### **LABOUR CODE (AMENDED)**

### **Draft dated May 2019**

### **TABLE OF CONTENTS**

CHAPTER I GENERAL PROVISIONS	9
Article 1. Scope of regulation	9
Article 2. Subjects of application	9
Article 3. Interpretation of terminologies	9
Article 4. State's policy on labour	10
Article 5. Rights and obligations of workers	11
Article 6. Rights and obligations of employers	11
Article 7. Labour relations	12
Article 8. Prohited Acts	12
CHAPTER II EMPLOYMENT, RECRUITMENT AND EMPLOYEES MANAGEMENT	12
Article 9. Employment and creation of employment	
Article 10. Right to work of workers	
Article 11. Right to recruitment of employers	
Article 12. Employees Management	
CHAPTER III EMPLOYMENT CONTRACT	13
Section 1 ENTERING EMPLOYMENT CONTRACT	13
Article 13. Employment Contract	13
Article 14. Forms of employment contracts	13
Article 15. Principles in the conclusion of an employment contract	14
Article 16. Responsibilities for provision of information disclosure when entering into employment contracts	
Article 17. Prohibited acts of employers when signing and implementing employment contracts	
Article 18. Competence of entering into employment contract	14
Article 19. Entering into employment contracts with more than one employer	14
Article 20. Types of employment contract	15
Article 21. Contents of employment contracts	15
Article 22. Annexes to employment contracts	15
Article 23 Effectiveness of employment contracts	16

Article 25. Duration of probation	16
Article 26. Wage during probationary period	16
Article 27a	16
Option 1: Article 27. Result of the probation period	16
Article 27b. Termination of probationary period	17
Section 2 PERFORMANCE OF EMPLOYMENT CONTRACTS	17
Article 28. Performing the work under an employment contract	17
Article 29. Assigning employees to perform a work which is not prescribed in the employment contracts	17
Article 30. Temporary suspension of employment contracts	17
Article 31. Receiving employees back to work upon expiry of the temporary suspension of the employment contract	18
Article 32. Part-time Work	18
Section 3 AMENDMENT, SUPPLEMENTATION AND TERMINATION OF EMPLOYMENT CONTRACTS	18
Article 33. Amendment and supplementation of an employment contract	18
Article 34. Cases of termination of an employment contract	18
Article 35. Employee's unilateral termination of the employment contract	19
Article 36. The employer's unilateral termination the employment contract	20
Article 37. Cases in which the employer cannot unilaterally terminate an employment contract:	
Article 38. Withdrawal of unilateral termination of employment contracts	21
Article 39. Illegal unilateral termination of employment contracts	21
Article 40. Obligations of employees in cases of illegal unilateral termination of employment contracts	21
Article 41. Obligations of employers in cases of illegal unilateral termination of employment contracts	21
Article 42. Obligations of employers in cases of changes in structure, technology or due to economic reasons	22
Article 43. Obligations of employers in cases of merger, consolidation, division, or separation of enterprises and cooperatives, transfer of ownership, right to usage of assets belonged to enterprises, cooperatives	22
Article 44. Labour utilization plans	22
Article 45. Notification for-termination of employment contract	23
Article 46. Severance allowance	23
Article 47. Job-loss allowance	23
Article 48. Responsibilities when terminating employment contracts	24
Section 4 INVALID EMPLOYMENT CONTRACTS	24
Article 49. Invalid employment contracts	24
Article 50. Authorities to declare employment contracts as invalid	24

Article 51. Dealing with invalid employment contracts	24
Section 5 LABOUR DISPATCH	25
Article 52. Labour dispatch	25
Article 53. Labour dispatch enterprises	25
Article 54. Labour dispatch contracts	25
Article 55. Rights and obligations of the labour dispatch enterprise	25
Article 56. Rights and obligations of the hiring party	26
Article 57. Rights and obligations of the dispatched employee	26
CHAPTER IV APPRENTICESHIP, TRAINING AND OCCUPATIONAL QUALIFICATION AND SKILL IMPROVEMENT	
Article 58. Apprenticeship and vocational training	26
Article 59. Responsibilities of employers with respect to training, occupation and skill improvement	
Article 60. Apprenticeship and on-the-job training to work for the employe	er27
Article 61. Vocational training contracts and vocational training costs	27
CHAPTER V	28
DIALOGUE AT WORKPLACE, COLLECTIVE BARGAINING, COLLECTIVE BARGAINING AGREEMENTS	28
Section 1 DIALOGUE AT WORKPLACE	28
Article 62. Organization of dialogue at the workplace	28
Article 63. Issues for dialogue at the workplace	28
Article 64. Establishment, organization and operation of Labour - Manager at workplace	
Section 2 COLLECTIVE BARGAINING	30
Article 65. Collective bargaining at enterprise level	31
Article 66. Principles of collective bargaining	31
Article 67. Rights to collective bargaining of workers' representative organ	
Article 68. Representatives of the parties to collective bargaining	31
Article 69. Issues for collective bargaining	31
Article 70. Guarantees for collective bargaining in good faith at enterprise	level32
Article 71. Unsuccessful collective bargaining	32
Article 72. Collective bargaining at sectoral level, collective bargaining with participation of several enterprises	
Article 73. Multi-employer collective bargaining via Collective Bargaining C	Council33
Article 74. Responsibilities of labour administration agencies in collective l	pargaining34
Section 3 COLLECTIVE RARCAINING ACREEMENTS	3/1

	Article 75. Collective bargaining agreements	.34
	Article 76. Seeking approval for and signing of collective bargaining agreement	.34
	Article 77. Submission of collective bargaining agreement to State management agency in charge of labour	
	Article 78. Effective date and duration of collective bargaining agreement	.35
	Article 79. Implementation of enterprise-level collective bargaining agreements	.36
	Article 80. Implementation of collective bargaining agreement in cases of transfer of ownership, management rights, right to use of enterprises, merger, unification, division or separation of enterprises	36
	Article 81. Relationship between enterprise-level collective bargaining agreement and sector-level collective bargaining agreement and multi-employer collective bargaining agreement	
	Article 82. Amendment and supplementation of collective bargaining agreements	.37
	Article 83. Expiry of collective bargaining agreements	37
	Article 84. Extension of the coverage for a sector-level collective bargaining agreement or multi-employer collective bargaining agreement	
	Article 85. Participation in and withdrawal from a sector-level collective bargaining agreement or multi-employer collective bargaining	37
	Article 86. Invalid collective bargaining agreements	.38
	Article 87. Authority, procedures and formalities to declare a collective bargaining agreement invalid	38
	Article 88. Handling of invalid collective bargaining agreements	.38
	Article 89. Expenses for collective bargaining activities and the signing of collective bargaining agreements	.38
CHAP	ΓER VI WAGE	. 38
	Article 90. Wage	38
	Article 91. Minimum wages	.38
	Article 92. Grounds for fixing and adjusting minimum wage	
	Article 93. National Wage Council	.39
	Article 94. Wage scale, wage table and labour norms	39
	Article 95. Forms of wage payment	
	Article 96. Methods of wage payment	.39
	Article 97. Wage payment due time	.40
	Article 98. Principles for wage payment	.40
	Article 99. Wages for overtime work and night work	.40
	Article 100. Wage during work suspension	.40
	Article 101. Wage payment through intermediary	.41
	Article 102. Wage advances	.41
	Article 103. Wage deductions	.41
	Article 104. Wage increase	.42
	Article 104. Wage increase	

CHAPTER VII WORKING HOURS AND REST PERIODS 42	2
Section 1 WORKING HOURS4	2
Article 106. Normal working hours4	2
Article 107. Working time at night4	2
Article 108. Overtime work4	2
Article 109. Overtime working in special cases4	3
Section 2 REST PERIODS	3
Article 110. Rest breaks during working day4	3
Article 111.Breaks between shifts4	3
Article 112. Weekly breaks4	3
Article 113. Public and New Year holidays4	4
Article 114. Annual leave4	4
Article 115. Increased annual leave in accordance with the duration of employment4	4
Article 116. Personal leave, leave without pay4	5
Section 3 WORKING HOURS AND REST PERIODS FOR EMPLOYEES WHO PERFORM WORK OF SPECIAL NATURE4	5
Article 117. Working hours and rest periods for employees who perform work of special nature4	5
CHAPTER VIII LABOUR DISCIPLINARY REGULATIONS AND RESPONSIBILITIES REGARDING EQUIPMENT	5
Section 1 LABOUR DISCIPLINARY REGULATIONS 4	5
Article 118. Labour disciplinary regulations4	5
Article 119. Internal work regulations4	5
Article 120. Registration of internal work regulations4	6
Article 121. Dossiers for registration of internal work regulations4	6
Article 122. Validity of internal work regulations4	6
Article 123. Principles and procedures for settling violations of labour disciplinary regulations4	6
Article 124. Time-limit for settling violations of labour disciplinary regulations4	7
Article 125. Forms of settlement of violations of labour disciplinary regulations4	7
Article 126. Application of dismissal as a disciplinary measure4	7
Article 127. Repeal of disciplinary measures, reduction of the duration of disciplinary measures4	8
Article 128. Prohibited acts when applying labour disciplinary measures4	8
Article 129. Temporary work suspension4	
Section 2 RESPONSIBILITIES CONCERNING EQUIPMENT 4	8
Article 130. Compensations for damages4	8
Article 131. Principles and procedures for handling compensation for damages49 $$	9

Article 132. Complaints on labour disciplinary regulations and responsibilities concerning equipment	49
Article 133. Compliance with the law on occupational safety and health	
Article 134. Occupational safety and health program	
Article 135. Ensuring occupational safety and health at the workplace	
CHAPTER X SEPARATE PROVISIONS CONCERNING FEMALE EMPLOYEES AND PROMOTING GENDER EQUALITY	;
Article 136. State policies on female employees	50
Article 137. Responsibilities of employers	50
Article 138. Maternity protection	50
Article 139. The rights of female pregnant employees to unilaterally terminate or suspend the employment contract	51
Article 140. Maternity leave	51
Article 141. Employment security for female employees after maternity leave	51
Article 142. Allowances for leave for the care of sick children, pregnancy check-ups, and implementation of contraceptive methods	52
Article 143. Work affecting to child-bearing and parenting functions of employees	52
CHAPTER XI SEPARATE PROVISIONS CONCERNING MINOR EMPLOYEES AND CERTAIN TYPES OF EMPLOYEES	
Section 1 MINOR EMPLOYEES	
Article 144. Minor employees	
Article 145. Employment of minors	
Article 146. Employment of workers under the age of 15	
Article 147. Working hours of minor employees	
Article 148. Prohibited work and workplaces for minor employees	53
Section 2 ELDERLY EMPLOYEES	53
Article 149. Elderly employees	53
Article 150. Employment of elderly employees	54
Section 3 VIETNAMESE EMPLOYEES WORKING OVERSEAS, EMPLOYEES OF FOREIGN ORGANIZATIONS AND INDIVIDUALS IN VIETNAM AND FOREIGN EMPLOYEES WORKING IN VIETNAM	54
Article 151. Vietnamese employees working overseas, employees of foreign organizations and individuals in Viet Nam	54
Article 152. Foreign employees working in Vietnam	54
Article 153. Conditions for recruitment and employment of foreign employees working in Viet Nam	_
Article 154. Work permits	55
Article 155. Work permit exemption for foreign citizens working in Vietnam	55
Article 156 Validity period of work permit	55

Article 15	57. Cases in which the validity of the work permit is nullified56
Article 15	88. Granting, re-granting, renewing work permits56
Section 4 WORI	KERS WITH DISABILITIES56
Article 15	99. State policies for workers with disabilities56
Article 16	60. Employment of workers with disabilities56
Article 16	1. Prohibited acts in employment of workers with disabilities56
Section 5 DOME	ESTIC WORKERS56
Article 16	52. Domestic workers57
Article 16	33. Employment contracts for domestic workers57
Article 16	54. Obligations of employers57
Article 16	55. Obligations of domestic workers57
Article 16	66. Prohibited acts of employers57
<b>Section 6 OTHE</b>	R TYPES OF WORKERS57
Article 16	57. Workers in the fields of arts and sports58
Article 16	58. Employees performing work at home58
CHAPTER XII	SOCIAL INSURANCE 58
Article 16	69. Participation in social insurance, health insurance and unemployment insurance schemes58
Article 17	70. Age of retirement58
CHAPTER XIII	WORKERS' REPRESENTATIVE ORGANIZATION(S) 59
Article 17	1. Workers' representative organizations at grassroots level59
Article 17	2. Establishment of workers' representative organizations at grassroots level59
A .11.1. 45	
Article 17	'3. Board of leaders, head and members of workers' representative organizations at grassroots level59
	,
Article 17	organizations at grassroots level59
Article 17 Article 17	organizations at grassroots level59  74. Constitution of workers' representative organizations at grassroots level60  75. Prohibited acts for employers relating to establishment, joining and
Article 17 Article 17 Article 17	organizations at grassroots level
Article 17 Article 17 Article 17 Article 17	organizations at grassroots level
Article 17 Article 17 Article 17 Article 17 Article 17	organizations at grassroots level
Article 17 Article 17 Article 17 Article 17 Article 17 Article 17 CHAPTER XIV Section 1 GENE	organizations at grassroots level
Article 17 Article 17 Article 17 Article 17 Article 17 Article 17 CHAPTER XIV Section 1 GENE DISPUTES	organizations at grassroots level
Article 17 Article 17 Article 17 Article 17 Article 17 Article 17 CHAPTER XIV Section 1 GENE DISPUTES	organizations at grassroots level
Article 17 Article 17 Article 17 Article 17 Article 17 Article 17 CHAPTER XIV Section 1 GENE DISPUTES Article 17 Article 18	organizations at grassroots level

Article 182. Rights and obligations of the two parties in labour dispute resolution	64
Article 183. Rights of agencies, organizations and individuals who are competent in labour dispute resolution	64
Article 184. Labour mediators	64
Article 185. Labour Arbitration Council	64
Article 186. Prohibition of unilateral action during the process of resolving labour disputes	65
Section 2 COMPETENCE AND PROCEDURES FOR THE RESOLUTION OF NDIVIDUAL LABOUR DISPUTES	65
Article 187. Compentence for the resolution of individual labour disputes	65
Article 188. Procedures for the resolution of individual labour disputes by labour mediator	66
Article 189. Resolution of individual labour disputes by Labour Arbitration Council	67
Article 190. Time-limits for requesting the resolution of individual labour disputes	67
Section 3 COMPETENCE AND PROCEDURES FOR THE RESOLUTION OF RIGHT-BASED COLLECTIVE LABOUR DISPUTES	67
Article 191. Agencies, organizations and individuals who are competent to resolve right-based collective labour disputes	67
Article 192. Procedures and formalities for the resolution of right-based collective labour disputes	67
Article 193. Resolution of right-based collective labour disputes by Labour Arbitration Council	
Article 194. Time-limits for requesting resolution in right-based collective labour disputes	69
Section 4 COMPETENCE AND PROCEDURES FOR THE RESOLUTION OF NTEREST-BASED COLLECTIVE LABOUR DISPUTES	69
Article 195. Individuals and organizations who are competent to resolve interest-base collective labour disputes	
Article 196. Procedures and formalities for mediation of interest-based collective labour disputes	69
Article 197. Resolution of interest-based collective labour disputes by Labour  Arbitration Council	69
Section 5 STRIKES	70
Article 198. Strikes	
Article 199. Cases where workers have right to strike	
Article 200. Procedures for going on strike	
Article 201. Procedures for soliciting opinion on the strike	71
Article 202. Decision of strike and notice of the starting time of a strike	71
Article 203. Rights of parties prior to and during a strike	71
Article 204. Cases where strikes are illegal	72
Article 205. Notice of the decision on temporary closure of the workplace	72

Article 206. Cases in which the temporary closure of the workplace is prohibited	72
Article 207. Wages and other lawful rights of employees during strikes	72
Article 208. Prohibited acts before, during and after a strike	72
Article 209. Cases where strikes are prohibited	72
Article 210. Decisions on postponing or cancelling strikes	73
Article 211. Resolution of strikes which do not follow the statutory procedures	73
CHAPTER XV STATE MANAGEMENT OF LABOUR	73
Article 212. Areas of State management of labour	73
Article 213. State management of labour	74
CHAPTER XVI LABOUR INSPECTION AND DEALING WITH VIOLATION OF LABOUR LAW	
Article 214. Responsibilities of labour inspectors	74
Article 215. Labour inspection	74
Article 216. Rights of labour inspectors	74
Article 217. Handling violations in the area of labour	74
CHAPTER XVII IMPLEMENTATION PROVISIONS	75
Article 219. Enforcement of the Labour Code	76
Article 220. Validity concerning the undertakings employing less than 10 employed	es76
Article 221 Detail provisions and guidance for the implementation	76

### CHAPTER I GENERAL PROVISIONS

### **Article 1. Scope of regulation**

This Labour Code regulates labour standards, rights, obligations and responsibilities of employees, employers, employees' representative organizations, employers' representative organizations in labour relations and the other relations directly relating to labour relations and state management of labour.

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

- 1. Vietnamese employees, apprentices, trainees, and other workers stipulated in this Code.
- 2. Employers.
- 3. Foreign workers who work in the territory of Vietnam.
- 4. Other agencies, organizations, and individuals directly relating to the labour relations.

### Article 3. Interpretation of terminologies

For the purpose of this Labour Code, the terminologies are interpreted as follows:

1. An "employee" shall mean a person who is at least 15 years of age, working for the employer under agreement, is paid and is managed and controlled and supervised by the employer.

- 2. An "employer" shall mean an enterprise, an agency, an organization, a cooperative, a household, or an individual who hires or employs a worker or workers, working for them as agreed. In the case of an individual, that individual must have full capacity of civil acts.
- 3. Workers' representative organization (WRO) at grassroots level is an organization established on voluntary basis of workers in an undertaking to protect the lawful rights and legitimate interests of workers in labour relations via/by collective bargaining or other forms as stipulated by labour laws.
- 4. An "undertaking" shall mean an enterprise, a cooperative, a household, an individual or a part of an enterprise, a cooperative, a household who employs a worker or workers as stipulated in this Code.
- 5. Board/committee for bipartite cooperation between employees and employers is a board established to conduct the practice of sharing information, consultation and exchange of opinions between employers and employees on issues related to rights and interests of the two parties in order to enhance understanding and discuss solutions for workplace issues of mutual concern (hereinafter referred to as labour-management board at workplace).
- 6. The "representative organization of employers" shall mean a lawfully established organization, which represents and protects the employers' lawful rights and interests in labour relations.
- 7. *Labour relations* shall mean the social relations which arise in respect of the hiring, using labour and payment of wage between an employer and an employee.
- 8. "To exact forced labour" shall mean to use force, or to threaten to use force, or other tricks/ruses/artifices/expedient to force a person to work against his or her will.
- 9. "Discrimination at work" shall mean an act to reduce or create privileges on employment opportunity, implementation of the work, conditions of employment, promotion opportunity, and career development of worker or a group of workers in comparison with other individual workers or groups of workers. The acts of maintaining and protecting employment for vulnerable workers shall not be considered as discrimination.
- 10. "Sexual harassment at workplace" shall mean any behaviour of a sexual nature of anyone towards other(s) at a work place that is not expected or accepted by the receipient(s). The workplace is any place that the employee *de facto* works according to agreement or assignment of the employer.

### Article 4. State's policy on labour

1. To guarantee the legitimate rights and interests of workers; to encourage negotiations providing better conditions for workers which is more beneficial than the regulations of labour laws; and to have policies which enable workers to purchase shares and make capital contribution for the development of the business.

- 2. To guarantee the lawful rights and interests of employer; to guarantee democratic, fair and civilized labour management in accordance with labour laws and to promote corporate social responsibility.
- 3. To provide favourable conditions for job creation, self-employment, vocational training to improve employability, and labour intensive production and business.
- 4. To make policies on the development and distribution of human resources; provide training, improvement of occupational skills and knowledge of workers; to offer incentives for highly skilled workers in order to meet the requirements of industrial revolution, industrialization and modernization of the country.
- 5. To make policies on labour market development and diversify the means of connection between supply and demand of labour.
- 6. To encourage employees and employers to have dialogue and bargain collectively to develop harmonious, stable and advanced labour relations.
- 7. To ensure gender equality principles, non-discrimination on gender basis and to stipulate labour and social policies to protect female workers and promote gender equality, other workers such as disabled workers, elderly workers, and minor workers.

### Article 5. Rights and obligations of workers

- 1. Workers shall have the following rights:
- a) to work, to freely choose the work and occupation, to participate in vocational training and to improve their occupational skills without discrimination;
- b) to receive a wage which is commensurate with their occupational skills and knowledge on the basis of an agreement reached with the employer; to work in a safe and healthy environment, to take leaves, paid annual leaves, and to receive collective welfare benefits;
- c) to establish, join workers' representative organization at grassroots level a, to participate in their activities, occupational associations and other organizations in accordance with the law; to request and participate in dialogue, to implement democratic regulations, to conduct collective bargaining with the employer, to engage in consultation at the workplace to protect their lawful rights and interests; and to participate in the management in accordance with the employer's regulations;
- d) to unilaterally terminate the employment contract in accordance with the law; dd) to go on strike;
- e) to refuse to work if there is any risk threatening directly to their health and life in the process of performing such work.
- 2. Workers shall have the following obligations:
- a) to perform the employment contracts, collective bargaining agreements;
- b) to comply with labour discipline and internal work regulations, to follow lawful management orders of the employer;
- c) to comply with regulations of the labour laws, law on trade unions, law on social insurance, unemployment insurance, and health insurance and occupational safety and health.

### Article 6. Rights and obligations of employers

- 1. An employer shall have the following rights:
- a) to recruit, arrange or supervise labour; to reward and deal with breaches of labour disciplines;
- b) to establish, participate and operate in employers' representative organizations, occupational associations and other organizations in accordance with the laws;
- c) to request the workers' representative organization to negotiate and sign a collective bargaining agreement, to participate in the process of resolution of labour disputes and strikes; to conduct dialogue and to co-operate with the workers' representative organization on issues relating to labour relations, to improve the material and spiritual lives of employees;
- d) to temporarily close the workplace.
- 2. An employer shall have the following obligations:

a) to perform the employment contract, the collective bargaining agreement, and other agreements reached with employees; and to respect the honour and dignity of employees; b) to establish a mechanism for and engage in dialogue with the employees and the workers' representative organization, to seriously implement democratic regulations at grassroots level; c) to comply with regulations of the labour laws, law on trade unions, law on social insurance, unemployment insurance, and health insurance and occupational safety and health, develop and implement the solutions to prevent sexual harassment at workplace.

#### Article 7. Labour relations

- 1. The labour relations between an individual employee or worker's collective and the employer are established and developed through dialogue, negotiation and agreement on the basis of the principles of voluntary commitment, good faith, equality, co-operation, and mutual respect of each other's lawful and legitimate rights and interests.
- 2. Workers' representative organization, employer shall elaborate harmonious, stable and advanced labour relations at grassroots level with support of labour management authority.
- 3. The State, in with engagement of trade unions and employers' organizations, shall participate in the promotion of harmonious, stable, and advanced labour relations; monitor the implementation of labour laws; protect the lawful rights and interests of workers and employers.

### **Article 8. Prohited Acts**

- 1. Discriminating on the basis of gender, ethnic groups, national origin, colour, social origin, age, marital status, pregnancy, family responsibility, belief, religion, HIV status, disabilities or for the reason of establishing, joining and participating in activities of trade union and workers' representative organization at grassroots level.
- 2. Maltreating a worker, committing sexual harassment at the workplace.
- 3. Extracting forced labour, applying monery fines.
- 4. Making use of apprenticeship or on-the-job training for the purpose of extracting benefits, or enticing or compelling an apprentice or on-the-job trainee to commit an illegal activity.
- 5. Using an employee who does not have vocational training or national occupational skills certificate for the work which requires the worker to have relevant vocational training or a national occupational skills certificate as regulated by the Government.
- 6. Making enticement, false promises or false advertising to deceive a worker or to recruite a worker with purpose of human trafficking, exploitating or extracting forced labour, or making use of employment service or activity on sending workers abroad to work on the basis of employment contract to commit illegal acts.
- 7. Recruiting and employing minor workers illegally.

### CHAPTER II EMPLOYMENT, RECRUITMENT AND EMPLOYEES MANAGEMENT

### Article 9. Employment and creation of employment

- 1. Employment is any working activity which generates income and is not prohibited by law.
- 2. The State, employers and the society have the responsibility to create employment, and guarantee that every person, who has the capacity to work, has access to employment opportunities.

### Article 10. Right to work of workers

- 1. A worker shall have freedom to choose their job, work for any employer and in any location that is not prohibited by law.
- 2. A worker shall have the right to directly contact an employer or through employment service agencies in order to find a job which meets his/her expectations, capacity, occupational qualification, and health.

### Article 11. Right to recruitment of employers

An employer shall have the right to recruit workers directly or through employment service agencies/organizations, labour dispatch enterprises to recruit employees in accordance with production and business requirements, and shall not require workers to pay for the recruitment.

### **Article 12. Employees Management**

- 1. Employers shall be responsible for creating and updating the Employees management book, in form of paper or electronic format, and presenting such book to competent authorities once requested.
- 2. Within 30 days from commencement of operation, employers must inform about employment status and report periodically about situation of recruitment and employment to state labour management agencies at provincial level.
- 3. The Government shall regulate in detail about informing and reporting about employees, recruitment and employment status and the implementation of electronic transaction in the elaboration of labour administration database.

### CHAPTER III EMPLOYMENT CONTRACT

### Section 1 ENTERING EMPLOYMENT CONTRACT

### **Article 13. Employment Contract**

1. An employment contract is an agreement between a worker and employer about work to be done, wages, rights and obligations of each party in the labour relations, and the management and supervision of one party.

In case two parties have agreement with different names, but owning the contents relating to work to be done, wages, and the management and supervision of one party, such agreement shall be considered as employment contract.

2. Before the worker's starting his/her work, the employer shall enter an employment contract with the worker.

### **Article 14. Forms of employment contracts**

1. An employment contract shall be concluded in written document(s) and made in two copies, of which the employee keeps one copy and the employer keeps one copy; except the circumstance defined in Clause 2 of this Article.

The employment contract concluded through digital instruments under the format of data message in line with law of electronic transactions is considered as written employment contract.

2. The two parties may conclude a verbal employment contract in respect of employment for a duration of less than 01 month, except the circumstance defined in point a, Clause 3, Article 146 and Clause 1, Article 163 of this Code.

### Article 15. Principles in the conclusion of an employment contract

- 1. Voluntariness, equality, good faith, cooperation and honesty.
- 2. Freedom to enter into an employment contract which is not contrary to the laws, the collective bargaining agreements and social morals.

# Article 16. Responsibilities for provision of information disclosure when entering into employment contracts

- 1. An employer shall provide information to a worker regarding the work, working location, working conditions, working hours, rest time, occupational safety and health conditions, wage, forms of wage payment, social insurance, health insurance, regulations on business confidentiality, technological confidentiality, and other issues directly related to the conclusion of the employment contract if requested by the worker.
- 2. The worker shall provide to the employer correct information about his or her full name, age, gender, registered address, educational level, occupational skills and qualifications, health conditions and other issues related directly to the employment contract which are requested by the employer.

# Article 17. Prohibited acts of employers when signing and implementing employment contracts

- 1. To keep the employee's original identification documents, degrees and certificates;
- 2. To request the employee to make a deposit in cash or other asset to guarantee his/her implementation of employment contract;
- 3. To force employee to perform an employment contract for payment of his/her loans.

### Article 18. Competence of entering into employment contract

1. Employees must directly enter into employment contract, except cases defined in point a, Clause 3, Article 146 of this Code.

Where a worker is from enough 15 years of age to under 18 years of age, the employment contract shall be concluded with the consent of his/her legal representative.

- 2. In respect of seasonal work, and certain work which has a duration of less than 12 months, a group of workers may authorize the representative of the group to enter into a written employment contract; in this case such employment contract shall be effective in the same manner as if it were entered into with each of the workers.
- 3. Individuals from employers' side, who are competent for entering into employment contract, are defined one of the following cases:
- a) Legal representative of enterprise, cooperative;
- b) Leader of agency, unit, and organization with legal status in line with regulations of laws;
- c) Authorized person who is member of household, cooperative group, other organization without legal entity in line with laws;
- d) Individual who directly hire, employ workers;
- dd) Person who is authorized by legal representative, as defined in point a of this clause, in writing for the purpose of entering employment contract.

### Article 19. Entering into employment contracts with more than one employer

1. A worker may enter into a number of employment contracts with more than one employer, provided that all the contents in the concluded contracts shall be fully implemented; with each employer, there shall be only one employment contract.

2. A worker enters into employment contracts with more than one employer, his/her participation in social insurance, health insurance, unemployment insurance and occupational accidents and diseases schemes shall be implemented in accordance with regulations of Government.

### Article 20. Types of employment contract

- 1. An employment contract shall be concluded in one of the following types:
- a) Indefinite term employment contract.

An indefinite term employment contract is a contract in which the two parties do not determine the term and the time at which the contract terminates;

b) Definite term employment contract.

A definite term employment contract is a contract in which the two parties agree to fix the term and the time at which the contract terminates but not exceeding 36 months;

2. Where an employment contract stipulated in point b, Clause 1 of this Article expires, the two parties conclude a new employment contract or terminate employment contract. If the two parties do not conclude a new employment contract-and the employee continues to work, the previous employment contract will become an indefinite term employment contract from the date following expiry day of previous employment contract.

If the two parties conclude a new employment contract which is fixed term, the contract renewal shall be done for 01 time; if the employee continues to work, an indefinite term employment contract must be signed.

### **Article 21. Contents of employment contracts**

- 1. An employment contract shall include the following major particulars:
- a) Name and address of the employer or of legal representative;
- b) Full name, date of birth, sex, address of residence, identity card number or other legal documents of the employee;
- c) Work and the place of performing work;
- d) Duration of the employment contract;
- dd) Wage, wage payment, due date of payment, allowances and other additional payments;
- e) Regimes for promotion, wage increase;
- g) Working time and rest periods;
- h) Personal protective equipment for the employee;
- i) Social insurance and health insurance;
- k) Training, occupational skill improvement.
- 2. When the employee performs a work which is directly related to the business secret, technological secret as prescribed by law, the employer has the rights to sign a written agreement with the employee on the content and duration of the protection of the business secret, technology know-how, and on the benefit and the compensation obligation in case of violation by the employee.
- 3. Where an employee works in the sectors of agriculture, forestry, fishery, or salt production both parties may exclude some particulars of the employment contract and negotiate and include additional agreements on settlement measures in the case when the contract execution is affected by natural disaster, fire or weather.
- 4. The contents of the employment contract with an employee who is recruited to work as the director of a state owned capital enterprise is stipulated by the Government.

### Article 22. Annexes to employment contracts

1. An annex to an employment contract is an integral part of the employment contract and is as binding as the employment contract.

2. An annex to an employment contract is to stipulate in detail or to amend or supplement particular provisions in the employment contract but shall not be used for the purpose of contract extension.

Where an annex to an employment contract stipulates in detail particular provisions of the contract, which may lead to a different interpretation of the employment contract, the contents of the employment contract shall apply.

Where an annex amends or supplements the employment contract, it should clearly states the provisions which are amended or supplemented, and the date on which it takes effect.

### **Article 23. Effectiveness of employment contracts**

- 1. An employment contract shall be effective as of the date on which the contract is concluded by the parties, unless otherwise agreed by both parties or prescribed by law.
- 2. In case where a verbal employment contract is concluded by two parties, such contract shall be effective as of the date on which employee eventually works.

### Article 24. Probation

1. Probation aims to examine the suitability for workers to perform the work assigned by employer.

2.

### Option 1 (Amended. If this option is selected, Article 27 option 1 will be implemented)

When entering into employment contract, the parties shall negotiate on terms relating to probation as a part of employment contract.

### Option 2 (Kept the prevailing text intact)

An employer and an employee may negotiate on the probation. If there is agreement of probation, the two parties shall conclude probation contract. The probation contract must include the particulars as stipulated in points a, b, c, d, dd, g and h Clause 1, Article 21 of this Code.

3. Workers entering into a employment contract with duration less than 01 month shall not be subjected to probation.

### **Article 25. Duration of probation**

The probationary period shall be negotiated by the two parties on the basis of the nature and complexity of the work but shall apply uniquely one time and ensure the following requirements:

- 1. The probationary period shall not exceed 6 months in respect of work of management of enterprise as stipulated in Law on Enterprise.
- 2. The probationary period shall not exceed 60 days in respect of work which requires technical qualification of technical college diploma and above
- 3. The probationary period shall not exceed 30 days in respect of work which requires technical qualification of secondary certificate; or specialized worker.
- 4. The probationary period shall not exceed six working days in respect of other work.

### Article 26. Wage during probationary period

Wage for the employee during the probationary period shall be negotiated by the two parties but shall be remunerated at least as 85% of wage paying to perform such work.

### Article 27

### Option 1: Article 27. Result of the probation period

(is the following step of the option 1 of Clause 2, Article 24)

1. When the probationary period ends, employee continues to work for employers, the probation job shall be considered as satisfactory.

- 2. During the probationary period, if employer finds bases to say that the probation is unsatisfatory to requirement of probation in line with regulations, employers shall have right to cancel employment contract with a prior notice in written for employee made 01 working day in advance.
- 3. In probationary period, if employees find themselves not suitable to the job assigned to them, the employees shall have right to cancel employment contract with a prior notice in written for employee made 01 working day in advance.

Option 2: Article 27. Termination of probation period (Keep intact)

### Article 27b. Termination of probation period

- 1. When the probation job is satisfactory, the employer must conclude employment contract with the employee.
- 2. In probationary period, each party has rights to cancel the probation aggreement without the obligation of giving notice in advance and compensating if the probation job does not meet requirements that the two parties agreed on.
- 3. At the end of probationary period, in case the employee continues to work for the employer, the probation job shall be considered as satisfactory and the employer must sign employment contract with the employee.

### Section 2 PERFORMANCE OF EMPLOYMENT CONTRACTS

### Article 28. Performing the work under an employment contract

The work under an employment contract shall be performed by the employee who directly enters into the contract.

# Article 29. Assigning employees to perform a work which is not prescribed in the employment contracts

- 1 Assigning employees to perform a work which is not prescribed in employment contracts is changes in performing other work of employees which is not prescribed in employment contract.
- 2. Assigning employees shall have right to temporily perform other work which is not prescribed in employment contracts with a duration not exceeding 60 days in a year without written consent of employees in the following circumstances:
- a) Due to natural disasters, fires, epidemics, or other emergencies that threaten the life and health of the population at the place of employment.
- b) In order to overcome and deal with the electricity, water problems, occupational accidents and diseases or machinery and chain damages.
- 3. Assigning employees to perform other work which is not prescribed in employment contracts with duration of more than 60 days per year shall only apply once the employee agrees in writing.
- 4. When employees perform other work which is not prescribed in employment contracts, wage shall be paid in line with new work. If the wage for the new work is lower than the wage of previous work, the employee is entitled to receive the previous wage for a period of 30 working days. The wage for the new work shall be at least 85% of the previous wage but not less than the minimum regional wage.

### Article 30. Temporary suspension of employment contracts

- 1. Cases in which an employment contract can be temporary suspended:
- a. The employee performs military service.
- b. The employee is held temporarily in custody or detention in accordance with the provisions of the Criminal Proceedings Code.
- c. The employee is sent to a correctional centre, compulsory drug rehabilitation centre, and compulsory education centre.
- d. The employee is pregnant in accordance with Article 139 of this Code.
- dd) The employee appointed by competent agency to be manager of one member limited liability company with 100% state owned charter capital.
- e) The employee who is authorized in writing by representative ownership agency to implement rights and responsibilities of the state ownership representative for the state owned capital.
- g. In other circumstances as agreed by both parties.
- 2. In the duration of temporary suspension of employment contract, employee shall not be paid and have no rights and interests which are concluded in employment contract, except the case where two parties have other agreement.

# Article 31. Receiving employees back to work upon expiry of the temporary suspension of the employment contract

- 1. Within 15 days from the expiry of the suspension period of the employment contract as stipulated in Article 30 of this Code, the employee shall present him/herself at the work place and the employer shall welcome/receive back the employee to do the work in accordance with the concluded employment contract, except the case where two parties have other agreement.
- 2. In case the work in accordance with the concluded employment contract does not exist, the two parties shall negotiate to enable the employee to do new suitable/appropriate work.

### **Article 32. Part-time Work**

- 1. A part time employee is an employee who works for less than half of the usual daily or weekly hours of work as prescribed by law, the collective bargaining agreement of the enterprise, or the employer's internal regulations.
- 2. A worker may negotiate with the employer to work on a part-time basis when entering into the employment contract with the employer.
- 3. The part time employee shall be entitled to equality in opportunities and treatment, and to a safe and hygienic working environment as full-time employees.

# Section 3 AMENDMENT, SUPPLEMENTATION AND TERMINATION OF EMPLOYMENT CONTRACTS

### Article 33. Amendment and supplementation of an employment contract

- 1. During the implementation of an employment contract, any party who wishes to amend or supplement the contents of the employment contract shall notify the other party at least 3 working days in advance about the contents to be amended or supplemented.
- 2. In case where an agreement is reached between the parties, the amendment of or supplementation to the contents of the employment contract shall be carried out by signing an annex to the employment contract or signing a new employment contract.
- 3. In case the two parties fail to reach an agreement on the amendment of or supplementation to the employment contract, they shall continue to implement the concluded employment contract.

### Article 34. Cases of termination of an employment contract

- 1. The employment contract expires.
- 2. The tasks stated in the employment contract have been completed.
- 3. Both parties agree to terminate the employment contract.
- 4. The employee is fully qualified for retirement age in line with regulation of this Labour Code, except the two parties have other agreement.
- 5. The employee is sentenced to imprisonment, capital punishment or is prohibited from performing the work stipulated in the employment contract by an effective conviction or judgment of the court.
- 6. The employee dies or is declared by the court to have lost the capacity of civil acts, or as missing or dead.
- 7. The employer, who is an individual, dies or is declared by the court as dead, missing, or has lost the capacity of civil acts; the employer, who is not individual, ceases operation or has approval of competent agency on the cease of operation; the employer flees away.
- 8. The employee is dismissed as a result of disciplinary action.
- 9. The employee unilaterally terminates the employment contract in accordance with Article 35 of this Code-
- 10. The employer unilaterally terminates the employment contract in accordance with Article 36 of this Code.
- 11. Employer dismissed employees in accordance with Articles 42 and 43 of this Code.

### Article 35. Employee's unilateral termination of the employment contract

# Option 1: Revised (Employee shall have the right to terminate employment contract without any reason but he/she must comply to obligation of prior notice)

- 1. The employee shall have right to terminate the employment contract but with prior notice of:
- a) At least 45 days if the employee has indefinite term of employment contract;
- b) At least 30 days if the employee has definite term of employment contract, with a duration that is beyond 01 months;
- c) At least 03 working days if the employee has employment contract for seasonal work, with a duration that is less 01 months.
- 2. The employee does not need have obligation to comply with the time limits provision stipulated Clause 1 of this Article in the following cases where:
- a) The employee is not assigned to the work or work place or not provided with the working conditions as agreed;
- b) The employee is not paid in full or on time as agreed in the employment contract;
- c) The employee is maltreated, sexually harassed or is subjected to forced labour;
- d) A female employee who is pregnant and must take leave as prescribed by a competent health care institution.
- 3. The employee shall be obliged to comply with other time limits of prior-notice defined in Clause 1 of this Article in certain specific occupations and employments which are regulated by the Government.

### *Option 2: Keep the original text (providing reasons and prior notice)*

- 1. An employee with a definite term employment contract or an employment contract of seasonal work shall have the right to unilaterally terminate the employment contract prior to its expiry in one of the following circumstances:
- a) The employee is not assigned to the work or work place or not provided with the working conditions as agreed in the employment contract;
- b) The employee is not paid in full or on time as agreed in the employment contract;
- c) The employee is maltreated, sexually harassed or is subjected to forced labour;
- d) The employee is unable to continue performing the employment contract due to personal or family difficulties;

- dd) A female employee who is pregnant and must take leave as prescribed by a competent health care institution;
- g) The employee is sick or has an accident and remains unable to work after having received treatment for 90 days in the case of a indefinite term employment contract, or for a quarter of the duration of the contract in the case of an definite-term of employment contract or employment contract for seasonal work;
- e) The employee is elected to carry out full-time duties in an elected body or is appointed to hold a position in a State agency;
- 2. When unilaterally terminating the employment contract as stipulated in Clause 1 of this Article, the employee shall inform the employer:
- a) at least 03 working days in advance, in the cases stipulated in points a, b, c and g of Clause 1 this Article;
- b) At least 30 days in advance, in the case of a definite term employment contract; at least 05 working days in the case of an employment contract for seasonal work in the cases stipulated in points d and dd of Clause 1 of this Article;
- c) In the case stipulated in point dd, Clause 1 of this Article, the advance notice shall be given to the employer in accordance with Article 139 of this Code.
- 3. An employee with an indefinite term employment contract shall have the right to unilaterally terminate the employment contract provided that advance notice is given to the employer in accordance with Article 139 of this Code.

### Article 36. The employer's unilateral termination the employment contract

- 1. An employer shall have the right to unilaterally terminate the employment contract in the following cases:
- a) The employee repeatedly fails to fulfil his/her work in consistence with employment contract and is recorded or notified in written at least more than twice in a duration of 60 days;
- b) An employee is sick or has an accident and remains unable to work after having received treatment for a period of 03 consecutive months in the case of an definite term employment contract, or more than half the duration of the contract in the case of a definite employment contract, or an employment contract for seasonal work.
- Upon employee's recovery, the employer considers to continue the employment contract with the employee.
- c) In the event of a natural calamity, fire, epidemic, enemy-iflited devastation, moved or downsized production and business as requested by a competent state agency and the employer has exhausted all possibilities, and is forced to scale down production and reduce the workforce; d) The employee does not present himself/herself at the workplace until the period stipulated in
- Article 31 of this Code expires.
- 2. When unilaterally terminating an employment contract in accordance with the reasons as stipulated at Clause 1 of this Article, an employer shall give notice to the employee as follows: a) at least 45 days in the case of an indefinite term employment contract, except special cases regulated by the Government;
- b) at least 30 days in the case of a definite term employment contract with a duration that is beyond 12 months;
- c) at least 03 working days in the case of an employment contract for seasonal work with a duration that is less than 12 months; and in circumstance defined in points b Clause 1 of this Article.

# Article 37. Cases in which the employer cannot unilaterally terminate an employment contract:

The employer shall not conduct his/her right to unilaterally terminate an employment contract in the following cases:

- 1. The employee is suffering from an illness or work accident, occupational disease and is being treated or nursed under the decision of a competent health institution, except for the cases stipulated in point b, Clause 1 Article 36 of this Code.
- 2. The employee is on an annual leave, personal leave, or any other type of leave permitted by the employer;
- 3. The employee is pregnant, rearing small kid(s) under 12 months old, on maternity leave in accordance with the Law on Social Insurance.

### Article 38. Withdrawal of unilateral termination of employment contracts

Within notice period defined in Articles 35 and 36 of this Code, two parties shall continue to execute the employment contract.

Each party may withdraw their unilateral termination of an employment contract at any time prior to the expiry of the notice period, but by a written notification, provided that the withdrawal is agreed by the other party.

### Article 39. Illegal unilateral termination of employment contracts

The unilateral termination of an employment contract is illegal in cases which are inconsistent with Articles 35, 36 and 37 of this Code, or where the employee is absent from work without justified reasons for 06 continuous working days or 20 accumulated working days in one year from the first day of absence without justified reasons.

# Article 40. Obligations of employees in cases of illegal unilateral termination of employment contracts

Option 1: If the option 1 of Article 35 is chosen

- 1. The employee must return to work as agreed employment contract and compensate for employer an amount of monetary which is equivalent to the employee's wage corresponding to the number of days during which the notice is not given.
- 2. In case the employee does not get back to work, he/she shall not be entitled the severance allowance and must compensate the employer a half of his/her monthly wage as stipulated in the employment contract.

### Option 2: If the option 2 of Article 35 is chosen

- 1. The employee must return to work in accordance with the original employment contract and compensate for employer an amount of monetary which is equivalent to the employee's wage corresponding to the number of days during which the notice is not given.
- 2. In case the employee does not get back to work, then:
- a) If the termination of employment contract is violating Clause 1, Article 35 of this Code and employee is absent from work without unjustified reasons as defined in Article 39 of this Code, the employee shall not be entitled the severance allowance and must compensate the employer a half of his/her monthly wage as stipulated in the employment contract.
- b) If the termination of employment contract is violating Clause 2, Article 35 of this Code, the employee shall compensate for employer an amount of monetary which is equivalent to the employee's wage corresponding to the number of days during which the notice is not given.

## Article 41. Obligations of employers in cases of illegal unilateral termination of employment contracts

1. The employer shall reinstate the employee in accordance with the original employment contract, and shall pay the wage, social insurance and health insurance for the period during which the employee was not allowed to work, and additionally at least 2 month wage as stipulated in the employment contract.

In case of violation into notice period defined in Clause 2, Article 36 of this Code, the employer shall compensate an amount of monetary which is equivalent to the employee's wage corresponding to the number of days during which the notice is not given.

- 2. Where the employee does not wish to return to work, in addition to the compensation stipulated in Clause 1 of this Article, the employer shall pay the severance allowance in accordance with Article 46 of this Code.
- 3. Where the employer does not wish to reinstate the employee, and the employee agrees, in addition to the compensation as stipulated in Clause 1 of this Article and the severance allowance as stipulated in Article 46 of this Code, the two parties shall negotiate additional compensation which shall be at least equal to two months' wage as stipulated in the employment contract, in order to terminate the employment contract.
- 4. Where there is no longer a vacancy for the position or work as agreed in the employment contract and the employee still wishes to continue working, both parties shall negotiate to amend and supplement the employment contract.

## Article 42. Obligations of employers in cases of changes in structure, technology or due to economic reasons

- 1. The following cases shall be considered as changes in structure and technology:
- a) Change a part or all technological machines, equipment and system of production;
- b) Change products or structure of products that leading to less usage of labour;
- c) Change organizational structure, work structure.
- 2. In case of changes in structure and technology which affects the employment of multiple employees, employers shall be responsible for establishing and implementing a labour utilization plan in accordance with Article 44 of this Code. In case there is a new vacancy, the priority shall be given to retraining the worker for the purpose of re-employment.
- 3. In case of economic reasons which affect employment or create job-loss of multiple employees, the employer must establish and implement implementing a labour utilization plan in accordance with Article 44 of this Code.
- 4. In case the employer is unable to create new employment and has to resort to dismissing employees, the employer shall pay job-loss allowance to the employee in accordance with Article 47 of this Code.

The dismissal of employee in line with provisions of this Article shall only be implemented after consulting the workers' representative organization(s) at grassroots level and giving prior notice of 30 days to the provincial labour management authority and the employee.

# Article 43. Obligations of employers in cases of merger, consolidation, division, or separation of enterprises and cooperatives, transfer of ownership, right to usage of assets belonged to enterprises, cooperatives

- 1. In the event of merger, consolidation, division or separation, transfer of total ownership, right to usage of assets belonged to an enterprise or a cooperative, the employer has the responsibility to develop a labour utilization plan in accordance with Article 44 of this Code.
- 2. The succeeding employer has responsibilities to implement the labour utilization plan that was approved.

In case the employer does not set up labour utilization plan or content of the plan does not comply with regulation in Article 44 of this Code, the succeeding employer shall have responsibilities to conclude and implement employment contract of for the entire existing workforce.

3. Where the employer dismisses employees as prescribed in this Article, the employer shall pay job-loss allowance to employees in accordance with Article 47 of this Code.

### Article 44. Labour utilization plans

- 1. A labour utilization plan must include the following major contents:
- a) The names and number of the employees to be maintained in employment and those to be re-trained for continued employment;
- b) The names and number of employees to retire;
- c) The names and number of employees to be maintained in employment on part-time basis and those to be dismissed;
- d) Rights and obligations of the employer, the employee and stakeholders (if applicable);
- dd) The measure and financial sources to implement the plan.
- 2. When developing the labour utilization plan, the employer shall discuss with the workers' representative organization(s) at grassroots level and must be made publicly available to the employees within 15 days since the date of drafting.

### Article 45. Notification for-termination of employment contract

- 1. When the employment contract is terminated in compliance with the provisions of this Code, the employers must issue a written notification on decision on termination of employment contract for the employee. The date of termination of employment contract must be earlier than the date of issuance of the notification.
- In case the employer flees away, the labour managment authority at provincial level shall issue such notification for termination of employment contract.
- 2. Employer shall notify the decision on termination of employment contract to complete social insurance, unemployment insurance schemes and other related benefits.

#### Article 46. Severance allowance

- 1. In case an employment contract is terminated in compliance with the provisions in Clauses 1, 2, 3, 4, 5, 6, 7, 9 and 10, Article 34 of this Code, the employer is responsible for paying severance allowance to the employee who has worked regularly for a period of at least full 12 months. A half of the monthly wage is payable for each year of work.
- 2. The qualified period of work for the calculation of severance allowance shall be the total period during which the employee actually worked for the employer minus the period in which the employee participated in the unemployment insurance scheme in accordance with the laws on unemployment insurance and the period for which the employee has been already paid severance allowance by the employer.
- 3. The reference wage for the calculation of severance allowance shall be the average of the wages, which are stipulated in the employment contract valid for 06 months preceding the termination of the employment contract.

#### Article 47. Job-loss allowance

- 1. The employer shall pay a job-loss allowance to the employee who has worked on a regular basis for the employer for at least full 12 months and his/her employment is terminated according to Clause 11 of Article 34 of this Code. The job-loss allowance shall be one month wage for each year of employment, and shall not be lower than wage for two months.
- 2. The qualified period of work for the calculation of job-loss allowance shall be the total period during which the employee was employed by the employer minus the period during which the employee participated in the unemployment insurance scheme, in accordance with the law on unemployment insurance and the employment period for which the employee has been paid the severance allowance by the employer.

3. The reference wage for the calculation of job-loss allowance shall be the average of the wages, which are stated in the employment contract valid for 06 months preceding the termination of the employment contract.

### Article 48. Responsibilities when terminating employment contracts

- 1. Within 14 working days from the termination of employment contract, two parties shall be responsible for making all payments relating to rights and interests of each party; in the exceptional circumstance, this duration may be extended but not exceeding 30 days.
- 2. Payments for wage, social insurance, health insurance, unemployment insurance, severance allowance and other incentives regulated in collective bargaining agreement and signed employment contract shall be made as priority in case where enterprise, cooperative is terminated its operation, dissolved, bankrupted.
- 3. Employers shall be responsible for returning all copies of documents relating to their working period upon request of employee. Cost for copying and sending such document are borne by employers.

### Section 4 INVALID EMPLOYMENT CONTRACTS

### Article 49. Invalid employment contracts

- 1. An employment contract shall be completely invalid in one of the following cases:
- a) The entire contents of the employment contract are illegal;
- b) The employment contract is concluded by a person without due competence, or by a person who deceives or makes fake personal information to enter into employment contract.
- c) The work described in the employment contract is prohibited by law.
- 2. An employment contract shall be partially invalid when the content of such part of employment contract is illegal but does not affect the remaining contents of the employment contract.
- 3. Where the rights of the employee provided by a part or entire employment contract are less than those regulated in the labour law, internal working regulations, collective bargaining agreement that are currently effective, or where the contents of the employment contract restrict other rights of the employee, the part or entire employment contract shall be invalid.

### Article 50. Authorities to declare employment contracts as invalid

The People's Court and Labour inspection have the right to declare an employment contract invalid.

### **Article 51. Dealing with invalid employment contracts**

- 1. Where an employment contract is declared as partially invalid, it shall be dealt with as follows:
- a) The rights, obligations and benefits of the parties shall be settled in accordance with the applicable collective bargaining agreement or provisions of the law.
- b) The invalid employment contract shall be amended and supplemented in accordance with the collective bargaining agreement or the labour law.
- 2. Where an employment contract is declared as entirely invalid, the rights, obligations and interests of the employee will be settled in accordance with applicable collective bargaining agreement or regulations of the original employment contract if the agreement is not against the provision of labour laws, or of the laws.

Employment contract is declared as totally invalid because the employers concluded the employment contract with the wrong-authorization of signatory parties and employee is willing to continue his/her work, two parties shall reconclude a employment contract with the same provision described in the invalid employment contract; in case employee doesn't wish to continue his/her work, the two parties shall negotiate to terminate the employment contract.

### Section 5 LABOUR DISPATCH

### Article 52. Labour dispatch

- 1. Labour dispatch is defined as an act in which an employer recruits an employee and this employee is assigned to work for another employer, and the employee works under the control of the latter employer, while maintaining labour relationship with the former employer.
- 2. Labour dispatch is a conditional business, applies only to certain types of work and undertaken by enterprises licensed to operate as labour dispatch enterprises and applies to certain types of work.
- 3. All activities of supplying employee(s) with natures of labour dispatch as prescribed in Clause 1 of this Article by organizations, individuals who have not licensed to operate as labour dispatch enterprises shall be considered as illegal and be dealt in accordance with laws.

### Article 53. Labour dispatch enterprises

- 1. A labour dispatch enterprise shall pay a deposit and obtain a license to operate labour dispatch business.
- 2. The maximum duration of labour dispatch to employees is 12 months.
- 3. The Government shall regulate the issuance of labour dispatch license, making deposit, and the types of work in which the use of dispatched labour is allowed.

### Article 54. Labour dispatch contracts

- 1. The Labour dispatch enterprise and the hiring party shall conclude a written labour dispatch contract, which is made in 02 copies; each party shall keep one copy.
- 2. A labour dispatch contract shall include the following particulars:
- a) The work location, the vacancy which will be filled by the dispatched employee, detailed description of the work, and detailed requirements for the dispatched employee.
- b) The labour dispatch duration; the starting date of the dispatch period.
- c) The time of work and time of rest, specifications on occupational safety and health at the workplace.
- d) Obligations of each party to the dispatched employee.
- 3. The labour dispatch contract shall not include any agreement on the rights and benefits of employees which are less favourable than those stipulated in the concluded employment contract between the employee and the labour dispatch enterprise.

### Article 55. Rights and obligations of the labour dispatch enterprise

- 1. To provide a dispatched worker who meets the requirements of the hiring party and such provision complies with the terms and conditions of the employment contract signed with the employee.
- 2. To notify the dispatched employee about the contents of the labour dispatch contract.
- 3. To sign an employment contract with the employee in accordance with this Code.

- 4. To provide the hiring party with the curriculum vitae of the dispatched employee, and his/her requirements.
- 5. To comply with the obligations of an employer in accordance with this Code; to pay wage, wage for public holiday and paid annual leave, wage for work suspension, severance allowance, job-loss allowance, premiums for compulsory social insurance, health insurance, and unemployment insurance for the dispatched employee in accordance with the law. To ensure that the wage of the dispatched employee is not lower than the wage of a regular employee of the hiring party who has equal qualification and performs the same work or work of equal value.
- 6. To keep records of the number of dispatched employees, the hiring party, and dispatch fees and to report to the provincial labour management authority.
- 7. To discipline the dispatched employee for violating internal work regulations in cases where the hiring party returns the employee for the reason of having violated internal work regulations.

### Article 56. Rights and obligations of the hiring party

- 1. To inform and guide the dispatched employee to understand its internal work regulations and other regulations.
- 2. Not to discriminate against the dispatched employees, in comparison with its regular employees in respect of the working conditions.
- 3. To negotiate with the dispatched employee on working at night or overtime when an agreement on such is not included in the contents of labour dispatch contract.
- 4. Not to send the dispatched employee to another employer; not to employ the dispatched employee supplied by an enterprise without labour dispatch license.
- 5. To negotiate with the dispatched employee and the dispatch enterprise to officially employ the employee while the employment contract between the dispatch employee and the dispatch enterprise has not yet expired.
- 6. To return the dispatched employee who does not meet the conditions set out in the labour dispatch contract or who violates the labour discipline to the dispatch enterprise.
- 7. To provide the evidence of violation of work regulations by the dispatched employee to the dispatch enterprise for disciplinary action.

### Article 57. Rights and obligations of the dispatched employee

- 1. To perform the work in accordance with the employment contract concluded with the labour dispatch enterprise.
- 2. To comply with the internal work regulation, labour disciplinary regulations, the lawful management and collective bargaining agreement of the hiring enterprise.
- 3. To be paid a wage, which is not lower than the wage of a regular employee of the hiring party who has equal qualification and performs the same work or work of equal value.
- 4. To make complaints to the dispatch enterprise in case the hiring party violates agreements in the labour dispatch contract.
- 5. To exercise the right to unilaterally terminate the employment contract with the dispatch enterprise in accordance with Article 35 of this Code.
- 6. To negotiate to conclude an employment contract with the hiring party after terminating the employment contract with the dispatch enterprise.

# CHAPTER IV APPRENTICESHIP, TRAINING AND OCCUPATIONAL QUALIFICATION AND SKILL IMPROVEMENT

### Article 58. Apprenticeship and vocational training

- 1. An employee has the freedom to choose a vocation, apprenticeship, which is appropriate to his/her employment demands and capacity.
- 2. The State encourages eligible employers to open vocational educational centres, or on-the-job training classes at the workplace in order to train, retrain, and to improve occupational qualifications and skills of its current employees and for trainees in accordance with the laws on vocational training and education.

# Article 59. Responsibilities of employers with respect to training, occupational qualification and skill improvement

- 1. An employer shall develop annual training plans, allocate budget for, and organize training to improve occupational qualifications and skills for their current employees; to re-train employees before assigning them to another work.
- 2. Every year, the employer shall inform the results of the occupational qualification and skills improvement training at the enterprise to the provincial labour management authority.

### Article 60. Apprenticeship and on-the-job training to work for the employer

- 1. An employer who recruits trainees or apprentices in order to employ them for work is not required to register such vocational training activity and shall not charge fees for such training.
- 2. Apprenticeship in order to work for the employer is a practice that employers recruit a person to train the theories and practical skills for work at workplace.
- Employers could recruit apprentise(s) to perform high-tech work or occupations that are not trained in vocational training and education centers but must satisfy the following conditions:
- a) having the maximum duration of apprenticeship as 06 months;
- b) committing that the trainee(s) will be recruited as employee(s) to work for the employer after completing the apprenticeship duration if the trainees are at least 15 years of age
- c) entering into a vocational training contract with apprentice(s).
- 3. On-the-job training in order to work for the employer is a practice that employer recruits a person to guide/instruct him/her to perform the work and get on-the-job training at the workplace.

The employer could recruit trainee(s) but must satisfy the following conditions:

- a) having the maximum duration of on-the-job training as 03 months;
- b) committing that the trainee(s) will be recruited as employee(s) to work for the employer after completing the on-the-job training duration if the trainees are at least 15 years of age; c) entering into a vocational training contract.
- 3. Trainee(s) and apprentice(s) must be from enough 14 years of age and must be in appropriate health for the occupation.
- 4. During the period of apprenticeship or on-the-job training, if the apprentice or the on-the-job trainee directly makes, or participates in the making of qualified products, he/she shall be paid a wage at a rate agreed by the two parties.

### Article 61. Vocational training contracts and vocational training costs

- 1. Two parties must enter into a vocational training contract in cases
- a) Employer recruits an employee as apprenticeship and on-the-job training and
- b) Employee is trained or re-trained for the improvement of occupational qualifications and skills domestically or abroad under the employer's budget, which includes the sponsorship from the employer's partner.
- 2. The vocational training contract shall be made into 02 copies; each party shall keep 01 copy and include the following major contents:
- a) The training occupation;
- b) The training location; training period;
- c) The period during which the employee commits to continue to work for the employer after having been trained;

- dd) The costs of the training and responsibilities for the compensation of training costs;
- e) Responsibilities of the employer.
- 3. The costs of training shall include valid expenses covering the costs of trainers, training materials, training locations, machinery and equipment, practice materials, other supportive expenses for the learner as well as the wage, social insurance, and medical insurance paid for the learner for the duration of the training. In case the employee is sent to a foreign country for training, the costs of training also include the travelling and living expenses during the period of overseas stay for training.

#### **CHAPTER V**

### DIALOGUE AT WORKPLACE, COLLECTIVE BARGAINING, COLLECTIVE BARGAINING AGREEMENTS

#### Section 1 DIALOGUE AT WORKPLACE

### Article 62. Organization of dialogue at the workplace

- 1. Dialogue at the workplace is the practice of sharing information, consultation and exchange of opinions between employers and employees on issues related to rights and interests of the two parties in order to enhance understanding and discuss solutions for workplace issues of mutual concern.
  - 2. Dialogue at the workplace is conducted in the following cases:
  - a) Periodical dialogue, at least once every 6 months.
  - b) Dialogue at the request of either party or both parties.
- c) Dialogue on cases regulated in Clause 4, Article 42; Clause 2, Article 44; Clause 3, Article 94; Clause 2, Article 105; Clause 3, Article 119; Clause 1, Article 129 of this Code.
- 3. The employers and the employees are encouraged to conduct other forms of dialogue in addition to the cases regulated at Clause 2 of this Article.

### Article 63. Issues for dialogue at the workplace

Apart from compulsory issues for dialogue on cases regulated in point c, clause 2, Article 62 of this Code, the parties shall decide on the issues for dialogue at the workplace or select one or several following issues to conduct dialogue:

- 1. Business and production situation of the employer.
- 2. Implementation of the employment contract, collective bargaining agreement, internal rules, regulations and other commitments and agreements at the workplace.
  - 3. Working conditions.
  - 4. Request of employees and workers' representative organization to the employer.
  - 5. Request of employer to the employees and and workers' representative organization.
  - 6. Other issues of concern to the two parties.

# Article 64. Establishment, organization and operation of Labour - Management Board at workplace

- 1. Obligation on establishment and missions of labour-management board at workplace
- a. Undertakings employing at least 50 employees must establish labour-management board at the workplace to implement regulations about grassroots democracy and conduct forms of dialogue as regulated at Clause 2, Article 62 of this Code.
- b. Undertakings employing less than 50 employees may establish the labourmanagement board at workplace in accordance with regulations of this Code.

In case of not establishing the labour-management board at workplace, the employers shall issue the regulations about grassroots democracy and methods of implementing different forms of dialogue in accordance with regulations of the Government.

- 2. Participants of labour-management board include:
- a) Employer's representatives who are nominated by the employer. Number of the employer's representatives in the board shall be decided by the employer but it must be at least 3 persons and maximum 10 persons.
- b) Employees' representatives shall be nominated by workers' representative organizations based on its rate of their members; the representatives for non-member employees shall be nomiated by employees. In case the undertaking has no workers' representative organizations, all employees' representatives of the Board shall be elected by the employees. Number of employees' representatives in the Board shall be decided by the workers' representative organizations and the employees but it must be at least 3 persons and maximum 20 persons.
- 3. Labour-management board at workplace has one chairperson and one secretary nomimated by the Board members. Working term of the chairperson, secretary and members of the Council is at least one year.
- 4. The Board shall operate based on the principles of cooperation in good faith and respect for lawful and legitimate rights and interests of the parties and common interest of society.
- 5. Employees' representative(s) participating in labour-management board are entitled to the rights stipulated in Article 176 of this Code.
- 6. The employer has obligation for arranging time, venue and other necessary conditions for the organization and operation of labour-management board at the workplace; is not allowed to have acts of discrimination against employees' representative(s) participating in the Labour-management board as stipulated in Clause 1, Article 175 of this Code for employees' representative(s) joining the labour-management board at workplace.
- 7. The Government shall provide detailed regulations and guidelines for implementation of this Article.

#### **Section 2 COLLECTIVE BARGAINING**

### Article 65. Collective bargaining at enterprise level

Collective bargaining at the enterprise level shall mean the negotiation and agreement between two parties, of which one is the employer and the other one or several workers' representative organizations for the following purposes:

- 1) To establish working and employment conditions;
- 2) To provide for rights and obligations among the employer, the employees and workers' representative organization(s).

### Article 66. Principles of collective bargaining

Collective bargaining shall be carried out based on the principles of voluntariness, cooperativeness, good faith, equality, openness to the public and transparency.

## Article 67. Rights to collective bargaining of workers' representative organization at enterprise level

- 1. A workers' most representative organization at grassroots level shall right to initiate a request for collective bargaining once such organization satisfies two conditions:
- a. The membership of such organization is the highest in comparison with those of other workers' representative organizations in the undertaking.
- b. The membership of such organization is not below the minimum threshold of membership per undertaking in line with regulations of the Government.
- Other workers' representative organizations may participate in the collective bargaining process conducted by the most representative organization on a basis of voluntary and agreement of all parties.
- 2. In case where there is no existence of the most representative organization in accordance with Clause 1 of this Article, the workers' representative organizations shall have the right to gather together on a voluntary basis for the purpose of requesting collective bargaining.
- 3. The government shall provide in detail for the implementation of this Article.

### Article 68. Representatives of the parties to collective bargaining

- 1. The number of representatives for each party shall be agreed by the two parties.
- 2. Representatives to the collective bargaining are nomimated by the two parties. In case where there are a number of workers' representative organizations participating in collective bargaining, then number of representative of each organization participating in the collective bargaining will be agreed by these organizations; in case they could not get an agreement on this, the number of representatives of each organization shall be identified proportionally to their number of members.
- 3. Each party to collective bargaining shall have the right to invite their higher-level organization to participate in the process. The opposite party must not object to such participation.
- 4. The parties to collective bargaining shall have the right to rely on support from individuals and organizations for expertise and skills in collective bargaining. Individuals, organizations providing supports as stipulated in this regulations shall not directly participate in collective bargaining, except for the higher level organizations of each party as regulated in Clause 3 of this Article.

### Article 69. Issues for collective bargaining

- 1. The parties shall decide on the issues for collective bargaining or select one or several following issues to conduct collective bargaining:
- a) Wage policy, wage scales, wage tables, labour norms, bonus, allowances, shift meal and other incentives.
- b) Time of working and time of rest; overtime work, breaks between shifts;

- c) Employment security for the employees;
- d) Occupational safety and health; the implementation of the internal work regulations;
- dd) Requirements on conditions for and means of operation of workers' representative organization; relations between employers and workers' representative organization;
- e) Mechanisms and methods of preventing and resolving labour disputes;
- g) Other issues of concern to the two parties.
- 2. The parties shall involve in various collective bargaining processes in order to conclude a number of collective bargaining agreements regulating differential issues, however each subject shall be negotiated in only one collective bargaining process with only one collective bargaining agreement signed.

### Article 70. Guarantees for collective bargaining in good faith at enterprise level

- 1. Upon receiving a request for collective bargaining from the opposite party as prescribed at Clause 1 and Clause 2 of Article 67, and point c, Clause 1, Article 6 of this Code, the requested party must not refuse to negotiate. Within 7 working days following the receipt of such request, the parties shall proceed to reach an agreement on the commencement date, venue and tentative issues for collective bargaining. The commencement date shall be no later than 30 days following the receipt of the request for collective bargaining. The duration for collective bargaining shall be no longer than 3 months from the date of commencement excluding the cases that the two parties have different agreement.
- 2. Notification of issues for collective bargaining

No later than 5 working days prior to the start of the negotiation meeting, the party which has requested collective bargaining must notify the other party of the proposed issues for collective bargaining, in writing.

3. Employers' obligation to provide information

At least 10 days before the negotiation meeting, at the request of the worker's collective, the employer shall be responsible for providing provide information on the operation and business situation in order to give enabling conditions for collective bargaining, with the exception of business secrets, technological secrets of the employer.

4. Right of workers' representative organizations to arrange discussion with and seek comments from employees.

Workers' representative organizations shall have the right to arrange discussions with and seek comments from the concerned employees pertaining to the matters of, approach to and expected results from such process. The time, venue and method of discussion and seeking comments shall be determined by the concerned workers' organization, but must not leave adverse impacts on the employer's normal business operation. The employer shall be obliged to refrain from hassling, obstructing, or intervening in the process of discussion with and seeking comments from employees pertaining to issues of collective bargaining.

- 5. The employer shall be responsible to arrange for the time, venue and other necessary conditions for collective bargaining meeting sessions. The time that the representatives of the employees' side spent on such meetings shall be considered working time with pay. In case the officers of workers' representative organization(s) participate in collective bargaining meeting sessions, the time for these meetings will not be calculated/considered as the time regulated at Clause 3, Article 176 of this Code.
- 6. Minutes of the negotiation meetings must be taken and these must specify the issues which have been agreed upon by the two parties, the issues that remain controversial as well as a tentative time for signing an agreement on the agreed issues. Minutes of the negotiation meetings must be signed by the representatives of the parties to collective bargaining, the preparer of the minutes. The workers' representative organization shall widely announce and publish the minutes of the collective bargaining to all employees for discussion and solicitation of opinions.

### Article 71. Unsuccessful collective bargaining

- 1. Unsuccessful collective bargaining shall mean any of the following cases:
- a) Refusal to negotiate by either party or negotiation not conducted within the timeframe specified at Clause 1 of Article 70 of this Code.
- b) Failure by the parties to reach an agreement by the expiry of the 3 month timeframe following the commencement of negotiation as specified at Clause 1, Article 70 of this Code.
- c) Confirmation and declaration by both parties of the failure to reach an agreement, although the 3 month duration specified at Clause 1, Article 70 of this Code might not have expired.
- 2. In case of unsuccessful collective bargaining as specified at Clause 1 of this Article, the negotiating parties shall have the rights to initiate requests for labour dispute resolution according to the provisions of this Code.

# Article 72. Collective bargaining at sectoral level, collective bargaining with participation of several enterprises

1. Collective bargaining at sectoral level shall mean the negotiation and agreement between employers' representative organization at sectoral level and trade union at sector level.

Collective bargaining with participation of several enterprises shall mean the negotiation and agreement between one party who is a group of employers, one or several employers' representative organizations and the other party which is one or several workers' representative organization (hereinafter referred to as multi-employer collective bargaining).

- 2. The principles for and contents of collective bargaining at sectoral level, multi-employer collective bargaining shall be in accordance with Article 66 and Article 69 of this Code.
- 3. The representatives for collective bargaining at sectoral level, multi-employer collective bargaining shall be determined by the parties involved in collective bargaining on a voluntary and negotiating basis.
- 4. The process of and approach to collective bargaining at sector level, multi-employer collective bargaining shall be agreed upon by the concerned parties, including negotiation about forming a Collective Bargaining Council as stipulated in Article 73 of this Code.

## Article 73. Multi-employer collective bargaining via Collective Bargaining Council

1. On the basis of mutual agreement, the parties involved in multi-employer collective bargaining shall have the right to request the provincial labour authority to establish a collective bargaining council for the purpose of conducting collective bargaining. The provincial labour authority shall be the one located where the enterprises involved in collective bargaining are headquartered, or selected by such enterprises in case where they are headquartered across multiple centrally-administered provinces and cities.

- 2. Upon receiving a request for collective bargaining from the parties to multi-employer collective bargaining, the respective provincial labour authority shall proceed to establish a collective bargaining council to conduct collective bargaining following provisions of the law. Such collective bargaining council shall be comprised of:
- a) A representative assigned by the concerned labor authority to be the chairperson. The council chairperson has responsibility of coordinating activities of the collective bargaining council and support collective bargaining of the parties.
- b) Other representatives nominated by each party to collective bargaining. The number of representatives to the council for each party shall be agreed upon by both parties.
- 3. The collective bargaining council shall be responsible for conducting the multi-employer collective bargaining that is underway for the concerned parties; and monitoring, supervising, promoting and supporting the implementation of the multi-employer collective bargaining agreement upon having signed. Such council shall have its operation terminated and itself dissolved immediately following the signing of the multi-employer collective bargaining agreement, except where it has been agreed by the participating parties to have the board maintained and its operation continued for the purpose of conducting and supporting the negotiation and conclusion of a new CBA.
- 4. The Ministry of Labour-Invalids and Social Affairs (MOLISA) shall provide in details for the functions, duties, organization and operation of the collective bargaining board.

# Article 74. Responsibilities of labour administration agencies in collective bargaining

- 1. To organize trainings on collective bargaining skills for the participating parties;
- 2. To develop and provide information and data on economic and social affairs, labour markets, and labour relations for the purpose of supporting and promoting collective bargaining;
- 3. To offer support and act as mediators in the collective bargaining process, either proactively or upon request from two participating parties, helping the parties reach an agreement. In case of no request from two participating parties, proactive assistance of Statment management agencies in labour shall be undertaken once two parties agree.
- 4. To establish and participate in the collective bargaining board upon request from the participating parties in case of multi-employer collective bargaining as stipulated in Article 73 of this Code.

### **Section 3 COLLECTIVE BARGAINING AGREEMENTS**

### Article 75. Collective bargaining agreements

1. A collective bargaining agreement shall mean an agreement reached through collective bargaining on work and employment conditions, and rights, obligations and the industrial relations between the parties.

Collective bargaining agreements (CBA) include enterprise CBAs, sectoral CBAs, and multi-employer CBAs.

2. The contents of the collective bargaining agreements must not be against the law. **Article 76. Seeking approval for and signing of collective bargaining agreement** 

### Article 70. Seeking approval for and signing of conective barganing agreement

1. For an enterprise-level collective bargaining agreement, prior to signing, the draft collective bargaining agreement that has been negotiated by the two parties must be approved by all

employees in the enterprise. An enterprise-level collective bargaining agreement shall be signed only upon the approval of over 50% of the employees in the enterprise by means of a secret ballot.

- 2. In case of a sector collective bargaining agreement or multi-employer collective bargaining, those whose approval are to be sought shall be determined by the concerned workers' representative organizations. Such organization may seek approval from all employees of every participating enterprise or from the leadership representatives of all workers' organizations in every participating enterprise. In every case, a collective bargaining agreement at sectoral level or multi-employer collective bargaining shall be concluded upon approval of over 50% of the voters.
- 3. The time, venue and method of seeking approval for the collective bargaining agreement shall be determined by the concerned workers' representative organization(s), but must not leave adverse impacts on the normal business operation of the enterprise. The employer is obliged to refrain from hassling, obstructing or intervening in the process of seeking approval conducted by the concerned workers' representative organization.
- 4. Collective bargaining agreement shall be signed by the lawful representatives of the two parties to collective bargaining.

In case where a multi-employer collective bargaining agreement is negotiated via a collective bargaining council as prescribed in Article 73 of this Code, the signatories shall include the chairperson of such council and the lawful representatives of the two parties.

- 5. Each collective bargaining agreement shall be made into multiple copies of equal legal validity, of which:
- a) One shall be given to every party;
- b) One shall be submitted to the State management agency in charge of labour specified at Article 77 of this Code;
- c) In the case of a collective bargaining agreement at sectoral level or multi-employer collective bargaining, one copy shall be given to every employer and every workers' representative organization at enterprises involved in collective bargaining. In case where multi-employer collective bargaining agreement has been negotiated via a collective bargaining council as prescribed at Article 73 of this Code, one copy shall be held by the chairperson of such council.
- 6. Upon the conclusion of a collective bargaining agreement, the concerned employer(s) must make such collective bargaining agreement known to all of their employees.

# Article 77. Submission of collective bargaining agreement to State management agency in charge of labour

Within 10 days from the date of signing, the employer or the employer's representative must submit a copy of the collective bargaining agreement to the State management agency in charge of labour at provincial level.

In the case of a collective bargaining agreement at sectoral level or multi-employer collective bargaining agreement, such collective bargaining agreement shall be submitted to State management agency in charge of labour at provincial level where the participating enterprises are headquartered, or that selected by the participating enterprises in case where they are headquartered in multiple centrally-administered provinces and cities.

### Article 78. Effective date and duration of collective bargaining agreement

- 1. The date on which a collective bargaining agreement comes into effect shall be determined by the parties indicated in the agreement. In case the signing date is not indicated in the collective bargaining agreement, the agreement shall take effect from the date of signing.
- 2. An enterprise-level collective bargaining agreement is applicable to employer and all employees of the enterprise. Sectoral collective bargaining agreement and multi-employer collective bargaining are applicable to all employers and employees of the enterprises involved in the agreement.

3. A collective bargaining agreement can have a duration of from 1 to 3 years. Specific timeframes shall be agreed upon by both parties and clearly specified in the concerned collective bargaining agreement. Both parties shall have the right to set different effective timeframes for different issues of the collective bargaining agreement.

### Article 79. Implementation of enterprise-level collective bargaining agreements

- 1. The employer and the employees, including new employees who are employed after the collective bargaining agreement has come into effect, shall be responsible for the full implementation of the collective bargaining agreement.
- 2. Where the rights, responsibilities and interests of the parties stipulated in the employment contract which were concluded before the effective date of the collective bargaining agreement are less favourable than those of the respective provisions provided in the collective bargaining agreement, the provisions of the collective bargaining agreement shall be applied. Internal work regulations of the employer which are not in compliance with the collective bargaining agreement shall be amended so as to be consistent with the provisions of the collective bargaining agreement; during waiting time for the amendment, all the relevant issues will be referred to/followed the collective bargaining agreement.
- 3. Where a party considers that the other party does not perform fully or violates the provisions of the collective bargaining agreement, the former has the right to request the latter to fully comply with the agreement, and both parties must jointly resolve the issue. In case of failure of the parties to resolve the issue, either party has the right to request a resolution of the collective labour dispute in accordance with the law.

# Article 80. Implementation of collective bargaining agreement in cases of transfer of ownership, management rights, right to use of enterprises, merger, unification, division or separation of enterprises

- 1. In cases of merger, unification, division or separation of enterprises, or transfer of ownership, right to manage, or right to use of an enterprise, the succeeding employer and the representative of the worker's collective shall, on the basis of the labour utilization plan, consider agreeing to the continuous implementation or amendment of the old collective bargaining agreement or to enter into a new collective bargaining agreement.
- 2. In case the validity of a collective bargaining agreement is terminated because the employer ceases its operation, the rights and interests of the employees shall be dealt with in accordance with the labour law.

# Article 81. Relationship between enterprise-level collective bargaining agreement and sector-level collective bargaining agreement and multi-employer collective bargaining agreement

- 1. In case where an enterprise-level collective bargaining agreement or other regulations of the employer on the rights, responsibilities and interests of the enterprise's employees are less favorable than those in the sectoral level collective bargaining agreement or multi-employer collective bargaining, the enterprise-level collective bargaining agreement, then corresponding regulations in sector level collective bargaining agreement or multi-employer collective bargaining agreement shall be implemented.
- 2. Enterprises which are subject to the governance of a sectoral level collective bargaining agreement or multi-employer collective bargaining agreement but have not established enterprise-level collective bargaining agreements may establish the enterprise-level collective bargaining agreements with more favorable terms and conditions for employees than those stipulated in the sector level collective bargaining agreement or multi-employer collective bargaining agreement.
- 3. Enterprises which have not participated in the sectoral level collective bargaining agreement or multi-employer collective bargaining agreement are encouraged to implement

contents of the sectoral level collective bargaining agreement or multi-employer collective bargaining agreement.

### Article 82. Amendment and supplementation of collective bargaining agreements

- 1. A collective bargaining agreement upon coming into force shall be respected and implemented by the participating parties. Any revision to an existing collective bargaining agreement shall only be allowed via voluntary negotiation and upon agreement by the concerned parties.
- 2. In case where a change in legal provisions results in a collective bargaining agreement being no longer in alignment with the law, both parties shall proceed to revise such collective bargaining agreement to be in alignment with such legal provisions. During the revision process, matters concerning the rights and interests of employees shall be carried out in accordance with the law.
- 3. During the revision of a collective bargaining agreement as specified at Clause 1 or Clause 2 of this Article, comments and feedback shall be solicited from the concerned parties on collective bargaining agreement approval and conclusion following Article 76 of this Code; the effect and submission of such collective bargaining agreement to the labour management agency shall be in accordance with Article 77 and Article 78 of this Code.

#### Article 83. Expiry of collective bargaining agreements

Within 03 months prior to the expiry date of a collective bargaining agreement, the parties may negotiate to extend the duration of the collective bargaining agreement or to enter into a new collective bargaining agreement. In case where the parties agrees to extend the duration of collective bargaining agreement, it's necessary to seek the approval of workers in line with regulation of Article 76 of this Code.

Where the collective bargaining agreement expires while the negotiation process is still ongoing, it shall continue to be implemented for a maximum duration of 3 months.

# Article 84. Extension of the coverage for a sector-level collective bargaining agreement or multi-employer collective bargaining agreement

- 1. In case where a sector-level collective bargaining agreement or multi-employer collective bargaining agreement covers more than 50% of the workforce or more than 50% of the enterprises within the concerned region, sector or profession, either or both of the parties involved in the negotiation and/or conclusion of such collective bargaining agreement shall have the right to request the competent labour authority to extend such collective bargaining agreement, either in part or in whole, to other enterprises within the region, sector or profession.
- 2. The processes and procedures of, and competence for extending the coverage of such collective bargaining agreement as specified in Clause 1 of this Article shall be provided for by the Government.

# Article 85. Participation in and withdrawal from a sector-level collective bargaining agreement or multi-employer collective bargaining

- 1. Participation in a sector-level collective bargaining agreement or multi-employer collective bargaining agreement shall be done on a voluntary basis, upon a request by the enterprise(s) wishing to join and unanimous agreement by all employers and workers' representative organizations being parties to such collective bargaining agreement.
- 2. In case where an enterprise which is party to an existing sector collective bargaining agreement or multi-employer collective bargaining agreement wishes to have itself removed from such collective bargaining agreement, the withdrawal shall only be allowed upon unanimous agreement by all employers and workers' organizations being party to such

collective bargaining agreement, except where such enterprise suffers from particular difficulties in production and business.

3. The government shall provide in detail for the implementation of this Article

#### Article 86. Invalid collective bargaining agreements

- 1. A collective bargaining agreement shall be deemed partially invalid if one or several its contents are contrary to the law.
- 2. A collective bargaining agreemen shall be deemed entirely invalid in any of the following circumstances:
- a) The whole contents of the agreement are contrary to the law;
- b) Such collective bargaining agreement has been negotiated or concluded by a person without due competence;
- c) The negotiation or conclusion of such collective bargaining agreement has not been conducted in compliance with the prescribed collective bargaining procedure.

### Article 87. Authority, procedures and formalities to declare a collective bargaining agreement invalid

- 1. The People's Court shall have the authority to declare a collective bargaining agreement invalid.
- 2. The right to request the declaration of a collective bargaining agreement as invalid and the authority, procedures and formalities for such declaration shall be in accordance with the Civil proceedings code.

#### Article 88. Handling of invalid collective bargaining agreements

When a collective bargaining agreement is declared invalid, the rights, obligations and interests of parties specified in the invalid parts shall be handled in accordance with the provisions of the law and other lawful agreements as provided in the employment contract.

### Article 89. Expenses for collective bargaining activities and the signing of collective bargaining agreements

All expenses for organizing negotiation meetings and the signing, amendment, supplementation, submission and announcement of a collective bargaining agreement shall be covered by the employer.

#### CHAPTER VI WAGE

#### Article 90. Wage

- 1. Wage is a total monetary amount which is paid to the employee by the employer in agreement to perform the work, including remuneration which is based on the work or position, as well as wage allowances.
- 2. The remuneration which is based on the work or position must not be lower than the minimum wages.
- 3. Employers shall ensure the equal remuneration, without gender-based discrimination against employees performing work of equal.

#### Article 91. Minimum wages

1. Minimum wage is the lowest payment for an employee who performs the simplest work in normal working conditions.

The minimum wage shall be determined on monthly and hourly basis and by regions.

2. The minimum wages shall be decided and announced by the Prime Minister of Government on the basis of of the recommendation of the Ministry of Labour-Invalids and Social Affairs and recommendation of National Wage Council.

#### Article 92. Grounds for fixing and adjusting minimum wage

The minimum wages are fixed and adjusted with the following criteria:

- 1. Minimum living standard of workers and their families;
- 2. Correlation between minimum wages and prevailing wage rates in labour market;
- 3. Consumer price, economic growth;
- 4. Labour demand and supply; employment and unemployment; and and labour productivity;
- 5. Expenditure capacity of enterprise.

#### Article 93. National Wage Council

- 1. The National Wage Council established by the Prime Minister of Government is an advisory body for the Prime Minister of Government on wage policies and minimum wages.
- 2. Members of the National Wage Council is composed of representatives of Government agencies, Viet Nam General Confederation of Labour, employers' representative organizations at central level, and a number of experts in the field of economic, social, labour and wage.
- 3. The Prime Minister of Government shall regulate functions, mandates, structures and financial budgets for operation of National Wage Council.

#### Article 94. Wage scale, wage table and labour norms

- 1. The employer shall be responsible for developing the wage scale, wage table and labour norms as a basis for the recruitment and employment of workers, to negotiate the wage and to pay wages to employees in the employment contract.
- 2. Labour norms must be a progressive average, and it must ensure majority of employees to finish the work without lengthening the normal working time and must be tested before official application.
- 3. In developing the wage scale, wage table and labour norms, the employer must consult the workers' representative organization(s) at grassroots level and shall be made publicly available at the workplace.

#### Article 95. Forms of wage payment

- 1. The employer shall pay wage for the employee based on negotiated wages in employment contracts, on productivity and quality of work that such employees performed.
- 2. Wage shall be negotiated and paid in Viet Nam Dong, except cases for persons who do not reside at local or such person reside overseas in line with regulation on currency exchange.
- 3. When the wage payment is made, employers must give the employees a notice of the wage statement which clearly indicates with specific contents of:
- a) Basic wage;
- b) Wage paid for overtime working and other additional payments (if any)
- c) Nature and amount of deductions made in accordance with regulation of this Code.

#### Article 96. Methods of wage payment

1. The employer and the employee shall negotiate the methods of wage payment by time, by piece rate or by piece work.

The selected method of payment must be maintained for a certain period of time; if there is any change, the employer and the employee shall re-negotiate to determine the forms of wage payment.

2. Wage is paid in cash or into the employee's personal bank account at bank. In case where wage is paid through personal bank account at bank, the employers must bear all costs relating to opening and maintaining such bank account.

#### Article 97. Wage payment due time

- 1. An employee who receives an hourly, daily or weekly wage shall be paid upon the completion of the hour, day or week of work, or paid in a lump sum as agreed by the two parties, but at least once every 15 days.
- 2. An employee who receives a monthly wage shall be paid once a month or once every half month. The time of wage payment time shall be negotiated by two parties and fixed during the month.
- 3. The employee who receives wage for piece work or at piece rate shall be paid in accordance with the agreement of the two parties; if the work is done over a number of months, the employee is entitled to an advance wage payment every month for the work completed during the month.

#### Article 98. Principles for wage payment

- 1. An employer shall make wage payment directly to an amployee. In case of force majeure where the direct wage payment is not possible, wage payment can be made to the person legally authorized by the employee.
- 2. An employee shall be fully paid.

Employers shall not restrain or interfere in employees' rights to expense autonomously such wage; shall not use forces or manoeuvres to coerce the employees to spent wage for buying products or using services sold by employers or by units appointed by employers.

3. An employee shall by paid on time. In exceptional cases where a timely payment is not possible, the delay in wage payment must not exceed 01 month; and when the delay in wage payment exceeds 15 days, the employer must pay the employee an amount of at least equal to the delayed payment mutiplied by deposit interest rate for 01 month announced by the bank that the enterprise opens a wage paying account for the employee at the time of paying.

#### Article 99. Wages for overtime work and night work

- 1. An employee who performs overtime work shall be paid a wage for overtime based on wage unit price or on wage for current work as follows:
- a) On regular days, at least equal to 150%;
- b) On the weekly day off, at least equal to 200%;
- c) On public holidays and paid leave days, at least 300%.

Two parties shall negotiate and implement wages for overtime that are caluculated in progressive accumulation with higher rates than those of regulations of this Clause.

- 2. An employee who performs night work shall be paid for each hour an additional amount of at least 30% of wage unit price or the real wage for the work performing in daytime.
- 3. An employee who performs overtime work at night shall be paid according to Clauses 1 and 2 of this Article, he/she shall be paid for each hour an additional amount of at least 20% wage unit price or the real wage for the work performing in daytime.

#### Article 100. Wage during work suspension

- 1. If due to the fault of the employer, the employee shall be paid the full wage in line with terms in employment contract;
- 2. If due to the fault of the employee, the employee shall not be paid; other employees in the same unit who had to suspend their work shall be paid a wage as agreed on by the two parties, which shall not be lower than the minimum wages;
- 3. If due to the electricity or water supply malfunction which is not due to the fault of employers or in the event of force majeure such as natural calamities, fires, dangerous epidemics, wars, relocation of the workplace as requested by the competent State authority, or due to economic reasons, the two parties shall negotiate the wage paid during work suspension, but shall not be lower than the minimum wage.

In the case where the work suspension lasts more than 30 days due to reasons defined in this Clause, the two parties shall negotiate supporting payment in addition to wage during work suspension.

#### Article 101. Wage payment through intermediary

- 1. Where an intermediary or a person of a similar intermediary role is used, the employer who is the principal owner must maintain a list of the intermediaries with their contact addresses and the list of the employees working with them, and must ensure that the intermediary comply with the law on wage payment and occupational safety and health.
- 2. In case an intermediary or a person of a similar intermediary role fails to pay or pays insufficient wages to the employees and does not ensure other rights and interests of the employees, the employer who is the principal owner shall be responsible for wage payment and for ensuring the rights and interests of the employees.

In this case, the employer who is the principal owner has the rights to request compensation from the intermediary or the person of a similar intermediary role, or to request the competent authority to resolve the dispute in accordance with the provisions of the law.

#### Article 102. Wage advances

- 1. An employee may receive a wage advance in accordance with conditions megotiated by the two parties, to be repaid without interest. The maximum threshold for wage advance advance shall not exceed employee's wage for 03- months working.
- 2. An employer must make the advance payment to the employee for the number of days the employee is temporarily absent from work in order to perform citizens' obligations for a period of 01 week or longer but not exceeding 01 month of wages and the employee must reimburse the wage advance upon returning to work.
- 3. Taking annual leave, employees shall be entitled to have wage advance, at least, as equivalents to amount of wage for those days of leave.

#### Article 103. Wage deductions

- 1. An employer shall not have the right to deduct from an employee's wage except in the following cases:
- a) Extracting for participating in social insurance, health insurance, unemployment insurance or other schemes that are statutorily compulsory and authorizes to let the employer pay the contributory payment on his/her behalf;
- b) The employee paying membership fee for joining the activities of workers' representative at grassroots level and giving authorization in writing for the employer to pay it on his/her behalf.
- c) The employee compensating for the damage to the tools and equipment belonging to the employer, in accordance with Article 106 of this Code.

2. Monthly wage deduction shall not exceed 30% of the monthly wage of the employee.

#### Article 104. Wage increase

Wage increase for employees shall be negotiated in the employment contracts, collective bargaining agreements or other internal regulations of employers..

#### Article 105. Bonuses

- 1. A bonus is an amount paid or asset(s) provided by an employer to reward his/her employees based on business outcomes and performance of employees.
- A bonus is decided by employers and shall be made publicly available at the workplace, after consultaing with workers' representative organization(s) at grassroots level.
- 2. Preferential treatment for employees shall be negotiated by employer and workers' representative organization(s) at grassroots level on the basis of collective bargaining, in employment contracts, collective bargaining agreements or other internal regulations of employers.

#### CHAPTER VII WORKING HOURS AND REST PERIODS

#### Section 1 WORKING HOURS

#### Article 106. Normal working hours

- 1. Normal working hours shall not exceed 8 hours per day and not exceed 48 hours per week. An employer has the right to determine the working hours on daily or weekly basis but must inform to employees, in case of using weekly working hours, the normal working hours shall not exceed 10 hours per day.
- 2. The State encourages employers to implement a 40 hours working week.
- 3. The daily working hours shall not reduced 01 or 02 hours with regard to employees who carry out especially heavy or hazardous work, or who work under exposure to toxic substances as regulated by the Minister of Labour, Invalids and Social Affairs in consultation with the Ministry of Health.
- 4. Option 1: The Government shall provide consistently the official starting and ending time of working for State administrative agencies nationwide.

Option 2: the absence of this clause will be kept in tact.

#### Article 107. Working time at night

The working time at night is counted from between 22 p.m. on the previous day to 6 a.m. on the following day.

#### Article 108. Overtime work

- 1. The overtime working hour is the duration of work that the employee performs at any other time than during normal working hours, as indicated in the law, collective bargaining agreement or internal work regulations of an employer.
- 2. The employer has the right to request an employee to work overtime when all of the following conditions are fully met:
- a) Having negotiated and obtained the employee's consent;

- b) Ensuring that the number of overtime working hours shall not exceed 50% of total normal working hours in a day; in cass the weekly normal working hours is applied, the total normal working hours and number of overtime working hours of the employee shall not exceed 12 hours in 01 day;
- c) Ensuring that the total overtime working hours shall not exceed 200 hours in a year, except for a number of cases regulated by the Government, for which the total overtime working hours shall not exceed 400 hours in a year.
- 3. The Government will provide detailed regulations on conditions for organizing overtime working.

#### Article 109. Overtime working in special cases

An employer has the right to mobilize employees to work overtime at any days and employees must not refuse in the following circumstances:

- 1. To implement the conscription order for the purpose of national security or national defence in emergency situations of national security and defence in accordance with the law;
- 2. To implement necessary and urgent tasks to deal with incidents of production or to prevent loss of life or assets of agency, organization or individual in case of prevention and recovery of natural calamities, fires, epidemics and other disasters, except the cases with risk to the life and health of employee(s) in accordance with law on labour safety and hygiene.

### Section 2 REST PERIODS

#### Article 110. Rest breaks during working day

1. An employee who perform his/her work within normal working hours defined in Article 106 of this Code, shall be given an intersessional rest break of at least 30 minutes consecutively; in the case of night work, the intersessional rest break shall be at least 45 minutes consecutively.

In case of an employee who performs shift work with duration from 06 hours upwards, the intersessional rest breaks as regulated at Clause 1 of this Article shall be calculated as normal working time for wage payment.

3. In addition to the intersessional rest break prescribed in Clause 1 of this Article, an employer shall arrange other short breaks and it must be stipulated in the internal work regulations.

#### Article 111.Breaks between shifts

An employee who performs shift work is entitled to a break of at least 12 hours before beginning another shift.

#### Article 112. Weekly breaks

1. Each week an employee is entitled to a break of at least 24 consecutive hours. Where it is impossible for the employee to have a weekly day off due to the nature of the work, the employer has the responsibility to ensure that on average the employee has at least 04 leave days per month.

2. The employer has the right to determine and schedule the weekly breaks either for Sunday or for another determined day of the week, which must be recorded in the internal work regulations.

#### Article 113. Public and New Year holidays

- 1. Employees shall be entitled to fully paid days off on the following public and New Year holidays:
- a) Gregorian Calendar New Year Holiday: 01 day (the first day of January of the Gregorian calendar);
- b) Lunar New Year Holidays: 05 days; (including 01 or 02 day in the end of previous year, and this arrangement shall be decided by the employers);
- c) Victory Day: 01 day (the thirtieth day of April of the Gregorian calendar);
- d) International Labour Day: 01 day (the first day of May of the Gregorian calendar);
- e) National Day: 01 day (the second day of September of the Gregorian calendar);
- f) Commemorative Celebration of Vietnam's Forefather King Hung: 01 day (the tenth day of March of the Lunar calendar);
- g) War-invalids and Martyrs Day: 01 day (the twenty-seventh of July of the Gregorian calendar).
- 2. Foreign employees in Vietnam are entitled to 01 traditional public holiday and 01 National Day of their country, in addition to the public holidays stipulated in Clause 1 of this Article.
- 3. Option 1: Where the weekly day off coincides with the holidays prescribed in Clause 1 of this Article, employees are entitled to take the following day off as compensation for weekly day off.

Option 2: Where the weekly day off coincides with the holidays prescribed in Clause 1 of this Article, employees are entitled to take the following day off as compensation for weekly day off, except for the Lunar New Year Holidays regulated in the Clause 1 of this Article, then employees are not entitled to take compensation leave.

#### Article 114. Annual leave

- 1. Any employee who has been working for an employer for 12 months in one year is entitled to fully-paid annual leave, which is stipulated in his/her employment contract as follows:
- a) 12 working days for employees who work in regular working conditions
- b) 14 working days for employees who work in heavy or hazardous working conditions, or who work under exposure to toxic substances as list of work issued by Ministry of Labour-Invalids and Social Affairs in the consultation with Ministry of Health; or for minor employees and disabled employees;
- c) 16 working days for employees who are subject to extremely heavy or hazardous work or who work under exposure to toxic substances as list of work issued by Ministry of Labour-Invalids and Social Affairs in the consultation with Ministry of Health;
- 2. The employees who has been working less than 12 months in one year is entitled to have paid annual leave in line with ratio of working months that he/she has performed.
- 3. An employee who, due to employment termination, redundancy, has not taken or not entirely taken up his/her annual leave shall be paid for the untaken leave days by the employer.
- 4. The employer has the responsibilities to regulate the timetable for annual leaves after consultation with the employees and must give prior notice to the employees.

# Article 115. Increased annual leave in accordance with the duration of employment

The annual leave of an employee as prescribed at Clause 1, Article 114 of this Code shall increase by 01 additional day for every 60 months of employment with the same employer.

#### Article 116. Personal leave, leave without pay

- 1. An employee is entitled to take a fully paid leave of absence for personal reasons in the following circumstances:
- a) Marriage: 03 days;
- b) Marriage of his/her children: 01 day;
- c) Death of his/her natural father or mother; or death of his or her spouse's father or mother; or death of spouse, son or daughter: 03 days.
- 2. The employee is entitled to take 01 day off without pay in the case of the death of his/her paternal grandfather or grandmother, maternal grandfather or grandmother, or natural sister or brother; marriage of natural father or mother; marriage of natural brother or sister.
- 3. The employee may negotiate and agree with his/her employer on taking unpaid leave other than the leave stipulated in Clause 1 and Clause 2 of this Article.

# Section 3 WORKING HOURS AND REST PERIODS FOR EMPLOYEES WHO PERFORM WORK OF SPECIAL NATURE

## Article 117. Working hours and rest periods for employees who perform work of special nature

In case of special work in the areas of road, rail, water or air transportation; oil and gas exploration and exploitation on the sea; offshore work; in the fields of arts; use of radiation and nuclear techniques; application of high-frequency waves; informatics and informatic technology; researches for application of advanced sciences and technologies; industrial design; diver's work, work in mines; seasonal production work and processing of goods under a specific order; work that requires for 24/24 hours on duty; and other special work as regulated by the Government, the responsible ministries and agencies shall stipulate the specific hours of work and rest periods after agreement with the Ministry of Labour, Invalids and Social Affairs and these must be in accordance with Article 110 of this Code.

# CHAPTER VIII LABOUR DISCIPLINARY REGULATIONS AND RESPONSIBILITIES REGARDING EQUIPMENT

#### Section 1 LABOUR DISCIPLINARY REGULATIONS

#### Article 118. Labour disciplinary regulations

Labour disciplinary regulations are provisions on the compliance in respect of time, technology, production and business management and labour environment in internal work regulations, employment contract and labour laws.

#### Article 119. Internal work regulations

- 1. All employers employing employees must have internal work regulations. If an employer employing at least 10 employees, internal working regulations in writting is a obligation.
- 2. The contents of internal work regulations shall not be contrary to the labour law or to other relevant legal provisions. The internal work regulations shall provide the following contents:
- a) Working hours and rest periods;
- b) Order at the workplace;
- c) Occupational safety and health; prevention of sexual harassement at work place;
- d) Protection of the assets and technological and business secrets and intellectual property of the employer;
- dd) Breaches of labour disciplinary regulations by employees; disciplinary measures against breaches of labour disciplinary regulations and responsibilities regarding equipment.
- e) Person(s) who is/are competent of handling labour disciplines.
- 3. Prior to issuing internal work regulations, the employer consults with the workers' representative organization(s) at grassroots level.
- 4. Employees must be notified of the internal work regulations, and the major contents must be displayed in necessary areas at the workplace.

#### Article 120. Registration of internal work regulations

- 1. An employer employing at least 10 employees must register the internal work regulations with the state labour management authority at the district where the employer's business is registered.
- 2. Within 10 days from the date of issuance of the internal work regulations, the employer must submit a dossier of the internal work regulations for registration.
- 3. Within 07 working days from the date of receipt of the dossier for registration of the internal work regulations, the district-level labour management authority shall notify contents of the internal work regulations that are contrary to the law, and guide the employer in making the necessary amendments or supplementation and for re-registration.
- 4. The employers who own various branches or units of production situated in different location must register the internal work regulations to labour management authority at the district where the employer's branches and units are registered, after it takes effects.

#### Article 121. Dossiers for registration of internal work regulations

A dossier for the registration of internal work regulations shall include:

- 1. An application for the registration of the internal work regulations;
- 2. The internal working regulations;
- 3. Document which contains comments of workers' representative organization(s) at grassroots level (if any);
- 4. The documents of the employer, which provide for labour disciplinary regulations and responsibilities concerning equipment (if any).

#### Article 122. Validity of internal work regulations

An internal work regulations shall be effective from 15 days after the date the labour management authority at the district level receives the dossier of the internal work regulations for registration, except in the cases stipulated in Clause 3 Article 120 of this Code.

#### Article 123. Principles for settling violations of labour disciplinary regulations

- 1. Procedures of settling violations of labour disciplinary shall be settled as follows:
- a) The employer must demonstrate the culpability of the employee;

- b) The participation of workers' representative organizations at grassroots level (if any) in such process is a must;
- c) The employee must be physically present and is entitled to self-defence or to have a lawyer or workers' representative organization to assist in his/her defence; if the employee is under 15 years of age, his/her father, mother or a legal representative must be present
- d) Any settlement of violations of labour disciplinary regulations must be recorded in writting.
- 2. It is prohibited to impose more than one disciplinary measure for one violation of labour disciplinary regulations.
- 3. Where an employee simultaneously commits multiple violations of labour disciplinary regulations, he/she shall be subjected to the highest form of disciplinary measure corresponding to the most serious violation.
- 4. No disciplinary measure shall be taken against an employee during the period when:
- a) The employee is taking leave on account of illness or convalescence; or on other types of leave with the employer's consent;
- b) The employee is being held in temporary custody, temporary detention;
- c) The employee is waiting for verification and conclusion of the competent agency for acts of violations, stipulated in Clause 1 Article 126 of this Code.
- d) The employee is pregnant, or on maternity leave; the employee who is rearing children under the age of 12 months.
- 5. No disciplinary measure shall be taken against an employee who commits a violation of labour disciplinary regulations when suffering from mental illness or other diseases, which result in the employee losing selfawareness or the ability to control his/her behaviours.

#### Article 124. Time-limit for settling violations of labour disciplinary regulations

- 1. The time-limit for settling violations of labour disciplinary regulations shall be a maximum of 06 months from the date of the occurrence of the violation. The time-limit for dealing with violations of labour disciplinary regulations directly relating to finance, assets and disclosure of technological or business secrets shall be no more than 12 months.
- 2. Upon the expiry of the period stipulated Clause 4, Article 123, if the time-limit has expired or time-limit is no longer enough for 60 days, it can be extended, but for no more than 60 days from the expiry date as mentioned above.
- 3. The decision on settling violations of the labour disciplinary regulations shall be made within the time-limits stipulated in Clause 1 and Clause 2 of this Article.

#### Article 125. Forms of settlement of violations of labour disciplinary regulations

- 1. Reprimand.
- 2. Deferment of wage increase for no more than 6 months; demotion.
- 3. Dismissal.

#### Article 126. Application of dismissal as a disciplinary measure

Dismissal might be applied by an employer as a means of disciplinary measure in the following circumstances:

- 1. Where an employee commits an act of theft, embezzlement, gambling, intentionally causing injury, using illicit drug inside the workplace, disclosing technological or business secrets or infringing the intellectual property rights of the employer, or commits acts which are seriously detrimental or posing seriously detrimental threat to the assets or interests of the employer or conducting sexual harassment at workplace.
- 2. Where an employee who is subject to the disciplinary measure of deferment of wage increase recidivates in the period not yet repealed.

Recidivism means an employee keeps on committing a breach of labour disciplinary regulations to the level of being applied the discipline in accordance with Clause 2 Article 125 of this Code.

### Article 127. Repeal of disciplinary measures, reduction of the duration of disciplinary measures

- 1. Where the employee does not recidivate, the disciplinary measure of reprimand shall be automatically repealed after 3 months; the disciplinary measure of deferment of wage increase shall be automatically repealed after 6 months; the disciplinary measure of demotion shall be automatically repealed after 3 years since the date on which the disciplinary measure was imposed.
- 2. Where an employee, who is disciplined by deferment of wage increase, has completed half of the duration of the disciplinary measure, and has demonstrated improvement, the employee can be considered by the employer to have the duration of the disciplinary measure reduced.

#### Article 128. Prohibited acts when applying labour disciplinary measures

- 1. Infringing the health, honour, life, prestige and human dignity of the employee.
- 2. Deducting wage in lieu of a disciplinary measure.
- 3. Applying a disciplinary measure against an employee for having committed a violation which is not stipulated in the internal work regulations or labour laws or employment contracts.

#### Article 129. Temporary work suspension

- 1. An employer has the right to temporarily suspend an employee from work if the violation is of a complicated nature and where the continued presence of the employee at the workplace is deemed to cause difficulties for the investigation. The temporarily suspension of an employee from work shall only be applied after consultation with the representative organization of the workers at grassroots level having member who is the employee being consider for temporay work suspension.
- 2. The period of temporary work suspension shall not exceed 15 days, or 90 days in special circumstances. During the period of temporary work suspension, the employee shall be advanced 50 % of the wage to which he/she was entitled prior to the suspension.
- Upon the expiry of the period of temporary work suspension, the employer shall reinstate the employee.
- 3. Where the employee is disciplined, he/she shall not be required to reimburse the wage advanced to him/her.
- 4. Where the employee is not disciplined, the employer shall pay the full wage for the period of temporary work suspension.

### Section 2 RESPONSIBILITIES CONCERNING EQUIPMENT

#### Article 130. Compensations for damages

1. An employee, who causes damage to or loses tools, equipment, assets, uses the materials beyond the permitted norms or has committed another act which causes damage to the assets of the employer, shall have to pay compensation in accordance with the law and contract of responsibily between the two parties (if any).

In case the employee causes damage due to negligence, and of a value not exceeding 10 months of the regional minimum wage, the employee shall have to make a compensation of no more than

- 03 months of wage, which shall be deducted monthly from his/her wage in accordance with Clause 3 Article 103 of this Code.
- 2. In case this took place at the time of natural disasters, fires, wars, epidemics, calamities, or force majeure circumstances, which are unforeseeable, and all necessary measures and possibilities for avoidance have been taken, the compensation shall not required.

#### Article 131. Principles and procedures for handling compensation for damages

- 1. Consideration and decision on the level of compensation for damages shall be based on the nature of the offence, the actual extent of damages, the actual situation of his or her family, personal profile, and the properties of the employee.
- 2. The procedures, formalities and time limits for handling the compensation shall be in accordance with Articles 123 and 124 of this Code.

### Article 132. Complaints on labour disciplinary regulations and responsibilities concerning equipment

An employee who is disciplined for the violation of labour disciplinary regulations, temporarily suspended from work, or required to pay compensation in accordance with the regulations of responsibilities concerning equipment and is not satisfied with the decision, has the right to appeal to the employer or to request for the resolution of the labour dispute in accordance with the procedures stipulated by law.

### CHAPTER IX OCCUPATIONAL SAFETY AND HEALTH

#### Article 133. Compliance with the law on occupational safety and health

Enterprise, agency, organization, cooperative, household and individual involved in production and labour shall comply with the regulations of the law on occupational safety and health.

#### Article 134. Occupational safety and health program

- 1. The Government shall decide on development of the National Programme on Occupational Safety and Health.
- 2. Provincial People's Committees shall develop and submit the local occupational safety and health programmes to the People's Councils of the same level for approval and shall include the local occupational safety and health programmes in the local socio-economic development plans.

#### Article 135. Ensuring occupational safety and health at the workplace

- 1. Employers shall be responsible for fully complying to following fundamental items to guarantee occupational safety and health at the workplace:
- a. informing, advocating, educating and training about occupational safety and health;
- b. undertaking policies for protecting and taking care for health of employees as well as developing policies for employees with occupational accidents and diseases;
- c. developing and implementing internal rules, procedures and mesures to ensure occupational safety and health;
- d. managing machinery, equipment and materials that have strict occupational safety and health requirements;
- dd, informing, investigating, recording and reporting occupational accidents and technical incidents causing unsafely at work;
- e, assigning officer(s) in charge of occupational safety and health who are capable as stipulated in laws.

2. Employees shall abide to the regulations, internal rules, processes and requirements on occupational safety and health, comply to law and firmly grasp knowledge and skills on measures to ensure occupational safety and health at the workplace.

# CHAPTER X SEPARATE PROVISIONS CONCERNING FEMALE EMPLOYEES AND PROMOTING GENDER EQUALITY

#### Article 136. State policies on female employees

- 1. To protect the right to work on the basis of equality between female and male employees.
- 2. To encourage employers to create conditions for providing employees with regular employment, and apply widely the systems of flexible working hours, part-time work, or homebased work.
- 3. To formulate measures to create employment opportunities, improve working conditions, increase occupational skills, provide healthcare, and strengthen the material and spiritual welfare of female employees in order to assist them in developing effectively their vocational capacities and harmoniously combine their working lives with their family lives.
- 4. To formulate policies on tax reductions for employers who employ a large numbers of female employees and implement measures of promoting gender equality in accordance with the tax laws.
- 5. To develop various forms of training to enable female employees to acquire additional occupational skills that are suitable to their physical and physiological characteristic and their motherhood functions.
- 6. To develop plans and measures to organize day care facilities and kindergartens in areas where a large number of female employees are employed.
- 7. The Government regulates in details and provides guidelines for implementation of State policies on separate provisions concerning female employees, promoting gender equality, and preventing sexual harassment at work place.

#### Article 137. Responsibilities of employers

- 1. Employers shall ensure the implementation of gender equality and measures to promote gender equality in recruitment, work arrangement, training, working hours and rest periods, wages and other policies.
- 2. Employers shall consult with female employees or their representatives when taking decisions which affect the rights and interests of women.
- 3. Employers shall provide sufficient toilets appropriate at the workplace for female employees.
- 4. Employers shall assist and support in building day care facilities and kindergartens, or in covering a part of the childcare expenses incurred by employees.

#### Article 138. Maternity protection

- 1. An employer must not employ an employee to perform night work, overtime work and to go a long distant trip without the consensus of such employee in the following circumstances:
- a) where the employee is reaching her seventh month of pregnancy; or when working in mountainous, remote, border and island areas, her sixth month of pregnancy;
- b) where the employee is nursing a child under 12 months of age.
- 2. Female employee who is pregnant or rearing kid(s) under 12 months old, performs heavy work, work under the list of work defined in Clause 1, Article 143 of this Code, shall be transfered by

the employer to perform lighter work without any deduction in term of wage, benefits, rights and interests in certain period of time.

- 3. The employer must not dismiss a female employee or unilaterally terminate the employment contract of a female employee due to the employee's marriage, pregnancy, maternity leave, or her nursing a child under 12 months of age, except when the employer, who is an individual, dies, or is declared by the court as having lost the capacity of civil acts, as missing or dead, or the employer, who is not individual, ceases its business operation.
- 4. During her menstruation period, a female employee shall be entitled to a 30 minute break in every working day; a female employee nursing a child under 12 months of age shall be entitled to 60 minutes breaks in every working day with full wage as stipulated in the employment contract. The female employees shall choose approriate time for such entitled breaks but must inform the employers in advance.

# Article 139. The rights of female pregnant employees to unilaterally terminate or suspend the employment contract

Where an employee is pregnant and obtains a medical certificate from a competent health care institution, which states that if the employee continues to work, it may adversely affect her pregnancy, the employee shall have the right to unilaterally terminate the employment contract, or to temporarily suspend the employment contract. The period of advance notice that the female employee must give to the employer shall depend on the period prescribed by the competent health care facility.

#### Article 140. Maternity leave

1. A female employee is entitled to 06 months of prenatal and postnatal leave. In case of a multiple birth, the leave shall be extended by 01 month for each child, counting from the second child.

Prenatal leave should not be longer than 02 months.

- 2. During maternity leave, the female employee is entitled to maternity benefits as regulated in the Law on Social Insurance.
- 3. After the maternity leave as stipulated in Clause 1 of this Article expires, if so demanded, the female employee may be granted an additional leave without pay under terms agreed upon with the employer.
- 4. The female employee may return to work before the expiry of her statutory maternity leave as stipulated in Clause 1 of this Article, if so demanded and is agreed by the employer, provided that the female employee has taken at least 04 months of prenatal and postnatal leave and she obtains a medical certificate from a competent health care institution which affirms that the early resumption of work does not adversely affect her health.

In this case, besides the wage of the working days, paid by the employer, the female employee shall continue to receive the maternity allowance, in accordance with the Social Insurance Law.

5. A male employee is entitled to take maternity leave when his wife gives birth and gets social insurance allowance in accordance with law on social insurance.

#### Article 141. Employment security for female employees after maternity leave

A female employee shall be guaranteed to be reinstated to her previous work when she returns to work after the maternity leave as prescribed in Clauses 1 and 3 of Article 140 of this Code without having reduced rights, interests and working conditions in comparison with the time before her maternity leave. In case the previous work is no longer available, the employer must arrange other work for the employee with a wage of not lower than the wage she received prior to the maternity leave.

#### Article 142. Allowances for leave for the care of sick children, pregnancy checkups, and implementation of contraceptive methods

When a female employee takes leave from work for pregnancy check-up, miscarriage, abortion, dead fetus in womb, implementation of contraceptive or sterilization methods, taking care of a sick child who is under 07 years of age or for nursing an adopted child under 06 months of age, the employee is entitled to social insurance allowance in accordance with the law on social insurance.

### Article 143. Work affecting to child-bearing and parenting functions of employees

- 1. Work that is harmful to child-bearing and parenting functions according to Government's regulations.
- 2. Employer must provide adequately informtion and protective measures for employees when employing them to perform works in the list of work defined in Clause 1 of this Article.

# CHAPTER XI SEPARATE PROVISIONS CONCERNING MINOR EMPLOYEES AND CERTAIN TYPES OF EMPLOYEES

#### Section 1 MINOR EMPLOYEES

#### Article 144. Minor employees

A minor employee is an employee under 18 years of age.

#### **Article 145. Employment of minors**

- 1. Employer shall only employ a minor employee in work suitable to the health of the minor employee in order to ensure his/her physical, mental and personality development, and shall have the responsibility to take care of the minor employee in regard to his/her work, wage, health and study in the course of his/her employment.
- 2. When an employer employs a minor employee, the employer must have a separate record which writes in full of his/her name, date of birth, the work assigned, results of periodical health check-ups, and shall be presented at the request of the competent authority.
- 3. The employer shall create opportunities for minor employees to participate in occupational education and training in purpose of improving their occupational skills.

#### Article 146. Employment of workers under the age of 15

- 1. An employer is not entitled to recruit and employ employee who is under 13 years of age, except for the following work:
- a) for work related to arts, such as: dancing, singing, circus, acting in films and on stages (drama, tuồng (classical drama), chèo (traditional operetta), cải lương (reformed theatre)), puppetry (except in water-puppetry);
- b) as gifted athlete in sports (excluding weight-lifting, and hammer-throwing).
- 2. An employer is entitled to recruit and employ person who is from enough 13 years of age to under 15 years of age for light work in accordance with a regulatory list provided by Minister of the Ministry of Labour-Invalids and Social Affairs.

- 3. When employing persons who are under 15 years of age, the employer must comply with the following regulations:
- a) Sign the employment contract in writing with the legal representative of workers and in consent of workers who are under 15 years of age;
- b) Arrange the working hours so as not to affect the school hours of the persons who are under 15 years of age;
- c) Have a health check-up result produced by a competent health care institution to certify that his/her health is suitable to the requirements of the work; organize health check-ups every six month during the employment;
- d) Ensure that the working conditions, occupational safety and health are suitable to his/her age;

#### Article 147. Working hours of minor employees

1. The working hours of persons under 13 years of age shall not exceed 01 hours per day or 05 hours per week.

The working hours of persons from enough 13 years of age to under 15 years of ages shall not exceed 04 hours per day or 20 hours per week.

The working hours of persons from enough 15 years of age to under 18 years of ages shall not exceed 08 hours per day and 40 hours per week.

2. Persons from enough 15 years of age to under 18 years of age can undertake overtime work and night work in a certain jobs and work stipulated by Minister of the Ministry of Labour-Invalids and Social Affairs.

#### Article 148. Prohibited work and workplaces for minor employees

- 1. It's prohibited to employ minor employees to perform the following work:
- a) Producing and trading alcohol beverages, beers, liquors, cigarettes, psychoactive substances, or addictive drugs
- b) Producing, using or transporting chemicals, gases or explosives
- c) Carrying out maintenance for equipment and machines
- d) Demolishing construction works
- dd) Boiling, blowing, casting, rolling, stamping, welding metal
- e) Scuba diving in the sea, offshore fishing
- g) Heavy, hazardous or dangerous work, or other work that could damage the health, safety, or ethics of the minor employees
- 2. It's prohibited to employ minor employees to work at following places:
- a) Being underwater, underground, in caves, in tunnels
- b) Being in construction site
- c) Being in slaughter house
- d) Being in casino, bar, discotheque, karaoke room, hotel, motel, sauna, massage room, place(s) for video games business;
- dd) Other work places that could damage the health, safety and ethics of the minor employees.
- 3. The Ministry of Labour Invalids and Social Affairs regulates the list of work at point g, Clause 1 and point dd, Clause 2 of this Article.

### Section 2 ELDERLY EMPLOYEES

#### Article 149. Elderly employees

- 1. An elderly employee is a person who continues working after the age stipulated at Clause
- 1, Article 170 of this Code.
- 2. The elderly employee is entitled to have daily reduced working hour or work on part-time basis as agreed between two parties.

#### Article 150. Employment of elderly employees

- 1. In employment of elderly employee, two parties shall negotiate to conclude definite term employment contracts for multiple times.
- 2. In case an employee who is eligible to receive pension is employed under a new employment contract, he/she shall be entitled to wage and other rights and interests as agreed in the employment contract, in addition to the rights and benefits to which they are entitled under the pension scheme.
- 3. The employer must not employ the elderly employee in heavy or hazardous work or in work with exposure to toxic substances that adversely affect his/her health except in cases with full protection individual equipments/means.
- 4. The employer is responsible for taking care of the health of elderly employees at the workplace.

#### **Section 3**

# VIETNAMESE EMPLOYEES WORKING OVERSEAS, EMPLOYEES OF FOREIGN ORGANIZATIONS AND INDIVIDUALS IN VIETNAM AND FOREIGN EMPLOYEES WORKING IN VIETNAM

# Article 151. Vietnamese employees working overseas, employees of foreign organizations and individuals in Viet Nam

- 1. The State shall encourage enterprises, agencies, organizations, and individuals to seek and expand the labour market for Vietnamese employees to work overseas.
- Vietnamese employees working abroad must comply with the law of Vietnam and the law of the destination country except where an international convention to which Vietnam is a signatory provides differently.
- 2. Vietnamese citizens working in foreign enterprises in Vietnam, in industrial zones, economic zones, processing zones, in foreign or international agencies and organization in Vietnam, or working for individuals who are foreign citizens in Vietnam, shall comply with the law of Vietnam, and shall be protected by law.

The Government will provide regulations on the recruitment and management of Vietnamese workers working for foreign organizations and individuals in Vietnam.

#### Article 152. Foreign employees working in Vietnam

- 1. A foreign employee working in Vietnam is a person who has foreign nationality, is 18 full years of age, and:
- a) Has qualifications, working experiences and suitable health according to regulation of Ministry of Health;
- b) Not being conviceted with unspent offences/convictions; not an offender or subjected to criminal prosecution in accordance to laws of foreign countries or Vietnamese laws.
- c) Obtains a work permit granted by the competent authority of Vietnam.
- 2. Foreign employees working in Vietnam shall comply with the labour law of Vietnam, international conventions and treaties, to which Vietnam is a signatory and provide differently. Foreign workers in Vietnam shall be protected by Vietnamese law.

### Article 153. Conditions for recruitment and employment of foreign employees working in Viet Nam

- 1. Enterprises, agencies, organizations, individuals and contractors shall be entitled to employing foreign workers in the positions of managers, executive directors, specialists and technical workers, in which Vietnamese workers cannot meet the demands of production and trade.
- 2. Before recruiting and employing foreign employees to work in Viet Nam, enterprises, agencies, organizations and individuals are required to justify its need of employment and to obtain written approval from a competent State authority.
- 3. Contractors, before recruiting and employing foreign workers to work in Vietnam, are required to enumerate all positions and corresponding professional qualifications and experience requirements for those positions and duration of employment for foreign workers to conduct the contracting work and to obtain a written approval from the competent state authority.

#### Article 154. Work permits

- 1. A foreign employee shall present his/her work permit when required by a competent state authority.
- 2. Any foreign employee working in Viet Nam without a work permit must exist or shall be forced to exit or deported from Viet Nam's territory as regulated by the Law on foreigners' entry into, exit from, transit through, and residence in Viet Nam.
- 3. An employer who hires a foreign employee without a work permit shall be sanctioned as regulated by the law.

#### Article 155. Work permit exemption for foreign citizens working in Vietnam

- 1. A foreign citizen who is an owner or a capital contributing member with capital value reaching the minimum threshold of 01 billion Viet Nam Dong of a limited liability company.
- 2. A foreign citizen who is the Chair-person of the Board of Directors or member of Board of Directors with capital contributing value reaching the minimum threshold of 01 billion Viet Nam Dong of a joint stock company;
- 3. A foreign citizen who is the head of a representative office, a Project director or a main responsible person of international organizations or of foreign non-governmental organizations in Vietnam.
- 4. A foreign citizen who enters Vietnam for duration of less than 03 months to undertake marketing for a service.
- 5. A foreign citizen who enters Vietnam for a duration of less than 03 months to resolve complicated technical or technological problems which pose risks of affecting production and business activities, and which cannot be resolved by Vietnamese experts and foreign experts currently in Vietnam.
- 6. A foreign lawyer who is granted with a professional certificate in Vietnam in accordance with the Law on Lawyer.
- 7. In accordance with international conventions and treaties of which the Socialist Republic of Vietnam is a signatory.
- 8. A foreign employee who gets married to a Vietnamese spouse and live in Viet Nam.
- 8. Other circumstances as regulated by the Government

#### Article 156. Validity period of work permit

The validity period of a work permit shall be no longer than 02 years; in case of extension, the validity period of work permit shall be extended one time with maximum duration of 02 years.

#### Article 157. Cases in which the validity of the work permit is nullified

- 1. The work permit expires.
- 2. The employment contract is terminated.
- 3. The contents of an employment contract are inconsistent with the contents of the work permit that is granted.
- 4. The contract in the field of economics, trade, finance, banking, insurance, science and technology, culture, sports, education or medicine expires or is terminated.
- 5. There is a notice in writing by the foreign partner which terminates the employment of the foreign citizens in Vietnam.
- 6. The Vietnamese enterprise, organization, or partner, or foreign non-governmental organization that terminated its operation in Vietnam.

#### Article 158. Granting, re-granting, renewing work permits

The Government shall specify the conditions for granting, re-granting, renewing and certifying persons who are not eligible of work permits for foreigners working in Viet Nam.

### Section 4 WORKERS WITH DISABILITIES

#### Article 159. State policies for workers with disabilities

- l. The State shall protect the rights to work and to self-employment of workers with disabilities, adopt policies to encourage and provide incentives for employers to create work for and to employ workers with disabilities in accordance with the Law on People with Disabilities.
- 2. The Government shall provide policies on preferential loans from the National Employment Fund for employers who employ workers with disabilities.

#### Article 160. Employment of workers with disabilities

- 1. Employers shall provide reasonable accommodation with respect to working conditions, working tools, and occupational safety and health measures, which are suitable for workers with disabilities.
- 2. Employers must consult with workers with disabilities before deciding on matters of relevance to the rights and interests of the workers with disabilities.

#### Article 161. Prohibited acts in employment of workers with disabilities

- 1. It is prohibited to employ workers with disabilities with at least a 51% reduction in their ability to work to perform overtime work and night work without their agreement.
- 2. It is prohibited to employ a worker with disabilities to perform heavy or hazardous work, or work with exposure to toxic substances as stipulated by the list issued by the Minister of Labour, Invalids and Social Affairs without his/her agreement after being provided sufficient information about the work by the employer.

### Section 5 DOMESTIC WORKERS

#### Article 162. Domestic workers

1. A domestic worker is a worker who regularly carries out domestic work for one or more than one households.

Domestic work includes cooking, housekeeping, babysitting, nursing, caring for elders, driving, gardening, and other work for a household which is not related to commercial activities.

2. This Code does not apply to persons who perform domestic work in the form of piecework.

#### Article 163. Employment contracts for domestic workers

- 1. An employer shall enter into a written employment contract with a domestic worker.
- 2. The duration of the employment contract for the domestic worker is negotiated by both parties. Either party has the right to terminate the employment contract at any time provided that an advance notice of 15 days is given.
- 3. The employment contract must be agreed on by both parties and clearly specify the form of wage payment and the terms of payment, daily working hours and accommodation.

#### Article 164. Obligations of employers

- 1. Fully implement the agreement as indicated in the employment contract.
- 2. Pay the domestic worker an amount of his/her social insurance and health insurance premiums in accordance with the law, for the domestic worker to manage insurance by themselves.
- 3. Respect the honour and dignity of the domestic worker.
- 4. Provide clean and hygienic accommodation and dining place for the domestic worker, where there is such an agreement.
- 5. Create opportunities for the domestic worker to participate in educational and occupational training.
- 6. Cover the cost of the travel expenses for the domestic worker to return to their place of residence at the end of his/her service, except in cases where the domestic worker terminates the employment contract before its expiry date.

#### Article 165. Obligations of domestic workers

- 1. Fully implement the agreement signed by both parties in the employment contract.
- 2. Pay compensation in accordance with the agreement or in accordance with the law in cases of loss of or damage to the employer's assets and property.
- 3. Promptly notify the employer about risks and dangers of accident, health, life and property of the employer's family and his/her self.
- 4. Report to the competent authority if the employer commits acts of mistreating, sexual harassment, and extracting forced labour or other acts against the law.

#### Article 166. Prohibited acts of employers

- 1. Mistreating, sexually harassing, extracting forced labour, and using force or violence against the domestic worker.
- 2. Assigning work to the domestic worker which is inconsistent with the employment contract.
- 3. Keeping personal papers of the domestic worker.

Section 6
OTHER TYPES OF WORKERS

#### Article 167. Workers in the fields of arts and sports

Appropriate regulations relating to the vocational training age, employment contract, working hours and rest periods, wage, allowance, bonus, occupational safety and health as stipulated by the Government shall be applied to persons who work in the fields of arts and sports.

#### Article 168. Employees performing work at home

- 1. An employee may negotiate with an employer to perform regular work at home.
- 2. The employee who performs home- based work in the form of processing is not under the scope of application of this Code.

#### CHAPTER XII SOCIAL INSURANCE

# Article 169. Participation in social insurance, health insurance and unemployment insurance schemes

- 1. Employers and employees shall participate in compulsory social insurance, health insurance and unemployment insurance schemes, and enjoy the benefits in accordance with provisions of the law on social insurance, unemployment insurance and health insurance. The employer and the employee are encouraged to implement other supplementary social insurance schemes for employees.
- 2. The employer shall not be required to pay wage for an employee when the employee is on leave and receiving a social insurance benefit, except for the circumstance where other agreement exists.
- 3. Where the employee who is not covered by compulsory social insurance, health insurance or unemployment insurance schemes, the employer is responsible for paying, at the same time, an amount which is equivalent to the employer's contribution rate of compulsory social insurance, health insurance, unemployment insurance schemes in accordance with provisions of the law on social insurance, health insurance and unemployment insurance, and annual leave payment in accordance with the regulations.

#### Article 170. Age of retirement

1. Workers, who meet the condition of qualified period for paying social insurance premiums, as prescribed by the law on social insurance, shall receive an old-age pension at their age of retirement.

#### Option 1:

Starting from 01 January 2021, age of retirement of employees working in normal working conditions shall be at 60 years and 03 months of age for male employees, and 55 years and 04 months of age for female employees; then the age of retirement shall increase by 03 months per year for male employees and by 04 months per year for female employees until the male employees reach 62 years of age and female employees reach 60 years of age.

#### Option 2:

Starting from 01 January 2021, age of retirement of employees working in normal working conditions shall be at 60 years and 04 months of age for male employees, and 55 years and 06 months of age for female employees; then the age of retirement shall increase by 04 months per year for male employees and by 06 months per year for female employees until the male employees reach 62 years of age and female employees reach 60 years of age.

- 2. Workers whose ability to work has been reduced; or who undertake heavy, hazardous or harmful work; undertake heavy, hazardous or harmful work; perform a number of work of other typical features, shall be entitle to retire at a younger age, but shall not be 5 years earlier than the age stipulated in Clause 1 of this Article at the time of retirement.
- 3. Workers who obtain high technical qualifications or who hold management positions or those in other special circumstances shall be entitled to retire at a older age, but shall not be 5 years higher than the age as stipulated in Clause 1 of this Article at the time of retirement.
- 4. The Government shall provide detailed regulations for this Article.

### CHAPTER XIII WORKERS' REPRESENTATIVE ORGANIZATION(S)

#### Article 171. Workers' representative organizations at grassroots level

Workers' representative organizations at grassroots level include grassroots trade union established in accordance with legal regulation of Trade Union Law and workers' organization established in accordance with legal regulations of this Code. Workers' representative organizations established in accordance with legal regulations of Trade Union Law and of this Code shall have equal rights and obligations in representing and protecting lawful rights and legitimate interests of employees in labour relations.

### Article 172. Establishment of workers' representative organizations at grassroots level

- 1. Employees shall have rights to establish, join workers' representative organization(s) at grassroots level and participate in its activities. Workers' representative organization(s) at grassroots level is considered as legally established and in lawful operation after it affiliates to system of Viet Nam General Confederation of Labour or it is granted a registration by a competent State agency.
- a) In case where establishment and affiliation to system of Viet Nam General Confederation of Labour take place, trade union shall have competence to issue establishment or recognition decision within 05 working days from the date of completing the affiliation procedures, and send to state agency in charge of labour administration the establishment decision and recognition decision, number of members and list of grassroots trade union executive committee members.
- b) In case where registration is made with competent State agency, the representative(s) of workers' representative organization must submit a registration dossier to the competent State agency in line with the laws.
- 2. Registration of workers' representative organization at grassroots level shall be revoked in cases where such organizations violate mandate and purpose of organisations defined in Article 174 of this Code or the undertaking ceases its operation or existence of workers' representative organizations at grassroots level is ended as result of unification, mergence, separation, segregation or dissolution of workers' representative organization(s);
- 3. The Government shall regulate in detail and guide the implementation of Articles 172, 173 and 174 of this Code in term of registration dossier, procedures and issuance of registration, revocation of registration and rights to associate of grassroots workers' representative organizations to form upper-level workers' representative organization.

# Article 173. Board of leaders, head and members of workers' representative organizations at grassroots level

- 1. At the time of registration, the workers' representative organizations at grassroots level must gain the minimum threshold of membership who are workers working for the undertaking as defined in regulations of the Government.
- 2. Members of the elected leadership board of the workers' representative organizations at grassroots level are Vietnamese employees who are working/work at the undertaking.
- 3. The members of the elected leadership board of the workers' representative organizations at grassroots level shall be the ones that are not in the period of executing the punishment or whose recorded unspent offences have not been released due to committing any crimes against national security; crimes against freedom of human beings, crimes of infringement upon citizens' democratic freedom; crimes against ownership rights in accordance with regulations stipulated in the Penal Code.

### Article 174. Constitution of workers' representative organizations at grassroots level

Constitution of workers' representative organizations at grassroots level shall comprise the following main content:

- 1. Name and address of organization
- 2. Mandate, purposes and scope of organization

Mandate, purposes and scope of workers' representative organizations at grassroots level must meet the following requirements:

- a) Mandate, purposes and scope of organization are to protect its members' lawful rights and promote its members' legitimate interests in labour relations at grassroots level; to resolve issues, with employers, relating to rights, obligations and interests of employees and employers; to establish a harmonious, stable labour relations through collective bargaining or other representative mechanisms regulated by law.
- b) Workers' representative organization at grassroots level, following the registration process defined in this Code, shall not be an organisation operating with political purpose.
- 3. Requirements and formalities for employees to join and leave workers' representative organizations at grassroots level

Workers' representative organizations at grassroots level shall not comprise both rank-and-file employees and employees representing interests of employers as members at the same time. Employees representing interests of employers are the persons who have rights to engage in decision-making process of recruitment, labour discipline, transfer and termination of employment contract and working conditions of employees;

4. Organisational structure, term of office, representatives of organization.

Representative of workers' representative organizations at grassroots level shall be the leader of organization or other person elected in accordance with regulation set in the constitution of organization;

5. Principles of organizing, operating and endorsing decisions of organization.

Organizing and operation of workers' representative organizations at grassroots level shall undertake the following principles:

- a) Compliance to National Constitution, laws and constitution of organisation;
- b) Voluntariness and self- management;
- c) Democracy and transparency;
- 6. The following contents shall be decided by majority of members.
- a) Adoption, amendment and revision of constitution;
- b) Election, dismissal against leaders and Board of Leaders of organization;
- c) Unification, mergence, separation, segreagation and dissolution of organization.
- 7. Membership fees, property, finance and its usage and management of organization.

The financial collection and expenditure of workers' representative organizations at grassroots level must be monitored, documented and annually published to members of organization.

- 8. Complaints and internal resolutions for complaints;
- 9. Other contents which are not against legal regulations.

# Article 175. Prohibited acts for employers relating to establishment, joining and operation of workers' representative organizations

- 1. Discriminating against employees and officials of workers' representative organizations for the reason of establishment, joining and operation of workers' representative organizations including:
- a) Requesting employees of joining or not joining or leaving workers' representative organizations as a requirement for their recruitment or extension of employment contracts;
- b) Dismissing, disciplining, unilaterally terminating employment contracts, not extending employment contracts or transferring employees to perform other jobs due to their actions relating to formation, joining and participation in activities of workers' representative organizations;
- c) Discrimination in wages, working hours and other rights and obligations, in the extent of labour relations, against employees or officials of workers' representative organizations;
- d) Creating obstacles and difficulties relating to employment of employees and officials of workers' representative organizations in order to weaken (undermine) activities of workers' representative organizations.
- 2. Interfering and manipulating in the process of establishment, election, development of work plan and implementation of activities of workers' representative organizations, including financial support or using economic measures, to undermine the functioning and performance of workers' representative organizations in their representative roles.

#### Article 176. Rights of officials of workers' representative organizations

1. To meet employees at workplace when they perform tasks of workers' representative organizations. It must be ensured that the performing such tasks shall not affect to normal operation of employers.

- 2. To meet employers to perform tasks representing workers' representative organizations.
- 3. To dispose their time to perform missions of workers' representative organizations and to have paid amount time by employers. The total working time of all officials of workers' representative organizations regulating in this Article is membership-based, specifically:
- a) In case where organization has less than 100 members, at least 24 working hours per month should be allocated;
- b) In case where organization has from 100 up to 5000 members, in addition to statutory time in point a, clause 3 of this Article, total working time of all officials of workers' representative organizations shall increase at least 24 working hours for every 100 member;
- c) In case where organization has more than 5000 members, in addition to statutory time in point a, clause 3 of this Article, total working time of all officials of workers' representative organizations shall increase at least 24 working hours for every 500 members;
- d) Workers' representative organizations and employers shall negotiate to increase the time in addition to statutory time in point a, b, c, clause 3 of this Article and to arrange time disposition for officials of workers' representative organizations in a proper and realistic manner.
- 4. To be provided with guarantees in labour relations and in accordance with their representative functions regulated in Trade Unions Law.

#### Article 177. Obligations of employers

- 1. To create no obstructions and difficulties when employees conduct lawful activities to form, join workers' representative organizations and participate in their operation;
- 2. To recognize and respect rights of legally established workers' representative organizations;
- 3. To reach written agreements with Executive Committee of grassroots trade union and Board of Leaders of workers' representative organizations in case where employers unilaterally terminate employment contracts or transfer employees to perform other jobs or apply disciplinary measure of dismissal to employees who are elected officers of workers' representative organizations. In case where agreements are unreachable, two parties shall report to State agency on labour administration at provincial level. After 30 days from the date of reporting to provincial State agency, employers shall be entitled to decide and be responsible for their decisions. If dissent with the decision of employers, then employees and Executive Committee of grassroots trade union or Board of Leaders of workers' representative organization and employees shall be empowered to request labour dispute resolution in line with formalities and procedures regulated in laws.
- 4. To perform other obligations of employers in accordance with legal regulations of Trade Union Law and this Code.

#### Article 178. Rights of workers' representative organizations in labour relations

- 1. To conduct collective bargaining with employers in accordance with legal regulation of this Code;
- 2. To participate in dialogue and consultation at workplace in accordance with regulations of this Labour Code;
- 3. To provide inputs in developing wage scale and wage table, labour norms, payment and bonus regulation, internal working regulation and to monitor the implementation; to consult on issues relating rights and interests of employees who are their members;
- 4. To represent employees in labour dispute and complaint resolution upon authorization of employees;
- 5. To organize and lead strikes;
- 6. To receive technical support of legally-operated agencies and organizations in Viet Nam in order to understand labour laws, formalities and procedures for establishment of workers'

representative organizations and performance of its representative activities in industrial relations after establishment

- 7. To be provided, by employers, with a workspace, information, and guarantees for necessary conditions for operation of workers' representative organizations.
- 8. To be entitled to other rights in line with legal regulations.

### CHAPTER XIV RESOLUTION OF LABOUR DISPUTES

### Section 1 GENERAL PROVISIONS FOR THE RESOLUTION OF LABOUR DISPUTES

#### Article 179. Labour disputes

- 1. A labour dispute is a dispute on rights, obligations or interests that arises among the parties in the process of establishing, implementing or terminating labour relations, or among worker's representative organizations; and disputes arising from relations that are directly related to labour relations. The labour disputes may be categorized as follows:
- a) Individual labour disputes between an employee and an employer; between employee and enterprise, agency that send the employee to work oversea based on contract; between dispatched workers and hiring party (who uses dispatched workers).
- b) Right-based or interest-based collective labour disputes between one or several worker's representative organizations and an employer or one or more employers' organization(s);
- c) Disputes among worker's representative organizations on the level of representativeness and the right to collective bargaining.
- 2. A right-based collective labour dispute is a dispute between one or several worker's representative organizations and an employer or one or more employers' organization(s) which arises out of the following:
- a) Difference in the interpretation or implementation of the terms and conditions in collective bargaining agreements, internal work rules, regulations or other lawful agreements;
- b) Difference in the interpretation or implementation of labour legislation;
- c) When an employer engages in an act of discrimination against employees and officials of workers' representative organizations based on the reason of establishing and joining workers' representative organizations and performing workers' representative organizations activities; or in an act of intervention or manipulation against workers' representative organizations; or failure to comply with the obligation to negotiate in good faith.
- 3. An interest-based labour dispute is a labour dispute that arises during the process of collective bargaining in order to establish working and employment conditions; rights and obligations of parties in labour relations.

#### Article 180. Principles on resolution of labour disputes

- 1. Respect for the right of the parties to self-determination via negotiation throughout the dispute resolution process;
- 2. Emphasis on labour dispute resolution via mediation and arbitration on the basis of respects for the rights and interests of both disputing parties, respect for the public interest, and compliance with the law;
- 3. Transparency, disclosure, objectivity, timeliness, expedition and compliance;
- 4. Involvement of the representatives of the disputing parties during the dispute resolution process;

5. The resolution of labour disputes shall be carried out by the agencies, organizations and individuals competent to resolve labour disputes upon request from the disputing parties, or upon request from competent agencies, organizations and individuals and agreed by the disputing parties.

## Article 181. Responsibilities of agencies, organizations in supporting for labour disputes resolution

- 1. State labour management agencies shall be responsible for collaborating with workers' representative organization(s), employers' representative organizations by guiding, supporting and assisting involved parties in labour disputes resolution.
- 2. The Ministry of Labour-Invalids and Social Affairs shall organize training to improve the professional capacity of labour mediators and arbitrators for labour dispute resolution.
- 3. The Department of Labour-Invalids and Social Affairs is the focal point to receive the request for labour disputes settlement, has the responsibility to classify, provide guidance and support to the parties in the labour disputes resolution.

#### Article 182. Rights and obligations of the two parties in labour dispute resolution

- 1. during the labour dispute resolution process the two disputing parties have the rights to:
- a) Participate directly or through a representative in the labour dispute resolution process;
- b) Withdraw the petition or change the contents of the request;
- c) Request for a change of the person assigned to resolves the labour dispute where there is reason to believe that the said person may not be impartial or objective in dealing with the case.
- 2. During the labour dispute settlement process, the two parties have the responsibilities to:
- a) Promptly and adequately provide documents and evidence to support his/her request;
- b) Abide by the agreement, judgment, or decision which has come into effect.

### Article 183. Rights of agencies, organizations and individuals who are competent in labour dispute resolution

The agencies, organizations or individuals who are competent in resolving labour disputes shall, within their mandates, have the rights to request the disputing parties, relevant agencies, organizations or individuals to provide documents and evidence; request verification; and invite witnesses and other relevant persons.

#### Article 184. Labour mediators

- 1. A labour mediator shall be a person appointed by the provincial-level labour authority on the basis of a request submitted by the labour authority at district, town and city level for the purpose of mediating disputes on labour affairs and on vocational training contracts.
- 2. The government shall provide in detail for the criteria, procedures and formalities for the appointment of the labour mediators and the management of labour mediators; competence, procedures and formalities to nominate the labour mediators for the purpose of mediating disputes on labour affairs and on vocational training contracts..

#### Article 185. Labour Arbitration Council

- 1. The Chair-person of the provincial-level People's Committee shall make decision on the establishment of the Labour Arbitration Council, appoint its Chair-person, a Secretary and other members/arbitrators. The working term of the labour arbitration council is 5 years.
- 2. The number of arbitrators of Labour Arbitration Council will be decided by Chair-person of provincial People's Committee, consisting of at least 15 members, including equal proportions nominated by each party, specifically:
- a) Minimum of 5 members nominated by Department of Labour-Invalids and Social Affairs at provincial level, of which the Council Chair-person is a leadership position from the provincial-level Department of Labour-Invalids Social Affairs and the Secretary is a staff of the provincial-level Department of Labour-Invalids Social Affairs;
- b) Minimum of 5 members nominated by the provincial-level federation of labour;
- c) Minimum of 5 members nominated by employer's organizations;
- 3. Criteria and working mechanism of labour arbitrators are provided for as follows:
- a) Labour arbitrators shall be persons who have knowledge of laws, experiences in labour relations, credibility and impartiality.
- b) When nominating labour arbitrators as stipulated in Clause 2 of this Article, Department of Labour-Invalids and Social Affairs, Federation of Labour at centrally-administered provinces and cities and employers' representative organization shall be able to nominate their officials or other persons who are eligible experts meeting the criteria of labour arbitrators in accordance with regulations.
- c) The Secretary of the Labour Arbitration Council shall work full time to implement regular tasks of the Council. Arbitrators shall work on full time or part time basis.
- 4. Upon a request for labour dispute resolution in accordance with Articles 189, 193 and 197 of this Code, an arbitration panel consisting of 3 arbitrators selected among the Council's arbitrators shall be established for the purpose of resolving the concerned dispute. The selection of arbitrators of the arbitration panel shall be provided for as follows:
- a) Representative of each disputing party shall select one out of in the lists of arbitrators.
- b) Chair-person of the Labour Arbitration Council shall nominate one of arbitrators nominated by Department of Labour-Invalids and Social Affairs at provincial level as Chair-person of the arbitration panel.
- 5. The Arbitration Panel shall operate on the rule of majority. Award of the arbitration panel shall be the final judgment. Provisions of Law on Implementation of Civil Court Decisions related to the implementation of awards of commercial arbitrators shall be applied for the implementation of the awards of Labour Arbitration Panel.
- 6. The government shall provide in detail for the criteria, conditions, and procedures for the appointment of arbitrators; the organization and operation of the Labour Arbitration Council; and the establishment, organization and operation of the Arbitration Panel as specified at this Article

# Article 186. Prohibition of unilateral action during the process of resolving labour disputes

While the labour disputes are being resolved by competent agencies, organizations and individuals within the duration as regulated by this Code, no party shall be permitted to conduct unilateral action against the other party.

# Section 2 COMPETENCE AND PROCEDURES FOR THE RESOLUTION OF INDIVIDUAL LABOUR DISPUTES

Article 187. Compentence for the resolution of individual labour disputes

Agencies, organizations and individuals who are competent to resolve individual labour disputes shall include:

- 1. The Labour Mediator;
- 2. The Labour Arbitration Council;
- 3. The People's Court.

### Article 188. Procedures for the resolution of individual labour disputes by labour mediator

- 1. Individual labour disputes must be resolved via mediation of labour mediators before requesting for the resolution of Labour Arbitration Council or People's Court, except for the following cases which mediation procedures shall not be required:
- a) Disciplinary action by form of dismissal or dispute on the case of employment contract being unilaterally terminated;
- b) Compensation of loss and allowance in case of terminating employment contract;
- c) Dispute between domestic workers and employer;
- d) Social insurance in accordance with provisions of law on social insurance and health insurance in accordance with provisions of law on health insurance;
- đ) Compensation of loss between employees and enterprises and/or administrative agencies that send the employees to work overseas by employment contract.
- e) Between the dispatched worker(s) and the hiring party (the ones using dispatched workers)
- 2. Within 5 working days from the date of receiving request, the labour mediator shall complete the mediation process.
- 3. Both disputing parties must be present at the mediation meeting. The disputing parties may authorize another person(s) to attend the mediation meeting.
- 4. The labour mediator shall be responsible to guide and support the parties in negotiation for the purpose of dispute resolution.
- a) In case where the parties can reach an agreement, the labour mediator shall produce a record of successful mediation. The record of successful mediation shall have the signatures of the disputing parties and the labour mediator.
- b) In case where the parties fail to reach an agreement, the labour mediator shall suggest a resolution option for the parties' consideration. In case where such option is accepted by both parties, the labour mediator shall produce a record of successful mediation. Such record shall have the signatures of the disputing parties and the labour mediator.
- c) In case where neither parties accept the resolution option suggested by the mediator or either party has, upon being legally convened for the second time, failed to be present without legitimate reasons, the labour mediator shall produce a record of unsuccessful mediation. Such record shall have the signature of the present disputing party(ies) and the labour mediator.
- 5. Copies of the record of successful mediation or unsuccessful mediation must be sent to the disputing parties within 1 working day from the date the record is produced.
- 6. In case where either party fails to perform as agreed in the record of successful mediation, the other party shall have the right to request the court to recognise the record of successful mediation in accordance with the provisions of the Civil Proceedings Code.
- 7. In case where mediation is not required as specified at Clause 1 of this Article or where the labour mediator fails to resolve the disputes within the time limits specified at Clause 2 of this Article or in case of unsuccessful mediation as specified point c, Clause 4 of this Article, the disputing parties shall have the right to request dispute resolution via a labour arbitration council in accordance with Article 189 of this Code or via adjudication in court in accordance with civil procedure legislation.

### Article 189. Resolution of individual labour disputes by Labour Arbitration Council

- 1. On the basis of mutual agreement, the disputing parties may request dispute resolution via a Labour Arbitration Council for cases in accordance with Clause 7, Article 188 of this Code. When the parties have requested the Labour Arbitration Council to resolve the dispute, they are not permitted to request for dispute resolution via the People's Court during the duration that the Labour Arbitration Council is resolving the dispute, except for the cases stipulated at Clause 4 or Clause 5 of this Article.
- 2. Within 7 working days from the date of receiving the request for dispute resolution as specified at Clause 1 of this Article, an Arbitration Panel as specified at Clause 4, Article 185 of this Code must be established for the purpose of dispute resolution.
- 3. Within 30 days from the date of establishing the Arbitration Panel, this Panel shall issue a judgment on dispute resolution. Such judgment must be sent to the disputing parties.
- 4. In case where the Arbitration Panel is not established within the time limits as stipulated at Clause 2 of this Article or the Arbitration Panel fails to resolve the dispute within the time limits as stipulated at Clause 3 of this Article, the parties shall have the right to request for the resolution of the dispute via adjudication in court in accordance with Civil Proceedings Code.
- 5. In case of new elements or where either party possesses evidence to deem that the Arbitration Panel has violated the arbitration procedure, either party can request resolution of the dispute via adjudication at Court.

### Article 190. Time-limits for requesting the resolution of individual labour disputes

- 1. The time-limit to request a labour mediator to resolve an individual labour dispute is 06 months from the date on which the act, which a party claims has caused the infringement of the lawful rights or interests, is detected.
- 2. The time-limit to bring an individual labour dispute to the Court is 01 year from the date of detection of the act, which a party claims that their lawful rights or interests are infringed upon.

#### **Section 3**

# COMPETENCE AND PROCEDURES FOR THE RESOLUTION OF RIGHT-BASED COLLECTIVE LABOUR DISPUTES

# Article 191. Agencies, organizations and individuals who are competent to resolve right-based collective labour disputes

Agencies, organizations and individuals who are competent to resolve right-based collective labour disputes shall include:

The Labour Mediator;

The Labour Arbitration Council;

The People's Court.

2. Right-based collective labour disputes must be resolved via mediation procedures of labour mediators before requesting for the resolution by Labour Arbitration Council or People's Court

# Article 192. Procedures and formalities for the resolution of right-based collective labour disputes

- 1. Procedures for the mediation of right-based collective labour disputes shall be implemented in accordance with Clauses 2, 3, 4, 5 and 6 of Article 188 of this Code.
- 2. In case of unsuccessful mediation or where the labour mediator where the labour mediator fail to commence the process within the time limits specified at Clause 2 of Article 188 of this Code, the disputing parties shall have the right to choose to have their disputes resolved via any of the following measures:
- a) Resolution via a Labour Arbitration Council in accordance with Article 193 of this Code;
- b) Request for adjudication in the People's Court in accordance with provisions of the Civil Proceedings Code;
- c) With respect to the cases specified at Clause 1 Article 199 of this Code, the worker's representative organizations at the grassroots level shall have the right to initiate the procedures prescribed at Articles 200, 201 and 202 of this Code for strike.

### Article 193. Resolution of right-based collective labour disputes by Labour Arbitration Council

1.

The disputing parties shall have the right to request dispute resolution via a Labour Arbitration Council for cases in accordance with point a, Clause 2, Article 192 of this Code. In particular:

- a) With respect to the right-based collective labour disputes specified at point a, Clause 2, Article 179, the Labour Arbitration Council shall resolve the case only upon request from both disputing parties.
- b) With respect to the right-based collective labour disputes specified at points b and c, Clause
- 2, Article 179, either party can request dispute resolution via a Labour Arbitration Council.
- 2. Within 7 working days from the date of receiving the request for dispute resolution as specified at Clause 1 of this Article, a Labour Arbitration Panel as specified at Clause 4, Article 185 of this Code must be established for the purpose of dispute resolution.
- 3. Within 30 days from the date of its establishment, the Arbitration Panel shall, based on the provisions of labour legislation, relevant collective bargaining agreements, and registered internal work rules, and other lawful regulations and agreements, issue a judgment on dispute resolution. In particular:
- a) With respects to the disputes specified at point a, Clause 2, Article 179, the Panel shall issue a decision on dispute resolution. Such decision shall be final judgment and shall be sent to the disputing parties.
- b) With respect to the disputes specified at points b and c, Clause 2, Article 179, which arise from acts in breach of the law by either of the disputing parties, the Panel shall, depending on the nature and extent of such acts, produce a record of violation and make recommendation accordingly to the authority competent for administrative sanctions, criminal investigation, remedial measures or restitution in accordance with the law.
- 4. In case where the parties choose to have their disputes revolved via arbitration in accordance with this Article, the parties shall not request for the resolution of the People's Court and the worker's representative organizations must not carry out a strike during the arbitration process, except for cases as stipulated at Clause 5 and Clause 6 of this Article.

  5. In the cases where the Arbitration Panel is not established within time limits specified at Clause 2 of this Article and where the Arbitration Panel fails to resolve the disputes within the time limit specified at Clause 3 of this Article, the disputing parties shall have the right to request for the dispute resolution via the People's Court; the worker's representative organizations as a disputing party shall have the right to initiate the procedures prescribed at Articles 200, 201 and 202 of this Code for strike in cases as stipulated at Clause 1, Article 199 of this Code.

6. In case of new elements or where either of the disputing parties possess evidence to deem that the Arbitration Panel has violated the arbitration procedures, either of the parties may request dispute resolution via adjudication in People's Court.

# Article 194. Time-limits for requesting resolution in right-based collective labour disputes

The time-limit to request for the resolution of a right -based collective labour dispute is 01 year from the date of detection of the act, which a party claims has infringed their lawful rights or interests.

#### **Section 4**

#### COMPETENCE AND PROCEDURES FOR THE RESOLUTION OF INTEREST-BASED COLLECTIVE LABOUR DISPUTES

#### Article 195. Individuals and organizations who are competent to resolve interestbased collective labour disputes

- 1. Individuals and organizations who are competent to resolve interest-based collective labour disputes shall include:
- a) The Labour Mediator;
- b) The Labour Arbitration Council.
- 2. In cases of unsuccessful collective bargaining as stipulated at points b and c, Clause 1, Article 71 of this Code, the parties to collective bargaining shall have the right to request for the dispute resolution via mediation of the labour mediators before requesting the dispute resolution by the Labour Arbitration Council or go on strike after completing procedures stipulated at Articles 200, 201 and 202 of this Code.

## Article 196. Procedures and formalities for mediation of interest-based collective labour disputes

- 1. Procedures for the mediation of interest-based collective labour disputes shall be implemented in accordance with Clauses 2, 3, 4 of Article 188 of this Code.
- 2. In case of successful mediation, a record of successful mediation shall be produced with all details that both parties reaches in agreement and signatures of those parties and labour mediator. The record of successful mediation shall be considered as a legal document as enterprise's collective bargaining agreement.
- 3. In case of unsuccessful mediation or where the labour mediator fails to commence the mediation within the time limits specified at Clause 2 of Article 188 of this Code, the disputing parties shall have the right to choose to have their disputes resolved via any of the following measures:
- a) Request for the dispute resolution via a Labour Arbitration Council in accordance with Article 197 of this Code;
- b) The worker's representative organization at grassroots level shall have the right to initiate the procedures prescribed at Articles 200, 201 and 202 of this Code to go on strikes;

### Article 197. Resolution of interest-based collective labour disputes by Labour Arbitration Council

- 1. The disputing parties shall have the right to request dispute resolution via a Labour Arbitration Council in accordance with point a, Clause 3, Article 196 of this Code.
- 2. The resolution of an interest-based collective labour dispute via Labour Arbitration Council shall be carried out only upon request from both disputing parties. In case where the disputing

parties are in the process of collective bargaining for the first time or where a labour dispute arises at an undertaking in which strikes are prohibited as prescribed at Article 209 of this Code, the request for dispute resolution via Labour Arbitration Council may be initiated by one party upon unsuccessful collective bargaining as specified at points b and c, Clause 1, Article 71 of this Code.

- 3. Within 7 working days from the date of receiving the request for dispute resolution as specified at Clause 2 of this Article, an Arbitration Panel as specified at Clause 4, Article 185 of this Code must be established for the purpose of dispute resolution.
- 4. Within 30 days from the date of its establishment, the Panel shall issue a judgment on dispute resolution. The judgment of the Panel shall be final and shall be sent to the disputing parties.
- 5. Where the parties choose to have their disputes resolved via arbitration in accordance with this Article, the worker's representative organization must not carry out a strike during the arbitration process. In case where the Arbitration Panel is not established within the time limit specified at Clause 3 or where the Arbitration Panel fails to resolve the dispute within the time limit specified at Clause 4 of this Article, the worker's representative organization as a disputing party shall have the right to initiate the procedures prescribed at Articles 200, 201 and 202 of this Code for strike.

#### Section 5 STRIKES

#### Article 198. Strikes

- 1. A strike is a temporary, voluntary and organized stoppage of work by employees in order to achieve its demands in the process of the labour dispute resolution.
- 2. Strikes are organized and led by the worker's representative organization which is a disputing party.

#### Article 199. Cases where employees shall have right to strike

- 1. The worker's representative organization at the grassroots level as a party to a right-based collective labour dispute shall have the right to initiate the procedures specified at Articles 200, 201 and 202 of this Code for strike in case where mediation is unsuccessful or mediation time limits prescribed in Clause 2 of Article 188 is expired without mediation session conducted by labour mediator; or in case where Arbitration Panel is not formed or it is formed but fails to settle the cases as stipulated in Clauses 2 and 3 of Article 193 of this Code when employers conducts any of the following unlawful acts:
- 1) Discrimination, intervention, or manipulation behaviours against worker's representative organizations as specified at Article 175 of this Code;
- 2) Refusal to engage in collective bargaining or to carry out collective bargaining within the time limits specified at Clause 1, Article 70 of this Code;
- 3) Acts in breach of the obligation to refrain from hassling, obstructing or intervening in the discussion with or solicitation of opinions from workers conducted by the worker's representative organization during the collective bargaining process as prescribed at Clause 4, Article 70 of this Code;
- 2. The worker's representative organization at the grassroots level as a party to a interest-based collective labour dispute shall have the right to initiate the procedures specified at Articles 200, 201 and 202 of this Code for strike:
- a) where mediation is unsuccessful or mediation time limits prescribed in Clause 2 of Article 188 is expired without mediation session conducted by labour mediator;

b) where Arbitration Panel is not formed or it is formed but fails to settle the cases as stipulated in Clause 5, Article 197 of this Code.

#### Article 200. Procedures for going on strike

- 1. Solicit the opinion on the strike in accordance with Article 201 of this Code;
- 2. Issue a decision of strike and a notice of strike in accordance with Article 202 of this Code;
- 3. Go on strike.

#### Article 201. Procedures for soliciting opinion on the strike

- 1. Before commencing a strike, the worker's representative organization which has the right to organize and lead a strike as prescribed at Clause 2 of Article 198 of this Code shall be responsible for soliciting the opinions of employees or opinions of members of its elected leadership.
- 2. Opinions shall be solicited on the following:
- a) Approval or disapproval of the strike;
- b) Options suggested by the worker's representative organization on the matters specified at point b, c and d of Clause 2, Article 202 of this Code.
- 3. The solicitation of opinion can be implemented by ballot or by signature.
- 4. The time, venue and method of opinion solicitation shall be determined by the worker's representative organization, and must be notified to the employer at least 1 day in advance. The solicitation must not leave adverse impacts on the normal business operation of the employer. The employer shall be obliged to refrain from hassling, obstructing or intervening in the process of opinion solicitation conducted by the worker's representative organization.

#### Article 202. Decision of strike and notice of the starting time of a strike

- 1. When over 50% of the persons whose opinions have been solicited agree with the matters of strike putting forward for opinions as prescribed at Clause 2 of Article 201 of this Code, the concerned worker's representative organization shall issue a written decision to go on strike.
- 2. The decision to go on strike must include the following issues:
- a) The result of the opinion solicitation to go on strike;
- b) The starting time and the venue for the strike;
- c) The scope of the strike;
- d) The demands of the employees;
- e) Full name and address of the representative of the worker's organization organizing and leading the strike.
- 3. At least 05 working days prior to the starting date of the strike, the worker's representative organization shall send the decision to go on strike to the employer; and simultaneously submit 01 copy to the provincial State management agency on labour.
- 4. At the starting time of the strike, if the employer does not accept the demands of the employees, the worker's representative organization shall organize and lead the strike.

#### Article 203. Rights of parties prior to and during a strike

- 1. The parties may decide to continue negotiation to resolve the concerned labour disputes, or to request the support of a labour mediator or a Labour Arbitration Council for mediation and resolution.
- 2. The worker's representative organization shall have the following rights:
- a) Withdraw the decision to go on strike if the strike has not taken place or to end the strike if it is taking place;
- b) Request the Court to declare the strike as lawful.
- 3. The employer shall have the following rights:

- a) Accept the entire demands or part of the demands, and inform in writing the worker's representative organization which organizes and leads the strike;
- b) Temporarily close the workplace during the strike due to the lack of necessary conditions to maintain the normal operations or to protect the employer's assets;
- c) Request the Court to declare the strike as illegal.

#### Article 204. Cases where strikes are illegal

- 1. Violate regulations on conditions, procedures and formalities to go on strikes in accordance with this Code:
- 2. The concerned labour disputes are being resolved by the competent agencies, organizations and individuals in accordance with the provisions of this Code;
- 3. The strike occurs in an enterprise in the List of enterprises provided for by the Government in which strike is prohibited;
- 4. The strike occurs when the decision to postpone or cancel the strike has been issued.

#### Article 205. Notice of the decision on temporary closure of the workplace

At least 03 working days before the date of temporary closure of the workplace, the employer shall publicly post the decision on the temporary closure of the workplace, at the workplace, and shall notify the following agencies and organizations:

- 1. The workers' representative organization which organizes and leads the strike;
- 2. The State management agency on labour at provincial level;
- 3. The People's Committee at district level where the enterprise headquarters is located.

#### Article 206. Cases in which the temporary closure of the workplace is prohibited

- 1. 12 hours prior to the starting time of the strike as stated in the decision to go on strike.
- 2. After the employees have stopped the strike

#### Article 207. Wages and other lawful rights of employees during strikes

- 1. Employees who do not take part in the strike but are forced to stop working due to the strike are entitled to work suspension allowance in accordance with point b Clause 2, Article 100 of this Code, as well as to other benefits as stipulated in the labour laws.
- 2. Employees who take part in the strike shall not be paid with wages and other benefits as stipulated by law, unless agreed otherwise by both parties.

#### Article 208. Prohibited acts before, during and after a strike

- 1. Obstructing employees in exercising their right to strike; inciting, inducing or forcing employees to go on strike; and preventing employees who do not take part in the strike from working.
- 2. Using violence; sabotaging machines, equipment or assets of the employer.
- 3. Violating public order and security.
- 4. Terminating employment contracts, imposing labour disciplinary measure on employees or strike leaders, or transferring employees and strike leaders to other work or other workplace due to their preparation for or involvement in the strike.
- 5. Retaliating, inflicting punishment against employees who take part in strike or against strike leaders.
- 6. Taking advantage of the strike to commit illegal acts.

#### Article 209. Cases where strikes are prohibited

- 1. Strikes shall be prohibited in undertakings where such events may threaten national defense and security, and public order and health of the citizen.
- 2. The Government shall prescribe a List of undertakings where strikes are prohibited and the resolution of labour disputes in such undertakings as specified in Clause 1 of this Article.

#### Article 210. Decisions on postponing or cancelling strikes

- 1. When deeming that a strike presents a risk of serious damage to the national economy, public interest, national defense and security, and public health and order, the Chairperson of the People's Committee at provincial level shall decide to postpone or cancel the strike and assign the competent authority and organization to deal with the strike.
- 2. The Government shall provide regulations on postponing or cancelling the strike and addressing the rights and interests of the employees.

#### Article 211. Resolution of strikes which do not follow the statutory procedures

Within 12 hours of the receipt of the notification of a strike noncompliant with Articles 200, 201 and 202 of this Code, the Chairperson of the People's Committee at district level shall direct/guide the State management agency on labour, collaborate with trade unions at the same level and other relevant agencies and organizations to directly meet with the employer and leadership representatives of the worker's representative organization at the grassroots level in order to consult and support the parties in finding a resolution to the case and in resuming the normal operation of the enterprise. In particular:

- 1. In case an act of violating legal regulations is identified, a record of the case shall be prepared, the case shall be addressed or a request shall be sent to the competent State agency to handle the individuals and organization(s) which commits such act of violating legal regulations in accordance with laws.
- 2. In terms of the labour dispute issues, depending on each type of dispute, the parties shall be provided with guidance and support to initiate procedures to resolve the labour dispute in accordance with this Code.

#### CHAPTER XV STATE MANAGEMENT OF LABOUR

#### Article 212. Areas of State management of labour

State management of labour shall comprise the following key contents:

- 1. Adopt and implement legal documents on labour.
- 2. Monitor, make statistics and provide information on the labour supply and demand, the fluctuation of the labour supply and demand; make decision on policies, plans on human resources, vocational education, vocational skills development; development of a national vocational skills and a national framework for levels of vocational training, the distribution and utilization of workers across society; regulate the list of occupations in which only workers who have undertaken vocational training or have obtained the national certificate of vocational skills can be employed;
- 3. Organize and conduct scientific research on labour, statistics and information on labour and the labour market, on the living standards, on wages and income level of employees;
- 4. Build mechanisms and institutions to support the development of sound, stable, and progressive labour relations.

- 5. Inspect, monitor, resolve complaints and denunciations, handle violations of labour law, resolve labour disputes in accordance with the law, and register and manage the operation of the workers' organization at enterprise.
- 6. Implement international cooperation in the area of labour.

#### Article 213. State management of labour

- 1. The Government shall uniformly carry out the State management of labour nationwide.
- 2. The Ministry of Labour, Invalids and Social Affairs shall be responsible before the Government for carrying out the State management of labour.

Ministries and ministerial agencies, - within their respective mandates - shall be responsible for implementing and cooperating with the Ministry of Labour, Invalids and Social Affairs in the State management of labour.

3. People's Committees at all levels shall be responsible for the State management of labour within their respective localities.

#### CHAPTER XVI LABOUR INSPECTION AND DEALING WITH VIOLATIONS OF LABOUR LAW

#### Article 214. Responsibilities of labour inspectors

The Inspectorate of Ministry of Labour, Invalids and Social Affairs and Departments of Labour, Invalids and Social Affairs shall have the following key responsibilities:

- 1. Inspect compliance with the labour law;
- 2. Investigate occupational accidents and other violations related to the occupational safety and health;
- 3. Give guidance on the implementation of technical standards and norms of working conditions, occupational safety and health;
- 4. Handle complaints and denunciation in respect of labour issues as prescribed by law.
- 5. Deal with violations of labour law in accordance with their mandates or request other competent authorities to deal with violations of labour law.

#### Article 215. Labour inspection

- 1. The Inspectorate of the Ministry of Labour, Invalids and Social Affairs and Department of Labour, Invalids and Social Affairs shall execute the specialized inspection function in respect of labour issues.
- 2. The inspection of occupational safety and health in regard to radioactive materials; oil and gas exploration and exploitation; railway, waterway, road, or air transportation; and units belonging to the armed forces shall be carried out by the state management agency in charge of the issue and with the cooperation of specialized labour inspection.

#### Article 216. Rights of labour inspectors

When conducting the inspection, the labour inspectors shall have the right to inspect and investigate places under the assigned subject and scope of inspection at any time without prior notice.

#### Article 217. Handling violations in the area of labour

Any person who commits an act that constitutes a violation of the provisions of this Labour Code shall, depending on the seriousness of the violation, be dealt with by disciplinary

measures, administrative sanction or prosecuted for criminal liability; and is liable to pay compensation for the damages, if any, as stipulated by law.

#### CHAPTER XVII IMPLEMENTATION PROVISIONS

# Article 218. Amendment and supplementation of Articles 54 and 73 of Law No. 58/2014/QH13 on Social Insurance:

- 1. Article 54 is amended and supplemented as follow:
- "Article 54. Conditions for receiving pension entitlement
- 1. Employees defined at Points a, b, c, d, g, h and i, Clause 1, Article 2 of this Law, except those defined in Clause 3 of this Article, who have paid social insurance premiums for at least full 20 years are entitled to pension in the following cases:
- a) Employees who are fully at age of retirement as defined in Clause 1, Article 170 of Labour Code.
- b) Employees who are fully at age of retirement as defined in Clause 2, Article 170 of Labour Code or having full 15 years doing heavy, hazardous or dangerous occupations or jobs or extremely heavy, hazardous or dangerous occupations or jobs on the list jointly issued by the Ministry of Labour Invalids and Social Affairs and the Ministry of Health, or having full 15 years working in areas with a region-based allowance coefficient of 0.7 or higher;
- c) Employees whose ages are 10 to 5 years less than male's age of retirement defined in Clause 1, Article 170 of the Labour Code and have paid social insurance premiums for at least full 20 years, including full 15 years spent in coal mine;
- d) Employees who are infected with HIV/AIDS due to occupational risks.
- 2. Employees defined at Points dd and e, Clause 1, Article 2 of this Law, who cease working after having paid social insurance premiums for at least full 20 years, are entitled to pension in the following cases:
- a) Employees whose ages are 5 years less than age(s) of retirement defined in Clause 1, Article 170 of Labour Code, unless otherwise provided by Law on Military Officers of Vietnam People's Army, Law on People's Public Security, and Law on Information Security. b) Employees whose ages are 10 to 5 years less than age(s) of retirement defined in Clause 1, Article 170 of Labour Code, perform heavy, hazardous or dangerous occupations or jobs or extremely heavy, hazardous or dangerous occupations or jobs on the list jointly issued by the Ministry of Labour Invalids and Social Affairs and the Ministry of Health, or having full 15 years working in areas with a region-based allowance coefficient of 0.7 or higher;
- c) Employees who are infected with HIV/AIDS due to occupational risks.
- 3. Female employees who are full-time or part-time staffs in communes, wards or townships, and cease working after having paid social insurance premiums for between full 15 years and under 20 years, and are fully at age of retirement defined in Clause 1, Article 170 of this Code, are entitled to pension.
- 4. The Government shall stipulate the conditions on ages of retirement for receiving pension in special cases; and the conditions for pension entitlement for the employees defined at Points c and d, Clause 1, and Point c, Clause 2, of this Article.
- 2. Article 73 is amended and supplemented as follow:
- " Article 73. Conditions for receiveing pension entitlement
- 1. Employees are entitled to pension when fully satisfying the following conditions:
- a/Being fully at age of retirement as defined in Clause 1, Article 170 of Labour Code;
- b/ Having paid social insurance premiums for at least full 20 years.

2. Employees who are qualified to the age requirement specified at Point a, Clause 1 of this Article but have paid social insurance premiums for under 20 years may continue paying social insurance premiums until the payment period reaches full 20 years in order to enjoy pension entitlement."

#### Article 219. Enforcement of the Labour Code

1. This Code shall enter into force as of 1st January 2021.

The Labour Code number 10/2012/QH13 shall be annulled as of the date of entry into force of this Code.

2. From the date of entry into force of this Code:

Signed employment contracts, collective bargaining agreements, and other lawful agreements that have been signed and any agreement that provides employees with more favourable provisions than those provided in this Code shall remain in effect. Any agreement which is inconsistent with the provisions of this Code must be amended or supplemented;

3. Labour policies for civil servants, public employees, and other persons working in the People's Army, People's Police, or other social organizations, and members of cooperatives shall be regulated in other legal documents, but depending on each particular category, a number of provisions of this Code may be applied. The Government shall adopt specific wage policies to be applied for civil servants, public employees, and other persons working in the People's Army and the People's Police.

### Article 220. Validity concerning the undertakings employing less than 10 employees

Employers who employ less than 10 employees shall follow regulations as stipulated in this Code, but are entitled to a reduction of, or exemption from, a number of standards and procedures as stipulated by the Government.

#### Article 221. Detail provisions and guidance for the implementation

The Government and competent agencies, as assigned, shall elaborate and guide the implementation of this Code. /.