





# Vietnam TVET Bulletin

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# • Policies •

## Vietnam Lawmakers Seek to Ensure Workers' Social Insurance Benefits

Members of the Vietnamese National Assembly (NA) Standing Committee have discussed solutions to issues related to lump-sum withdrawal of social insurance benefits and policies to support workers. Speaking at the 25th session of the committee on August 17, Minister of Labour, War Invalids and Social Affairs Dao Ngoc Dung said that in order to minimize claims for one-off payout of social insurance benefits and help workers enjoy maximum long-term benefits when they retire, many adjustments have been made in the draft Social Insurance Law (revised), including two options on the conditions for one-off social insurance benefits. Chairwoman of the NA's Committee for Social Affairs Nguyen Thuy Anh stressed the need to devise clear policies to ensure the long-term benefits for workers. NA Chairman Vuong Dinh Hue said that it is crucial to carefully consider the best option to help labourers deal with the immediate difficulties and enable them to continue to join social insurance at the same time. Vice President of the Vietnam General Confederation of Labour (VGCL) Phan Van Anh said that filing for lump-sum social insurance benefits is the legitimate interest of employees. However, the increasing number of labourers claiming this benefit is a worrisome situation, which not only directly affects them but also undermines the socio-economic and social welfare situation. He also underscored the need for a more systematic solution to support labourers in their hardship such as soft loans, training, and employment. (Tin Tuc, Vietnam Plus English, Bao Dan Sinh, Nhan Dan, Thanh Nien Aug 17)

#### Ministry Proposes Entrusting Labour Departments to Issue Work Permits to Expats

The MoLISA has proposed entrusting labour departments of localities with overseas labour management, including the issuance of work permits for expats. The ministry made its proposal to the government in a draft decree revising and supplementing some articles in Decree 152/2020/ND-CP on the management and employment of foreign workers in Vietnam. Practically, almost localities currently perform work permit issuance either via the level-4 online public service or at their public administrative centers. As a result, entrusting local labour departments with work permit issuance will help employers file for work licenses at only one agency. At present, besides local labour departments, some 60 industrial park and economic zone boards nationwide are authorized for work permit issuance. As of June 2023, Vietnam was home to 121,288 expat workers, including 9,339 eligible for non-work permits and 110,436 with work licenses. (VnEconomy, Tuoi Tre Aug 16)

#### Vietnam Gives Financial Aid to Ethnic Minority, Mountainous People to Work Abroad

The Ministry of Finance has issued Circular 55/2023/TT-BTC stipulating financial support for people of ethnic minorities and mountainous areas to work abroad. An ethnic minority will





receive up to VND4 million (\$169) for foreign language training, VND50,000 for meals per day, VND400,000 for accommodation per month, and additional allowances of VND600,000. Ethnic minorities are also entitled to commute expenses of VND200,000 or VND300,000 depending on the distance during the training time. In addition, VND750,000 for a medical examination before traveling abroad for work will be covered. They are also entitled to preferential loans from the Bank for Social Policies. (Dai Bieu Nhan Dan, Thanh Nien Aug 17)

#### **TVET Schools Find It Hard to Recruit Teachers**

Many vocational training institutions find it hard to employ teachers due to small quotas of payroll staff employment, poor benefits, and limited support. This year, Ninh Thuan Vocational College offers ten teaching vacancies, but there have been five-six applications so far. Besides, many vocational teachers who have devoted themselves for 15-20 years remain level-3 teachers, hence a modest increase in their salaries. (Giao Duc Aug 22)

#### Business Sector and Labour Market

#### Foreign Cooperation

#### Australia, Vietnam Partner to Promote Vocational Training, Especially in Logistics Sector

Australia and Vietnam are collaborating to strengthen vocational education and training (VET) in Vietnam, especially in the logistics sector which is key to the country's socioeconomic development. Through the Vietnam-Australia Partnership for Human Resource Development (Aus4Skills) program, the two countries aim to improve capacity for trainers and management at VET colleges and enterprises, upgrade their industry skills and innovate approaches to VET. This will contribute to delivering a sustainable, industry-led model for VET to ensure graduates meet industry standards and needs. As part of this collaboration, the recent Australia Awards Short Course (AASC) in Transformational Leadership and Design Thinking in VET delivered practical knowledge to Vietnamese partner VET colleges, government agencies, organisations for people with disabilities, and logistics companies. The two-week course in Australia has equipped VET educators and employers with better understanding of the future trajectory and challenges facing Vietnam's logistics sector, enabling them to explore systematic change management amid Industry 4.0. (VTV Aug 22)

#### **Canada-Vietnam International College Launched**

The Canada-Vietnam International College (CVIC), invested by Khoi Nguyen Investment Group, was announced at a ceremony in Ho Chi Minh City on August 21, on the occasion of the 50<sup>th</sup> founding anniversary of the Vietnam-Canada diplomatic relations. CVIC, to be located in Lao Cai province, is estimated to cost \$45 million and scheduled for completion after three years of land handover. (<u>Thanh Nien</u> Aug 21)



### Vietnam, S.Korea Seek to Tackle Troubles in Dispatch of Shipbuilding Workers

Vietnam and South Korea should join hands to address procedural hurdles to promote the dispatch of Vietnamese people to the latter for shipbuilding work, said an official. First Vice Chairman of South Korea's Gwangju Metropolitan City Council Shim Chul Eui made his proposal at a meeting with Vietnamese Deputy Minister of Labour, War Invalids and Social Affairs Nguyen Ba Hoan and Vice Head of the Department of Overseas Labour Nguyen Gia Liem in Hanoi on August 15. South Korea is currently short of shipbuilding workers while the number of Vietnamese workers sent to the country for jobs in this sector remains modest and lower than that of other dispatching nations due to unsynchronized procedures between the two nations, Mr. Shim noted. In reply, the Vietnamese side proposed that South Korea employers directly sign contracts with Vietnamese dispatching companies to shorten the time for taking labourers to South Korea. Since 1993, Vietnam has sent 122,000 workers to South Korea under the Employment Permit System program. At present, South Korea is home to 49,000 Vietnamese workers. (MoLISA Aug 15)

#### **Toyota Grants Scholarships to 25 Underprivileged Students at Hanoi College for Electro-Mechanics**

Toyota Vietnam Fund has announced scholarships to 25 students of automobile technology major at Hanoi College for Electro-Mechanics (HCEM), the fifth time so far. They will join the training in 2023-2025. Previously, the fund had supported 84 students. (<u>Dau Tu</u> Aug 19)

#### Saigontourist Hospitality College Signs MoU with Niagara College Canada

Ho Chi Minh City-based Saigontourist Hospitality College signed a cooperation memorandum of understanding (MoU) with Niagara College Canada on August 21. Under the deal, Saigontourist students will have more opportunities to study and work in Canada and Niagara-on-the-lake town of Ontario province. Scholarships will be worth CAD1,000-CAD2,500 each depending on particular curriculum. (Giao Duc Thoi Dai Aug 21)

#### Hau Giang Sends 500 Labourers Abroad Year to Date

Southern Hau Giang province has sent nearly 500 workers overseas in the year to date, fulfilling 90.8% of the whole-year target. They figure included 241 to South Korea, 201 to Japan, and 55 to Taiwan. Currently, 325 others are waiting for dispatch. (Bao Hau Giang Aug 16)

#### Vinh Long Sends 1,100 Labourers Abroad in Jan-Jul

Southern Vinh Long province dispatched 1,100 labourers overseas in the first seven months of this year, mostly to Japan, South Korea, and Taiwan. Besides, the province has helped local workers access new markets, such as Australia, Canada, and New Zealand. (Bao Vinh Long Aug 19)



**Domestic** News

## 364K High School Graduates Do Not Apply for Universities

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It is normal when over 364,000 high school graduates do not apply for universities this academic year, accounting for 35.5% of the total. The reason is they choose vocational learning, overseas study, working abroad, or immediate employment over university education. (Lao Dong Aug 16)

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#### Some Majors at TVET Schools Face Difficulties in Recruiting Students

Some majors at vocational schools face difficulties in recruiting students for the 2023-2024 academic year. Head of the Training Department of Dong Khoi College Nguyen Trung Dung said that among 12 majors, the business accounting major appears hard to recruit learners. As of August 15, the school recorded an enrolment rate of 70%-80%; however, there remain uncertainties from students whether they enter the school. Mr. Nguyen Duc Thanh - in charge of the Department of Mechanics-Electrical at the Ho Chi Minh City College of Construction also said that the school fails to reach the quota of the recruitment of 35 students/class for each major of industrial electrical, industrial automation, industrial electrical installation, manufacturing mechanic, and welding mechanic, as many students have bias sentiment for university study. (Giao Duc Aug 20)

#### Vietnam's Growing Aviation Market Hobbled by Workforce Shortage

Vietnam's growing aviation industry, with large infrastructure projects under construction, is reeling from a shortage of human resources as training fails to meet recruitment demand. A severe lack is plaguing the aviation industry post-COVID-19, as its workforce of 44,000 workers is insufficient for greater development needs, Dr. Tran Thi Thai Binh, head of the aviation economic department at the Vietnam Aviation Academy, said at a recent forum in Ho Chi Minh City. Employment demand will rise throughout 2030 as Long Thanh International Airport is being built, and Tan Son Nhat International Airport and Noi Bai International Airport are set to be upgraded. With the number of passengers increasing by nearly 30% year-on-year in the first half of this year, the current quantity of aviation staff is not meeting demand, said Dr. Bui Song Thu, head of the Institute for Human Resources Training and Development, predicting shortfalls in air traffic controllers, aircraft engineers, maintenance workers, and pilots. CEO of the Vietnam Aviation Exhibition JSC Luong Thi Xuan stated that overloaded airports are seeing shortages in high-skilled jobs such as pilots and aircraft engineers. A report by the International Air Transport Association (IATA) in 2019 said the number of air passengers in Vietnam could either double or quadruple from 2018 to 100.7 million or 205.2 million by 2038, which means that the number of aviation workers will also have to double or quadruple in the period, she noted. Vietnam's current training capability is able to address only a fraction of this demand. Its leading aviation training facility, the Vietnam Aviation Academy, had only 119 students in the air traffic control department and 106 in aviation technology in the 2022-2023 school year. Mr. Ta Minh Trong, head of the flight safety department at the Civil Aviation Authority of Vietnam, said workers in the industry can earn VND15 million-VND20 million (\$626-\$834) a month at the basic level and







up to VND50 million or higher once they obtain certain certificates. But the long training time, high training costs, and the work pressure seem to make young people stay away from the industry, he added. Deputy head of the Vietnam Aviation Academy Ha Nam Khanh Giao suggested training facilities partner with foreign universities and academies to send their students overseas. (VnExpress Aug 15)

#### Dien Bien Sends 177 Labourers Abroad in Jan-Jul, 77% above Year Target

Northern Dien Bien province sent 177 workers overseas in the first seven months of this year, up 106 y/y and surpassing the whole-year target by 77%, according to the provincial DoLISA. They mostly went to Taiwan, Japan, and South Korea. (<u>Bao Dien Bien Phu</u> Aug 16)

## Hanoi Creates Jobs for 155.6K Persons in Jan-Aug, or 96.1% of Year Goal

Vietnam's capital city of Hanoi is estimated to have supported employment for 155,679 people in the first eight months of this year, equal to the same period of 2022 and reaching 96.1% of the year's target, according to the municipal DoLISA. Since early this year, Hanoi has received 57,351 claims for unemployment benefits and approved jobless benefit payment for 56,858 people (down 12.6% y/y) with a total budget of nearly VND1.57 trillion (\$65.3 million). The city is estimated to have spent VND2.7 billion on supporting vocational training for 615 workers. Between July 16 and August 15, the capital created jobs for 22,889 workers, up 4.2% y/y. (<u>Hanoi</u> <u>Moi</u>, <u>ANTD</u> Aug 21)

#### Hanoi Employment Service Centre Holds 124 Career Fairs since Early 2023

Hanoi's employment service centre has organized 124 career fairs since early 2023, contributing to the city's target of creating jobs for 162,000 labourers. Through such fairs, 8,800 have been recruited and 2,300 have been sent abroad, mostly to Japan, Taiwan, and South Korea. (<u>VOV</u> Aug 20)

## IPs in Haiphong Need 635 More Workers

Industrial parks in Haiphong City need to recruit 635 more workers, the municipal economic zone management board said on August 18. The figure includes over 500 at Japan-Haiphong IP. (Lao Dong Aug 18)

#### Industrial Clusters in Thai Nguyen Employ Nearly 11K Labourers So Far

Twenty one industrial clusters in northern Thai Nguyen province have so far attracted 60 projects with a total registered capital of VND8.5 trillion and employed 10,897 workers. (Lao Dong Aug 17)

#### 82K Workers in HCMC Claim Jobless Benefits in Jan-Jul, up 6.53% y/y



More than 82,000 workers in Vietnam's southern economic hub of Ho Chi Minh City filed for unemployment benefits in the first seven months of 2023, which rose by 5,066 or 6.53% from the same period last year, the municipal DoLISA announced on August 17. In the spell, the city approved unemployment benefits for nearly 77,500 filers, an increase of 3,251 or 4.38% y/y. Last month, HCMC received 17,729 jobless benefits claims and decided to give unemployment benefits to 18,469 workers, nearly double the average level in the first half of 2023. In the seven-month period, the city supported employment for 189,791 people, up 0.12% y/y and meeting 63% of the year's target. (Hanoi Moi, Dan Tri Aug 17)

#### **TVET Institutes in HCMC Enroll 370,914 Learners in Jan-Jul**

TVET institutes in Ho Chi Minh City enrolled 370,914 learners in the first seven months of this year, including 177,129 at the college level, 126,131 at the elementary level, and 33,827 at basic occupations. Such figure surpassed the whole-year results of 337,423 learners in 2022, 223,643 in 2021, and 338,783 in 2020. (Tuoi Tre Aug 19)

#### **Only 10% of Secondary School Graduates in Vung Tau Join TVET**

Only 10% of seconday school graduates in southern Vung Tau city have joined TVET while 60 students have opted not to join academic education nor TVET this year, according to a meeting between the People's Committee of Vung Tau city and the supervision team of the provincial People's Council on August 18. (Bao Ba Ria-Vung Tau Aug 17)