NATIONAL ASSEMBLY

Law no: 38/2013/QH13

SOCIALIST REPUBLIC OF VIET NAM Independence – Freedom - Happiness

# LAW ON EMPLOYMENT

Pursuant to the Constitution of the Socialist Republic of Viet Nam; The National Assembly issues the Law on Employment.

# Chapter I GENERAL PROVISIONS

#### Article 1. Scope of regulation

This Law provides for supporting policies on employment creation; labour market information; assessment and issuance of national skills certificates; organization and operation of employment services; unemployment insurance and state management of employment.

#### **Article 2. Subjects of application**

This Law applies to workers, employers and agencies, organizations and individuals related to the employment.

#### **Article 3. Interpretation of terms**

For the purpose of this Law, the terms are interpreted as follows:

1. "Worker" means a Vietnamese citizen of 15 years old or more, who is able to work and available for work.

2. "Employment" means an activity which generates an income and is not forbidden by law.

3. "National skills standard" means the provisions on the occupational knowledge, competencies and ability to apply such knowledge and competencies which are required of a worker to perform a work of a certain skill grade of occupation.

4. "Unemployment insurance" means the scheme to provide a partial compensation for worker in case of losing jobs; support the workers in terms of the vocational training, employment retention, job search based on their contribution to the unemployment insurance fund.

5. "Public employment" means the temporary wage employment created by state-funded projects or activities in association with socio-economic development programs in the communes, districts, towns (referred to as the commune level).

#### **Article 4. Principles of Employment**

1. Workers shall have the right to choose employment and the freedom to choose their employment and their workplace.

2. Workers shall have equal opportunities in employment and income.

3. Workers shall have the right to work in safe and healthy conditions.

#### **Article 5. Employment Policies of the Government**

1. Socio-economic development policies in order to create jobs; determine the job creation objectives in socio-economic strategies, plans; allocate resources for implementing employment policies.

2. To encourage organizations, individuals to create jobs and become selfemployed with an income of the minimum wages or above contributing to the development of socio-economic aspects and the labour market.

3. Supporting policies on job creation; labour market development and unemployment insurance.

4. Assessment, issuance of national skills certificate associated with the skills development for workers.

5. Incentive policies for sectors, occupations employing high skilled workers or a large number of workers in accordance with the socio-economic development conditions in each locality.

6. To support employers who employ a large number of people with disabilities, female workers and ethnic minority workers

#### Article 6. The State management of the employment

1. Issuing and implementing the employment-related legal documents.

2. Disseminating and conducting the awareness-raising activities on employment legislation.

3. Managing the labour force; labour market information; conducting the assessment, issuance of the National skills certificate and unemployment insurance.

4. Managing the organization and operation of employment service centers, employment service enterprises.

5. Conducting the examination, inspection, handling of complaints, denunciating and violations of employment legislation.

6. Implementing the international cooperation on employment.

#### Article 7. Competencies in the state management of employment

1. The Government shall perform the uniform state management of the employment nationwide.

2. The Ministry of Labour-Invalids and Social Affairs shall be responsible before the Government for performing the state management of the employment.

Ministries, ministerial-level agencies, within the ambit of respective tasks and powers, shall be responsible for cooperating with the Ministry of Labour-Invalids and Social Affairs to perform the state administration of employment issues.

3. People's committees at all levels, within the ambit of respective tasks and powers, shall perform the state management of the employment within their localities.

# Article 8. Responsibilities of agencies, organizations and individuals on employment

1. Viet Nam Fatherland Front and its affiliated organizations, within the ambit of respective tasks and powers, shall be responsible for disseminating, mobilizing agencies, enterprises, units, organizations and individual to create jobs; cooperate with relevant State agencies in developing and monitoring the implementation of employment-related legislation as stipulated by law.

2. Agencies and organizations, within the ambit of respective tasks and powers, shall disseminate policies and legislation on employment; job creation; protection of lawful rights and interests of workers, employers as stipulated by law. *Trans. Ver. January 6<sup>th</sup> 2014* 3

3. Individuals shall be responsible to actively find employment and participate in employment creation actively.

#### **Article 9. Prohibited acts**

1. To discriminate with respect to employment and occupation.

2. To infringe upon the physical integrity, dignity, honour, assets, lawful rights and interests of workers, employers.

3. To recruit, employ workers in violation of the law.

4. To make enticement, false promise, false advertisement to deceive a worker or to take advantage of the employment services, labour market information activities to commit an illegal act.

5. To falsify, forge documents in the implementation of the employment policies.

6. To cause troubles, obstacles or to harm the legitimate rights and interests of workers, employers.

# Chapter II SUPPORTING POLCIES ON JOB CREATION Session I PREFRENTIAL CREDITS FOR THE JOB CREATION

#### Article 10. Preferential credits for the job creation

The State shall implement the policy on preferential credits for the job creation, employment retention and development financed by the National Fund for Employment and other sources.

#### **Article 11. National Employment Fund**

1. The National Employment Fund shall be formed from the following sources

a. State budget;

b. Assistance from organizations and individuals in Viet Nam and abroad;

c. Other lawful sources.

2. The management, use of the National Employment Fund shall comply with the legal provisions.

#### Article 12. Borrowers of the National Employment Fund

1. Borrowers shall be:

a) Small and medium-sized enterprises, cooperatives, group of cooperatives, household businesses;

b) Workers;

2. Borrowers under Paragraph 1 of this Article fall into following cases shall be entitled to lower interest rates:

a) Small and medium-sized enterprises, household businesses, cooperatives, group of cooperatives employing a large number of people with disabilities, ethnic minority workers;

b) Ethnic minority workers residing in specially disadvantaged socioeconomic conditions, and people with disabilities.

### Article 13. Qualifying conditions for loans

1. Borrowers under the Sub-paragraph a Paragraph 1 of Article 12 shall have access to loans from the National Employment Fund if meeting following conditions:

a) Have a feasible investment project in local areas in accordance with the business sectors, occupations and creating stable employment for workers;

b) Have projects which are certified by competent agencies, organizations in the project areas;

c) Have loan collateral;

2. Borrowers under the Sub-paragraph b Paragraph 1 of Article 12 shall be entitled to loans from the National Employment Fund if meeting following conditions:

a) Having full capacity of civil acts.

b) Having demands for loans to become self-employed or create additional employment certified by competent agencies, organizations in the project areas.

c) Lawful residence in the areas where the project is implemented;

3. Loan amounts, periods, interest rates, loan procedures, orders and collateral-related conditions shall be prescribed by the Government.

# Article 14. Preferential loans from other credit sources for the job creation supports

Based on socio-economic conditions in each period, the State shall allocate other credit sources to provide preferential loans for implementing incentive policies on the job creation.

# Session II SUPPORT POLICIES FOR TRANSFORMATION OF RURAL EMPLOYMENT

Article 15. Supports for the transformation of occupation, employment in rural areas

1. The State shall support the occupation, employment transformation for workers in rural areas in accordance with the socio-economic development plans, strategies.

2. Workers in rural areas who participate in the transformation of occupation and employment shall be entitled to:

a) Vocational training supports;

b) Free-of-charge career guidance, vocational training guidance and labour legislation counseling;

c) Free-of-charge job placement;

d) Loans with preferential interest rates from the National Employment Fund as stipulated in Article 11, 12 and 13 of this law.

#### Article 16. Vocational training supports for workers in rural areas

Workers in rural areas, participating in vocational training courses with the duration less than 03 months or the elementary level in training institutes, shall be entitled to support in terms of training fees, which will be regulated by the Prime Minister.

# Article 17. Supporting small and medium-sized enterprises, cooperatives, group of cooperatives, household businesses in creating employment for workers in rural areas

The Government shall support small and medium-sized enterprises, cooperatives, group of cooperatives, household businesses in developing businesses, expanding local employment by the following measures:

1. Having access to credit sources with preferential rates of interest from the National Employment Fund under the Article 11, 12 and 13 of this Law;

2. Providing the market information of consumption products;

3. Providing tax exemption, tax reduction as stipulated by legislation on tax.

# Session III PUBLIC EMPLOYMENT POLICY

#### **Article 18. Policy contents**

1. The public employment policy shall be implemented by small-sized projects and activities funded by the State and associated with socio-economic development programs in the communes, including:

a) Infrastructure development for the agriculture, forestry, fishery and salt production;

b) Development of public infrastructure;

c) Environmental protection;

d) Climate change responses;

e) Other local community-based projects, activities.

2. When selecting the contractors for projects under the Paragraph 1 of this Article as stipulated by the Law on procurement, the employment plans for objects under Paragraph 1 Article 19 of this Law shall be included in the bidding documents.

3. The implementation of public employment policy shall be prescribed by the Government.

#### **Article 19. Participants**

1. Workers shall be covered by the public employment policy if meeting following conditions:

a) Lawful resident in the areas where projects would be implemented;

b) Participate voluntarily in the public employment scheme.

2. Workers under Paragraph 1 of this Article, including ethnic minority workers, workers in poor households, near-poor households, households subject to the acquisition of agricultural land, shall be prioritized to participate in the public employment scheme.

3. Organizations, individuals shall be encouraged to employ workers under Paragraph 1 of this Article in the projects which do not covered by provisions of Paragraph 1 Article 18 of this Law.

### Session IV OTHER SUPPORTING POLICIES

# Article 20. Supports for Vietnamese workers working overseas on termbased contracts

1. The State shall encourage, create favourable conditions for workers, who are in need and available, to work overseas on term-based contracts.

2. Regarding ethnic minority workers, workers in poor or near-poor households, households subject to the acquisition of agricultural land; family members of people with meritorious services to the country; in case they have demands for working overseas on term-based contracts, they shall be supported by the State in following forms:

a) Vocational training, foreign language training, orientation courses on customs and legislation of Viet Nam and receiving countries;

b) Skills development training for high-skilled workers to meet requirements of receiving countries;

c) Access to loans with preferential interest rates.

3. Detailed guidance of the policy on supporting workers to work overseas on term-based contracts under this Article shall be prescribed by the Government.

#### Article 21. Employment supports for the youth

1. The State shall encourage organizations, individuals to create employment for young workers; create favourable conditions for the youth to promote their activeness, creativeness in the job creation.

2. The job creation for the youth shall be supported by the State through following activities:

a) Free-of-charge career guidance, orientation and job placement for the youth;

b) Vocational training associated with the job creation for young people, who have completed the military service, police service, young volunteers having accomplished the missions of implementing socio-economic development projects, programs;

c) Supports for careers and business startups of the youth.

2. Detailed provisions under Item b, c Paragraph 2 of this Article shall be prescribed by the Government.

### Article 22. Supports for the labour market development

The labour market development shall be supported by the State through following activities:

1. Collecting, analyzing, forecasting and providing the labour market information; matching the labour supply and demand;

2. Modernizing the employment service activities and the labour market information system;

3. Investing in the capacity building for employment service centers;

4. Encouraging all organizations, individuals to participate in developing the labour market.

# Chapter III LABOUR MARKET INFORMATION

#### Article 23. Contents of the labour market information

1. Current status and trends of employment;

2. Information of labour supply and demand, fluctuations of supply and demand in the labour market;

3. Information on foreign workers in Viet Nam and Vietnamese workers working overseas on term-based contracts;

4. Information on the salaries, wages.

#### Article 24. Management of the labour market information

1. State statistical authority shall organize the collection, publication; establishment, management of the labour market database regarded as the national statistical indicator as stipulated by the law on statistics.

2. Ministry of Labour - Invalids and Social Affairs shall assume the prime responsibility and coordinate with relevant ministries, agencies in collecting and publicizing the labour market information within the assigned sector in addition to the labour market information under the national statistical system; issuing the regulations on managing, operating, using and disseminating the labour market information; establishing the information network and the labour market database system.

3. People's committee at all levels shall manage the labour market information in their localities.

4. Agencies under Paragraph 1, 2 and 3 of this Article shall be responsible for disseminating the labour market information periodically.

#### Article 25. Collection of the labour market information

1. Ministry of Labour - Invalids and Social Affairs, within their ambit of powers and tasks, shall implement the collection, storage, synthesis of the labour market information under Paragraph 2 Article 24 of this Law.

2. People's committee at all levels shall organize the collection, storage, synthesis of the labour market information in their localities.

3. Agencies, organizations and individuals shall collect, store, synthesize the labour market information as stipulated.

#### Article 26. Provision of the labour market information

Agencies, organizations, enterprises and individuals shall assume the responsibility to provide the labour market information in an accurate, timely manner as stipulated.

# Article 27. Analysis, forecast and dissemination of the labour market information

1. Ministry of Labour - Invalids and Social Affairs shall assume the prime responsibility to analyze, forecast and disseminate the labour market information nationwide.

2. People's Committees at all levels shall conduct the analysis, forecast and dissemination of the labour market information in their localities.

# Article 28. Guarantee of the data safety, security and storage of the labour market information

1. To guarantee the data safety of the labour market information in the process of designing, developing, operating, and upgrading the labour market information system.

2. The guarantee of confidentiality related to the labour market information shall include:

a) Labour market information associated with specific names, addresses of each organization, individual except for cases these organizations, individuals allow the information disclosure.

b) Labour market information under the process of collecting, compiling and without being disclosed by relevant authorities;

c) Labour market information falls under the national confidentiality categories as stipulated.

3. Agencies, organizations, enterprises, individuals providing, retrieving and using the labour market information, shall assume the responsibility to guarantee the information safety, confidentiality and storage as stipulated by this Law and other relevant legal provisions.

#### **Chapter IV**

#### ASSESSMENT, ISSUANCE OF THE NATIONAL SKILLS CERTIFICATE

Article 29. Objectives of the assessment and issuance of the National skills certificate

Trans. Ver. January 6<sup>th</sup> 2014

1. The assessment, issuance of National skills certificate shall aim to certify workers' occupational skills by grade.

2. Workers shall be assessed and issued with the National skills certificate with the purpose of improving their occupational capabilities; finding suitable jobs or employment requiring the National skills certificate.

#### Article 30. Principles, contents of the National Skills Assessment

1. The National Skills Assessment shall comply with following principles:

- a) Guarantee the worker's voluntariness;
- b) Based on the National Skills Standard;
- c) Based on each grade of the occupational skills;
- d) Accuracy, independence, objectiveness, fairness, transparency.
- 2. Contents of the National Skills Assessment shall include:
- a) Occupational and technical knowledge;
- b) Performance skills of the occupations
- c) Occupational health and safety procedures.

### Article 31. Organizing the Skills Assessment

1. The organization of skills assessment shall be conditioned activity; the relevant state agencies shall issue the permit to conduct the assessment, issuance of the National Skills Standards for workers.

2. Skills assessment agencies shall be granted with the license if having meet requirements of facilities, equipment and human resources.

3. Skills assessment agencies shall collect fees in accordance with legal provisions on fees and charges.

4. The Government shall provide detailed regulations on the conditions, organization and implementation of skills assessment and issuance of National skills certificate.

### Article 32. Development and issuance of the National Skills Standards

1. The National skills standard is developed for each skill grade of each occupation and national skills framework. The number of skills grade of each occupation shall depend on the complexity level of the occupation.

2. Ministers, Heads of ministerial-level agencies, government agencies shall chair, cooperate with relevant agencies, occupational associations to develop national skills standards under their area of responsibility and request the Ministry of Labour-Invalids and Social Affairs to appraise and issue the National Skills Standard.

3. The Ministry of Labour, Invalids and Social Affairs shall provide guidance for the development, appraisal and issuance of national skills standards.

#### Article 33. National Skills Certificate

1. Workers who meet the requirements for a skill grade shall be provided with a certificate of the national skill standard at that skill grade according to the regulations provided by the Ministry of Labour- Invalids and Social Affairs.

2. The National skills certificate shall be valid nationwide. In case Viet Nam engages in the mutual recognition agreement of skills certificate with other countries or territories, the National skills certificate shall also be valid in those countries or territories and vice versa.

# Article 34. Rights and responsibilities of workers participating in the assessment, issuance of the National Skills Standard

1. Workers, who participate in the assessment, issuance of the National Skills Certificate, shall have following rights:

a) Selection of the skill assessment agencies;

b) In case of meeting all requirements on occupational skills, they shall be granted with the skills certificates;

c) Lodging complains against the results of skills assessment as stipulated by law.

2. Workers participating in the assessment, issuance of the National Skills Certificate shall have following responsibilities:

a) Complying with the regulations, rules on the assessment, issuance of skills certificate issued by the skills assessment agencies;

b) Paying fees for the assessment, issuance of skills certificate as stipulated by law.

#### Article 35. Employment requiring the National skills certificate

1. Workers who perform a job which have a direct impact on the safety, health of the workers themselves or the community shall have to obtain a national skill certificate.

2. The Government shall provide a list of work under Paragraph 1 of this Article.

#### **Chapter V**

#### **ORGANIZATION AND OPERATION OF EMPLOYMENT SERVICES**

#### **Article 36. Employment services**

1. Employment services shall include employment counseling, job placement; supply and recruitment of workers at the request of employers; collection and dissemination of the labour market information.

2. Employment service agencies shall include the employment service centers and employment service enterprises.

#### **Article 37. Employment Service Centers**

1. Employment Service Centers shall be the State non-business service agencies, including:

a) Employment Service Centers established by the State agency;

b) Employment Service Centers established by socio-political organizations.

2. The establishment of employment service centers shall comply with plans issued by the Prime Minister and meet requirements of facilities, human resources as stipulated. The establishment of employment service centers under Paragraph 1(a) of this Article shall be decided by the Ministers, Heads of ministerial-level agencies, chairman of People's Committee at provinces, centrally-run cities (hereinafter referred collectively as the provincial level); the establishment of Employment Service Centers under Paragraph 1(b) of this Article shall be decided by the Heads of socio-political organizations at the central level.

3. The conditions for the establishment, organization and operation of Employment Service Centers shall be prescribed by the Government.

# **Article 38. Functions of Employment Service Centers**

1. Employment Service Centers shall have the following functions:

a) Provide free-of-charge career guidance, job placement for workers and provide free-of-charge labour market information

b) Supply and recruitment of workers at the request of employers;

c) Collect the labour market information;

d) Analyze and forecasting the labour market;

e) Implementing employment programs, projects;

f) Providing the vocational training, skills development as stipulated by law;

2. Employment Service Centers established by the state employment authority shall have the functions prescribed by Paragraph 1 of this Article and shall receive unemployment insurance dossiers to submit to relevant authorities for approval.

#### **Article 39. Employment Service Enterprises**

1. Employment service enterprises are established and operated pursuant to the Law on enterprise and granted the license for employment services by the employment administration agency at the provincial level.

2. Licensed enterprises shall go into operation after meeting all requirements of facilities, equipment, human resources and deposits.

3. Employment service enterprises shall be able to establish branches providing employment services.

4. Employment service enterprises shall collect service fees as stipulated under the provisions on charges and fees.

5. Detailed provisions under this Article shall be prescribed by the Government.

#### **Article 40. Activities of Employment Service Enterprises**

1. Providing the career guidance, job placement for workers, employers;

2. Supplying and recruiting workers at the request of employers;

3. Collecting and providing the labour market information;

4. Analyzing and forecasting the labour market;

5. Providing the vocational training, skills development as stipulated;

6. Implementing the employment programs, projects.

# Chapter VI UNEMPLOYMENT INSURANCE Session I PRINCIPLES, OBJECTS AND SCHEMES

#### **Article 41. Principles**

1. Guarantee the risk-pooling principle among participants of the unemployment insurance.

2. Premiums shall base on the salaries in the labour contracts or employment contracts of workers.

3. Benefit rate of unemployment insurance shall be calculated based on contribution rates and the participation period.

4. The implementation of employment insurance shall be simple, easy, and convenient; guarantee the insured's interests in a timely and adequate manner.

5. The unemployment insurance fund shall be managed in a centralized, uniformed, public, transparent manner and the State guarantees the safety operation of the fund.

#### Article 42. Schemes

1. Unemployment allowance;

2. Career guidance and job placement supports;

3. Vocational training supports;

4. Supports for the training, skills development for workers to retain employment.

#### Article 43. The scope of compulsory coverage

1. Workers with following labour contracts or employment contracts are compulsorily covered by the unemployment insurance scheme:

a) Labour contracts or employment contracts of an indefinite term;

b) Labour contracts or employment contracts of a definite term;

c) Labour contracts on seasonal basis or a specific work with the period from full 03 months to 12 months.

In case the worker signs labour contracts with more than one employers, that worker and the first employer shall be responsible for participating in the unemployment insurance scheme.

2. Workers under Paragraph 1 of this Article receiving on monthly old-age pension, or performing domestic work shall not be covered by the unemployment insurance scheme.

3. The insured employers include state agencies, non-business units, people's armed force units; political organizations, socio-political organizations, socio-professional-political organizations, socio-professional organizations, other social originations; foreign agencies and organizations, international organizations operating in Vietnamese territory; enterprises, cooperatives, individual business households, cooperative groups, other organizations and individuals hiring,

employing workers based on employment contract or labour contract under Paragraph 1 of this Article.

#### Article 44. Participation in the unemployment insurance scheme

1. Employers shall register their workers for unemployment insurance scheme at the social security agency within 30 days since the employment contract or the labour contract takes effect.

2. On a monthly basis, employers shall contribute the premiums under the Paragraph 1(b) Article 57 of this Law and deduct an amount from worker's salary, under Paragraph 1(a) Article 57 of this Article, to pay at once into the unemployment insurance fund.

3. Based on the current fund balance, the State shall provide a budget prescribed by the Government under Paragraph 3 Article 59 of this law.

#### Article 45. Qualifying contribution period for unemployment insurance

1. The total qualifying contribution period to calculate unemployment insurance benefit rates is the sum of all qualifying periods of contribution, including interrupted and uninterrupted periods of contribution from the date the worker participated into the unemployment insurance scheme to the date where the employment contract is terminated according to legal provisions, and for which the said worker has not received unemployment benefit..

2. After the date on which the unemployment benefit is terminated, all prior contribution periods shall not be considered as qualifying period, for the purpose of calculating unemployment insurance benefit when the worker is unemployed in the future. The qualifying contribution period for the following unemployment benefit application shall be calculated from the beginning after the date on which the unemployment benefit is terminated, except for the cases of termination under Items b, c, h, l, m and n, Paragraph 3, Article 53 of this law.

3. The period of paying unemployment insurance premiums shall not be considered when calculating the job-loss allowance or severance pay according to the laws on labour and laws on civil servant.

#### Article 46. Entitlement to the unemployment benefits

1. Within 03 months from the termination of the labour or employment contract, the workers shall submit the application for unemployment insurance benefits at the Employment Service Centers established by the employment state administration agencies.

2. Within 20 days from the date of receiving the complete application, relevant agencies shall issue the decision on the entitlement to unemployment benefits; in case of disqualification, workers shall be notified in writing.

3. Social Insurance Organization shall pay unemployment insurance benefits for beneficiaries within 05 days from the date of receiving the decision on the entitlement to unemployment benefits.

# Session II

# SUPPORTS FOR TRAINING, SKILLS DEVELOPMENT TO RETAIN EMPLOYMENT FOR WORKERS

### Article 47. Qualifying conditions, benefit duration and benefit rate

1. Employers shall be supported with expenses for training, skills development to retain employment for insured workers prescribed by Paragraph 1 Article 43 of this law if satisfying all following conditions:

a) Paying full unemployment insurance premiums for workers covered by the employment insurance for 12 months or more before the date of application of the support.

b) Having difficulties due to the economic recession or force majeure situations and have to restructure or change technology in their production or business;

c) Do not have adequate financial resource to organize the training, skills development for workers;

d) Having the plans for training, skills development to retain employment for workers approved by relevant government agencies.

2. Support periods for the training, skills development to retain employment for workers in accordance with approved plans shall not exceed 06 months. 3. The Government shall prescribe detailed regulations for this Article and the supporting amounts for training, skills development to retain employment for workers.

#### Article 48. Responsibilities for skills development training support

1. Employers shall assume the responsibility to organize the training, skills development and employ workers according to the approved plans; allocate the supports to right objects, targets and report the training outcomes to relevant state agencies after finishing the vocational training, skills development courses.

2. Workers shall assume the responsibility to comply with legal provisions on vocational training, skills development.

### Session III. UNEMPLOYMENT BENEFITS

#### Article 49. Qualifying conditions

Workers currently paying unemployment insurance premiums prescribed in Paragraph 1 Article 43 of this Law shall be entitled to unemployment benefits if meeting all following conditions:

1. Have their labour contracts or employment contract terminated, except for following cases:

a) The worker unilaterally terminates the labour contract or employment contract against the law;

b) Receiving monthly retirement pension, monthly labour disability allowances

2. Having paid unemployment insurance premiums for full 12 months or more within 24 months prior to the date on which the labour contract or employment contract is terminated for cases under Items a, b Paragraph 1 Article 43 of this law; having paid unemployment insurance premiums for full 12 months or more within 36 months prior to the terminating the labour contracts for cases under Paragraph 1(c) Article 43 of this law;

3. Having submitted the application for unemployment insurance benefit at the Employment Service Centers under Paragraph 1 of Article 46 of this law;

4. Cannot find employment after 15 days from the date of submitting application for unemployment insurance benefit, except for following cases:

a) Undertaking military or police service;

b) Pursuing a study with a definite term of 12 months or above;

c) Executing a decision on application of administrative sanctioning measures at the correctional centers, compulsory educational institutions or drug treatment establishments;

d) Being put in temporary detention, being sentenced to imprisonment;

e) Migrating overseas for settlement or for contract-based employment;

f) Being dead.

# Article 50. Levels, duration, period of the entitlement to unemployment benefits

1. Monthly unemployment benefits shall be equal to 60% of the average of monthly salaries or wages of 06 months immediately prior to losing their jobs but not exceed 05 times of the general base wage for workers whose salary is prescribed by the State or not exceed 05 times the regional minimum wage prescribed by the Labour Code for workers paying premiums based on the salary scheme which is decided by employers at the point of terminating the labour contract or employment contract.

2. Duration for monthly unemployment benefits shall be calculated based on the number of qualifying contribution period, which is 3 months for qualifying period of from 12 months to 36 months, and plus one month for each additional 12 qualifying months. The benefit duration shall not exceed 12 months.

3. Workers shall receive employment benefits from the 16<sup>th</sup> day from the date of submitting a complete application for unemployment benefit under Paragraph 1 Article 46 of this Law.

#### Article **51**. Health insurance

1. Workers who are receiving unemployment benefits shall be entitled to the health insurance as prescribed by the Law on health insurance.

2. The Social Security Agency shall use the Unemployment Insurance Fund to pay the health insurance premiums for workers who are receivng unemployment benefits.

#### Article 52. Report on job-seeking activities

1. During the period of entitlement to UI benefits, workers shall report monthly the job-seeking activities to the Employment Service Center that workers apply for the unemployment benefits, except for following cases:

a) Workers suffer from diseases, maternity, have accidents which is certified by relevant health care centers as stipulated by the law on health care and treatment;

b) Cases of force majeure.

2. Regarding cases under Items a, b Paragraph 1 of this Article, workers shall assume the responsibility to notify the Employment Service Center that they apply for the unemployment benefits.

3. Ministry of Labour, Invalids and Social Affairs shall provide guidance for implementing this Article.

# Article 53. Suspension, resumption, termination of unemployment benefits

1. Workers who are receiving unemployment benefits shall be suspended from the entitlement to unemployment benefits when failing to monthly report on their job-seeking activities under Article 52 of this law.

2. Workers, being suspended from monthly unemployment benefits, shall resume to receive unemployment benefits, in case their entitlement period is not over, and they resume the monthly reports on job-seeking activities under Article 52 of this law.

3. Workers who are receiving unemployment benefits will have their benefits terminated in the following cases:

a) Unemployment benefits duration expires;

- b) Find a job;
- c) Performing military or police service;
- d) Receive monthly old-age pension;

- e) Refuse two times the jobs recommended by Employment Service Centers without a valid reasons;
- f) Fail to monthly report on job-seeking activities under Article 52 of this law for 03 consecutive months;
- g) Migrating overseas for settlement or for contract-based employment;;
- h) Pursuing a study with a definite term of 12 months or above;
- i) Being under the administrative sanctions for the violation of provisions on unemployment insurance;
- j) Being dead;
- k) Executing a decision on application of administrative sanctioning measures at the correctional centers, compulsory educational institutions or drug treatment establishments.
- 1) Being declared as missing by the court;
- m) Being put into temporary detention, being sentenced to imprisonment.

4. Workers, who have their unemployment benefits terminated under Items b, c, h, l, m and n Paragraph 3 of this Article, shall have their qualifying contribution period reserved for the future entitlement if meeting all requirements under Article 49 of this law.

The reserved qualifying period shall be calculated by deducting the previous period of contribution, for which the unemployment benefit have been paid, from the total qualifying period of contributing to unemployment insurance benefits, based on the principle: each month of receiving unemployment benefits shall be equal to 12 months of contribution.

# Session IV SUPPORTS FOR CAREER GUIDANCE, JOB PLACEMENT AND VOCATIONAL TRAINING

#### Article 54. Career guidance, job placement supports

Insured workers under Paragraph 1 Article 43 of this law, who have theirthe labour contract, employment contract terminated and have the demand for find jobs, shall be provided with free-of-charge career guidance, job placement.

#### Article 55. Qualifying conditions for vocational training supports

Insured workers under Paragraph 1 Article 43 of this law shall be provided with vocational training supports if meeting all following requirements:

- 1. Having met all requirements in Paragraph 1, 3 and 4 Article 49 of this law;
- 2. Having paid unemployment insurance premiums for full 09 months or more within 24 months prior to terminating labour contract, employment contract as stipulated by law.

#### Article 56. Period, amounts of the vocational training support

1. The period of vocational training support shall depend on the actual training period, but shall not exceed 6 months.

2. The amounts of vocational training support shall be prescribed by the Prime Minister.

# Session VI UNEMPLOYMENT INSURANCE FUND

# Article 57. Contribution rate, contributory sources and use of the Unemployment Insurance Fund

1. Contribution rates and responsibilities for the premium contribution shall be provided as follows:

a) Workers shall contribute 1% of the monthly salary;

b) Employers shall contribute 1% of the monthly payroll for all covered workers;

c) The Government shall provide a maximum budget that is equal to 1% of the monthly payroll for covered workers and the central state budget shall assume this responsibility.

2. Contributory sources of the Unemployment Insurance Fund shall include:

a) Contributions and supports under Paragraph 1 of this Article;

b) Profits from the fund's investment activities;

c) Other lawful sources of revenues.

3. The Unemployment Insurance Fund shall be used for the following purposes:

a) Payment for unemployment benefits;

b) Supports for vocational training, skills development to retain employment for workers;

c) Vocational training supports;

d) Career guidance, job placement supports;

e) Payment for the health insurance for workers on unemployment benefits;

- f) Administrative expenses of the unemployment insurance;
- g) Investments for the fund security and growth.

#### Article 58. Insured salary for unemployment insurance

1. For workers whose salary is determined by the Government regime, the monthly insured salary for unemployment insurance is the monthly insured salary for compulsory social insurance, as provided under the Law on Social Insurance. In case when the monthly insured salary for compulsory social insurance is higher than 20 times of the base salary, the monthly insured salary for unemployment insurance shall be equal to 20 times of the base salary at the time of contribution.

2. For workers whose salary is determined by the employer's regime, the monthly insured salary for unemployment insurance is the monthly insured salary for compulsory social insurance, as provided under the Law on Social Insurance. In case when the monthly insured salary for compulsory social insurance is higher than 20 times of the regional minimum wage, the monthly insured salary for unemployment insurance shall be equal to 20 times of the regional minimum wage at the time of contribution.

# Article 59. Management of the Unemployment Insurance Fund

1. The Unemployment Insurance Fund shall be independently managed. Viet Nam Social Insurance shall perform the collection, management and allocation of the Unemployment Insurance Fund.

2. Investment activities of the Fund must ensure the security, efficiency and could be recoverable when necessary through following forms:

- a) To purchase bonds, treasury bills and government bonds issued by the State;
- b) To invest in important projects pursuant to the Prime Minister's decisions;

c) To provide loans to the State budget, the Viet Nam Development Bank, the Viet Nam Bank for Social Policies and commercial banks with the state-owned shares accounting for over 50% of the registered capital;

2. The Government shall issue detailed provisions on the specific percentage of state budget supports; the fund management and allocation; implementation of unemployment insurance scheme.

# Chapter VII IMPLEMENTATION PROVISIONS

#### Article 60. Transitional application

1. In case employment service enterprises, being granted the licence prior to the enforcement of this Law, shall continue their employment services to the expiry of the granted licence.

2. Employment Introduction Centers, being established prior to the enforcement of this Law, shall continue to provide employment services and rename as "Employment Service Centers".

3. Skills assessment agencies, being granted with licence for the assessment, certification of National Skills Certificate prior to the enforcement of this Law, shall continue their operation to the expiry of the granted licence.

4. The contribution period, when workers paid unemployment insurance premiums under the law on social insurance prior to the enforcement of this law without being entitled to unemployment benefits, shall be added to calculate the period of contributing unemployment insurance premiums under Article 45 of this law.

#### Article 61. Implementation validity

1. This Law takes effects on January 1<sup>st</sup> 2015.

2. Provisions of the unemployment insurance under the Law on Social Insurance No. 71/2006/QH11 dated June 29<sup>th</sup> 2006; Chapter IX - Assessing and certifying the National Skills Certificate under the Law on Vocational Training No. 76/2006/QH11 dated June 29<sup>th</sup> 2006 becomes invalid when this Law takes effect.

### Article 62. Detailed regulations and Implementation guidance

The Government and relevant government agencies shall issue the detailed regulations and implementation guidance for Articles, Paragraphs under this Law.

*This Law was adopted on November 16<sup>th</sup> 2013, by the XIII<sup>th</sup> National Assembly 6<sup>th</sup> session of the Socialist Republic of Viet Nam* 

# CHAIRMAN OF THE NATIONAL ASSEMBLY (Signed)

NGUYEN SINH HUNG