





#### Vietnam TVET Bulletin

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# • Policies •

# Vietnam Parliament Passes Stimulus Package of VND350T

The Vietnamese National Assembly has given passage to a stimulus package designed to revive economic growth and support people hit by the COVID-19 pandemic, worth nearly VND350 trillion (\$15.02 billion). To guarantee social welfare and ensure labour supply, the parliament agrees to allocate VND6.6 trillion to support home rents for workers at industrial parks, processing zones and key economic zones. The VBSP is entitled to issue up to VND38.4 trillion worth of bonds to provide loans to students, education centres, job creation, and buyers of social housing projects. The resolution will be effective until the end of 2023. (VnExpress, Dan Tri, Quoc Hoi, Thanh Nien, Tuoi Tre, Lao Dong Jan 11)

## Vietnam to Build Database on Forced Labour Prevention

Vietnam will build a database on preventing forced labour, according to a recently-signed prime ministerial decision on implementing the International Labour Organization (ILO)'s Convention 105. In 2021-2023, the MoLISA is in charge of disseminating the convention, training employers and employees on the issue, building the legal framework on the issue, and others. The construction of the database is set for the 2021-2025 period. Besides, the MoLISA must cooperate with foreign nations and international agencies in exchanging information and supporting the implementation of Convention 105. Vietnam will review its implementation in 2025 in order to improve the implementation in the following years. (Bao Chinh Phu, Thoi Dai Jan 5)

## NA Deputy Points out 5 Problems of Vietnam's Labour Market amid COVID-19

Standing Member of the Judicial Committee of Vietnam's National Assembly (NA) Nguyen Thi Thuy, who is NA Deputy of northern Bac Kan province, has presented five problems of the labour market amid COVID-19 at the NA's first extraordinary meeting. The first issue is unemployment, underemployment, and layoffs with over 28 million workers hit by the lengthy pandemic in the third quarter of 2021. The Delta variant has wiped out one-fourth of monthly wages of workers in the southeastern region. The second is the shrunken labour supply and demand as over 1.3 million migrant workers fled to their hometowns, which wreaked havoc on the labour market in the southern industrial hubs. The third is the emergence of vulnerable groups, including unskilled, elderly workers, and non-contracted workers, Ms. Thuy stated. The fourth is the possible mayhem in labour distribution, the lawmaker said, citing a great shift of workers from the formal economy to the shadow economy with the number of non-contracted workers making up 57% of the total workforce. The last is the incompetent management of the labour market in the digital era, which affects the balance of labour supply and demand. (Giao Duc Thoi Dai, Dai Doan Ket Jan 7)



## Vietnam Aims to Have 38% of Workforce Covered by Social Insurance in 2022

The Vietnam Social Security (VSS) aims to improve the coverage of social insurance to 37%-38% of the workforce in 2022, the VSS said at a conference on January 10 to preview tasks in 2022. Other targets are to have 31% of the workforce covered by unemployment insurance and 92% of the population covered by healthcare insurance. As of end-2021, 16.5 million people, or 33.77% of the workforce were covered by social insurance; 13.4 million, 27.34% of the workforce were covered by unemployment insurance; 88.8 million, or 91.01% of the population, were covered by healthcare insurance. The VSS said the total amount balance of three insurance funds reached over VND1,000 trillion (\$42.92 billion), up 9% y/y. (CafeF, Tin Tuc, Lao Dong Jan 11)

## Business Sector and Labour Market

#### Foreign Cooperation

## Vietnam Sends 45,000 Workers Abroad in 2021, down 42.3% y/y: DoLAB

Vietnam sent 45,000 workers abroad during 2021, down 42.3% y/y due to the COVID-19 pandemic, according to the Department of Overseas Labour Management (DoLAB), under the MoLISA. Currently, some 580,000 Vietnamese people work overseas, including 230,000 in Taiwan, 250,000 in Japan, and 50,000 in South Korea. The remaining workers scatter over the Middle East, Africa, Southeast Asia, and Europe. They mainly work in the fields of processing and manufacturing, construction, agriculture, fisheries, and services. (Nhan Dan, Bao Dan Sinh Jan 6)

## Vietnam Sets Goal to Send 90K Workers Abroad in 2022

The MoLISA aims to take 90,000 workers abroad, the Department of Overseas Labour Management (DoLAB) said. In 2021, Vietnam sent 45,058 workers overseas, down 42.7% y/y and fulfilling 50.06% of the year target. Of these, 15,177 are females. Of the total, 19,531 people went to Taiwan; 19,510 came to Japan; 1,036 headed to South Korea; 1,820 arrived in mainland China; and other markets such as Romania, Singapore, Hungary, and Serbia. Vietnam signed renewal labour deals with South Korea and Malaysia and began negotiations with Israel and Thailand for fresh labour agreements. (VnEconomy, Lao Dong, Bao Dan Toc Jan 11)

#### Vietnam to Boost Support for Labourers Working Abroad

Vietnam will boost the support from the Fund for Overseas Employment Support (FES) for labourers working abroad, according to a government decision, which will become effective in February. For labourers who have to return home early due to labour accidents, health issues and are not capable of working abroad anymore, they will receive between VND10 million (\$429) and VND30 million, versus the current figure of VND5 million at most. For anyone who have to







return home early because their employers' problems (such as operation reduction), disease, wars, and other force majeure, they will receive between VND7 million and VND20 million. For anyone who have to return home early because of forced labour, sexual harassments, labour abuse, they are also subject to support of between VND7 million and VND20 million. Besides, the government decision includes support in term of fees for legal cases, accommodation during conflict settlement, and others. (Nhan Dan, NLD, Cong Luan, Bao Chinh Phu, Bao Dan Sinh Jan 7)

# Nike Supplier's Workers in Dong Nai Go on Strike over Tet Bonus Cut

Thousands of workers from Taiwanese-invested footwear maker Pouchen Vietnam, a Nike contract supplier, came out on a strike on January 7 after the firm announced a deduction in bonus for the 2022 Lunar New Year (Tet) holiday. As of January 10 morning, the strike has not ended yet. Strikers were crying out for the same Tet bonus as 2021, pushing 16,000 other workers of the factory in Bien Hoa city of southern Dong Nai Province off work as well. Some workers said that the company announced the 2022 Tet bonus, which would range between 100% and 154% of their monthly wage for those having worked at the company for one year or more. Meanwhile, last year's figure amounted to 190% of the monthly wage, or even 220% earlier. A Pouchen representative said that when the fourth COVID-19 wave broke out last year, the factory shut down from July 12 to September 30. It resumed production in early October but at 60% capacity. (Tuoi Tre, VTC, Tien Phong, 24H, Thanh Nien Jan 7)

## Laos Breaks Ground on Vietnam-funded Vocational High School worth \$5M

The Laotian province of Khammouane has commenced the construction of the Laos-Vietnam friendship vocational high school valued at \$5 million and funded by Vietnam. The project is a present committed to Laos from Vietnam within the Laotian trip by President Nguyen Xuan Phuc last August. The 3.7-hectare school is due to be completed in December this year and will offer training of five occupations to high school students, unemployed persons, people in need of switching jobs, and jobless workers returning to Laos from abroad due to COVID-19. (<u>Tin Tuc</u>, <u>Vietnam Plus</u> Jan 5)

## Long An Aims to Send 1,000 Labourers Abroad Yearly in 2020-2025

Southern Long An province is targeting to send abroad 1,000 labourers annually in the 2020-2025 period. In 2020, the province sent 500 labourers to work overseas under contracts. (Vietnam Plus Jan 7)

## S. Korean Man Jailed for Bringing Vietnamese Abroad to Work Illegally

The People's Court in Vietnam's capital city of Hanoi recently handed down an imprisonment sentence of six years to Kang Joon Ho, born 1948, South Korean nationality, for heading a criminal ring that brought Vietnamese nationals to Jeju Island, South Korea, to work illegally. The man was given charge of "organizing illegal fleeing abroad." The court also gave a 36-





month suspended jail term to Trinh Ba Huy, born 1986, and a four-year prison term to Pham Van Sang, born 1980, for the same charge. Earlier, in June 2020, the municipal investigation security agency found six residents in Chuong My district, who used tourist visas to flee to Jeju Island and tried to stay there illegally for work. Their fleeing took place in 2019 and was backed by the aforementioned ring. (VietnamNet, VietnamPlus, Hanoi Moi, CAND, Cong An HCMC Jan 7)

#### Domestic News

## 4.4M People in Vietnam Work in Autarky in 2021: Statistics Office

The number of people working in autarky in Vietnam in 2021 reached 4.4 million, up 872,400 y/y, according to the government-run General Statistics Office (GSO). As many as 90.3% of those labourers worked in rural areas. Among those workers, 2.6 million (58%) were in the working ages. The number of such female labourers increased 584,000 y/y, accounting for 62.7% of the total. This force was under heavy impacts of the covid-19 pandemic. In the fourth quarter of 2021, the number of people working in autarky in Vietnam was 4.9 million, down 0.3 million q/q but up 1.8 million y/y. Most of those people did not have any certificates nor degrees and it is hard for them to earn a job in the labour market. (GSO, CafeF Jan 6)

## MoET's Centre, CLC Ink Deal on Boosting Digitalization in Career Orientation

The MoET's human resources training and supply centre and CLC company inked a deal on January 8 to boost digitalization in career training and orientation. (PetroTimes Jan 9)

## Over 150 Firms Join JOB FAIR 2022 on Jan 6

The JOB FAIR ONLINE 2022 on January 6 attracted the participation of 150 firms and 3,000 students. The event, based on the Google Meet platform, was held by Hoa Sen University, Hong Bang International University, and YOOT. (GDTD Jan 7)

## Hanoi to Develop 2-5 Industrial Parks in 2021-2025

Hanoi has approved a plan to develop two to five industrial parks (IPs) in the 2021-2025 period. They are Soc Son Clean IP in Soc Son district (302.8 hectares), Dong Anh IP (300 hectares) in Dong Anh district, Bac Thuong Tin IP (112 hectares) and Phung Hiep IP (174.88 hectares) in Thuong Tin district, and the expanded Phu Nghia IP (389 hectares) in Chuong My district. By early December last year, Hanoi's IPs attracted over 700 projects, including 303 with direct foreign investment (FDI) with a total capital of nearly \$6.1 billion. They have employed about 165,000 labourers, including 1,100 foreign ones. (Vietnam Plus English, CafeF, VietnamBiz, Cong Luan, BNews, Hanoi Moi, Moi Truong va Do Thi, Tien Phong, To Quoc, Kinh Te Do Thi, Gia Dinh Jan 11)

## Hanoi Records 48.3K Furloughed, Underemployed Workers in 1st Week of 2022





In the first seven days of 2022, Hanoi recorded 7,280 workers on furlough and 41,080 underemployed labourers, which increased by 600 people compared to the same period last year, according to the municipal Labour Federation. (Lao Dong, VTV Jan 10)

## Bac Ninh Creates Jobs for 28,000 Labourers in 2021

Northern Bac Ninh province created jobs for nearly 28,000 labourers, enrolled 56,000 people into TVET institutes, and supported 800 rural labourers to join vocational training, thus raising the trained labour rate to 76%. (Dan Sinh Jan 5)

#### Ninh Binh Creates Jobs for 19.9K People in 2021

Ninh Binh province generated jobs for nearly 19,900 people in 2021, including 800 workers sent abroad. Last year, it offered vocational training to 17,500 persons and gave employment consultations and introduction to 27,600 workers. The provincial workforce of people aged 15 and above hit 556,600, down 0.1% y/y. (Dan Tri Jan 7)

## Thua Thien-Hue Aims for Trained Labour Rate of over 68% in 2022

Central Thua Thien-Hue province is targeting to enrol 15,000 people into elementary, intermediate, and college levels and increase the trained labour rate to over 68% this year. (Dan Sinh Jan 11)

#### Song Lo District in Vinh Phuc Province Creates Jobs for 2,253 Labourers in 2021

Song Lo district in northern Vinh Phuc province created jobs for 2,253 labourers in 2021, up 19% y/y and surpassing target by 12%. Of whom, the province sent 44 labourers abroad. (Dan Sinh Jan 10)

#### HCMC Needs 45K Labourers in Mechanical-Electronic Sectors after Tet

Ho Chi Minh City is estimated to need 45,000 labourers, mostly in the textile-footwear and mechanical-electronic sectors, after the Tet holiday, said Mr. Nguyen Van Lam, deputy director of the municipal DoLISA. (SGTP Jan 10)

#### HCMC Provides TVET to 371,000 People in 2021

In 2021, Ho Chi Minh City created jobs for 300,000 labourers, including 140,000 new jobs and 371,000 joining TVET, said Mr. Le Minh Tan, director of the municipal DoLISA. (<u>Dan Sinh</u> Jan 8)

Among 220,000 new students of colleges, intermediate schools, and centres, 50% pursued trade, insurance, real estate, and 40% pursued mechanics, automobile industry, electronics-electricity, and others. (Thanh Nien Jan 10)



# HCMC to Prioritize Budget Allocation for TVET

Ho Chi Minh City will prioritize allocating budget for TVET, according to a plan implementing the Prime Minister's Directive 24/CT-TTg on boosting TVET-equipped human resources development in the new situation. Besides, the city will review and rearrange local TVET institutes and focus on spearhead jobs, such as ICT, AI, automation-robot, healthcare, business administration, banking-finance, and tourism, and boost the connection among the state, school, and business in TVET. (Tuoi Tre Jan 10)

#### HCMC Aims to Provide TVET for Prisoners

HCMC aims to provide TVET tuition fees and other costs for all prisoners, who have completed their jail terms. HCMC asked TVET units to consult and persuade prisoners in TVET and help them resume normal lives. (Dan Sinh Jan 7)