

DISCUSSION POINTS FROM HR SUB-WORKING GROUP

*Presented by
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Firstly, we would like to sincerely thank the Government for already clarifying a number of HR issues which are in our view very positive developments for the business community and the economy.

We highly appreciate the government's consideration of our recommendations on the revision of the labor code, and are particularly appreciative of the provisions clarifying the treatment of illegal strikes.

The proposed increases in the overtime cap are helpful specially to export manufacturers meeting flexible production targets.

The ministry's initial support in the establishment of an HR Institute we see as a great way to improve labor productivity for the country.

In line with the theme, we would now like to highlight some opportunities to enhance the implementation of some current human resources related laws.

As the Japanese mentioned in their presentation, we wish to clarify if social security participation for foreign workers is voluntary, especially in the case of intra-corporate transferees

Generally, we recommend that foreigners are not obliged to participate in social security as this could potentially deter foreign investment and be difficult to administer.

Foreigner work permit administration clarification remains to have opportunities for improvement.

The recognition of intra-corporate transferees is also unclear for work permit purposes, resulting in foreign investors having to sometimes having to use local Vietnamese employment contracts for their staff being transferred.

The combination of university and work experience requirements remains problematical for many sectors such as education and hotels. Flexibly recognizing vocational qualifications or work experience without formal university training would be a solution.

A clarification of the definition of directors, managers, experts, specialists and technicians would improve the administrative efficiency of work permit applications

We recommend an optional fast track work permit service that companies could use for their executives for an additional processing charge.

We find the discussion on minimum wage increases very positive and reasonable this year.

We suggest improving this by the government giving forward policy guidance on minimum wage increases for several years to reassure both foreign and domestic investors.