on fundamental and comprehensive reform of education, training and vocational training, such as the project on international integration in education and training until 2020, Project of Application of information technology in vocational training and learning activities, etc.

- It is an essential mission to develop high quality vocational training institutions to train the technical human
resource directly serving production and service sectors, who are highly knowledgeable, skilled and professional to enhance competitiveness of the individual worker as well as of the nation in the context of international integration and for the success of industrialisation and modernisation. So far, the criteria of high quality vocational training institutions have been developed but proper attention should be attached to adequate investment in infrastructure, teaching staff, curricula and textbooks and quality assurance.

2. The network of vocational training institutions

- 01 vocational college has been established in Tay Ninh, one of the 13 provinces not having vocational colleges in 2012.

The quantity of vocational colleges has initially reached the target of the Strategy for Vocational training development 2011 – 2020. Specifically, the number of vocational colleges is near the target while the number of vocational secondary schools and vocational centres has exceeded the set target.

- 45 institutions selected for investment to become high quality institutions have been accredited in the implementation of the project to develop these institutions into high quality institutions as set in the objectives of the Strategy for Vocational Training Development.

- Together with the approval of the list of institutions selected to become high quality institutions, the list of key occupations at national, regional and global levels has also been approved. However, vocational training institutions have been focusing on their traditional training areas but not on occupations required by society or enterprises. In other words, vocational training institutions have only offered “what they have” but not “what is needed by society”. Occupations for labour export such as oil and gas exploitation or occupations requiring high skills such as mining engineering, or coal and mineral exploitation are not being developed due to various difficulties, and very few vocational training institutions offer training in these occupations.

3. Vocational teachers and management staffs

- Alongside with the development of the vocational training institution network, the scale and structure of training areas, the teaching staff has increased in quantity and improved in quality with a growing rate of teachers having university and higher degrees.

- At the 45 institutions being developed into high quality institutions, there remains a certain rate of teachers not having achieved the standards especially in vocational qualifications and foreign language and information technology proficiency despite special significance attached to standardisation of the teaching staff.

- In 2013 – 2014, the qualifications of the state management staff in vocational training in Ministries, industries,
Departments of Labour – Invalids and Social Affairs and vocational training institutions have seen improvement but not very significant. Especially, foreign language and information technology proficiency in the work of management of the management staff at vocational training institutions are still very limited.

- The work of training and further training of the teaching and management staffs mainly focuses on professional skills while training in information technology and foreign languages is still neglected.

4. Admission - Graduation

- The admission rate of 2013 of vocational training institutions, though higher than in 2012, was still short of the planned target. Admissions to vocational training were largely at elementary and under-three-month training levels. Admissions at collegial and secondary levels were mostly in five municipalities. Many vocational secondary schools and colleges had difficulties in recruitment.

- The work of career guidance and streaming of secondary school graduates was not effective, resulting in a very small rate of lower secondary school leavers entering vocational training and technical secondary education. Materials for career guidance and consultation are not regularly updated; career guidance activities at secondary schools are largely superficial and usually integrated into other activities.

- Graduates from vocational colleges in 2013 – 2014 have a high rate of employment, especially in some occupations such as welding and metal cutting. This has proved that the training quality of certain occupations has met the requirement of enterprises.

5. Development of national vocational qualifications and assessment and certification of national vocational qualifications

- The total number of occupations having national vocational qualifications (NOSS) is 190, and the publication of NOSS of 189 occupations has been carried out.

- 18 curricular including 10 sets of vocational skill standards at regional and international levels have been transferred.

- 82 sets of test banks for national vocational qualifications have been developed and 60 have been put into practice.

- The assessing staff has been developed with basic training and capability to carry out assessment of vocational skills of workers.

- Licences have been granted to 32 centres for national vocational skills assessment.

- Workers have the right to attend national vocational skill assessment to improve vocational capability, seek suitable work or positions requiring national vocational qualifications. This can serve as the basis for employers to decide on a wage level corresponding to employees’ skill levels. This is also
important in improving institutions and policies for human resource development and workers’ vocational skills to meet the demand of the labour market in regional and international integration.

6. Accreditation of vocational training quality

- The Department of Vocational Training Quality Accreditation was established in 2013 under the GDVT to execute the state management function in the field of vocational training quality accreditation and monitoring nationwide and an additional function of vocational training quality assurance.

- The Department of Vocational Training Quality Accreditation has scrutinised the system of criteria and standards for vocational training quality accreditation, developed and submitted for issuance of interim documents regulating the system of criteria and standards for accreditation of training programme quality.

The GDVT has continued to develop and complete the model of Viet Nam’s vocational training quality assurance system comprised of three components: Internal quality assurance within institutions; External quality assurance (the vocational training quality accreditation system); and quality assurance organisations (external evaluation and independent accreditation organisations).

- A plan has been developed and proposed to establish 3 centres for vocational training quality accreditation under the Department of Vocational Training Quality Accreditation and 20 other centres for vocational training quality accreditation run by various agencies and individuals.

- A system for vocational training quality management and assurance has been developed in a pilot scheme in six vocational colleges selected to become high quality institutions.

7. Vocational training funding

Funding for vocational training has been socialised but not to a large extent while state budget still remains a major source. Investment in key occupations and high quality institutions have received more attention but is still insufficient for any breakthrough in training quality. Therefore, the urgent demand of funding for vocational training is more and better focused investment and more intensive socialisation.

- The funding from state budget to vocational training is allocated for three sections, which are the regular spending, basic construction capital investment and funding for national target programmes. Funding from state budget for vocational training was constantly on the rise from 2001 to 2011 but leveled off in 2012 and decrease in 2013-2014. Funding from state budget is mainly regular spending (60%) but only sufficient for salary and insurance payment. Regular spending is usually higher than planned in reality as vocational
training institutions often request for additional spending on training materials for internship and compensation for tuition exemption and reduction.

- As the new policy on tuition fees has been put into practice since 2010 under Decree No. 49/2010/ND-CP with increased tuition levels, the income from vocational training tuition had been growing strongly in the period 2007 – 2013 (nearly 3.2 times). This is a considerable source of funding for vocational training.

- Although gross state budget spending on vocational training has increased especially in the last 7 years, the average of the last 10 years was only 6.6% of state budget spending on education and training, a very low level compared to the need of vocational training development and to the state funding for vocational training in many other countries in the world. The demand for investment in vocational training is great but state budget spending is still away from this demand. On the other hand, due to the lack in funding, State budget allocation is greatly divided and therefore “dripping” in many cases, not reaching the sufficient level. Consequently, the investment period is prolonged and investment efficiency reduced.

- Finance analysis of vocational training institutions selected for investment to become high quality institutions shows that funding from state budget is 63.2% and non state budget funding is 36.8%. Regular spending is around 35% and other expenditures are for investment in facilities and purchase of vocational training equipment.

8. Costs – Benefits

- Most of the surveyed enterprises gain benefits especially in recruiting and supplementing the workforce; calculations and analyses of the research show positive results in costs-benefits in running internships.

- Most of the surveyed enterprises incorporated internships with production activities and apprentices are allowed to practise on production lines. Half of the enterprises use internships mainly to recruit workers.

- The scope of work assigned to apprentices is rather limited. Enterprises usually set requirements based on their production needs and progress instead of the training occupations.

- No enterprises hire external experts but use their technicians and skilled workers as trainers and instructors during internship programmes.

- However, in addition to the use of interns as substitute workers, a number of enterprises have offered favourable conditions for interns to improve skill during the internship, including the development of internship programmes with contents for skill practice and improvement and provision of equipment and work space for internship purposes (for metal cutting occupation). These enterprises highly appreciate the benefits of internship.
programmames, considering these as the preparation of the medium and long-term workforce.

In addition to economic benefits, receiving interns can enable enterprises to deal with the lack of labour and improve their image and status in the community.

- Most of the surveyed enterprises highly appreciate the relationship with vocational training institutions and hope to recruit interns. This shows the potential of the cooperation between institutions and enterprises and the opportunity for improved quality and effectiveness of internship programmames.

9. Labour market and vocational training

- Differences remain in the approaches and ways to calculate the trained workforce between MOLISA and GSO. This has resulted in very large disparities in the statistic figures of the trained workforce and qualification structure published by the two agencies, but not contradictory. Such disagreement, however, will affect a number of policies and might lead to misunderstanding of the Vietnamese labour market information.

- At present, many companies are operating in the field of labour export. The number of Vietnamese workers working abroad under contract is quite large. However, most of them are untrained workers and mainly work in Asian countries.

Workers’ average salary in all industries and sectors increased in 2013. However, it is not accurately assessed whether the increase is due to increased average productivity or the policy of increased minimum wage level.

Employment promotion centres nationwide and businesses providing employment services have helped connect labour supply and demand and contributed to adjust the labour market in 2013.
1. OVERVIEW ON VOCATIONAL TRAINING POLICIES ISSUED IN 2013 - 2014

1.1. The Party and Government’s policies on fundamental and comprehensive reform of education and training

* The Party’s resolutions

At its 8th Plenum, the Central Committee’s Executive Board promulgated Decision No 29-TW/NQ dated 04/11/2013 on radical and comprehensive reform of education and training to meet the demands of industrialisation and modernisation in a market economy and international integration.

One of the objectives set by the resolution is to “Fundamentally and comprehensively reform education toward standardization, modernization, socialization, democratization and international integration” and “Rapidly develop human resources, especially high quality human resources, focusing on fundamental and comprehensive reform of the national education system.”

The Resolution puts forth seven directive perspectives and nine missions and solutions for the implementation of the fundamental and comprehensive reform of education.

* The Government’s action plan for the implementation of Resolution No 29-TW/NQ

To identify the central missions and solutions for the Government to direct ministries, industries, and localities to develop action plans, organize, monitor, supervise and evaluate the implementation of Decision 29-NQ/TW, the Government issued Resolution 44/NQ-CP dated June 9th 2014 on the Government’s Action Plan. The Action plan defines nine major missions and solutions and 18 projects to radically and comprehensively reform education and vocational training.

Major missions and solutions are:

1. Strengthening the Party’s leadership in and State management of education and training reform.

2. Continuing to rigorously and synchronously reform all fundamental elements of education and training towards development of learners’ qualities and competences.

3. Fundamentally reforming the format and method of testing, assessment and evaluation of education and training to ensure validity and objectivity.

4. Developing the national educational system for the development of open education, lifelong learning and learning societies.

5. Fundamentally reforming education management to ensure democracy and consistency; increasing autonomy and social accountability of education and training institutions; and attaching sufficient importance to quality management.

6. Developing the teaching and management staffs to meet the requirements of education and training reform.

7. Reforming financing policies and mechanisms, mobilizing contributions of
the entire society; improving investment efficiency for education and training development.

8. Improving quality and efficiency of science and technology research and application, particularly education and management science.

9. Adopting a proactive approach in integration and improving the efficiency of international cooperation in education and training.

* The project for international integration in education and training until 2020

That “proactive and dynamic international integration is required for education and training development, and education and training should meet the requirements of international integration for the country’s development” is one of the seven major directive viewpoints for fundamental and comprehensive reform of education and training put forth in the Resolution of the 8th plenum of the 11th Party Central Committee.

Institutionalizing the Party’s viewpoints, the Government has approved the Project for International Integration in Education and Vocational Training until 2020 (Decision No. 2448/QĐ-TTg dated 16/12/2013). Guidelines for international integration in education and training until 2020 include:

- Performing proactive and dynamic international integration to selectively learn from the world’s experiences in the principle of independence, autonomy, equality and mutually beneficial cooperation.

- Multilateralizing and diversifying forms of international cooperation and investment at home and overseas; making the most of all opportunities to efficiently attract resources for improved human resources in quantity and quality.

- Integrating internationally to boost socio-economic development, expand the labour market and develop the country’s science and technology, and enhance international cultural and academic exchanges.

General objectives: Develop a number of vocational training institutions of regional and international quality standards; renew vocational training contents and curricula to approach other countries’ advanced educational level; and strive towards recognition of degrees and transfer of credits and vocational qualifications among Viet Nam and ASEAN nations and other countries in the world until 2020

Specific objectives

2014 – 2015: Develop five vocational training institutions of international standards; receive and utilize 49 vocational curricula and textbooks of ASEAN standards and 26 curricula and textbooks of international standards; provide training for approximately 4,100 turns of teaching and management staffs for international integration; and ensure that students, especially students at the five vocational training institutions of international standards are able to continue their study or work in other countries.

2016 – 2020: Strive to increase the number of vocational training institutions of international standards to more than 10; receive and use 70 vocational curricula and textbooks of ASEAN standards
and 35 curricula and textbooks of international standards; provide training for approximately 5,500 turns of teaching and management staffs for international integration; and ensure that students, especially students at the ten vocational training institutions of international standards are able to continue their study or work in other countries in the region and in the world.

Missions and solutions: To achieve the above objectives, the following four solution categories must be implemented:
- Perfectionalizing policies and mechanisms.
- Promoting international cooperation.
- Ensuring quality in education and vocational training in accordance with regional and global standards.
- Mobilizing financial resources to meet the needs for international integration in education and vocational training.

*The project for Information technology application in vocational learning and training activities*

“Intensifying investments in the infrastructure of state educational and vocational training institutions, especially the information technology infrastructure” is one of the nine major missions and solutions in the Government’s Action plan for the implementation of the fundamental and comprehensive reform of education and training.

Institutionalizing the Party’s viewpoint, the Government has approved the Project for Information technology application in vocational training and learning activities (Decision No1982/QD-TTg dated 31/10/2014). The Project has four parts: (i) Objectives, (ii) Major solutions, (iii) Activities, (iv) Funding for implementation, and (v) Implementation.

*Project objectives:* Applying information technology in vocational management, training and learning activities using international advanced software technology; modernizing the information infrastructure toward digitalization and simulation of machineries and equipment for vocational training, thereby creating fundamental and comprehensive changes in vocational training, learning and management; and making breakthroughs in training quality to contribute to national competitiveness and regional and global integration.

*Four major activities of the Project:*
- Activity 1: Modernising the information infrastructure for advancement and synchronisation.
- Activity 2: Developing online training systems; simulation equipment, virtual equipment, academic training and learning equipment; curricula, textbooks, training materials, electronic lesson plans, simulation lesson plans; testing, monitoring and evaluation systems; support systems for vocational training and learning activities; and training and technology transfer systems.
- Activity 3: Developing the information system and database for assessment of vocational skills and accreditation of vocational training quality; and for training and technology transfer systems.
- Activity 4: Standardising and expanding the systems of criteria, statistical and training indicators,
providing instructions for exploitation and use of the management information system and database on teachers, lecturers, managers and trained workers in vocational training; reporting, analysing, forecasting and providing support for decision making; managing vocational training institutions, using and managing databases; making connections of information exchange between the vocational training database and the labour market database; managing, monitoring and providing vocational consultation and online public services.

1.2. Policies on development of vocational education

On November 27th, 2014 at the 13th National Assembly’s 8th plenum, the Law on Technical and Vocational Education and Training No 74/2014/QH was approved with eight chapters and 79 articles. The Law came into effect as of July 1st, 2015. The Law on TVET has restructured Viet Nam’s national education system, comprehensively changing the vocational training system. As stipulated by the 2005 Education Law, TVET consists of secondary technical education and vocational training. In vocational training, there are three levels, including of elementary level, intermediate level and collegial level. Thus, there exist two types of collegial levels and two types of intermediate level training and education governed by two different state agencies. To ensure consistency, the Law on VET stipulates that vocational education consists of elementary, intermediate and collegial levels.

The system of technical education and vocational training is presented in the two diagrams below:
New points in the law on VET

- Reforming the TVET system. The law on VET unifies the training levels and training institutions of general school education, vocational education and higher education. Vocational training now has three training levels: elementary, secondary and collegial levels; there is only one secondary training level instead of secondary technical education schools and secondary vocational training schools; and there is only one collegial level instead of colleges and vocational colleges.

- Changing the titles of VET institutions. The law stipulates that institutions include VET centres, secondary VET schools and colleges.

- Reforming organization of management and training. If in the past, organization of training in technical education and vocational training allowed only the academic year- based training mode, now the law clearly states that there are three modes in organization and management of training: academic year-based training, credit-based training and module-based training. Vocational training institutions are entitled to choose the appropriate training mode as their conditions permit.

With the credit-based training and module-based training modes, the vocational training system will be an open and flexible system allowing smooth transferability between different training levels in the same vocation or across vocations or to a higher level in the national educational system; the learner in such a system is considered the central point of the training process, being allowed to pursue learning as his abilities, conditions and circumstances permit and to learn different contents at the same time under the mode of credit accumulation;
thus the learner can shorten or lengthen the time of study in accordance with his abilities, conditions and circumstances.

- Reforming training forms: Vocational education includes regular and continuing education. The learner can choose from various options namely on the job learning, guided self study or distance learning to attain an elementary certificate, intermediate or collegial diploma (Item 1 and 2, Chapter 3);

- Reforming admission regulations. Vocational education institutions have the right to determine their enrollment quota as permitted by the conditions of the teaching staffs, physical training facilities and equipment (which means the competent management agencies shall not allocate enrollment quotas to each training areas as at present); to recruit many times in a year; and to organize admission by screening applications, testing or combining screening and testing.

- Changing the training duration at the secondary vocational training level for lower secondary school leavers. According to the Law on Vocational training, these subjects have to train for three to four years and are obliged to complete the high secondary schooling curriculum. According to the Law on VET, the training duration decreases to one to two years and the subjects do not have to complete the upper secondary schooling curriculum. Learners shall have to complete the upper secondary school curriculum if they wish to continue their study at higher education institutions.

For the credit-based and module-based modes, the training duration is the time to accumulate a sufficient number of modules and credits as required by each training programme, regardless of the number of years of study.

- Renewing training curricula. As stipulated by the Law on Vocational training before, the Ministry of Labour – Invalids and Social Affairs issued a curriculum framework for each trade/vocation at the secondary and collegial levels which served as the base for vocational training institutions to build their detailed training programmes. According to the new Law, vocational training institutions are given autonomy in designing their own training programmes without a given curriculum framework.

- Reforming testing, assessment and graduation procedures. The Law on VET stipulates that learners following the training programme based on accumulation of modules and credits shall be considered for graduation and conferred graduation certificates upon sufficient numbers of modules and credits accumulated without a final graduation examination. Graduates at the collegial level shall receive a college degree and the title of practical engineer or practical bachelor depending on training areas.

- Revising policies for learners. Policies for learners are strongly emphasized in the Law on TVET. This is seen as one of the measures for streaming and attracting learners to vocational education.

Specifically:
+ Exemption of tuition fees is applied to beneficiaries of social policies, lower secondary school leavers (grade 9) entering secondary vocational training level and learners of special trades and unattractive but needed training;

+ The boarding school policy is applied to learners from poor and sub-poor households of ethnic minorities, ethnic people with disabilities, Kinh people from poor and sub-poor households or with disabilities having permanent residence in specially socio-economically disadvantaged or ethnic areas or in border and island areas, and learners from ethnic boarding schools entering secondary and collegial training levels.

+ Learners after graduation are recruited to work in state agencies, public institutions, and socio political organizations; and entitled to remuneration levels as agreed with employers based on positions, abilities, work efficiency but not lower than the minimum wage level, the base or initial wage levels.

- Revising policies for the teaching staffs. The existing mechanism has not regulated on a separate title and wage system for vocational teachers, resulting in disadvantages in remuneration and acknowledgement. To overcome these shortcomings, the Law on Vocational Education and Training stipulates on titles of the teaching staffs in vocational education institutions (lecturer, principal lecturer, senior lecturer, teacher, principal teacher and senior teacher) and on the wage system accordingly. The law also clearly states policies for appreciation (People’s Teacher and Honoured Teacher) and prolonged working time of qualified and skilled teachers. Teachers delivering both theoretical lecturers and practice sessions are entitled to vocational preference allowances under the Government’s regulations.

- Revising policies for linking vocational education institutions with enterprise. Enterprises participating in vocational education activities as a stakeholder have the same rights and responsibilities in vocational education. All the expenses for vocational education (trainer payment, learning materials, teaching equipment, materials for practice and learner supports) are inclusive in calculation of taxed income.

- Reforming and increasing autonomy for vocational education institutions. As stipulated by the law, vocational education institutions are entitled to higher autonomy and accountability than before. Specifically:

  + Self-determine annual admission numbers (not as stipulated by the state in the business registration certification); employ, utilise and manage the teaching and support staffs, and self determine the number of the staffs and payment levels according to work results;

  + Take responsibility for the organisation of training curriculum and coursebook compilation and approval;

  + Take responsibility for the organisation of year-based, credit-based or module-based training programmes as conditions of each institution permit;
Have the right to develop and decide on tuition and admission fee levels for each vocation within the tuition and admission fee framework stipulated by law;

+ Vocational education institutions running high quality training programmes can apply a tuition fee level corresponding to the training quality level;

+ Vocational education institutions using state budget have the right to determine capital mobilisation, and utilisation of the capital and assets assigned for the mission to extend and improve training quality;

+ Take responsibility for the management and use of assets developed from other sources than state budget;

+ Foreign invested vocational education institutions have autonomy in organisational structure and apparatus.

In addition to the above contents, the VET Law also provides other significant stipulations such as objective reform, reform of vocational training quality appraisal, international cooperation, mutual recognition of degrees and vocational training certificates among countries, and policies for socialization.

1.3. Policies on training highly skilled human resources

- To strongly boost the training of highly skilled human resources in light of the 8th plenum of the 11th Party Central Committee, the Party’s Secretariat Board has issued Directive No 37-CT/TW on the implementation of the following missions:

- Promoting the work of communication, education and awareness raising about training highly skilled human resources.

- Strengthening state management of training highly skilled human resources.

- Continuing strong and synchronous reform of training curricula and contents for highly skilled human resources.

- Further developing the teaching and management staffs for training highly skilled human resources.

- Revising and perfectionalizing the mechanism and policies for diversification of resources for training highly skilled workers.

- Being proactive in international cooperation and integration.

1.4. Policies on development of high quality vocational training institutions

* Project for Developing high quality vocational training institutions

With a view to developing high quality vocational training institutions to train technical human resources directly engaged in production and service provision with knowledge, skills and high professional responsibilities, the Prime Minister approved the Project for developing high quality vocational training institutions until 2020 on May 23rd, 2014 (Decision 761/QD-TTg dated May 23rd, 2014).

Objective of developing high quality vocational training institutions until 2020: There will be approximately 40
vocational training institutions of high quality capable of training a number of occupations acknowledged by developed countries in the ASEAN region and in the world. This will contribute to radically and comprehensively reform vocational training in Vietnam and meet its demand for high quality human resources for socio-economic development.

**Criteria of high quality vocational training institutions**

- Training scale: Minimum training size of 2,000 students at secondary vocational school and collegial levels (according to the student exchange rate), 30% of which, at the least, are engaged in key occupations.

- Post training employment: At least 80% of graduates find appropriate jobs within 6 months after graduation, and at least 90% for key occupations.

- Students’ achievement after training: 100% graduates of secondary vocational schools achieve the 2/5 level and 3/5 level for college graduates with IC3 level or equivalent in information technology proficiency. Graduates of key occupations under training programmes transferred from other countries achieve 450 TOEIC or equivalent in foreign language proficiency, and their degrees and/or certificates are recognized by prestigious ASEAN or international education and training institutions.

- Quality accreditation: Achieving level 3 in the quality accreditation standards for vocational colleges; 100% of training jobs achieve the standards for quality accreditation of training programmes.

- Teachers/instructors: 100% of the teachers/instructors achieve the standards as required with IC3 level or equivalent in information technology proficiency, 350 TOEIC or equivalent in foreign language proficiency. Teaching staffs of key occupations with transferred programmes achieve 450 TOEIC or equivalent in foreign language proficiency.

- Institutional management: 100% management staffs attains certificates in vocational training management. Management activities and training programmes of key occupations are digitalized and simulated using advanced software technology.

* Project for transfer of training curricula; vocational teacher and manager training; pilot training of key occupations at ASEAN and international levels

To achieve the objectives of developing high quality vocational training institutions until 2020, the Prime Minister signed Decision 371/QD-TTg on February 28th, 2013 to approve the Project on “Transfer of training curricula; vocational teacher and manager training; pilot training of key occupations at ASEAN and international levels” in the period 2012-2015.

The project objectives are:

- 2014: Completing the reception and transfer of 34 training curricula at ASEAN and international levels from other countries;

- 2015: Training 1,400 teachers and 300 management staffs of vocational
education in 26 high quality institutions abroad;

- 2015: Running pilot training for 2,750 students of key occupations at ASEAN and international levels under training curricula of developed countries appraised or recognised by international prestigious quality assurance organisations.

1.5. Policies for learners

* Policies on tuition exemption

As stipulated in the Decree 74/2013/ND-CP dated July 15th 2013 by the Government Amending and Supplementing a number of items of Decree 49/2010/ND-CP on tuition exemption and support for learning expenses, subjects exempted from tuition fees include people credited for contributions to the country and relatives of people credited for contributions to the county in accordance with the Ordinance on preferences to people credited for contributions to the country; and students at vocational and higher education institutions who are ethnic people of poor and nearpoor households as regulated by the Government. Subjects entitled to a 70% reduction of tuition include learners of hard and toxic trades as listed by the Ministry of Labour – Invalids and Social Affairs. Subjects entitled to a 50% reduction of tuition fees include lower secondary school leavers entering vocational education. These subjects are entitled to exemption or reduction of tuition fees for the entire period of study at training institutions.

* Policies on education and vocational training for people with disabilities

The Ministry of Education and Training, Ministry of Labour – Invalids and Social Affairs and Ministry of Finance issued the inter-ministerial Circular No 44/2013/TTLT-BGDDT-BLDTBXH-BTC on 31/12/2013 regulating the policies for education for people with disabilities. Accordingly, people with disabilities are entitled to a number of policies as follow:

- Preferential admission: to be admitted at a three year higher age than the stipulated age.

- Exemption from and reduction of a number of subject contents or subjects or educational activities in educational programmes.

- Assessment of educational results: to be done on the basis of encouragement of learners’ effort and achievement.

- Tuition fee: to be entitled to exemption from and reduction of tuition fees and support for study expenses.

- Scholarship and support for learning facilities.

People with disabilities from poor and nearpoor households attending educational institutions are entitled to a monthly scholarship equivalent to 80% of the basic wage.

People with disabilities from poor and near poor households attending educational institutions receive VND1,000,000/person/academic year for purchase of learning facilities.

State educational institutions admitting people with disabilities receive support
from the State, for purchase essential special-use learning facilities and materials for common use.

* Policies on support for learners of hard and hazardous works

The Ministry of Labour – Invalids and Social Affairs issued Circular No 20/2014/TT-BLĐTBXH on 26/8/2014 providing the list of hard and hazardous training occupations at the secondary and collegial levels as follows: molding, artistic brass gilding; stone carving; wood product design and processing; civil engineering; mine civil engineering; metal cutting; bending; welding; forging; tool machinery repair; ship hull building; mining equipment repair; oil processing equipment repair; operating earthwork machines; operating construction machines; operating railway construction machines; installing transmission lines and transformers of 110KV and under; steam boiler engineering; steam turbine engineering; mining electricity engineering; cast iron manufacturing; steel manufacturing, dye and chemical engineering; plating engineering; ship hull painting engineering; industrial waste water treatment; industrial explosive material production; inorganic substance production; cement manufacturing; battery production; drilling and blasting; geological exploration drilling; mining engineering; plant protection; operating domestic means of water transport; ship engines exploitation; underwater construction and others.

Learners of these training occupations are entitled to a reduction of 70% of tuition fee as stipulated at Article 5, Decree No 49/2010/ND-CP dated 14/5/2010 by the Government.

1.6. Policies for streaming high secondary school leavers into vocational training

The Party and State, during the course of leadership and direction, have recognized the significance of educational streaming in preparing human resources for the country’s industrialization and modernization.

The viewpoint to streaming and transferability in education was stated in the 2nd plenum of the 8th Party Central Committee that “Every one learns, continues to learn and learns for the entire life,” and it is necessary to “diversify education and training forms,” and “create opportunities for everyone to choose the most suitable learning style to his or her needs and conditions.”

This viewpoint is once again affirmed in the 10th Party Congressional documents with a view to socio-economic development in the period 2006 – 2010 in “ensuring equality in learning opportunities for everyone, creating favorable conditions for a learning society and lifelong learning; attaching significance to streaming of training after lower secondary school; ensuring transferability among all training levels; and expanding the scale of vocational training and secondary technical education schools at a higher rate than higher education.”

Notification No 242-TB/TW by the Party Executive Central Committee on
the continuing implementation of the 2nd Resolution (the 8th Party Central Committee) gives out the direction for education and training development until 2020 as “developing a learning society, creating favorable conditions for lifelong learning for everyone,” and “well performing the work of streaming and vocational training.”

The 6th plenum (of the 11th Central Committee) of the Executive central committee concludes that it is required to continue to “perfectionalize the national educational system toward an open education system and develop a learning society.”

The Politburo’s Directive No 10-CT/TW stresses on “strengthening the results of universalization of primary and low secondary education, and streaming of students after lower secondary school.”

Resolution No 29/NQ/TW on November 4th 2011 by the 11th Executive central committee on radical and comprehensive reform of education and training identifies one of the goals and missions of general education as to “ensure that learners of low secondary education level (having completed grade 9) have acquired the general background knowledge to meet the strong demand of streaming after low secondary education; boost post lower secondary education streaming, and provide career guidance at upper secondary education level.”.

Resolution No 40/2000/QH10 on renewing the general education curricula states that the renewal of the general education curricula must “strengthen the transferability between general education and vocational training and higher education; and implement streaming in the national education system to achieve balance in the human resource structure.”

The 1998 Education Law stipulates at Article 24 that “the content of general education must assure the element of career guidance appropriate to learners’ age psychological features;” “Lower secondary education must provide learners with the most needed understanding about engineering and career guidance;” and Article 28 stipulates “Professional high schooling lasts three to four years for lower secondary school diploma holders, and one to two years for high secondary school diploma holders.”

The 2005 Education Law, at Clause 2, Article 6, stipulates “Educational programmemes must ensure modernism, stability and consistency; ensure interconnection among educational stages and training levels to facilitate streaming and transferability among training levels, training areas and educational modes in the national educational system.” Article 35, Clause 1 provides that “the vocational training programmemes must ensure transferability with other educational programmemes.”

The 2005 Education Law does not provide any specific transfer modes, but the statements of “educational modes in the national education system” and “ensuring transferability with other educational programmemes” imply the vertical transferability between
vocational training and higher education and horizontal transferability between vocational training and general education.

The 2009 Education Law Amending and Supplementing a number of articles to the 2005 Education Law continues to emphasize that “Educational programmes must ensure modernism, stability, conformity, practicality, rationality and inheritance among educational stages and training levels; facilitate streaming, transferability and exchange among training levels, training areas and educational modes in the national educational system; serve as the ground to ensure comprehensive education quality; and meet the need for international integration.”

Clause 1 Article 7 of the 2006 Vocational Training Law advocates investment to expand the vocational training network and improvement of vocational training to ensure a balanced human resource structure for the country’s industrialization and modernization and to contribute to the work of streaming students after secondary and high school graduation.

The Vocational Education and Training Law also determines at Clause 4, Article 6 that “the State adopts policies on streaming of students after secondary and high school graduation into vocational training appropriate to specific stages of socio-economic development.”

Fully understanding the Party and State’s guidelines, the Government has promulgated directive documents creating the legal corridor for education streaming. The Government has approved strategies and plans including the Strategy for Viet Nam’s human resources development 2011 – 2020 and Planning for Viet Nam’s human resource development 2011 – 2020; the Strategies for Education development 2011 – 2020 asserts the Overall aim of Viet Nam’s education until 2020 is to “fundamentally and comprehensively reform education toward standardization, modernization, socialization, democratization and international integration to, on the one hand, meet the demand for socio-economic development, industrialization and modernization, and on the other hand, meet the developmental needs of each learner.”. The specific objectives until 2020 are: “80% of young people within the right age ranges achieving the educational level of high school or equivalent; Perfecting the vocational training and higher education structures; adjusting the structures of training fields and levels; vocational training institutions capable of receiving 30% of secondary school leavers; Developing continuing education to allow for lifelong learning for all people as their conditions permit; and initiating a learning society.” The Strategy for Vocational training development 2011 – 2020 identifies the general objectives of vocational training until 2020 as “universalization of vocational training to workers, contributing to labour structure transition” with support solutions for vocational trainees, and policies for special jobs and needed but unattractive jobs; and implementing transfer in
training and streaming learners into vocational training.

1.7. Policies on vocational training for workers

The Law on Employment No 38/2013/QH13 with seven chapters and 62 articles was approved by the National Assembly on 16/11/2013. The Law came into effect as of 01/01/2015. A number of contents of this Law are relevant to vocational training as follow:

- Workers in rural areas who are in employment and occupation transition are entitled to receive support for free vocational training, counseling on policies and laws on labour, work and vocational training as stipulated in Clause 2 Article 15.

- Article 16 states that “Workers in rural areas are provided with support for job training tuition for under-three-month training or elementary vocational training at vocational training institutions”.

- Clause 2 Article 21 stipulates on “Support for employment generation for young people via (i) counselling, career orientation and employment information, (ii) vocational training and employment generation for young people having fulfilled military duties, and voluntary missions in socio-economic development programmes and projects”.

- National assessment and certification of vocational skills are stipulated in Chapter IV with seven articles (from Article 29 to Article 35).

  + Objectives of national assessment and certification of vocational skills;
  + Principles and contents of national vocational skill assessment;
  + Organization of vocational skill assessment;
  + Development and publication of national vocational skill standards National vocational skill certificates;
  + Rights and responsibilities of workers participating in national vocational skill certification;
  + Jobs requiring national vocational skill certificates.
2. VOCATIONAL TRAINING INSTITUTION NETWORK

This report addresses the vocational training institution network (as stipulated by the Law on Technical Education and Vocational training). However, it focuses on the analysis of the vocational training network including vocational training centres, vocational secondary schools and vocational colleges as stipulated by the Law on Vocational Training.

2.1. Vocational training institution network

a. Vocational training institution categorized by types

As of the end of November 2014, there are 1,481 vocational training institutions nationwide and as of 31/12/2013 there were over 700 educational and training institutions in the technical secondary school and college block (with 34 universities and 111 colleges) involved in vocational training.

Box 1: Regulations on Technical education and vocational training institutions

Article 5: Technical education and Vocational training institutions comprise:

a) Technical education and vocational training centres;

b) Vocational secondary schools;

c) Colleges.

Box 2: The number of technical secondary schools, colleges and universities under state management of education and training by the Ministry of Education and Training in 2013

In 2013, there were 715 formal educational institutions (with 294 technical secondary schools, 214 colleges, and 207 universities) and over 13 thousand continuing education centres (with 703 continuing education centres, 10,815 learning community centres at wards and communes, and 1,953 centres for information technology and foreign languages).

The rates of universities, colleges, and technical secondary schools in the formal education system are 28.95%, 29.93% and 41.12% respectively.


5Law on Technical Education and Vocational trainingno. 74/2014/QH13 passed by National Assessbly of Socialist Republic of Viet Nam session XIII, 8th meeting on 27.11. 2014
The number of vocational training institutions in 2013-2014 increased by 154 compared with 2012, with the highest increase of vocational centres. However, the number of vocational secondary schools decreased slightly due to the upgrade of some vocational secondary schools to vocational colleges.

Among the 1,491 vocational training institutions, there are 171 vocational colleges, 301 vocational secondary schools and 1,009 vocational centres, accounting for 11.5%, 20.3% and 68.1% respectively.

12 new vocational colleges and 20 new vocational centres were established, four vocational secondary schools upgraded to colleges, five vocational secondary schools and one vocational centres dissolved due to low admission (some tens of students each year) from early 2013 to end of November 2014. As compared to 2012, there are 142 centres more, 20 of which have been newly established and 122 updated in this report.

According to the Strategy for Vocational training development in the period 2011 – 2020, there will be 190 vocational colleges, 300 vocational secondary schools and 920 vocational centres across the country.

So far, the target of the number of vocational secondary schools and vocational centres set in the Vocational Training development strategy has been achieved. However, for each province and city directly under the central government to have at least one vocational college, it is necessary, in 2015, to establish vocational colleges in provinces/cities directly under the central government which do not have any vocational colleges6.

Figure 1: Number of vocational training institutions distributed by training levels in 2012 - 2014

(Unit: Institution)

(Source: Department of Organization – Human Resources, GDVT)

6 By the end of 2014, provinces without a vocational colleges are: Thai Binh, Cao Bang, Bac Kan, Lai Chau, Quang Binh, Quang Tri, Kon Tum, Dak Nong, Binh Phuoc, Tay Ninh, Tra Vinh, and Ca Mau.
Realising Deputy Prime Minister Nguyen Thien Nhan’s Conclusion (according to Notification No 162/TB-VPCP dated 15/04/2013 by the Government’s Office) at the periodical meeting of the Central Steering Committee for implementation of the project on Vocational Training for Rural Labourers until 2020, the Ministry of Education and Training and MOLISA, in 2013, drafted the inter ministerial circular guiding the merge of centres in the geographical area of a district for contributions from relevant agencies and submitted this to the Ministry and Prime Minister for approval of new establishment of Vocational centres under Resolution 64NQ-CP dated 4/9/2014 (on the Government’s periodical session in August 2014) or under the Law on Technical Education and Vocational Training. While pending for an official guiding circular, a number of localities have carried out merges with approval of the People’s Committee (as reported by MOET, more than 30 provinces have developed their projects for establishing “three in one” centres, that is to merge public vocational centres in the geographical area of a district, the district’s continuing education center, and the district’s centre for general technical education – career guidance into a technical education and vocational training Center). Nevertheless, many other provinces are still waiting for guiding legal documents to be approved as there still exist mechanism and legal obstacles.

Therefore, if this inter ministerial circular comes into effect, there will be many changes in the vocational training center block. The merging will improve the efficiency of centres at the district level with the purpose of meeting people’s need for continuing learning, and strengthening education and vocational training capabilities of localities.

In 2014, of the total 1,481 vocational training institutions, 976 are public vocational training institutions (65.9%) and 505 private vocational training institutions (34.1%)

Thus, the number of public vocational colleges has exceeded the target set in the Vocational Training Development Strategy and the numbers of vocational secondary schools and vocational centres are close to the set targets. Quite a contrary, the number of private vocational colleges is near to the target while those of vocational secondary schools and vocational centres are higher than the target.
b. Categorized by ownership

Figure 2: Vocational training institutions categorized by ownership from 2012 to 2014 and objectives of TVET Development Strategy until 2015

(Unit: %)

Vocational training institutions under enterprise management: in 2014, 285 of the total 1,841 vocational training institutions are under enterprise management with 28 institutions under state-owned enterprise management (9.82%) and 257 institutions under private enterprises (90.18%). Thus, the number of vocational training institutions under state-owned enterprise management has reduced by 12 compared with 2012. However, in 2014 there were eight vocational centres under state-owned enterprise management while there was none in 2012. The majority of vocational centres under enterprise management are under private enterprises (95.5%).
c. Vocational training institutions categorized as prioritized for investment to develop into high quality vocational training institutions

- Decision approving the “Project of Approval of High Quality Vocational Training Institutions until 2020”

The project for high quality vocational training institution development until 2020 approved by the Prime Minister is aimed at addressing the need for highly skilled workers in the context of international integration; and training a highly skilled staffs able to approach modern technology and recognized internationally. This will enable workers to gain confidence in the competition for wage and job opportunities in the region and all over the world.

Participating institutions will offer training occupations at regional and international standards. With assured quality of the learning outcomes, workers can find jobs in Viet Nam or in the ASEAN block with confidence as they are trained to meet higher standards (better skills), to use more advanced technologies and generate higher productivity.

Among nearly 500 secondary schools and vocational colleges under different ministries, industries and localities, 45 public vocational colleges with 34 occupations have been selected for orientation and investment focus.

Public and private institutions will be recognized as high quality vocational training institutions when meeting the six criteria above.
By 2018, 15 institutions will have been recognized as high quality institutions and another 15 institutions by 2019. By 2020 there will be about 40 institutions meeting the standards of high quality vocational training institutions.

The network of institutions prioritized for centralized and synchronized investment according to the criteria of high quality vocational training institutions distributed by socio-economic regions. The network of institutions selected to be developed into high quality vocational training institutions extends across the country. 26 out of 63 provinces/cities (41.3%) have high quality institutions in all the three South, Central and North regions. In the six socio-economic regions, the Red River Delta has 7/11 provinces and cities having high quality vocational training institutions with 16/45 vocational colleges accounting for 35.6%; the North Central and Coastal Region has 6/14 provinces and cities with 10/45 vocational colleges (22.2%); and the Southeastern region has 4/6 provinces and cities with 10/45 vocational colleges, also 22.2%. The Midland and mountainous areas in the North, the Mekong River Delta and the Central Highlands are regions with the fewest high quality institutions. Thus, the distribution of the network has initially met the objectives set by the Project.

**Figure 4: Rate of high quality vocational training institutions distributed by socio – economic regions**

(Source: Decision No 761/QĐ-TTg)
So far, these institutions have been accredited as scheduled to become high quality vocational training institutions (see Accreditation of vocational training quality)

However, the objective of the Vocational Training Development Strategy for 2011 – 2020 and the Decision approving the National Target Programme on Employment and Vocational Training for 2012 – 2015, which is to establish 26 high quality vocational training institutions with five institutions of international standards in 2015, has not yet been achieved as the accreditation process is still underway.

Key occupations selected for training by vocational training institutions prioritized to become high quality institutions.

Key occupations selected for training at international, regional and national level include automobile engineering, industrial electronics, metal cutting, industrial electrical engineering, electromechanics, welding, and refrigeration and air conditioning technology.

Figure 5. Key occupations selected for training by vocational training institutions prioritised to become high quality institutions

(Unit: Institution)

Source: Decision No 854/QĐ-BLĐTBXH dated 6/6/2013)

Therefore, automobile engineering is selected for three training levels, with the international level favoured the most by 15 institutions.

At the international level, industrial electronics are selected by 10 institutions, followed by metal cutting and industrial electrical Engineering by nine institutions; mechatronics by eight institutions, welding by seven institutions and earthwork machine operation by five institutions.
At the regional level, industrial electrical engineering tops the list with 14 institutions; metal cutting comes second, then industrial electronics, welding, refrigeration and air conditioning technology, automobile engineering, and information technology (Software application).

Some other occupations are selected by a few training institutions as these are special training vocations of the institutions, the regions and locations where the institutions are situated, namely tea processing technology, resort management, electrical refrigeration for aqua products, hotel management, aqua product processing and preserving, tour management, tour guide, ship hull building, and experimenting and testing bridge quality.

**d. Categorized by key occupations**

At present, there are 112 key occupations in total with 271 public institutions allowed to choose key occupations (98 vocational colleges and 173 vocational secondary schools) and 69 key occupations with 60 non public and under state enterprise management institutions (39 vocational colleges and 21 vocational secondary schools) having been selected for investment.

The most favoured by public institutions for investment are industrial electric engineering, automobile engineering, industrial electronics, metal cutting, welding and refrigeration and air conditioning engineering. The most of vocational colleges and vocational secondary schools have registered to train these occupations.

Occupations that are selected for training by public institutions at the three levels of international, ASEAN and national are: automobile engineering, welding, and metal cutting. Those selected for training at regional and national levels are industrial electric engineering, and industrial electronics. Other occupations, the majority, are at the national level and selected by more vocational secondary schools than colleges.

*Decision No 854/QĐ-BLĐTBXH dated 6/6/2013 by MOLISA on approval of key occupations and institutions allowed to choose key occupations for 2011 – 2015 and orientation until 2020; Decision No 1477/QĐ-BLĐTBXH dated 22/10/2012 and Decision No 960/QĐ-LĐTBXH dated 26/6/2013 by MOLISA*
Figure 6: Key occupations selected by vocational training institutions at three levels

Unit: Institution

(Source: Decision No 854/QĐ-BLĐTBXH dated 6/6/2013)

Figure 7: Key occupations selected by vocational training institutions at two levels

Unit: Institution

(Source: Decision No 854/QĐ-BLĐTBXH dated 6/6/2013)
Among non public and corporate owned vocational colleges and vocational secondary schools, industrial electric engineering and welding are chosen for training at three levels; computer network administration and hotel management are selected by a number of institutions for training at the regional and national levels. A few institutions choose some special occupations and also their strengths for training such as garment making and fashion design or ship electric engineering. Categorized by six socio-economic regions

In 2014, the Red River Delta, with the largest population and highest demands, tops the list of regions having the strongest development of vocational training institutions with 412 institutions accounting for 27.8%; the North Central and Coastal Region has 342 institutions, 23.1%; the Northern Midland and mountainous region has 255 institutions, 17.2%; the Southeastern region has 203 institutions (13.7%), the Mekong River Delta has 182 institutions (12.3%); and the Central Highland with a sparse and scattered population has the least developed network of vocational training institutions, only 87 institutions accounting for a mere 5.9% of the whole country.

Figure 8: Number of vocational training institutions in six socio-economic regions by training levels in 2012 - 2014 (Unit: Institution)
The network of vocational training institutions in these socio-economic regions this year has seen insignificant fluctuations. Generally, the number of institutions has an upward trend in all the six regions.

Figure 9: Rates of vocational training institutions by six socio-economic regions in 2012-2014

(Source: Department of Organization – Human Resources, GDVT)

f, Categorized by managing agencies

Vocational training institutions are mostly under the management of local authorities, followed by enterprises, Ministries/Industries and socio-political organizations. However, most vocational training institutions under enterprise management are private ones, which provide learners with more chances to practice with more investment in facilities and training and a secured output with job offers by the enterprises or others.

Table 1: Vocational training institutions by managing agencies in 2012-2014

(Source: Department of Organisation – Human Resources, GDVT)
As of November 2014, there were 704 institutions under the management of local authorities making up 48%, 229 institutions under private management (15%), 285 institutions under enterprise management with 28 institutions under state-owned enterprises and 257 institutions under private enterprises (1.9% and 17%), 77 institutions managed by ministries and industries (5.2%), and the rest of 186 institutions are under the management of socio – political organizations, 12.5%.

As compared with 2012, the number of vocational training institutions under enterprise management increased by 28, from 257 to 285. However, due to the stronger development of the private enterprise block and the transition in management, the state-owned block had experienced a decline.

### Figure 10: Rates of vocational training institutions by managing agencies in 2012 - 2014

(Source: Department of Organisation – Human Resources, GDVT)

#### 2.2. The network of technical secondary schools and vocational colleges

Vocational training institutions comprise technical education and vocational training centres, secondary schools and colleges. The combination of various training levels of vocational education into three levels of elementary, secondary and college is aimed at institutionalizing the content of Resolution No 29-NQ/TW on radical and comprehensive reform of education and training, and facilitating the planning of the training institutions for highly skilled human resources as stated in Directive No 37-CT/TW of the Party Central Secretariat on 6/6/2014.

#### a. Categorized by forms of institutions

As of the end of 2013, there were 508 colleges and secondary schools under the state management of the Ministry of Education and Training nationwide, an increase of 179 institutions compared
with the number of 309 in 1999. However, there was a slight decrease from 2012 in the number of secondary schools and colleges. Among 508 institutions, 214 are colleges and 294 technical secondary schools, 42.13% and 57.87% respectively.

**Figure 11: The number of colleges and technical secondary schools in 2012 - 201**

( Unit: Institution)


b, **Categorized by ownership**

As of December 2013, there were 508 technical secondary schools and colleges including 214 colleges (185 public institutions, 86.4% and 96 private institutions, 13.6%) and 294 technical secondary schools (196 public schools, 66.7% and 98 private schools, 33.3%). As against 2011, public colleges and technical secondary schools showed a slight downward trend while private colleges experienced a strong increase and private technical secondary schools had a slight increase with stable development.
c, Categorized by ministries and industries

In 2010 – 2011, there were 173 vocational colleges including 113 public and 60 non public institutions. 76 out of the 173 public colleges were under the management of ministries/industries, 83 institutions under local authorities, seven under cooperates and three under universities.

Figure 13: Number of colleges by managing agencies in 2010 - 2011

(Source: List of Universities and Colleges in 2010 – 2011, MOET)
In 2014, there were 341 technical secondary schools with 35 schools under Ministries and industries and 306 schools under local authorities and other agencies. Figure 14: Number of technical secondary schools by managing agencies in 2014 (Unit: Institution)

(Source: Admission Information for Technical secondary schools in 2014, MOET)

2.3. Overall remark

 Generally speaking, vocational training institutions have seen a relatively stable development, with a stronger increase among vocational centres. However, most of vocational training institutions are disproportionately located in urban areas.

Despite the rapid and extensive development of the network across the country, the hard question of sustainable development remains unanswered when a number of institutions have a very poor rate of admission in spite of their fully equipped facilities. In this case, the facilities would deteriorate without use and the development of the network become meaningless. Therefore, the sustainable development of the vocational training institution network should be based on the socio-economic development orientation of each industry and locality and receive adequate and synchronous investment. The pressing issue, thus, is how to maintain stable development and high quality of vocational training institutions.

As the Law on Vocational Education and Training comes into effect, there will appear many challenges and changes such as changes in the network of vocational training institutions, new legal documents, projects and guiding circulars. That is why it is proposed that state management agencies for vocational training revise the planning of the vocational training network and vocations in accordance with the objectives and criteria required by the Law.

When the draft inter ministerial Circular guiding the merge of district centres takes effect, vocational training centres will see positive changes, diversifying training occupations and bringing more benefits to people.
3. VOCATIONAL TEACHERS AND MANAGEMENT STAFFS

3.1. Vocational teachers and management staffs

a, General situation of vocational teachers

Quantity

Compared to 2012, the number of vocational teachers in 2013 increased by 2,730 teachers, bringing the total number of vocational teachers nationwide to 60,027. The number of female teachers was 18,373, accounting for 30.61%. The number of full-time teachers was 34,297 (57.13%); and the number of ethnic minority teachers was 2,231 (3.72%). The increased number of teachers was mainly in vocational colleges with 1,757 teachers or 2.93% (In 2012, the number was 14,277 teachers and in 2013 it was 16,034 teachers.) The reason for the rapid increase in the number of teachers in vocational colleges was due to the upgrading of some vocational secondary schools to vocational colleges. Also, many vocational colleges recruited new teachers. The number of teachers in vocational secondary schools and vocational centres increased by 651 and 458 teachers respectively whereas the number of teachers in other vocational training institutions declined from 31.5% in 2012 to 29.82% in 2013.

Table 2: Number of teachers at vocational training institutions and other institutions offering vocational training

(Unit: Number of teachers)

<table>
<thead>
<tr>
<th>Vocational Institution</th>
<th>Year 2012</th>
<th>Years 2013</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>Public Institution</td>
</tr>
<tr>
<td>Vocational College</td>
<td>14,277</td>
<td>11,005</td>
</tr>
<tr>
<td>Vocational secondary school</td>
<td>10,874</td>
<td>7,997</td>
</tr>
<tr>
<td>Vocational center</td>
<td>14,109</td>
<td>5,568</td>
</tr>
<tr>
<td>Total</td>
<td>39,260</td>
<td>24,570</td>
</tr>
<tr>
<td>Other institutions offering vocational training</td>
<td>18,037</td>
<td>12,900</td>
</tr>
<tr>
<td>Total</td>
<td>57,297</td>
<td>37,470</td>
</tr>
</tbody>
</table>

(Source: GDVT)
Training qualifications

Along with an upturn in quantity, both quality and professional qualifications of vocational teachers in 2013 also increased. The number of vocational teachers holding a master’s degree and higher qualifications at vocational training institutions was 5,027, accounting for 11.93% (1.88% up from 2012). The number of teachers who are bachelor’s degree holders was 20,945, equivalent to 49.72% (an increase of 2,004 teachers compared to 2012). The number of teachers who graduated from colleges or secondary schools slightly increased, the number of teachers with other qualifications significantly declined to 20.32% in 2013 from 25.52% in 2012. The qualification of vocational teachers has been enhanced quite rapidly as many vocational training institutions focused their resources on improving the quality of the teaching staffs so as to develop into high-quality vocational training institutions by 2015 and 2020.

Figure 15: Comparison of professional qualifications of vocational teachers between 2012 and 2013

(Source: GDVT)

Training and further training for vocational teachers

In recent time, great importance has been attached to training and further training for vocational teachers with the aim of renovating and developing vocational training to meet the requirements in training of key occupations at national, regional and international levels as outlined in Decision No 826/QD-LĐTBXH dated July 7, 2011.

Since 2012, in implementing the strategy of “standardization of teachers of national key occupations in terms of qualifications and pedagogical skills in vocational training; standardization of teachers of regional and international key occupations in terms of vocational
skills and pedagogical competence at the same levels as those of advanced ASEAN countries and developed countries in the world, aiming at having 100% of these teachers meet qualification standards by 2014,” the GDVT and vocational training institutions nationwide have organized many training and further training courses at different levels. The GDVT alone in 2013-2014 provided training and further training at home and abroad to 2,142 teachers, of which 51.35% received further training in pedagogical skills in vocational training and 28.85% received further training in vocational skills, and 14.94% received English language training. (The number of teachers who were sent to training courses in Malaysia and Australia accounted for 12.51%).

Table 3: Number of vocational teachers participating in further training programmes organised by the GDVT in 2013-2014

(Unit: Number of turns)

<table>
<thead>
<tr>
<th>N.</th>
<th>Training programme</th>
<th>Total</th>
<th>Domestic</th>
<th>Abroad</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vocational skills</td>
<td>618</td>
<td>350</td>
<td>268</td>
</tr>
<tr>
<td>2</td>
<td>Pedagogical skills in vocational training</td>
<td>1,100</td>
<td>1,100</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>International pedagogical skills</td>
<td>48</td>
<td>48</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>English language</td>
<td>280</td>
<td>280</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Knowledge for business and business startup</td>
<td>96</td>
<td>96</td>
<td></td>
</tr>
</tbody>
</table>

(Source: Department of Vocational Teachers and Managers-GDVT)

In 2013, the GDVT organized a vocational skills assessment test for 1,000 teachers of 12 vocations (automobile engineering, metal cutting, industrial electric engineering, Industrial electronics, civil electrics, welding, computer network administration, computer repair and assembly, refrigeration and air conditioning technology, garment and fashion design, cooking, construction). The results were that 838 teachers successfully passed the test (83.8%), of which 135 received excellent grades (13.5%), 232 receiving very good grades (23.2%), 241 with good grades (24.1%), 158 (15.8%) with average-good grades and 72 (7.2%) with average grades.

b. Vocational management staffs

Vocational management staffs at ministerial and sectoral levels

Vocational management staffs in...

ministries/sectors includes those in charge of vocational training in various ministries (i.e. MOIT, MARD…), corporations, groups, associations (Viet Nam Farmers’ Association, Viet Nam Women’s Association…), and other organizations (not inclusive of management staffs in GDVT).

In 2013, the number of vocational management staffs in ministries and sectors was 116; 50% of them hold master’s degrees and higher qualifications, 48% having bachelor’s degree and 2% graduating from colleges and secondary vocational schools. In 2014, the number of management staffs increased to 125 (with 51.2% having master’s degrees and 47.1% having bachelor’s degrees).

Table 4. Professional qualifications of vocational management staffs in ministries and sectors

(Unit: Number of management staffs)

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Total</th>
<th>Doctor</th>
<th>Master</th>
<th>Bachelor</th>
<th>College</th>
<th>Secondary vocational school</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>116</td>
<td>16</td>
<td>42</td>
<td>56</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>2014</td>
<td>125</td>
<td>20</td>
<td>44</td>
<td>59</td>
<td>1</td>
<td>1</td>
</tr>
</tbody>
</table>

(Source: Department of Organization and Human resources-GDVT)

Management staffs at provincial departments

Vocational managers at departments are management staffs in charge of vocational training in Departments of Labour, Invalids and Social affairs at provinces.

The total number of vocational managers at provincial departments in 2014 was 295, with 76% having a bachelor’s degree, 20% having a master’s degree, and the rest having other qualifications (college or secondary school).

Table 5: Professional qualifications of vocational management staffs at provincial department

(Unit: Number of management staffs)

<table>
<thead>
<tr>
<th>Qualification</th>
<th>Total</th>
<th>Doctor</th>
<th>Master</th>
<th>Bachelor</th>
<th>College</th>
<th>Secondary school</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>288</td>
<td>2</td>
<td>57</td>
<td>222</td>
<td>6</td>
<td>1</td>
</tr>
<tr>
<td>2014</td>
<td>295</td>
<td>2</td>
<td>62</td>
<td>224</td>
<td>6</td>
<td>1</td>
</tr>
</tbody>
</table>

(Source: Department of Organization and Human resources-GDVT)
The number of vocational management staffs at different levels especially at local level is still insufficient, with only 2-4 managers per province. This has caused difficulty in the management of the vocational training institution network.

**Vocational management staffs at vocational training institutions**

Management staffs at the vocational training institutions include boards of management, staffs of professional departments for training support including academic, scientific research, student affairs, admission, corporate relations, finance and accounting, administration, facilities management, etc, teachers in charge of professional management including section heads, deans, etc. (They are entitled to additional allowances for their management tasks.)

In 2013, the total number of management staffs in vocational training institutions was 9,989; of which 3,596 (an equivalent of 36%) were at vocational colleges; 2,926 (29.293%) were at vocational secondary schools, and 3,467 (34.71%) were at vocational centres.

In 2014, the number of managemenstaffs increased by 253, raising to the total number of 10,242 management staffs to 10,242. The rates shares of management staffs at vocational colleges, vocational secondary schools and vocational centres were 36.83%, 26.65% and 36.52% respectively.

**Figure 16. Number of management staffs at vocational training institutions in 2013 – 2014**

*(Unit: Number of management staffs)*

(Source: Department of Organization and Human resources-GDVT)
**Qualifications:**

Overall, there were only some small changes in professional qualifications of the management staffs at the vocational training institutions in the 2 years of 2013 and 2014. At vocational colleges, the rate of management staffs with master’s and doctoral degrees slightly declined along with corresponding increases in the number of management staffs with other qualifications. On the other hand, at vocational secondary schools, the number of management staffs having bachelor’s or master’s degrees and above slightly increased (by 2.85% and 0.09% respectively).

**Figure 17: Professional qualification of vocational management staffs at vocational training institutions**

*Figure: Professional qualification of vocational management staffs at vocational training institutions (Unit: %)*

(Source: Department of Organization and Human resources-GDVT)
### Foreign language and computer skills

#### Table 6: Foreign language and computer skills of management staffs at vocational training institutions

(Unit: Number of Management staffs)

<table>
<thead>
<tr>
<th>Vocational Institution</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Foreign language</td>
<td>Computer</td>
</tr>
<tr>
<td></td>
<td>Bachelor C B A</td>
<td>Bachelor C B A</td>
</tr>
<tr>
<td>Vocational College</td>
<td>282 1024 1805 255 246 438 2277 424</td>
<td>298 1015 1972 309 246 463 2361 490</td>
</tr>
<tr>
<td>Vocational secondary school</td>
<td>122 315 1640 505 226 189 1344 874</td>
<td>116 299 1556 452 213 156 1294 777</td>
</tr>
<tr>
<td>Vocational center</td>
<td>97 237 1676 685 161 165 1634 965</td>
<td>109 240 1734 866 169 178 1714 1127</td>
</tr>
<tr>
<td>Total</td>
<td>501 1576 5121 1445 633 792 5255 2263</td>
<td>523 1554 5262 1627 628 797 5369 2394</td>
</tr>
</tbody>
</table>

(Source: Department of Organization and Human resources-GDVT)
The ability to use foreign languages and IT applications in management activities by management staffs at vocational training institutions is still limited. In 2014, the number of management staffs who did not have any degrees or certificates in foreign languages was 1,276 (accounting for 12.46% of the total number of teachers); 1,054 management staffs (accounting for 10.29%) had no certification in computer proficiency. This has had quite an impact on the management of vocational training; therefore, it is essential to provide further training to improve foreign language and computer proficiency among management staffs at vocational training institutions.

- **Training and further training for vocational management staffs**

Further training was carried out to update and improve management expertise and skills for management staffs at different levels. The GDVT alone in 2013 – 2014 provided further training, both at home and abroad, for 5,190 management staffs. The number of management staffs participating in training programmes on the skills to organize and implement the vocational training project for rural labourers to 2020 accounted for 76.16%; 9.63% received training in operation management, and 2.69% in E-learning technologies. The number of 47 (accounts for 0.9% of all trained management staffs) managers took part in further training courses on management skills in Australia. However, many of these training programmes mainly focused on management skills and operational management while foreign languages and computer skills training have not received much attention.

### Table 7: Number of management staffs participating in further training programmes in 2013 - 2014

*(Unit: Number of management staffs)*

<table>
<thead>
<tr>
<th>Further training programme</th>
<th>Number of management staffs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Domestic</td>
</tr>
<tr>
<td>1</td>
<td>Vocational institution management skills with British international programme</td>
</tr>
<tr>
<td>2</td>
<td>E-learning technology in vocational training management</td>
</tr>
<tr>
<td>3</td>
<td>Organization and implementation skills for the project of vocational training for rural labourers to 2020</td>
</tr>
<tr>
<td>4</td>
<td>Vocational training management skills</td>
</tr>
<tr>
<td>5</td>
<td>Vocational institution management skills under ILO programme</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>5,143</strong></td>
</tr>
</tbody>
</table>
3.2. Current situation of the teaching and management staffs at 40 public vocational training institutions selected to become high-quality vocational training institutions

On May 21st, 2013, the Minister of Labour, Invalids and Social Affairs issued Decision No 784/QD-LDTBXH approving the list of 40 public vocational training institutions selected to be developed into high-quality vocational training institutions by 2020. On May 23rd, 2014, the Prime Minister promulgated Decision No 761/QD-TTg approving the “Project for development of high-quality vocational training institutions by 2020” by which 45 institutions have been prioritized for centralized, synchronized investment to help them meet the criteria of high-quality vocational training institutions.

An institution will be recognized as a high quality vocational training institution once it has been evaluated by a vocational training accreditation agency as having fully met the criteria of training scale, employment, post-training qualifications, quality accreditation, teachers and lecturers and school administration.

Box 3: Criteria for vocational teachers and lecturers:

“100% teachers must meet the regulated standard, having IC3 computing qualification or equivalent and above, achieving an English proficiency with a TOEIC score of 350 or equivalent and above. In particular, the teachers of transferred key occupations must have an English proficiency with a TOEIC score of 450 or equivalent and above.”

Source: Decision No 761/QD-TTg dated May 23rd, 2014 by the Prime Minister approving “The high quality vocational institution development Project by 2020”

a. Current situation of vocational teachers

* Quantity of vocational teachers and their professional qualifications

According to a survey on the current situation of the teaching staffs at 40 selected vocational colleges and vocational secondary schools to have received centralized and synchronized investment to help them meet the criteria for high-quality vocational training institutions by 2020 (under Decision 784/QD-LDTBXH dated May 21st, 2013) (referred to as high-quality vocational training institutions for short), the number of vocational teachers is 4,734, accounting for 17.18% of the country’s total number of vocational teachers at vocational colleges and vocational secondary schools. (There were 27,559 teachers in total in 2013.) The number of teachers of national, regional and international key occupations is 2,220, accounting for 46.9% with 86% of which, or 1,912, are engaged in integrated teaching.

Decision 761/QD-TTg dated May 23rd, 2014.
Table 8: Number of teachers at 40 high-quality vocational training institutions

(Unit: Number of Teachers)

<table>
<thead>
<tr>
<th>Vocational teacher – Key level</th>
<th>Total</th>
<th>Of which</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Theoretical teaching</td>
</tr>
<tr>
<td>1 Specialized vocational teachers</td>
<td>4,054</td>
<td>298</td>
</tr>
<tr>
<td>Key occupations</td>
<td>2,220</td>
<td>141</td>
</tr>
<tr>
<td>International level</td>
<td>1,002</td>
<td>54</td>
</tr>
<tr>
<td>Regional level</td>
<td>865</td>
<td>61</td>
</tr>
<tr>
<td>National level</td>
<td>353</td>
<td>26</td>
</tr>
<tr>
<td>2 Teacher of other occupations</td>
<td>1,834</td>
<td>157</td>
</tr>
<tr>
<td>3 Teacher of general subjects</td>
<td>680</td>
<td></td>
</tr>
</tbody>
</table>

(Source: Management board of National Target ProgrammeFunded Vocational Projects)

Professional qualifications: The rate of vocational teachers with doctoral or master’s degrees at high quality vocational training institutions is 26.26% (the rate for vocational colleges and secondary schools is 16.21%), and the rate of teachers with bachelor’s degree accounts for 62.57% (as compared to the country’s average rate of 58.82%). There is a small percentage of teachers whose qualifications have not been up to standards (3.57% with college diplomas and 7.60% with other qualifications (secondary vocational training or technical worker diplomas, etc...). It can be seen that the rate of vocational teachers with bachelor’s degree and above in high-quality vocational training institutions is higher than the country’s average.
Figure 18: Comparison of professional qualification structure of vocational teachers at high-quality vocational training institutions and vocational colleges and vocational secondary schools nationwide

(Unit: %)

*Vocational skills and pedagogical skills for vocational training*

Circular 30/2010/TT-BLDTBXH dated September 29th, 2010 stipulates the requirements of pedagogical skills for vocational teachers as “having a degree of a university of technical education or college or having a certificate of pedagogy for vocational training appropriate with the training level or equivalent.” According to survey results, the rate of vocational teachers with qualified pedagogical skills at 40 high-quality vocational training institutions is 94.4%, with 100% of the teachers of key occupations meeting regulated standard. The rates among teachers of other occupations and teachers of general subjects are 96.7% and 69.9% respectively. Only 25.3% of teachers of key occupations are qualified in vocational skills while many others have not participated in vocational skills assessment.

(Source: Management board of National Target Programmes Funded Vocational Projects)
<table>
<thead>
<tr>
<th>No</th>
<th>Vocational teacher – Key level</th>
<th>Vocational skills</th>
<th>Pedagogical skills</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Above Levels 5/7, 4/6</td>
<td>Level 4/7, 3/6</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>349</td>
<td>377</td>
</tr>
<tr>
<td>1</td>
<td>Teachers of key occupations</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>International level</td>
<td>266</td>
<td>295</td>
</tr>
<tr>
<td></td>
<td>Regional level</td>
<td>166</td>
<td>93</td>
</tr>
<tr>
<td></td>
<td>National level</td>
<td>69</td>
<td>146</td>
</tr>
<tr>
<td></td>
<td></td>
<td>31</td>
<td>56</td>
</tr>
<tr>
<td>2</td>
<td>Teachers of other occupations</td>
<td>83</td>
<td>82</td>
</tr>
<tr>
<td>3</td>
<td>Teachers of general subjects</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(Source: Management board of National Target Programme Funded Vocational Projects)
* Foreign languages and information technology proficiency

Table 10: Foreign languages and information technology proficiency of vocational teachers at 40 high-quality vocational training institutions

(Unit: Number of teachers)

<table>
<thead>
<tr>
<th>No</th>
<th>Foreign language (English)</th>
<th>Information technology</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Bachelor</td>
<td>C</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>331</td>
<td>893</td>
</tr>
<tr>
<td>1 Teachers of key occupations</td>
<td>104</td>
<td>420</td>
</tr>
<tr>
<td>International level</td>
<td>74</td>
<td>206</td>
</tr>
<tr>
<td>Regional level</td>
<td>23</td>
<td>144</td>
</tr>
<tr>
<td>National level</td>
<td>7</td>
<td>70</td>
</tr>
<tr>
<td>2 Teachers of other occupations</td>
<td>67</td>
<td>388</td>
</tr>
<tr>
<td>3 Teachers of general subjects</td>
<td>160</td>
<td>85</td>
</tr>
</tbody>
</table>

(Source: Management board of National Target Programme-Funded Vocational Projects)
Foreign language proficiency: Of the total 4,734 vocational teachers of the 40 institutions, 1,224 teachers have English level C certificates and bachelor’s degrees, 42.81% of which are teachers of key occupations. The number of teachers with English level B certificates is 2,407 (accounting for 50.84%). The number of vocational teachers who have no English certificates is 372, 55.37% of which are teachers of key occupations. In 2013, the GDVT organized English assessments for 250 teachers of 23 out of 40 high-quality vocational training institutions. Results showed that only 4 teachers have English proficiency of B1 level (1.6%) and 44 teachers of A2 level (17.6%). Most of the teachers (66.4%) have English proficiency of A1 level and 14.4% Of A0 level. This represents one of the limitations in the professional qualifications of vocational teachers, especially teachers of key occupations at regional and international levels.

Information technology proficiency: As regulated, vocational teachers must at least have computer proficiency from IC3 level (or equivalence). IC3 is an internationally standardized certification of computer and internet skills to measure computer use and proficiency. Besides, Circular 30/2010/TT-BLDTBXH stipulates that teachers of vocational secondary schools must have computer proficiency of A level or above, teachers of vocational colleges must have computer proficiency of B level or above. According to survey results, the number of vocational teachers with B level certificate in computer proficiency is 2,746 (58%); 684 teachers (14.4%) having C level or bachelor’s degree in computer, of which 261 are teachers of key occupations.

b, Current situation of vocational management staffs of 40 selected institutions for investment to become high-quality vocational training institutions

* Quantity and qualifications

The total number of vocational management staffs of 40 high-quality vocational training institutions is 1,012, accounting for 15.56% of the total number of vocational management staffs of vocational colleges and vocational secondary schools nationwide (6,502 teachers in 2014). The number of male management staffs is 807 (79.74%), and female management staffs account for 20.26%. The number of management staffs with doctoral degrees accounts for 12.26%, with master’s degrees being 30.98%, and with bachelor’s degrees being 11%.
Table 11: Quantity and professional qualification structure of vocational management staffs of 40 high-quality vocational training institutions

(Unit: Number of management staffs)

<table>
<thead>
<tr>
<th>Management staffs</th>
<th>Number of management staffs</th>
<th>Doctor Degree</th>
<th>Rate %</th>
<th>Master Degree</th>
<th>Rate %</th>
<th>Bachelor Degree</th>
<th>Rate %</th>
<th>College graduate, secondary vocational training, worker</th>
<th>Rate %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>1012</td>
<td>20</td>
<td>1.97</td>
<td>559</td>
<td>55.23</td>
<td>423</td>
<td>41.80</td>
<td>10</td>
<td>0.98</td>
</tr>
<tr>
<td>Rector, Vice Rector</td>
<td>125</td>
<td>13</td>
<td>10.4</td>
<td>93</td>
<td>74.4</td>
<td>19</td>
<td>15.2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head, Deputy Head of Academic Department</td>
<td>82</td>
<td>1</td>
<td>1.2</td>
<td>50</td>
<td>61</td>
<td>31</td>
<td>37.8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dean, Vice Dean of Departments with key occupations of international level</td>
<td>144</td>
<td>2</td>
<td>1.4</td>
<td>84</td>
<td>58.3</td>
<td>58</td>
<td>40.3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dean, Vice Dean of Departments with key occupations of ASEAN level</td>
<td>130</td>
<td></td>
<td></td>
<td>68</td>
<td>52.3</td>
<td>62</td>
<td>47.7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dean, Vice Dean of Departments with key occupations of national level</td>
<td>69</td>
<td></td>
<td></td>
<td>39</td>
<td>56.5</td>
<td>30</td>
<td>43.5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Head, Deputy Head of Department, Faculty, Section of other occupations</td>
<td>462</td>
<td>4</td>
<td>0.9</td>
<td>225</td>
<td>48.7</td>
<td>223</td>
<td>48.2</td>
<td>10</td>
<td>2.2</td>
</tr>
</tbody>
</table>

(Source: Management board of National Target Programme Funded Vocational Projects)
Foreign language and computer proficiency

The foreign language proficiency of vocational management staffs of 40 high-quality vocational schools is relatively high, with 26.68% of management staffs having C level certificate in English proficiency and 27.27% with other certifications (B1, B2, master’s degree, bachelor’s degree), meeting management requirements, especially for management staffs of departments with key occupations of international and regional levels. 100% of vocational management staffs have computer proficiency of or above required levels with 58.30% having computer proficiency certificate of B level, and 18.67% having other certification (master’s degree, bachelor’s degree, secondary vocational training diploma).

Table 12: Foreign language and IT proficiency of vocational management staffs of 40 high-quality vocational training institutions

(Unit: Number of Management staffs)

<table>
<thead>
<tr>
<th>Management staffs</th>
<th>Foreign language</th>
<th>Computer skills</th>
<th>Management staffs</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>A level</td>
<td>B level</td>
<td>C level</td>
</tr>
<tr>
<td>Rector, Vice Rector</td>
<td>3</td>
<td>14</td>
<td>27</td>
</tr>
<tr>
<td>Head, Deputy Head of Academic Department</td>
<td>2</td>
<td>26</td>
<td>28</td>
</tr>
<tr>
<td>Dean, Vice Dean of Departments with key occupations of international level</td>
<td>7</td>
<td>63</td>
<td>38</td>
</tr>
<tr>
<td>ASEAN Dean, Vice Dean of Departments with key occupations of ASEAN level</td>
<td>7</td>
<td>67</td>
<td>38</td>
</tr>
<tr>
<td>Dean, Vice Dean of Departments with key occupations of national level</td>
<td>4</td>
<td>40</td>
<td>17</td>
</tr>
<tr>
<td>Head, Deputy Head of Department, Faculty, Section of other occupations</td>
<td>29</td>
<td>202</td>
<td>122</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>52</strong></td>
<td><strong>412</strong></td>
<td><strong>270</strong></td>
</tr>
</tbody>
</table>

(Source: Management board of National Target Programme Funded Vocational Projects)
3.3. Teachers at technical secondary schools and colleges

a. Quantity

The Law on VET approved by the National Assembly on November 27th, 2014 regulates the rearrangement of vocational training levels through unifying training levels in the vocational training system with corresponding levels of the technical training system, specifically, technical secondary training with vocational secondary training, technical college with vocational college. Vocational centres are merged with general education - career guidance centres to form technical education and vocational training centres. This has put forward new targets and tasks for the vocational training system including management of teachers and lecturers who are involved in vocational training.

According to the Ministry of Education and Training’s statistics, in 2013, the number of teachers at technical colleges and secondary schools totaled 44,310 with female teachers accounting for 50.27%. The number of teachers of public institutions was 34,064, and the number of teachers at non-public institutions was 10,246.

Table 13: Quantity of teachers at technical secondary schools and colleges in 2013

(Unit: Number of Teachers)

<table>
<thead>
<tr>
<th>TT</th>
<th>Teacher</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Total</td>
<td>44,310</td>
</tr>
<tr>
<td></td>
<td>Female teacher</td>
<td>22,273</td>
</tr>
<tr>
<td>1</td>
<td>Public</td>
<td>34,064</td>
</tr>
<tr>
<td>2</td>
<td>Non public</td>
<td>10,246</td>
</tr>
</tbody>
</table>

(Source: moet.gov.vn)

b. Professional qualifications

Out of the total 44,310 teachers at technical colleges and technical secondary schools, there are 1,083 doctors (2.46%), 14,097 masters (31.81%), 27,659 with bachelor’s degrees or college diplomas (62.43%) and 1,103 with other qualifications.
When the Law on VET takes effect as of July 1st, 2015, the number of vocational teachers and lecturers will increase to over 100,000. Standardization of the teaching staff’s qualifications according to new standards in order to improve their professional competence and skills to meet the demands for vocational training development will create many challenges in management, training and further training of the teaching staffs.

* Overall remark

Along with the development of the vocational training institution network, the scale and structure of vocations, the vocational teaching staffs has increased in quantity and improved in quality with the rate of teachers having bachelor’s degrees and above increasing rapidly over the years. Of the 40 public institutions prioritized for investment to become high-quality vocational training institutions, special importance has been attached to standardization of the teaching staffs; however, there are still teachers who have yet to meet qualified standards, especially on vocational skills and foreign language and computer proficiency.

There have been few changes in number and professional qualifications of vocational managers at all levels. Further training in management skills and operation management for vocational managers has received attention; nevertheless, training courses in foreign languages and computer skills are still limited.
4. ADMISSION - GRADUATION

4.1. Admission information

According to the reports by ministries, sectors and localities, in 2013, in the country existed 1,340 vocational colleges, vocational secondary schools and centres (162 vocational colleges, 303 vocational secondary schools, 875 vocational centres) and over 1,000 other institutions that offer vocational training courses. The total admissions to vocational training programmemes in 2013 were 1,732,016 students with 216,116 students to programmemes of vocational colleges and secondary schools and 1,515,900 admissions to elementary and under three month vocational training courses.

As reported by 63 cities and provinces in 2014, total admissions for the whole country were 2,023 thousand students, (113.7% of the planned targets). Of which, 220.593 thousand (accounting for 78.8% of the plan) enrolled to vocational colleges and secondary schools; 1,802 thousand (120.2% of the planned target) enrolled to elementary and under three month vocational training courses; and 534,807 rural workers received vocational training.

Table 14. Admissions in 2013 and 2014 compared to 2012

<table>
<thead>
<tr>
<th>No</th>
<th>Level</th>
<th>2013 compared to 2012</th>
<th>2014 compared to 2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vocational college</td>
<td>104%</td>
<td>105%</td>
</tr>
<tr>
<td>2</td>
<td>Vocational secondary training</td>
<td>99%</td>
<td>103%</td>
</tr>
<tr>
<td>3</td>
<td>Total (1+2)</td>
<td>101%</td>
<td>103%</td>
</tr>
<tr>
<td>4</td>
<td>Vocation elementary training</td>
<td>96%</td>
<td>90%</td>
</tr>
<tr>
<td>5</td>
<td>Under three month training</td>
<td>173%</td>
<td>266%</td>
</tr>
<tr>
<td>6</td>
<td>Total (3+4)</td>
<td>119%</td>
<td>141%</td>
</tr>
<tr>
<td>7</td>
<td>Total</td>
<td>116%</td>
<td>136%</td>
</tr>
</tbody>
</table>

(Source: Department of Formal Vocational Training – the GDVT)

The structure of admission in 2013 by training level: college level: 5.1%; secondary level: 7.4%, elementary level: 36.9% and under three month vocational training: 50.6%. In 2014, these were 4.3%; 6.6%; 40.4% and 48.7% respectively. It is visible that the number of admissions went up at the lower training levels. That admissions to elementary training accounted for a major part is due to a number of government policies on vocational training for different targeted groups. Typical examples include the policies on vocational training for rural labourers, vocational training for minority ethnic students at ethnic minority boarding high schools, credit for pupils and students, vocational training for the poor; vocational training for people with disabilities; vocational training for women; and vocational training for veterans.
Three out of the six socio-economic regions had an admission rate to vocational colleges accounting for 2% of the total number of admissions in each region. The highest rate was recorded in the Red River Delta region, of 7%, followed by the South-eastern region with 6%.
In general, there were not many significant changes in the total number of admissions for the whole country from 2011 to 2014. Admissions for 2012 decreased by 300,000 students compared to 2011 and 2013. However, changes in the admission structure could be observed with admissions to vocational secondary training decreasing while admissions at college level on the rise. Admission rates to secondary and collegial levels remained low, ranging from 12.5% to 14.3%.

Table 15. Admission results from 2011 to 2014

(Unit: Number of admissions)

<table>
<thead>
<tr>
<th>Year</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole country</td>
<td>1,773,491</td>
<td>1,493,379</td>
<td>1,732,016</td>
<td>2,023,285</td>
</tr>
<tr>
<td>Vocational College</td>
<td>79,737</td>
<td>84,151</td>
<td>87,887</td>
<td>87,988</td>
</tr>
<tr>
<td>Vocational secondary school</td>
<td>141,629</td>
<td>129,189</td>
<td>128,229</td>
<td>132,605</td>
</tr>
<tr>
<td>Vocational elementary school</td>
<td>894,719</td>
<td>909,265</td>
<td>876,788</td>
<td>816,911</td>
</tr>
<tr>
<td>Vocational training of under three months</td>
<td>657,406</td>
<td>369,974</td>
<td>639,112</td>
<td>985,781</td>
</tr>
</tbody>
</table>

(Source: Department of Formal Vocational Training – the GDVT)
Occupations in high demands (with large numbers of admissions):

+ In 2013, at collegial level, there were eight occupations having large admissions including seven occupations of the technical group (industrial electrics, automobile engineering, computer network administration, industrial electronics, refrigeration and airconditioning, hotel management, cooking) and one of the economic group (enterprise accounting).

+ In 2013, at secondary vocational training level, there were 7 occupations having large admissions including five of the technical group (industrial electrics, automobile engineering, welding, industrial electronics, refrigeration and airconditioning) and two of the economic group (enterprise accounting and small and medium sized enterprise administration).

In five municipalities, the number of vocational colleges and vocational secondary schools accounts for one third of the country’s total, but admissions to the vocational colleges in these cities account for as much as 61% of the country’s total. This shows that vocational colleges at provinces have very low admission rate or the training capacity of these colleges is still low. Each vocational college in big cities has an average admission of 940 students, with the highest rate of 1,600 students/college in Ho Chi Minh City, a difference of 540 students/college above the country’s average number.
### Table 16. Admissions of 5 municipalities in 2013  
*(Unit: Number of admissions)*

<table>
<thead>
<tr>
<th></th>
<th>Vocational College</th>
<th>Vocational secondary school</th>
<th>Vocational elementary school</th>
<th>Under three months</th>
<th>Number of vocational colleges</th>
<th>Number of vocational secondary schools</th>
</tr>
</thead>
<tbody>
<tr>
<td>Whole country</td>
<td>87,887</td>
<td>128,229</td>
<td>876,788</td>
<td>639,112</td>
<td>166</td>
<td>308</td>
</tr>
<tr>
<td>Ha Noi</td>
<td>22,957</td>
<td>16,412</td>
<td>123,879</td>
<td>75,276</td>
<td>26</td>
<td>46</td>
</tr>
<tr>
<td>Hai Phong</td>
<td>5,900</td>
<td>5,300</td>
<td>28,026</td>
<td>10,474</td>
<td>11</td>
<td>11</td>
</tr>
<tr>
<td>Da Nang</td>
<td>3,774</td>
<td>2,725</td>
<td>30,000</td>
<td>6,707</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>HCM</td>
<td>19,614</td>
<td>9,822</td>
<td>148,202</td>
<td>94,137</td>
<td>12</td>
<td>28</td>
</tr>
<tr>
<td>Can Tho</td>
<td>1,260</td>
<td>1,820</td>
<td>15,791</td>
<td>14,885</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Total</td>
<td>53,505</td>
<td>36,079</td>
<td>345,898</td>
<td>201,479</td>
<td>57</td>
<td>94</td>
</tr>
<tr>
<td></td>
<td>61%</td>
<td>28%</td>
<td>39%</td>
<td>32%</td>
<td>34%</td>
<td>31%</td>
</tr>
</tbody>
</table>

*(Source: Department of Formal Vocational Training – the GDVT)*

### Streaming – Admission of technical secondary schools

Annually, lower secondary school graduates are channeled into the following streams:

- Stream to upper secondary schools or complementary high schools;
- Stream to technical secondary schools;
- Stream to vocational schools;
- Streams to enter the labour market or staying home.

### Table 17. Streaming students after lower secondary schools  
*(Unit: %)*

<table>
<thead>
<tr>
<th>Streams</th>
<th>2009-2010</th>
<th>2010-2011</th>
<th>2011-2012</th>
</tr>
</thead>
<tbody>
<tr>
<td>Low secondary school graduates</td>
<td>1,258,536</td>
<td>1,175,960</td>
<td>1,175,910</td>
</tr>
<tr>
<td>Low secondary school graduates entering upper secondary schools</td>
<td>996,151</td>
<td>983,695</td>
<td>944,962</td>
</tr>
<tr>
<td>Rate (%)</td>
<td>79.15</td>
<td>83.65</td>
<td>80.36</td>
</tr>
<tr>
<td>Low secondary school graduates entering technical secondary schools</td>
<td>26,257</td>
<td>25,657</td>
<td>22,087</td>
</tr>
<tr>
<td>Rate (%)</td>
<td>2.09</td>
<td>2.18</td>
<td>1.88</td>
</tr>
<tr>
<td>Low secondary school graduates entering vocational schools*</td>
<td>50,521</td>
<td>50,341</td>
<td>47,038</td>
</tr>
<tr>
<td>Rate (%)</td>
<td>4.01</td>
<td>4.28</td>
<td>4.00</td>
</tr>
</tbody>
</table>

*(Source: School-year statistics, Planning and Personnel Department, Ministry of Education and Training)*
About 80% of lower secondary school graduates enter upper secondary schools each year; therefore the stream to upper secondary schools is still the choice of the majority. The rates of lower secondary school graduates entering vocational schools and technical secondary schools are very low and getting lower, causing a lot of difficulties to the admission process. On the other hand, a major part of pupils enter the labour market without any prior training. This young labour force usually undertakes simple, seasonal jobs.

For the students, their family has an important role in career orientation and guidance. Parents with experience and understanding of their children’s abilities and preferences, and parents’ social relations and financial situation have very significant impacts on children’s career later. There are two sides to the intervention of parents into children’s career choice. On the plus side, parents can help children to choose a suitable occupation. However, many parents may impose their opinions on children in choosing a career. This may greatly demotivate students, which can result in dropouts of school or the trade.

4.2. Graduation information

As reported by 63 provinces/cities, in 2013, there were a total of 932,947 pupils attending school leaving examinations including 112,324 pupils and students of vocational colleges and vocational intermediate schools eligible for attending graduation examinations. The number of students graduating from vocational colleges and vocational secondary schools was 105,777.

<table>
<thead>
<tr>
<th>N₀</th>
<th>Level</th>
<th>Total</th>
<th>Number of graduates</th>
<th>Number of students failing graduation examination</th>
<th>Graduation rate</th>
<th>Rate of students failing graduating exam</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Vocational college</td>
<td>50,063</td>
<td>45,822</td>
<td>4,241</td>
<td>91.5</td>
<td>8.5</td>
</tr>
<tr>
<td>2</td>
<td>Vocational secondary school</td>
<td>63,261</td>
<td>59,955</td>
<td>3,306</td>
<td>94.8</td>
<td>5.2</td>
</tr>
<tr>
<td>3</td>
<td>Vocational elementary school</td>
<td>819,623</td>
<td>800,157</td>
<td>19,466</td>
<td>97.6</td>
<td>2.4</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>923,947</td>
<td>905,934</td>
<td>27,013</td>
<td>97.1</td>
<td>2.9</td>
</tr>
</tbody>
</table>

(Source: Department of Formal Vocational Training – GDVT)
As reported by 63 Departments of Labour, Invalids and Social Affairs, the average rate of students finding employment in their fields of training after graduation reaches 79.4%, with the rates of 76.2% among vocational college graduates and 82.5% among vocational secondary school graduates. Many schools even have the rate of students being able to find jobs right after graduation up to 90% for certain occupations.

**Table 19. Occupations with high rates of students finding employment after graduation**

(Unit: %)

<table>
<thead>
<tr>
<th>No</th>
<th>Trade</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Welding</td>
<td>90</td>
</tr>
<tr>
<td>2</td>
<td>Metal cutting</td>
<td>90</td>
</tr>
<tr>
<td>3</td>
<td>Civil engineering</td>
<td>90</td>
</tr>
<tr>
<td>4</td>
<td>Garment and fashion design</td>
<td>89</td>
</tr>
<tr>
<td>5</td>
<td>Cooking</td>
<td>87</td>
</tr>
<tr>
<td>6</td>
<td>Refrigeration and air conditioning</td>
<td>86</td>
</tr>
<tr>
<td>7</td>
<td>Small and medium sized enterprise administration</td>
<td>82</td>
</tr>
<tr>
<td>8</td>
<td>Industrial electrics</td>
<td>81</td>
</tr>
<tr>
<td>9</td>
<td>Automobile technology</td>
<td>80</td>
</tr>
<tr>
<td>10</td>
<td>Computer repair and assembly</td>
<td>80</td>
</tr>
<tr>
<td>11</td>
<td>Industrial electronics</td>
<td>77</td>
</tr>
<tr>
<td>12</td>
<td>Hotel management</td>
<td>72</td>
</tr>
<tr>
<td>13</td>
<td>Computer network administration</td>
<td>71</td>
</tr>
<tr>
<td>14</td>
<td>Computer programming</td>
<td>69</td>
</tr>
<tr>
<td>15</td>
<td>Civil electrics</td>
<td>52</td>
</tr>
</tbody>
</table>

*Source: Department of Formal Vocational Training – GDVT*

**Box 4: Occupations with graduation test sets available**

By the end of 2013, 25 sets of graduation tests for 25 occupations have been developed (Metal cutting, Automobile engineering, Industrial electrics, Civil electrics, Industrial electronics, Civil electronics, Ship navigation, Welding, Tourist guide, Enterprise accounting, Cooking, Mining electro-mechanics, Industrial electric installation and control, Refrigeration and air-conditioning, Computer repair and assembly, Civil engineering, Mechanical equipment installation, Computer programming, Garment and fashion design, Machine tool repairing, Database management, Small and medium sized business.)
Conclusion

Although admission rates of vocational training institutions in 2013 and 2014 increased compared to those of 2012, they were slightly lower than targeted. Admissions to vocational training mainly focused on elementary and under three month training levels while admissions at vocational college and secondary vocational training levels unevenly distributed among vocational training institutions. Schools with high admissions are mainly located in five big cities. In many localities, admission to vocational training, especially to vocational secondary schools has encountered many barriers; some schools have had to be dissolved due to very low admission numbers.

Streaming of high school graduates has not been effectively implemented which resulted in very low rates of enrollment of lower secondary school graduates to vocational schools and technical secondary schools. Career education and school consultancy have proved not very effective. Materials for career guidance and consultation are not regularly updated. Career guidance activities at secondary schools are superficial and usually integrated into other activities.

The rates of students graduating from vocational colleges being able to find employment were high, reaching up to 90% for some occupations such as welding and metal cutting. This proves that vocational students will have good opportunities to find decent employment if training quality is improved and targeted to satisfy the need of businesses.
5. NATIONAL OCCUPATIONAL SKILLS STANDARD (NOSS)

5.1 National Occupational Skills Standard (NOSS)

By 2014, the total number of occupations having NOSS is 190, and the publication of NOSS of 189 occupations has been carried out as agreed.

**Box 5: Structure of National Occupational Skills Standard**

The structure of the NOSS consists of three basic components:

- Occupation description: a description of scope, position, major tasks to be accomplished, working condition and environment, implementation context, main devices, machineries, equipment, and tools necessary to perform tasks of the occupation.
- List of jobs: a full list of all the jobs necessary to be performed in the order of occupational skill levels.
- Standards of job performance:
  - a) Job description;
  - b) Performance criteria;
  - c) Essential skills and knowledge;
  - d) Performance conditions; e) Criteria and assessment method.

(Source: Decision No 09/2008/QĐ-BLĐTBXH).

**Figure 24: Quantity of developed and issued NOSSs**

(Unit: %)

(Source: Department of Occupational Skills, GDVT)
In regional and international integration, mutual recognition and acceptance of vocational skill certificates between Viet Nam and other regional and international countries is necessary for skilled worker mobility. Viet Nam has received eight programmes including eight sets of NOSS from Malaysia and 12 programmes with 12 NOSS from Australia.

Table 20: Quantity of NOSSs transferred from Malaysia

<table>
<thead>
<tr>
<th>No</th>
<th>Trade</th>
<th>International level</th>
<th>Regional level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Aqua product processing and preserving</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Wood product processing and design</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Civil engineering</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>4</td>
<td>Front Office Administration</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>5</td>
<td>Ship navigation</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>6</td>
<td>Ship engine exploitation</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>7</td>
<td>Food processing/Cooking</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>8</td>
<td>Hotel management</td>
<td></td>
<td>x</td>
</tr>
</tbody>
</table>

(Source: Department of Occupational Skills, GDVT)

Table 21: Quantity of NOSSs transferred from Australia

<table>
<thead>
<tr>
<th>No</th>
<th>Trade</th>
<th>International level</th>
<th>Regional level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Biotechnology</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Information technology (software application)</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Mechatronics</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>4</td>
<td>Industrial electrics</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>5</td>
<td>Tour guide</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>6</td>
<td>Industrial electrical installation and control</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Refrigeration and air conditioning</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>8</td>
<td>Resort management</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>9</td>
<td>Tour management</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>10</td>
<td>Computer network administration</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>11</td>
<td>Restaurant management</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>12</td>
<td>Graphic design</td>
<td></td>
<td>x</td>
</tr>
</tbody>
</table>

(Source: Department of Occupational Skills, GDVT)
5.2. Development of tests for NOSSs
The compilation of tests for National Occupational Skills Standards (NVS) is performed under the Decision No 571/QĐ-TCDN dated 03/11/2011 by the General Director of the GDVT on Issuance of Regulations on the Procedures for Compilation of Tests for Assessment of labourers’ skills.

The compilation of tests for national occupational skills has been carried out since 2009. By 2014, tests for assessment of national occupational skills of 82 occupations have been developed and tests for 62 occupations have been put into use.

5.3. Centres for national occupational skill assessment
Centres for national occupational skills assessment, as certified by the GDVT to have met regulated conditions in facilities, expertise and financial resource, are the agencies organizing the implementation of occupation skill assessment for labourers.

By the end of 2014, 32 national occupational skill assessment centres have been established and 32 certifications have been granted to national occupational skills assessment centres.

Box 6: Conditions for certification of national skills assessment centres
Vocational institutions, education and training institutions, science, technology and engineering research institutions or enterprises shall be granted with certification by the GDVT upon satisfying the following conditions:

a) Possessing sufficient facilities necessary for assessment of occupational skills, including assessment rooms for theoretical and practical purposes or workshops with sufficient facilities, equipment, tools and devices meeting the requirements specified by tests according to each skill level of each occupation for test takers to perform theoretical and practical tests in the national occupational skill assessment;

b) Possessing experts having skill assessor certificate, with at least 01 expert for each level of skill of each occupation eligible for implementation of occupational skill assessment;

c) Having financial sources to ensure sufficient supply of facilities and materials required for the corresponding number of test takers at the Center for each national occupational skill assessment session;

d) Capable of providing test takers with rental services for compulsory protecting clothing and equipment or hand tools allowed to the test or with guidance to familiarise test takers with multiple choices questions on computer prior to the test as relevant to the testing requirements of each occupation eligible for implementation of occupational skill assessment;

e) Having a website and able to connect the management network with the section of national occupational skill assessment and certification at the GDVT
5.4. Training and further training of assessors

Assessor: An assessor is the person who directly undertakes the assessment of vocational skills of workers attending the national occupational skills assessment, and who is certified by competent state agencies as national assessor of occupational skills.

The training of national occupational skill assessors has been carried out since 2009. By December 2014, 1,089 assessors have been trained and 120 assessors have been granted with certificates.

### Box 7: Criteria and conditions for certification of assessor of national occupational skills

1. Possessing qualities of dignity, honesty, objectivity
2. Having good interpersonal skills, and a good health to meet work requirements;
3. Having a university and higher degree, or a national craftsman certificate, at least five consecutive years working or giving instructions in the occupation;
4. Being prestigious experts in the vocation, being nominated by the occupational institution, education and training institution, scientific research institution or enterprise where they work to be certified as assessors;
5. Having been trained and further trained in occupational skill assessment methods.

5.5. Assessment and certification of national vocational qualifications

As stipulated, labourers in all economic sectors have the right to register and to attend national occupational skill assessment of a certain occupational skill level upon registration.

Workers are granted with certificates for the national occupational skill level in accordance to their attainment of certain occupational skill levels as regulated by the MOLISA. On the basis of mutual recognition and acceptance of national occupational qualifications between Viet Nam and other countries or territories, the national occupational qualifications are valid in the said countries or territories and vice versa.

Assessment of occupational skills has been implemented since 2011. By 2014, 5,435 labourers have been assessed with 2,618 labourers meeting the standards, accounting for 48.2%.
Table 22: Occupational skill assessment for 2011 – 2014

<table>
<thead>
<tr>
<th>No</th>
<th>Occupation</th>
<th>Number of assessed workers</th>
<th>Number of pass</th>
<th>Pass Rate</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Number of pass</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Pass</td>
<td>Rate</td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>Mechatronics</td>
<td>75</td>
<td>23</td>
<td>30.7%</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>Graphic design</td>
<td>150</td>
<td>74</td>
<td>49.3%</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Refrigeration equipment operation and repair</td>
<td>200</td>
<td>107</td>
<td>53.5%</td>
<td>2</td>
</tr>
<tr>
<td>4</td>
<td>Mining engineering</td>
<td>875</td>
<td>452</td>
<td>51.7%</td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>Mining electromechanical engineering</td>
<td>300</td>
<td>178</td>
<td>59.3%</td>
<td>2</td>
</tr>
<tr>
<td>6</td>
<td>Mining civil engineering</td>
<td>175</td>
<td>101</td>
<td>57.7%</td>
<td>2</td>
</tr>
<tr>
<td>7</td>
<td>Coal mass and quality monitoring</td>
<td>125</td>
<td>69</td>
<td>55.2%</td>
<td>2</td>
</tr>
<tr>
<td>8</td>
<td>Power transmission line and transformer installation</td>
<td>50</td>
<td>25</td>
<td>50.0%</td>
<td>2</td>
</tr>
<tr>
<td>9</td>
<td>Electric experimenting</td>
<td>25</td>
<td>17</td>
<td>68.0%</td>
<td>2</td>
</tr>
<tr>
<td>10</td>
<td>Electric system</td>
<td>25</td>
<td>16</td>
<td>64.0%</td>
<td>2</td>
</tr>
<tr>
<td>11</td>
<td>Industrial electrics</td>
<td>615</td>
<td>384</td>
<td>62.4%</td>
<td>1, 2, 3</td>
</tr>
<tr>
<td>12</td>
<td>Industrial electronics</td>
<td>100</td>
<td>55</td>
<td>55.0%</td>
<td>2</td>
</tr>
<tr>
<td>13</td>
<td>Industrial garment</td>
<td>625</td>
<td>349</td>
<td>55.8%</td>
<td>2, 3</td>
</tr>
<tr>
<td>14</td>
<td>Welding</td>
<td>855</td>
<td>180</td>
<td>21.1%</td>
<td>2, 3</td>
</tr>
<tr>
<td>15</td>
<td>Automobile engineering</td>
<td>730</td>
<td>359</td>
<td>49.2%</td>
<td>2, 3</td>
</tr>
<tr>
<td>16</td>
<td>Metal cutting on CNC</td>
<td>510</td>
<td>229</td>
<td>44.9%</td>
<td>2, 3</td>
</tr>
<tr>
<td></td>
<td>TOTAL</td>
<td>5,435</td>
<td>2,618</td>
<td>48.2%</td>
<td></td>
</tr>
</tbody>
</table>

(Source: Department of Vocational Skills, GDVT)
Table 23: Assessment of national occupational skills by levels and regions

(Unit: %)

<table>
<thead>
<tr>
<th>STT</th>
<th>Year of assessment</th>
<th>Total participants</th>
<th>Of which</th>
<th>By Level</th>
<th>By region</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Level 1</td>
<td>Level 2</td>
</tr>
<tr>
<td>1</td>
<td>2011</td>
<td>375</td>
<td>375</td>
<td>275</td>
<td>100</td>
</tr>
<tr>
<td>2</td>
<td>2012</td>
<td>1,160</td>
<td>1,150</td>
<td>885</td>
<td>250</td>
</tr>
<tr>
<td>3</td>
<td>2013</td>
<td>1,650</td>
<td>1,155</td>
<td>590</td>
<td>330</td>
</tr>
<tr>
<td>4</td>
<td>2014</td>
<td>2,250</td>
<td>1,250</td>
<td>1,400</td>
<td>400</td>
</tr>
<tr>
<td>TOTAL</td>
<td>5,435</td>
<td>40</td>
<td>3,930</td>
<td>3,150</td>
<td>980</td>
</tr>
</tbody>
</table>

(Source: Department of Occupational Skills, GDVT)

5.6. The 10th ASEAN skills competition

The 10th ASEAN skill competition was organized in Ha Noi from the 19th to 29th October 2014 with 25 occupations, attracting 283 participants, 192 experts and observers from 10 ASEAN nations.

Box 8: Results of the ASEAN skills competition

The contest resulted in 57 gold medals, 22 silvers, 33 bronzes and 74 certificates of excellent vocational skills. The Vietnamese delegation excelled in the competition ranking the first with 15 gold medals, 6 silver and 7 bronze medals and 11 certificates of excellence. Second was the Malaysian delegation with 9 gold medals, 4 silver and 4 bronze medals; the Indonesian delegation ranked the third with 9 gold, 3 silver and 9 bronze medals; Singapore came fourth with 5 gold, 1 silver and 4 bronze medals; Thailand was the fifth with 5 gold, 1 silver and 2 bronze medals; the Philippines got 1 gold and 1 bronze medal; Laos got 1 silver medal and 2 certificates of excellence (this was the first time Laos had won medals in ASEAN vocational skill contests). Myanmar participated in the competition for the first time winning 1 certificate of excellence.
6. ACCREDITATION OF VOCATIONAL TRAINING QUALITY

6.1. Accreditation of vocational training quality

In 2013 and 2014, accreditation of vocational training quality continued to be implemented to assess and identify the attainment of training objectives, curricula and content by vocational colleges, vocational secondary schools and vocational centres in specific stages, to help vocational training institutions to further improve their training quality and efficiency.

a, Self - accreditation

Self accreditation of vocational training quality is implemented in accordance with Circular No 42/2011/TT-BLDTBXH dated 29/12/2011 by MOLISA on the basis of the standards for quality accreditation of vocational colleges regulated by Decision No 02/2008/QĐ-BLDTBXH as of 17/01/2008.

As of June 30th 2014, 275 out of 1,339 vocational training institutions had carried out self-accreditation and submitted their reports on self accreditation of vocational training quality in 2013 to the GDVT, accounting for around 20.5% of vocational training institutions nationwide.

Figure 25: Rates of vocational training institutions having submitted reports on self accreditation of vocational training quality in 2013

(Unit: Number of institutions)

<table>
<thead>
<tr>
<th>Vocational college</th>
<th>Vocational secondary school</th>
<th>Vocational center</th>
</tr>
</thead>
<tbody>
<tr>
<td>Report not submitted</td>
<td>68</td>
<td>241</td>
</tr>
<tr>
<td>Report Submitted</td>
<td>94</td>
<td>61</td>
</tr>
</tbody>
</table>

(Source: Department of Vocational training quality Accreditation – GDVT)
Thus in 2013, 79.5% vocational training institutions did not perform self accreditation and reporting on the results of self accreditation of training quality as regulated. This rate was nearly 10% lower than the rate of 89% in 2012.

To further implement self accreditation of vocational training quality, MOLISA has issued the official document No 3378/LĐTBXH-TCDN guiding the contents and expenditure level for self accreditation of vocational training quality after receiving agreement from the Ministry of Finance in the official letter No 10339/BTC-HCSN dated 29/7/2014.

As of quarter 3 of 2014, funding for self accreditation by vocational training institutions has been adjusted to meet contextual conditions. That is GDVT shall not fund self accreditation by vocational training institutions. However, this has given rise to another question: whether the new instruction would encourage vocational training institutions to perform self accreditation when it is funded by themselves?

Box 9: Funding for self accreditation by vocational institutions (3378/LĐTBXH-TCDN)
- Funding for self accreditation of public vocational institutions is from the estimated budget for regular spending and legal income of the institutions
- Funding for self accreditation of private vocational institutions is from legal income of the institutions.

b, Results of quality accreditation of vocational training institutions

In 2013 and 2014, quality accreditation of vocational training institutions was implemented to meet institutions’ demand. By the end of 2014, 207 vocational training institutions had participated in vocational training quality accreditation.

- In 2013: Of all vocational training institutions’ requests for participation in vocational training quality accreditation, GDVT selected 42 institutions for accreditation of vocational training quality in 2013. By October 2013, seven institutions had sent official letters asking to postpone the quality accreditation. Therefore the total number of vocational training institutions accredited for training quality in 2013 was only 35, accounting for 83.3%.

Based on the evaluation results of the Accreditation Board, MOLISA issued Decision No 689/QD-LĐTBXH dated June 17th 2014 acknowledging the results of accreditation of vocational training quality of 35 institutions having been accredited in 2013 and granted certification of meeting the vocational training quality standards to 20 institutions of level 3.
Table 24: Results of quality accreditation of vocational training institutions in 2013

(Unit: Number of institutions)

<table>
<thead>
<tr>
<th>Forms of Institutions</th>
<th>Level</th>
<th>Vocational college</th>
<th>Vocational secondary school</th>
<th>Vocational center</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3</td>
<td>15</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>1</td>
<td>3</td>
<td>4</td>
<td>1</td>
</tr>
</tbody>
</table>

(Source: Department of Vocational training quality Accreditation – GDVT)

As can be seen from the above figures, the rate of institutions achieving level 3 is not very high, only 57%, and 23% of the institutions achieve level 1.

Figure 26: Results of vocational training institution accreditation in 2013 by levels

(Unit: Number of institutions)

(Source: Department of Vocational training quality Accreditation – GDVT)

Among the total 178 institutions having been accredited by the end of 2013, vocational colleges made up 54%, vocational secondary schools 30% and vocational centres 16%.
In 2014: GDVT has carried out accreditation of 29 vocational training institutions (19 vocational colleges and 10 vocational secondary schools). The results are: 12 out of 19 vocational colleges achieved level 3, 6 at level 2 and 01 at level 1; 7 out of 10 vocational secondary schools achieved level 3, 01 school at level 2 and 02 schools at level 1.

Among the 45 vocational training institutions selected for investment to become high quality institutions, 41 institutions participated in accreditation from 2009 to 2013 and attained level 3; one institution did not participate in accreditation; institutions newly upgraded from secondary to collegial level had been accredited when being vocational secondary schools. In 2014, 9/45 institutions were reaccredited, whose results have not been published.

- In the first three years of pilot accreditation (2008 – 2010) the rate of institutions achieving level 3 was quite high which reveals that vocational training institutions of the top list actively participated in accreditation to confirm their trademark (vocational training institutions attaining level 3 are those meeting the standards of vocational training quality, while institutions achieving level 2 and level 1 fail to meet the standards of vocational training quality). The following chart provides a clearer view of levels achieved by institutions participating in accreditation over the years.
GDVT started to perform pilot accreditation of vocational centres in 2010. By the end of 2014, 27 vocational training centres out of the total 187 vocational training institutions had been accredited (accounting for 14.4%).
 Accreditation of vocational training programme quality

Accreditation of training programmes is a significant and indispensable mission in assuring and improving training quality. Nevertheless, challenges in this new activity are unavoidable due to lack of experience and the complex nature of the accreditation process requiring a complete and appropriate set of criteria. Since 2012, GDVT has implemented pilot accreditation of training programmes based on Decision No 1714/QĐ-LĐTBXH dated 26/12/2011 by MOLISA on approving the plan for developing and experimenting the criteria system and standards for accreditation of training programmes.

By the end of 2014, pilot accreditation of training programmes of 19 occupations of 30 vocational colleges have been carried out. The results of training programme accreditation are still not published.

The General Director of GDVT issued Decision No 325/QĐ-TCDN on May 19th 2014 to approve the criteria system and standards and instruct the measuring of indicators of training programme quality accreditation for pilot accreditation of training programme quality in 2014 and 2015. This system of criteria and standards is applicable to training programmes of secondary and collegial levels of vocational secondary schools and vocational colleges. There are seven accreditation criteria (including standards) with the total score of 100 points and three levels of training programme quality accreditation.

<table>
<thead>
<tr>
<th>Occupation</th>
<th>Self-accreditor of vocational institution</th>
<th>Self-accreditor of training programme quality</th>
<th>Accreditor of vocational institution</th>
<th>Accreditor of training programme quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>158</td>
<td>109</td>
<td>101</td>
<td>47</td>
</tr>
<tr>
<td>2014</td>
<td>134</td>
<td>91</td>
<td>119</td>
<td>114</td>
</tr>
</tbody>
</table>

(6.2. Vocational training quality accreditors

Accreditors of vocational training quality play a decisive role in the accreditation process and result of vocational training institutions. This is why the accrediting staffs have received due attention over the past years for their development in higher quantity and improved quality. The work of training of accreditors has supplied an abundant number of 665 accreditors of vocational training institutions.
Accreditation of vocational training quality

vocational training institutions and 118 accreditors of training programmes by June 30th 2014.

**Accreditor of vocational training institutions**

The number of accreditors of vocational training institutions (as of June 30th 2014) distributed by work places as followed:
- 56 accreditors in Ministries, industries, General Departments, Departments, Institutes, Technical Pedagogical universities
- 42 accreditors in provincial Departments of Labour, Invalids and Social Affairs.
- 311 accreditors work as lecturers and staffs of vocational colleges.
- 215 accreditors work as lecturers and staffs of vocational secondary schools.

**Accreditors of training programme quality**

As of June 30th 2014, there were 118 accreditors of training programme quality distributed in different institutions as follows:
- Accreditors working in ministries and industries: 4
- Accreditors working in vocational colleges: 98
- Accreditors working in vocational secondary schools: 16.

By regions, the number of accreditors of vocational training institutions in the North, Central and South regions are 291 (44%), 174 (26%) and 200 (30%) respectively.

**Figure 30: Distribution of accreditors of vocational training institutions by work place**

(Source: Department of Vocational training quality Accreditation – GDVT)
It is noticeable that there are not any industry experts from enterprises in the staffs of accreditors of training programme quality. This presents a weakness and shortage of expertise. The number of accreditors working in ministries and industries remains low (4). Accreditors in delegations to accredit training programme quality are mainly instructors from vocational secondary schools although the range of institutions to be accredited is very broad.

By regions, the number of accreditors of vocational training quality in the three regions of North, Central and South are 67 (57%), 35 (30%) and 16 (13%) respectively.

6.3. Vocational training quality assurance

In 2013 and 2014, quality assurance for vocational training in Viet Nam has experienced changes under a more adequate and meaningful new approach.

In regard to management: in 2013, GDVT established the Department for Vocational Training Quality Assurance performing the state management function in the field of vocational training accreditation and management nationwide; and added the function of vocational training assurance.

At present GDVT has been developing the model of quality assurance for Viet Nam’s vocational training comprised of three components:

- External quality assurance system (vocational training quality accreditation system);

- System of quality assurance agencies (external assessment agencies, and independent accrediting agencies): According to the proposed plan, three accrediting centres for vocational
training quality under the Department for Accreditation of Vocational training quality will have been set up and about 20 other accrediting centres for vocational training quality established by organisations and individuals by 2020.

- Internal quality assurance systems of institutions (the system of internal quality assurance inside vocational training institutions): About 20 institutions are using of developing the quality control system of ISO 9001 – 2008. However, it is very difficult, even for institutions which have been applying the quality control system of ISO 9001 – 2008, to maintain the operation due to lack of awareness and other conditions (especially funding). This is the reason why the multiplication of this model has yet to be implemented.

The Minister of MOLISA, on May 28th 2014, issued the decision No 511/QĐ-LĐTBXH allowing the pilot development of vocational training quality management and assurance of six vocational colleges selected for investment to become high quality institutions with a view to developing a model framework of vocational training quality management and assurance suitable to the Viet Nam’s context and application of a number of basic contents of the six selected institutions.

GDVT has been cooperating with domestic and international educational and quality control experts, receiving institutions and international organisations in order to assist with the development and issuance of the draft model, procedures, methods and conditions of implementation. The most essential procedures will be put into practice in the above mentioned six institutions to lay the ground for pilot application in the 40 institutions selected for investment to become high quality institutions in 2015. It is scheduled that in 2016 MOLISA shall promulgate regulations on the model framework for quality control of vocational secondary schools and colleges for the institutions to develop their own model based on this framework.

6.4. Recommendations

1. It is necessary to adjust and revise policies and regulations for quality accreditation of vocational training; unify the system of criteria and standards for training quality accreditation of vocational colleges and colleges, vocational secondary schools and technical secondary schools when the Law on VET comes into effect;

2. It is necessary to institutionalise by law the functions, missions, mechanism and regulations of vocational training quality assurance agencies of all levels;

3. There should be supplementary mechanism and policies to improve quality accreditation of training programmes;

4. Orientation for applying for East Asia’s quality assurance criteria criteria (put forth at East Asian Summit (EAS)).
This chapter analyses vocational training sources of investment and funding. It analyses funding from state budget, highlighting some strengths and shortcomings of this major source of funding. Furthermore, the chapter analyses the budget structure of vocational training institutions selected for investment to become high quality institutions. It also proposes a number of viewpoints concerning the revision of the funding policy for vocational training.

7.1. Sources of investment in vocational training

There are two sources of funding for vocational training: the State budget and non-state budget funding.

a. State budget: The state budget funds consist of three types: regular funding, capital construction investment and fund for national target programmes (programme funding)

- The current regular funding for vocational training is implemented under Decision No 59/2010/QĐ-TTg issued on September 30th 2010 by the Prime Minister promulgating allocation estimates of regular funding from state budget for the fiscal year of 2011, the first year of the new budget stabilization period as stipulated by the State Budget Law. Vocational training institutions have autonomy over and self accountability for this source of funding. Detailed regulations on the autonomy granted to institutions are issued in Decree No 43/2006/NĐ-CP dated 25-4-2006 by the Government and guiding documents. (In 2015, Decree No 16/2015 ND-CP will substitute Decree No 43/2006/NĐ-CP).

- Capital construction investment: this is implemented under the State Budget Law, Construction Law, Tender Law and documents guiding capital construction investment. Annually, the Ministry of Planning and Investment in coordination with the Ministry of Finance allocates funds for capital construction investment to localities and ministries/industries (including vocational training sector). The mechanism for allocation of funds to vocational training institutions is implemented under Decision No.60/2010/QĐ-TTg dated 30th September 2010 by the Prime Minister promulgating principles, criteria and quotas for allocation of funds for development investment from the state budget for the period 2011 – 2015. Specifically, the People’s Committee of provinces/cities via people’s councils decide on the allocation of budget funding to vocational training institutions (in the frame of projects). Ministries and industries decide on the allocation of budget funding to the vocational training institutions directly under their control.

- Fund for National Target Programmes: in the period of 2011 – 2015, the vocational training sector has two projects under the National Target Programme on Employment and Vocational Training, which are the Project for Vocational Training for Rural Labourers and the Project for the Reform and Development of Vocational Training (under the Decision No. 1201/QĐ-TTg
dated 31/8/2012 by the Prime Minister). The major content of vocational training projects funded by the National Target Programmes are to improve facilities and equipment for vocational training, renew vocational training curricula and textbooks, train and further train the teaching staffs to gradually establish key vocational schools and centres offering training quality of regional standards. In addition, the Project for Vocational training for Rural Labourers also provides support to vocational training for rural workers, young people of ethnic minorities and people with disabilities.

Box 10: Projects under the National Target Programmes

- Project 1: Reform and Development of Vocational Training
- Project 2: Vocational Training for Rural Labourers
- Project 3: Support for workers going abroad under contract
- Project 4: Support for labour market development
- Project 5: Improving communication capacity for monitoring and evaluation of programme implementation

(See appendix for detailed contents of the projects)

Source: Decision No. 1501/QĐ-LĐTBXH on 4th October 2013

Over the past years, the National Target Programmes have been a significant funding source enabling vocational training to recover and strongly develop the network of institutions and conditions to assure training quality. In the following the specific objectives are listed:

+ Improving facilities and equipment for vocational training in vocational colleges, vocational secondary schools and vocational centres;
+ Developing the vocational teaching and managing staffs, vocational training assessors and accreditors;
+ Developing vocational training curricular, occupational skill standards, bank of test items, standards for accreditation of vocational training quality;
+ Providing support in elementary and continuing vocational training for rural labourers, young people of ethnic minorities and people with disabilities;
+ Implementing pilot vocational training tailored to specific orders.

b, Non state budget funding:

This includes vocational training admission charges and tuition fees, incomes from services, business and production activities, counseling and technology transfer done by the vocational training institution as well as investment and funds from domestic and international organizations and individuals.

-Vocational training admission charges and tuition fees: Collection of training tuition fees is legalized/falls under Decree No 49/2010/ND-CP dated 14/5/2010. Training tuition for the mode of continuing education shall not exceed 150% of the
tuition level of formal education (same level and training vocation category).

+ Public vocational training institutions use tuition fees in accordance with regulations on autonomy and self accountability in finance granted to public administrative agencies.

+ Non public vocational training institutions use tuition fees in accordance with the policy on socialization of activities in education, vocational training;

+ Tuition fees of high quality training programmes: vocational training institutions offering high quality programmes have the right to propose a tuition fee level sufficient to cover training expenses to the Ministry of Labour, Invalids and Social Affairs. Permission has to be granted and the institutions must ensure the transparency and publicity of tuition fees to applicants prior to admission.

According to preliminary statistics, annual estimates of apprentices entitled to tuition exemption and reduction is about 15 – 18%. The period of 2001 – 2009 has a lower rate of exemption and reduction (14-15%). In 2010, as the new policy on tuition exemption and reduction was implemented under Decree No.49/2010/ND-CP (with the reduction of 50% tuition for lower secondary school leavers entering vocational training), the number of apprentices entitled to tuition exemption and reduction increased considerably, accounting for 18-19%.

However, due to a constant increase in tuition fee levels, the income of institutions from vocational training grew strongly in the period 2007 – 2013 (from VND 407 billion in 2007 to around VND 1,478 billion in 2013, nearly 3.2 times). The income from tuition fees rises every year and is mainly utilized to cover training activities with accumulation for reinvestment in facilities, which has made a positive contribution to the improved training capacity of vocational training institutions.

*Figure 32: Vocational training tuition fees in 2007 - 2013*
Compared with regular state spending for vocational training the rate of income from tuition in 2013 was about 33% while it was only 21% in 2007. This is a positive change brought about by the new tuition mechanism promulgated as of 2010. Provided that appropriate investment improves vocational training quality to meet the labour market’s need, the number of admissions will increase, and so will the income from tuition fees. This is an important source of investment for vocational training.

Figure 33: Comparisons of income from tuition and regular state spending and state budget funding for vocational training in 2007 - 2013

(Unit: Billion dong)

- Income/receivables from services, business and production activities, and counseling and technology transfer by vocational training institutions

(i) In regard to services and commodity products ordered by state agencies, the level of payment per unit is regulated by the relevant state authorities; for products whose price has not been regulated by competent state agencies, the level of payment is determined on the basis of cost estimates appraised and approved by financial agencies of the same authority level;

(ii) In regard to services in the frame of contracts with domestic and international organizations and individuals as well as joint venture and partnership activities, institutions have the right to determine receivables and payment levels on the principle of covering costs and allowing accumulation.

- Investment and funding from domestic organizations and individuals: These are practised under the existing regulations on investment, presents and gifts and the policy on socialization of activities in education, vocational training, health care, culture, sports, and environment.

- Investment and funding from international organizations and individuals: This is an important source of funding for vocational training development, which has further increased
thanks to ODA. The financial mechanism for ODA projects is under the regulations on loans or funding agreements. The financial mechanism varies for different ODA projects.

However, the source of funding from ODA for investment in vocational training projects accounts for a very small segment. For example, from preliminary survey data, ODA funding for key occupation training was VND 31,891 million in 2010, VND 36,897 million in 2011, and VND 38,535 million in 2012. ODA accounted for about 8% of funding for vocational training in the period of 2007 – 2013.

**Figure 34: Structure of financial resources for vocational training 2007 – 2013**

(Source: GDVT)

7.2. Spending on vocational training: Though limited, state budget still plays a key role in funding vocational training, which means the State takes the ultimate responsibility for developing human resources for the country’s development.
Table 26: State budget spending from 2011 to 2014

(Unit: %)

<table>
<thead>
<tr>
<th></th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sum (billion dong)</td>
<td>%</td>
<td>Sum (billion dong)</td>
<td>%</td>
<td>Sum (billion dong)</td>
</tr>
<tr>
<td><strong>Total spending of State budget</strong></td>
<td>725,600</td>
<td>100</td>
<td>903,100</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total spending for investment and development</strong></td>
<td>152,000</td>
<td>20.9</td>
<td>180,000</td>
<td>19.9</td>
</tr>
<tr>
<td>Spending for Education and Vocational training</td>
<td>24,911</td>
<td>3.4</td>
<td>30,174</td>
<td>3.3</td>
</tr>
<tr>
<td><strong>Total regular spending</strong></td>
<td>442,100</td>
<td>60.9</td>
<td>542,000</td>
<td>60</td>
</tr>
<tr>
<td>Regular spending for Education and Vocational training</td>
<td>110,130</td>
<td>15.2</td>
<td>135,902</td>
<td>15</td>
</tr>
</tbody>
</table>

(Source: State budget estimates from 2011 to 2014 on the Government Portal)

State budget spending on vocational training was always on the rise from 2001 to 2011\(^8\). Spending on development investment has declined since 2012 as a number of projects have been accomplished. Slight growth in the regular spending is due to increases in the salaries of the teaching and managing staffs with a higher minimum wage. Therefore, spending for vocational training accounted for 8.15% of regular budget spending on education and vocational training from 2011 to 2014.

Nevertheless, regular spending in reality usually exceeds the estimates as vocational training institutions often ask for more funding for the purchase of materials used in work placement and compensation for tuition exemption and reduction.

Although very limited, public funding is the major source for vocational training.

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\(^8\) 2011 National report: “State budget increases 10.1 times after 10 years from 2001 to 2011”

2011 National report: State budget spending on Vocational training makes up 8.6% of state spending on Education and Training.
Regular spending accounts for a high proportion in the structure of state budget, from 60% to 69.9% total state budget. Regular budget spending on Education and Vocational training is from 15% to 17.3%. Thus, a majority of the state budget is spent on regular expenditures while the rate of spending on development investment is very low. Spending on development investment for Education and Vocational training decreased from 3.4% in 2011 to 2.9% in 2014.

Table 27: State budget spending on vocational training in the period 2007 - 2013

<table>
<thead>
<tr>
<th>Year</th>
<th>State budget spending on vocational training (billion dong)</th>
<th>State budget spending on vocational training in GDP (%)</th>
<th>State budget spending on vocational training in total state budget spending (%)</th>
<th>State budget spending on vocational training in total state budget spending on Education - Training (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2007</td>
<td>4,993</td>
<td>0.39</td>
<td>1.36</td>
<td>7.15</td>
</tr>
<tr>
<td>2008</td>
<td>5,985</td>
<td>0.41</td>
<td>1.47</td>
<td>7.35</td>
</tr>
<tr>
<td>2009</td>
<td>6,870</td>
<td>0.45</td>
<td>1.50</td>
<td>7.50</td>
</tr>
<tr>
<td>2010</td>
<td>8,937</td>
<td>0.46</td>
<td>1.45</td>
<td>8.53</td>
</tr>
<tr>
<td>2011</td>
<td>9,800</td>
<td>0.45</td>
<td>1.63</td>
<td>8.6</td>
</tr>
<tr>
<td>2012</td>
<td>10,746</td>
<td>0.47</td>
<td>1.55</td>
<td>8.08</td>
</tr>
<tr>
<td>2013</td>
<td>11,784</td>
<td>0.46</td>
<td>1.60</td>
<td>8.15</td>
</tr>
</tbody>
</table>

(Source: General Department of Vocational and Training)
- Total budget spending for vocational training, despite increases especially in the last 7 years, accounts on average for about 6.6% in 10 years of the total state budget spending for Education – Training. This is a very low rate compared with the country’s demand for vocational training and against the state investment in vocational training in many other countries. In 2013, state budget spending on vocational training was estimated to account for about 8.15% of education and training budget, about 0.46% of GDP. Meanwhile, according to the statistics agency of the European Union, in 2003 (10 years earlier) spending on vocational training was 1.1% GDP in Finland, 1% GDP in the Czech Republic, Hungary, the Netherlands, and Slovakia, and 0.8% in Switzerland. In absolute value, Viet Nam’s budget spending on vocational training is tens of times lower than that in developed nations, which is unable to drive the development of vocational training to meet the labour demand of key economic zones and spearhead economic sectors, and the development of vocational training in disadvantages areas to generate employment, eradicate hunger and reduce poverty and increase income.

- State budget spending has yet to meet the great demand for investment in vocational training. On the other hand, due to the lack of capital and a wide range of needs, the budget is greatly divided resulting in “limited” funding which is insufficient to accomplish a set goal. Therefore, the investment period is prolonged, reducing efficiency of state budget investment.

**a. Regular spending:**

Regular spending is expenditure for the regular operation of an institution.

- Regular spending from state budget for vocational training must be allocated in accordance with the principle of publicity and centralized democracy. It is based on the vocational training scale and socio-economic development conditions of each region and demonstrates the State’s priority policy for popularisation of vocational training and development of vocational training in ethnic and specially disadvantaged areas.

- Financial agencies are responsible for allocating adequate and timely funding to vocational training as dictated by the progress of the academic year. The vocational training management agencies are responsible for managing and utilizing the vocational training budget allocated and other income sources efficiently as stipulated by law.

Funding to vocational training institutions is allocated from the budget of provinces and municipalities or industries. This source is usually depending on salaries and insurance for the teaching and other staffs on the payroll. Due to insufficient expenditures for purchase of materials for practice, vocational training institutions usually request an additional financial resource called training support fund. Allocations of the training support fund depend on localities. Poor provinces provide an additional VND 1.5 to 2 million per apprentice while this may be higher in more affluent provinces. Additionally, institutions offering tuition exemption or reduction to apprentices also receive compensations from the budget for this loss.

..
b. Spending for national target programmes:

Decision No QĐ 1501/QĐ-LĐTBXH approved two projects: Project for Reform and Development of Vocational Training and Project for Vocational Training for Rural Labourers.

Spending on national target programmes has greatly reduced as many projects have finished. This means a decline in investment in vocational training in 2014. The next investment project takes place when the accreditation process has identified institutions having sufficient conditions to be developed into high quality institutions.

**Table 28: Spending for national target programmes**

(Unit: Billion dong)

<table>
<thead>
<tr>
<th>STT</th>
<th>Content</th>
<th>Approved in Decision 1501/QĐ-LĐTBXH</th>
<th>2012</th>
<th>2013</th>
<th>2014*</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Project for Reform and Development of Vocational training</td>
<td>8,986,000</td>
<td>1,536,000</td>
<td>1,538,610</td>
<td>1,031,000</td>
</tr>
<tr>
<td></td>
<td>Rate %</td>
<td>100</td>
<td>17.1</td>
<td>17.1</td>
<td>11.2</td>
</tr>
<tr>
<td>II</td>
<td>Project for Vocational training for Rural labourers</td>
<td>5,779,000</td>
<td>1,033,000</td>
<td>1,016,841</td>
<td>500,000</td>
</tr>
<tr>
<td></td>
<td>Rate %</td>
<td>100</td>
<td>17.9</td>
<td>17.6</td>
<td>8.6</td>
</tr>
</tbody>
</table>

(Source: Project Management Unit of National target programmes GDVT)

**Strengths and weakness of state budget spending for vocational training:**

**Strengths:**

As the Government provides funding for vocational training from state income sources, the State arranges spending to meet the planned needs of policies and employment.

The vocational training system funded by the State brings opportunities to disadvantaged people in society. This is the only opportunity for them to learn and train for admission to the labour market.

**Weaknesses:**

Lack of capital leads to insufficient funding which results in the implementation of inadequately funded programmes and lower training quality.

The source of funding depends on localities. Where there are changes in the budget, there are changes in vocational training programmes, especially in poor provinces.

Imbalanced funding allocation, high administrative costs, inflexibility in training and slow reaction to changes result in failure in meeting the demand for the labour force.

- State budget funding to vocational training institutions is largely divided equally within the budget limit (institutions offering training in tourism, engineering
and technology, or services are allocated similar amounts of fund, or if there is any difference due to different occupations, this is insignificant) so it fails to generate a driving force for improved training quality among institutions and to resolve the difficulties faced by institutions offering occupations requiring high training costs and attracting few learners in recent years.

Efficiency of vocational training using state funding remains low when public training institutions are not motivated to assess training needs in quantity and quality.

Vocational training institutions develop rigid training programmes which fail to meet local specific need.

Public training institutions are less able to adapt their training to rapid changes in technology than private institutions.

As public funding is the only source of fund for vocational training, training activities may have to face fluctuations in budget allocation. This may lead to adverse impacts on training programmes due to inadequate funding. Funding for training is essential, so when funding from sources of charges and fees is usually restricted, it is necessary to attract funding from enterprises.

State budget allocation to enterprise-run vocational training institutions:

- Companies/enterprises directly conduct vocational training for their employees and are responsible for all training costs, and entitled to preferential credit and investment policies in taxation, charges and fees during operation.

7.3. Funding for institutions selected for investment for high quality

The Prime Minister’s decision No 761/QĐ- TTg approved the project on development of high quality vocational training institutions to 2020. The high quality institutions will be developed under the “open” approach. The State issues special mechanisms and policies and provides adequate investment for the selected vocational training institutions to attain the criteria of high quality institution and at the same time has mechanisms and policies encouraging other vocational training institutions to meet these criteria and be acknowledged as high quality institutions.

Surveys on the financial situation of the selected vocational training institutions for high quality investment show that apart from the regular spending as with other institutions, funding for these institutions come from various sources namely national target programme funding, ODA, and funding from ministries, industries and localities. Although the absolute value of the regular spending is equally allocated, the selected institutions for high quality investment have the rate of 35% of the regular spending.
The analysis of the financial situation of the selected vocational training institutions eligible for high quality investment reveals that spending from the state budget accounts for 63.2% (higher than the average) and 36.8% is from non-state budget sources. Regular spending is about 35%, while other expenditures are for investment in material facilities and purchase of equipment for vocational training, training and further training of vocational instruction skills and management reform to meet the accreditation criteria. Hence, non-state budget investment funding is higher than the regular spending from the state budget.

As adequate investment allows vocational training institutions to achieve high quality, the rate of enrollment will increase and so will the income from tuition fees and charges. Consequently, the physical facilities will be improved, instructors’ vocational skills are upgraded to meet training needs leading to more services and higher income from services. Thus there will be sufficient funding for vocational training activities while state budget spending can be reduced.

7.4. Overall remarks

Despite the growth in resources for vocational training from the state budget in recent years, many limitations remain in both scale and structure. Specifically:

- There is a mismatch between the vocational training target (the annual guiding target set by the State based on the need for and capacity of supply of trained labourers to the economy and society) and the budget target (the chartered target allocated in accordance to the yearly average growth rate of state budget). The growth rate of admission...
targets is 2.5 times higher than the growth of state spending for vocational training. Meanwhile, there has been no radical change in the tuition mechanism, which has yet to create a motive for vocational training institutions to expand their admission scale and improve training quality.

- While the trend of international integration requires the development of high quality vocational training institutions to be in accordance with international and regional standards and expansion of international cooperation between domestic institutions and those abroad, there remains a large disparity in tuition fees between domestic and international vocational training institutions. Service activities offered by institutions are few and the socialization policy has worked only in economically developed regions. State budget funding is greatly divided and therefore insufficient for institutions to invest adequately in international, regional and national key occupations. In spite of some changes in quality, the standards of high quality institutions are still out of reach.

**Recommendations:**

Aiming at sufficient funding for VET development through: Mobilizing resources for investment in VET; improving spending efficiency for VET in the condition of restricted financial resources; improving transparency and publicity in finance for VET, the following recommendations are being made:

- Reform of the financial management mechanism for VET must go hand in hand with reform and perfection of public finance in Viet Nam in general and reform of financial management for the public administrative sector in particular;

- Reform of the financial and investment management mechanism for VET must be based on sufficient provision for training costs of each level so as to use appropriate solutions for mobilization of investment resources to meet the quantity and quality requirements of VET, of the labour market and socio-economic development in each period;

- Reform of the management mechanism of the state budget spending on VET, plays the key role in reform of the financial and investment management mechanism for VET; meanwhile it is necessary to intensify measures for reform of the financial and investment management mechanism for VET under the socialization approach in order to mobilize the entire society to care for the cause of VET;

- Reform of the financial management mechanism and policies for VET should be done with a view to improving the efficiency of mobilization, allocation and utilization of investment resources and attaching training to the need of the labour market; and it is necessary to focus resources to rapidly increase the quantity and improve the quality of human resources by VET.
8. COSTS - BENEFITS ANALYSIS

Enhancing cooperation and improving the efficiency of cooperation between enterprises and training institutions are significant missions and also challenges of the existing vocational training system especially in the process of reforming the education and training system for improved quality to meet the demand of the labour market. At present, there exist various forms of cooperation between enterprises and vocational training institutions including: arrangement of internships; provision of support and scholarships for students; placement of training orders by enterprises; enterprises’ involvement in development of training programmes and occupational skill standards. Among these, arrangement of internships by enterprises is the most popular.

However, the effectiveness and quality of this activity are still limited. Enterprises are not truly motivated and interested in this activity. The question is how to generate a momentum and motivate enterprises to take higher responsibility in arranging internships for students in enterprises. This is a question for many stakeholders. In the section about cooperation with enterprises in vocational training, the 2013 – 2014 report on Vocational training shares information about the study on Costs – Benefits of enterprises in internship programmes. The study had referred to concepts and analysis models for costs and finance for vocational training applied in Germany since 1974.

The study is aimed at finding the method as well as conducting surveys, collecting and analyzing data on costs and benefits of internship activities at enterprises.

The survey was conducted with a total of 14 enterprises in various cities and provinces namely Ha Noi, Hung Yen, HCM City and Dong Nai. The research method adopted is case study in enterprises which had run internship programmes for one of the two occupations namely industrial electrics and metal cutting.

The internship period lasted 2 – 3 months and there were at least 20 interns per programme. The surveyed enterprises included state-owned, foreign invested and private enterprises.

8.1. Introduction to the costs - benefits study

a, Research context and scope

With a view to promoting enterprise participation and increasing the efficiency of enterprise cooperation in vocational training, in 2014 the National Institute for Vocational Training in coordination with GIZ, CIM experts and specialists from the Federal Institute for Vocational Education and Training (BIBB) developed the theoretical framework including concepts and survey instruments for the Study on Costs – Benefits for enterprises in internship programmes. The study had referred to concepts and analysis models for costs and finance for vocational training applied in Germany since 1974. The study is aimed at finding the method as well as conducting surveys, collecting and analyzing data on costs and benefits of internship activities at enterprises.

The survey was conducted with a total of 14 enterprises in various cities and provinces namely Ha Noi, Hung Yen, HCM City and Dong Nai. The research method adopted is case study in enterprises which had run internship programmes for one of the two occupations namely industrial electrics and metal cutting.

The internship period lasted 2 – 3 months and there were at least 20 interns per programme. The surveyed enterprises included state-owned, foreign invested and private enterprises.

11 This is also confirmed by survey results by Ha Xuan Quang and colleagues and Ha Noi Industrial University 2012.

12 BIBB has used this model to calculate vocational training costs since 1980.
b. Research objectives

The general objective of the study is to reveal to enterprises and state management agencies of vocational training (GDVT/MOLISA) and other stakeholders the potential benefits of enterprise cooperation in vocational training, thereby promote, strengthen and heighten enterprise investment in and cooperation with the vocational training system. The specific objectives include three levels as follow:

- On the policy level: the collected data of this survey has provided evidence on the cost-benefit relation for enterprises when they invest in vocational training. These are concrete and practical examples for the GDVT/MolISA and other crucial stakeholders to further discuss with the business community to intensify their involvement and cooperation with the TVET sector.

- On the enterprise level: the survey helps raise awareness among the management of enterprises about useful involvement in TVET and possible benefits when they increase their activities in the area of vocational training using reliable empirical evidence.

- On the level of the study: the study has developed the approach and method to calculate costs and benefits of enterprises in internship programmemees (with reference to the Institute of BIBB’s model) so as to increase the research capacities of researchers involved in this project.

c. Theoretical framework of costs - benefits analyses

The model of costs – benefits analysis is proposed on the principle of accounting all costs relating to an internship programmeme as well as all benefits the enterprise can gain (quantifiable and unquantifiable benefits). Consequently, comparisons between costs and benefits are made to reveal the net benefits the enterprise attains from running internship programmemees.

• Costs

Costs are all the costs an enterprise has to pay for running an internship programmeme.

Cost categories are:

- Costs for interns;
- Costs for instructors, supervisors and other staffs involved in training;
- Investment- and maintenance costs for infrastructure;
- Costs for training material;
- Other costs.
Cost model:

**Table 29: Cost model for the operationalization**

<table>
<thead>
<tr>
<th>Cost category</th>
<th>Indicators/Items</th>
</tr>
</thead>
</table>
| Costs for interns | - Allowance for interns;  
- Payment of social security fees (payment health insurance etc.);  
- Transportation costs;  
- Catering costs;  
- Housing costs;  
- Costs for protective clothing and equipment. |
| Costs for instructors, supervisors and others in the training involved staffs (shares per analysed intern co-hort have to be estimated/calculated) | - Salaries for instructors, supervisors and others are involved in the training, incl. social security/insurance;  
- Salaries for personnel involved in supervision, e.g. foremen (pro rata temporis);  
- Salaries for personnel involved in administration and management of the training activities (pro rata temporis);  
- Total additional allowances for trainers, administrative staffs and management staff; |
| Investment- and maintenance costs for infrastructure | - Investment in buildings and maintenance of buildings;  
- Investment of additional infrastructure by item: e.g. computers, furniture for training, administration and management staffs (shares per analysed intern cohort have to be estimated/calculated);  
- Cleaning (shares per analysed intern cohort have to be estimated/calculated); |
| Costs of production materials for training purposes | - Investment in training tools and equipment;  
- Investment in machines;  
- Maintenance costs of tools, training equipment, machines;  
- Consumable material; |
| Other costs | - Summary workshop, assessment of internship results;  
- Others. |
• **Benefits**

benefits are what enterprises can gain (in this case study, benefits are identified as of two categories: quantifiable and unquantifiable benefits) when running internship programmes. This benefit analysis is based on expectation and interests of enterprises. According to the latest research in Germany, the most important interests and expectations of enterprises are:

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- **Productive contribution of trainees:**
  The enterprise expects that the trainees are producing in the time they are getting trained on the job in the enterprise.

- **Benefits from investment in in-company training:**
  Enterprises invest in the training because expects to hire the best of the interns as employees in future who are trained exactly according to their competency requirements. With this investment the enterprise expects to reduce recruitment and initial training costs.

- **Reputation:**
  With the investment in training, enterprises try to create a positive image to their clients and potential employees.

- **Social responsibility:**
  The investment in training is part of the commitment to social activities and social responsibility of enterprises.

**Benefit categories:**

There are quantifiable and non-quantifiable benefits. This depends on the relevance of the benefits for the enterprises in Vietnam. According to the experiences of the costs - benefits analysis in South-Vietnam 2012, the calculation of costs – benefits or analysis of impacts of financial policies (tax reduction) for running internship programmes at enterprises is not yet possible due to the lack of relevant regulations. So although these benefits might exist, they will not be included in the analysis.

o In the category of quantifiable benefits there are two more subcategories:

- **Actual benefits:** e.g. by production by interns;

- **Opportunity benefits because of savings:** e.g. saving of recruitment costs, saving of costs for additional personnel or services.

o **Unquantifiable benefits:** For example productivity differences, benefits in marketing/sale, enterprises image, unquantifiable saved recruitment costs.

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### Benefit model:

**Table 30: Benefit model of enterprises in running internship programmes**

<table>
<thead>
<tr>
<th>Benefit categories</th>
<th>Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Quantifiable Benefits</strong></td>
<td></td>
</tr>
<tr>
<td>Direct/actual benefits through</td>
<td><strong>Benefits</strong></td>
</tr>
<tr>
<td>production</td>
<td>- Amount of proceeds of productive work by trainee/group of trainees per month;</td>
</tr>
<tr>
<td>Opportunity benefits through</td>
<td>- Saved costs by substitution of (not hired) technical trained personnel (= 1. monthly salary per technical trained employee minus monthly costs per trainee, 2. minus lower productivity of trainee);</td>
</tr>
<tr>
<td>savings in the production process</td>
<td>- Productive work (products/service) which otherwise had to be ordered externally (calculation: same as above);</td>
</tr>
<tr>
<td></td>
<td>- Compensation of vacancies in the production process;</td>
</tr>
<tr>
<td>Opportunity benefits through saved</td>
<td></td>
</tr>
<tr>
<td>recruitment costs</td>
<td>- Employment of trainees after training: saved costs incurred by external recruitment (campaigns, fairs, personal costs and other costs of HRD department, e.g. for interviewing applicants) (if not quantifiable see column unquantifiable saved recruitment costs);</td>
</tr>
<tr>
<td></td>
<td>- Employment after training: saved cost for re-training of new staffs(salary of new employee, cost of supervisors) (if not quantifiable see column unquantifiable saved recruitment costs);</td>
</tr>
<tr>
<td></td>
<td>- Employment after training: saved cost of unsuccessful/repeated recruits (if not quantifiable see column unquantifiable saved recruitment costs);</td>
</tr>
<tr>
<td>Opportunity benefits through</td>
<td></td>
</tr>
<tr>
<td>savings in the retraining scheme</td>
<td>- Avoidance of cost of external further training through utilization of training equipment (if not quantifiable see column unquantifiable saved recruitment costs);</td>
</tr>
<tr>
<td>of the enterprise</td>
<td></td>
</tr>
<tr>
<td>Direct payments of interns</td>
<td>- Intern's fees paid to the enterprise/enterprise run TVET institute (if any);</td>
</tr>
<tr>
<td><strong>Un-quantifiable benefits</strong></td>
<td></td>
</tr>
<tr>
<td>Productivity differences</td>
<td>- Higher quality of products/services;</td>
</tr>
<tr>
<td></td>
<td>- Lower defection rate;</td>
</tr>
<tr>
<td>Benefits in marketing/sale</td>
<td>- Tax shield for training cost / other benefits provided by the state;</td>
</tr>
<tr>
<td></td>
<td>- Fulfilment of prequalification conditions of public tenders;</td>
</tr>
</tbody>
</table>
## Benefits measured by the analysis

<table>
<thead>
<tr>
<th>Unquantifiable benefits</th>
<th>Enterprises image</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Improved reputation valuable for sales/ part of CSR strategy;</td>
<td></td>
</tr>
<tr>
<td>- More influence / eased representative work Of associations or public authorities;</td>
<td></td>
</tr>
</tbody>
</table>

## Benefits not measured by the analysis

<table>
<thead>
<tr>
<th>Fiscal/tax effects</th>
<th>Unquantifiable saved recruitment costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Improved loyalty of staffs/ lowered effect of staffs fluctuation in long term;</td>
<td></td>
</tr>
<tr>
<td>- Avoidance of cost of external further training through utilization of training equipment;</td>
<td></td>
</tr>
<tr>
<td>- Good relationship to the TVET institute to recruit their graduates later on (for internship programmes only);</td>
<td></td>
</tr>
<tr>
<td>- Saved costs incurred by external recruitment (fairs, campaigns, effort of HRD department);</td>
<td></td>
</tr>
<tr>
<td>- Saved cost for re-training of new staffs (salary of new employee, cost of supervisors);</td>
<td></td>
</tr>
<tr>
<td>- Saved cost of unsuccessful/repeated recruits;</td>
<td></td>
</tr>
<tr>
<td>- Reduced amount of taxes/tax depreciation.</td>
<td></td>
</tr>
</tbody>
</table>

### Costs – Benefits comparisons

The first and foremost point in comparing costs and benefits is: determining how many interns trained at the enterprise in a certain period of time and estimating costs and benefits from the internship. This explains why it is necessary to clarify how many interns in what occupation get trained by the enterprises under internship programmes averagely per year. After a cohort has been defined (e.g. the average number of interns trained per year by the enterprise, or the number of interns trained by all enterprises), the costs and benefits per trainee will be worked out using the above models. Costs – benefits comparisons then can be done.

### 8.2. Survey results

#### 8.2.1. Costs analysis results

Based on the theoretical model of costs – benefits above, the study addresses five main cost categories in the gross cost of an internship programme of an enterprise: (i) Wages and equivalent for interns, (ii) Payment for trainers, (iii) Costs for infrastructure, and equipment, (iv) Training material costs, and (v) Others.
- Wages and equivalent for interns

According to the study results, the gross costs of all the 14 enterprises for internship programmes is VND 8,463 billion (approximately USD 400,000 at the exchange rate of VND 21.300/dollar) of which the highest expenditure is for wages (allowances equivalent to wage), bonuses and lunch or breaktime meals for interns. Spending for these items reaches VND 5.7 billion accounting for 68% total spending. All the enterprises provided interns with lunch, drinking water (some enterprises provided milk for the break time) and dinner for overtime work. Generally, the enterprises state that the interns are entitled to the same “welfare treatment” above as other employees of the enterprises. In addition, 9 out of 14 enterprises paid wages to interns with the basic rate based on the number of days of internship/work at the enterprises.

Wage and other allowances including lunch and drinking water for interns range between VND 2 and 3 million/month and the highest recorded is VND 4 million. Five enterprises provided interns with lunch and drinking water only, spending VND 500,000 to VND 900,000/month per intern. Internship relations are mainly based on traditional relationships between vocational training institutions and enterprises, but whether an enterprise pays a certain amount of wage to interns depends on the enterprise’s true need for the interns’ support for their production and business activities. Three large FDI enterprises interviewed say that they can easily attract interns because of their established “trademark” and “prestige” though they do not offer any payment. Quite a contrary, some domestic enterprises cannot recruit many interns though they are willing to pay considerable wages due to lack of fame and trust. According to most of the surveyed enterprises (12 out of 14), the internship programmes were at low or average training levels. As interns were mainly engaged in simple jobs, and some
even did not take part in any specific activity, the wage paid for their work was insignificant.

- Personnel costs

Next is the personnel costs for technicians and workers who are directly involved in supervision and apprenticeship multiplying with the time spent for interns during the internship. These costs include salaries, bonuses, lunch, health insurance, social security, and other welfare packages (travel, telephone, paid holiday). Most enterprises spend from 2 to 5 days for orientation and training for interns on rules and regulations on production and safety. Then, depending on the jobs assigned to interns, the enterprises arrange a number of technicians or skilled workers to instruct and supervise interns. The study shows the personnel costs of 14 enterprises is nearly 15% of the total costs. However, as mentioned earlier, the personnel costs for internship vary greatly among enterprises depending on the occupation. The highest rate recorded of one enterprise is VND412 million while the lowest is VND1.5 million. The average personnel cost of an enterprise is VND 91 million per internship programmeme, and the average personnel costs per one intern per month is around VND 937,000.

In the personnel costs of most enterprises, the costs of high ranking managers such as Director, Head of personnel department and of supporting staffsin administration and accounting are not included as these are not directly involved in internship. These costs are only inclusive if the enterprise confirms that this personnel spend a significant rate of time on the internship programmeme.

- Costs for infrastructure (buildings), machineries and equipment

As surveyed, costs for buildings, machines, and equipment (including costs of depreciation, maintenance and energy) make up only about 5% of the total. What is worth noting when analyzing components of costs is the costs for infrastructure, machines and equipment. If enterprises utilize buildings, equipment and machines or a specific rate (of time) for internship activities only, these costs will be counted towards the costs of the internship programmeme. However, for most surveyed enterprises, the internship was carried out right on the production line and contributed directly to the production. In reality, enterprises’ production activities are virtually free from any impact of the internship. The study recorded a few cases where enterprises utilize buildings and some facilities for internship purposes while most enterprises (8/14) do not separate between production and internship. Then the costs for infrastructure and equipment as well as material and energy are not counted as internship costs.

Costs for production material in training

Interns directly involved in production are usually assigned with rather simple jobs or strictly supervised so losses in production material are minimal. As estimated by enterprises, costs for production material used for training are very insignificant, only around 1%.

- Other costs

Other costs, including uniforms, protective clothing, travel expenses,
catering and housing, account for a considerable proportion of 12%. This means nearly VND 600,000 per intern per cohort and nearly VND 230,000 per intern per month on average. These costs vary very little among enterprises. Those providing housing support spent around VND500,000 to VND800,000 for one intern a month; otherwise, other costs total VND100,000 to VND300,000 a month per intern.

Figure 38: Average costs for internship per intern per month

(Unit: dong)

8.2.2. Benefits analysis

The structure of benefits gained by enterprises from internship comprise three categories: (i) Direct/actual benefits from interns’ engagement in production, (ii) Saving of recruitment and initial training costs and (iii) other unquantifiable benefits such as interns’ contribution to improved product/service quality and improved value and sales; improved social responsibilities (CSR) and status of enterprises.

From the survey results, 97% of the gross quantifiable benefits gained by enterprises from internship is from interns’ direct involvement in production (in place of employees of enterprises). The rest comes from savings of recruitment (after the internship, interns are employed by enterprises, which helps save costs for new recruitment).
- **Benefits from production during internship**

Although interns’ productivity is lower than that of workers in the same positions, the benefits they bring to enterprises are not modest. Half of the surveyed enterprises assessed that interns are quick in learning the requirements of the job and can get used to machines and equipment after 2 – 3 weeks and can perform required skills for the job. Regarding interns’ productivity, most of the surveyed enterprises state that interns are often assigned with uncomplicated jobs, so they can achieve the productivity of 90% or highest at 97% of that of a worker doing the same job. Despite some comments that a number of interns do not demonstrate positive attitudes during the internship, all interns can make considerable contributions to enterprises with the average productivity of 80% of their employees. Therefore, estimations of benefit from production generated by interns in 14 enterprises are quite considerable. However, benefits gained by different surveyed enterprises vary noticeably with the highest recorded gross benefits of VND3.58 billion and the lowest nearly VND100 million. Apart from the intern’s productivity, it is obvious that enterprises having more interns and a longer time of internship would gain larger gross benefits. It is also worth noting that this is not “net” benefit, that is large gross benefits do not necessarily mean internship brings “profit” as comparisons between benefits and costs must be done to subtract the costs. This will be further discussed in section 8.2.3 Comparison of benefits and costs.

- **Saving of recruitment and initial training costs**

In addition to the benefits from production during internship, the study has worked out the amount of savings from recruitment of interns which is nearly VND 310 million. Such benefits are calculated from (i) the number of interns recruited after the internship programmeme, and (ii) average recruitment costs (including initial training costs) of each enterprise.
Instead of having to look for recruits, organize tests, interviews and probation as well as spending on initial training for new recruits, employment of interns those have demonstrated desirable abilities and qualities during the internship proves to be a reasonable choice which is time saving and cost effective. Other benefits brought about by interns to enterprises, including other activities such as cleaning of building, cleaning and maintenance of machines and equipment, are not counted as most enterprises consider these as regular tasks performed by employees at work.

- Unquantifiable benefits

In addition to interns’ contributions to production, a few enterprises maintain that interns from vocational training institutions have received well planned training as well as a good professional knowledge, so some interns can contribute ideas to renovate production methods for improved quality and productivity for enterprises. Beside, the presence of interns working in enterprises also generates a momentum for employees of the enterprises to “compete” and try harder. 100% surveyed enterprises agree that running internship programmes enable them to perform their social responsibility. Many enterprises assess that this activity helps them create a better image and trademark and greater influence and improved status in the locality.

Another practical benefit acknowledged by most enterprises is that receiving interns helps them prepare for and select future employees. Therefore, these enterprises are willing to cooperate and highly appreciate cooperation with vocational training institutions. The study has also documented the shortage of skilled workers faced by large enterprises which have the need for hundreds of interns in the two surveyed occupations and are ready to spend considerable amounts for interns and institutions during internship programmes. This shows that many enterprises have been well aware of the benefits they can gain from running internship programmes and reception of interns stems from enterprises’ needs. The table below indicates unquantifiable benefits with 5 points for the most important and 1 for insignificant or having no impact.

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Points</th>
<th>Number of respondents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improved status and social responsibility (CSR)</td>
<td>4.21</td>
<td>14</td>
</tr>
<tr>
<td>Improved employee loyalty/reduced impacts of long-term personnel fluctuation</td>
<td>3</td>
<td>14</td>
</tr>
<tr>
<td>Improved product/service quality</td>
<td>2.38</td>
<td>13</td>
</tr>
<tr>
<td>Greater influence in associations and public authority agencies</td>
<td>1.83</td>
<td>12</td>
</tr>
<tr>
<td>Eligible for preliminary screening in public bids</td>
<td>1.46</td>
<td>13</td>
</tr>
<tr>
<td>Reduced tax for training costs/other benefits from state support</td>
<td>1</td>
<td>10</td>
</tr>
</tbody>
</table>

Table 31: Unquantifiable benefits
8.2.3 Comparison of benefits and costs

- Costs - Benefits analysis

The Costs - Benefits analysis reveals: Gross net benefits brought about by the internship cohorts at the 14 surveyed enterprises totaled VND3.256 billion (the disparity between gross costs of VND8.455 billion and gross benefits of VND11.712 billion). 10 out 14 enterprises gained significantly higher benefits than costs including two enterprises achieved a “net profit” of about VND1 billion. Comparisons between costs and benefits also show that three enterprises achieved a “rate of profit” of over VND3 million per intern per month, that is an intern could create a “profit” of VND3 million/month for the enterprise, three other enterprises earned VND1.5 – 1.8 million/intern/month, and the rest earned about VND700,000 – 800,000/intern/month (with the lowest gain of VN170,000/month).

The survey also proves that even for enterprises having higher costs than benefits for the internship programme, the “losses” of these four enterprises were modest, as the biggest loss was only VND 36.793 million, equivalent to the cost of VND 82,000 per intern per month on average, and the smallest loss was about VND 1 million, equivalent to VND 34,000/intern/month. Therefore, the costs for interns are acceptable if they are not too high. Beside, in spite of a certain amount of loss, some enterprises stated that the enterprises might have had to bear greater losses if they could not recruit labours as needed without the interns.

Averagely, spending on an intern in a month of enterprises is VND 3.65 million, while the gain is VND 4.85 million. Thus, on average, each intern creates a profit of VND 1.2 million/month for the enterprise. Therefore, if enterprises can incorporate internship programmes with production, they can generate considerable benefits. This result can be an important factor to convince
and encourage enterprises to cooperate with vocational training institutions in arranging internship programmes for students.

Table 32: Overview on Costs and Benefits for internship

(Unit: dong)

<table>
<thead>
<tr>
<th>Enterprises</th>
<th>Gross costs for internship program</th>
<th>Average costs/intern/month</th>
<th>Gross benefits for internship program</th>
<th>Average benefits/intern/month</th>
<th>Difference between costs and benefits</th>
<th>Average gains per intern per month</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>176,445,067</td>
<td>3,528,901</td>
<td>250,887,700</td>
<td>5,017,754</td>
<td>74,442,633</td>
<td>1,488,853</td>
</tr>
<tr>
<td>2</td>
<td>1,926,793,200</td>
<td>4,281,763</td>
<td>1,890,000,000</td>
<td>4,200,000</td>
<td>-36,793,200</td>
<td>-81,763</td>
</tr>
<tr>
<td>3</td>
<td>16,718,563</td>
<td>835,928</td>
<td>30,786,500</td>
<td>1,539,325</td>
<td>14,067,937</td>
<td>703,397</td>
</tr>
<tr>
<td>4</td>
<td>2,669,403,000</td>
<td>3,195,458</td>
<td>3,582,773,810</td>
<td>3,980,860</td>
<td>913,370,810</td>
<td>785,402</td>
</tr>
<tr>
<td>5</td>
<td>431,168,100</td>
<td>4,106,363</td>
<td>449,456,000</td>
<td>4,280,533</td>
<td>18,287,900</td>
<td>174,170</td>
</tr>
<tr>
<td>6</td>
<td>109,354,400</td>
<td>2,187,088</td>
<td>99,033,333</td>
<td>1,980,667</td>
<td>-10,321,067</td>
<td>-206,421</td>
</tr>
<tr>
<td>7</td>
<td>633,771,400</td>
<td>6,070,306</td>
<td>658,519,500</td>
<td>6,968,460</td>
<td>24,748,100</td>
<td>898,154</td>
</tr>
<tr>
<td>8</td>
<td>222,581,250</td>
<td>3,709,688</td>
<td>330,500,000</td>
<td>5,508,333</td>
<td>107,918,750</td>
<td>1,798,646</td>
</tr>
<tr>
<td>9</td>
<td>92,585,100</td>
<td>1,543,085</td>
<td>294,000,000</td>
<td>4,900,000</td>
<td>201,414,900</td>
<td>3,356,915</td>
</tr>
<tr>
<td>10</td>
<td>382,500,000</td>
<td>1,275,000</td>
<td>1,451,280,000</td>
<td>4,837,600</td>
<td>1,068,780,000</td>
<td>3,562,600</td>
</tr>
<tr>
<td>11</td>
<td>144,580,000</td>
<td>4,819,333</td>
<td>143,557,500</td>
<td>4,785,250</td>
<td>-1,022,500</td>
<td>-34,083</td>
</tr>
<tr>
<td>12</td>
<td>482,828,400</td>
<td>8,621,936</td>
<td>465,066,100</td>
<td>8,304,752</td>
<td>-17,762,300</td>
<td>-317,184</td>
</tr>
<tr>
<td>13</td>
<td>554,825,178</td>
<td>4,202,710</td>
<td>760,775,167</td>
<td>5,852,117</td>
<td>205,949,989</td>
<td>1,649,407</td>
</tr>
<tr>
<td>14</td>
<td>611,993,167</td>
<td>2,719,970</td>
<td>1,305,446,000</td>
<td>5,801,982,222</td>
<td>693,452,833</td>
<td>3,082,013</td>
</tr>
<tr>
<td>15</td>
<td>8,455,546,824</td>
<td>3,649,823</td>
<td>11,712,081,610</td>
<td>4,854,117</td>
<td>3,256,534,785</td>
<td>1,204,293</td>
</tr>
</tbody>
</table>

- Costs - benefits analysis of the two surveyed occupations

According to the study, the average costs of nine enterprises running the internship programmes in metal cutting are about VND4.34 million while these are nearly VND1 million lower for Industrial electrics (about VND2.4 million). However, the benefits generated by the interns of metal cutting are relatively high, averagely VND5.7 million/intern/month resulting in the ‘net’ benefit of approximately VND1.37 million for this occupation, about VND400,000/intern/month higher than that of industrial electrics (average benefits of VND3.3 million/intern/month and net benefit of VND911,000). In reality, workers of metal cutting occupation at enterprises have a higher average salary than in industrial electrics. This demonstrates that high costs for internship programmes do not necessarily mean losses, but quite a contrary, in some cases when enterprises accept a high amount of investment, they can gain significant benefits.
8.3. Findings and recommendations

Findings:

- The analysis model and calculations of the study have shown positive results in the costs – benefits relationship for enterprises receiving interns. (12 out of 14 surveyed enterprises gained positive benefits regardless of other unquantifiable benefits).

- Most of the enterprises admit that internship programmes have brought about benefits. First, the enterprises could select and recruit capable interns through the internship programme. Second, the enterprises could use the interns for seasonal or short-term contracts and projects.

- The scope of tasks assigned to interns within internship programmes is rather limited, mainly focusing on uncomplicated jobs. The enterprises tend to assign jobs to meet their own business and production requirements and progress instead of the trained occupation.

- No enterprise hires external experts or has a full-time position for the work related to internship; most of the enterprises use their own technicians or skilled workers as supervisors and instructors for the internship programmes.

- However, in addition to the use of interns as substitute workers, a number of enterprises have offered favourable conditions for interns to improve skill during the internship, including the development of internship programmes with contents for skill practice and improvement and provision of equipment and work space for internship purposes (most of these enterprises hold internship programmes for Metal cutting occupation). These enterprises highly appreciate the benefits of internship programmes, considering these as the preparation of the medium and long-term workforce.
- In addition to economic benefits, receiving interns can enable enterprises to deal with the lack of labours and improve their image and status in the community.

- Most of the surveyed enterprises highly appreciate the relationship with vocational training institutions and hope to recruit interns. This shows the potential of the cooperation between institutions and enterprises and the opportunity for improved quality and effectiveness of internship programmes.

- **Recommendations:**

- **To policy makers in education – vocational training:**

  Develop and issue regulations to ensure training quality of internship programmes. According to the survey results, conditions and factors affecting internship programmes are still inadequate. Therefore, it is necessary to set standards for training levels and qualifications of instructors at enterprises.

  + Develop principles on approaches to internship programme development to achieve training objectives and quality standards as well as meet the demand of enterprises.

  + Enterprises shall have to pay an amount of fee to the training fund (established in the future), if they do not run internship programmes.

  + Develop regulations on wage levels for interns to avoid the situation where enterprises use interns as cheap labour.

  + Develop monitoring and assessment tools to evaluate and improve internship programmes. Deeper research into enterprise participation in vocational training is needed (training and further training activities conducted at enterprises).

  + Conduct further policy research and consultation with more detailed analyses in developing regulations and guidance to increase the scale and quality of training activities at enterprises. It is proposed that these recommendation be implemented within the framework of the Programme for Vocational training reform in Viet Nam.

- **To enterprises:**

  + Coordinating with vocational training institutions to develop internship programmes to suit the production context of enterprises and training curricula of institutions;

  + Identify other cooperative activities with training institutions on the basis of mutual benefit;

  + Pay wages or allowances to interns corresponding to their contribution.

- **To vocational training institutions:**

  Vocational training institutions should strengthen cooperation with enterprises via different activities namely:

  + Sending teachers/instructors for practice at enterprises; Enhancing exchange of knowledge and experience between teachers and enterprise staffs involved in supervising and instructing interns at enterprises;

  + Developing training curricular and standards (including internship curricula) in coordination with enterprises to clearly identify roles and responsibilities of each party;

  + Cooperating with enterprises to develop a mechanism for assessment of vocational skills for students prior to graduation.
The study reveals that internship programmes at enterprises are necessary and beneficial to the three parties involved: interns, institutions and enterprises. Enterprises can gain considerable economic benefits through the direct use of interns in production and as substitute workers when necessary; and improved corporate image and social responsibility are other added values. Nevertheless, the quality of internship programmes is not high, which requires further research and cooperation for development and „institutionalisation“ of training standards and detailed regulations for training programmes. The organisation of internship programmes should be based on the training objectives of „enhancing occupational skills and work experience for interns“ while meeting the production demand and plan of enterprises. Many enterprises demonstrate a positive attitude in cooperating with vocational training institutions. This has a great potential and opportunity to strengthen the „bond“ between vocational training institutions and enterprises not only in organising internship programmes but also in other activities.

- Although this is a preliminary study of a small scope, the study has proposed the approach and method to quantify and calculate different items of costs and benefits of enterprises in running internship programmes, and has gained reliable results as assessed by the surveyed enterprises themselves.
9. LABOUR MARKET AND VOCATIONAL TRAINING

9.1 Labour supply

*Supply in quantity*

- The population in 2013 is 89.7 million, 50.5% of which are females and 49.5% are males; 32.4% population are urban dwellers and 67.6% are in rural areas.

- The 15-and-above population is 68.7 million, which is 76.6% of the entire population with 48.6% of males, 51.4% females, 33.2% urban and 66.8% rural dwellers. Among these, the 15-24 population accounts for 14.9% of the 15-and-above population.

- The labour force of 15-and-above is 53.2 million nationwide, with 25.9 million women (48.7%).

- The labour force is disproportionately distributed between rural and urban areas and among socio-economic regions. Specifically, 69.9% of the labour force are in the rural areas; 63.5% of the total labour force concentrate in three regions of the Red River Delta, North Central and Coastal Region, and Mekong River Delta; 16.5% in the Eastern South; and 13.9% and 6% in the North’s Mid Land and Mountainous Areas and the Western Highland, the two regions with the smallest labour force, respectively.

*Figure 42: Labour force distributed by socio-economic regions*

(Source: 2013 Labour – Employment Survey, General Statistics Office of Viet Nam)

- The proportion of the 15 and over population in the labour force is 77.5%, with a noticeable disparity between that of males and females (82.1% and 73.2%) and between urban and rural areas (70.3% and 81.1% respectively).

- Viet Nam’s labour force is relatively young, with over half (51%) at the ages of 15-39, over a quarter of the labour force (26.7%) at 15-29, and nearly 15% at 15-24, approximately 7.9 million people.)
- The number of unemployed people in the reported period is 1.04 million, 2% of the 15 and over labour force with a lower rate of females than males (48.1% and 51.9%); this rate is higher in urban areas (51.3%) than in rural areas (48.8%). Unemployed people at the ages of 15-24 account for 47% of the total unemployment.

- The unemployment rate of the labour force aged 15 and over in the urban areas is 2.06%. The unemployment rate of the labour force at the working ages (15-55 for females and 15-60 for males) is higher in urban areas (3.59%) than in rural areas (1.54%) and higher among women than men (2.24% and 2.12% respectively).

**Supply in quality**

So far, no agreement has been reached between MOLISA and the General Statistics Office on how to calculate the number of trained workers. As reported by MOLISA, trained workers include formal vocational training and continuing training (irregular), under- three-month training and on-the-job training; thus the number of trained workers accounts for nearly 38% of the total labour force. Whereas, the General Statistics Office keeps records of formally trained workers only, which is 5.4%.

- Viet Nam’s human resources are young and abundant but achieve a low professional standard. According to the General Statistics Office’s records, the trained labour force is 5.4% in 2013, with 3.2% at the elementary vocational training level, 1.7% secondary and 0.5% collegial level; workers having the level of secondary technical school training account for 3.7% and 9.1% are holders of higher education degrees.

**Figure 43: Labour force distributed by qualifications**

- There are significant disparities between men and women in the trained labour force, between urban and rural areas. Specifically:
  + The trained labour force in urban areas (33.7%) nearly triples that of rural areas (11.7%); especially the number of workers at the higher education level in urban areas is 5.4 times higher than in rural areas. There are more trained male workers than female (20.9% and 15.8%); and especially the number of men with vocational training is nearly four times as many as women (8.2% and 2.3%).

Table 33: Labour force by genders, urban/rural areas and qualifications

<table>
<thead>
<tr>
<th>Distribution by qualifications</th>
<th>Total</th>
<th>Male</th>
<th>Female</th>
<th>Urban areas</th>
<th>Rural areas</th>
</tr>
</thead>
<tbody>
<tr>
<td>No professional qualifications</td>
<td>81.8</td>
<td>79.1</td>
<td>84.2</td>
<td>66.3</td>
<td>88.3</td>
</tr>
<tr>
<td>Vocational elementary training</td>
<td>3.2</td>
<td>4.9</td>
<td>1.4</td>
<td>4.9</td>
<td>2.4</td>
</tr>
<tr>
<td>Vocational secondary training</td>
<td>1.7</td>
<td>2.6</td>
<td>0.7</td>
<td>2.7</td>
<td>1.2</td>
</tr>
<tr>
<td>Technical secondary education</td>
<td>3.7</td>
<td>3.5</td>
<td>4.1</td>
<td>5.5</td>
<td>3.1</td>
</tr>
<tr>
<td>College</td>
<td>0.5</td>
<td>0.7</td>
<td>0.2</td>
<td>0.7</td>
<td>0.4</td>
</tr>
<tr>
<td>University and above</td>
<td>2.0</td>
<td>1.5</td>
<td>2.7</td>
<td>3.2</td>
<td>1.6</td>
</tr>
<tr>
<td>University and above</td>
<td>7.1</td>
<td>7.6</td>
<td>6.7</td>
<td>16.7</td>
<td>3.1</td>
</tr>
</tbody>
</table>


- As of the fourth quarter of 2013, the unemployment rate of untrained workers is 1.39% while a higher rate of unemployment (10.99%) is found among workers at college and university levels and 3.48% for technical secondary school leavers. The unemployment rates for workers with vocational training are 7.68%, 2.6% and 2.26% for the levels of vocational college, secondary vocational training and elementary vocational training respectively.

Figure 44: Unemployment distributed by qualifications

(Source: 2013 Labour – Employment Survey, General Statistics Office of Viet Nam)
9.2. Labour demand

**Domestic labour demand**

In 2013, 52.2 million people nationwide are employed, accounting for 98.1% of the labour force with 70.3% residing in rural areas and 48.6% being females. In the number of employed workers, the North Central and Coastal Region and Mekong River Delta make up the highest proportion, at 21.8% and 19.3% respectively while the Western Highlands has the lowest rate (6.1%).

Distributed by economic sectors: agriculture, forestry and aquaculture account for the highest proportion of 46.8%; the service sector has 32.0% and the industry and construction sector 21.2%.

Table 34: Employed worker distributed by economic sectors and qualifications

<table>
<thead>
<tr>
<th>Qualifications</th>
<th>Total</th>
<th>Agriculture, forestry and aquaculture</th>
<th>Industry and construction</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total</strong></td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>No professional qualifications</td>
<td>82.0</td>
<td>96.4</td>
<td>81.6</td>
<td>62.0</td>
</tr>
<tr>
<td>Vocational elementary training</td>
<td>3.2</td>
<td>0.7</td>
<td>5.1</td>
<td>5.3</td>
</tr>
<tr>
<td>Vocational secondary training</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>Technical secondary education</td>
<td>96.4</td>
<td>81.6</td>
<td>62.0</td>
<td>82.0</td>
</tr>
<tr>
<td>College (academic)</td>
<td>0.7</td>
<td>5.1</td>
<td>5.3</td>
<td>3.2</td>
</tr>
<tr>
<td>University and above</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
<tr>
<td>82.0</td>
<td>96.4</td>
<td>81.6</td>
<td>62.0</td>
<td>82.0</td>
</tr>
</tbody>
</table>

(Source: Calculated from the 2013 Labour supply survey, MOLISA)

Employment by economic sector: Most of the total number of 51,931 employed workers are working in the “non state” sector, accounting for 86.4%; 10.2% work in the “State” sector; only a small proportion of 3.4% work in the “Foreign invested” sector.

Employment by occupations: 41.1% of workers do simple jobs; 16.2% work as personal service providers, security guards and technical salespeople; technical workers in agriculture, forestry and aquaculture, technical handicraftsmen and other related technical workers account for 12.9%; and all the other types of workers account for less than 10% each.

Employment by qualifications: Based on the scheme of the General Department of Statistics Office, 17.9% of employed workers nationwide are trained workers with 8.9% having a college, university or higher degree, 3.7% at secondary technical education level and 5.3% having vocational training.
Employment position: salary earners account for 34.8%; most are unsalaried workers accounting for 65.2%.

Among the 52.2 million employed workers, 1.4 million are underemployed (2.7%) with 57.1% being men and 82.1% concentrating in rural areas. The majority of underemployed people are unskilled workers without qualifications (93.4% of the total number of underemployed workers).

Labour demand in enterprises

As of 31/3/2013, the total number of workers in all forms of enterprises nationwide is 10.9 million (42.9% females) with the highest proportion (33.07%) in private liability limited companies and Ltd companies with state capital <=50%; followed by 19.73% in joint stock companies without state capital; 15.88% in enterprises with 100% foreign capital; 13.98% in private enterprises; and a relatively small proportion in other types of enterprises.

Table 35: Quantity and structure of labour distributed by forms of enterprises

<table>
<thead>
<tr>
<th>Form of enterprises</th>
<th>Total number (of workers)</th>
<th>Structure (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>10,891,660</td>
<td>100.00</td>
</tr>
<tr>
<td>One member state owned Ltd. Companies</td>
<td>606,086</td>
<td>5.56</td>
</tr>
<tr>
<td>Companies, Companies ltd. with state capital &gt;50%</td>
<td>687,847</td>
<td>6.32</td>
</tr>
<tr>
<td>Private enterprises</td>
<td>1,523,152</td>
<td>13.98</td>
</tr>
<tr>
<td>Joint-stock companies</td>
<td>36,730</td>
<td>0.34</td>
</tr>
<tr>
<td>Private companies ltd., Companies Ltd with state capital &lt;=50%</td>
<td>3,602,329</td>
<td>33.07</td>
</tr>
<tr>
<td>Joint stock companies without state capital</td>
<td>2,148,802</td>
<td>19.73</td>
</tr>
<tr>
<td>Joint stock companies with state capital &lt;=50%</td>
<td>450,326</td>
<td>4.13</td>
</tr>
<tr>
<td>100% foreign invested enterprises</td>
<td>1,729,985</td>
<td>15.88</td>
</tr>
<tr>
<td>Joint ventures between state owned enterprises with foreign businesses</td>
<td>43,890</td>
<td>0.40</td>
</tr>
<tr>
<td>Other types of joint ventures with foreign business</td>
<td>62,512</td>
<td>0.57</td>
</tr>
</tbody>
</table>

(Source: 2013 Survey on Labour, wage and labour demand in various types of enterprises, MOLISA)

In terms of qualifications, the highest proportion belongs to workers without qualifications in enterprises (27.91%); up to 20.12% are technical workers without a vocational training certificate; holders of university degree and higher account for 16.53%; and holders of a vocational college degree account for 2.53%, the lowest proportion.
Table 36: Enterprise labour structure distributed by forms of enterprises and qualifications

(Unit: Number of workers)

<table>
<thead>
<tr>
<th>Form of enterprises</th>
<th>Total</th>
<th>No professional qualification</th>
<th>Technical workers without vocational qualification / certificate</th>
<th>Under three months - vocational training certificate</th>
<th>Elementary vocational/ short term (under 12 months) vocational training certificate</th>
<th>Long term/ Secondary vocational training certificate</th>
<th>Secondary technical education certificate</th>
<th>Vocational training college</th>
<th>Technical education college</th>
<th>University and higher</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>100.00</td>
<td>27.91</td>
<td>20.12</td>
<td>4.09</td>
<td>6.66</td>
<td>7.28</td>
<td>7.64</td>
<td>2.53</td>
<td>7.23</td>
<td>16.53</td>
</tr>
<tr>
<td>One member State owned Ltd. Company</td>
<td>100.00</td>
<td>21.30</td>
<td>16.43</td>
<td>9.29</td>
<td>8.57</td>
<td>14.45</td>
<td>9.51</td>
<td>1.31</td>
<td>4.12</td>
<td>15.02</td>
</tr>
<tr>
<td>Company, Company Ltd with state capital &gt;50%</td>
<td>100.00</td>
<td>29.52</td>
<td>11.87</td>
<td>3.94</td>
<td>9.47</td>
<td>13.80</td>
<td>6.34</td>
<td>2.31</td>
<td>6.97</td>
<td>15.78</td>
</tr>
<tr>
<td>Private enterprises</td>
<td>100.00</td>
<td>27.63</td>
<td>15.39</td>
<td>3.54</td>
<td>6.66</td>
<td>7.79</td>
<td>9.02</td>
<td>2.95</td>
<td>8.78</td>
<td>18.25</td>
</tr>
<tr>
<td>Joint Stock Companies</td>
<td>100.00</td>
<td>23.33</td>
<td>17.54</td>
<td>3.77</td>
<td>7.74</td>
<td>7.40</td>
<td>8.54</td>
<td>3.23</td>
<td>8.49</td>
<td>19.97</td>
</tr>
<tr>
<td>Private company Ltd, Company Ltd with state capital &lt;=50%</td>
<td>100.00</td>
<td>24.41</td>
<td>18.80</td>
<td>4.28</td>
<td>6.49</td>
<td>6.69</td>
<td>8.77</td>
<td>2.95</td>
<td>8.60</td>
<td>19.00</td>
</tr>
<tr>
<td>Joint stock company without state capital</td>
<td>100.00</td>
<td>23.01</td>
<td>16.43</td>
<td>3.51</td>
<td>6.74</td>
<td>7.41</td>
<td>7.96</td>
<td>3.09</td>
<td>9.19</td>
<td>22.67</td>
</tr>
<tr>
<td>Joint stock company with state capital &lt;=50%</td>
<td>100.00</td>
<td>31.42</td>
<td>24.26</td>
<td>3.78</td>
<td>13.57</td>
<td>5.81</td>
<td>4.90</td>
<td>1.67</td>
<td>4.57</td>
<td>10.01</td>
</tr>
<tr>
<td>100% foreign invested enterprise</td>
<td>100.00</td>
<td>41.59</td>
<td>35.06</td>
<td>3.31</td>
<td>3.50</td>
<td>3.12</td>
<td>4.41</td>
<td>1.36</td>
<td>2.59</td>
<td>5.07</td>
</tr>
<tr>
<td>State owned joint venture with foreign business</td>
<td>100.00</td>
<td>35.94</td>
<td>24.08</td>
<td>2.31</td>
<td>3.65</td>
<td>7.32</td>
<td>5.76</td>
<td>2.44</td>
<td>5.90</td>
<td>12.59</td>
</tr>
<tr>
<td>Other types of joint venture with foreign business</td>
<td>100.00</td>
<td>44.91</td>
<td>20.87</td>
<td>2.22</td>
<td>3.09</td>
<td>9.21</td>
<td>4.44</td>
<td>1.49</td>
<td>4.36</td>
<td>9.40</td>
</tr>
</tbody>
</table>

(Source: 2013 Survey on Labour, wage and labour demand in various types of enterprises, MOLISA)
Distribution by economic sectors: enterprises operating in the commercial and service sector account for the highest proportion of 67.3% with 34.3% of the total number of workers; enterprises in industries and construction are only 31.7% with 63.2% total workers; and enterprises in agriculture, forestry and aquaculture make up a small proportion (1.0%) with 2.5% total workers.

Figure 47: Distribution of workers in enterprises by economic sectors

(Source: 2013 Survey on Labour, wage and labour demand in different types of enterprises, MOLISA)

Enterprises in agriculture, forestry and fishery employ the largest number of workers with under three-month vocational training certificates (11.64%) whereas enterprises in the industry and construction sector employ many workers with no vocational qualifications (upto 80.1%); and enterprises of the commerce and service sector mainly use workers with high qualifications: College diploma (58.07%), University degree and higher (57.96%), Secondary technical qualifications (52.52%) and vocational college diploma (47.54%).
Labour demand abroad

The number of workers going abroad under contract in 2013 was 88,155 (of which 31,769 were women) in about 30 job categories (with 60% of unskilled workers and 40% of skilled workers). The number of workers in the Taiwanese market was 46,368 accounting for 52.6%). Viet Nam has extended the job list and forms of working abroad. For example, (1) over 100 nurses have been sent to Germany on a pilot programme for training and working under the cooperation programme between Viet Nam and Germany; (2) 150 Vietnamese nurses and assistant nurses completed one year training prior to going to Japan to work early 2014; and (3) 100 Vietnamese students and tourists went to New Zealand to work under a vacation scheme.
More Vietnamese workers have been sent to Russia (about 476), Belarus (403) and Libya (1,200).

By the end of 2013, the number of organizations having been granted labour export licenses was 178 (of which 83 were state owned enterprises, 82 joint stock enterprises and 13 companies of limited liabilities).

In the first six months of 2014, 31,928 workers nationwide were sent abroad to work (10,961 of which were females) reaching 63.45% of the yearly target of 87,000 for 2014, an increase of 8,651 people compared with the first quarter of 2014. The Taiwanese market still topped the list with 19,676 workers (accounting for 61.63%).

125 candidates have been recruited to train for nursing to work in Germany (the second batch). The training is planned to take place in September 2014.

150 nurse candidates (the first batch) were trained before going to work in Japan in June 2014.

So far, 194 businesses have been granted with licenses by the MOLISA in exporting Vietnamese workers under contract (with 84 state owned businesses, 98 joint stock companies and 12 companies ltd.).

9.3. Salaries and wages

This report only addresses salaries/wages, bonuses and work allowances (overtime, toxic work allowances) of the “salaried” category

18.2 million (34.8%) of the total number 52.2 million employed people are salaried workers with the average monthly salary of VND 4,120,000/month/worker. Men earn more than women (VND 4,287,000 and 3,884,000/month; As against 2012, the salary level has increased 1.08 times for both genders.

Meanwhile, the disparity in the average monthly salary and wage between the urban and rural areas is large (VND 4,919 thousand/month and VND3,476 thousand).
There is a big difference in the average monthly salary/wage due to qualifications. Workers without qualifications earn VND 3,284,000/month on average (an increase of 5.7% from 2012) while workers with university and higher qualifications earn nearly twice as much (VND 6,582,000/month, an increase of 8.9% from 2012); trained workers earn more than workers with secondary technical education (VND 4,579,000/month, a 7.7% increase from 2012 as compared with VND 4,391,000 and a 12.8% increase). Workers at college training level earn VND 4,719,000/month on average, (10.1% higher than in 2012). Distributed by economic forms: the state economic sector has the average salary/wage of only VND3,523,000/month.

Distributed by economic sectors: the service industry has the highest income (VND 4,733,000/month, 19.8% higher than in 2012), followed by industries and construction (VND 3,903,000/month, an increase of 6.3%) and agriculture, forestry and aquaculture offers the lowest salary (VND 2,624,000/month, an increase of 1.2% from 2012).

**Labour migration**

As of 31/12/2013, there were 870.8 thousand migrant workers aged 15 and higher within 12 months, with 58.9% females and 52.2% from rural areas. The North Central and Coastal Region attracted the most migrant workers (22.1%)
Of the 870.8 thousand migrant workers, 83.1% participated in the labour force with a noticeable gap between males and females (89.7% and 78.6%) and between urban and rural areas (78.6% and 87.3%). 656.3 thousand migrant workers are employed with urban areas having a lower rate than rural areas (by 6.1%) and females 10.6% lower than males. While the group of young people (15-24) makes up nearly 47%, its migrant workers accounts for only 41%.

About 67.7 thousand migrant workers are out of work; the unemployment rate of migrant workers in rural areas is higher than in urban areas (10.4% and 8.1%) and that of females higher than that of males (9.6% and 9.0%), and highest in the young age group (14.4%).

### Table 37: Labour migration in 2013

<table>
<thead>
<tr>
<th>Place of Residence/ Age group</th>
<th>Over 15 migrants (1000)</th>
<th>Proportion (%)</th>
<th>Migrant workers’ Rate of participation in labour force (%)</th>
<th>Employment rate of migrant population of over 15(%)</th>
<th>Unemployment rate of migrants (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>870.8</td>
<td>100.0</td>
<td>83.1</td>
<td>75.4</td>
<td>9.4</td>
</tr>
<tr>
<td>Place of residence</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>416.4</td>
<td>47.8</td>
<td>78.6</td>
<td>72.2</td>
<td>8.1</td>
</tr>
<tr>
<td>Rural</td>
<td>454.4</td>
<td>52.2</td>
<td>87.3</td>
<td>78.3</td>
<td>10.4</td>
</tr>
<tr>
<td>Age group</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15-24</td>
<td>409.0</td>
<td>47.0</td>
<td>76.8</td>
<td>65.8</td>
<td>14.4</td>
</tr>
<tr>
<td>25-54</td>
<td>425.1</td>
<td>48.8</td>
<td>92.8</td>
<td>87.6</td>
<td>5.6</td>
</tr>
<tr>
<td>55-59</td>
<td>15.0</td>
<td>1.7</td>
<td>61.1</td>
<td>59.3</td>
<td>2.9</td>
</tr>
<tr>
<td>60 and over</td>
<td>21.8</td>
<td>2.5</td>
<td>28.6</td>
<td>28.6</td>
<td>0.0</td>
</tr>
</tbody>
</table>

(Source: 2013 Labour – Employment Survey, General Statistics Department)

### 9.4. Transactions in the labour market

As reported by the Department of Employment, MOLISA, there are 130 employment promotion centres nationwide and over 100 businesses providing employment services which have contributed to connect labour supply and demand and adjust the Vietnamese labour market in 2013.

Employment promotion centres have provided job counseling and job placement services to 1.68 million turns of workers (with job counseling services for 1 million people, vocational training
counseling for 420 thousand people; and counseling on work policy and mechanism for 252 thousand people) an increase of 14.28% from 2012; organized 960 job transaction sessions, 1.2 times higher than in 2012, attracting about 30 – 40 businesses and 600 – 700 workers to each session on average 350 – 450 of which were shortlisted and interviewed via the job transaction floors. Up to 80% of recruited positions were for unskilled workers mainly in garment, leather footwear, agriculture, forestry and aqua product processing businesses.

According to the results of the 2013 Labour – Employment survey, 53.8% of job seekers find jobs via personal relations “Friends and relatives,” followed by “Job applications” (35.1%) and a relatively small percentage of other forms (under 6%).

In the two common ways of job seeking mentioned above, while sending a “job application letter” is practiced mainly by workers with qualifications of Secondary technical education and higher, most people using personal relations via “Friends and relatives” do not have any qualifications. There are many similarities in job seeking between workers in urban and rural areas.

### Conclusion

Characteristics of the labour market relating to vocational training in 2013:

- Differences remain in the perspectives toward the trained worker force of MOLISA and GSO. This has resulted in very large disparities in the statistic figures of the trained workforce and qualification structure published by the two agencies. Such disagreement will affect a number of policies and might lead to misunderstanding of the Vietnamese labour market information.

- At present, many companies are operating in the field of labour export. The number of Vietnamese workers working abroad under contract is quite large. However, most of them are untrained workers and mainly work in Asian countries.

- Workers’ average salary in all industries and sectors increased in 2013. However, it is not accurately assessed whether the increase is due to increased average productivity or the policy of increased minimum wage level.

- Employment promotion centres nationwide and businesses providing employment services have helped connect labour supply and demand and contributed to adjust the labour market in 2013.
Table 38: Job seeking methods by place of residence and qualifications

(Unit: %)

<table>
<thead>
<tr>
<th>Place of residence/Qualifications</th>
<th>General</th>
<th>Sending job applications</th>
<th>Contacting/consulting job service providers</th>
<th>Friends/relatives</th>
<th>Job seeking advertisement</th>
<th>Via recruitment announcement</th>
<th>Preparation for start up</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>General</td>
<td>100.0</td>
<td>35.1</td>
<td>3.8</td>
<td>53.8</td>
<td>0.3</td>
<td>5.4</td>
<td>0.5</td>
<td>1.1</td>
</tr>
<tr>
<td>Place of residence</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>100.0</td>
<td>33.5</td>
<td>4.5</td>
<td>54.0</td>
<td>0.6</td>
<td>6.2</td>
<td>0.6</td>
<td>0.7</td>
</tr>
<tr>
<td>Rural</td>
<td>100.0</td>
<td>36.8</td>
<td>3.0</td>
<td>53.7</td>
<td>0.1</td>
<td>4.5</td>
<td>0.3</td>
<td>1.6</td>
</tr>
<tr>
<td>Qualifications</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No qualifications</td>
<td>100.0</td>
<td>20.7</td>
<td>3.5</td>
<td>70.9</td>
<td>0.2</td>
<td>2.6</td>
<td>0.4</td>
<td>1.6</td>
</tr>
<tr>
<td>Vocational training</td>
<td>100.0</td>
<td>36.6</td>
<td>4.6</td>
<td>53.3</td>
<td>0.3</td>
<td>4.1</td>
<td>0.5</td>
<td>0.6</td>
</tr>
<tr>
<td>Secondary technical education</td>
<td>100.0</td>
<td>58.6</td>
<td>3.9</td>
<td>27.7</td>
<td>0.3</td>
<td>8.0</td>
<td>1.0</td>
<td>0.5</td>
</tr>
<tr>
<td>College</td>
<td>100.0</td>
<td>64.0</td>
<td>3.8</td>
<td>23.0</td>
<td>0.3</td>
<td>8.7</td>
<td>0.1</td>
<td>0.1</td>
</tr>
<tr>
<td>University and higher</td>
<td>100.0</td>
<td>57.1</td>
<td>4.2</td>
<td>24.2</td>
<td>1.0</td>
<td>12.1</td>
<td>0.9</td>
<td>0.6</td>
</tr>
</tbody>
</table>

(Source: 2013 Labour – Employment Survey, General Statistics Department)
REFERENCES

3. Ministry of Labour – Invalids and Social Affairs, Number 1, Quarter 1-2014 *Update on Viet Nam’s Labour Market*.
8. Resolution 29-NQ/TW dated 4/11/2013 of the Executive central committee on fundamental and comprehensive reform to meet the demand of industrialisation and modernisation in the socialist oriented market economy and international integration.
11. Aipperspach/Specht/Ahnfeld 2013):

Legal documents

1. Law on Vocational Training 2006;
3. Law on VETVET;
4. Law on State Budget.
6. Decree No. 49/2010/ND-CP dated 14/5/2010 stipulating on tuition exemption and reduction, support of learning expenses and the mechanism for collecting and utilising tuition fees for educational institutions in the national educational system from the academic year of 2010-2011 to 2014-2015.
7. Decree No. 60/2003 ND-CP dated 6/6/1003 by the Government detailing and guiding the implementation of the Law on State Budget.
8. Decision No. 60/2010/QĐ-TTg on 30/09/2010 by Prime Minister Issuing principles, criteria and quotas for allocation of development investment from state budget in the period 2011 – 2015.
9. Decision No. 371/QĐ-TTg on 28/02/2013 by the Prime Minister approving the Project on “Curricula transfer; training and further training of vocational teachers and management staff; and pilot training of key occupations at ASEAN and international levels” in 2012 – 2015.
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11. Decision No. 2448/QĐ-TTg on 16/12/2013 by Prime Minister approving the Project on International integration in education and vocational training until 2020.

12. Decision No. 1982/QĐ-TTg on 31/10/2014 by Prime Minister approving the Project on application of information technology in management of vocational training and learning activities.

13. Decision No. 09/2008/QĐ-BLĐTBXH dated 27/03/2008 by the Minister of MOLISA promulgating Regulations on principles and procedures for the development and issuance of the national vocational skill standards.


16. Inter-ministerial Circular No. 44/2013/TTLT-BGDĐT-BLĐTBXH-BTC stipulating the policy on education for people with disabilities.

17. Circular No. 20/2014/TT-BLĐTBXH on 26/8/2014 by the Minister of MOLISA issuing the list of hard and toxic occupations for training at vocation secondary and collegial levels.

Website

3. GDVT: http://tcdn.gov.vn
✓ Scientific research
✓ Training, further training
✓ Consultancy, transfer