

# PRE-TRAINING REPORT

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# VCCI in brief

- ▶ Established in 1963, Vietnam Chamber of Commerce and Industry - VCCI has steadily developed to become the leading promotion agency in Vietnam and covered its activities throughout the country in different aspects from concrete supports to business circle and business people as well as advocacy services in order to step by step ameliorate the business environment in Vietnam and to help the country to successfully integrate in international trade.
- ▶ VCCI quarter locates in Hanoi and opened 9 branches and representative offices in main economic and strategic provinces/cities with aim at better expand its activities to business circle and improve the quality of its activities in functional activities. As the role of a chamber representing to employers organizations in Vietnam, after more than 55 years of operation, VCCI has accomplished a huge volume of important tasks with highest effectiveness and actively consolidate the development of business and employer activities and in Vietnam

# Personal position and responsibilities

- ▶ As a functional department of VCCI, membership and training department takes the role of managing, developing, assisting members and non-members companies in dealing with business related issues, such as business information, policies introduction and dialogue, training services, trade and investment links... VCCI has done its best in term of legal document preparation and approval for business related issues, including tough issues in integration and new dispositions in laws to fulfil the commitment of Vietnam in joining bilateral or multilateral treaties, including ILO declarations on labor and trade union.
- ▶ I am deputy director general of the Membership and Training Department of VCCI with main responsibilities of arranging training courses for capacities building and legal documents guidelines, join in editing and proposing documents, orientation and cooperation scheme between government organization, universities, vocational training centers and business circles. I also take the charge in dealing with the cooperation between employers and employees, employers and trade unions.... Besides, I am one of key persons of VCCI to take in charge of important missions for business delegation when our leaders have visit of foreign countries...

# Emerging Labour Issues with COVID 19 in Vietnam

▶ At national level, the year 2020 bring big hope to Vietnam for further gain important achievements after several years of continuous development and significant achievements. However COVID 19 pandemic destroyed all. The 2020 is considered as a year of difficulties and challenges for the world economy in general, including Viet Nam. The world economy is forecasted to experience the most serious recession in history, the growth of major economies has declined deeply due to negative effects of the Covid-19 pandemic. However, Viet Nam's economy still maintained growth with GDP growth estimated to increase by 2.91%.

# Emerging Labour Issues with COVID 19 in Vietnam

- ▶ In term of labor issues, the following figures has been reported by General Statistics Office of Vietnam will give concrete view on what happened with the labor market in our country
- ✓ There are 32.1 million people aged 15 and higher nationwide negatively affected by COVID-19
- ✓ Labour force continues to rise in line with the recovery stage in Quarter III. However, the number has yet to resume its original point before the pandemic
- ✓ Generally in 2020, the labor force aged 15 and higher reached 54.6 million people - a decrease of 1.2 million people
- ✓ **COVID-19 has pulled many into unemployment, while driving some among them into the resort of informal work**

Compared to 2019. In the period of 2016-2019, the average annual labor force increases by 0.8%. In the context of a similar growth rate as in the 2016-2019 period and there is no COVID-19 epidemic, Viet Nam's economy will have 1.6 million more workers. In other words, the COVID-19 pandemic may have deprived 1.6 million people of the opportunity to enter the labour market.

For the whole year 2020, the number of informal workers is 20.3 million, an increase of 119.1 thousand people, while the number of formal workers is 15.8 million, a decrease of 21.1 thousand people compared to 2019. The rate of informal jobs in 2020 is 56.2% - a 0.2 percentage point higher than in 2019.

# Emerging Labour Issues with COVID 19 in Vietnam

- ▶ Generally, in 2020, the number of the underemployed in working COVID-19 not only deprives many people of the formal work opportunities, but it also drives many of them into underemployment. The situation, however, has improved much in Quarter IV of the year 2020

The majority of the underemployed are not technically or professionally trained. The higher level of professional and technical level the labour force possesses, the lower the underemployment rate gets. The underemployment rate in the age group 2020 of workers without professional and technical qualifications is at 2.87 per cent; primary level at 2.25 per cent; intermediate level at 1.58 per cent; college at 1.52 per cent; and university and above is 1.04 per cent.

**Compared to 2019, monthly average income of the workers in 2020 decrease across all 3 economic sectors**

The average monthly income of employees in the fourth quarter of 2020 is at VND 5.7 million VND, increased by 212 thousand dong compared to the previous quarter and decreased by VND 108 thousand compared to that in the same period of the previous year. Normally, in circumstance without COVID-19 outbreak, workers' income in the fourth quarter increased quite high compared to that in the other quarters. In the fourth quarter of 2019, workers' income was 5.8 million VND, an amount of 200 thousand dong higher than that in the third quarter of 2019 and the highest compared to the other quarters of the year. In 2020, in the context of the widespread COVID-19 epidemic, workers' average monthly income in the fourth quarter not only failed to maintain the annual growth rate, but it also decreased sharply compared to the first quarter of the year and the same period of the previous year.

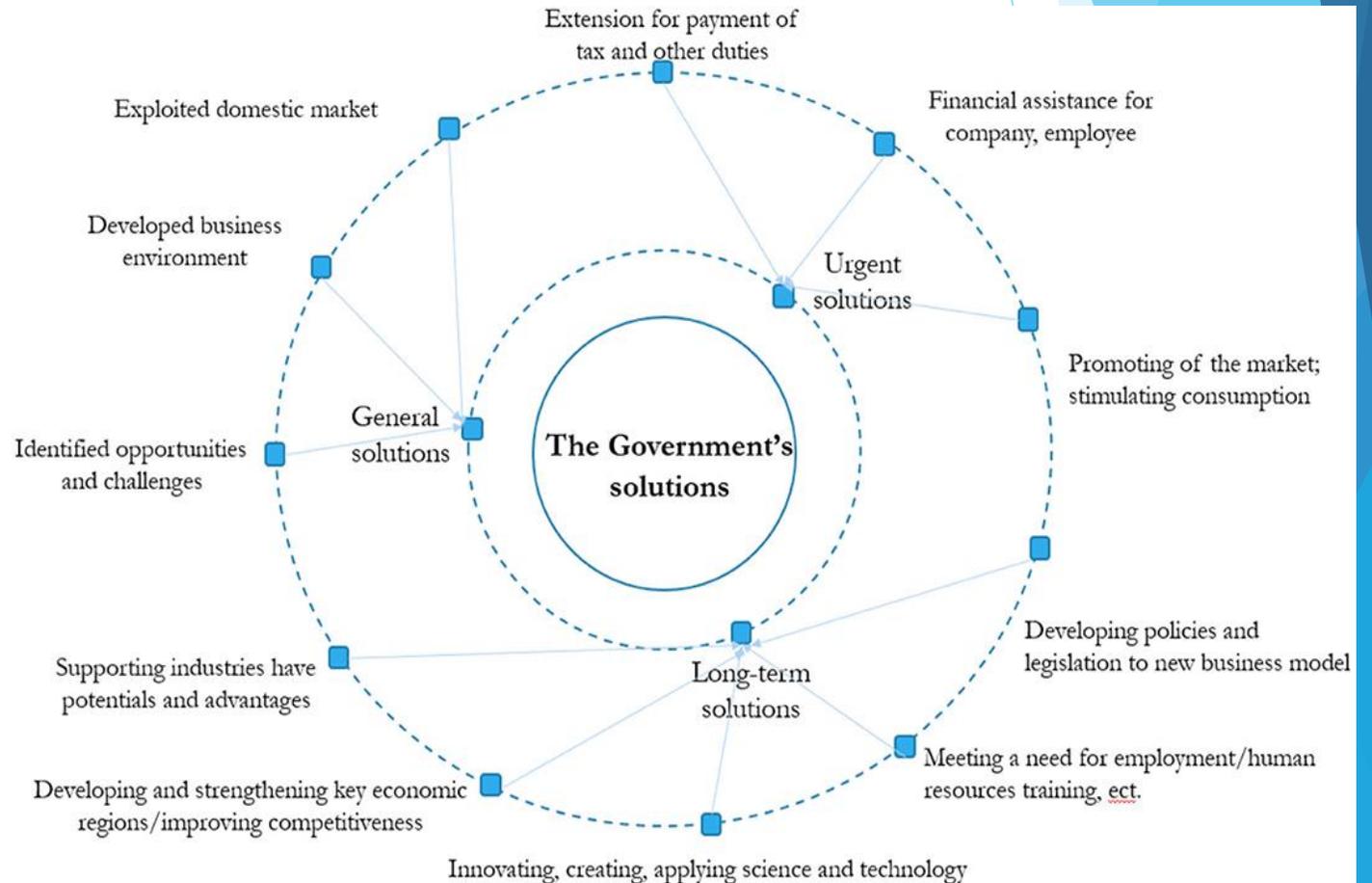
# Emerging Labour Issues with COVID 19 in Vietnam

- ▶ The unemployment rate in the working age in urban areas has decreased to the previous quarter. However, it still remains highest in comparison to the same period across the years from 2011 to 2020

The unemployment rate in 2020 will be 2.48 per cent, a 0.31 percentage point higher than that in 2019.

The diagram of the Government's solutions to support the unemployed.

(Source: <https://www.frontiersin.org/articles/10.3389/fpubh.2020.590074/full>)



# Questions and Answers

Thank you