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# Vietnam TVET Bulletin

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# Vietnam Labour Confederation Suggests Annual Wage Hike on Jul 1

Vietnam's government has asked relevant agencies to check the Vietnam General Confederation of Labour (VGCL)'s suggestion on conducting the annual hike of minimum wage from July 1, instead of January 1. The government made the request within its conclusion about the meeting between Prime Minister Nguyen Xuan Phuc and the VGCL in late 2020. At the meeting, the VGCL explained that the changes aim to reduce problems for firms in the Lunar New Year holiday and to ease the pressure of inflation from the wage hike. The government ordered relevant agencies to deliver their assessment by the second quarter. Besides, the government asked the VGCL and relevant units to ensure the livelihoods of labourers, especially vulnerable ones, during the upcoming Lunar New Year 2021. The government also asked the MoLISA to check the suggestion on classifying kindergarten teachers as a harsh job. (NDH, VietnamNet Jan 4)

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# Vietnam Gov't, Labour Confederation to Improve Livelihood of Workers

Vietnam's government and the VGCL will cooperate to improve the livelihood of workers, vocational training, sustainable labour market, working conditions, and others, according to the recently-issued conclusion on the meeting the Prime Minister and the VGCL in late 2020. The enhancement to the livelihoods of workers will be made via wage improvement per labour productivity and business results. Besides, the two sides will work to develop the workforce per the changes of economic sectors and per the geographical conditions, especially in rural areas. They will also collaborate to improve the training, per the conditions of Industry 4.0 and the labour market, on the basis of an open system. They also aim to update the legal framework to let all economic sectors join vocational training and boost the cooperation between vocational training schools and businesses. (Bao Chinh Phu, Bao Dan Sinh Jan 4)

# MoLISA Launches Employment Info Website on Dec 29

The MoLISA on December 29 launched its websites on employment service information, which provides job opportunities for labourers and helps recruitment of firms. The debut is a cooperation between Vietnam's MoLISA and South Korea's Ministry of Employment and Labour, per an agreement between the two ministries in 2019. The event featured Vietnamese Deputy Minister Le Van Thanh, South Korean Ambassador to Vietnam Park Noh-wan, and others. The website initially works for Vietnam's two major cities of Hanoi and Ho Chi Minh City. It will soon expand to all 63 localities. The Department of Employment, under the MoLISA, will continue cooperating with South Korean experts to ensure the smooth operation of the website. (Dan Tri, MoLISA, Bao Dan Sinh, Lao Dong, Thanh Nien Dec 29)

# MoLISA Debuts Labour Code 2019 Website



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The MoLISA on January 4 debuted its website on Labour Code 2019 at <u>http://boluatlaodong2019.molisa.gov.vn/</u>. The website provides full information about Labour Code 2019 and guiding documents. (<u>Nhan Dan</u> Jan 4)

#### Business Sector and Labour Market

#### Foreign Cooperation

## **Students of Fourth Cohort of Cooperative Training Classes at LILAMA 2 Instructed on** Work Safety, Cooperative Training Programme at Brown Bag Lunch Event

On December 29, 2020, students of the fourth cohort (K13) of the German standard Cooperative Training classes from 4 occupations: Mechatronics, Industrial Electronics, Metal Cutting and Construction Mechanics were invited to the Brown Bag Lunch - Introduction to the Cooperative Training Programme and Work safety in workshops at LILAMA 2 International Technology College (LILAMA 2). Mr. Tran Huu Phuoc, Teacher of Mechatronics at LILAMA 2, welcomed and presented to all students an overview on the individual steps of the cooperative training and its general results. During the piloting of the Cooperative Training, not only the occupational standards and training programmes were developed, training phases in the company and at the college in-line with the training programmes conducted by appointed in-company trainers and qualified teachers of LILAMA 2, as well as the equivalence to German training regulations recognised by the German Chamber of Crafts (HWK Erfurt). During the event, the students were provided with the personal protection equipment together with the instructions on how to use them, and detailed information on the final examination. Mr Andreas Fischer - the Development Advisor, on behalf of the Programme Reform of TVET in Vietnam, gave the students the protection facilities and instructed them on how to use protective jackets, shoes, glasses and helmets. LILAMA 2 teachers, including Mr. Nguyen Hong Tien (Vice Dean of Mechanics) and Ms. Nguyen Thi Thuc Han (Teacher of International Electrics – Electronics), presented on the process and regulations of the final examination Part one "Work Assignment with situational professional conversation" and the Part two "Customer Order with situational professional conversation". This also applies to the structure and weighting of the individual sections of the final examination as well as their scope in terms of time. Mr. Nguyen Quang Duc – a student of Industrial Electronics occupation – shared his thought at the end: "I found this activity very helpful, with practical information about the final examination to make us well-prepared. We are delighted to be given new personal safety equipment to ensure our safety during training and working processes. I also have a better idea about our German standard Cooperative Training Programme and the career opportunities it might bring." This activity was held within the component "Supporting High-Quality TVET Institutes" as part of the Vietnamese - German "Programme Reform of TVET in Vietnam". The programme is financed by the German Federal Ministry for Economic Cooperation and Development (BMZ), implemented by GIZ together with the MoLISA. (TVET Dec 30)

# New Labour Code to Help Vietnam Become High-Income Nation Soon: ILO

Vietnam's Labour Code 2019, which became effective on January 1, 2021, will help the country







avoid the middle-income trap and become a high-income nation soon, the International Labour Organization (ILO) said. ILO Director in Vietnam Chang-Hee Lee hailed that the new Labour Code has updates to both employers and employees. He added that the updates may only become effective as long as everyone understands such changes. ILO Vietnam listed key improvements. First, Labour Code 2019 expands the coverage to labourers without labour contracts, or about 55 million people in total, versus the current figure of 20 million people with labour contracts. Second, Labour Code 2019 strengthens protections against gender discrimination and sexual harassment at work. One example is higher retirement ages (from 60 to 62 for males and from 55 to 60 for females), which reduce the gender gaps. Third, Labour Code 2019 facilitates the legal framework for employers and employees to decide wages and working conditions through dialogues and negotiations, and the State's role is reduced to setting minimum standards, such as minimum wage and overtime work limit. Fourth, Labour Code 2019 allows workers to join workers' representative organizations, with many choices besides the VGCL. This will facilitate better solutions to labour dispute, such as meditation, labour strike, and others. ILO Vietnam hailed the government for giving guiding decrees to such changes, such as higher retirement ages and labour relations. However, ILO Vietnam noted that the government has yet to give guiding decrees on representative organizations, collective agreements, and others. (Nhan Dan, Dang Cong San, Bao Dan Sinh, ILO, ILO Dec 30)

# Vietnam Sets Cases of Foreign Expats without Working Permits in 2021

Vietnam will allow foreign people to work in Vietnam without working permits in many cases, according to the government's recently-issued Decree 152/2020/ND-CP, which clarifies some cases in the Labour Code 2019 and will become effective on February 15, 2021. Currently, the Labour Code 2019 sets eight cases, such as heads of projects or foreign organizations in Vietnam, foreigners marrying Vietnamese people, and others. Decree 152 listed 14 cases of (i) owners or capital contributors to limited liability companies with capital of VND3 billion (\$128,755) or more, (ii) chairperson or members of boards of such firms, (iii) internal transfer within firms in 11 sectors, (iv) staff of ODA projects in Vietnam, (v) people with press licenses given by the Ministry of Foreign Affairs, (vi) teachers at international schools, which operate under foreign representative offices or Vietnam's signed agreements, and (vii) volunteers. Other cases are (viii) managers, CEO, experts, high-skilled labourers working in Vietnam for 30 days or fewer and no more than thrice a year, (ix) staff working for international agreements, (x) foreign students doing internships in Vietnam or Vietnamese ships, (xi) family members of staff of foreign representative offices in Vietnam, (xii) people with diplomatic passports, (xiii) trade counsellors or people representing trade, and (xiv) people conducting research with confirmation by the Ministry of Education and Training. The MoLISA or DoLISAs are in charges of checking those cases. (Dan Viet, VKSNDTC, Bao Chinh Phu Jan 1)

# South Korea Extends Residence Permit for Stranded Vietnamese Workers

Vietnamese workers in South Korea under the Employment Permit System with E-9 visas will have their residence permits extended for 50 days. The country's immigration service announced the decision last week, according to Vietnam's Centre for Overseas Labour. People with labour





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contracts expiring between December 1, 2020, and January 31 this year will have their residence permit automatically extended for 50 days. (<u>VnEconomy</u> Jan 4)

# UKVFTA to Promote Vietnam, UK Trade: Britcham

The UK-Vietnam Free Trade Agreement (UKVFTA), which became effective on January 1, 2021, will help strengthen trade and support employment while promoting growth in both nations, said Head of the British Business Group in Vietnam (Britcham) Kenneth Atkinson. (<u>BNews</u>, <u>Vietnam Plus</u> Jan 3)

# 100 Apparel Firms from Vietnam, India Seek Cooperation Chances

About 100 apparel businesses from Vietnam and India gathered at an online conference on December 30 to seek the trade and investment cooperation chances. Ms. Pham Minh Huong, former CEO of the Vietnam National Textile and Garment Group (Vinatex), addressed the event. She highlighted the advantages of Vietnamese apparel sector, including low-cost labour force and the participation of many free trade agreements (FTAs) with commitments on preferential tariffs and foreign investment attraction. However, Vietnam's apparel industry has encountered difficulties caused by the COVID-19 and a fierce competition against other nations' as the sector is falling a shortage of skilled and trained labourers, Ms. Huong noted. (BNews Dec 31)

# Domestic News

# Vietnam Lists 9 Vocational Training Achievements in 2016-2020

The DVET has listed nine achievements of the vocational training sector in 2020 and in the 2016-2020 period. First, the National Assembly formally assigned the MoLISA to manage vocational training, per Law on Education 2019. The MoLISA also issued many rules to enhance the legal framework on vocational training. Second, more and more people, including high school graduates and university graduates, joined vocational training. Third, vocational training schools exceeded the recruitment targets in 2017-2019 and reached the targets in 2020. Fourth, vocational training recorded breakthroughs in courses for secondary school graduates, the links between businesses and schools, the foundation of ASEAN TVET Council, online teaching and learning, and others. Fifth, the rate of employment among vocational training graduates reached 85%, even 100% for some jobs, with good incomes. Sixth, the sector honoured outstanding learners, teachers, and startups to promote vocational training. Seventh, the Prime Minister issued Directive 24/CT-TTg in May on boosting high-skilled labourers, in order to boost labour productivity and the national competitiveness. Eighth, October 4 was picked as Vietnam's Labour Skill Day, in order to promote vocational training and the link between the State, schools, and businesses in training labourers. Ninth, vocational training helps ensure the social welfare, such as jobs for rural labourers and people in remote areas, the role of vocational training for the country's development per the Communist Party of Vietnam's draft documents for the upcoming 13th National Congress, and others. (DVET, Nhan Dan Dec 31)



## Vietnam to Boost Ties between Vocational Training Schools and Businesses in 2021

The DVET, under the MoLISA, hailed the cooperation between vocational training schools and businesses in 2020 and targeted to boost such cooperation in 2021. For 2021, the DVET aims to issue a list of jobs, which must recruit trained labourers; cooperate with tax agencies in implementing preferential tax policies for businesses; draft more priorities for businesses recruiting vocational training graduates; build software to connect labour demand and supply; build database on people working abroad and returning home; and others. The DVET hosted a conference on December 29 to review the ties in 2020 and set targets for 2021. Participants also listed some problems of the sector. Dean Pham Xuan Khanh of Hanoi Vocational College of High Technology said that only 5% of firms in Vietnam have large scale and a big workforce, hence sending many vocational training teachers here to learn is not an easy task. Besides, Dean Le Anh Duc of Dong Nai College of High Technology suggested that vocational training schools should be more willing to listen to firms. (Dan Tri, Bao Dan Sinh Dec 30)

#### Vietnam Gov't Sets 12 Goals in 2021, Economic Growth at 6.5%

Vietnam's government on January 4, also the first working day of 2021, set 12 targets for the year, according to the government's Resolution 01/NQ-CP and Resolution 02/NQ-CP. The total factor productivity (TFP) is poised to contribute 45%-47% to economic growth. The annual labour productivity growth is set at 4.8%. The government aims to improve the rate of trained labourers to 66%, with the proportion of labourers with certificates at 25.5%. (Lao Dong, Bao Chinh Phu, Bao Chinh Phu, VTV, Thoi Bao Ngan Hang, Thoi Bao Ngan Hang, Bao Chinh Phu, Zing, CafeF Jan 4)

#### 97% of Vietnamese Farm Labourers Have Yet to Receive Vocational Training

Up to 97% of workers at farms in Vietnam have not undergone vocational training yet, and only 0.3% of farmworkers are at university and post-graduate level while the rate at the college group is 0.2%, according to data by the Ministry of Agriculture and Rural Development (MARD). As of end-2020, the country gave 2.84 million rural labourers vocational agricultural training, fulfilling 94.67% of the target. Of them, 2.79 million got higher income after being trained. Vietnam currently has 30,026 farms, of which livestock farms account for 57.8%. Each farm has an average of 3.1 hectares and uses 3.7 workers on average. Averagely, a farm bags nearly VND1.5 billion (\$64,655) per year, and the monthly income of each farmworker is VND4.9 million. (Kinh Te Do Thi Jan 5)

#### Vietnam's Fisheries Sector Aims for \$14B-\$16B Exports in 2030: Ministry

Vietnam's fisheries sector has set a target to earn between \$14 billion and \$16 billion from exports in 2030, according to a draft strategy recently submitted to the Prime Minister by the Ministry of Agriculture and Rural Development (MARD). The sector's production value is set to grow by 3%-4%/year by 2030, the ministry noted, adding that the sector is expected to create





jobs for 3.5 million labourers by that end. (<u>Thoi Bao Kinh Doanh</u>, <u>Hai Quan</u>, <u>Thoi Bao Tai</u> <u>Chinh Vietnam</u>, <u>Tuoi Tre</u>, <u>Tien Phong</u>, <u>Dau Tu</u> Jan 4)

# 70% of Vietnamese University Students Get Jobs after 1 Year of Graduation: Survey

About 68% of surveyed Vietnamese students get jobs after one year of graduation, according to a report of the Training Support and Human Resource Development Centre (TSC), under the Ministry of Education and Training (MoET). The report surveyed 220 out of 236 higher education facilities in Vietnam. Accordingly, as many as 89.5% of surveyed students have jobs. Notably, 68% of them get jobs after one year of graduation. The report also showed that about 97,219 Vietnamese students, equivalent to 56%, are working in their training majors while 25% others are in related majors, and 19% get jobs in irrelevant training majors. As many 7%-9% of students start a business after graduation, the report said. (Tien Phong Jan 4)

# Vietnam Allocates Nearly \$80M in Aid of People with Disabilities in 2020

Vietnam is estimated to have distributed VND18.07 trillion (\$779 million) in support of people with disabilities throughout 2020, Mr. Nguyen Van Hoi, head of the Department of Social Assistance, under the MoLISA informed at a conference held in Hanoi on December 30 morning. 3,000 people with disabilities in rural areas have been provided with vocational training. (Bao Bao Hiem Xa Hoi, Vnanet Dec 30)

# Vietnam's Hi-quality Coffee Development Project Shows Positive Outcomes: Official

Vietnam's national project on developing high-quality coffee has helped businesses and farmers apply technologies in farming, coping with climate change, reducing production costs, and improving economic efficiency in coffee production, according to a conference in the Central Highlands province of Dak Lak on December 29. The domestic coffee sector has generated jobs for more than 600,000 households, contributing to socio-economic development and poverty reduction in the Central Highlands and northwestern regions. (Tin Tuc, Vietnam Plus Dec 29)

# Hanoi Vocational College of Industry Has 1 Trainers without Certificates

Hanoi Vocational College of Industry is reportedly having one trainer, namely Nguyen Van Thao, having no high school graduation certificate. However, he has 1 master degree, which was given by Hanoi University of Science and Technology in 2012. Hanoi Vocational College of Industry then dismissed Mr. Thao from his job of vice head of automobile technology faculty. However, he remains a teacher there, as Hanoi Vocational College of Industry clarified that he is technically not teaching, but only inspiring learners. The college added that he would be dismissed from the colleges completely if his college and university degrees are revoked. (Nguoi Dua Tin Dec 30)

# Haiphong Provides TVET to 27,817 Rural Labourers





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Haiphong's municipal budget provided TVET to 27,817 rural labourers in 2016-2020, including 16,801 females. Besides, 5,048 people received meal support. In total, Haiphong gave TVET to 263,500 rural labourers, including 39,539 receiving support. Besides, Haiphong funded VND59 billion to 2 TVET colleges and 10 TVET centres. Moreover, 3,605 TVET teachers and trainers in Haiphong received additional training on pedagogical professions. Haiphong also updated 220 TVET courses, including 148 non-agricultural courses. (Hai Phong Jan 1)

# Hoa Binh Integrates TVET to Employment of Rural Labourers

Since 2016, Hoa Binh province has integrated TVET for rural labourers to new-style rural area program. In 2010-2015, per Project 1956, Hoa Binh conducted 851 classes for 25,580 of 45,000 labourers. In 2016-2020, Hoa Binh financed 800 classes for 25,627 of 45,000 labourers. As a result, Hoa Binh's rate of trained labourers improved to 56%, including 50.6% via TVET. In 2021-2025, Hoa Binh aims to provide below-3-month TVET courses to 31,000 people and improve rate of trained labourers to 63%, including 25% with certificates. (Hoa Binh Dec 29)

# **Quang Ninh Improves TVET**

Quang Ninh has been updating TVET to boost labour productivity and socioeconomic development. Quang Ninh still has a problem that too many secondary school and high school learners do not aim to advance to TVET. Quang Ninh currently has 42 TVET units, including 8 colleges, 2 intermediate-level schools, 13 centres, and two universities and units having TVET courses. In 2020, TVET units in Quang Ninh recruited 37,625 learners, exceeding the target by 6.89%. Four outstanding sectors are electricity & water, mechanics, mining, and tourism & services. Quang Ninh added 7 jobs to list of promotion in 2015 and extended the list to 10 jobs with tuition fee support in 2018. In 2020, 29,857 TVET graduates were employed, or 88.67%. From 2017, TVET units cooperated with businesses to build 215 courses, helping the skill assessment and retraining of 37,690 labourers. (Quang Ninh Dec 30)

# Quang Nam Targets to Create Jobs for 16K Labourers, Send 2,000 Abroad in 2021

Central Quang Nam province is targeting to create jobs for 16,000 labourers and send 2,000 workers abroad this year. Besides, local TVET institutes are expected to enrol 23,000 learners, including 2,500 at the college level, 2,500 at the intermediate level, and 18,000 at beginner-level. (Dan Tri Dec 31)

# HCMC May Have 300,000 Job Vacancies in 2021: FALMI

Ho Chi Minh City is expected to have between 270,000 and 340,000 job vacancies in 2021, including 140,000 new job positions, according to the city's Human Resources Forecast and Labour Market Information (FALMI) Centre. Job vacancies are due to mainly arise in sectors of business-commerce (20.16%), electronics-information technology (10.96%), and services (7.25%). The labour market is estimated to need 85.8% trained labourers throughout this year, with demand for university graduates making up 21.29%, colleges 18%, intermediate level





21.3%, and elementary level 25.21%. FALMI forecast that the city is due to have between 70,000 and 75,000 job vacancies in the first quarter of 2021 (Q1), 68,600-74,400 in Q2-Q3, and 71,950-77,100 in Q4. The city's workforce is expected to reach 4.8 million labourers this year, including over 3.1 workers from businesses. (Tuoi Tre, Tuoi Tre Jan 2)

## Thua Thien-Hue Hosts Online Job Fairs for Candidates from 6 Central Provinces

Thua Thien-Hue province on January 5 hosted an online job fair for candidates from six central provinces, namely Thua Thien-Hue, Quang Binh, Quang Tri, Quang Nam, Quang Ngai, and Binh Dinh. The event aimed to select health attendants and caregivers to work in Japan under the Economic Partnership Agreement (EPA) program. (Dan Sinh Jan 5)

#### Phu Yen Creates Jobs for 120K Labourers in 2015-2020

Central Phu Yen province created jobs for 120,000 labourers in the 2015-2020 period. The unemployment rate was under 2.5% at end-2020. In the period, the province provided TVET to 12,000 people and conducted regular training for 26,000 people in rural areas. The rate of trained labourers increased to over 70% in 2020, versus 55% in 2015. (Bao Phu Yen Jan 3)

#### 13K Labourers at Industrial Parks in Dong Nai Lose Jobs in 2020

13,000 labourers at industrial parks in Dong Nai province are estimated to have lost jobs due to COVID-19 fallout throughout last year, according to the Dong Nai Industrial Zones Authority's Management Board. Around 100,000 employees from 213 companies have been underemployed by far this year. Currently, provincial industrial parks have 580,000 labourers, including 7,240 foreigners. This year, the pandemic has forced 349 firms in Dong Nai with total capital of VND5.52 trillion (\$237.7 million) to dissolve, 360 business units and branches to stop operation, and 679 enterprises to suspend operation. In December, 174 in 213 coronavirus-affected corporations have resumed operations and helped dozens of thousands of labourers return to work. (VOV, Lao Dong, Lao Dong Dec 29)

#### Dong Thap Provides 34,305 Jobs in 2020

Dong Thap province provided 34,305 new jobs and sent 1,100 labourers abroad in 2020. TVET schools in Dong Thap recruited 21,567 learners and helped employments of 21,500 people, or 100.3% of the target. Dong Thap's rate of trained labourers reached 70%, including 50% via TVET. (Nong Nghiep Dec 30)