

**MINISTRY OF PLANNING AND INVESTMENT
GENERAL STATISTICS OFFICE**

**REPORT
ON LABOR FORCE SURVEY
Quarter 3 2019**

Ha Noi, 2019

INTRODUCTION

On 30th July 2018, the General Director of the General Statistics Office issued Decision No 592/QĐ-TCTK on the 2019 Labor force survey, along with its survey plan. The purpose of the survey was to collect the information on 2019 labor market participation from those people who are 15 years old and above currently residing in Vietnam; regarded as a basis for aggregating and compiling national statistical indicators on labor, employment, unemployment, and income. These results would support ministers and branches assessing and comparing the changes in the labor market among quarters within the reference year as well as with those of previous annual labor force survey conducted by GSO. These results would be considered as a basis to develop and plan policies on human resources development; activities of investment, production, and business accordant with the development trend on the labor market. Besides, approach and apply the new recommendations of the International Labor Organization on labor and employment, especially in terms of “labor underutilization” into Vietnamese practice to meet international comparison. Data are aggregated quarterly for the national, urban, and rural, six socio-economic regions, Hanoi and Ho Chi Minh City, and annual data for the 63 provinces.

This report would present major findings of the labor force survey in the quarter 3 of 2019 to provide information on labor and employment to users. As a result of the survey coverage on labor market only relating to those people who were 15 years and old, currently residing in Vietnam at the survey period, therefore, the indicators on labor and employment presented in this report would mainly be calculated for those persons aged 15 and above. However, to meet the needs of researching, assessing, and analyzing information about the labor market and employment situation for the working-age (including males aged from 15 to 59 and females aged from 15 to 54). This report would also provide some basic indicators on labor and employment for this group.

The 2019 labor force survey has received technical supports from International Labor Organization (ILO). GSO highly appreciates this supports and wishes to continuously receive more supports from ILO in succeeding surveys.

GSO hopes that report will meet the requirements of basic information for social-economic policymakers, especially for those who are engaging in the field of labor and employment. We warmly welcome all constructive comments from readers.

Sincere thanks./.

For comments and information in details, please contact to:

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GENERAL STATISTICS OFFICE

I. Summary

The employment situation in the third quarter kept a steady growth rate with the number of people joining the labor force in the whole country. The unemployment rate, underemployment rate and workers with informal jobs all decreased compared to the same period last year. To shift the labor structure in the direction of reducing the labor density in the Agriculture, Forestry and Fishery sector, increasing the proportion of employed in the Industry, Construction and Service sector. The income of workers increased; workers have high education, the more guaranteed income.

Rural areas are the main place providing labor for the economy. However, the competitiveness in the labor market of this region remains low with the rate of trained workers¹ in the third quarter of 2019 was 14.2%, equal to one third of that in urban areas; employment persons worked as own use production of agriculture goods² was still high, accounting for over 7%.

Informal workers accounted for majority in the labor market in Vietnam and tends to decrease gradually compared to the same previous of preceding years. “Elementary occupations” accounted for the highest proportion of the 9 occupation groups.

Statistics in the third quarter of 2019 showed that there were still 13.5% of young people between aged 15 and 24 years old who are not in employment, education, or training. This is a concern when the advantages in the golden population are not fully exploited. The State should have policies towards this target group in order to bring into full play the young human resources and make good use of the golden population opportunities.

II. Employment situation in quarter 3 2019

1. The workforce remains at a stable level with the rate of trained workers increasing but still low

The labor force aged 15 and over in the third quarter of 2019 was 55.7 million people, an increase of 207.8 thousand people over the previous quarter and an increase of 307.4 thousand persons over the same period last year. The force of students who just graduated and started looking for jobs, some others take advantage of the summer vacation time to earn extra income or help with their family’s production and business. These are the reasons made the labor increased compared to previous quarter.

¹The proportion of trained workers is the percentage of trained workers (trained workers are people in the labor force who have been trained and awarded an elementary or higher degree) among the total labor force.

²Employment persons worked as own use production of agriculture goods refers to employment persons with their main intended destination output of their job in agricultural, forestry and fishery mainly for own use or consumption.

The labor force in working age in the third quarter of 2019 was 49.1 million people, an increase of 217.9 thousand people against the previous quarter and an increase of 462.4 thousand people over the same period last year. The labor force in working age in urban areas was 16.4 million people, accounting for 33.4%. The female labor force in working age reached 22.0 million people, accounting for 44.8% of the national labor force of working age.

Of the total labor force of the third quarter of 2019, there were 12.8 million people had received training from the level of “intermediate” or higher; an increase of 302.5 thousand people compared to previous quarter. The rate of trained workers in the third quarter of 2019 reached 23.0%, 0.2 percentage points compared to previous quarter. The rate of trained workers in urban areas reached 39.6%, 2.6 times higher than rural areas (15.0%).

The labor force participation rate³ in the third quarter of 2019 was 76.4%, a decrease of 0.1 percentage points and 0.5 percentage points compared to the same period last year. The female labor force participation was 70.1%, 9.8 percentage points lower than for males (80.8%). The labor force participation rate between urban and rural has remained significantly different, with a different of 9.9 percentage points (urban: 69.5%; rural: 79.4%). The labor force participation rate in urban areas was lower than in rural areas for all age groups, with the largest difference was observed in the 15-24 age group and 50 years and older. This shows that people in rural areas enter the labor market earlier and leave this market much later than urban areas. This is a typical characteristic of the labor market with a high proportion of the labor participating in the agricultural sector.

2. Employed workers continue to increase, in which people with elementary occupations and own use production of agriculture goods among employed persons still account with a high rate

The number of employed population aged 15 and over in the third quarter of 2019 was 54.6 million people, an increase of 198.1 thousand persons compared to previous quarter and 304.5 thousand persons compared to the same period last year. Of which, the employed population in urban areas accounted for 32.2%, female employed population accounted for 47.0% of total employed population.

The number of employed population aged 15 and over in Agriculture, forestry and fishery sector was 18.3 million people, accounting for 33.6% (a decrease of 0.8 percentage points compared to previous quarter and 4.2 percentage point compared to the same period last year); this number in industry and construction sector was 16.8 million people, accounting for 30.8% (an increase of 0.8 percentage points compared to previous quarter

³Labor force participation rate as a percentage of the labor force accounted for the total population age 15 and older.

and 4.2 percentage points compared to the same quarter last year); this number in services sector was 19.4 million people, accounting for 35.6% (remained stable compared to the previous quarter and the same period last year).

“Elementary occupation” attracted the most workers in the labor market in Vietnam, accounting for 33.3% of the national employed population. The proportion of elementary occupations was still high reflecting that the quality of employment in Vietnam is low. At the national level, there were about 0.9% of employed population working as “Leaders, managers and administrators of sectors, levels, and organization”, equivalent to 489.8 thousand persons. This proportion for male was 2.6 times higher than female (1.3% versus 0.5%, respectively), in urban areas, it was 3.6 times higher than in rural areas (1.8% versus 0.5%, respectively); most of these people have had professional and technical training (reached 99.3%).

Among employed persons aged 15 and older, there were about 4.0 million people are in own use production of agriculture goods, accounting for 7.4%, the majority of them currently residing in rural areas (93,3%) and without technical qualification (95.0%).

3. Unemployment rate, underemployment and informal employment decreased slightly compared to the same period last year, but the share of youth not in employment, education or training was quite high

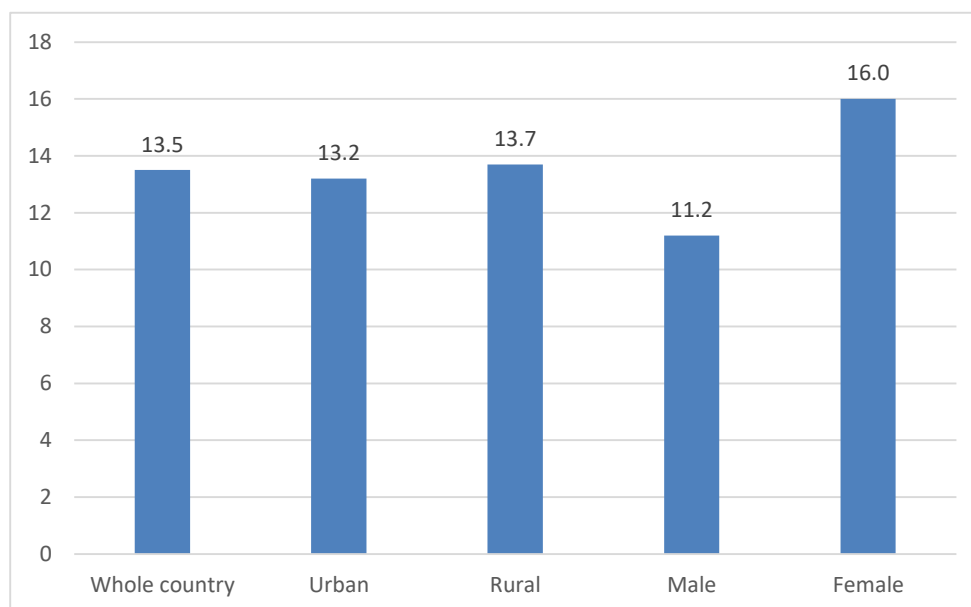
The number of unemployed people in working age quarter III of 2019 was 1.11 million people, an increase of 9.7 thousand persons compared to previous quarter and 2.9 thousand people compared to the same quarter. The unemployment rate in working age in the third quarter of 2019 was 1.99%, an increase of 0.01 percentage points compared to previous quarter and a decline of 0.01 percentage points compared to the same period last year.

Youth unemployment (aged 15 to 24 years old) in the third quarter of 2019 was 490.9 thousand persons, accounting for 44.3% of the total unemployed persons. The youth unemployment rate in the third quarter of 2019 was 6.73%, an increase of 0.04 percentage points compared to previous quarter and a decline of 0.56 percentage points compared to the same period last year. The urban youth unemployment rate was 10.64%, an increase of 0.01 percentage points compared to previous quarter and an increase of 0.07 percentage points compared to the same period last year. The youth unemployment rate in the third quarter increased due to the youth’s need to work and earn extra income to support their families when the school year ended and entered the summer vacation period.

At the national level, the share of youth not in employment, education or training (NEET) was 13.5%, or 1.8 million youth. The NEET rate in urban areas was 0.5 percentage points lower than in rural areas, and this rate for female was 4.8 percentage points higher than for males.

The share of youth not in employment, education or training in the third quarter of 2019

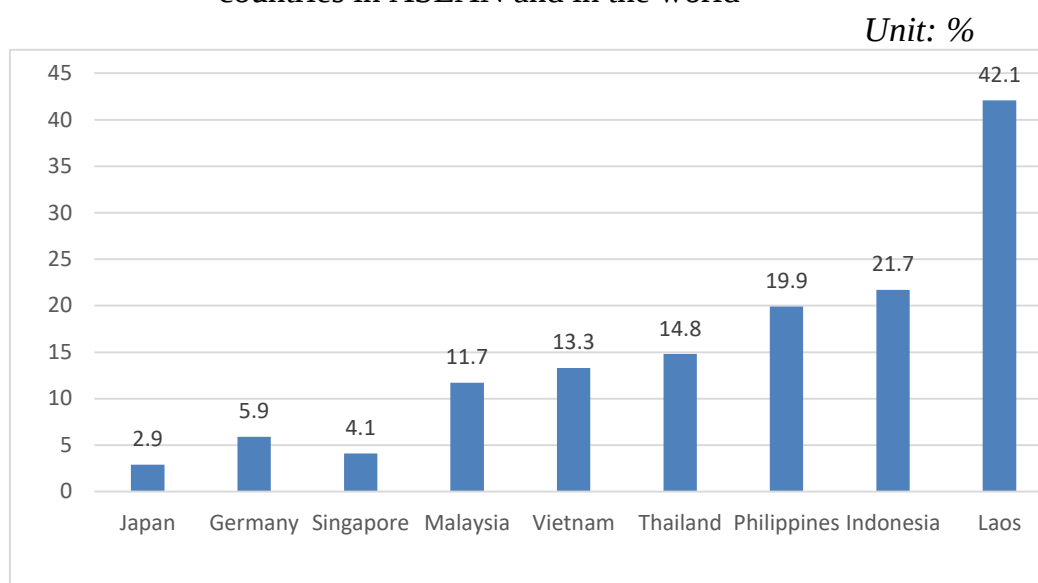
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Compared with other countries in the world and the region, the NEET rate in Vietnam is on average. This rate in Vietnam was lower than that of some countries in ASEAN such as Thailand, Philippines, Indonesia, Laos and higher than developed countries such as Singapore, Japan, Germany. The gender gap in NEET rate was quite small compared to other countries in the region and in the world. The difference in NEET rates between female and male was 4.8 percentage points in Vietnam while it was 20 percentage points difference in ASEAN and the Pacific, and it was 17 percentage points difference in the Latin America and the Caribbean and Africa⁴.

⁴Source: <https://www.ilo.org/ilostat>

The share of youth not in employment, education or training in Vietnam and some countries in ASEAN and in the world



Source: <https://www.ilo.org/ilostat>. Data for foreign countries was in 2018.

The time related underemployment rate in working age in the third quarter of 2019 was 1.34%, equal to previous quarter and a decline of 0.11 percentage points compared to the same period last year. The time related underemployment rate in working age in urban areas was 0.60%, and it was 1.7% in rural areas. The majority of underemployment persons worked in agriculture, forestry and fishery sector, accounting for 78.1%. This rate in agriculture, forestry and fishery was 2.8%, 3.5 times higher than that in industry and construction and service sector.

*The rate of workers with informal job*⁵ in the third quarter of 2019 was 56.0%, an increase of 0.2 percentage points compared to previous quarter and a decline of 0.2 percentage points compared to the same period last year (both in urban and rural areas). This rate in rural areas was 15.0 percentage points higher than in urban areas, 62.6% and 47.6% respectively.

4. Average monthly income of employees increased slightly. The higher the technical level, the more guaranteed income

Average monthly income of employees in the third quarter of 2019 was 5.6 million VND, an increase of 94 thousand VND against previous quarter. The average monthly of male workers was 6.5 million VND, and for female workers,

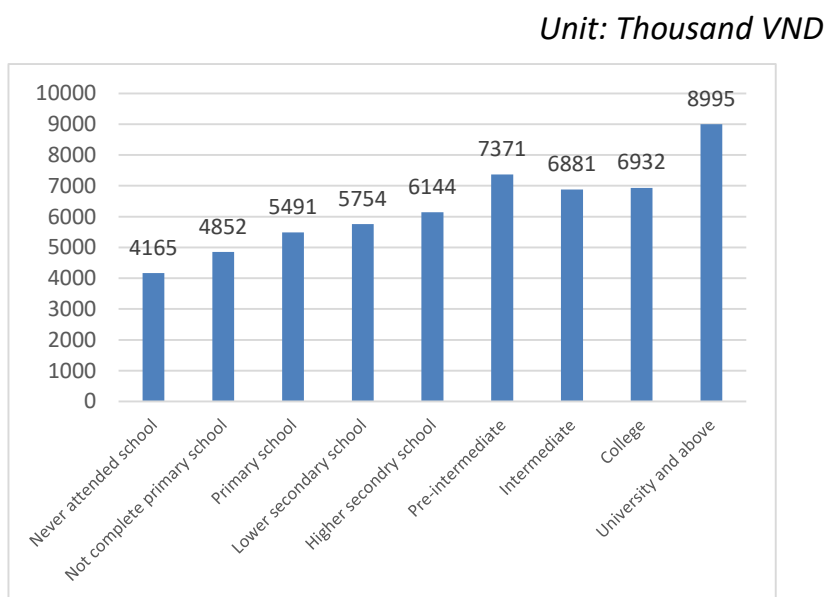
⁵Informal workers refers to those who work in non-agriculture employment and those who work for agriculture, forestry and fisheries households with business registration, falling under one of the four following categories of work: (i) Family-contributing workers; (ii) Employers/owners and own account workers involved in their own business production units in the informal economic sector; (iii) Salaries workers without labor contracts or with labor contracts but no compulsory social insurance contributions made by their employers on their behalf; (iv) Member of producer's cooperative without compulsory social insurance.

it was 4.6 million VND, for urban workers, it was 7.4 million VND, for rural areas, it was 4.7 million VND.

The average monthly income of wage workers in the third quarter of 2019 was 6.6 million VND, an increase of 120 thousand VND compared to previous quarter and 756 thousand VND compared to the same period last year. Average monthly income of male wage workers was 1.1 times higher than that of female workers (7.0 million VND and 6.1 million VND respectively). The average monthly income of urban wage workers was 1.3 times higher than that in rural areas (7.6 million VND and 5.9 million VND).

The average monthly of wage workers of the group “Leaders, managers and administrators of sectors, levels and organizations” was the highest (10.8 million VND), an increase of 273 thousand VND compared to previous quarter. The income of the group “Professionals” was 9.0 million VND, an increase of 82 thousands VND compared to previous quarter. The “elementary occupations” group had an average of 4.8 million VND, a decrease of 66 thousand VND compared to previous quarter.

Average monthly income of wage workers by educational level, quarter III 2019



The average monthly income of wage workers with university and higher was 8.9 million VND, an increase of 7 thousand VND compared to previous quarter. Those who never gone to school and have not finished primary school have an average monthly income of 4.2 million VND and 4.9 million VND respectively.

III. TABULATED TABLES