



Viet Nam Unemployment Insurance: Overview

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Department of Employment

Ministry of Labour, Invalids and Social Affairs

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1. UI Scheme

Unemployment Policy Roundup

Jan 1st 2009

Unemployment Insurance policy as stipulated by Social Insurance law 2006. It took effects on January 1st 2009.

Jan 1st 2015

Unemployment insurance schemes took effects as stipulated by Employment law 2013.

Feb 1st 2021 to date

Drafting the amendments of Employment Law 2013 (Amendment of UI schemes included).

Sep 11th 2024 (Est.)

Submitting the National Assembly for approval.

UI policy overview

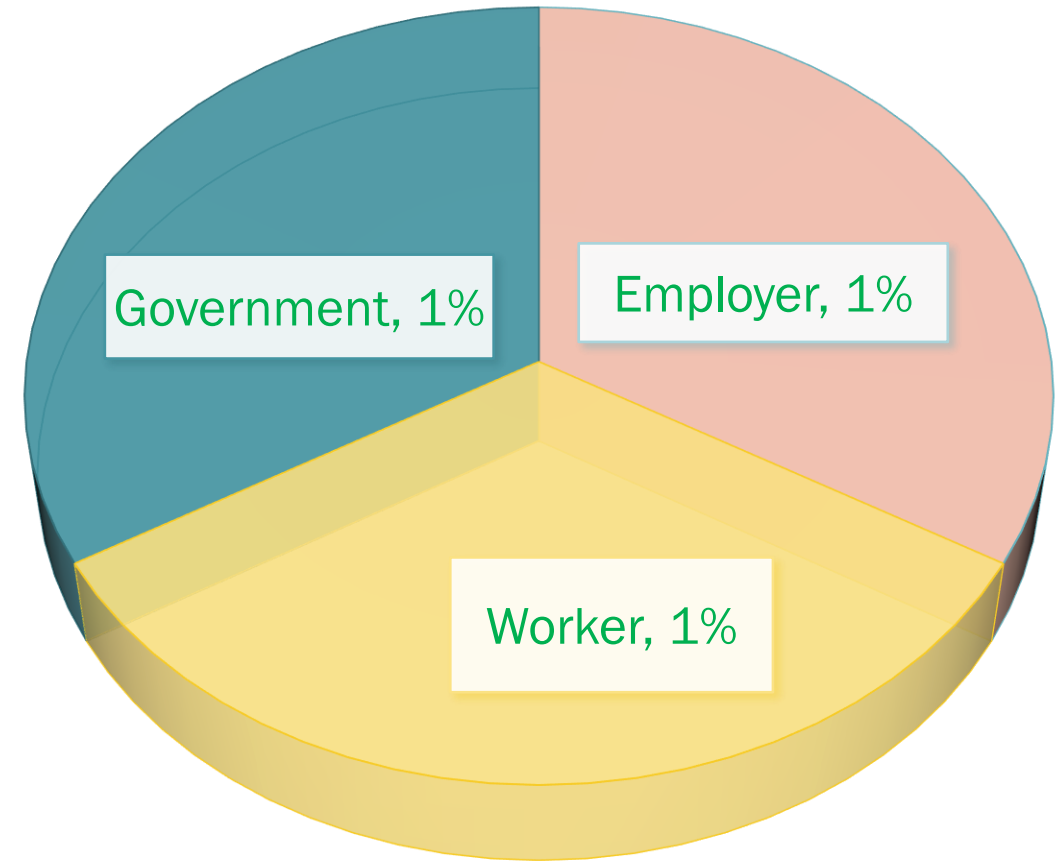
- Unemployment insurance scheme started on January 1st 2009 (As stipulated in the Social Insurance law 2006). But the UI detailed stipulations came into effect on January 1st 2015 (As stipulated in the Employment law 2013).
- Since then, it brings effective supports for employers and workers during ups and downs of the labour market.
- To October 2022, its coverage reaches at 14,02 million workers accounting for 28.33% of the workforce.

UI BENEFICIARIES

- Employers: Companies, agencies and individuals.
- Workers:
 - Vietnamese citizens;
 - Engage in labour contracts/employment contracts in an indefinite or definite term;
 - Labour contracts on a seasonal work or particular employment with 03 to 12 month period.

PREMIUM CONTRIBUTION

- Employers: 1% of monthly payrolls for all covered workers.
- Workers: 1% of the monthly salary.
- Government: 1% of the monthly payroll for all covered workers paid by the State fund.



UI SCHEMES

- ✓ Unemployment benefits
- ✓ Career guidance and job placement supports
- ✓ Vocational training supports
- ✓ Supports for skills development, vocational training to retain worker's employment.
- ✓ Health insurance provided during job-finding period.



UI BENEFIT: Eligible conditions

- ✓ Have their labour contracts or employment contract terminated.
- ✓ Having paid premiums for **full 12 months or more** within a period of 24 months before being unemployed; full 12 months or more within a period of 36 months (under labour contracts of seasonal basis or a particular work).
- ✓ Having submitted the UI benefit application to the Public Employment Service Centre.
- ✓ Unable to find a job 15 days after the date of submitting applications.

UI BENEFIT: What you got and for how long

- ✓ Monthly unemployment benefit: 60% of the average salaries of 6 continuous months before being unemployed but not exceed 5 times the minimum wages prescribed by Government.
- ✓ Duration of monthly UI benefit:
 - At least 03 months for qualifying period from 12 to 36 months. And plus 01 months for each additional 12 qualifying months.
 - Not exceed 12 months.

UI BENEFIT: Health insurance provided

- Workers on UI benefits are also covered with health insurance benefits;
- Vietnam Social Security pays health insurance costs for workers on UI benefits.

UI BENEFIT: SUSPENSION, RESUMPTION CASES

- Suspension cases: Without informing the Public Employment Service Centre monthly of his/her job-seeking status.
- Resumption cases: Continue monthly informing the Public Employment Service Centre of the job-seeking status.

UI BENEFIT: TERMINATION CASES

- Joint study programs in at least 12 months;
- Being sanctioned against violating UI stipulations;
- Being dead;
- Executing a decision on application of administrative sanctioning measures at the correctional centers;
- Being declared as missing by the Court;
- Being put into temporary detention.

JOB-SEEKING SUPPORTS

- Unemployed workers having demand for jobs could be provided with *free-of-charge* career orientation and job placement.

EMPLOYER SUPPORTS FOR RETAINING WORKER'S EMPLOYMENT: ELIGIBILITY

- Paying premium for workers from 12 months or more before the date of application of the support.
- Having difficulties due to the economic recession resulting in restructuring and changing technologies.
- Lack of financial resources to hold skills training, skills development for workers
- Having plans for training, skills development

VOCATIONAL TRAINING SUPPORTS: AMOUNT AND DURATION

- Payment of training costs based on actual period:
 - Training courses under 3 months: USD 187/person/course.
 - Training courses over 3 months: USD 62.5/person/month.

- Support duration shall not exceed 6 months.

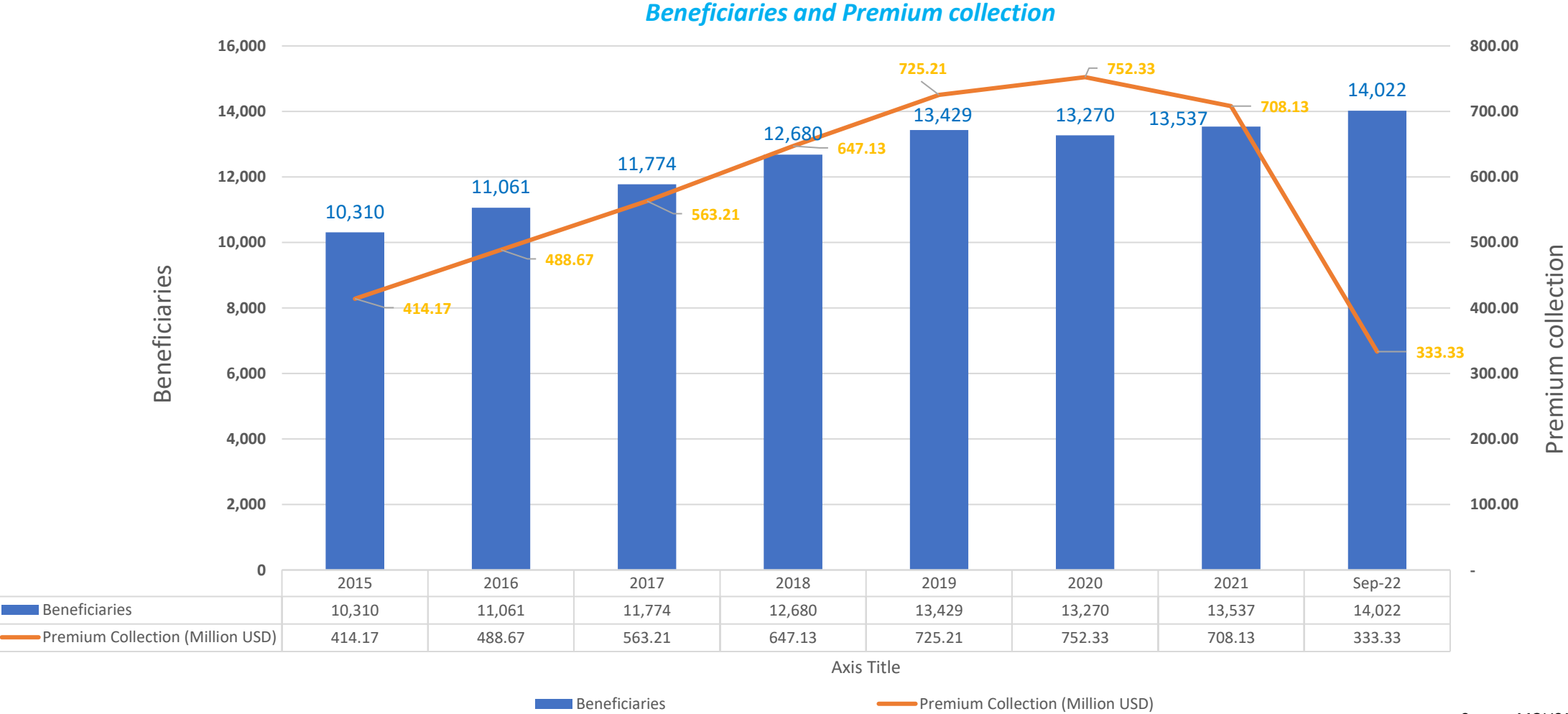
EMPLOYER SUPPORTS FOR RETAINING WORKER'S EMPLOYMENT: AMOUNT AND DURATION

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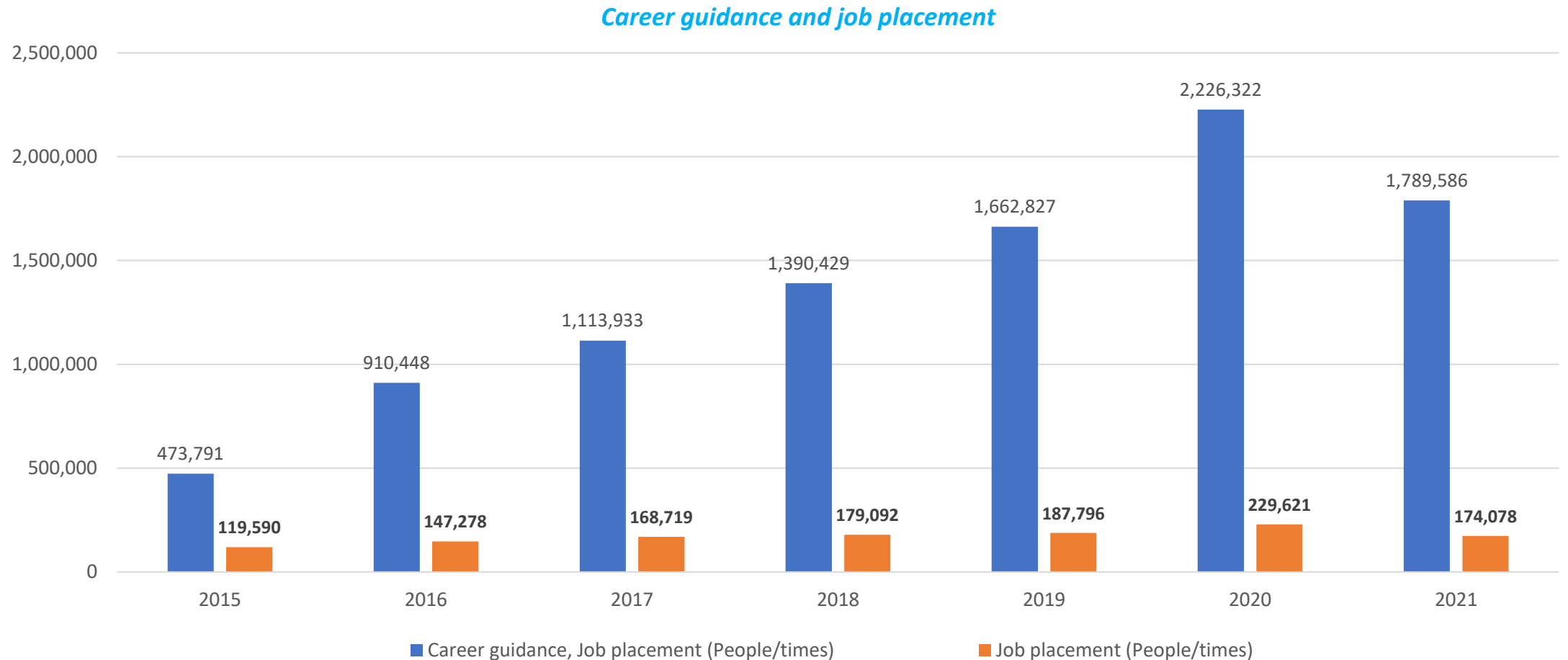
2. UI IMPLEMENTATION

UI IMPLEMENTATION: 2015 TO DATE



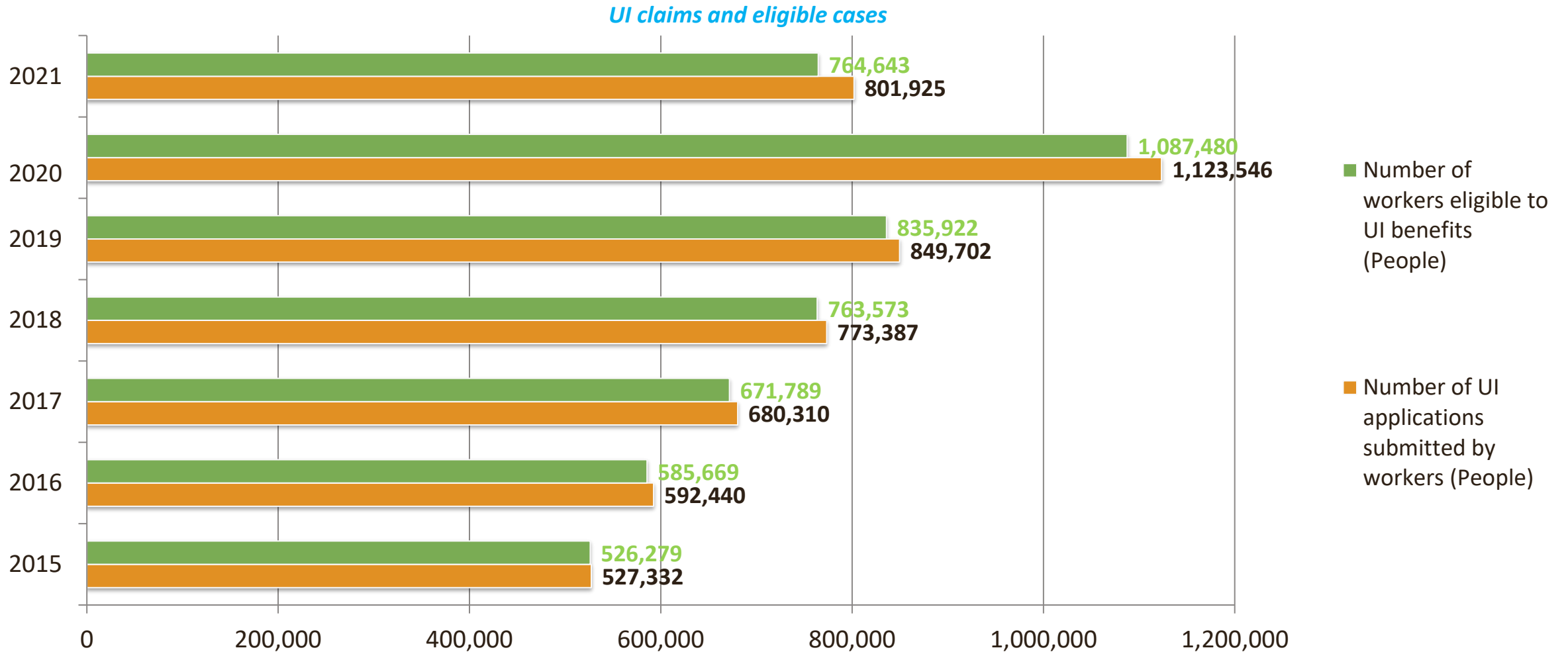
Source: MOLISA

UI IMPLEMENTATION: 2015 TO DATE

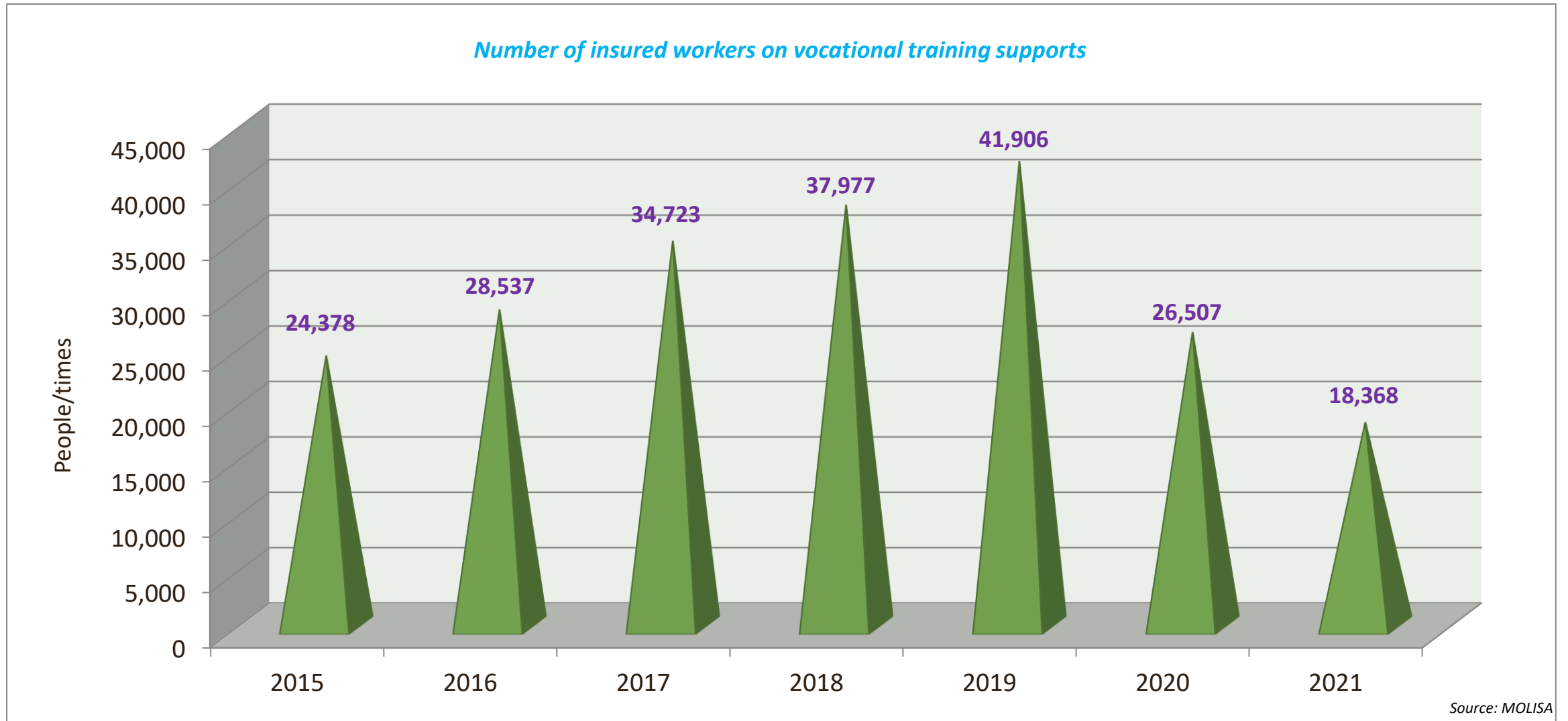


Source: MOLISA

UI IMPLEMENTATION: 2015 TO DATE



UI IMPLEMENTATION: 2015 TO DATE



A black and white photograph of a small seedling with two leaves growing out of dark, textured soil. The seedling is positioned on the left side of the frame. The background is dark and out of focus.

3. UI FUND SUPPORTS DURING COVID-19 PANDEMIC

UI FUND SUPPORTS DURING COVID-19 PANDEMIC

- Based on the surplus of UI fund and urgent needs from pandemic-hit beneficiaries, the UI support package started from October 1st 2011 – December 31st 2021 (Stage 1 with USD 29.4 million supports) and remaining supports disbursed from August 10th 2022 - September 10th 2022 (Stage 2).
- Employers: Participating in UI scheme before October 1st 2021 may reduce contribution rate from 1% to 0% of monthly salaries of workers covered under the unemployment insurance for 12 months from October 1st 2021 to September 30th 2022.
- Workers: Participating in UI scheme by September 30th 2021 (excluding workers in government agencies, political organizations, socio-political organizations, people's armed forces, and public service providers having recurrent expenditure guaranteed by state budget).

	Number of beneficiaries	Support amount (Million USD)
Employers	346,664	383.782
Workers	13,334,207	1,326.506



Source: MOLISA



4. RECOMMENDATIONS

RECOMMENDATIONS

➤ Movement from UI to EI: A long way to go.

But at present, we aim to:

- ❖ Expand the coverage: Workers engaged in labour contracts from 1 month period and above.
- ❖ Expand the scheme: Travelling allowance, allowance for the disadvantaged workers and vulnerable workers.
- ❖ Promote the allowances and supports for skills development to retain worker's employment.
- ❖ Built capacities for Public Employment Service Centers to improve the implementation efficiency of UI scheme.



Thank you

Thank for your attention!

we hope next year will be even better than the last.

We look forward to working together.

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