



PART 1. SOME INDICATORS OF LABOUR MARKET

1. Key indicators

Table 1. Key economic and labour market indicators

Indicator	2018		2019		
	Q4	Q1	Q2	Q3	Q4
1. Gross domestic product growth rate (GDP) (%)	7.31	6.82	6.73	7.48	6.97
2. Export turnover growth rate (% compare to the same period last year)	8.6	4.7	9.3	10.0	7.2
3. Total capital investment per GDP (%)	33.5*	32.2	33.1**	34.3***	33.9*
4. Consumer Price index (% compare to the same period last year)	3.44	2.63	2.7	2.2	3.66
5. Labour force (million people)	55.64	55.43	55.46	55.67	56.12
6. Labour force participation rate (%)	77.21	76.58	76.21	76.14	76.60
7. Rate of trained labourers with certificate (%)	22.22	22.30	22.37	22.89	23.68
8. Number of labourers (million people)	54.53	54.32	54.36	54.56	55.01
9. Rate of salaried workers in total number of labourers (%)	45.14	46.31	47.15	47.39	48.35
10. Rate of employment in agriculture, forestry and fishery industry (AFF) in total employment (%)	36.53	35.53	35.09	34.44	33.79
11. Monthly average income of salaried workers (million dong)	5.88	6.82	6.46	6.58	6.71
12. Number of unemployed people at working age (thousand people)	1,062.4	1,059.1	1,054.3	1,064.1	1,063.8
13. Unemployment rate at working age (%)	2.17	2.17	2.16	2.17	2.15
14. Unemployment rate in urban area (%)	3.10	3.10	3.10	3.11	3.10

Source: GSO (2018, 2019), Quarterly statistics and labour force survey data

(*) data of the whole year; (**) date of the first 6 months; (***) data of the first 9 months.

The total GDP in quarter 4/2019 increased by 6.97%, which was lower than quarter 3/2019 and quarter 4/2018 but exceeded the target set by the National Assembly (6.6%-6.8%). The manufacturing and processing industry and construction remained at high level of growth (11.29% and 9.1%), which was the major driving force for economic growth in 2019.

The labour market continued to be improved. The rate of trained workers and salaried workers increased; the rate of workers in AFF decreased significantly; workers' income was improved while the unemployment rate remained low.

2. The population aged from 15 and labour force

In quarter 4/2019, the population aged from 15 and older was 73.83 million people, going up by 1.6% compared to quarter 4/2018; the number of female increased by 2.45%; population in urban area increased by 4.25%.

The labour force aged from 15 and older was 56.12 million, growing by 0.87% compared to quarter 4/2018; the number of female increased by 1.05%; urban areas had an increase of 2.57%.

The labour force in working age was 49.37 million, increasing by 0.87% compared to quarter 4/2018.

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

	2018		2019		
	Q4	Q1	Q2	Q3	Q4
1. Population aged from 15 and older (Million ppl)					
Aggregate	72.67	72.93	73.31	73.64	73.83
Male	35.76	35.55	35.73	35.91	36.02
Female	36.91	37.37	37.58	37.73	37.81
Urban	26.78	27.00	27.42	27.51	27.92
Rural	45.89	45.92	45.90	46.13	45.91
2. Labour force aged from 15 and older (Million ppl)					
Aggregate	55.64	55.43	55.46	55.67	56.12
Male	29.10	29.00	29.05	29.08	29.30
Female	26.54	26.44	26.41	26.59	26.82
Urban	18.40	18.48	18.50	18.57	18.87
Rural	37.24	36.95	36.96	37.10	37.25
3. Labour force participation rate* (%)					
	77.21	76.58	76.21	76.14	76.60
4. Labour force in working age (Million ppl)					
	48.94	48.85	48.89	49.11	49.37

Source: GSO (2018, 2019), Quarterly labour force survey.

* Only those who are currently working in Vietnam

In quarter 4/2019, the labour force participation rate of population aged from 15 and older was 76.6%, which was the highest rate in 4 quarters of 2019 but decreasing compared to quarter 4/2018.

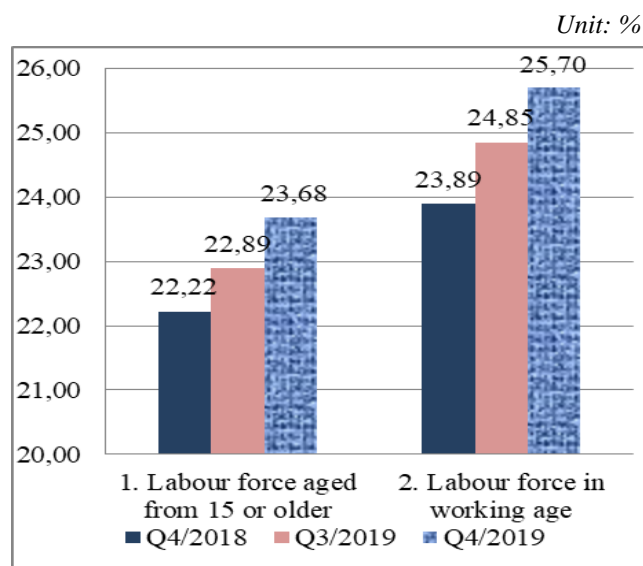
Regarding occupational and technical qualifications

The labour force aged from 15 and older having diploma/certificate with term from 3 months and higher in quarter 4/2019 was 13.29 million people, increasing by 930 thousand people (equivalent to an increased of 7.52%) compared to quarter 4/2018.

The rate of trained workers having diploma/certificate was 23.68% of the labour force aged from 15 and older, increasing by 1.47% compared to quarter 4/2018 and 0.79%

compared to quarter 3/2019. In which, university degree holders accounted for 11.39%, college: 3.8*%; intermediate-level vocational training: 4.70% and elementary-level vocational training: 3.71% in total labour force aged from 15 and older.

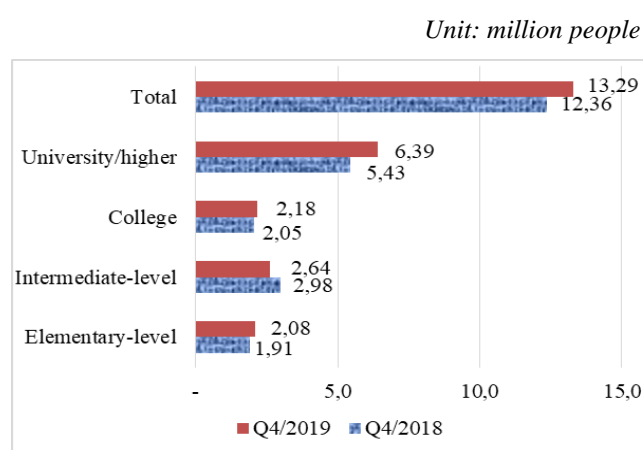
Figure 1. The rate of trained workers having diploma/certificate in labour force aged from 15 and older and the labour force in working age, Q4/2018, Q3/2019 and Q4/2019



Source: GSO (2018, 2019), Quarterly labour force survey.

The trained labour force in working age having diploma/certificate with term from 3 months or higher of quarter 4/2019 was 12.69 million people, going up by nearly 1 million people compared to quarter 4/2018 (8.51%) and nearly 490 thousand people compared to quarter 3/2019 (3.98%). The rate of trained workers having diploma/certificate in labour force in working age was 25.7%, increasing by 1.81% compared to quarter 4/2018 and 0.85% compared to quarter 3/2019.

Figure 2. The labour force aged from 15 and older by occupational and technical qualifications, Q4/2018 and Q4/2019



Source: GSO (2018, 2019), Quarterly labour force survey.

3. Employment

The number of workers aged from 15 and older in quarter 4/2019 were 55.01 million people, increasing by 479.66 thousand people (0.88%) compared to quarter 4/2018.

The rate of female having jobs was 47.80%, going up by 0.19% compared to quarter 4/2018; urban area accounted for 33.30% of total number of working people, increasing by 0.55% compared to quarter 4/2018.

In quarter 4/2019, Vietnam had 26.6 million salaried workers (accounting for 48.35% of total number of working people), a growth of 740.7 thousand people (2.86%) compared to previous quarter and 198.3 thousand people (8.05%) compared to quarter 4/2018.

Table 3. The quantity and structure of employed people

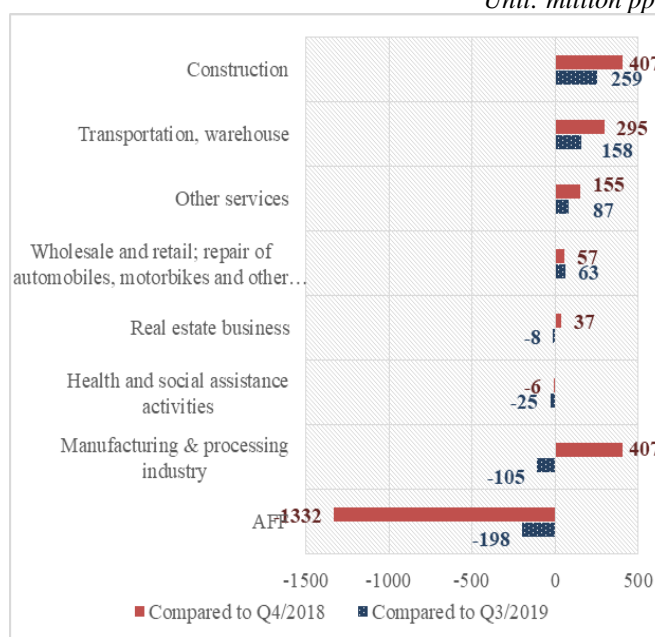
	2018		2019		
	Q4	Q1	Q2	Q3	Q4
1 Quantity (million people)	54.30	54.53	54.32	54.36	55.01
2. Structure (%)	100.00	100.00	100.00	100.00	100.00
a. Gender					
Male	52.39	52.25	52.41	52.29	52.20
Female	47.61	47.75	47.59	47.71	47.80
b. Urban/Rural					
Urban	32.75	32.02	33.03	33.04	33.30
Rural	67.25	66.98	66.97	66.96	66.70
c. Economic sector					
AFF	36.53	35.53	35.09	34.44	33.79
Industry-	27.76	28.58	29.23	29.85	29.92
Construction					
Service	35.71	35.89	35.68	35.71	36.28
d. Job position					
Owner	2.12	2.07	3.08	2.62	2.62
Self-employed	38.91	38.15	35.44	36.24	35.63
Family worker	15.15	14.64	15.14	13.75	13.39
Salaried worker	43.81	45.14	46.31	47.39	48.35
Cooperative members & unclassifiable	0.01	0.01	0.02	0.01	0.01

Source: GSO (2018, 2019), Quarterly labour force survey.

The AFF sector continued to have decrease in terms of both number and rate of workers working in this sector. In quarter 4/2019, there were 18.59 million workers in this sector, decreasing by 198 thousand people compared to quarter 3/2019 and 1.33 million people compared to quarter 4/2018. The rate of workers in AFF sector accounted for 33.79%, declining by 0.65% compared to quarter 3/2019 and 2.74% compared to quarter 4/2018.

Figure 3. Labour fluctuation in some industries in quarter 4/2019 compared to quarter 3/2019 and 4/2018

Unit: million ppl



Source: GSO (2018, 2019), Quarterly labour force survey.

Four industries with the highest increase in the number of workers in comparison to quarter 3/2019 and quarter 4/2018 were: “Construction”, “Transportation, warehouse”, “Other services” and “Wholesale and retail; repair of automobiles, motorbikes and other motor vehicles”. Two industries with the highest decrease in the number of workers in both comparison quarters were “AFF” and “health and social assistance activities”; two industries that had decline in the number of workers compared to the previous quarter but still increasing compared to quarter 4/2018 were “manufacturing and processing industry” and “construction”.

4. Income of salaried workers

In quarter 4/2019, income of salaried workers from their main jobs was VND 6.71 million/month on average, increasing by 130,000 dong (1.98%) compared to previous quarter and 830,000 dong (914.12%) compared to quarter 4/2018.

Compared to the previous quarter and quarter 4/2018, average income from the main jobs went up in almost all groups, excepting for workers in Cooperative area decreasing by 440,000 dong compared to quarter 3/2019.

Table 4. Average monthly income of salaried workers from main jobs

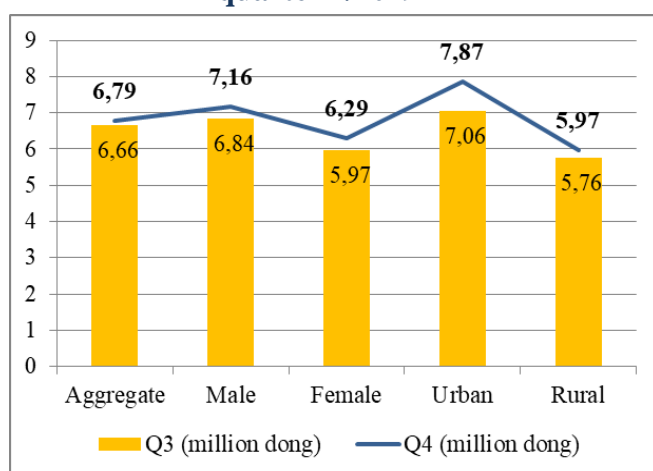
Unit: million dong

	2018		2019		
	Q4	Q1	Q2	Q3	Q4
Aggregate	5.88	6.82	6.46	6.58	6.71
Male	6.18	6.87	6.60	6.75	7.07
Female	5.47	6.09	5.80	5.91	6.25
Urban	6.85	7.29	6.89	7.05	7.83
Rural	5.18	5.74	5.59	5.68	5.87
No skill occupational qualification	5.04	4.26	5.33	5.42	5.74
Elementary-level	6.58	8.02	7.28	7.10	7.74
Intermediate-level	6.08	6.52	6.46	6.61	6.90
College	6.35	6.84	6.67	6.75	7.24
University & higher	8.27	8.93	8.32	8.50	9.28
Household/individual	4.94	4.92	5.06	5.16	5.41
Cooperative	4.22	4.78	5.15	5.69	5.25
100% State capital	7.63 ¹	9.26	8.13	8.51	9.07
State-owned ²		9.27	8.3	8.34	8.73
Non-State	6.68	7.40	6.90	7.04	7.52
FDI	6.62	7.83	6.93	6.96	7.38

Source: GSO (2018, 2019), Quarterly labour force survey.

In quarter 4/2019, the average monthly income from all jobs of salaried workers reached VND 6.79 million, an increase of 130,000 dong compared to quarter 3/2019 (1.95%).

Figure 4. Total average monthly income of salaried workers from all jobs, quarter, quarter 4/2019³



Source: GSO (2019), Quarterly labour force survey

¹ The 2018 data did not separate 100% State capital with other State-owned enterprises

² Enterprises with State capital proportion less than 100%

³ In Quarter 4/2019, 4.95% of salaried workers have income generated from 2 jobs or more

5. Unemployment and underemployment

a. Unemployment

The unemployment number and rate remained low. In quarter 4/2019, Vietnam had over 1.06 unemployed people in working age, decreasing by 0.37 thousand people compared to the previous quarter but increasing by 1.4 thousand people compared to quarter 4/2018. The unemployment rate of people in working age was 2.15%, which was lower than the previous quarter and quarter 4/2018.

Table 5. The quantity and rate of unemployed people in working age by genders, urban/rural and age groups

	2018		2019		
	Q4	Q1	Q2	Q3	Q4
I. Quantity (thousand ppl)					
Nationwide	1,062.4	1,059.1	1,054.3	1,064.1	1,063.8
Male	507.0	591.5	545.9	538.5	579.3
Female	555.3	467.7	508.4	525.6	484.5
Urban	524.2	525.9	526.2	530.5	540.9
Rural	538.2	533.2	528.1	533.6	522.9
Youth (15-24)	391.7	449.9	443.3	440.4	431.0
Adult (≥25)	670.7	609.3	621.0	623.7	632.8
II. Unemployment rate of people in working age (%)					
Nationwide	2.17	2.17	2.16	2.17	2.15
Male	1.90	2.22	2.04	2.01	2.15
Female	2.49	2.10	2.29	2.35	2.16
Urban	3.10	3.10	3.10	3.11	3.10
Rural	1.68	1.67	1.65	1.66	1.64
Youth (15-24)	5.62	6.29	6.47	6.53	6.38
Adult (≥25)	1.60	1.46	1.47	1.47	1.48

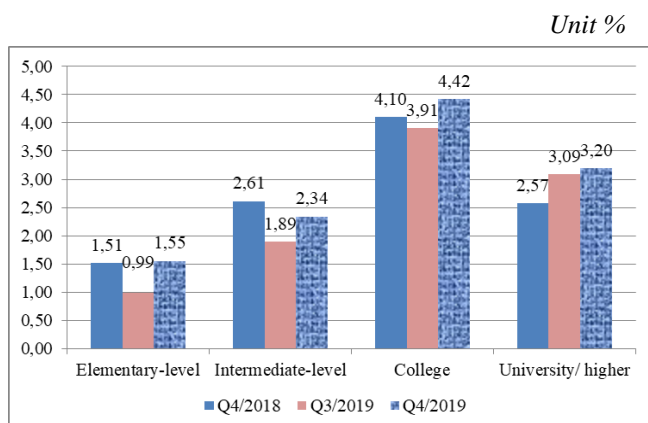
Source: GSO (2018, 2019), Quarterly labour force survey.

Unemployed youth: in quarter 4/2019, Vietnam had 431 thousand unemployed youth (accounting for 40.5% of total number of unemployed), decreasing by 9.45 thousand people compared to quarter 3/2019 but increasing by 39.31 thousand people compared to quarter 4/2018. The unemployment youth rate in quarter 4/2019 was 6.38%, which was 0.15% lower than quarter 3/2019 by 0.76% higher than quarter 4/2018.

The unemployment in the group of college and university degree holders or higher: in quarter 4/2019, the number of unemployed people qualified college were 92.5 thousand people (an increase of 13.5 thousand people compared to quarter 3/2019 and over 11 thousand people compared to quarter 4/2018), the number of unemployed people qualified

university or higher was 200.2 thousand people (an increase of 13.4 thousand people compared to quarter 3/2019 and 64.39 thousand people compared to quarter 4/2018). The unemployment rate of college degree holders was 4.42% and 3.2% for those qualified university or higher.

Figure 5. The unemployment rate of people in working age by occupational and technical qualification



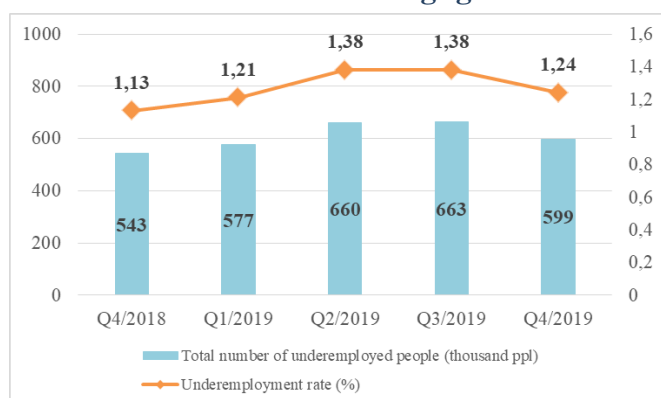
Source: GSO (2018, 2019), Quarterly labour force survey.

b. Underemployment

In quarter 4/2019, Vietnam had 598.8 thousand people in working age who were underemployed⁴, a decline of 64.3 thousand people compared to quarter 3/2019. The underemployment rate of workers in working age was 1.24%, which was lower than quarter 3/2019 but 0.11% higher than quarter 4/2018. In which, the underemployment rate in rural area was 1.67%, urban area was 0.45%.

Among total number of underemployed people, 87.4% were rural workers; 80.3% working in AFF.

Figure 6. The underemployment number and rate of workers in working age



Source: GSO (2018, 2019), Quarterly labour force survey

⁴ Underemployed people are those who have working time fewer than 35 hours in the surveyed week with desire and readiness to work

6. Labour supply and demand connection

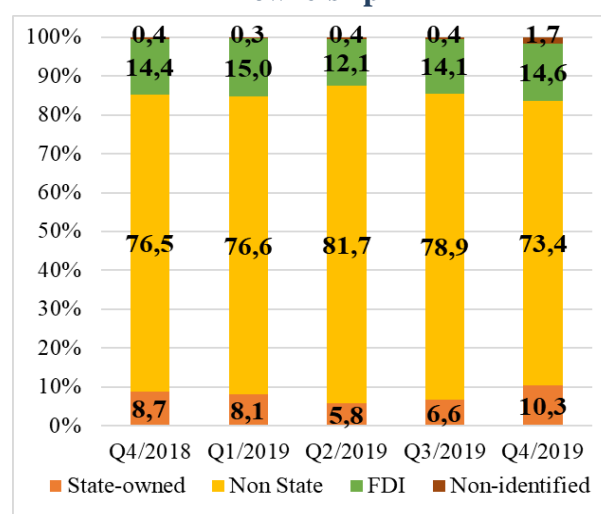
The need on recruitment and job seeking from the employment portal of the MOLISA in quarter 4/2019 shows that:

- Recruitment need:

There were 89,500 vacancies posted by enterprises, decreasing by 30,900 vacancies (25.7%) compared to quarter 3/2019.

The need for female workers accounted for 63.1%, an increase of 9.5% compared to quarter 3/2019. The recruitment need of Non-state owned enterprises accounted for 73.4%, FDI accounted for 14.6%; State-owned enterprises accounted for 10.3% of total recruitment need.

Figure 7. Recruitment need by types of ownership



Source: ILSSA synthesized from MOLISA's web portal.

- Job seeking need:

The number of job seekers were 30,100 people, nearly 1.2 times of quarter 3/2019. In which, female job seekers were 13,100 people (accounting for 43.4%), an increase of 2,000 people, which was 1.5 times of quarter 3/2019.

Table 6. Job seeking need from employment web portal

	2018		2019		
	Q4	Q1	Q2	Q3	Q4
Total	100.0	100.0	100.0	100.0	100.0
<i>By gender</i>					
Male	54.0	57.1	57.0	56.3	56.6
Female	46.0	42.9	43.0	43.7	43.4
<i>By technical qualification</i>					
Without certificate	19.8	19.7	21.0	20.7	18.6
Elementary-level	7.9	8.5	8.0	9.6	10.4
Intermediate	30.2	30.5	30.3	27.8	29.0
College	23.0	24.8	23.6	24.8	25.4
University and higher	19.0	16.5	17.1	17.0	16.6

Source: ILSSA synthesized from MOLISA's web portal

By occupational and technical qualifications, 8,700 job seekers were qualified intermediate-level vocational training (accounting for 29.0%), an increase of 1,600 people compared to quarter 3/2019; 7,600 job seekers were qualified college (accounting for 25.4%), an increase of 1,300 people; 5,000 job seekers were qualified university or higher (accounting for 16.6%), an increase of 700 people; 5,600 job seekers had no qualification (accounting for 18.6%), an increase of 300 people compared to quarter 3/2019.

By occupations, the number of people seeking for jobs in “electricity-electronics” and “accounting – auditing” increased compared to quarter 3/2019 (1,200 and 700 people respectively); “human resource” had a decrease in the number of job seekers compared to quarter 3/2019 (200 people). The group of “unskilled workers” also had an increase in the number of job seekers compared to quarter 3/2019 (500 people).

PART 2. RESULTS OF IMPLEMENTING SOME LABOUR MARKET POLICIES

Vocational education



In 2019, there were nearly 2.34 million people were enrolled to vocational education system; in which, about 568,000 people (accounting for 24.29%) enrolled to college level and intermediate level; about 1.77 million people (75.91%) enrolled to elementary level and other vocational training programs.

For high-quality training: (i) pilot training according to 12 programs transferred from Australia (by 8/2019, 41 classes were held with the total number of students of 731); (ii) Cooperate with the HWK Leipzig, Germany to implement pilot training according to 22 programs transferred from Germany (by 11/2019, 66 classes in 45 schools participating in the pilot were opened).

Job recommendation through Employment Service Centers (ESCs) of Labour – Invalids and Social Affairs sector

In quarter 4/2019, ESCs organized 343 job trading sessions, an increase of 27 sessions compared to the previous quarter and 2 sessions compared to quarter 4/2018; employment consultation and recommendation was provided to 783,600 turns of people (increasing by 29,280 turns compared to quarter 3/2019 and 796 turns compared to quarter 4/2018), in which, 261,367 turns of people were employed (increasing by 6,840 turns of people compared to quarter 3/2019 and 10,598 turns of people compared to quarter 4/2018).

Sending workers to work overseas under contract



The number of enterprises licensed to send workers to work abroad by the end of quarter 4/2019 were 421 enterprises (including 15 State-owned enterprises).

The total number of workers working overseas in quarter 4/2019 were 47,915 people (39.4% female). In which: Japan: 29,039 people (60.6%), Taiwan: 13,306 people (27.7%), Romania: 2,375 people (5%), Korea: 1,307 people (2.7%) and 4% in other markets.

In 2019, the total number of Vietnamese workers working overseas were 152,530 people (35.9% female). In which, Japan: 82,703 people (54.2%), Taiwan: 54,480 people (35.7%), Korea: 7,215 people (4.7%), Romania: 3,478 people (2.3%) and 3.1% in other markets.

Unemployment insurance



In quarter 4/2019, there were 177,895 applicants for requesting unemployment benefits, a decrease of 65,163 people (15.4%) compared to quarter 3/2019, but increasing by 11,776 people (7.08%) compared to quarter 4/2018.

Reasons for unemployment: 25.3% expiring labour contract, working contracts or bilateral termination of contracts; 36.9% unilateral termination of contracts before the expire date; 6.6% illegally unilateral termination of contracts; 3.7% enterprises/organizations dissolved, bankrupted, restructured; 1.2% due to be disciplined or fired and 26.3% due to other reasons

In quarter 4/2019, the number of people receiving decision for unemployment allowance were 195,087 people, a decline of 60,693 people (23.7%) compared to quarter 3/2019 and a rise of 12,233 people (6.7%) compared to quarter 4/2018. The rate of female having decision for monthly unemployment allowance accounted for 57.1%. The rate of people aged between 25-40 years old having decision for unemployment allowance was still high (male: 68.1%; female: 69.2%).

In quarter 4/2019, the number of people receiving job consultation and recommendation were 407,396 people; in which, the number of people who were recommended jobs were 40,957 people (accounting for 23.0% of total number of applicants for unemployment benefits), an increase of 445 people (1.7%) compared to quarter 4/2018; the number of unemployed receiving decision on vocational training support were 9,911 people (accounting for 5.1% of total number of people having decision on unemployment benefits), an increase of 174 people (1.8%) compared to quarter 4/2018; the number of people who were not entitled to unemployment benefits so were received vocational training support were 14 people.

Table 7. The implementation of unemployment insurance

Unit: ppl

Criteria	2018		2019		
	Q4	Q1	Q2	Q3	Q4
Number of applicants for unemployment benefits	166.119	141.432	287.314	243.058	177.895
Number of people having decision to receive monthly unemployment allowance	182.804	120.666	264.389	255.780	195.087
Number of people transferring to receive unemployment allowance	1.265	1.105	1.368	1.752	1.250
Number of unemployed people receiving job consultation, recommendation	346.965	279.784	472.229	498.366	407.396
<i>In which: number of people receiving job recommendation</i>	<i>40.552</i>	<i>32.425</i>	<i>57.284</i>	<i>57.987</i>	<i>40.957</i>
Number of unemployed people supported for vocational training	9.737	7.798	11.388	12.861	9.911

Source: Department of Employment (2018, 2019)

Social Insurance



Participation status: By 31/12/2019, the total number of social insurance participants were 15.736 million people, an increase of 1.102 thousand people (6.87%) compared to 2018. In which, the number of compulsory SI participants were 15.185 million people (accounting for 96.5%), an increase of 732 thousand people (5.06%) compared to 2018; the number of voluntary SI participants were 551 thousand people (accounting for 3.5%), increasing by 280 thousand people (103.3%) compared to 2018.

The SI participation rate to labour force in working age was 31.87%.

The settlement of SI benefits: by the end of 2019, there were about 3.1 million turns of people who were receiving pension and monthly SI benefits. In 2019, there were 840,302 turns of people receiving lump-sum allowance; 10.737 million turns of people receiving benefits for illness, maternity, health recovery.

By 31/12/2019, the estimated spending for SI was VND 198,496 billion, in which: from State budget: VND 40,780 billion, and from SI Fund: VND 157,716 billion.

Table 8. Status of participation in SI

Criteria	Unit	2018	2019
Total number of participants	Thousand ppl	14.724	15.736
Participation rate to labour force	%	30,14	31,87
<i>Structure by:</i>			
Compulsory	Thousand ppl	14.453	15.185
Participation rate to labour force	Thousand ppl	271	551

Source: VSS (2018, 2019).

PART 3. LABOUR MARKET POTENTIAL

The world economic downturn, the sharp drop in crude oil prices, the ongoing US-China trade war and especially the new Corona virus (Covid-19) booming globally, etc. have a strong impact on domestic production and business activities. It is expected that GDP in quarter 1/2020 increases by about 3.82%; in which, the AFF sector increases by 0.08% (contributing 0.2% to the aggregate growth); the industry and construction sector increases by 5.15% and the service sector increases by 3.27% (contributing 41.4%).

The decline in economic growth may result in job loss or reduced working hours in many industries. Some industries are estimated to

sharply decrease in quarter 1/2020 compared to quarter 4/2019 including: AFF with a decrease of about 322,000 people; hospitality with a decrease of about 17,000 people; wholesale and retail with a decrease of 289,000 people; education and training with a decrease of 63,000 people; real estate business with a decrease of 13,000 people. On the contrary, some industries will remain the employment such as: Professional, scientific and technological activities increases about 10,000 people; finance, banking and insurance sector increases about 8,000 people, Health and social assistance activities increase about 34,000 people.

The newsletter is compiled with the cooperation of the General Statistics Office and the participation of some units of the Ministry of Labour-Invalids and Social Affairs: Institute of Labour Science and Social Affairs, Department of Social Insurance; Department of Employment, Department of Overseas Labour, Department of Labour Relations and Wage, General Directorate of Vocational Education, Center for Information.

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