





Vietnam TVET Bulletin

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• Policies •

Vietnam PM Asks Stepping up Employment amid Global Economic Headwinds

Vietnamese Prime Minister Pham Minh Chinh has asked his subordinates to ramp up employment for workers by clearing obstacles facing businesses amid the global economic headwinds. PM Chinh made his order to Deputy PM Tran Luu Quang and four ministries while addressing a conference held in Hanoi on February 1, regarding the work relationship between the government and the Vietnam General Confederation of Labour. He also ordered the improvement of workers' skills for integration and national development. The government chief requested Deputy PM Le Minh Khai and three ministries to address housing issues for workers. Mr. Chinh assigned Deputy PM Tran Hong Ha and four ministries to step-by-step accomplish mechanisms on culture, health, education, and sports to improve the mental and physical health of workers. (<u>Bao Chinh Phu</u> Feb 1)

Over 200K Vietnamese Workers Victims of Defaults on Social Insurance Payments

More than 200,000 Vietnamese workers are currently victims of defaults on social insurance payments, Chairman of the Vietnam General Confederation of Labour Nguyen Dinh Khang said. Mr. Khang unveiled the information in a conference held in Hanoi on February 1 with the participation of Prime Minister Pham Minh Chinh. He added that some construction corporations are in arrears on salary payments of VND269 billion (\$11.2 million) and social insurance of VND435 billion, while several transport firms defaulted on those payments of VND205 billion and VND750 billion, respectively. The VGCL chief proposed the government assign the Ministry of Labour, War Invalids and Social Affairs to work with relevant sides to report delays or defaults on the payment of social security premiums and then make a report to the Politburo and the National Assembly for solutions. He also recommended the government support businesses and enforce policies in aid of workers with hour cuts or suspended/terminated contracts due to order decline. (Thanh Nien, VietnamNet Jan 31)

Many Vocational Schools Yet to Arrange Academic Curriculum for Students

Many vocational schools in Vietnam left in limbo and have yet to arrange academic curriculum for students though Circular 15/2022/TT-BGDDT on high school curriculum took effect on December 24, 2022. Some schools are slow to adopt academic teaching due to a lack of teachers. (<u>Giao Duc</u> Feb 1)

Digital Transformation in Vocational Training Faces Many Challenges

Digital transformation in vocational training in Vietnam appears to face many challenges. Some facilities and training programs have yet to be developed to help learners keep pace with the







labour market's demand, and several courses remained inflexible and non-innovative. Dr. Pham Hung Dung from Ho Chi Minh City College of Economics indicated some hurdles, such as the Internet and IT infrastructure, the sluggishness of teachers and students in applying technologies to teaching and study. Several solutions to the problems are to promote training facilities and their staff to tap technologies and strengthen the connection between schools and businesses. (<u>Tin Tuc 1</u>, <u>Tin Tuc 2</u> Feb 4)

Business Sector and Labour Market

Foreign Cooperation

Vietnam Aims to Dispatch 10,000 Workers to South Korea in 2023

Vietnam sets a goal of sending 10,000 workers to South Korea in 2023, said Head of the Employment Permit System (EPS) Vietnam Office in the latter Pham Minh Duc. The office will coordinate with the labour management board and the Vietnamese Embassy in South Korea to provide training for the workers, helping them quickly blend into the host community. It will keep on management measures in support of workers facing difficulties and contract disputes. After the Tet (Lunar New Year) holiday, the Vietnam Centre for Overseas Labour sent 138 workers to South Korea and received dossiers of nearly 6,000 others that satisfy Korean language requirements. In 2022, Vietnam took nearly 9,000 workers to South Korea under the EPS program. (Bao Quoc Te, Vietnam Plus Feb 5)

Japan Expects to Invest More in Vietnam Thanks to Its Infras, Human Resources

Japan expects to step up investment in Vietnam, which has increasing advantages in infrastructure and human resources, Japanese Consul General to Ho Chi Minh City Watanabe Nobuhiro said in his recent interview with the Phap Luat HCMC (HCMC Law) newspaper. In recent two years, Vietnam, with a total population of 100 million, has remained a crucial production and business place for Japanese firms despite the negative impacts of COVID-19, the diplomat said, adding that many Japanese firms expanded their investment in Vietnam or relocated their production chains to Vietnam from China. As many as 2,000 Japanese firms are present in Vietnam, and the figure will continue rising, he believed, adding that young Vietnamese labourers have helped Japan solve its labour shortage. (PLO Feb 2)

Vietnam Seeks to Cooperate with France in Developing Agro Human Resources

On February 3, a delegation of the Vietnamese Embassy in France, led by Ambassador Dinh Toan Thang, visited Vocational High School Horticultural Le Petit Chadignac to promote cooperation on developing human resources for the agricultural sector. Speaking at the meeting, Mr. Michel Amblard, vice chairman of the Agriculture Department of Charente-Maritime province, highly valued the Vietnamese capacity in the agricultural sector, as well as the qualification of Vietnamese youngsters. He emphasized that Charente-Maritime province is ready to receive more international students, including Vietnam, to exchange and carry out research projects to develop agriculture. The leader also suggested increasing cooperation







models like the joint program between Vocational High School Horticultural Le Petit Chadignac and Thang Long-Da Lat High School for the Gifted that was launched in October last year. For his part, Ambassador Thang said that Vietnam could learn from France in agronomic issues and the development of food and foodstuff, such as fruits and vegetables. He also expected both sides to expand joint educational projects on agriculture, climate change, and sustainable development, from 2023, marking 50 years of establishing diplomatic relations and ten years of strategic partnership between the two countries. (Nhan Dan, Thoi Dai Feb 4)

Vietnam to Send 45 Workers to Germany under Hand in Hand for Int'l Talents in 2023

Vietnam aims to dispatch 45 workers to Germany under the Hand in Hand for International Talents program on a trial basis in 2023. The program, signed between the Department of Overseas Labour and the German Federal Employment Agency last November, is aimed to trial sending Vietnamese workers of college level and higher to Germany to work in the fields of IT, electronic engineering, food processing technology, and restaurant and hotel management. (CafeF Feb 7)

Vietnam Automaker VinFast Plans to Cut Workforce in U.S.

VinFast Trading and Production Limited Liability Company (VinFast), the automobile manufacturing arm of Vietnam's biggest conglomerate Vingroup JSC (HOSE: VIC), has announced a plan to cut its workforce in the United States. The move is part of the company's restructuring in its major overseas market as the startup grapples with a stalled shipment of its first cars and prepares for a potential stock listing. VinFast has not disclosed how many jobs would be affected by the U.S. restructuring. However, headcount would not shrink in Vietnam where most of the firm's staff, including its factory and engineering operations, are located. VinFast said that it had hired about 150 employees in the U.S. Many of them were in sales, support, and distribution roles as part of a model that bypasses traditional dealerships. (CafeF, Reuters Feb 7)

Domestic News

9+ Model of Vocational Learning Increasingly Popular in Vietnam

The 9+model of vocational learning has been increasingly popular in Vietnam. The rate of secondary school graduates enrolling in vocational schools hit 16% in 2020, up five percentage points from 2015. With the 9+model, about 30% of students proceed to higher levels of education while a majority of the remaining approach businesses while studying. (VTV Feb 4)

Vietnam Needs 400K Skilled Workers in H1/2023: Minister

Employers in Vietnam are predicted to have demand for some 400,000 skilled workers in the first half (H1) of 2023, Minister of Labour, War Invalids and Social Affairs Dao Ngoc Dung said. Meanwhile, labour shortage during the period will likely occur in labour-intensive sectors such as textiles and garments, footwear, handbags, and some export segments, mostly in foreign-







invested enterprises, Minister Dung indicated. However, the lack of workers is only on a local scale, mainly in southern localities such as Ho Chi Minh City, Binh Duong, Dong Nai, and Tay Ninh, he noted. Speaking of some major challenges facing the labour market, the official said that as Vietnam could be one of the countries with the fastest aging population worldwide in the future, the labour market should be taken into account in terms of employment to cater to not only the youth but also the elderly. Additionally, labour migration, informal employment, climate change impacts, and the changing labour market, especially the shift of workers from agriculture to industrial sectors, will pose challenges to businesses and social security. The ministry sets a target of developing a flexible, modern, and sustainable labour market in line with building up an inclusive and sustainable social security system from now on, Mr. Dung stated. (Phap Luat Plus, Bao Chinh Phu, VOV Feb 3)

Average Wage for Hospitality Workers in Vietnam May Rise by 5%-10% in 2023

Restaurant and hospitality workers in Vietnam are forecast to see a 5%-10% jump in their average earnings in 2023 thanks to the recovery of trade and tourism services locally, according to an online employment report made by the job search and recruitment platform Viec Lam Tot. The demand for restaurant and hotel employees is expected to grow in the first half of this year. Their current monthly salary is VND6.2 million (\$258), much lower than their peers in other industries. Meanwhile, the need for shippers, who currently earn some VND10.2 million each month on average, last December fell 78% y/y after a surge in late 2021, partly due to petroleum costs and changes in delivery sector policies. Employment in the export industry is subject to the impacts of global complicated developments and order scarcity, mostly in the textiles, garment, wood, and electronics fields, with the recruitment demand on a downward trend since Q3/2022. The production and retail-commerce service sectors will witness a slight increase in employment demand after the Lunar New Year (Tet) as businesses are managing to optimize manufacturing costs amid soaring material prices. (VietnamNet Feb 1)

Expert Forecasts 6 Occupations to Strongly Develop in Next 5 Years

Mr. Tran Anh Tuan, an expert on manpower and labour market forecast, predicted six occupation groups that would be greatly popular in the next five years. Six occupation majors are technology and technical; IT, machine learning, software development, and AI; business administration, finance, banking, and other sectors of administration; social science, tourism, hospitality, education; public relations, multimedia, psychology; healthcare; and agro-forestry technology. (Dan Viet Feb 5)

Hanoi Needs to Recruit over 100K Labourers in Q1

Hanoi capital city needs to recruit 100,000-120,000 labourers in the first quarter (Q1) of this year, according to the municipal employment centre. (<u>Tin Tuc</u> Feb 6)

Over 32% of Apparel Firms in Vietnam Hanoi Remain Closed after Tet





Only 67.7% of textile and garment businesses in Vietnam's capital city of Hanoi resumed production after the Lunar New Year 2023 or Tet holiday, due to a lack of new orders, the Hanoi Confederation of Labour has reported. The number was lower than the overall rate at 99.2% of firms in Hanoi on January 30. Meanwhile, only 67% of workers in the apparel sector got back to work, lower than the overall rate of 97.8%, the confederation noted. The Ministry of Labour, War Invalids, and Social Affairs said it would work out guidelines for localities to check enterprises' employment demand and business situation, especially labour-intensive sectors such as apparel, footwear and wood processing, thereby developing plans to connect employers and employees. (Saigon Times English Feb 2)

Quang Ninh Records over 600 Occupational Accidents in 2022

Northern Quang Ninh province recorded 619 occupational accidents last year, including 31 fatal ones, claiming the lives of 32 people and injuring 417 others, according to the provincial DoLISA. (Phap Luat Plus Feb 2)

Career Fair in Thua Thien-Hue Offers 4,000 Vacancies

A career fair in central Thua Thien-Hue on February 5 attracted the participation of 28 firms with nearly 4,000 job vacancies, both domestically and internationally. (Dan Sinh Feb 5)

Khanh Hoa Oks Scheme on Job Support for Workers with Revoked Land

The People's Committee of central Khanh Hoa province has approved a scheme on vocational training and job support for labourers whose land has been revoked in Cam Lam district and Cam Ranh city. Per the scheme, the province will allocate over VND248 billion as loans for vocational training and VND700 billion for job creation and expansion. The capital comes from local and state budgets. (Dan Sinh Feb 4)

Khanh Hoa Aims to Dispatch 100 Workers Overseas in 2023

Central Khanh Hoa province has set a target to send 100 labourers overseas, including to Japan, South Korea, and Germany. In 2022, the province dispatched 265 workers abroad, including 230 to Japan, 29 to Taiwan, two to Hungary, and one each to South Korea, Romania, Singapore, and China. (Khanh Hoa Feb 5)

Dak Nong Provides TVET to 5,776 People in 2022

The Central Highlands province of Dak Nong provided TVET to 5,776 people last year, surpassing target by 44% and including 2,000 of ethnic minorities, according to the provincial DoLISA. In the year, Dak Nong sent 445 labourers overseas, exceeding target by 122.5%, mostly to Japan, Taiwan, and China. (Dan Sinh Feb 1)



Vocational Training Schools in Vietnam HCMC Launch Early Enrolments in 2023

Many vocational training schools, including colleges and intermediate schools, in Vietnam's southern hub Ho Chi Minh City have started their early enrolment for the 2023-2024 school year. Accordingly, Vien Dong College launched its enrolment last year, targeting students who graduated from high schools but have yet to attend universities, said Dean Tran Thanh Hai. He said that colleges and intermediate schools could take the lead in recruiting this group of students in 2023 as most of the nearly 400,000 polled students, who chose to go to work after finishing grade 12 to support their families' incomes last year, want to come back to study for better wage and job offers. Meanwhile, Thu Duc College of Technology has kicked off their enrolment since November last year and will receive applications from June to September this year, said Dean Vo Long Trieu. Other educational institutions plan to diversify their admissions forms and promote vocational training programs with international partners. Cao Thanh Technical College plans to enrol 4,500 students, with the assessment via high school transcripts, the 2023 high school graduation results, and the results of the competency assessment exam of the Vietnam National University-Ho Chi Minh City. Meanwhile, Back Khoa Saigon College will hold the enrolment every three months, with a quota of 1,200 students this year, to avoid the peak period following the high school graduation exam. On the other hand, Saigontourist Hospitality College announced opening new majors, such as event organization, information technology, and accounting; while launching a program to send students majoring in culinary to Australia. (Tuoi Tre Feb 1)

HCMC to Hold Online, Offline Job Fairs for Southwest, Central Highlands Regions

Ho Chi Minh City will organize online and offline career fairs for labourers in the southwest and Central Highlands regions, said Mr. Nguyen Van Lam, deputy director of the municipal DoLISA, at a conference on February 2. Mr. Lam also informed that 499 surveyed local firms need 14,379 labourers in the first quarter of this year, including 5,000 in the apparel-footwear sector, 2,200 in the electric-electronics sector, 800 in the plaschem sector, and 1,000 in the wholesales sector. (VietnamPlus Feb 3, Zing Feb 2)

Firms in Binh Phuoc Need over 3,000 Labourers in Jan

Twenty-nine firms in southern Binh Phuoc province need to recruit 3,122 manual labourers and 108 skilled workers in January, according to the provincial DoLISA. Currently, around 4,000 firms in the province are employing nearly 130,000 labourers. Of which, 71,750 Vietnamese labourers and 1,120 foreign workers are working at 174 firms in industrial zones. (Bnews Feb 2)

Dong Nai Aids 40K Unemployed Workers with VND1.5M Each

Southern Dong Nai province has decided to provide once-off aids of VND1.5 million each to 40,000 labourers at 2,962 firms, who have lost their jobs or had their contracts terminated for over 30 days. (Tien Phong Feb 3)