



Ministry of Labour,
Invalids and Social
Affairs

NEWSLETTER
VIETNAM'S LABOUR MARKET
Volume 9, quarter 1 of 2016



General statistic
office

1. Key indicators

Table 1. Key economic and labour market indicators

Indicators	2015				2016
	Q1	Q2	Q3	Q4	Q1
1. Gross domestic product growth rate (GDP) (%)	6.1	6.5	6.9	7.0	5.5
2. Export turnover growth rate(% compare to previous period)	8.7	11.7	9.6	10.4	4.1
3. Total capital investment per GDP (%)	30.4	31.1	31.9	32.6	32.2
4. Consumer Price index (% compare to the previous period)	0.74	0.86	0.74	0.60	1.25
5. Labour force(million people)	53.64	53.71	54.32	54.59	54.40
6. Labour force participation rate (%)	77.3	76.2	76.4	78.8	77.5
7. Rate of skilled labour force with certificate (%)	21.24	20.06	20.22	20.20	20.71
8. Employment(million people)	52.43	52.53	53.17	53.50	53.29
9. Rate of paid worker in total employment (%)	37.80	38.80	40.42	40.98	41.40
10. Rate of employment in agriculture, forestry and fisheries sector in total employment(%)	45.00	44.70	42.54	42.30	42.30
11. Unemployment at working age (thousand people)	1,159.8	1,144.6	1,128.7	1,051.6	1,072.3
12. Unemployment rate at working age(%)	2.43	2.42	2.35	2.18	2.25
of which					
12.1. Urban unemployment rate(%)	3.43	3.53	3.38	3.15	3.08
12.2. Youth unemployment rate (aged 15 - 24) (%)	6.60	6.68	7.30	7.21	6.63

Source: GSO Quarterly statistic and labour – employment survey data, (2015, 2016)

Slow down economic growth had an direct impact on labour – employment.

Quarter 1/2016, economic growth was slow down, GDP grew estimately at 5.5% compared to the same period last year. The concerned issue was the decrease of agriculture, forestry and fisheries sector (down 1.23%) which resulted into the decline of 0.16 percentage points in general growth level. Growth rate of exports also dropped.

Compared with quarter 4/2015, the ratio of labor force participation (labor force) in quarter 1/2016 decreased; the number of people employed fell by 211.12 thousand (0.39%); the number and the rate of unemployment increased; the percentage of workers in agriculture, forestry and fisheries (AFF) was unchanged.

However, the labor market still had several positive spots: the proportion of waged workers

continued to rise, which reached 41.4%; both urban and youth unemployment rate were reduced. .

2. The population aged over 15 and labour force

In quarter 1/2016, the population aged over 15 achieved 70.17 million people, of which urban population was 24.48 million people accounted for 34.88%; females was 36.09 million people covered of 51.43%.

Also in this quarter, the inactive population aged over 15 was 15.77 million people, decreasing by 340 thousand people compared to the same period last year. The majority of decline derived from “loss of working capacity” group (-133 thousand people, declining 2.1%). It was notable that “housework” group saw an increase (329 thousand people, 10.89%)

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

	2015				2016
	Q1	Q2	Q3	Q4	Q1
1. Population aged from over 15 (million people)					
Total	69.75	70.86	71.52	69.57	70.17
Male	33.93	34.15	34.62	33.79	34.08
Female	35.82	36.71	36.90	35.78	36.09
Urban	23.96	23.59	24.16	24.05	24.48
Rural	45.79	47.27	47.36	45.52	45.69
2. Labour force (million people)					
Total	53.64	53.71	54.32	54.59	54.40
Male	27.82	27.66	28.07	28.11	28.21
Female	25.82	26.05	26.25	26.48	26.19
Urban	16.94	16.26	16.75	17.45	17.38
Rural	36.70	37.45	37.57	37.14	37.02
3. Labour force participation rate (%)					
	77.40	75.79	76.38	78.84	77.53

Source: GSO (2015, 2016), quarterly Labour and Employment survey data,

The scale of labour force aged from 15 was 54.4 million people, increasing by 763 thousand people (1.42%) with comparison to quarter 1/2015; of which the number of female worker went up 371 thousand

people(1.44%), Urban area had the increase of 441 thousand workers (2.61%).

The labour market participation (above 15) rate of quarter 1/2016 was 77.53%, dropped 1.31 percentage points compared to quarter 4/2014 and increased 0.13 points against to quarter 1/2015.

The quality of labor supply was improved, particularly about the significant increase among the group of secondary vocational school and Vocational College

In quarter 1/2016, the number of skilled worker aged over 15 (includes people with vocational certificate/degree for duration of 3 months above) was 11.27 million people, which accounted for 20.71% of labor force (grew 0.56%), and increased 265 thousand people (2.22%) against to quarter 4/2015. The rate of these skilled workers in urban area was 2.8 times higher than that in rural area (36.88% versus 13.13%); this rate of female was lower than male’s rate (18.30% compares to 22.96%).

Table 3. Quantity and rate of skilled workers

	2015				2016
	Q1	Q2	Q3	Q4	Q1
1. Quantity (Million people)					
Total	11.39	10.77	10.98	11.02	11.27
Primary vocational	1.98	1.77	1.66	1.68	1.73
Secondary vocational	0.91	0.81	0.76	0.71	0.78
Prof-Secondary school	2.14	2.11	2.09	2.14	2.06
Vocational college	0.24	0.20	0.22	0.18	0.21
Professional college	1.45	1.42	1.51	1.48	1.52
University and higher	4.66	4.47	4.74	4.84	4.97
2. Rate(%)	21.24	20.06	20.22	20.20	20.71

Source: GSO (2015, 2016), quarterly Labour - Employment survey

Note: The sum of numbers may be not exactly equal total due to rounding.

With corresponding to quarter 4/2015, skilled worker's proportion increased at 5 groups: above university climbed up 134 thousand people (2.77%); professional college rose by 454 thousand people (3.06%); there was the increase of 33 thousand people within the vocational college (18.37%); the correlative increases of secondary and primary vocational school were 68 thousand people (up 9.48%) and 46 thousand people (2.72%) respectively. Otherwise, the number of skilled worker decreased by 81 thousand people in professional secondary school (-3.78%).

The correlative level between "above university" – college – secondary vocational – primary vocational was: 1-0.35-0.57-0.35.

3. Employment

The declining trend in the "Agriculture, forestry and fisheries" labor force was held back, the proportion of wageworker kept increasing

On Nationwide – quarter 1/2016, there were total 53.29 million employed people, 16.88 million workers of which were in urban area (accounted for 31.68%); female employee was 25.74 million people (48.30%).

To compare with quarter 4/2015, the number of employed people dropped by 211.12 thousand workers (0.39%). However, In comparison to quarter 1/2015, key indicators show positive growth: the number of employed people, employment in urban area and female worker, which rose by 859.08 (up 1.64 %), 490.49 (up 2.99%) and 490.39 (1.94 %) thousand people respectively.

Table 4. The number of employed worker by gender, urban and rural area.

Unit: million people

	2015				2016
	Q1	Q2	Q3	Q4	Q1
Nation wide	52.43	52.53	53.17	53.50	53.29
Male	27.18	27.01	27.4	27.5	27.55

			4	0	
Female	25.25	25.52	25.73	26.00	25.74
Urban	16.39	15.73	16.22	16.93	16.88
Rural	36.04	36.80	36.95	36.57	36.41

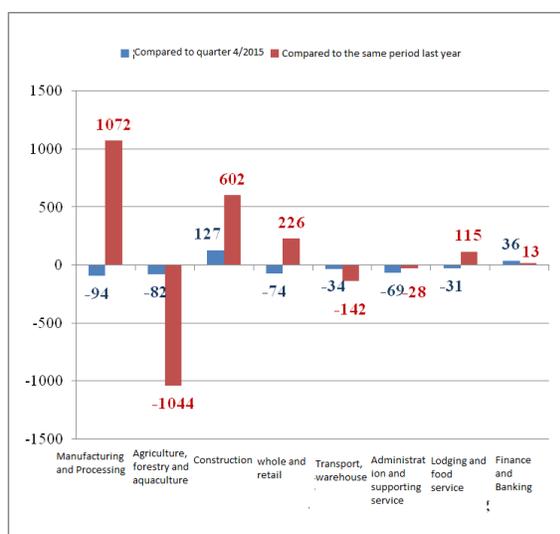
Source: GSO (2015, 2016), quarterly Labour and Employment survey data

Compared to quarter 4/2015, four industries which had the highest increase of labour force were: "construction" (increased 127 thousand people); "financial, banking" (rose 36 thousands); "other services" (up 34.2 thousands); "water supply and waste management" (grew 28.5 thousands). Other three industries experienced dramatic downward trend of labour force were: "manufacturing and processing industry" (down 94.2 thousands), "agriculture, forestry and fisheries" (descended by 82.3 thousand) and "whole sale and retail; repairing car, motorbike and other vehicles with engine" (decreased 74 thousand people).

On the other hand, against to quarter 1/2015, the number of worker in the industry "manufacturing and processing" sustained the highest increase with 1,072 thousand people, the second one was "Construction" sector (602 thousand persons); The third one was "whole sale and retail; repairing car, motorbike and other vehicles with engine" (226 thousand persons); on the contrary, the number of worker among "Agriculture, forestry and fisheries" (AFF) industry dropped sharply (1,044 thousand people).

Figure 1. Fluctuation of skilled employment by industry/sector, quarter 1/2016 in comparison with quarter 4/2015 and quarter I/2015

Unit: thousand people



Source: GSO (2015, 2016), quarterly Labour-Employment survey.

Compared to quarter 1/2015, the proportion of workers in AFF decreased from 45.0% to 42.3%, this was mainly due to the increase of labour in industry - construction sector (from 21.5% to 24.5%).

Table 5. Labour structure by industry and job position

	2015				2016
	Q1	Q2	Q3	Q4	Q1
Total	100.00	100.00	100.00	100.00	100.00
<i>By 3 industries</i>					
agriculture, forestry and fisheries	45.00	44.7	42.54	42.30	42.31
Industry-construction	21.50	22.1	24.46	24.30	24.45
Service	33.50	33.1	33.00	33.40	33.24
<i>By job position</i>					
Owner	2.98	2.84	2.75	2.87	2.81
Self-employed	42.12	40.04	39.39	40.01	39.48
family labour	17.07	18.28	17.42	16.11	16.30
Paid worker	37.79	38.81	40.42	40.98	41.40
Cooperative members and unclassifiable	0.04	0.03	0.02	0.03	0.01

Source: GSO (2015, 2016), quarterly Labour and Employment survey data.

The rate of wageworkers in total employment constantly increased, and reached

41.4% (quarter 4/2015 was 40.98%); while the sector of self-employed workers fall slightly to 39.48%.

4. Worker dispatched to work abroad under fixed-term labour contract

By the end of quarter 1/2016, there was total 262 labour export enterprises licensed (16 more than previous quarter), of which: 63 enterprises were State-owned (made up 24%).

Throughout quarter 1/2016, the number of worker dispatched to work abroad under fixed-term contract was 23,214 people (reduced by 2,208 people against to quarter 4/2015), the female of which accounted for 41.2% (9,560 people). Taiwan market had the largest number of worker dispatched – 13,096 people (made up 56.4%); Japan followed behind with 7,110 workers (30.5%), other large market were Malaysia, South Korea, Saudi Arabia, Macao.

5. Income of wageworker

The income of wageworkers persisted rising; the income gap between groups was wider.

In quarter 1/2016, monthly average income from main job of wageworker was 5.09 million dong, went up by 189 thousand dong (3.8%) and 417 thousand dong (8.94%) against to quarter 1/2015 and 4/2015 respectively, this was the effect of Tet holiday bonuses in 2016's first months and also the new regulation on minimum income (2016).

Table 6. Monthly average income of paid workers

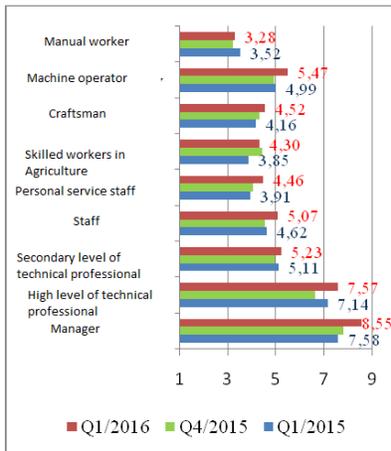
	2015				2016
	Q1	Q2	Q3	Q4	Q1
Total	4.89	4.46	4.61	4.66	5.08
Male	5.03	4.70	4.83	4.89	5.29
Female	4.71	4.13	4.30	4.35	4.79
Urban	5.72	5.26	5.38	5.45	6.16
	4.19	3.84	4.00	4.03	4.20

Source: GSO (2015, 2016), quarterly Labour and Employment survey data..

Regarding occupation, “manager”, “higher level technician” and “machine operator” still gained the best income. The majority of occupational groups had higher income than previous one in both quarter 1/2015 and 4/2015, the group “skilled worker in agriculture” and “manual worker” were not inclusive among above trend though.

Figure 2. Monthly average income of paid workers by occupation

Unit: million dong

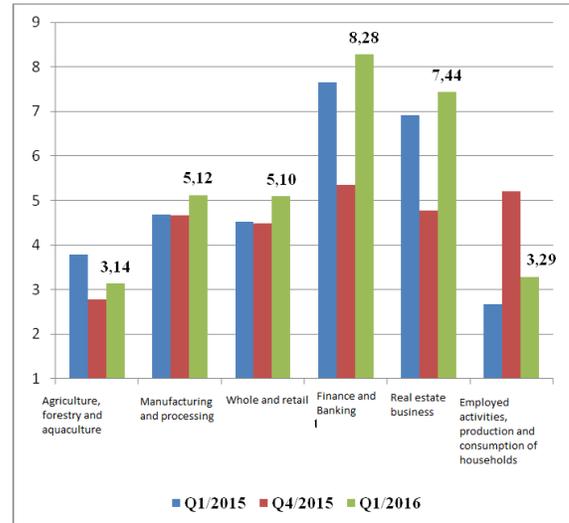


Source: GSO (2015, 2016), Labour-Employment survey.

The most of industries increased at income over time in comparison with 4/2015 and 1/2015. Exceptionally, AFF's income fell compared to quarter 1/2015..

Figure3. Monthly average income of paid workers by industry

Unit: million dong

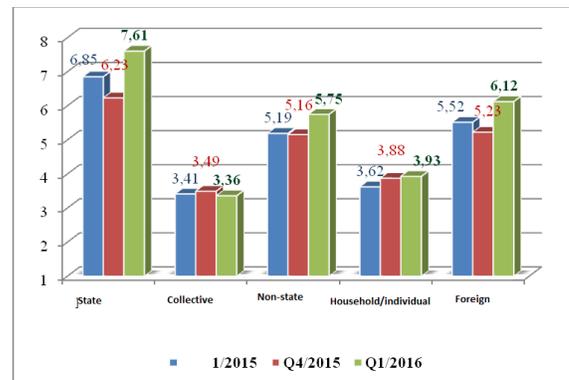


Source: GSO (201, 2016), quarterly Labour – Employment survey,

Under the term of ownership type, workers in state-owned enterprises continued to have an average monthly income that was highest (7.61 million dong), rose by 754 thousand dong (11%) compared to the 2015's first quarter and increased by 1.4 million dong (22%) compared to quarter 4, 2015.

Figure 4. The average monthly income of workers by form of enterprises

Unit: million dong



Source: GSO (201, 2016), quarterly Labour – Employment survey.

In the 1st - 2016 quarter, 24.4% of wageworkers belonged to the low income group (under 3 million / month), increased 7 percentage points compared to quarter 4/2015.

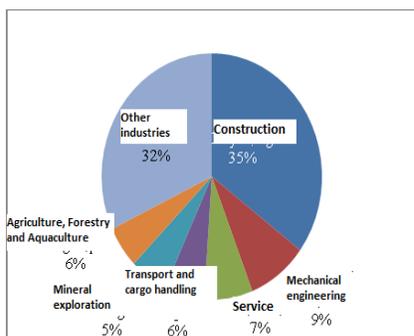
6. Occupational safety

Occupational accidents (OA) increasing, the main reason comes from employers.

The number of OA in 2015 was 7620 cases, rose 911 cases compared with 2014 (13.6%); the number of people with OA in 2015 was 7785 people, climbed up by 844 people compared to 2014 (12.2%); the number of deaths due to OA was 666 people, increased by 36 people compared to 2014 (5.7%). In fact, the real number of OA cases could be larger, the gap was caused by the incomplete performance of occupational safety and health statistics/reports (in 2015, the proportion of firms reporting was 6.9%).

Occupational accidents concentrated in several high-risk industries/fields such as construction, agriculture, mechanical engineering and mineral exploration.

Figure 5. The percentage of fatal occupational accidents by industry in 2015



Source: Department of work safety (2016). Notification of occupational accidents in 2015- Analyzing from 238 investigation reports of fatal occupational accidents

Causes of OA mainly came from employers (53% of the OA cases), 19% was resulted by employees and other causes accounted for 28% of OA cases.

7. Unemployment and underemployment

7.1. Unemployment

The unemployment rate still remained at high level at young and highly qualified workers.

In quarter 1/2016, around 1,072.3 thousand people in working age were unemployed, an increase of 20.7 thousand persons compared to the quarter 4/2015 and decreased by 87.5 thousand persons compared to the same period of 2015. The unemployment rate among working age people was 2.25%, an increase compared to quarter 4/2015 but a slightly down compared to the same period in 2015.

Compared to quarter 4/2015, the female unemployment rate down to 1.95%. The unemployment rate in urban areas fell to 3.08% (versus 3.15% in quarter 4/2015). Meanwhile, the unemployment rate of men and rural areas increased slightly to 2.50% and 1.83% respectively.

The youth group (aged 15-24 years) had 540.7 thousand unemployed people, down by 18.7 thousand persons compared to quarter 4/2015 but it still accounted for 50.4% of the total unemployed people. The youth unemployment rate decreased to 6.63% (lower than that in the quarter 4/2015 and the same period in 2015). However, the unemployment rate among young people in urban areas, the youth aged 20-24 years old with professional college degree and with university or higher degrees are considerable issues (with the number being 10.2%, 16.3% and 19.6% respectively)

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

Unit: thousand people

	2015				2016
	Q1	Q2	Q3	Q4	Q1
General	1,159.8	1,144.6	1,128.7	1,051.6	1,072.3
1. by gender					
Male	622.7	631.3	625.3	590.3	647.9
Female	537.1	513.3	503.4	461.2	424.4
2. by areas					
Urban	534.1	525.7	521.3	502.9	488.0

Rural	625.6	618.9	607.4	548.7	584.3
3. by ages					
Youth (15-24)	586.2	592.6	666.5	559.4	540.7
Adults (>25)	573.6	552.0	462.2	463.2	531.6

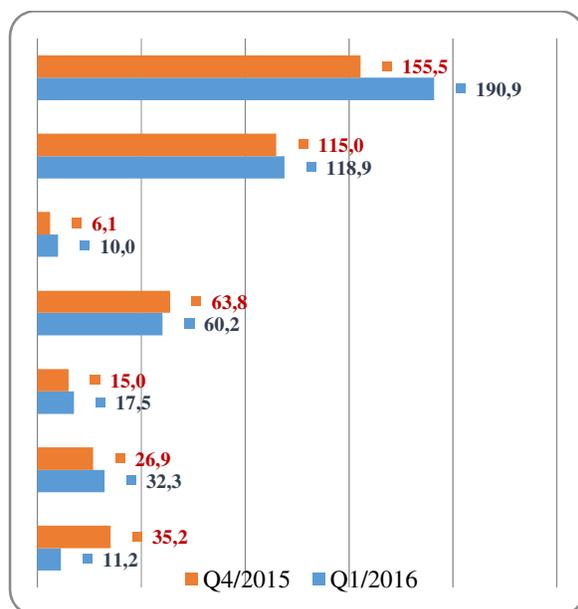
Source: GSO (2015, 2016), quarterlyLabour – Employment survey.

Noted: Numbers are rounded, therefore the sum-up numbers will not equal the total numbers.

Among those who was unemployed, 441.1 thousand persons was skilled workers (accounted for 41.1% of total unemployed people, increasing 23.7 thousand people compared to quarter 4/2015). People with technical professional were unemployed, include 190.9 thousand people with degrees of university or above; 118.9 thousand people with professional colleges certificates; 10 thousand people with vocational training college level; 60.2 thousand persons with professional secondary school; 17.5 thousand persons with vocational secondary qualifications; 32.3 thousand persons with vocational primary level and 11.2 thousand persons with vocational certificates under 3 months.

Figure 6. The number of unemployed people in working age by qualification, quarter4/2015 and quarter 1/2016

Unit: thousand people



Source: GSO (2015, 2016), quarterlyLabour – Employment survey 4/2015 and 1/2016.

The unemployment rate of person with professional college certificates remained at the highest level (8.07%), followed by vocational colleges (4.87%) and university or higher (3.93%).

Group of people with no qualifications/certificates remained low unemployment rate (1.75%), a significant reduction compared to quarter 4/2015 (1.93%).

Long-term unemployment rate (over 12 months) was 24.7%, slightly increased from the previous quarter (23.1%).

Table 8. The number of unemployed people in working age by gender, area, qualification and age group

Unit: %

	2015				2016
	Q1	Q2	Q3	Q4	Q1
General	2.43	2.42	2.35	2.18	2.25
1. by gender					
Male	2.42	2.48	2.41	2.28	2.50
Female	2.45	2.35	2.27	2.07	1.95
2. by areas					
Urban	3.43	3.53	3.38	3.15	3.08
Rural	1.95	1.91	1.86	1.70	1.83
3. by qualifications					
No qualifications	1.67	1.58	1.75	1.93	1.75
Vocational training certificates < 3 months	1.31	1.45	0.97	0.98	1.29
Primary vocational training	2.05	2.71	2.11	1.69	1.99
Secondary vocational training	3.10	3.90	3.45	2.25	2.38
Prof-Secondary school	3.91	4.70	3.13	3.32	3.30
Vocational college	6.69	4.76	7.95	3.44	4.87
Professional college	7.20	6.79	7.93	8.16	8.07
University and higher	3.92	4.60	4.88	3.30	3.93
4. by ages					

Youth (15-24)	6.60	6.68	7.30	7.21	6.63
Adults (>25)	1.48	1.44	1.19	1.22	1.35

Source: GSO (2015, 2016), quarterly Labour – Employment survey

7.2. Underemployment

In quarter 1/2016, a total 1.6 million workers had time to work less than 35 hours/week, around 821.1 thousand people in working age were underemployed, an increase of 62.8 thousand persons compared to the quarter 4/2015. The number in rural areas accounted for 86.8% of all underemployed workers; in agriculture – forestry –fishery sector accounted for 79.7%; self-employed workers and households workers accounted for 77.0%.

The underemployment rate was 1.76%, a slight increase compared to quarter 4/2015 (1.61%). The rate of underemployment in rural areas was 2.28%, 3 times higher than in urban areas (0.70%); in agriculture – forestry-fishery sector was 3.64%; household labor and self-employed workers was 3.67% and 2.19% respectively.

Figure7. Number and rate of underemployment of labour force in working age, quarter 1/2016



Source: GSO (2015, 2016), quarterly Labour – Employment survey.

The average working hours of underemployed people was 28.03 hours, equaled 59.9% of the average working hours of an employee in the country (46.83 hours / week), increased 3.57 hours compared to the same period in 2015 (24.46 hours).

8. Social insurance and unemployment insurance

8.1 Social insurance

Amended Social Insurance Law took effect from 01/01/2016, this initially affected on the status and results of implementing social insurance policy..

a) Participation situation

By the end of quarter1/2016, total participants of social insurance was 12,287.5 thousand people, equivalent to the number at the end of 2015; of which: the number of compulsory social insurance participants was 12,093 thousand people, increased 27.5 thousand people compared to the number at the end of 2015; the number of voluntary social insurance participants was 194.5 thousand people, decreased 30.5 thousand people. The main reason was that the non-specialized staffs in communes, wards and towns had moved from the voluntary social insurance to the compulsory social insurance under the provisions of the Social Insurance law 2014.

Box1. Some adjustment of the Social Insurance Law

From the 1st of January 2016, the Social Insurance Law (2014) was in effect, a notable number of new points as follows:

- Trade union organizations have the right to take action if the business enterprise in violation of the provisions of the law on social insurance
- The employee is entitled to self-management of his social insurance books
- Every 6 months, companies must publicly listed information on social insurance for employees; annually, publicly posted information on social insurance contributions provided by the Vietnam Social Agency.
- Wages as a basis for contribution of the compulsory social insurance includes salaries and allowances. Allowances are subsidy to offset factors relating to working conditions,

the complexity of work, living conditions, attracting labor level, that was not covered or partly covered by the agreed wage in the labor contract such as position allowances; responsibility allowance; extra heavy, hazardous or dangerous allowance; seniority allowances; sub-regional allowance; mobility allowance; incentive allowances and other similar allowances.

- Male workers are engaged in compulsory social insurance will be entitled to enjoy maternity (5-14 days) when their wives give birth. Where the wife is not in the compulsory social insurance, the husband will be entitled allowance once equals 2 months of basic salary when their wives give birth.

- Surrogacy Pregnant women and surrogacy mothers are entitled to enjoy maternity scheme.

- the reduction rate of early retirement increases from 1% to 2% for each year of early retire.

- Relatives of the workers are entitled to chose once or monthly survivors insurance.

- For those who are eligible to retire on age but missing no more than 10 years of the social insurance contributions are eligible to contribute to voluntary social insurance once for the missing years to enjoy immediately monthly pension.

In quarter 1/2016, compulsory social insurance revenue was VND 34,288.9 thousand billion, reaching 21.82% of the annual plan. Lower targets was due to increasing debt, up 68% compared to quarter 4/2015. Total compulsory social insurance debt by 31/03/2016 was VND 9,537.1 trillion.

Table 9. Performance of social insurance

Indicator	2015				2016
	Q1	Q2	Q3	Q4	Q1
Participant (thousand people)	11,69	11,87	12,07	12,29	12,28
Participants/L	8	9	5	0	7
F (%)	21.81	22.12	22.23	22.51	22.59

by types:					
Compulsory (thousand people)	11,49	11,66	11,85	12,06	12,09
	5	6	1	5	3
Voluntary (thousand people)	203	213	223	225	195
Debt in Compulsory (billion VND)	8,637	7,872	8,001	5,692	9,537

Source: Vietnam Social Security

b) The number of beneficiary of social insurance

In quarter 1/2016, totally 35,886 thousand person was being entitled to pension and monthly social assistance (of which: 29,892 person was being entitled to pension; 5,387 person was being entitled to monthly survivor scheme; 571 person was being entitled to monthly occupational accident/diseases supports); 104,060 person was being entitled to lump-sum pension and survivor fund (of which: 75,921 person was being entitled to lump-sum social insurance; 19,539 person was being entitled to lump-sum social insurance as retire; 7,612 person was being entitled to lump-sum survivor scheme) and 1,507,651 time of people was being entitled to maternity, illness, health recovery scheme. Total beneficiaries from social insurance increased by 18% compared to the same period last year.

8.2. Unemployment insurance

By the end of quarter 1/2016, the country had 10,328.7 thousand unemployment insurance participants, accounting for 18.99% of total workforce; increasing 41.1 thousand people compared to the end of quarter 4/2015.

In quarter 1/2016, there were 95,463 applicants for unemployment benefits, increased by 12.4% (10,520 people) compared to the same period in 2015 and decreased to 19.8% (23,536 people) compared to the quarter 4/2015.

In quarter 1/2016, 84,090 people have decided to entitle the unemployment benefits, decreased 44,394 persons (34.6%) compared to

the quarter 4/2015 and increased 875 persons (1.1%) compared to the same period in 2015; of which, women accounted for 56.8%; Men aged 25-40 was 65.7%, and female was 68.2%.

Table 10. Performance of unemployment insurance

Unit: person

Indicator	2015				2016
	Q1	Q2	Q3	Q4	Q1
1. The number of application for unemployment benefit	84.8	160.5	155.4	119.0	95.5
2. The number of person having the decision of entitling to the unemployment insurance benefit					
- Monthly	85.0	137.3	166.0	128.5	84.1
- Lump sum	5.9	0.8			
3. Transfer applicants to entitled to unemployment benefit	0.6	0.4	0.6	0.6	0.5
4. The number of unemployed people receiving job consultation and introduction	73.3	130.0	132.7	118.4	140.0
<i>Of which the number of unemployed people receiving job introduction</i>	17.4	33.7	31.1	29.2	21.6
5. The number of unemployed people receiving subsidy of vocational training	5.0	6.3	8.0	5.9	5.3

Source: Department of Employment (2015, 2016).

In quarter 1/2016, around 140 thousand or unemployment insurance beneficiaries had been received job consultancy, increased 21.6 thousand people (21.6%) compared to the quarter 4/2016 and increased by 66.7 thousand persons (91%) compared to the same period in 2015; of which, the number of people received job introduction was 21,575 people (equals

25.7% total number of person receiving unemployment allowance), increased 5,590 people (35%) compared to the same period of 2015.

In quarter 1/2016, around 5,263 unemployed people received decision to entitle the vocational education support (equals 6.3% of total people entitled unemployment allowance), increased 900 people (20.6%) compared to quarter 1/2015; about 45 people not eligible for unemployment benefits also received the vocational training support, equals 0.9% total number of unemployed received the vocational education support.

9. Supply-demand connection

In quarter 1/2016, 64 Centers for Employment Service administered by labour and social affairs sector, organized 265 job transaction sessions with nearly 415 thousand of unemployed people receiving counselling, job introduction, of which there were 230 thousand of unemployed people being employed (accounting for 55.42% of total unemployed people receiving job consultation).

Table 11. Supply-demand connection

Indicator	2015				2016
	Q1	Q2	Q3	Q4	Q1
The number of job transaction session	260	270	300	320	265
The number of people getting job consultation (thousand people)	410	475	488	607	415
The number of people getting job through Center for employment service (thousand people)	172	190	195	225	230

Source: Department of Employment (2014, 2015)

Quarter 1/2016, total 10,153 people have received supports from the National job creation fund¹.

Analysis of labour demand –supply trend from e-portal of Ministry of Labour-Invalids and Social Affairs, quarter 1/2016

- Recruitment demand:

Total demand for recruitment was 224,4 thousand of job, increased by 23,9 thousand of job (11,9%) in comparison to quarter 4/2015, however it decreased by 16,7% in comparison to quarter 1/2015.

Recruitment demand by ownership: limited liability company and private-owned company accounted for 52,2%, joint stock company accounted for 29,6%, foreign investment company accounted for 9,6%, other types of ownership accounted for 1,3%.

Table 12. Recruitment demand from e-portal of Ministry of Labour-Invalids and Social Affairs by ownership

Unit: thousand people

Ownership	2015				2016
	Q1	Q2	Q3	Q4	Q1
State owned	28.0	27.3	22.0	19.5	16.5
Limited liability, Private owned	134.9	118.6	88.9	100.0	117.1
Joint stock	83.1	79.9	60.4	60.9	66.5
Foreign investment	19.7	15.3	14.16	18.1	21.5
Unclassified	3.9	2.0	1.3	1.9	2.8
Total	269.7	243.3	186.9	200.5	224.4

Source: Calculation based on e-portal of MOLISA

In comparison to quarter 4/2015, recruitment demand of the limited liability company and private-owned increased by 17,1%, of joint stock company increased by 9,2%, of foreign investment company increased by 18,8%, and other types increased by 47,4%.

In quarter 1/2016, recruitment demand was quite high in some occupation such as: manual/unskilled jobs (29.4 thousand people); textile, garment and garment technology (20.6 thousand people); driver (4.8 thousand people); sales, business staffs (3.3 thousand people); the next was electricity, electronics (3.6 thousand people); and engineers/manufacturing (2.0 thousand people).

In comparison to quarter 4/2015, recruitment demand has been decreased in some occupation such as: driver (reduced 10 thousand people); sales, business staffs (reduced 5.5 thousand people); electricity, electronics (reduced 5.0 thousand people) and engineers/manufacturing (reduced 0.2 thousand people).

By gender: the recruitment demand for male labour was 100.2 thousand people (accounted for 44.6%) and female labour was 124.2 thousand people (accounted for 55.4%).

- Labour supply:

Total number of people having demand for job was 236.3 thousand people, increased by 5% in comparison to quarter 4/2015.

By gender, female job seekers were 46.0%, increased by 4.3% in comparison to quarter 4/2015.

By qualification, the demand for job of people holding secondary vocational training skill was highest, accounted for 29.3%. Followed by people holding college degree (accounted for 19.7%) and holding university degree and above (accounted for 17.5%). number of people finding job without degree/certificate was 20.4%, decreased 3 percentage point in comparison to quarter 4/2015.

By occupational group, "finance - accounting" had the highest numbers of job seekers, 79.5 thousand people (accounted for 35.5%, increased 12.8% in comparison to quarter 4/2015). Followed by "Human management", 22.7 thousand people (accounted for 10.1%, decreased by 6.6%). There were some occupations that attracted more people

¹Resource: Report from the Bank for social policies

than that in quarter4/2015 was: driver and food technology (increased by 12.9% and18% respectively).

Table13. Demand for jobs from e-portal of Ministry of Labour-Invalids and Social Affairs

Unit: thousand people

	2015				2016
	Q1	Q2	Q3	Q4	Q1
Total	300.3	263.9	211.7	224.1	236.3
<i>By gender</i>					
Male	165.7	143.4	112.9	119.8	127.5
Female	134.6	120.5	98.8	104.3	108.8
<i>by qualifications</i>					
no certificates	64.8	54.8	45.1	52.8	48.3
Elementary vocational training	35.9	33.7	25.3	30.2	31
Secondary vocational training	91.6	80.9	65.9	67.5	69.1
College	53.5	47.6	39	38.2	46.5
University and higher	54.4	46.5	36.2	35.4	41.3
<i>Expected wage</i>					
In negotiation	168.1	180.5	110.7	115.8	126.3
< 2 million dong	0.7	0.2	0	0.2	0.2
2-4 million dong	20.6	14	14.9	14.7	12.9
4-6 million dong	66	34.2	45.9	48.2	61.8
6-10 million dong	28.2	13.3	16.2	12	19.8
10-15 million dong	10.8	16	16.4	28.1	11.7
15-30 million dong	4.4	5.2	4.7	3.8	2.2
> 30 million dong	1.6	0.5	3.1	1.4	1.3

Source: ILSSA synthesized from e-portal of MOLISA

By expected wage, around53.45% of job seekers accepted wage in negotiation; 26.2% of job seekers expecting wage in range of4-6 million dong/monthand6.5% of job seekers expecting wage above 10 million dong/month.

10. Information from big cities

Hanoi:

In quarter 1/2016, 2 employment service centers managed by Labour – Invalids and Social Affairs sector organized 28 job transaction sessions, with the participation of 801 enterprises. Demands for recruitments of enterprises were13,287 jobs, decreased 9% in comparison to quarter 1/2015. Around 8,545 labours were interviewed, accounted for 64.3% total recruitment demand of enterprises; around4,158 people have been recruited,accounted for 48.7% total interviewees and 31.3% total recruitment demand of enterprises through job transaction floor.

The results of the survey on the status of supply – demand in the market showed that occupation group of “information technology” with college certificates at the position ofIT/hardwareor IT/software, programmers (C+, Java, PHP...), programmers in the mobile facilities ...has the highest level of matching between supply and demand. However, some occupations have big mismatch between supply and demand, such as: accounting, auditing, administrative offices (big gap in wage levels);in the group of “business, sales and real estate”, there was big gap in years of experience.

In quarter 1/2016,around 35,000 labours had jobs. The national job creation program had approved 795 projects with the loan of VND 156 billion, created jobs for 3,670 people.

Da Nang:

In quarter 1/2016, Employment service center among Da Nang’s Labour – Invalids and social affairs department organized 08 job transaction sessions with the participation of 673 enterprises. Enterprises demanded of recruiting 12,760 employee, this increased 31.5% comparing to same period last year. There were total 3,762 people received consultant; 1,789 people gained job introduction; 1,379 people were recruited, which made up for 77.08% on total people receiving job introduction, of which workers with above bachelor qualification were 442 people (32.1%), college was 320 people (23.1%), secondary vocational school was 92 people (6.8%), technical workers were 58

people (4.2%) and 467 manual workers (33.8%). During quarter 1/2016, 5700 employment were created. Districts and organizations, unions organized inspection and approved loans for 44 projects with the capital of 1.05 billion dong which contributed to 46 jobs created for 46 workers of the projects.

Ho Chi Minh City:

In quarter1/2016, employment service centers managed by Labour – Invalids and Social Affairs sector organized10 job transaction sessions, with the participation of186 enterprises and 11,072 people. Inaddition, 265 enterprises and 6,906 people had online participated through the website of the center. Total number of people received job consultant were 57,573 times, total number of people receiving job introduction were 18,18 times, total number of people had job were 8,979 person.

Demand for labour recruitment in quarter 1/2016 increased 1,74% in comparison to the same period of 2015, occupations had the highest level of demand for recruitments, include: business – sales (22.55%); services (20.17%); Travel services - hotels and restaurants (8.47%); Transport - import-export warehouse (6.02%); Information Technology (6%); Information, consulting, customer care services (3.76%); Accounting - Auditing (3.45%); Textiles - leather (3.39%).

In quarter 1/2016, all economic sectors created 74,550 jobs, increasing 0.6% compared to the same period in 2015.

11. Prospect for the labour market in quarter 2/2016

In the context of droughts, invasive mangrove and massive fish die-off at the coastal areas have created pressure on the economic growth target of 6.7% of the government in 2016, while the motivational factors for growth from the free trade agreement (TPP, FTAs) have not yet to take effect or are in the inception phase (AEC). The Central Institute for Economic Management forecasted GDP growth in quarter 2/2016of 6.17%.

The forecast some labor market indicators quarter 2/2016:

Regarding labor supply: labour force is estimated at 54.47 million people, accounting for 76% of the population aged 15 and older, of which48.5%are women and 30.6% are in urban area.

Regarding employment: Employed labors are estimated at 53.49 million people, increase 0.4% compared to quarter 1/2016, of which 48.7% are women and 30.5% are in urban area.

Employees in a number of sectors will increase , comparing to quarter 1/2016, include: "The processing/manufacturing industry" increases 254 thousand people (2.9%); "Construction" rises 135 thousand people (3.7%); "Information and communication" increases 187 thousand people (7.8%). Labor in some sectors will decline: "Agriculture, forestry and fisheries" will decrease109 thousand (-0.5%); "Education and training" decreases 177 thousand (- 9.1%).

Forecast in 2016 the unemployment rate of working age will tend to decrease, about 1.9%.

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