



Ministry of Labour-Invalids
and Social Affairs

**NEWSLETTERS FOR VIETNAM'S
LABOUR MARKET UPDATE**
Volume 8, quarter 4 in 2015



General Statistic
Office

1. Key indicators

Table 1. Key economic and labour market indicators

| Indicators | 2014 | 2015 | | | |
|--|-------|---------|---------|---------|---------|
| | Q4 | Q1 | Q2 | Q3 | Q4 |
| 1. Gross domestic product growth rate (GDP) (%) | 7.0 | 6.1 | 6.5* | 6.9* | 7.0 |
| 2. Export turnover growth rate (% compare to the same previous period) | 11.5 | 8.7 | 11.7 | 9.6 | 10.4 |
| 3. Total social investment in GDP (%) | 31.2 | 30.4 | 31.1 | 31.9 | 32.6 |
| 4. Consumer Price index (% compare to the same previous period) | 2.56 | 0.74 | 0.86 | 0.74 | 0.60 |
| 5. Labour force (million people) | 54.43 | 53.64 | 53.71 | 54.32 | 54.59 |
| 6. Labour force participation rate (%) | 77.7 | 77.3 | 76.2 | 76.4 | 78.8 |
| 7. Rate of trained labour force with certificate (%) | 18.45 | 21.24 | 20.06 | 20.22 | 20.20 |
| 8. Employment (million people) | 53.44 | 52.43 | 52.53 | 53.17 | 53.50 |
| 9. Rate of paid worker in total employment (%) | 36.40 | 37.80 | 38.80 | 40.42 | 40.98 |
| 10. Rate of employment in agriculture, forestry and fisheries sector in total employment (%) | 45.25 | 45.00 | 44.69 | 42.54 | 42.30 |
| 11. Unemployment at working age (thousand people) | 975.2 | 1,159.8 | 1,144.6 | 1,128.7 | 1,051.6 |
| 12. Unemployment at working age (%) | 2.05 | 2.43 | 2.42 | 2.35 | 2.18 |
| of which | | | | | |
| 12.1. Urban unemployment rate (%) | 3.21 | 3.43 | 3.53 | 3.38 | 3.15 |
| 12.2. Youth unemployment rate (aged 15 - 24) (%) | 6.17 | 6.60 | 6.68 | 7.30 | 7.21 |

Source: GSO (2014, 2015), statistic data and quarterly labour – employment survey data.

* According to the report on social and economic situation 2015 of GSO

In quarter 4/2015, the GDP growth rate sustained at high level, at 7.0% (this number in quarter 3/2015 was 6.9%).

The labour market continued showing positive signs: compared to quarter 3/2015, labour force participation rate in quarter 4/2015 grew at higher level (78.84%); the number of employed persons was 53.50 million people, increased by 332.64 thousand

people; the ratio of paid worker kept going up, reached to 40.98%; the rate of employment in agriculture, forestry and fisheries declined slightly to 42.3%; the unemployment situation was improved: the unemployment rate at working age continued to reduce to 2.18%; youth unemployment (aged 15-24) rate slightly decreased to 7.21%.

2. The population aged over 15 and labour force

In quarter 4/2015, the population aged over 15 achieved 69.57 million people, of which urban population was 24.05 million people accounted for 34.57%; female was 35.79 million people covered of 51.44%.

Quarter 4/2015, the inactive economic population aged 15 and over was 14.98 million people, decreased by 650 thousand people (-4.16%) comparing to quarter 4/2014. The majority of reduction derived from “Student” (-160 thousand people) and group of “unable to work” person (-147 thousand people).

Table 2. The size and labour force participation rate of population aged from 15 and over

| | 2014 | | 2015 | | |
|---|--------------|--------------|--------------|--------------|--------------|
| | Q4 | Q1 | Q2 | Q3 | Q4 |
| 1. Population aged from 15 and over (million people) | | | | | |
| Total | 70.06 | 69.75 | 70.86 | 71.52 | 69.57 |
| Male | 34.02 | 33.93 | 34.15 | 34.62 | 33.79 |
| Female | 36.04 | 35.82 | 36.71 | 36.90 | 35.78 |
| Urban | 23.25 | 23.96 | 23.59 | 24.16 | 24.05 |
| Rural | 46.81 | 45.79 | 47.27 | 47.36 | 45.52 |
| 2. Labour force (million people) | | | | | |
| Total | 54.43 | 53.64 | 53.71 | 54.32 | 54.59 |
| Male | 27.97 | 27.82 | 27.66 | 28.07 | 28.11 |
| Female | 26.46 | 25.82 | 26.05 | 26.25 | 26.48 |
| Urban | 16.36 | 16.94 | 16.26 | 16.75 | 17.45 |
| Rural | 38.07 | 36.7 | 37.44 | 37.57 | 37.14 |
| 3. Labour force participation rate (%) | | | | | |
| | 77.69 | 77.4 | 75.79 | 76.38 | 78.84 |

Source: GSO (2014, 2015), quarterly Labour and Employment survey data.

Quarter 4/2015, The size of labour force aged from 15 and over was 54.59 million people, increased by 271 thousand people (0.5%) in comparison to quarter 3/2015; of which the number of female worker went up by 233 thousand people (0,89%), the number in the urban area increased of 696 thousand workers (4,16%). As compared to quarter 4 /2014, the size increased by 161 thousand people (0.3%): females rose by 22 thousand

people (0.08%), in urban was raised nearly 1.09 million people (6.66%).

The labour market participation rate of quarter 4/2015 was 78.84%, grew 1.15 percentage points compared to quarter 4/2014 (77.69%).

In quarter 4/2015, the skilled labour force aged 15 and over (includes people hold certificate/degree with the training duration from 3 months and above) was 11.02 million people, increased 45 thousand people (rose 0.41%) against to quarter 3/2015 and rose by more than a million people (increase 10.10%) compared to quarter 4/2014.

Regarding to ratio, in quarter 4/2015, the rate of skilled worker accounted for 20.20% of labour force, grew up by 1.75 percentage points in comparison to quarter 4/2014 (was at 18.45%).

Table 3. Quantity and rate of skilled workers

| | 2014 | | 2015 | | |
|-------------------------------------|--------------|--------------|--------------|--------------|--------------|
| | Q4 | Q1 | Q2 | Q3 | Q4 |
| 1. Quantity (Million people) | | | | | |
| Total | 10.01 | 11.39 | 10.77 | 10.98 | 11.02 |
| Primary vocational training | 1.57 | 1.98 | 1.77 | 1.66 | 1.68 |
| Secondary vocational training | 0.87 | 0.91 | 0.81 | 0.76 | 0.71 |
| Prof-School | 2.01 | 2.14 | 2.11 | 2.09 | 2.14 |
| Secondary school | | | | | |
| Vocational college | 0.28 | 0.24 | 0.20 | 0.22 | 0.18 |
| Professional college | 1.18 | 1.45 | 1.42 | 1.51 | 1.47 |
| University and higher | 4.10 | 4.66 | 4.47 | 4.74 | 4.84 |
| 2. Rate (%) | | | | | |
| | 18.45 | 21.24 | 20.06 | 20.22 | 20.20 |

Source: GSO (2014, 2015), quarterly Labour - Employment survey

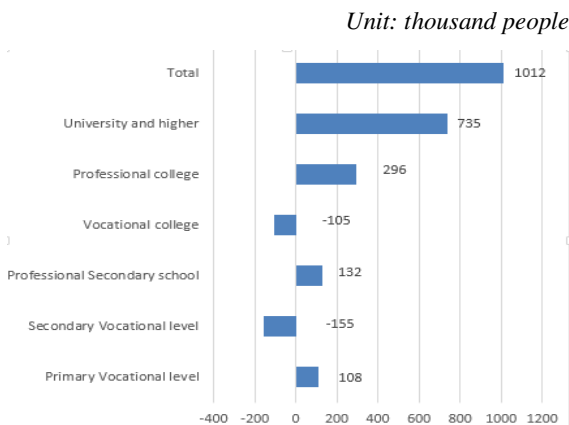
Regarding to qualification level, quarter 4/2015, there were roughly 4.84 million people hold University degree and above (covered of 43.88%), more than 1.47 million people graduated professional college

(accounted for 13.34%), 180 thousand people held vocational college certificate (accounted for 1.63%), nearly 2.14 million labours had professional secondary degree (accounted for 19.42%), 710 thousand labours finished vocational secondary level (accounted for 6.44%) and 1.68 million people educated with primary vocational level (accounted for 15.52%).

Compared to quarter 4/2014, skilled workers have increased in 4 groups: university and above climbed up 735 thousand people (17.90%); professional college rose by 296 thousand people (25.07%); the increases of professional secondary and primary vocational training were 132 thousand (6.6%) and 108 thousand people (6.88%) respectively.

Otherwise, the number of skilled worker decreased in 2 groups: vocational college dropped by 105 thousand people (- 36.99%); 155 thousand people (-17.83%) were out from vocational secondary school.

Figure 1. Fluctuation of skilled labours by qualification level, quarter 4/2015 in comparison to quarter 4/2014



Source: GSO (2015), Labour-Employment survey, quarter 4/2014 and quarter 4/2015

Box 1

Up to 31/12/2015, The whole country had 1,467 vocational facilities (190 vocational colleges; 280 vocational secondary schools;

997 Vocational centres)

In 2015, there were 1,979,199 enrolled learners (achieved 92.1% as planned), of which for vocational college and vocational secondary school was 210,104 people (gained 84.0%), vocational primary school and under 3 months vocational training was 1,769,095 people (93.1% completed).

In 2015, the vocational training program for rural worker (Decision 1956/QD-TTg) did train about 900,000 people (primary and under 3 month training had been provided to 550,000 people), this raised the total trained rural workers during 6 years period (2010-2015) to 4.1 million people. The employment rate of vocational graduates was 80%

Source: General Department of Vocational Training

3. Employment

Quarter 4/2015, there were total 53.50 million employed workers, of which 16.93 million workers were in urban area (accounted for 31.65%); female employees were 26 million people (48.60%).

Compared to quarter 3/2015, the number of employed workers increased by 332.64 thousands people (0.62%), in urban area there had a growth of 707.09 million people (4.18%), female workers rose by 270.32 thousand people (1.04%).

Compared to quarter 4/2014, the number of employed labours increased by 60.2 thousand people (up 0.11%). The number in urban area and female workers also rose by 1,050.8 thousand people (up 6.62%) and 20.65 thousand people (0.08%) respectively.

Table 4. The number of employments by gender, urban/rural area.

Unit: million people

| | 2014 | | 2015 | | |
|----------------------|--------------|--------------|--------------|--------------|--------------|
| | Q4 | Q1 | Q2 | Q3 | Q4 |
| Whole country | 53.44 | 52.43 | 52.53 | 53.17 | 53.50 |
| Male | 27.46 | 27.18 | 27.01 | 27.44 | 27.50 |
| Female | 25.98 | 25.25 | 25.52 | 25.73 | 26.00 |

| | | | | | |
|-------|-------|-------|-------|-------|-------|
| Urban | 15.88 | 16.39 | 15.73 | 16.22 | 16.93 |
| Rural | 37.56 | 36.04 | 36.80 | 36.95 | 36.57 |

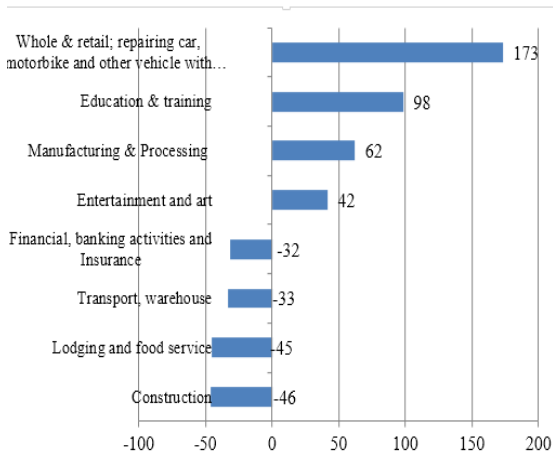
Source: GSO (2014, 2015), quarterly Labour and Employment survey data.

Compared to quarter 3/2015, four industries that had high increasing rate of labour were: “whole sale and retail; repairing car, motorbike and other vehicles with engine” (increased 173 thousand people); “education and training” (rose 98 thousands labour); “manufacturing and processing industry” (up 62 thousands labour) and “entertainment and art” (grew 42 thousands labour).

Four industries reduced labour using were: “construction” (decreased 46 thousand labour) “Lodging/accomodation and food services” (dropped by 46 thousand labour), “transport and warehouse” (descended by 33 thousand labour) and “financial, banking activities and insurance” (downward of 32 thousand labour).

Figure 2. Fluctuation of employment by industry/sector, quarter 4/2015 in comparison to quarter 3/2015

Unit: thousand people



Source: GSO (2015), Labour-Employment survey, quarter 3/2015 and quarter 4/2015

In quarter 4/2015, labour structure by industry was in a constant transition: The percentage of workers in agriculture, forestry and fisheries continued dropping to 42.3%

(quarter 3/2015 this number was 44.54%); in the service sector climbed up to 33.4% (quarter 3/2015 this number was 33%); in the industry and construction sector, however, had a mild decrease to 24.3% (quarter 3/2015 this number was 22.46%).

Table 5. Labour structure by industry and job position

Unit: %

| | 2014 | | 2015 | | |
|--|---------------|---------------|---------------|---------------|---------------|
| | Q4 | Q1 | Q2 | Q3 | Q4 |
| Total | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| By sectors | | | | | |
| agriculture, forestry and fisheries | 45.25 | 45.00 | 44.70 | 42.54 | 42.30 |
| Industry-construction | 22.35 | 21.50 | 22.13 | 24.46 | 24.30 |
| Service | 32.40 | 33.50 | 33.17 | 33.00 | 33.40 |
| By job position | | | | | |
| Owner | 2.01 | 2.98 | 2.84 | 2.75 | 2.87 |
| Self-employed | 40.42 | 42.12 | 40.04 | 39.39 | 40.01 |
| family labour | 21.11 | 17.07 | 18.28 | 17.42 | 16.11 |
| Paid worker | 36.42 | 37.79 | 38.81 | 40.42 | 40.98 |
| Cooperative members and unclassifiable | 0.04 | 0.04 | 0.03 | 0.02 | 0.03 |

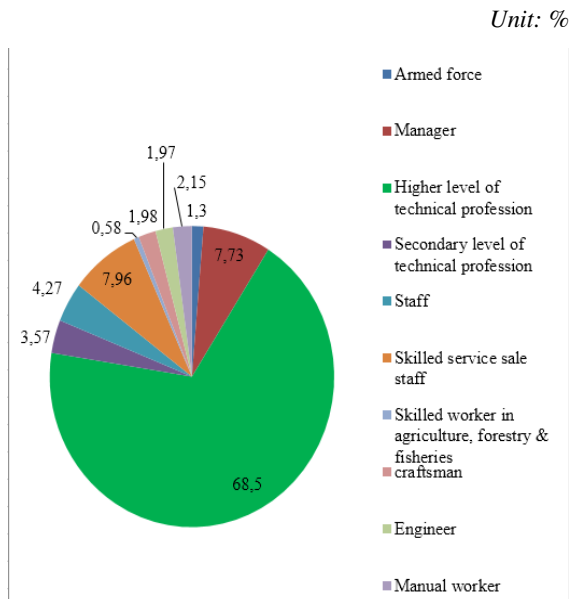
Source: GSO (2014, 2015), quarterly Labour and Employment survey data.

The percentage of paid workers in total employment constantly increased, and reached 40.98% (quarter 3/2015 it was 40.42%); the number of owners went up to 2.87% (quarter 3/2015 it was 2.75%); the unpaid family workers went down to 16.11% (quarter 3/2015 it was 17.42%), however, the self-employed workers rose slightly to 40.1% (it was 39.39% in quarter 3/2015).

Quarter 4/2015 around 4.68 million workers with university qualification and higher, which covered 8.75% total employment, increased 172 thousand people in comparison to quarter 3/2015. However, with regardless of armed force, only 76.23% of workers found compatible job, such as: “management” (7.73%); jobs required “higher technical profession level” (68.5%). There

was 22.48% labours working in positions that require lower level (under qualification), included: “secondary technical profession level” jobs (3.57%), “staffs” (4.27%), “skilled service and sale staffs” (7.96%), “skilled worker in agriculture, forestry and fisheries” (0.58%), “Craftsman” (1.98%) and “manual labour” (2.15%)

Figure 3. Employment structure of workers with university degree and higher, quarter 4/2015



Source: GSO (2015), Labour-Employment survey, quarter 4/2015

4. Oversea workers under fixed-term labour contract

By the end of quarter 4/2015, total 246 labour export enterprises had been licensed, of which: 17 State-owned enterprises (made up 6.9%) and 229 other types of liabilities (93.1%).

In quarter 4/2015, the number of worker dispatched to work abroad under fixed-term contract was 25,422 people (reduced by 8,963 people against to quarter 3/2015), the female were 9,746 people (accounted for 38.34%). The number of oversea workers to the Taiwan market was the largest, 12,439 people (made up 48.93%).

In quarter 4/2015, The Department of Oversea Labour (DOL) kept implementing the program of supporting poor districts in enhancing labour export and the supporting project for dispatching worker to work abroad according to the National target program of employment and vocational training. Beside of that, DOL cooperated with Japanese Embassy in Viet Nam and other related agencies to recruit candidates for nursing and healthcare assistance vacancies in Japan as to be mentioned in the Vietnam-Japan Economic Partnership Agreement (VJEPA). In quarter 4/2015, 210 qualified candidates were recruited and be trained the Japanese language for 12 months.

In 2015, totally 115,980 people worked overseas, of which 33.31% was female (achieved 122% as planned and increased 8.5% against to 2014). This was the second year Viet Nam had successfully dispatched over 100,000 labours to abroad. Taiwan and Japan still remain as top leading markets (correlative market shares were: 57.87% and 23.23 % respectively on total worker dispatched to work abroad in 2015).

5. Income of paid workers

In quarter 4/2015, monthly average income from the main jobs of paid workers was 4.66 million dong; of male workers was 4.89 million dong; of female workers was 4.35 million dong; of workers in urban areas was 5.45 million dong and of workers in rural areas was 4.03 million dong.

Compared to quarter 3/2015, monthly average income of paid worker rose by 56 thousand dong; of male increased 62 thousand dong, of female increased was 51 thousand dong, of workers in urban area increased by 70 thousand dong and of workers in rural area increased by 27 thousand dong.

Compared to quarter 4/2014, monthly average income of paid worker rose by 305 thousand dong; of male increased by 354 thousand dong, of female increased by 247 thousand dong, of workers in urban area increased by 338 thousand dong and of

workers in rural area increased by 265 thousand dong.

Table 6. Monthly average income of paid workers

Unit: million dong

| | 2014 | | 2015 | | |
|--------------|------|------|------|------|------|
| | Q4 | Q1 | Q2 | Q3 | Q4 |
| Total | 4.36 | 4.89 | 4.46 | 4.61 | 4.66 |
| Male | 4.54 | 5.03 | 4.70 | 4.83 | 4.89 |
| Female | 4.10 | 4.71 | 4.13 | 4.30 | 4.35 |
| Urban | 5.11 | 5.72 | 5.26 | 5.38 | 5.45 |
| Rural | 3.76 | 4.19 | 3.84 | 4.00 | 4.03 |

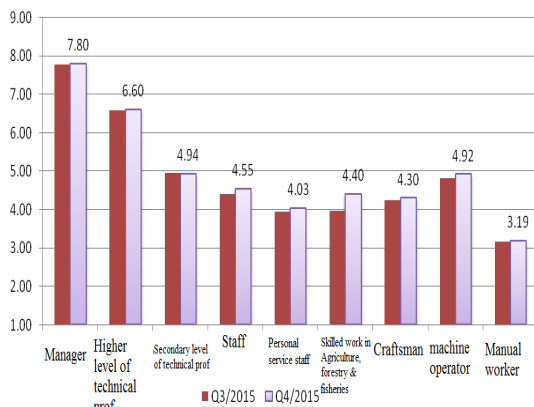
Source: GSO (2014, 2015), quarterly Labour and Employment survey data.

Regarding occupation, monthly average income of “managers” was still the highest (7.8 million dong), followed by group of “high qualification” (6.6 million dong), the group with lowest level was “manual workers” (3.19 million dong, only equivalent to 40.9% of manager group).

Compared to quarter 3/2015, monthly average income of worker climbed up in the majority of occupations, the highest increase was among “skilled worker in agriculture” group (441 thousand dong), the group with lowest growth (15 thousand dong) was “higher level of technical profession”. Particularly, the group of “secondary level of technical qualification” dropped by 30 thousand dong.

Figure 4. Monthly average income of paid workers by occupation, quarter 3/2015 and quarter 4/2015

Unit: million dong

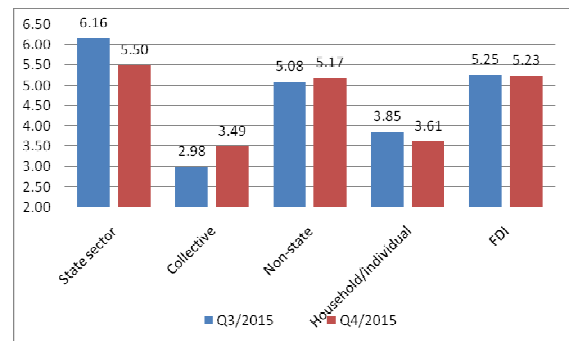


Source: GSO (2015), Labour-Employment survey, quarter 3/2015 and quarter 4/2015

By forms of ownership, employees in the state sector had the highest average monthly income (5.5 million dong), but this number decreased compared to the third quarter 2015 (a decrease of 664 thousand dong). Collective sector had the lowest income level (3.49 million dong), but the increase level of this sector compared to the third quarter is the highest (509 thousand dong).

Figure 5. The average monthly income of workers by enterprises’ ownership in quarter 3 and 4/2015¹

Unit: million dong



Source: GSO (2015), Labour – Employment survey, quarter 3/2015 and 4/2015

In quarter 4/2015, around 17.3% of paid workers was in low-income group² (under 2.8 million dong/month), increased by 269 thousand people compared to quarter 3/2015, or by 0.9 percentage point. It reflected the increase in gap between low and high income groups.

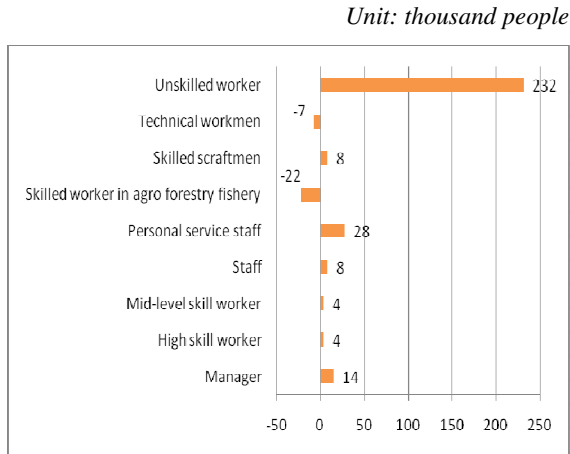
Low-income workers who had done the unskilled jobs accounted for 47.75% (an increase of 232 thousand people, equivalent to 10.17 percentage point compared to quarter

¹ According to statistics from Labour – Employment survey of GSO, FDI sector includes: foreign direct investment enterprises, representative office of international brands, companies; international organizations.

² Low wage is understood as wage paid under 2/3 of median wage.

3/2015). There was a decrease of the number of low-income workers in two groups which are : “technical workers in agriculture” (decreased by 22 thousand people or 1.27 percentage point) and “technical workmen” (decreased by 7 thousand people or 4.58 percentage point)

Figure 6. The change in paid workers with low-income, quarter 4 compared to quarter 3/2015



Source: GSO (2015), Labour – Employment survey quarter 3/2015 and 4/2015

6. Unemployment

a) Unemployment number

In quarter 4/2015, Vietnam had 1,051.6 thousand unemployed people in working age. Of which, there were 461.2 thousand women (accounted for 43.9%); there were 502.9 thousand people in urban area (accounted for 47.8%); 559.4 thousand people were adolescents aged 15-24 (accounted for 53.2%).

Comparing to quarter 3/2015, the number of unemployed people decreased by 77.1 thousand people, of which, 42.2 thousand people were female, 18.4 thousand people were from urban area and 107.1 thousand people were adolescents aged 15-24.

Comparing to quarter 4/2014, the number of unemployed people increased by 76.4 thousand people, of which, urban area increased by 25.9 thousand people,

adolescents aged from 15-24 increased by 111 thousand people, but females decreased by 11.8 thousand people.

Table 7. The number of unemployed people in working age by gender, area and age group

Unit: thousand people

| | 2014 | 2015 | | | |
|----------------|--------------|----------------|----------------|----------------|----------------|
| | Q4 | Q1 | Q2 | Q3 | Q4 |
| General | 975.2 | 1,159.8 | 1,144.6 | 1,128.7 | 1,051.6 |
| Male | 502.2 | 622.7 | 631.3 | 625.3 | 590.3 |
| Female | 473.0 | 537.1 | 513.3 | 503.4 | 461.2 |
| Urban | 477.0 | 534.1 | 525.7 | 521.3 | 502.9 |
| Rural | 498.2 | 625.6 | 618.9 | 607.4 | 548.7 |
| Aged 15-24 | 448.4 | 586.2 | 592.6 | 666.5 | 559.4 |

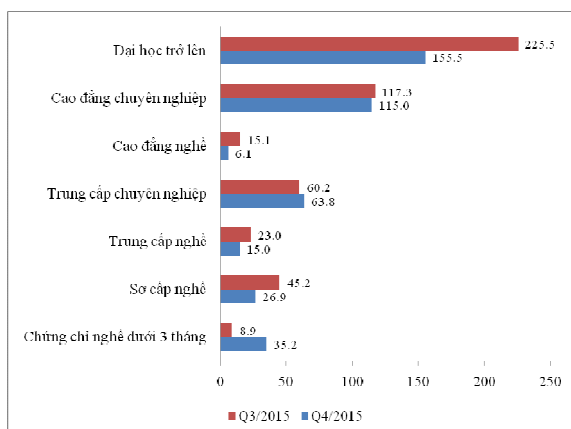
Source: GSO (2014, 2015), Quarterly Labour – Employment Survey

There were 417.3 thousand unemployed people having technical qualification (accounted for 39.7%), including: 155.5 thousand people hold university degree or higher; 115.0 thousand people hold college degree; 6.1 thousand people hold vocational college qualification; 63.8 thousand people hold professional secondary qualification; 15.0 thousand people hold secondary vocational qualification; 26.9 thousand people hold primary vocational qualification and 35.2 thousand people hold vocational certificate under 3 months of training.

Compared to quarter 3/2015, the number of unemployed people with technical qualification decreased by 78 thousand people. Of which, the decrease happened in 5 groups: university degree and higher (a decrease of 70 thousand people); primary vocational qualification (18.32 thousand people); vocational college qualification (9.03 thousand people); secondary vocational qualification (8.08 thousand people) and college (2.33 thousand people). In contrast, the number of unemployed people with technical qualification increased in two groups: vocational certificate under 3 months of training (26.23 thousand people); professional secondary qualification (3.54 thousand people).

Figure 7. The number of unemployed people in working age by qualification, quarter 3/2015 and 4/2015

Unit: thousand people



Source: GSO (2015), *Quarterly Labour – Employment Survey in quarter 3/2015 and 4/2015*

b) Unemployment rate

In quarter 4/2015, the unemployment rate of people in working age was 2.18% which decreased sharply compared to quarter 3/2015 but increased slightly compared to the same period of 2014. The unemployment rate of female and male also decreased (to 2.07% and 2.28%); in urban and rural areas, it was 3.15% and 1.7%)

People hold college qualification had the highest unemployment rate (8.16%), followed by vocational college (3.44%), professional secondary qualification (3.32) and university degree and above (3.30%).

Comparing to quarter 3/2015, the unemployment rate in quarter 4 decreased in 4 qualification groups: vocational college (a decrease of 4.5 percentage point); university degree and above (1.58 percentage point); secondary vocational qualification (1.2 percentage point) and primary vocational qualification (0.42 percentage point). Meanwhile, the unemployment rate increased in three groups: college (an increase of 0.23 percentage point); professional secondary (0.19 percentage point) and vocational certificate under 3 months of training (0.01 percentage point).

The unemployment rate of the youth (aged 15-24) was 7.21% (a slightly decrease as comparing to 7.3% of quarter 3/2015) but it was still at high level of 3.3 times higher than general unemployment rate. Of which, the unemployment rate of urban youth was 12.21% which increased slightly compared to quarter 3/2015 (12.12%). Notably, the unemployment rate of the youth aged 20-24 with technical qualification was very high, with professional college skills and university degree or higher degree was 19.58% and 20.79% respectively.

Long-term unemployment situation was improved: the rate of people who were unemployed in more than 12 months of quarter 4/2015 decreased to 23.1% (compared to 25% of quarter 3/2015).

Table 8. The unemployment rate of people in working age by gender, area, technical qualification and age group

Unit: %

| | 2014 | 2015 | | | |
|---|-------------|-------------|-------------|-------------|-------------|
| | Q4 | Q1 | Q2 | Q3 | Q4 |
| General | 2.05 | 2.43 | 2.42 | 2.35 | 2.18 |
| <i>1. By gender</i> | | | | | |
| Male | 1.96 | 2.42 | 2.48 | 2.41 | 2.28 |
| Female | 2.15 | 2.45 | 2.35 | 2.27 | 2.07 |
| <i>2. By area</i> | | | | | |
| Urban | 3.21 | 3.43 | 3.53 | 3.38 | 3.15 |
| Rural | 1.52 | 1.95 | 1.91 | 1.86 | 1.70 |
| <i>3. By technical qualification</i> | | | | | |
| No qualification | 1.57 | 1.67 | 1.58 | 1.75 | 1.93 |
| Certificate of under 3 months vocational training | | 1.31 | 1.45 | 0.97 | 0.98 |
| primary vocational | 1.75 | 2.05 | 2.71 | 2.11 | 1.69 |
| Secondary vocational | 2.60 | 3.10 | 3.90 | 3.45 | 2.25 |
| Professional secondary | 4.13 | 3.91 | 4.70 | 3.13 | 3.32 |
| Vocational college | 5.41 | 6.69 | 4.76 | 7.95 | 3.44 |
| Professional college | 6.62 | 7.20 | 6.79 | 7.93 | 8.16 |
| University/higher | 4.17 | 3.92 | 4.60 | 4.88 | 3.30 |
| <i>4. By age group</i> | | | | | |
| Youth (15-24) | 6.17 | 6.60 | 6.68 | 7.30 | 7.21 |
| Adult (>25) | 1.30 | 1.48 | 1.44 | 1.19 | 1.22 |

Source: GSO (2014, 2015) *Quarterly Employment – Labour Survey*

7. Social insurance and unemployment insurance

7.1. Social insurance

a) Participation situation

By the end of quarter 4/2015, total participants of social insurance was 12,290.4 thousand people, accounting for 22.51% of labour force, of which: the number of compulsory social insurance participants was 12,065.4 thousand people, accounting for 98.2%; the number of voluntary social insurance participants was 225 thousand people, accounting for 1.8%.

In comparison to quarter 3/2015, number of social insurance participants increased by 215 thousand people, of which the number of compulsory social insurance participants increased by 214 thousand people. The number of social insurance participants was increased by 644 thousand people in comparison to quarter 4/2014, of which the number of compulsory insurance participants was increased by 612 thousand people; the number of voluntary social insurance participants was increased by 32 thousand people.

Table 9. Statistics of social insurance participation

| Indicator | 2014 | 2015 | | | |
|--|--------|--------|--------|--------|--------|
| | Q4 | Q1 | Q2 | Q3 | Q4 |
| 1. Participant (thousand people) | | | | | |
| | 11,646 | 11,968 | 11,879 | 12,075 | 12,290 |
| Compulsory | 11,453 | 11,495 | 11,666 | 11,851 | 12,065 |
| Voluntary | 193 | 203 | 213 | 223 | 225 |
| 2. Participation rate in comparison to labour force (%) | | | | | |
| | 21.40 | 22.81 | 22.12 | 22.23 | 22.51 |

Source: Vietnam Social Security (2014, 2015)

b) The number of beneficiary of social insurance

By the end of 2015, there were 2,862.8 thousand person are being entitled to pension and monthly social assistance, including: nearly 1,298.8 thousand beneficiaries entitled to benefits from the State budget (who retired

before 1995); 1,548.8 thousand beneficiaries entitled to pension scheme and monthly social assistance from compulsory social insurance fund and 15.2 thousand people entitled to get benefits from voluntary social insurance fund.

In 2015, there were 749.1 thousand beneficiaries entitled to lump sum payment of pension and survival benefits; there were 7,528.5 thousand beneficiaries entitled to sickness and maternity benefits (5,782.9 thousand beneficiaries entitled to sickness benefits, 1,425.8 thousand beneficiaries entitled to maternity benefit; providing rehabilitative health intervention benefit for 319.8 thousand beneficiaries.

Table 10. Performance of social insurance in 2015

| Financing source | Unit | Number of beneficiaries |
|--|--------|-------------------------|
| 1. From State budget | | |
| - Monthly | Person | 1,298,780 |
| - Lump sum | Person | 52,975 |
| 2. From compulsory SI fund | | |
| a. Fund for pension and survival benefit | | |
| - Pension | Person | 1,413,000 |
| - Monthly social insurance assistance | Person | 96,220 |
| - Lump sum | Person | 749,100 |
| b. From Fund for occupational accidents and diseases | | |
| - Monthly | Person | 39,560 |
| - Lump sum | Person | 4,154 |
| c. Fund for sickness, maternity | | |
| - Sickness benefit | Person | 5,782,914 |
| - Maternity benefit | Person | 1,425,760 |
| - Rehabilitative health intervention | Person | 319,846 |
| 3. From voluntary social insurance fund | | |
| | Person | 15,197 |

Source: Vietnam Social Security, Report on implementation of social insurance policy, management and using social insurance fund in 2015

c) SI contribution - expenditure

By 31/12/2015, total revenue of social insurance fund was 146.5 thousand billion dong (excluding the penalty for late payment), of which: the contribution of compulsory social insurance scheme was 145.6 thousand billion dong (accounting for 99.4%), increased by 11.2% in comparison to the same period of 2014; the collection of voluntary social insurance was 919.9 billion dong, increased by 23.8% in comparison to the same period of 2014.

The receivables of compulsory social insurance was 5.69 thousand billion dong, accounting for 3.78% in total receivables, decreased by 936 billion dong in comparison to 2014. However, during 2015, the debt of contribution was still at high rate, approximately two times higher than that at the end of the year, reflecting the trend of enterprises being in debt in the middle of the year and full contribution at the end of the fiscal year before doing report to taxation authority.

In 2015, the State budget spent 44.9 thousand billion dong for social insurance beneficiaries (who retired before 1995); compulsory social insurance fund was 100.9 thousand billion dong, of which: pension and survival fund spent 85.6 thousand billion dong; fund for sickness and maternity benefit spent 14.9 thousand dong; fund for occupational accident and disease benefit spent 450 billion dong. Voluntary social insurance fund spent 310 billion dong.

In comparison to 2014, spending of compulsory social insurance fund was increased by 16.2% (of which: fund for pension and survival benefit increased by 19.3%; fund for sickness and maternity benefit was increased by 1.97%; spending of occupational accident and disease decreased 9.6%). Voluntary social insurance spending was increased by 89.02%.

By the end of quarter 4/2015, there were 10,287.6 thousand of unemployment insurance participants in nationwide, accounting for 18.8% of labour force; increased by 221 thousand participants in comparison to the end of quarter 3/2015 and 1,067.8 thousand participants (11.6%) in comparison to the end of 2014.

The contribution of voluntary social insurance in 2015 was 9,470.3 billion dong; contribution in debt of voluntary social insurance was 315 billion dong in 2015, equivalent to 3.06% of total receivables. Spending of voluntary social insurance was 4,800 billion dong, of which spending for monthly unemployment benefit was estimated 4,506 billion dong, accounting for 93.9% of total expenditure.

In comparison to 2014, contribution of unemployment social insurance was decreased by 2,525.3 billion dong (-21.05%) because of new regulations in Labour Code (since 2015, State budget removed the policy of 1% subsidy for unemployment social insurance). The receivables of unemployment social insurance was decreased by 228 billion dong (-1.27%). Spending of unemployment social insurance fund was decreased by 20 billion dong (-0.41%).

In quarter 4/2015, there were 118,999 people applying for unemployment benefit, decreased by 36,403 people (23.4%) in comparison to quarter 3/2015 and 2,737 people (2.2%) in comparison to the same period of 2014 due to the lower rate of unemployment.

7.2. Unemployment insurance

Table 11. Performance of unemployment insurance, quarter 4, 2015

Unit: thousand people

| Indicator | 2014 | | 2015 | | |
|--|-------|------|-------|-------|-------|
| | Q4 | Q1 | Q2 | Q3 | Q4 |
| 1. The number of application for unemployment benefit | 121.7 | 84.8 | 160.5 | 155.4 | 119.0 |
| 2. The number of person having the decision of entitling to the unemployment insurance benefit | | | | | |
| - Monthly | 127.5 | 85.0 | 137.3 | 166.0 | 128.5 |
| - Lump sum | 10.4 | 5.9 | 0.8 | | |
| 3. Transfer applicants to entitled to unemployment benefit | 1.2 | 0.6 | 0.4 | 0.6 | 0.6 |
| 4. The number of unemployed people receiving job consultation and introduction | 108.5 | 73.3 | 130.0 | 132.7 | 118.4 |
| Of which the number of unemployed people receiving job introduction | 28.3 | 17.4 | 33.7 | 31.1 | 29.2 |
| 5. The number of unemployed people receiving subsidy of vocational training | 6.2 | 5.0 | 6.3 | 8.0 | 5.9 |

Source: Department of Employment (2014, 2015)

In quarter 4/2015, the number of unemployed people receiving decision for unemployment benefit was 128,484 people, decreased by 37,494 people (-22.6%) in comparison to quarter 3/2015, but increased by 1,021 people (0.8%) in comparison to the same period of 2014. The proportion of female unemployed workers receiving decision for monthly unemployment benefit was 57.3%; unemployed workers aging from 25-40 having decision for entitling to unemployment benefit was at high rate (male: 66.0%; female: 64.8%), which indicated the vulnerability of this group under the labour market's fluctuation.

Reforming and improving activities of counselling and introducing job for unemployed people (right from application step so as to

make favorable condition for unemployed people to access information of labour market) contributed to raise the number of unemployed people receiving counselling and job introduction was 118,437 people in quarter 4/2015, equivalent to 92.2% in comparison to number of unemployed people receiving decision for monthly unemployment benefit, increased 7.1% (85.1%) in comparison to 2014.

In quarter 4/2015, the number of unemployed people receiving job introduction was 29,150 people (equivalent to 22.7% number of person receiving decision for entitling to the unemployment insurance), increased 3.1% (887 people) in comparison to the same period of 2014.

The number of unemployed people receiving decision for entitling to vocational training support was 5,869 people (equivalent to 4.6% of total person having the decision for entitling to unemployment benefit), decreased by 6.1% (380 people) in comparison to the same period of 2014 (According to regulation of Employment law in 2013, the employee had participated unemployment insurance for over 9 months during 24 months if they finish their labour contract under the stipulated law but is still ineligible to get unemployment benefit, they will get subsidy for vocational training). The number of unemployed people receiving vocational training support was 339 people in quarter 4/2015, equivalent to 5.8% of total unemployed people receiving vocational training support in nationwide.

8. Supply-demand connection

In quarter 4/2015, 64 Centers for Employment Service administered by labour and social affairs sector, organized 320 job transaction sessions with nearly 607 thousand of unemployed people receiving counselling, job introduction, of which there were 225 thousand of unemployed people being employed (accounting for 37.1% of total unemployed people receiving job consultation).

Table 12. Supply-demand connection

| Indicators | 2014 | 2015 | | | |
|---|------|------|-----|-----|-----|
| | Q4 | Q1 | Q2 | Q3 | Q4 |
| The number of centers | 130 | 130 | 130 | 130 | 130 |
| The number of enterprises providing employment services | 144 | 146 | 146 | 146 | 146 |
| <i>Results of the 64 Centers for Employment Service administered by labour and social affairs sector:</i> | | | | | |
| The number of job transaction session | 315 | 260 | 270 | 300 | 320 |
| The number of people getting job consultation (thousand people) | 485 | 410 | 475 | 488 | 607 |
| The number of people getting job through Center for employment service (thousand people) | 247 | 172 | 190 | 195 | 225 |

Source: Department of Employment (2014, 2015)

Analysis of labour demand –supply trend from e-portal of Ministry of Labour-Invalids and Social Affairs, quarter 4/2015

- Recruitment demand:

Total demand for recruitment was 200.4 thousand of job (accounting for 22.26% of total demand in the year), increased by 13.5 thousand of job (7.3%) in comparison to quarter 3/2015.

Recruitment demand by ownership: limited liability company and private-owned company was 100 thousand people (accounting for 49.9%), joint stock company was 60.9 thousand people (accounting for 30%), and others was 36.9 thousand people (accounting for 19.7%).

In comparison to quarter 3/2015, recruitment demand of Limited liability Company and private-owned company was increased by 11.03 thousand people, of joint stock company increased by 0.42 thousand people, other ownerships was increased by 2.1 thousand people.

Table 13. Recruitment demand in 2015

Unit: thousand people

| Ownership | 2015 | | | |
|----------------------------------|--------------|--------------|--------------|--------------|
| | Q1 | Q2 | Q3 | Q4 |
| State owned | 28,0 | 27,3 | 22,0 | 19,5 |
| Limited liability, Private owned | 134,9 | 118,6 | 88,9 | 100,0 |
| Joint stock | 83,1 | 79,9 | 60,4 | 60,9 |
| Foreign investment | 19,7 | 15,3 | 14,16 | 18,1 |
| Unclassified | 3,9 | 2,0 | 1,3 | 1,9 |
| Total | 269,7 | 243,3 | 186,9 | 200,5 |

Source: Calculation based on e-portal of MOLISA

Type of occupation:

In quarter 4/2015, recruitment demand was quite high in some occupation such as: salesman (8.85 thousand people); electricity, electronics (8.67 thousand people); driver (14.79) and engineers/manufacturing (2.22 thousand people).

In comparison to quarter 3/2015, recruitment demand was increased in some occupations such as: sales, business staffs (increased by 2.13 thousand people); electricity, electronics 4.7 thousand people). However, recruitment demand was decreased in some occupations such as: driver (decreased by 3.66 thousand people); engineers/manufacturing (decreased by 1.71 thousand people).

- labour supply:

Total number of people having demand for job was 224 thousand people (accounting for 22.4% in comparison to 2015), increased 5.8% compared to quarter 3/2015.

By gender: female group have demand for job was 104 thousand people (accounting for 47%), increased by 5.4 thousand people (5.6%) in comparison to quarter 3/2015.

By qualification, demand for job of people holding secondary vocational training certificate was highest. In quarter 4/2015, there were 67.5 thousand people (accounting for 30.1%), increased by 1.6 thousand people in comparison to quarter 3 /2015; followed by people holding college degree (accounting for

17%) and university and higher (accounting for 15.8%), however it was decreased respectively 0.88 and 0.84 thousand people in comparison to quarter 3/2015.

The number of people finding job without degree/certificate was 23.6%, increased by 7.6 thousand people in comparison to quarter 3/2015.

By occupational group: Human management was considered as the most applied occupation (24.2 thousand people, accounting for 10.8%), however, it decreased by 2.7 thousand people in comparison to quarter 3/2015; followed by "accounting" (accounting for 10.1%). There were some occupations that attracted more people than that in quarter 3/2015 such as: architect, driver (increased respectively by 3.6 and 3.3 thousand people).

Table 14. Demand for job in 2015

Unit: thousand people

| | 2015 | | | |
|--------------------------------|-------|-------|-------|-------|
| | Q1 | Q2 | Q3 | Q4 |
| Total | 300.3 | 263.9 | 211.7 | 224.1 |
| <i>By gender</i> | | | | |
| Male | 165.7 | 143.4 | 112.9 | 119.8 |
| Female | 134.6 | 120.5 | 98.8 | 104.3 |
| <i>By qualification</i> | | | | |
| No qualification | 64.8 | 54.8 | 45.1 | 52.8 |
| Elementary vocational training | 35.9 | 33.7 | 25.3 | 30.2 |
| Secondary vocational training | 91.6 | 80.9 | 65.9 | 67.5 |
| College | 53.5 | 47.6 | 39.0 | 38.2 |
| University and higher | 54.4 | 46.9 | 36.3 | 35.5 |
| <i>Expected wage</i> | | | | |
| In negotiation | 168.1 | 180.5 | 110.7 | 115.8 |
| < 2 million dong | 0.7 | 0.2 | 0.0 | 0.2 |
| 2-4 million dong | 20.6 | 14.0 | 14.9 | 14.7 |
| 4-6 million dong | 66.0 | 34.2 | 45.9 | 48.2 |
| 6-10 million dong | 28.2 | 13.3 | 16.2 | 12.0 |
| 10-15 million dong | 10.8 | 16.0 | 16.4 | 28.1 |
| 15-30 million dong | 4.4 | 5.2 | 4.7 | 3.8 |
| > 30 million dong | 1.6 | 0.5 | 3.1 | 1.4 |

Source: ILSSA synthesized from e-portal of MOLISA

By expected wage: about 51% of job seekers accepted wage in negotiation; it was

21.5% of job seekers expecting wage from 4-6 million dong/month.

9. Perspective of labour market, demand for labour in 2016

The economy has been further recovered and improved due to efforts and reform so far of the Government (economic restructure, domestic investment was much improved) and deeper integration in the global economy such as ASEAN, TPP, FTA, etc., GDP of Vietnam in 2016 is forecasted at 6.6% (according to forecast of World Bank).

The improved economic growth will bring positive impacts on labour market.

Regarding labour supply: in the next 12 months, labour force is estimated at 55.3 million people, accounting for 77.8% of total population aged over 15, of which female workers is 48.2%, the rate of workers in urban area is 32.9%.

Regarding employment: in the next 12 month, it is predicted that the number of employed people is 54.1 million people, of which the rate of female workers is 48.3%, the rate of workers in urban areas is 31.9%.

By sector: in the next 12 months (by quarter 4/2016), labour force in some sectors will be increased: "Manufacturing industry" raises 692 thousand people (increases by 8.2% in comparison to 2015); "transportation and storage" increases 145 thousand people (raises 8.8%) "information and communication" increases 115 thousand people (4.5%). In some sectors, labour force will be decreased such as: "Agriculture, forestry and fishery" will be decreased by 376 thousand people (reduce 1.6% in comparison to 2015); "mining and quarrying" will decrease by 20 thousand people (reduce 8.8% comparing to 2015).

In 2016, it is forecasted that unemployment rate of people at working age will maintain at low only 2.2%

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