MINISTRY OF LABOUR, INVALIDS AND SOCIAL AFFAIRS (MOLISA)
RESEARCH INSTITUTE FOR DEVELOPMENT (IRD)

LABOUR AND HUMAN RESOURCES INFORMATION SYSTEM, VIETNAM

Report of the household survey
Second round 11-12/1997

Nolwen HENAFF
Jean-Yves MARTIN

LABOUR AND SOCIAL AFFAIRS PUBLISHING HOUSE

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Hanoi, October 1999

Editing Committee

Nguyen Huu Dung	Director, National Institute of Labour science and Social Affairs, Ministry of Labour, Invalids and Social Affairs
Nguyen Van Dai	Researcher, National Institute of Labour science and Social Affairs, Ministry of Labour, Invalids and Social Affairs
Nolwen Henaff	Research officer, IRD
Jean-Yves Martin	Senior research officer, IRD

Members of the survey team :

Nguyen Trung Hung, Nguyen Huyen Le,
Tran Van Luan, Tran Van Sinh, Le Hong Thao,
Nguyen Huu Tinh and Luu Quang Tuan

PREFACE

The Ministry of Labour, Invalids and Social Affairs (MOLISA) and the French Research Institute for Development (IRD)[1] have worked together since the early 1990s on research themes related to employment, labour market and human resources during the transition period in Vietnam. Since 1996, the co-operation has aimed at experimenting the implementation of a Labour and Human Resources Information System, allowing a regular and continuous observation through light annual surveys on the same localised groups of population. It is based on the existing statistical tools, that is on all the administrative systems of data collection, and completes them to follow up in more detail the economic and social change, and to identify the sources of change.

The project of observatory focuses on non-agricultural activities. It aims at producing basic information on employment, unemployment, and the evolution of the main economic and social indicators related to the labour market. It allows a permanent follow up of the consequences of the restructuring of the productive system and of the effect of the policies launched since 1986. It devotes particular attention to changes in the field of employment, mobility of the labour force, and the structure of the human resources. The objectives of the System are of three kinds :

Research...

- Knowledge and analysis of the economic and social real conditions and of the nature of change, at a level allowing to link the individual aspects and the global dynamics.
- Confrontation of the results with the existing macro-economic data and definition of surveys with an adjusted statistical scope.

Evaluation...

- Follow up of the changes to characterise the needs they bring about.
- Identify the impact and adequacy of the policy decisions in the field of employment, labour mobility and human resources.

[1] Previously ORSTOM

Preparing decision making...

Production of knowledge and evaluations allowing a regular and rapid adaptation of policies or the setting up of new policies.

This document is the report of the second survey conducted within this framework. The first survey had focused on non-agricultural households[2]. The second focused on non-agricultural activities, collecting information on all types of households, and was conducted in November- December, 1997 in 12 provinces and cities.

Hanoi, October 1999

Nguyen Huu Dung

Director,
National Institute of Labour science and Social Affairs,
Ministry of Labour, Invalids and Social Affairs

[2] Bộ Lao Động - Thương Binh và Xã Hội (MOLISA)/Viện Nghiên Cứu vì Sự Phát Triển (IRD), *Hệ thống quan sát lao động, việc làm và nguồn nhân lực ở Việt Nam, Báo cáo điều tra hộ gia đình vòng 1, tháng 11-12/1996,* Nhà xuất bản Lao động-Xã hội, tháng 6/1999, 138 tr. [Ministry of Labour, Invalids and Social Affairs (MOLISA)/Institut de Recherche pour le Dêveloppement (IRD), *Human Resources and Labour market information system in Vietnam, Report of the first round household survey, 11-12/1996,* Lao dong-Xa hoi Publishing House, Hanoi, 6/1999, 138 p.]

CONTENTS

INTRODUCTION

The determining principles for implementation of the second phase of the Vietnam Employment and Human Resources Information System household survey are along similar lines to those that applied to the first phase. This document presents the results of the second phase. The aim is to identify the changes that have taken place in the employment and human resources structure and to understand the causes, the sources and the trends involved. This is done through regular monitoring of non-agricultural activities derived from a stable nation-wide sample of urban and rural households. This objective justifies that the household should be the base unit for the survey. The household integrates its individual members to form an entity, which has a demographic, educational, social and economic relevance. Through the household unit we perceive the changes in and interactions between all the above factors within their micro and macro-social and economic dynamics.

Certain conceptual and methodological changes have been introduced as compared to the first phase. To start with, the research did not focus only on non-agricultural households, but on non-agricultural activities involving all households, agricultural as well as non-agricultural. This change was necessitated by two factors. Firstly, the difficulties to clearly demarcate between agricultural and non-agricultural households since the rules for doing so vary from one place to the other. Secondly, the fact that an arbitrary selection of a given category of households does not take in to account the diversification of activities that takes place in the rural areas. This change in approach required certain adjustments in the methodology. In addition to a reduction - without compromising the sensitivity - in the size of the sample (from 2000 to 1600 households), the sampling method itself was modified for rural areas. In urban areas the samples were unchanged, as there is only limited agricultural activities in such areas (20% of the households were replaced to cater for possible changes in the population structure). But in rural areas the samples were prepared from complete lists of households, which included the agricultural households. Finally, in response to the adjustments carried out, the questionnaires themselves were reconstructed.

The second phase of the study was thus carried out on a sampling of 1601 households. The samples were picked from 12 provinces spread across the entire country. These were specially structured to represent different types of non-agricultural activities and geographic variations (urban/rural areas and large/medium/small towns).

Table 1. Structure of the sample for 1997 (2nd phase)

Ecological and economic zones	Provinces	Number of survey locations	Urban sample	Rural sample	*Total households*
1	Bac Kan	5	69	62	*131*
2	Ha Noi	7	153	34	*187*
	Hai Phong	5	70		*70*
	Hai Duong	3		83	*83*
	Nam Dinh	3		54	*54*
3	Nghe An	5	75	91	*166*
4	Da Nang	6	125	61	*186*
5	Lam Dong	3	49	24	*73*
6	Binh Duong	3		50	*50*
	HCMC	10	289		*289*
7	Tien Giang	8	98	70	*168*
	Can Tho	4	73	71	*144*
Total		*62*	*1001*	*600*	*1601*

I. Representativeness of the sample and typology of households

Based on the hypothesis that the situation with regard to education, training, as well as employment is much more diversified in urban areas than in rural areas, the survey showed a preference for the urban environment. In order to carry out an analysis of the entire country it was necessary to weight the data collected in the rural environment so that the overall results are based on their actual weight in demographic and economic terms. This weighting was achieved using data provided in the 1997 employment survey carried out by the Centre of Scientific Information for Employment and Social Affairs in the Ministry of Employment, Invalids and Social Affairs, on the distribution of the working population in the rural areas of each region.

During the second round, the samples were completely changed for the rural environment. In the urban areas, 20% of the households in the sampling were changed with no differentiation made on the employment criteria. On the contrary, 80% of the households that were retained for comparability purposes with the previous year had mainly non-agricultural revenue. The survey of the Employment and Human Resources Information System in relation to the Employment Survey has the characteristic of reinforcing the weight of non-agricultural activities and the activity ratios in urban areas. Since 20% of the samples are changed every year, this characteristic will ease out during the surveys done in the coming years.

The selection of such a method explains the slight differences observed in the population distribution figures between the survey of the Information System and that of the Employment Survey (table 1 to 4, Annex). The maximum difference in the figures concerning the distribution of the population in demographic terms between the two surveys is 1.5% for each sex in each of the age groups (graph 1, Annex). The differences between the two surveys are small and the relative proportions are maintained. The results of the report can be considered representative based on the fact that the employment survey is

the most recent reference and that the results of the two surveys are fairly close to each other.

A typology of households was built in terms of living standards for carrying out comparisons between household units to allow an analysis of the situation of individual members in function of the living standard of their households. This typology is based on four variable categories: lodging, living conditions, household equipment and earnings of the household (Table 6, Annex). The first three categories were measured on a combined fifty-point scale, and the earnings on another 50 points, to obtain a total rating of 100 points. The total points for each household was then regrouped to form five strata of equivalent frequency. Group 20 represents the lowest standards of living and group 100 the highest standards of living.

II. Description of the Sample

From the ratings based on standard of living, it is apparent that the majority of households falling in the lowest strata come from rural areas. In the urban areas, the trend is reversed (Graph 1). The decline in the number of rural households in proportion to the increase in standard of living is consistent.

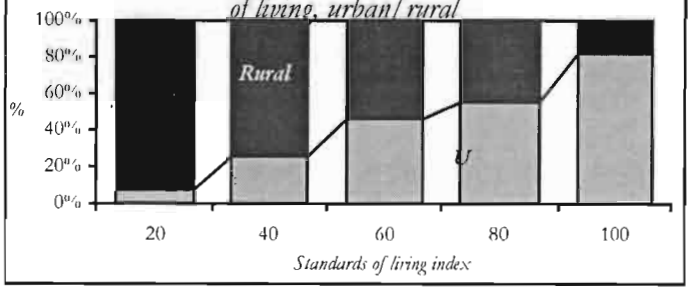
Graph 2 shows clearly the regional variations in terms of standard of living. 80% of the households in the Northern Highlands and 60% of the households in the Central-North account for the households with the lowest standard of living (strata 20 and 40). On the other hand, households with higher standards of living are proportionately greater in the South-East and the Central Highlands regions. The two Delta regions and the Central Coastal areas hold an intermediate position.

The urban environment is more varied than the rural environment in terms of socio-professional categories (Graph 3). 60.6% of heads of households are farmers in the rural areas. The distribution of heads of households in the non-agricultural sector show that the greatest proportion belongs to the craftsman/tradesman category both in urban as well as rural areas (Graph 4). There are proportionally greater number of cadres in the urban areas and unqualified labourers in rural areas.

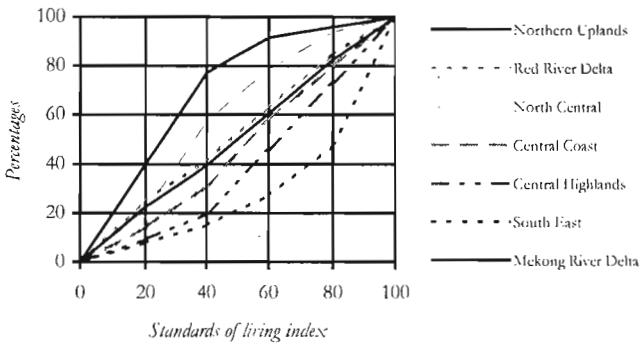
Finally, Graph 5 depicts an equal distribution between the employed and inactive populations. Close to 2/3 of the inactive population consists of below-age children and youths studying or training. Only 9% of the population have never been employed.

This report is presented in three parts. The first part tackles the education and training dimension of human resources. The second part deals with labour, employment, and labour mobility. The third part will establish the relationship between training and employment and present a synthesis of the whole situation and of the evolution of human resources and employment in Vietnam, with an emphasis on crucial contemporary issues concerning education, training, and employment policies.

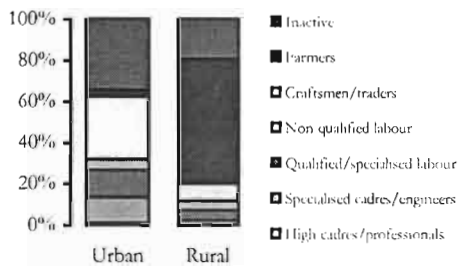
Graph 1. Ditribution of households by standards of living, urban/rural



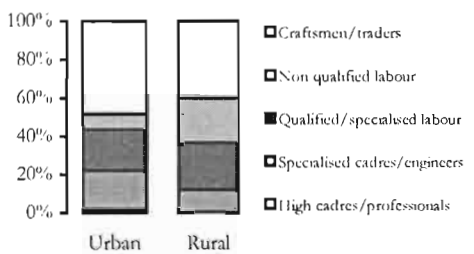
Graph 2. Distribution of households by standards of living, (cumulative %)



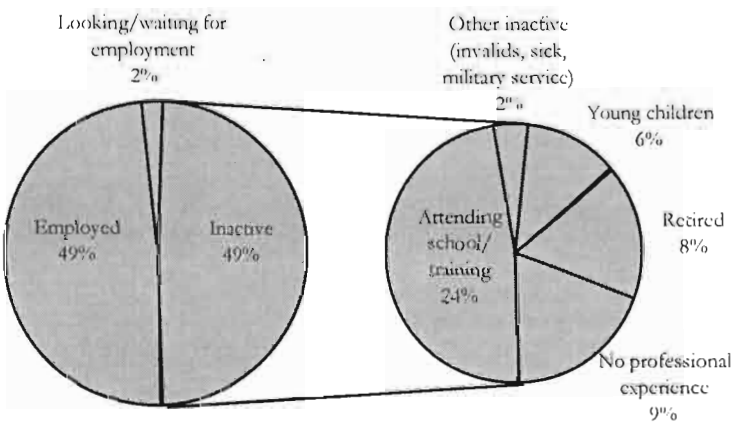
Graph 3. Socio-professional categories of the heads of households, urban/rural



Graph 4. Socio-professional categories of the heads of households outside agriculture, urban/rural

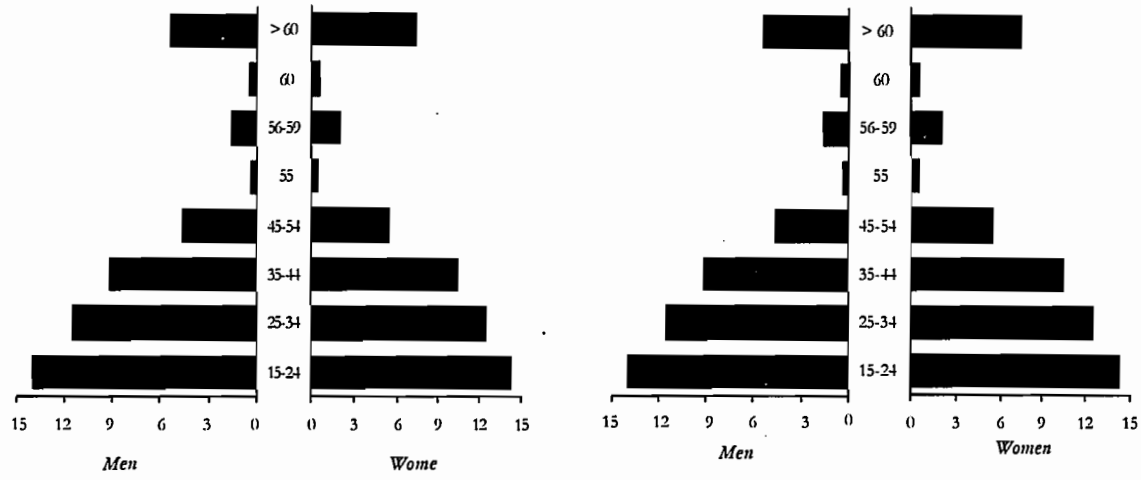


Graph 5. Distribution of the population by activity status



Annex: Representativeness of the sample

Graph 1. Age pyramid, Employment survey 1997 and Observatory 1997



Employment survey 1997 *Observatory 1997*

Table 1. Distribution of the population, urban and rural areas, 1997, by region (%)

	Employment survey 1997			Employment and Human Resources Information System 1997		
	Urban	Rural	*Total*	Urban	Rural	*Total*
Northern Uplands	15,2	84,8	*100,0*	15,8	84,2	*100,0*
Red River Delta	16,4	83,6	*100,0*	20,2	79,8	*100,0*
North Central	10,7	89,3	*100,0*	12,7	87,3	*100,0*
Central Coast	22,7	77,3	*100,0*	26,8	73,2	*100,0*
Central Highlands	23,2	76,8	*100,0*	26,2	73,8	*100,0*
South-East	47,6	52,4	*100,0*	52,0	48,0	*100,0*
Mekong river Delta	15,4	84,6	*100,0*	15,3	84,7	*100,0*
Whole country	*20,5*	*79,5*	*100,0*	*22,9*	*77,1*	*100,0*

Table 2. Regional distribution of the urban and rural population, 1997 (%)

	Employment survey 1997			Employment and Human Resources Information System 1997		
	Urban	Rural	*Total*	Urban	Rural	*Total*
Northern Uplands	7,4	10,5	*9,8*	6,1	9,7	*8,9*
Red River Delta	23,0	29,8	*28,4*	20,9	24,6	*23,7*
North Central	6,9	14,4	*12,9*	7,1	14,4	*12,7*
Central Coast	11,7	10,1	*10,4*	12,9	10,5	*11,1*
Central Highlands	4,6	3,9	*4,0*	4,9	4,1	*4,2*
South-East	29,9	8,4	*12,7*	30,7	8,4	*13,5*
Mekong river Delta	16,5	23,0	*21,7*	17,3	28,5	*25,9*
Whole country	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*

Table 3. Participation rates by region and regional distribution of the economically active population

	Employment survey 1997		Employment and Human Resources Information System 1997	
	% economically active	Distribution (%)	% economically active	Distribution (%)
Northern Uplands	48,9	9,8	55,6	10,0
Red River Delta	50,8	28,4	50,7	24,5
North Central	46,0	12,9	43,4	11,2
Central Coast	47,5	10,4	47,1	10,6
Central Highlands	43,8	4,0	57,0	4,9
South-East	46,8	12,7	47,7	13,2
Mekong river Delta	47,4	21,7	48,3	25,5
Whole country	*48,0*	*100,0*	*49,1*	*100,0*

Table 4. Distribution of employment by industry group and by region (%)

Regions	Industry groups	Employment survey 1997	Employment and Human Resources Information System 1997
Northern Uplands	Agriculture	86,3	85,9
	Industry	2,7	3,5
	Trade and services	11,0	10,7
	Total	*100,0*	*100,0*
Red River Delta	Agriculture	69,6	70,5
	Industry	9,3	11,4
	Trade and services	21,1	18,1
	Total	*100,0*	*100,0*
North Central	Agriculture	76,4	76,0
	Industry	7,1	3,8
	Trade and services	16,5	20,2
	Total	*100,0*	*100,0*
Central Coast	Agriculture	63,1	59,6
	Industry	10,3	14,1
	Trade and services	26,6	26,3
	Total	*100,0*	*100,0*
Central Highlands	Agriculture	78,2	61,6
	Industry	4,3	16,7
	Trade and services	17,5	21,7
	Total	*100,0*	*100,0*
South-East	Agriculture	32,1	38,7
	Industry	23,6	21,4
	Trade and services	44,2	40,0
	Total	*100,0*	*100,0*
Mekong River Delta	Agriculture	63,9	49,2
	Industry	9,0	13,1
	Trade and services	27,1	37,6
	Total	*100,0*	*100,0*

Table 5. Variables used to build the typology of households in terms of living standards

Housing	Ownership
	Type of housing
	New house/flat
	Repairing and improvement of the house/flat in 1997
	Difficulties faced with regard to housing
Living conditions	Access to electricity
	Type of access to water
	Type of bathing room
	Type of kitchen
	Number of rooms/head
Equipment of the household	Ownership and value of motor vehicles (motorcycles, cars)
	Bicycle, Karaoke-video, colour television, black and white television, Radio-cassettes, refrigerator, water-heater, water pump, telephone, washing machine, air condition, gas cooker, electric cooker, small boat.
Income	Income per head

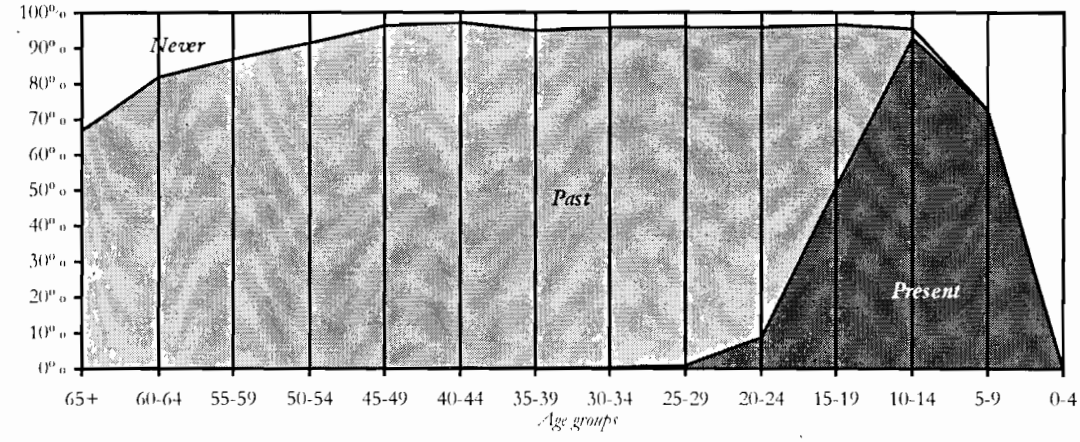
PART I. HUMAN RESOURCES

The education and vocational training system plays a central role in human resources development. The knowledge imparted by the academic institution forms the fundamental qualitative dimension of human resources that influence the development of other components like demography, health, and employment. The effectiveness of disseminating knowledge largely depends on the education policies and methods used, as well as the economic conditions of the families, their proximity with the education system schools and their expectations.

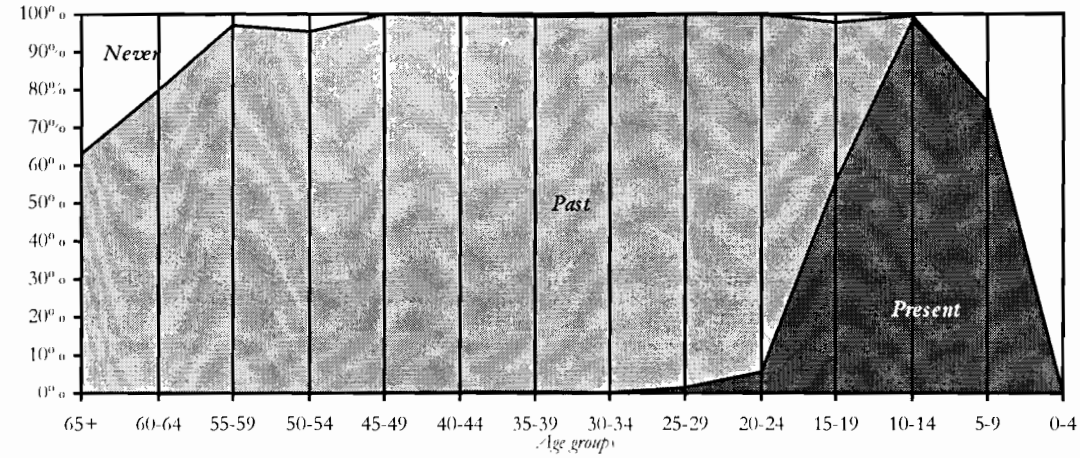
This part is devoted to the education-training component of human resources. The emphasis is on the results and critical issues concerning the transmission of knowledge and its evolution in relation to the quantitative and qualitative goals spelt out by the educational policy. The conceptual changes and methodologies introduced in the second phase of the observatory system have a particular influence on the analysis carried out in the areas of education and vocational training. Despite being driven by a household/family based approach, which forms the core of any human resource development, the survey has managed to address a larger and more diversified population. The scope of the survey was broadened to non-agricultural activities of all household categories without delineating the agricultural households from the sample. Additionally a system of evaluation that balances the representation of rural zones and urban zones was devised and implemented. Thus with the help of results obtained in the second phase we have arrived at a group that does not attach any social or geographic bias to the education and training system. It also aims at giving a picture that is as close as possible to the academic realities of the entire country and those peculiar to certain clusters of the population.

This part is divided in two chapters. The first chapter is devoted to the different aspects of education and to the problems pertaining to the structure and the evolution of the schooling process. This essentially deals with the literacy cover and the non-literate population, education standards, displacements and dropouts, present schooling, and the control of the education process, and finally behaviour towards schooling in relation to the standards of living. The second chapter deals with the conditions prevailing in vocational training and access to its different modalities, institutional and non-institutional. It attempts to draw a relationship between the education and training standards of the employed population and the socio-professional categories.

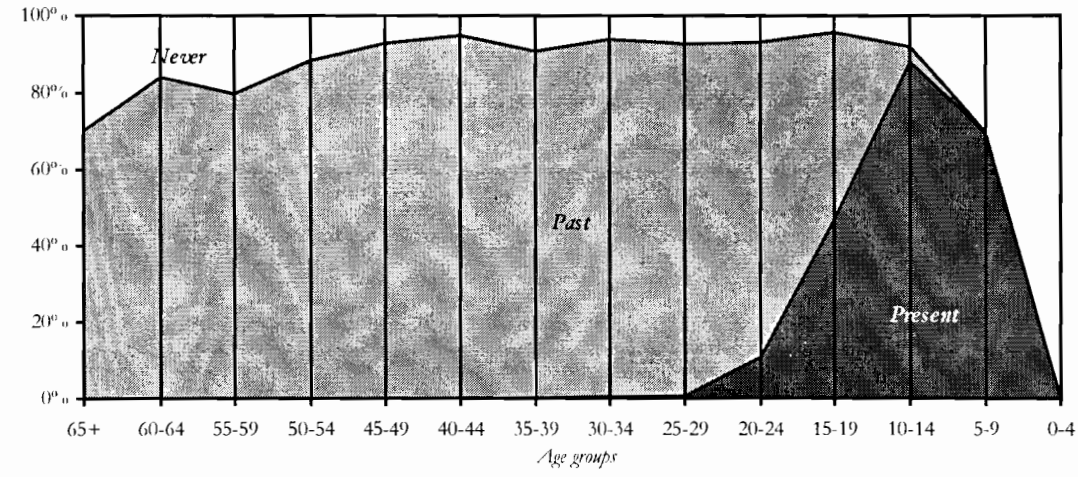
Graph I.1. Present and past school attendance of the whole population



Graph I.2. Present and past school attendance- North



Graph I.3. Present and past school attendance - South



CHAPTER I - EDUCATION

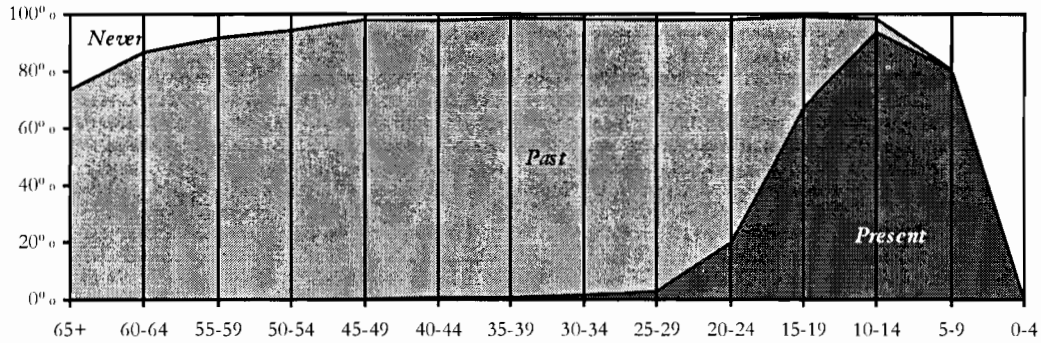
The schooling scene in Vietnam has been driven by an unabated voluntarist academic policy for many generations. It is generally acknowledged that schooling is very high in comparison to countries with similar economic levels. The result of the 2nd round of the survey, like those of the first round, would confirm it if it were necessary. This policy still aims at eradicating illiteracy, spreading basic primary and lower secondary education, giving equal access to all to higher studies, in spite of limited quotas, and at raising the educational standards by increased efficiency. With these objectives in view, this chapter will analyse the path followed, the progress made, and the obstacles that still need to be tackled.

I. The educational cover and the uneducated population

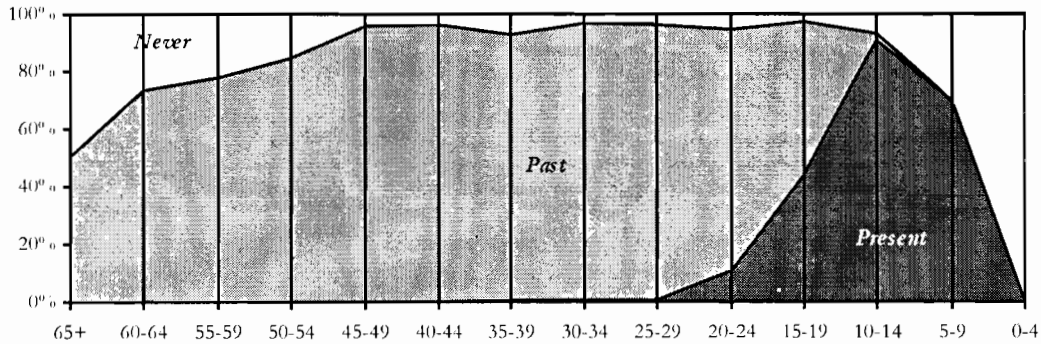
The educational cover gives a country-wide estimation of the access to the schooling system for the current and past generations. At this stage, the aim is not to make any distinction according to academic levels achieved, but to simply determine the existence of a minimum schooling experience at any given time. This in turn would give a global picture of the spread and the evolution of the education system. The study is based on different criteria such as location, sex, and urbanisation, in order to identify the qualitative variations in the depth of the education system. Additionally, by introducing the criteria of the standards of living, the study allows defining characteristics that apply equally to all those who remained outside the education system.

The three graphs on the opposite page show the geographic spread of education, firstly, at the national level (Graph I.1) and then in the two major parts, the North (Graph I.2) and the South (Graph I.3), that have followed differing education policies before the re-unification. At the national level, literacy has clearly grown from the 65+ age group to reach 97.2% in the 40-44 age group, thus marking a 30% growth in just one generation. The setback in the figures involving the age group of 35-39 years can be attributed to the disruptions caused by the war, as this group was in their school-going age (6-10) in the years between 1964 and 1973. This setback evened out over a long period of time. It is not until the 15-19 age group that levels equivalent to that of the age group of 40-44 years can be found. In terms of literacy ratios, the levels reached are very high, and further growth can only be marginal. Meanwhile, Graphs I.2 and I.3 show the clear differences between the North and the South, giving a measure of what remains to be done at the national level.

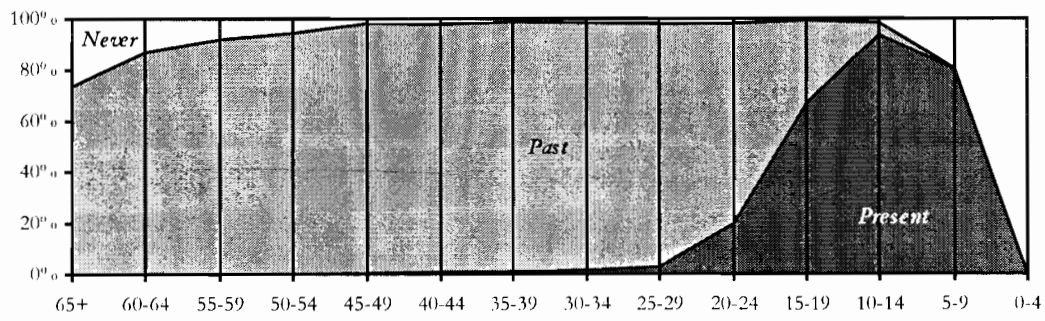
Graph I.4. Present and past school attendance - Males



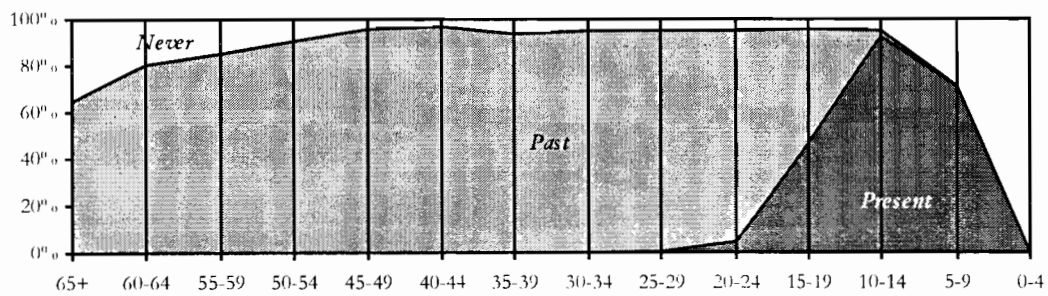
Graph I.5. Present and past school attendance - Females



Graph I.6. Present and past school attendance - Urban areas



Graph I.7. Present and past school attendance - Rural areas



In the North, starting for the most aged at a level (63.2%) lower than in the South (70.2%), we see that there is a linear progression until school enrollment reaches a first peak in 10 years. After a brief stagnation, the progression takes-off to hit the summit (100% for the age group 44-49) where the enrollment rate remains constant (no variation exceeding more than 0.7%) until the recession in the 15-19 age group (97.8%) and then it rises again to cross the 99% level (99.5% for the age group 10-14). Meanwhile the growth levels in the South have been slower, less regular, and much less significant. There is a first peak for the age group 45-49 (94.9%), which is followed by a more or less recessionist trend, to peak again for the 15-19 age group (95.7%), only to be followed by another setback. Finally it needs to be noted that the net ratio of school enrollment in the age group 5-9 is 76.6% for the North and 69.7 % for the South. We will come back to this in greater details later on.

This national development, remarkable in its progression, but marked by periods of setbacks, and by regional inequalities, may be best understood by chronologically reconstituting the academic years, corresponding to a child's school going age (6-10), for the different age groups of the population. By matching the theoretical school going age of different age groups with certain important events, political (Independence and the reunification), military (the war) and economic (the crisis in the late 1980s), one can identify the expansion and the difficult periods that the education policy has had to withstand. These periods are also marked by variations in the ratios of school enrollment.

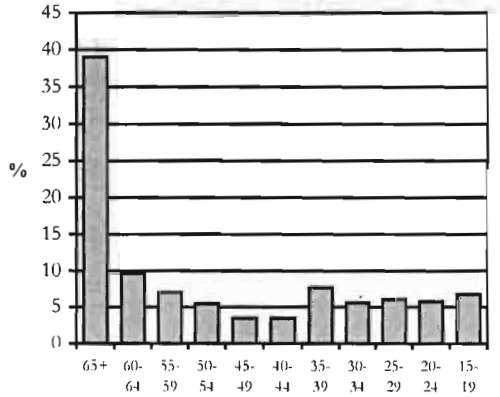
Table 1. Theoretical years of schooling of the different age groups

Age in 97	65+	60-64	55-59	50-54	45-49	40-44	35-39	30-34	25-29	20-24	15-19	10-14	05-09
Birth	1932 -	33-37	38-42	43-47	48-52	53-57	58-62	63-67	68-72	73-77	78-82	83-87	88-92
Age 6	1938 -	39-43	44-48	49-53	54-58	59-63	64-68	69-73	74-78	79-83	84-88	89-93	94-98
Age 10	1942 -	43-47	48-52	53-57	58-62	63-67	68-72	73-77	78-82	83-87	88-92	93-97	

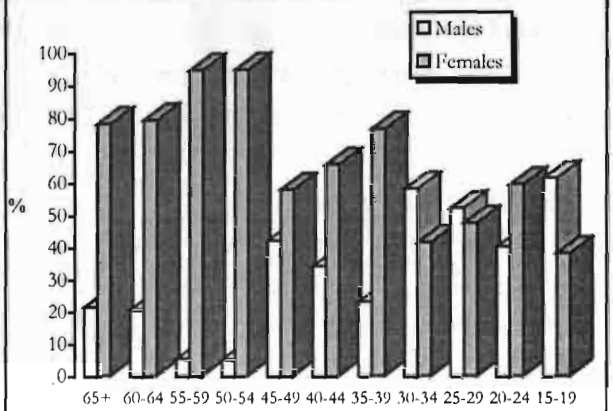
Thus, the analysis of the global development as well as the level of academic attendance is based not only on the political will that underlies the education policy, but also on non-academic events that help or hamper its implementation. There are some other qualitative variables that are not bound by events, and the effects of which are felt only over time as they relate to the structures and evolution of the society. These variables influence the depth of the schooling process. These variables are sex and degree of urbanisation.

The education patterns for men (graph I.4) and women (graph I.5) have followed contrasting trends. The initial gap in the age group of 65+ years (84.9% and 50.5) was closed in a span of twenty years. This means that during this period the academic progress made by women has been faster, even though both sexes were progressing. In the age group 45-49 the men

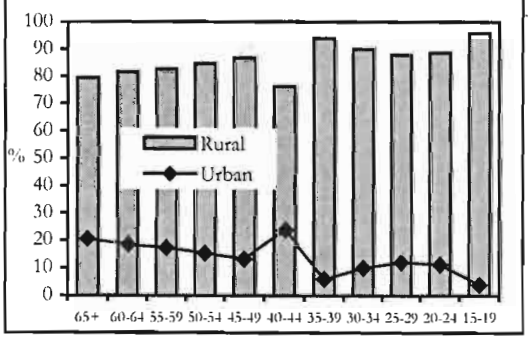
Graph I.8. Distribution of the uneducated by age groups



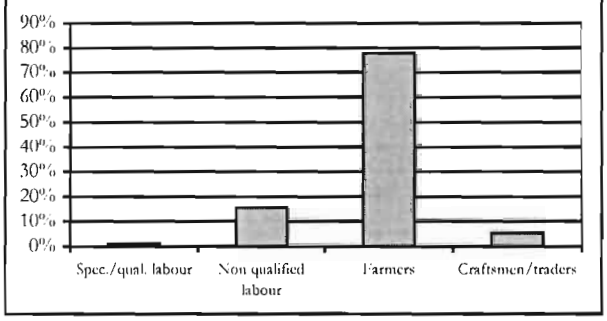
Graph I.9. Distribution of the uneducated by age and sex



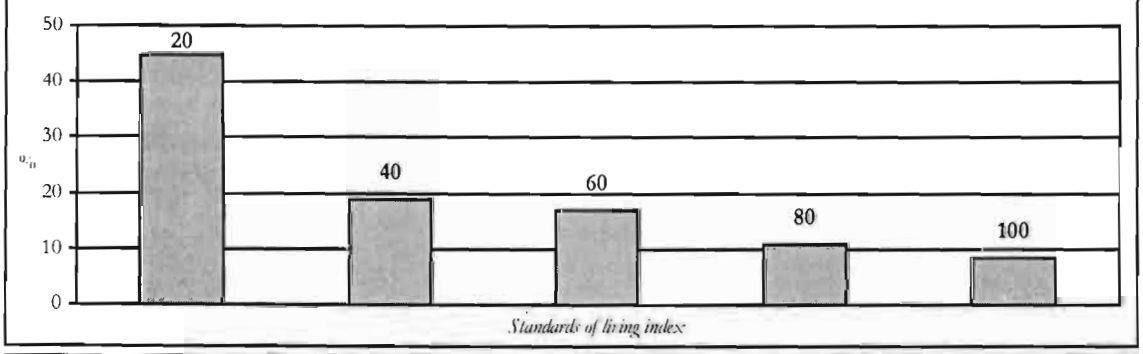
Graph I.10. Distribution of the uneducated urban/rural



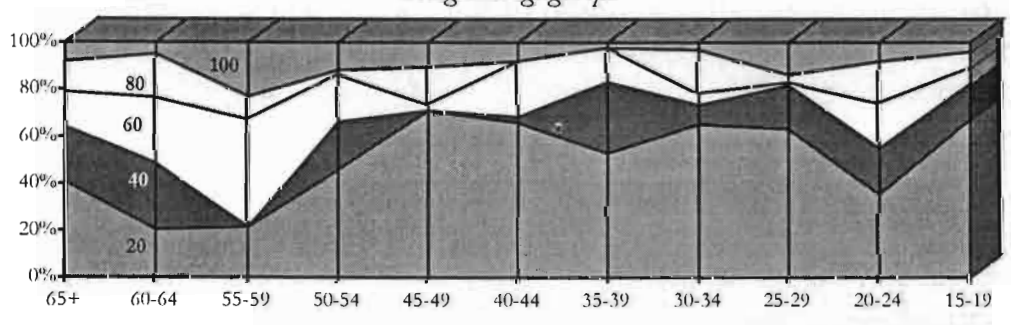
Gaph I.11. The uneducated : socio-professional categories



Graph I.12. The uneducated : standards of living



Graph I.13. Distribution of the uneducated by standards of living and age groups



have registered a literacy ratio of 96.8% and the women 95.7%. Through the efforts of the education policy, female education was further consolidated to the point that in the 15-19 age group the women (97.4%) outscore the men (95.9%). A real structural difference was thus reduced. The same cannot be said about the differences in the literacy levels between urban and rural areas. In spite of a faster progress made in rural areas, and of a clear reduction in the existing gap in comparison to urban literacy levels, a structural difference remains. The narrowest gap is in the age group of 40-44, but even that is not maintained.

This brings us to the problems related to the limits in the spread of schooling and to the identification of the population that falls outside the field of education. Globally, this population represents 8.5% of the population of active age (15 years and more). Its distribution by age group (graph I.8) underlines the existing relationship between its chronological evolution and the demography. In fact, we have seen in Graph I.1 the evolution in the levels of the uneducated population in proportion to the spread of education. In graph I.8 we study the evolution of the uneducated population in relation to itself, that is, the proportional representation of different age groups. We notice a drastic drop from the age group 65 plus to the 60-64 age group, mainly because the 65 age group is representative of a combination of many age groups. After this, we witness a consistent decline from the age group of 60-64 until the age group of 40-44. This is followed by an increase for the 35-39 age group. Even though there is a new low in the age groups that follow, the trend does not clearly establish a stable regression of the uneducated population. Moreover, in the 15-19 age group the uneducated proportion is 6.8%, which marks an increase for this age group, while there is a reduction in the proportion (3.3%) of the educated population.

The distribution of the uneducated population according to sex (graph I.9) follows an opposite trend. While women globally account for 71.5%, and men for 28.5%, of the uneducated population, the respective proportions are reversed when moving from the older to the younger age groups. While women represent 78.3% of the uneducated in the 65+ age group, they account for only 38.4% of the 15-19 age group. The reversal actually starts in the age group of 30-34, to the extent that in the entire population below 35 years of age, there are more men (53.5%) in the uneducated category than women (46.5%).

While important qualitative changes are noticed in the men-women distribution, the dominant trends are strengthened in the urban-rural distribution. Graph I.10 shows an almost regular evolution of the non-educated population in the rural areas towards a near monopoly of the rural areas over the category of non-educated (95.9% in the 15-19 age group).

Graph I.14. Levels of education of the active population by age groups

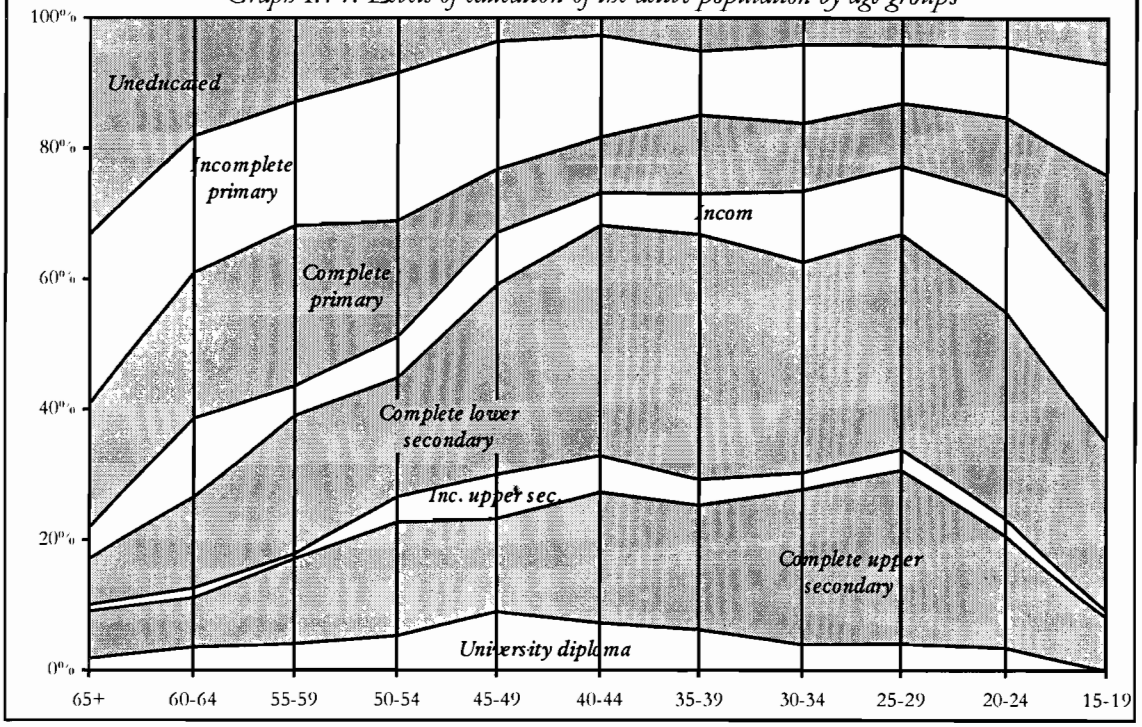


Table 2. Levels of education of the active population by age groups

	University diploma	Complete upper secondary	Incomplete upper secondary	Complete lower secondary	Incomplete lower secondary	Complete primary	Incomplete primary	Uneducated
65+	1,8	7,3	1,0	7,0	4,7	18,9	26,0	33,1
60-64	3,5	7,7	1,4	13,9	12,1	22,3	20,9	18,1
55-59	4,0	13,1	0,7	21,2	4,5	24,7	18,8	13,0
50-54	5,2	17,4	3,9	18,2	6,3	17,9	22,6	8,5
45-49	9,0	14,2	6,8	29,1	8,0	9,7	19,5	3,7
40-44	7,3	20,0	5,6	35,4	5,0	8,5	15,5	2,9
35-39	6,2	19,1	3,9	37,6	6,2	12,0	9,8	5,1
30-34	3,9	23,8	2,6	32,3	10,9	10,3	12,1	4,1
25-29	4,1	26,6	3,3	33,0	10,4	9,6	9,0	4,1
20-24	3,4	17,2	2,6	31,7	17,8	12,0	10,9	4,5
15-19		8,2	1,0	26,0	20,0	21,0	17,1	6,8

	University diploma	Complete upper secondary		Complete lower secondary		Complete primary		Uneducated
55-59(a)	4,0	17,1		39,0		68,2		13,0
40-44(b)	7,3	27,1		68,1		81,6		2,9
25-29(c)	4,1	30,6		66,9		86,9		4,1
(b-a)	+ 3,3	+ 10		+ 29,1		+ 13,4		- 10,1
(c-b)	- 3,2	+ 3,5		- 1,2		+ 5,3		+ 1,2

This leads us to conduct a study of the socio-economical characteristics of this population. The uneducated population, accounting for 52% of the total, are, in terms of socio-professional categories (graph I.11), a majority among farmers (77.9%). The other categories comprising high numbers of uneducated labour force are, in descending order, unskilled and casual workers, craftsmen/tradesmen, and very few skilled/specialised workers.

The distribution of the uneducated population is striking when compared with the different living standards of households (graph I.12). Almost half (44.7%) of the uneducated belong to the lowest strata (Index 20). Those belonging to the highest strata (Index 100) in terms of standard of living, account for only 8.5% of this category. When we relate the standard of living with the age group categories, we find that the young generation does not score very favourably, especially the age group 15-19 where 67.1% belong to the lowest strata in standard of living.

We have thus reviewed different aspects of the education process by addressing its spread, its growth, and its various qualitative variations, with a particular reference to the uneducated population. We will now examine what we shall call the production of schools.

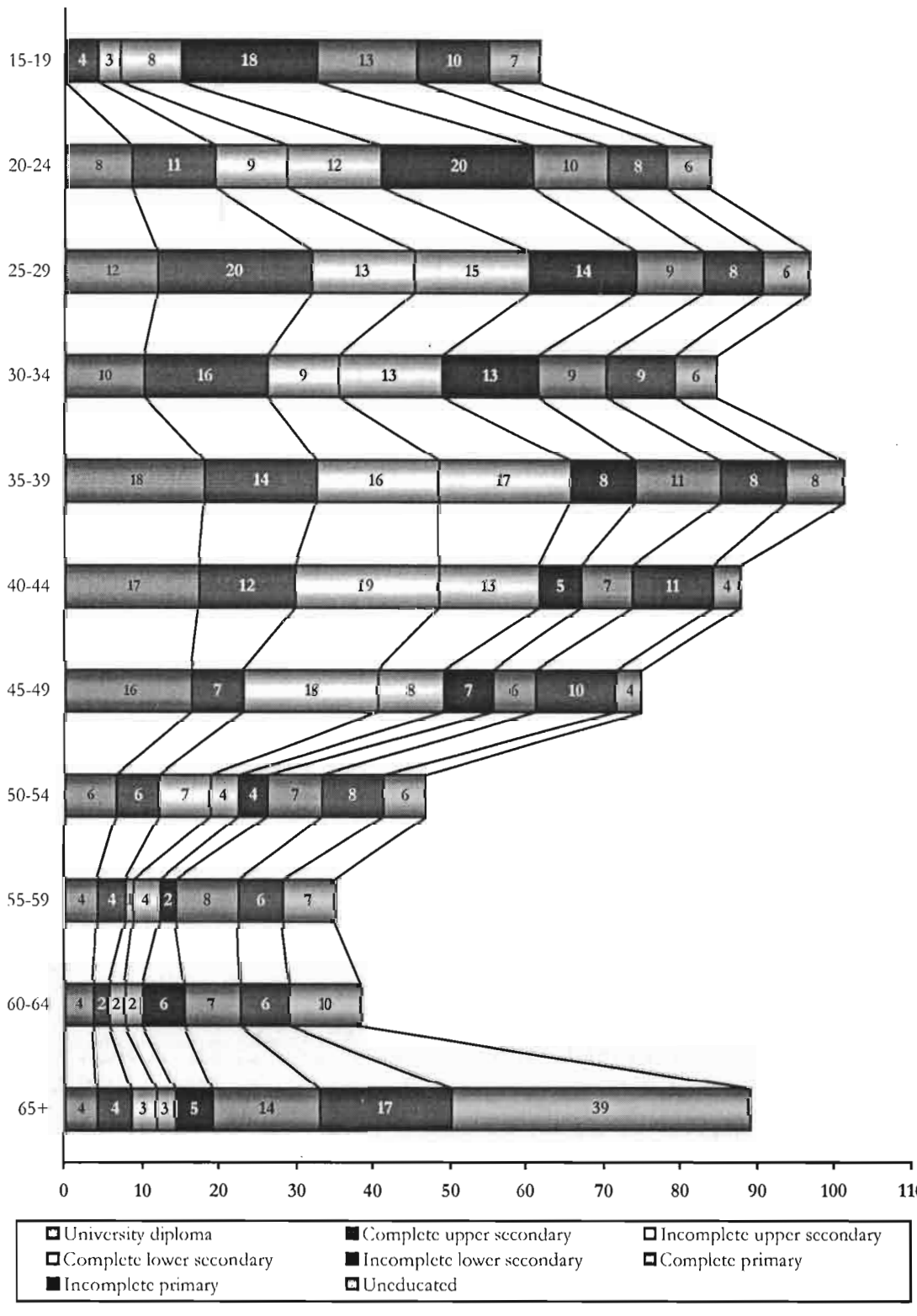
II. Production and academic achievement

The efforts put in for implementing the education policy have ensured that at this stage the schooling process has spread to its limits, and only marginal progress can be achieved now, although these limits must be maintained, or further expanded, in spite of the fact that some fundamental qualitative questions, in particular, those concerning access to education in backward rural areas, remain unanswered. In order to have a deeper approach, one needs to ascertain the efficiency of the education system by some of its results, such as the control over the education process at different stages and the levels achieved by all those who have attended school and belong to the active age groups.

The academic achievements of the active population have been classified in eight levels which correspond to the existing stages in the schooling system and to the success achieved in these stages (stage completed with or without a degree, stage left incomplete notwithstanding the number of years spent). Technical education has been grouped with the general education categories. The different degrees in higher education have been grouped together to represent the highest of these levels, and the lowest is represented by the uneducated category. The two graphs below represent the distribution with two different approaches. The first (graph I.14) is a proportional distribution of the levels within each age group. The second (graph I.15) presents the demographic weight of the different age groups.

By looking at the distribution of the levels within each age group (graph I.14) we find a regular increase in the general education level until the

Graph I.15. Demographic weight of the different age groups and their levels of education



40-44 age group. This is represented by a drastic drop in the uneducated category and a drop in the incomplete primary education category, while there is an increase in the higher levels, such as higher studies degree holders, complete upper and lower secondary levels. In terms of cumulative percentages (table I.2) we note that in the 40-44 age group 81.6% hold at least a primary degree, 68.1% a lower secondary degree, 27.1% a upper secondary degree and 7.3% have a higher studies degree. After this, the evolution until the 25-29 age group is less clear. The share of people with incomplete primary education category continues to go down, while that lower secondary level remains constant, and that of the upper secondary continues to rise. But the share of the uneducated category does not change. There is an increase in the proportion of the incomplete secondary degree category while the higher studies levels are dwindling.

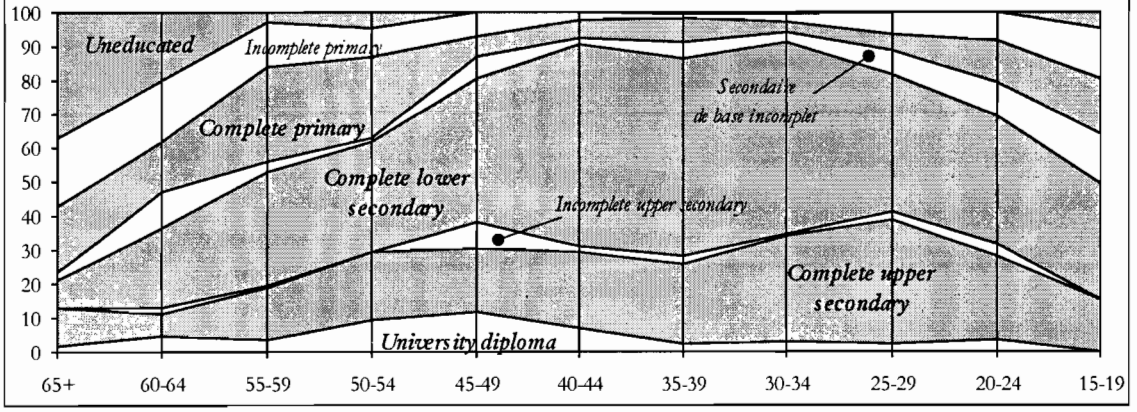
The graph showing the demographic distribution of the population unveils other aspects. A number of points should be underlined. The first is the inequality in the demographic weight of the different age groups, leaving aside the 65+ category, which is already a combination of a number of age groups. The most striking fact is the decrease in the numbers in the age groups below 25-29. This can be explained by the fact that the students at these ages do not form part of the employed population. The second observation, as brought out earlier, is not only the increase in the uneducated category in the 15-19 age group, but also in the numbers of incomplete primary and secondary education, including those who have already quit the education system. It is mostly similar for the 20-24 age group, except for the level of uneducated. The third notable point, notwithstanding the changes that could be brought about in future by those who are still studying, is the dip in the representation of higher studies degree holders below the 35-39 age group, after a steady increase from the 65 plus category downwards.

Two basic questions are raised by this development. Is there a stabilisation of the education level from the 40-44 age group, or even a decline from the 20-24 age group? Alternatively, is it just a characteristic of the educational system that it is capable of placing only belated over-aged students in the work stream?

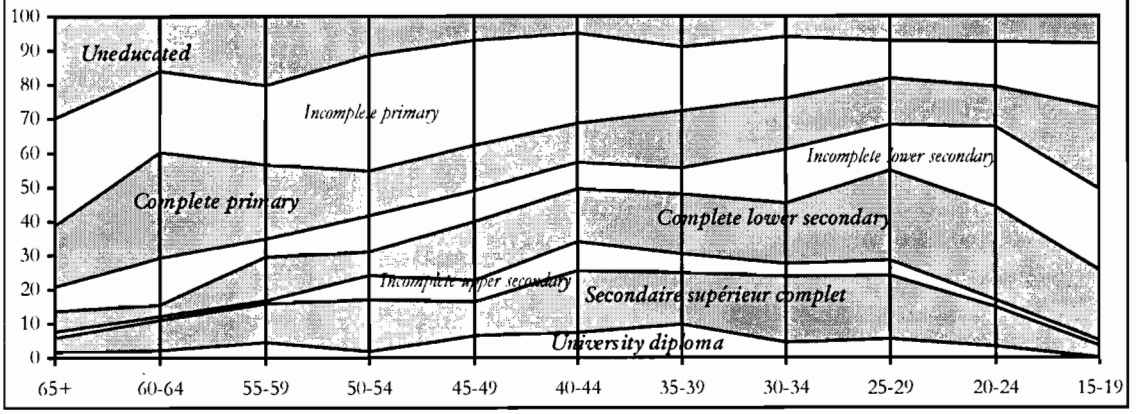
The first two graphs painted a synthetic image of the country. A search for the factors that could affect in a more differentiated way the existing distribution of the education levels could throw a complementary light on these questions. We will thus now turn to North-South, male-female, and urban-rural variations.

The graphs I.16 and I.17 show that the two major geographic regions have each developed original and somewhat paradoxical patterns in terms of levels of education. The first paradox is in the 65 years and more age group. The education cover is slightly less in the North (36.8% uneducated) than in the South (29.8%). However, the numbers, reflecting successfully completed

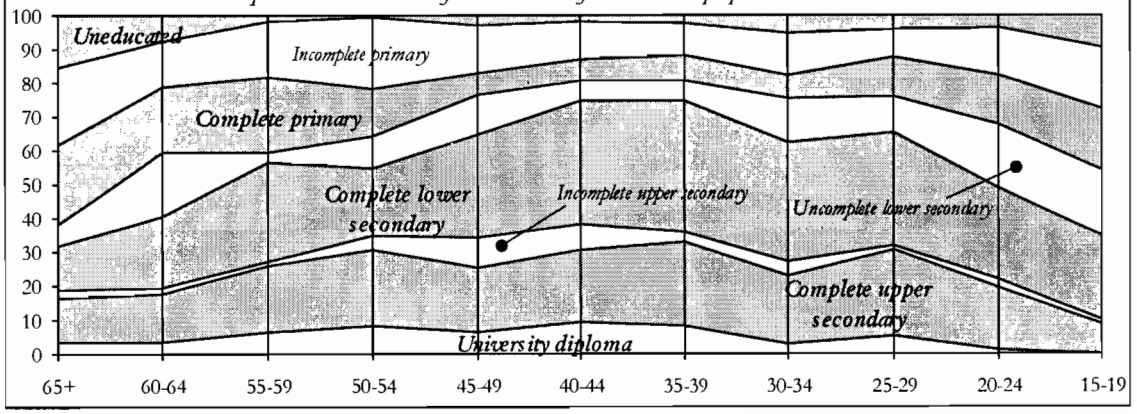
Graph I.16. Levels of education of the active population - North



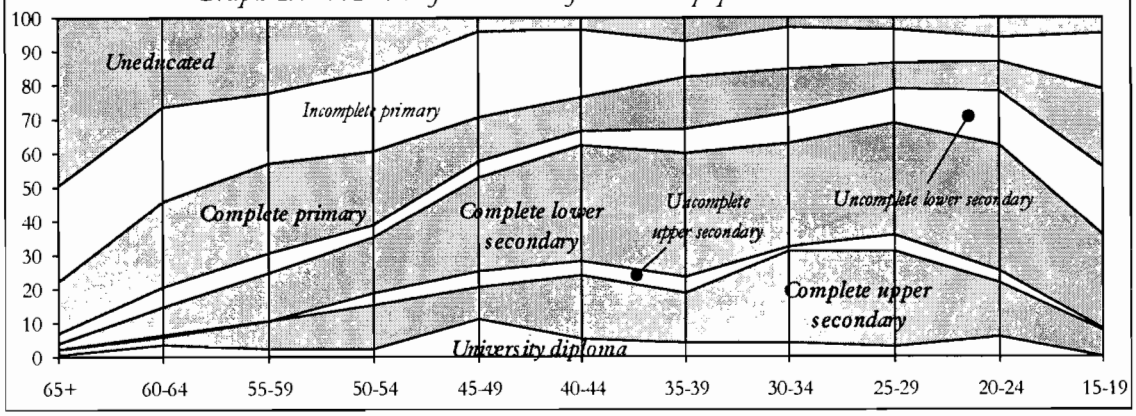
Graph I.17. Levels of education of the active population - South



Graph I.18. Levels of education of the active population - Males



Graph I.19. Levels of education of the active population - Females

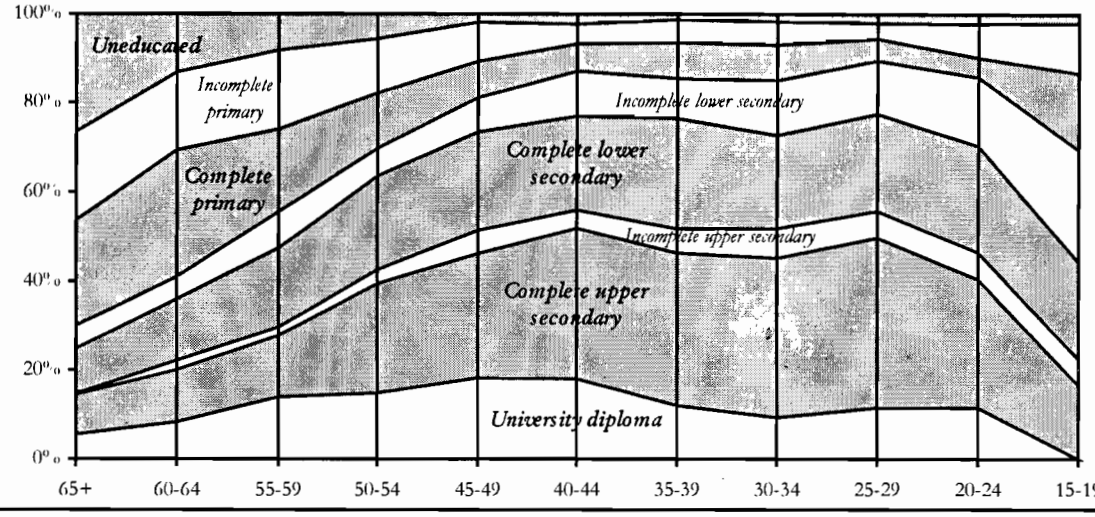


stages, are systematically higher in the North, including higher studies courses compared to the incomplete cycles, which are systematically more significant in the South. Next, the levels in the North make rapid progress. In the 55-59 age group, we find 84.2% and 52.7% of completions in the primary and secondary levels respectively (56.5% and 29.5% in the South). From the above age group until the 40-44 age group the North has achieved a generalisation of the lower secondary education (97.3% of completed primary and 90.7% of completed secondary education), while the progress in the South has been thwarted by the significant numbers in the incomplete primary category, the figures for the completed primary and secondary categories reaching only 68.6% and 49.5% respectively. Then, till the age group of 25-29 the North experiences a rapid growth in upper secondary levels (39.1%). In comparison, the South only attains 23.9%. It is also between these age groups of 40-44 and 25-29 that we can pick a contradictory trend: the North scores a regression from 97.3% to 93.4% in the completed primary category while the South continues to progress from 68.6% to 81.8%. The last contradiction that we see is in the movement concerning university degree holders. The North registers a peak in 45-49 age group (11.9%) and the South in the 35-39 age group (9.7%). This level then shows a decline in both regions, in an irregular manner. The South shows a minor gain around the 25-29 age group and the North around 20-24 age group.

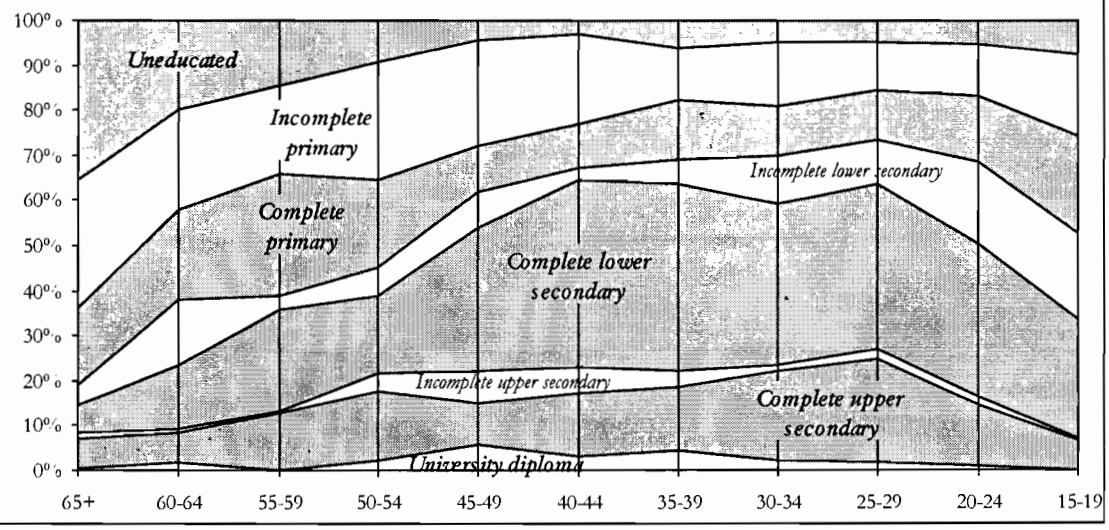
These paradoxical trends may be explained partly by the functioning, between 1954 and 1981, of education systems with different durations in the North (10 years) and in the South (12 years). The complete harmonisation of the different cycles in the whole country was not realised before 1989. The North has also been able to close the gap with the South in terms of education because of the more voluntarist policy that has been conducted in that zone between 1954 and 1975.

In comparison, we find the evolution of the education levels of men (graph I.18) and women (graph I.19) to be less contradictory and the trends more clear and regular. A very significant difference exists in the 65 plus age group at the completed primary level (61.6% for men and 22.1% for women). This gap then closes continuously till the 25-29 age group, which is the highest level reached by the men in the completed primary category. After this, the men see a decline in this category until the 20-24 age group (82.6%). The women on the other hand overtake the men and attain 86.5% in the 25-29 age group and then continue to rise by overtaking the men in the 20-24 age group (87.2%). Elsewhere, the figures for all other educational levels for the men stagnate or decline after the age group of 35-39. The women overtake the men in the 25-29 age group for the completed secondary and upper secondary levels, and in 20-24 age group for the university degrees. This trend holds even in the category that just left school.

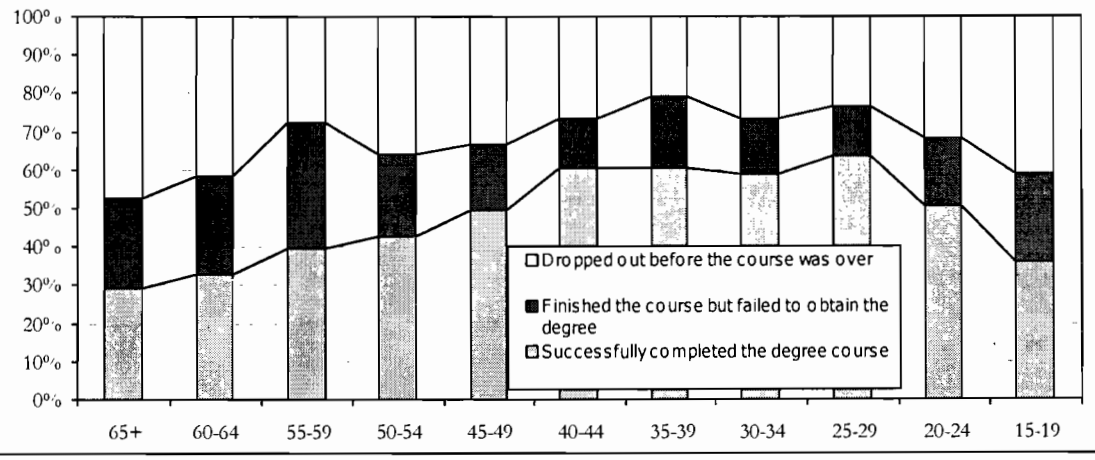
Graph I.20. Levels of education of the active population - Urban areas



Graph I.21. Levels of education of the active population - Rural areas



Graph I.22. School achievement of the active population

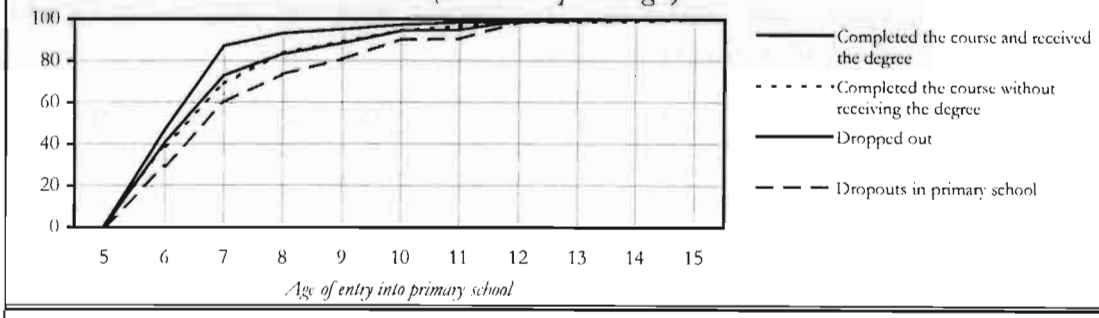


The women in the 15-19 age group account for less numbers in the uneducated category and their levels surpass that of the men in the completed primary and secondary levels.

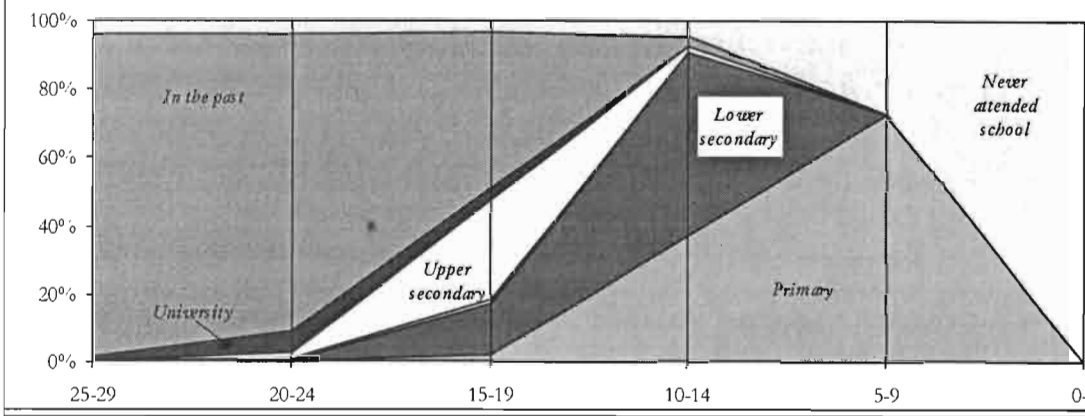
A comparison based on a lst variable, the educational levels in relation to the urban (graph I.20) and rural (graph I.21) areas, reveals a real structural gap between the two categories. In fact, we notice the curves for different levels follow similar trends, whether for the rising portion (till the 40-44 age group), for the stabilising portion (till the 25-29 age group) or for the declining portions. We also note that all the time rural figures are staggered by approximately the equivalence of one cycle. Thus in the 40-44 age group when the urban zones reflect a figure of 77% in the completed secondary level, the rural zone reflects a figure of 76.8% for the completed primary level. Similarly higher studies in the urban areas occupy an area that is almost identical to the area occupied by the upper secondary level in the rural areas, whereas the higher studies level in rural areas is represented by a very thin layer only. Without pondering on the fact that the employment needs of rural areas obviously do not justify similar educational levels required by those of urban areas, at this moment we still need to underline the existing differences involving the uneducated and primary dropouts in rural areas. There is thus a basic unresolved problem concerning the beginning of schooling and the control of dropouts from primary school in rural areas.

This leads us to the last point we wish to discuss in this section on the academic production. The point concerns the achievements and relative efficiency of the education system. If we assume that gaining a degree marks the success of the student obtaining it, then it can be said that the failure of the education system is reflected in the dropouts in the course of various cycles. We can thus classify the former students in three categories: those who have successfully completed their degree courses, those have finished their courses but have failed to obtain the degree and finally those who have dropped out of the cycles before the end. This distribution for all the former students put together is 51.2%, 18.2%, and 30.6% respectively. Therefore, only approximately half of the educated population have obtained a degree in their final academic stage, which is significantly low. In addition, almost a third have dropped out of their respective courses, which in turn is an alarmingly high figure. The distribution by age groups (graph I.22) shows that the level of success is not uniform, but the variations in the curve match the pattern of those educational levels that were analysed above (rise, stagnation, decline for exactly the same age groups. The age groups 35-39 and 25-29 record lowest proportions of course dropouts). They record the highest educational levels, as well. This pattern is reversed in the 15-19 age group. This relation sums up mathematically through positive and negative cumulative effects, but it is also an indicator for actions plans to be adopted by the education policy: the lesser the dropouts, the higher the education

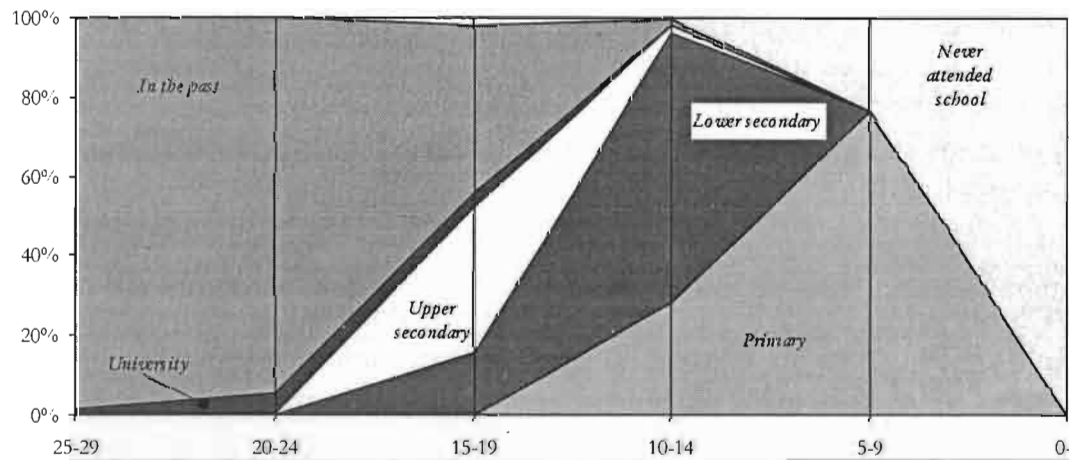
Graph I.23. School achievement and age of entry into primary school (cumulative percentages)



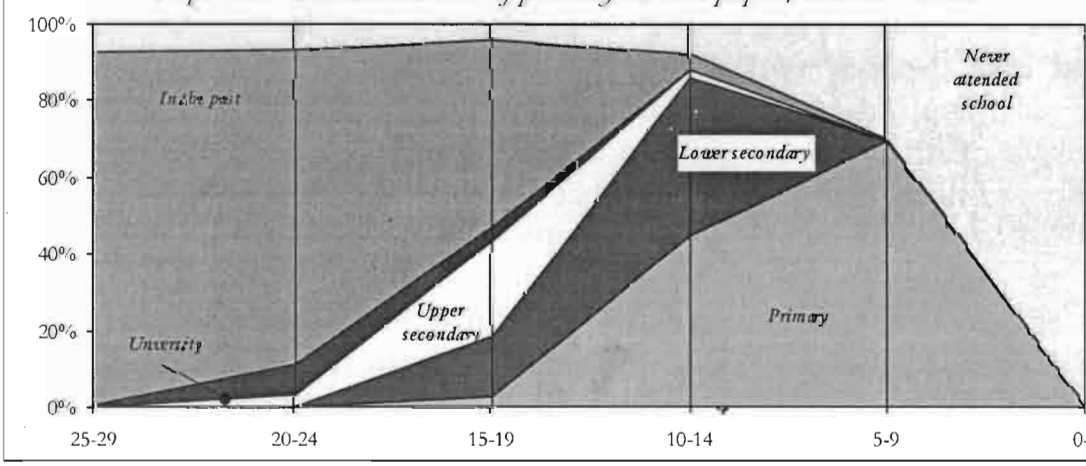
Graph I.24. Educational level of presently enrolled pupils/students



Graph I.25. Educational level of presently enrolled pupils/students - North



Graph I.26. Educational level of presently enrolled pupils/students - South



level of the population. The key to progress lies in a better control in leading the different groups through the academic process, starting with the initial stages of primary education.

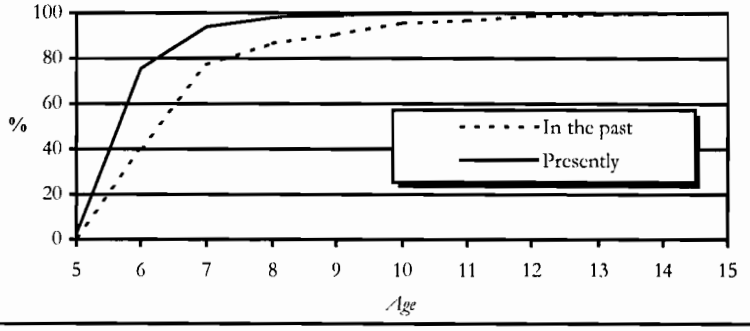
The closer one is to the normal starting age for primary education, the greater the chances for successfully completing studies and obtaining a degree. The curve for degree holders is characterised by the minimum deviation from the 6 years axis: 87.3% were 7 years or less and 95.3% were 9 years or less. In the case of primary level dropouts, the figures are 60% and 80.9% for the same age groups.

The study of the production and success levels in the academic process has led us to a number of partial conclusions. To start with, the development of mass education in the country has resulted in very significant progress in terms of higher educational levels, from the oldest to the youngest generations. These advancements seem relatively stabilised at a high level for the 25-39 age group. However, the younger generations coming out of the education system have clearly lower levels than that of their elders. Other trends are also evident. The structural gap between the North and the South is closing in. In the North, there is a stagnation, while the South is continuing to progress. This is presided by two important factors, the effects of the educational policy since 1975 (that is from the age group of 30-34), and with effect from 1989, the synchronisation of the duration of various educational stages in the two parts of the country. On the other hand, the gap between men and women is not only reducing but even shows a reversal in the 15-19 age group. As for the urban-rural ratio, we must not only consider the age groups where there is a difference but also look at some of the more long-term inequalities, which are in general the major obstacles to education, like late entry in to primary education and premature dropouts, all of which are pronounced in the rural areas. Let us now see what the analysis of the current education and the degree of control over the schooling processes reveals.

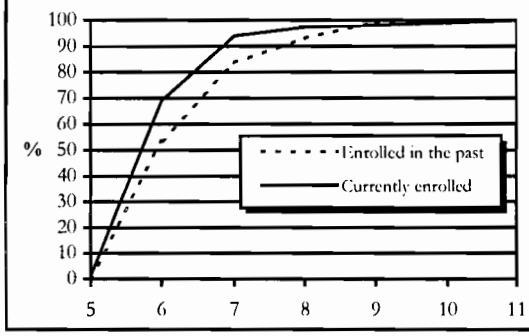
III. The current education and the degree of control over the schooling process

From the evolution of the spread and the levels of education, some general trends have emerged which in turn raise a number of questions. An analysis of the various dimensions of the current education allows us to measure in details these trends and the progress in the control over the schooling process. The ratios and levels of school enrollment will provide an estimation of the potentiality of population presently studying, while the evolution of the entry age in primary school and the official ages for the other cycles can provide some accurate indicators on control over the movements.

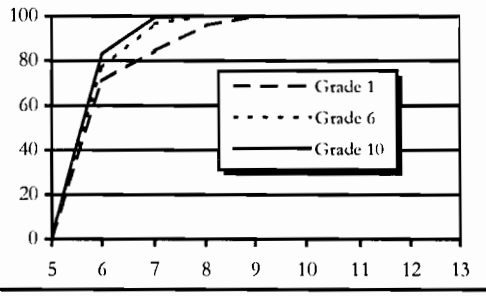
Graph I.27. Age of entry into primary school, present and past enrollments



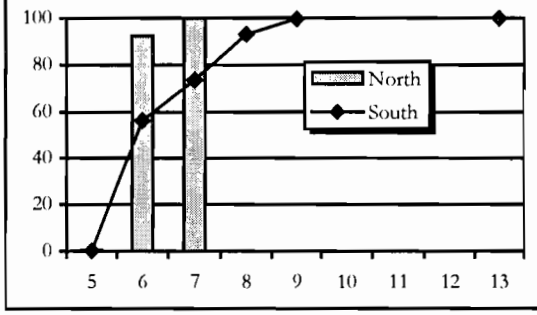
Graph I.28. Age of entry into primary school, age group 15-19



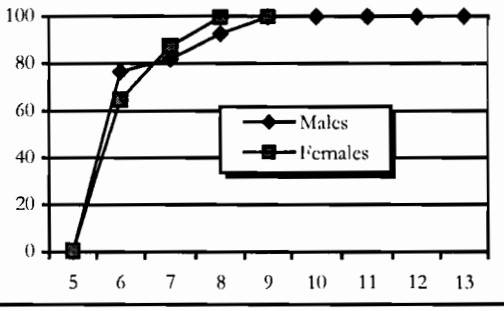
Graph I.29. Age of entry into primary school, pupils currently enrolled in grades 1-6-10



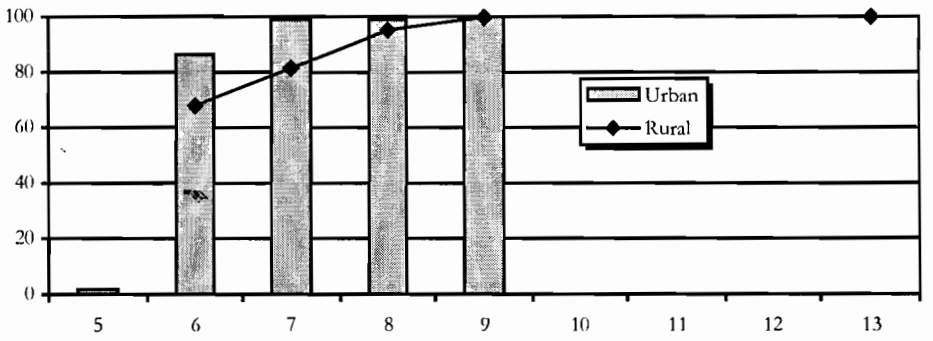
Graph I.30. Age of entry into primary school of currently enrolled pupils, North-South



Graph I.31. Age of entry into primary school of currently enrolled pupils, Males-Females



Graph I.32. Age of entry into primary school, currently enrolled pupils, urban-rural

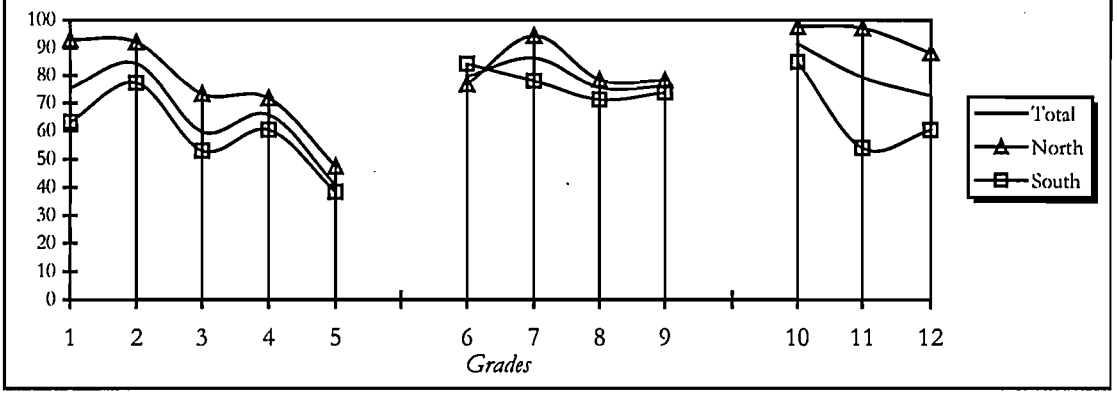


The enrollment rate for the 5-9 age group (graph I.24) is 72.5%, all of them attending primary school. The 10-14 age group has enrollment rate of 95.5%, the distribution being 36.8% in primary school, 53.7% in lower secondary, and 2% in upper secondary. 2.8% have already dropped out of the education system. Also to note is the fact that 4.5% have never gone to school. Would at least a portion of them get educated? We may assume this possibility given the wide range in the age groups for the starting age of primary education. This in turn could raise the enrollment rate for the 10-14 age group close to that of the 15-19 age group (96.7%). The 15-19 age group still has 1.5% in primary school, 15.6% in lower secondary, 1.1% in technical secondary, 28.9% in upper secondary and already 3.5% in higher studies. 46% have completed their studies..The 20-24 age group has an enrollment rate of 95.9%, the distribution being 0.6% in technical secondary, 1.5% in upper secondary, 6.6% at university and 87.2% have completed their studies. The rates and levels of schooling in the 20-24 and 15-19 age groups convey the impression that there would not be regressions in the schooling rates of future generations and even a proportional progress could be recorded. Thus, the 28.9% upper secondary figures in the 20-24 age group include the 19.8% for the same level in this age group who have left the education system. We can apply the same logic to establish the potentiality of the 10-14 age group. The main question will therefore not be one of decline in schooling enrollment rates, but that of the significance of the students falling outside the prescribed age groups. The children presently enrolled in primary school are spread over three age groups (from 5-9 to 15-19), likewise for those in upper secondary (from 10-14 to 20-24). For many varying reasons, among which one can state the existence of returning students, this spread is more wider in higher studies (from 15-19 to 45-49).

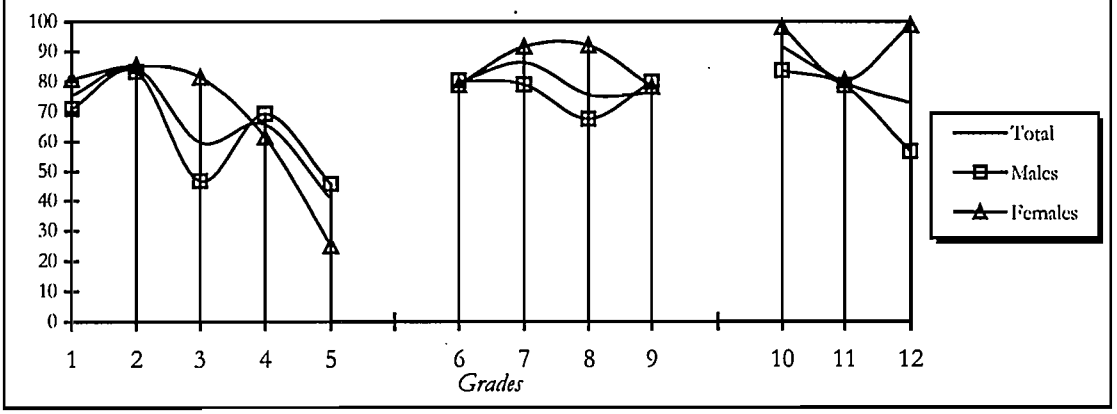
A comparison between students of the North (graph I.25) and of the South (graph I.25), shows clear variations in schooling rates. For the five age groups from 20-24 to 5-9 years, the schooling rates are 99.8%, 97.8%, 99.5% and 76.6% for the North and 93.1%, 95.7%, 92% and 69.7% for the South. The figures for the younger age groups show the difficulties in the South for early recruitment in the primary level and in avoiding a wide variation in age groups for a given stage (3 age groups are represented in the primary level against only 2 for the North). Meanwhile we note a more significant proportion in higher studies for the 20-24 and 15-19 age groups in the South than in the North.

The trends identified in the relative development of schooling rates for the active male and female population are confirmed among the current students. If, to start with, in the 5-9 and 10-14 age groups, the rate of school enrollement for girls is lagging behind that for the boys (69.6% and 93.3% against 75.5% and 97.2%), they are on the other hand higher in the 15-19 age group (97,4% against 95,9%). This can be attributed to the fact that girls start

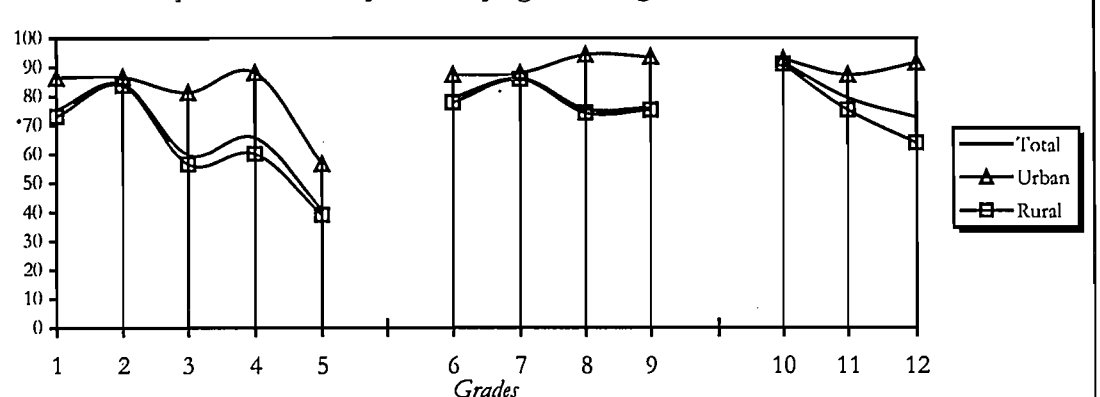
Graph I.33. Percent of children of legal school age in each level, North-South



Graph I.34. Percent of children of legal school age in each level, males-females



Graph I.35. Percent of children of legal school age in each level, Urban-rural



schools at generally later ages than boys. Nevertheless, girls find themselves better represented in the secondary and are more advanced in the upper secondary for the 10-14 age group (59% and 2.8% against 49.3% and 1.3%). Similarly, their representation in the university is also greater in the 20-24 age group (8.4% against 5.1%).

Rural areas still lag behind by one cycle for any given age group, starting with 5-9 age group (70.9% for rural areas and 80.5% in urban areas) and going up to university level for the 15-19 age group (1.6% against 10.7%). Moreover, the excessive spread of age groups is conspicuous in rural areas.

From all that has been analysed until now in this part, we could conclude that the impression of a global regression in the levels of education was only an impression and in fact, the trends according to different variables are satisfactory. It also became clear that the management of age was an important factor of differentiation in the schooling process. We will study this process through two factors, entry age for the first year of primary school and the proportion of "official" age for the different years of the different cycles.

The comparison of the entry age of ex-students and current students (graph I.27) in primary school shows a great difference in the quality of the control over the schooling process, in favour of present day students. In fact, among the latter, 75.4% have started primary school at the age of 6 or less, 94% at the age of 7 or less, and in no case do the entry ages cross 11 years. In the case of all ex-students, the figures are 40.4% and 77.1% respectively for the same age groups and the entry age goes beyond 15 years. A comparison that can be done within a given age group, the 15-19 age group, that covers the normal schooling years, and that divides the ex-students and the current students in to two equal parts, bringing further insight (graph I.28). On the one hand, the age of entry in primary school is higher for the ex-students than for present students. On the other hand, it tends to reduce as compared to all the people who have already left the education system. The curve for the present day students of 15-19 years is quite close to that of their counterparts who have left school.

By considering (graph I.29) the recruitment age for the students of class 1 (1st year of primary), class 6 (1st year of lower secondary) and class 10 (1st year of upper secondary), we start to get a clearer picture of the role of the recruitment age factor in the academic progression of batches through the different stages of the education system. We see that the representation of those who began at the age of 7 or less in class 1 is the least (84.4% against 96.7% in class 6 and 99.4% in class 10), but on the other hand, it has the biggest dispersion in age (5 to 13 years, against 5 to 8 in the other two cases). Assuming that the original batches of class 6 and 10 had the same composition as that of the current class 1, we could conclude that early

recruitment in primary is the surest sign of a higher school expectancy. On the one hand, in classes 6 and 10 the dropouts during a given stage and the terminations at the end of a stage account for the absence of students recruited at an age greater than 8 years. On the other hand, the concentrations of those originally recruited in the age of 7 years or less is greater in class 10 than class 6.

If we accept the logic that late and scattered entry ages for the primary level displaces and erodes the batches, that would explain the lags and inequalities that we have identified between the North and the South, and between urban and rural areas. We could also find in there the key for the recovery of the women, in relation to men, in education. The starting age of current class 1 students of the North (graph I.30) is almost 100% 7 years or less. In the South, such a proportion (99.7%) is achieved only for those in the 9 years or less age group. The current students in the urban areas (graph I.32) have overall been recruited at younger ages in class 1 (99% in the 7 years or below age group) than those in rural areas (81.4% in the same age group). Finally, the figures of recruitment between boys and girls (graph I.31) show that 76.6% of the boys were recruited in the 6 years or less age group while only 64.8% of the girls belonged to that age group. But the latter are better placed in the 7 years or less age group (87.4% against 81.9%) and are scoring even higher in the 8 years age group (99.7% against 92.7%).

Beyond class 1, the progression through the classes is a combination of promotions, repeated classes, and dropouts. The people repeating classes age a batch, but the dropouts, most often involving the eldest in a batch, render it younger. By calculating the proportion of students in the normal age, plus minus 1 year, for each class of a given stage (5, 6 and 7 years for class 1 students), we can better follow the behaviour of different batches of students.

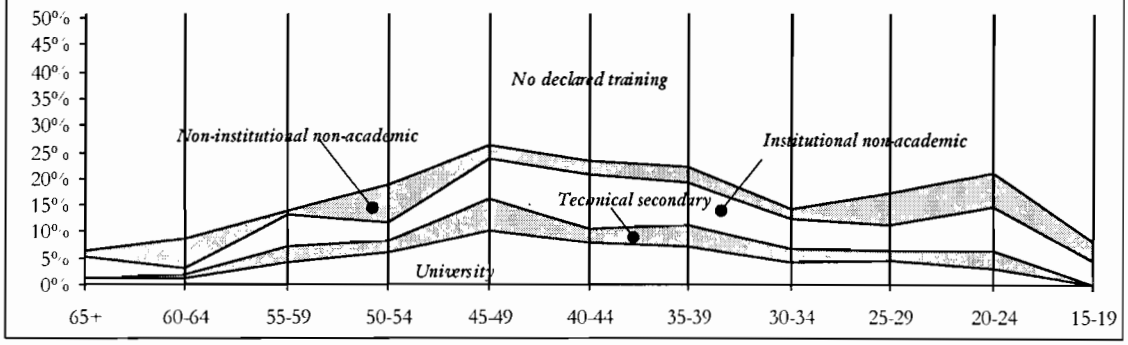
The North-South variations in controlling the official ages (graph I.33) follow a parallel but descending trend from class 1 through to class 5, with the North controlling the official ages better. This important difference for class 1 (92.9% and 63.2%) narrows down with the descent of the rate of conformity in general. In class 5, these figures are 47.3% and 38.3% respectively. The passage to lower secondary reduces the size of the batches and it is the youngest who pursue their education. Therefore, we notice a dramatic rise in the rate of conformity to official ages in class 6 and a momentary change in the preceding logic (76.7% for the North and 84.1% for the South). Class 7 registers a peak for the North (94.3%) while the South goes down (76.7%). Class 9 marks a return to the levels of class 6 for both regions (78.2% for the North and 73.7 for the South). Class 10, first year of upper secondary, shows very high rates (97.6% and 84.9%), maintained only in the North, while the South follows with a dramatic decline.

The boy-girl trends (graph I.34) generally follow the same profile as the preceding graph. That is they show a steady decline in the primary classes, an increase in lower secondary classes, and even higher levels but with divergent trends in the upper secondary. What is most notable is that the level for girls is higher for the classes 1 to 3, 7 and 8 and then 10 to 12. For the 10 and 12 classes they reach 98.2% and 98.8% against 83.6% and 56.7% for the boys. For the urban and rural areas the same differences observed elsewhere exist, the less important divergences being found in the first or second years of each stage.

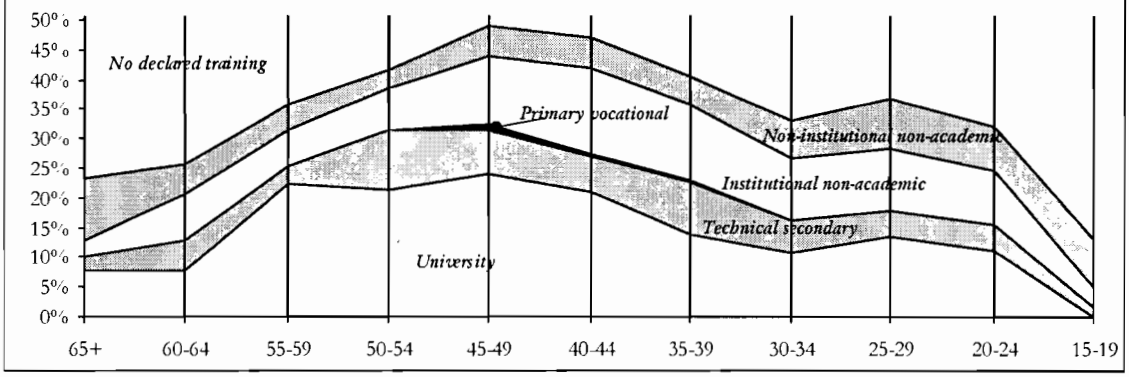
Conclusion

In this chapter on education, we have started identifying the trends through the analysis of the educational cover and that of the different levels of education achieved by the population. We have looked for confirmation of these trends and of their origins, through an analysis of the education production and achievements and through the current schooling situation and the degree of control over the schooling process. It emerged that among the apparent trends the first trend, that is a regression in the levels of the young generation of working people, was not confirmed. On the other hand, what was confirmed was the narrowing down of the gap, though still heterogeneous, between the North and the South, the replication of a structural gap between the urban and the rural areas, and the process of closing in and then finally overtaking of male enrollment rates by females. The confirmation of these last trends, just like the rejection of the first, were done with the same chain of logic, where the key is found in the degree of control over the recruitment age for primary school. This variable control then affects the official age in different stages and thus influences the premature, normal, or late entry into the labour market. The differences and inequalities in the academic development are decided at the source, that is, in the connection between the school and the families, the standards of living of the families seemingly playing an important role in the schooling conditions of the children.

Graph I.36. Professional training of the active population, by age groups



Graph I.37. Professional training, urban areas



Graph I.38. Professional training, rural areas

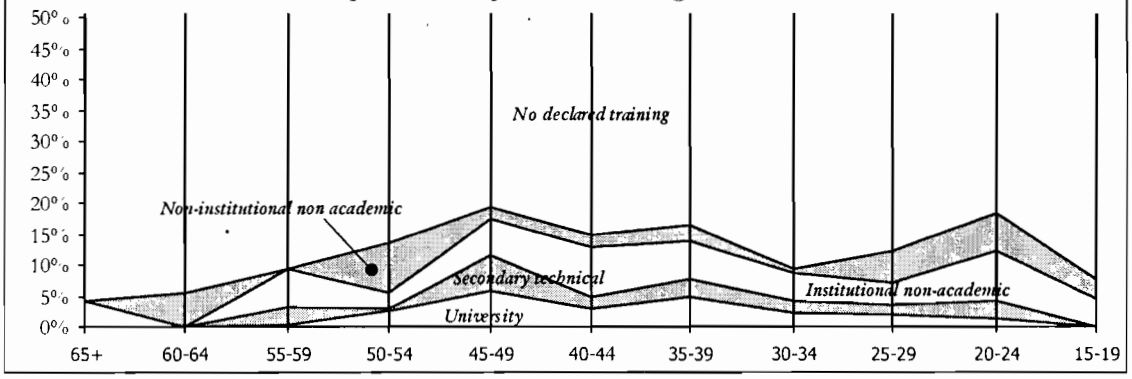


Table I.2. Distribution of the types of professional training by region, sex, and urban-rural areas

	University	Secondary technical	Primary vocational	Institutional non-academic	Non-institutional non-academic	No declared training
Total	*5,0*	*2,9*	*0,0*	*6,4*	*4,0*	*81,6*
Urban	15,3	5,9	0,2	10,7	6,1	61,8
Rural	2,5	2,0	-	5,4	3,3	86,8
Males	5,5	3,2	0,0	7,8	4,8	78,6
Females	4,5	2,4	0,1	5,1	2,9	84,9
North	4,6	4,6	0,1	5,7	1,4	83,6
South	5,4	1,3	0,0	7,1	5,9	80,3

CHAPTER II. PROFESSIONAL TRAINING

We have studied the different dimensions of education within the framework of the problems of sustaining and developing the human resources potential. During this study, we have attempted to throw some light on the links, which reside in the structure and the dynamics of the education system, between the education policy and behaviour of families. Professional training does not relate to a similar analysis. In fact, it belongs as much to the non-academic as to the academic field, even though the latter always has a determining influence on the former. On the other hand it is linked more directly to the modalities of insertion in production, and thus to the economic sphere. In this chapter, professional training will be tackled through three approaches. Firstly, the state of professional training and its evolution in time. Secondly, the various training modes, operators and institutions. Lastly, the development of the education-training levels of the employed labour-force.

I. The status of professional training

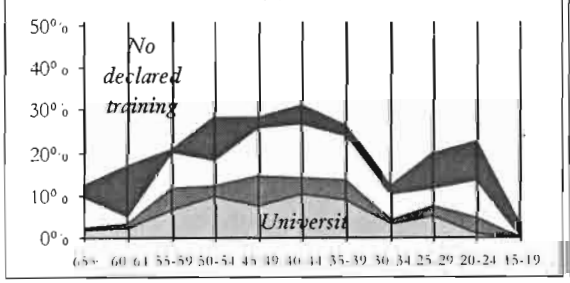
By professional training we understand any given means of knowledge transfer, whether theoretical or practical, that is related to a production activity. On one hand, it concerns all technical and professional streams of the academic system, and on the other, all the professional apprenticeship or training received outside the academic process. At this stage, this does not involve expertise acquired through practice alone, in the cases where the people concerned have not indicated their skill acquisition to be part of an apprenticeship, which is the case of 96% of the cultivators and related occupations. The study of professional training will use two major categories, the academic, and the non-academic training. Each category will be subdivided by the different education cycles, for those with academic training and by institutional or non-institutional categories for non-academic training.

The first striking point (table I.2) is the significant weight of the employed without any form of declared professional training (81.6% among the employed). It is true that the proportion of the untrained labour-force varies according to locations, urban and rural, sex, and geographical region. It however never goes below 61.8% (urban areas) and goes as high as 86.8% for rural areas. Moreover, men have a lower rate of untrained labour than women (78.6% against 84.9%). Likewise, the South has a lower share of untrained labour than the North (80.3% against 83.6%). The second aspect refers to the varying weight of academic training in relation to non-academic training. For the whole labour force, the share of people who received any academic training is 7.9%, while it is 10.4% for non-academic training. However, the proportions are reversed for the employed in the urban areas

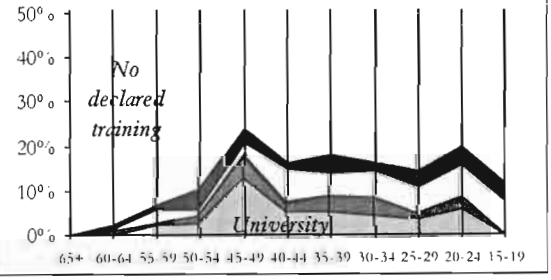
and the North. Thus recourse to non-academic training is more common in rural areas, among women and in the South, than for urban areas, for men or for the North. Wherever we see the dominance of academic training, the difference is essentially due to the training received at university. In fact, with the exception of the North where proportions are equivalent, all other places have a lower share of people trained at the professional secondary education level than at the university level. We also note that professional training is minutely represented. As far as non-academic training is concerned, the institutional training dominates all the different cases. To wrap-up this brief study of the general picture, we must note that the urban areas not only control the highest proportion of the trained labour-force, but also dominate in all the different modes of training.

A study of the evolution of the access to professional training across the different age groups (graph I.36), reveals three major periods. The first, from the senior most age group to the 45-49 age group, is characterised by a regular progression of the proportion of trained labour-force (from 6.5% to 26.3%). This progress is mainly attributable to the generalisation of academic training at all levels, which in the case of this age group reach unequalled values (10% for universities, 6.1% for the secondary and even 0.2% for the post-primary category). The second period, from the 45-59 age group to the 30-34 age group, registers a definite decline in trained personnel (from 26.3% to 14.3%). Here too, all the levels of academic training are principally responsible for the regression (4.1% for the university and 2.5% for the professional secondary). The last period marks a mainly due to non-academic

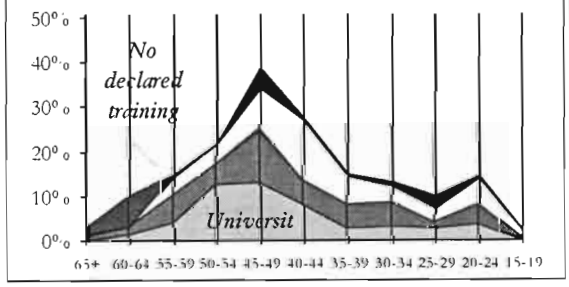
Graph I.39. Professional training, males



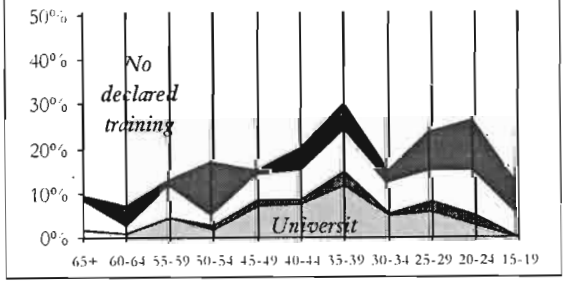
Graph I.40. Professional training, females



Graph I.41. Professional training, North



Graph I.42. Professional training, South



training that moves up from 7.7% to 14.7%, while academic training continues to move downwards despite a slight jump in professional secondary figures.

The distribution of the types of training in urban and rural areas (graphs I.37 and I.38) reveal strong differences, not so much in the profile that, on the whole, keeps more or less the original form (graph I.36) with the three periods remaining clearly visible, but in the extent of the difference that separates each age group from one zone to the other. Thus, the lowest share of trained labour-force in urban areas (excluding the 15-19 age group, which must be considered separately) is that of the 65 plus age group, which is at a level that is not attained even by the most advanced age groups in rural areas, the 45-49 age group (19.5%). Moreover the progress in the numbers of trained manpower in urban areas, till the 45-49 age group (49.2%), is due to a progression of all the different types of training that can be characterised as institutional, whether academic or non-academic. Its decline thereafter, until the 30-34 age group, can be solely attributable to the figures relating to academic training. The rise that follows in the 25-29 age group is due to the contribution of all sectors, with the exception of professional secondary. The relative dip in the 20-24 age group will probably be compensated in the future by the significant proportion of this age group who are still students. What is of significance in the rural areas, notwithstanding the structural gap with the urban areas, is the spectacular rise in the 20-24 age group, due to non-academic training and, to a lesser degree, of professional secondary.

The access to professional training in respect of men (graph I.39) and women (graph I.40) is marked by clear differences against women, which as we have seen is mainly due to a late start (100% untrained in 65 plus age group against 13% for men in the same age group). The women, nevertheless, close in on the men around the 45-49 age group (28.5% for men and 23.7% for women). But then there is a fall in the figures for women in the next age group, while the men continue to progress till the 40-44 age group (31.3% for men and 16.4% for women). For the younger groups we see the training ratios severely declining for the men until the 30-34 age group (12.4%) and then rising equally dramatically until the 20-24 age group (22.5%). Meanwhile, the women go down less drastically (in the 30-34 age group they are at 16%, that is better than men) and rise for the 20-24 age group (19.7%). We also note that the highest trained work force levels for men, that of the 40-44 age group, corresponds to the highest figures in university training (10.2%) and non-academic institutional training (12.6%). Their rise in the 20-24 age group is attributable to a new gain in non-academic training in its two forms (9.2% for institutional and 8.7% for non-institutional) and to an increase in the professional secondary (3.6%). In the case of women, one must underline the extraordinary ratio of 12.9% attained for university training in the 45-49 age group, their gains in the 20-24 age

group (5.8% against 0.9% for men in the same age group), and the progress in the institutional non-academic category.

The distribution of professional training in the North (graph I.41) and in the South (graph I.42), respectively register some major differences between different age groups. The North presents a truly unbalanced picture with steep progress and decline around a high peak for the 45-49 age group (38.6%, with university training at 13.1%). The dip in the 25-29 age group (10%) is followed by a comparatively modest rise in the 20-24 age group (14.6%). In the South, the peak is situated in the 35-39 age group (30.1%, of which 11.8% are university trained), followed by a big decline in the 30-34 age group (14.9%) and a second peak in the 20-24 age group (26.6%, of which 21.7% having non-academic training).

II. The modes of professional training

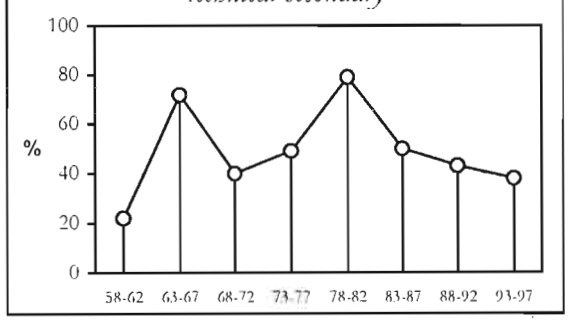
A study of the state of professional training enables us to start measuring its development which on the whole is quite limited and unequally distributed across the different age groups according to zones, sex and the two major regions and also according to the different modes of training. These modes of training are organised by institutions and other operators that we will now study, along with the types of training they provide.

A. The academic training

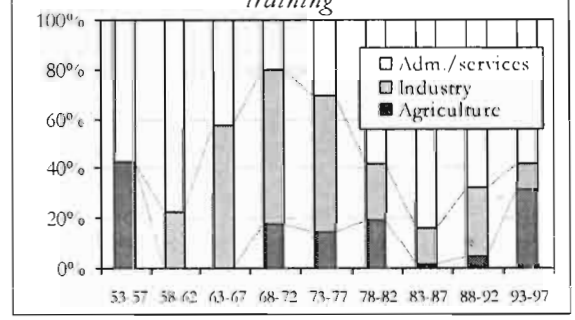
1. The technical and professional secondary courses

Since the post-primary professional education is very minutely represented in the sample, only in the form a line, we will limit our discussions to the professional secondary. This stage is built on general training corresponding to the lower secondary level, that is 9 years of general training (7 years in the North until 1989), and is oriented towards training different types of qualified labour, second class technical staff and various other professionals like teachers and nurses.

Graph I.43. Years of completing technical secondary



Graph I.44. Industry groups of training



97% of the employed trained in this cycle have successfully obtained their degrees, both in the case of men and women. The training varies from one to five years. However, those trained for only two years account for 33% of the degree holders and those for 3 years represent 54%. The training courses are oriented towards all the economic sectors, but those actually trained have varied according to different periods (graph I.43). and also according to the focus of the priorities of the training in relation to the three sectors (graph I.44). Globally the training has consisted of 13% in the agricultural sector, 33.5% in the industrial sector, and 53.5% in the administrative and services sector. As far as the specialisation is concerned, we can distinguish between two types. The regular specialities for which there is always a growing need (for industry, skilled labour in manufacturing of metal products and electrical repair and maintenance; for services, teachers, nurses, and other specialities like marketing, credit/finance, accounting), and the specialities that specifically correspond to the national planning. The latter are reflected in the increase in the figures for some of the periods (graph I.43). Thus, the 1963-1967 period marked a production of a number of specialists in the repair and maintenance of equipment and machinery, electrical engineering, manufacture of metal products and construction engineering concerning industry. The services were then dominated by the general administration and marketing. 1978-1982 was dominated by specialists in agricultural engineering and technology, wood treatment, accounting and teaching.

2. Higher studies

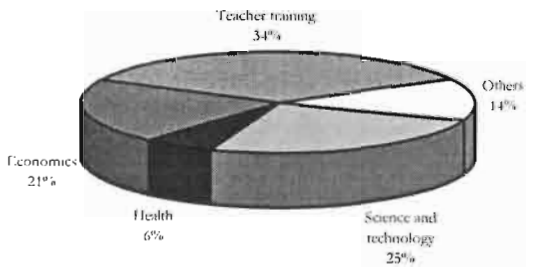
Higher studies consist of universities and colleges. They impart higher study qualifications to Government servants and staff of all sectors of the economy at the end of their upper secondary studies, that is after 12 years of general training (10 years in the North until 1989).

The employed population holding higher studies degrees represent 95.3% of ex-students, of which 53.5% are men. The diploma-holders of colleges represent 31.6% of the total, while graduates represent 60.2%. Post - graduates (masters and Ph.D.) cater for only 1.2% of all those who have gone through higher studies. Women represent two-thirds of college diploma holders and a little more than a third of graduates. Sex has thus an incidence on the duration of higher studies. Against an overall average 4.1 years, the women have averaged 3.7 years and men 4.4 years. We can also point out that 35% of ex-students of colleges have obtained their degrees in two years and 58% in three years. 60% of the University students have obtained the General Undergraduate Certificate (GUC) in two years. For graduate degrees, 40% have taken 4 years, and 51% have taken 5 years. The master's degree was obtained in 6 years by 66.7% of the students.

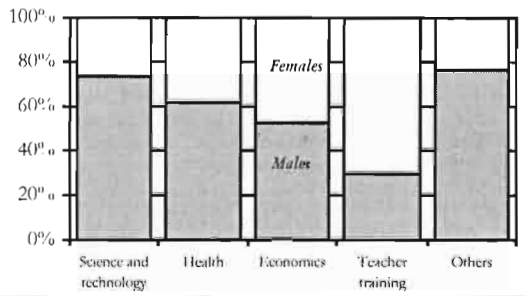
Table I.3. Specialities of the higher education diploma-holders

	College diploma	General undergrad. Certificate	Bachelor	Masters	Sub-doctorate	PhD
Natural sciences	3,4	6,7	8,7	-	33,3	100,0
Human Sciences	5,1	20,0	6,0	-	-	-
Science and technology	3,4	13,3	16,4	-	33,3	-
Economics/finances	6,2	-	30,7	-	-	-
Architecture	0,6	-	3,3	-	-	-
Agriculture, forestry, fishing	-	-	5,7	33,3	-	-
Medicine, pharmacy	2,8	-	7,8	33,3	33,3	-
Sports	1,1	-	0,3	-	-	-
Teacher training	69,5	60,0	17,6	33,3	-	-
Art and culture	6,8	-	1,8	-	-	-

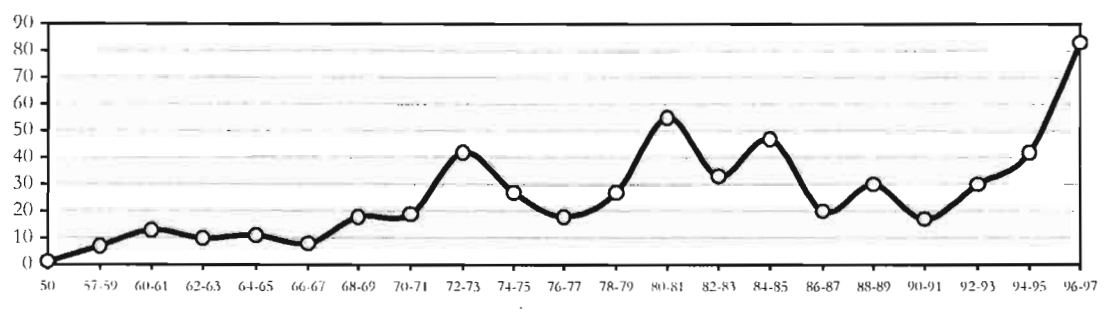
Graph I.45. Groups of university specialities



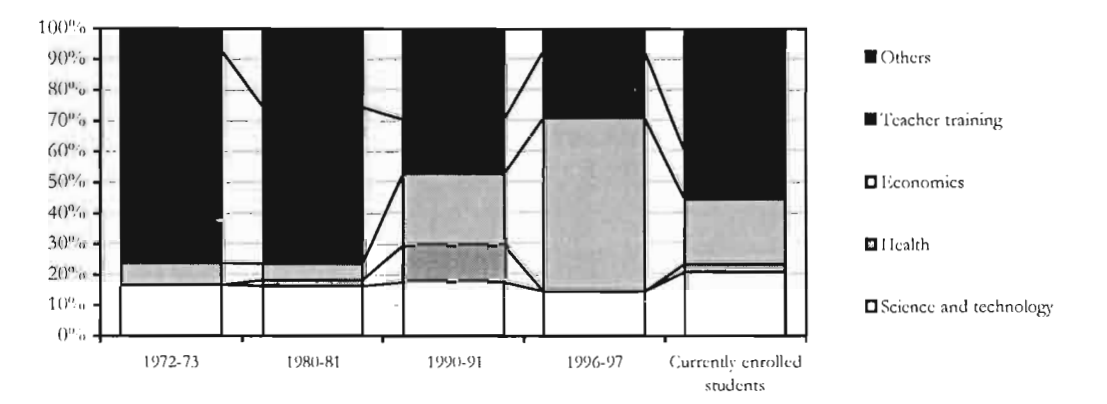
Graph I.46. University specialities, males-females



Graph I.47. Years of obtaining higher education diploma (%)



Graph I.48. Evolution of higher education specialities

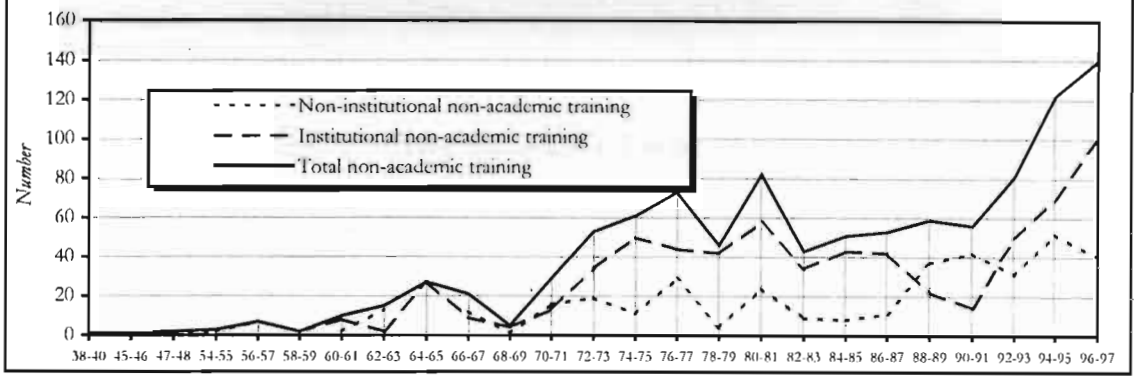


Let us now see how the different higher education grades are distributed across the various specialities (table I.3). Out of ten specialities, the colleges have mainly produced trained teachers (69.5%). It is similar in the case of the GUC (60%). The graduation level has covered all the disciplines, but primarily economics/finance (30.7%) followed by teaching (17.6%) and then science and technology (16.4%). We also note that only certain disciplines received training beyond the graduate level. This concerns natural sciences, engineering, and medicine/pharmaceuticals.

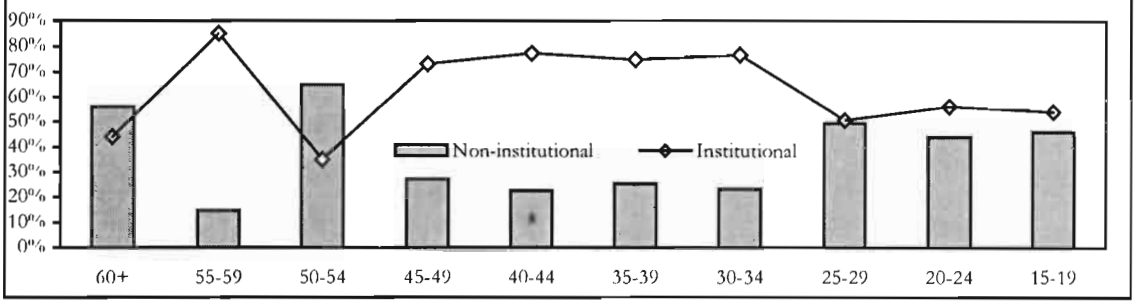
We have grouped the specialities into five broader categories: science and technology, health, economics, teaching, and others (social sciences, fine-arts, sports, ...). Their distribution in the total employed population (graph I.45) show the importance of educational training (34.7%), followed by science and technology (24.9%) and then by economics (20.7%). The "Others" category is at 13.6% and health at 6.1%. The distribution of these specialities according to sex shows big differences between men and women (graph I.46), almost as if some specialities were reserved for a given sex. Thus, the "Others" and the science and technology specialities are 76.3% and 73.4% male, just as teaching would seem to be a female speciality (70.5%). The difference in health is less marked (61.8% for men) and economics is almost equal for both sexes. It is interesting to note that among the current students the women are a majority in economics (60.5%) and in health (60%). In teaching, the women increase their dominance (87.5%) while the male domination seems to be loosing ground in other disciplines.

Another aspect that merits analysis is the global evolution of the training specialities in relation to time. Let us begin with a study of passing out years from higher studies for the degree holding employed (graph I.47). After a period of steady rise until 1972-1973, the irregularity of the curve reflects the sensitivity of universities to external events, whether it is the war (the slack years of 1976-1977) or the economic difficulties (the recessions of 1986-1987 and 1990-1991). This is followed by a spectacular rise that continues until the most recent years. For analysing the evolution of specialities we have selected a few time-based reference points that correspond to significant passing out years, whether positive (72-73, 80-81 and 96-97), or negative (90-91). We add to these the specialities pursued by the current students. The years 72-73 and 80-81 are marked by a significant production of teaching staff (69% and 51%). The years 90-91 shows a certain balance for the disciplines overall, which are all represented. These years register a growth in the "others" and the economics categories. After this a very strong contingent of specialists in economics (56.6%) show up in 96-97, to an extent that we do not see in current students (21.2%), who nevertheless, are characterised by a strong development of the "others" category, in particular social sciences and human sciences.

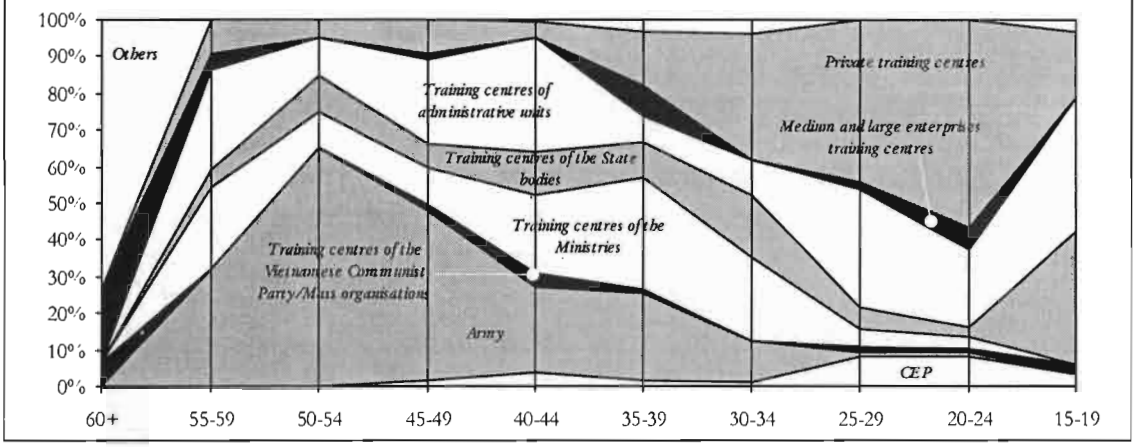
Graph I.49. Years of finishing non-academic training



Graph I.50. Types of non-academic training, by age groups



Graph I.51. Institutions of non-academic training, by age groups



B. Non-academic training

The non-academic training is that imparted outside the purview of secondary and higher education institutions that we have examined in the previous section. The divisions within the non-academic category are based on training carried out in places that can be termed as institutions and others that cannot be categorised as such. The institutional bodies are those that are equipped to impart any organised training. They can be public training centres or enterprises. The non-institutional places comprise of training by family and friends or self-training that does not, as such, ensure an organised form of training. Overall, the non-academic training accounts for 10.4% of

the currently employed population (table I.2 p.24). This has a further breakdown of 64% having institutional training and 36% non-institutional training. While the men represent 62% of those with non-academic training, the women account for two thirds of the institutional training under this category.

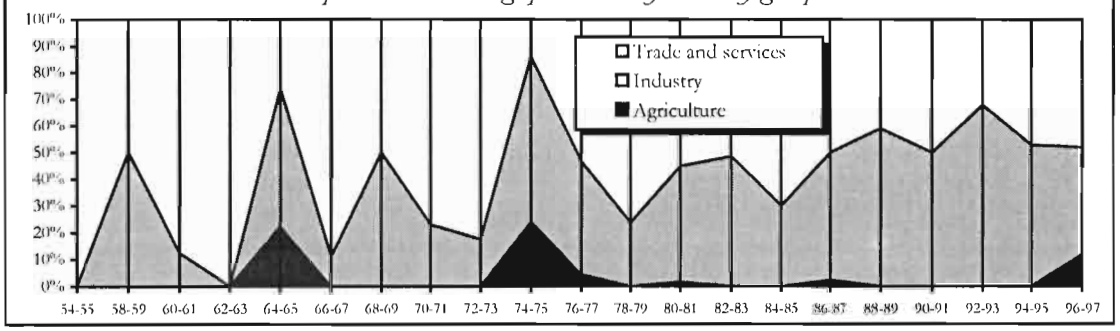
By following the time-based evolution of non-academic training in terms of the passing out years and corresponding numbers (graph I.49), we first note a striking irregularity. It really takes off in the years 68-69, then oscillates until 82-83, and then slowly rises until 96-97. The second notable trait is the difference in the evolution between institutional and non-institutional training. From 72-73 to 86-87 and after 92-93 the two curves are clearly separated, with greater numbers in favour of institutional training. On the other hand the years 88 to 91 witness a turnaround in the profiles due to a significant fall in institutional training and marked increase in non-institutional training, which thereafter maintains its high levels to contribute to the elevated figures of non-academic training on the whole. Meanwhile if we consider the distribution of types of training in relation to age (graph I.50), we can establish certain consistent patterns of distribution and identify what can be termed as abnormalities on the curve. Institutional training dominates consistently from the 45-49 age group until the youngest groups. Nevertheless, the development shows that after maintaining a significant distance until the 30-34 age group, the gap between the two types of training reducing from the 25-29 age group onwards. The abnormalities involve the 60 plus and 50-54 age groups which are marked by a significant recovery of non-institutional training, especially the 50-54 age group as it is preceded by a group in an opposite situation.

1. Institutional training

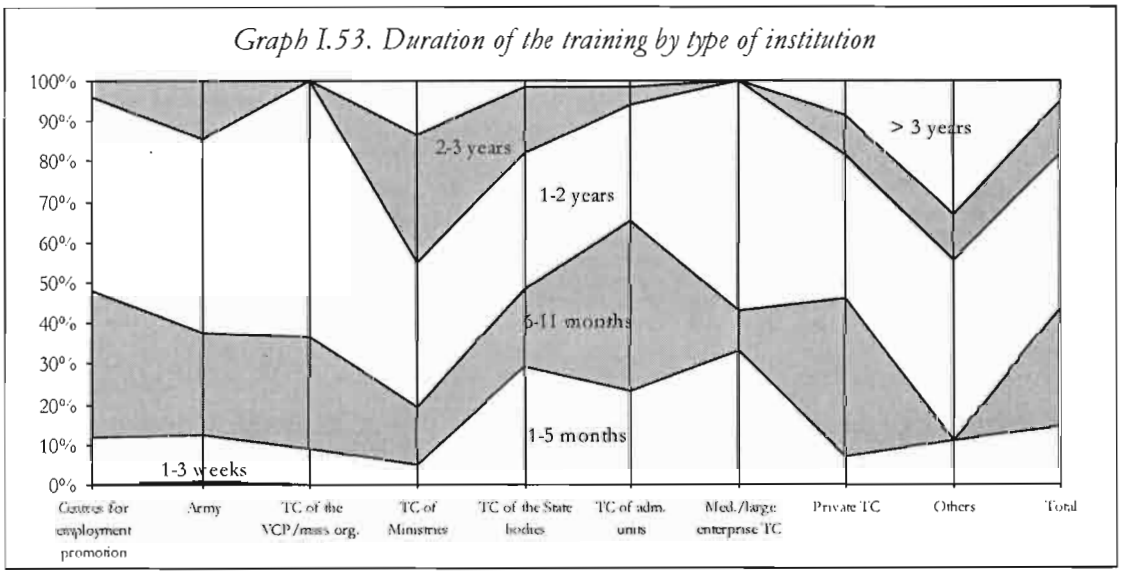
The institutional training is marked by wide range of locations, specialities, and course durations. We can distinguish two major categories as far as the locations (or institutions) are concerned. There are on one hand those institutions, public or private, who offer training oriented towards third party demands (Centre for Employment Promotion, territorial administration centres, private sector centres). There are others who offer training that first and foremost meet their internal requirements, which are nevertheless transferable (training centres of the line ministries, training centres of State bodies – Postal Services, Customs, Railways, training centres of the Communist Party of Vietnam and mass organisations, army, enterprises). The evolution according to age groups (graph I.51) show time-based variations of the position held by the different institutions. Thus for the 50-54 age group the major training organisation was the army. Private organisations and territorial administration centres dominate the 20-24 age group. The 35-39 age group that is placed at the junction of two major periods are trained essentially by institutions to meet their internal demands. The younger age

groups that witnessed a reduction of those categories of training, especially training at the army, preferred a type of training that was more oriented towards the market. We therefore see private institutions (25% of the total) and state-owned centres (21% of the total) regaining importance, and employment promotion centres (45% of the total) increasing their share in training. We finally note that the large enterprises, taking all the age groups in to account, do occupy only a limited place (3.1% of the total).

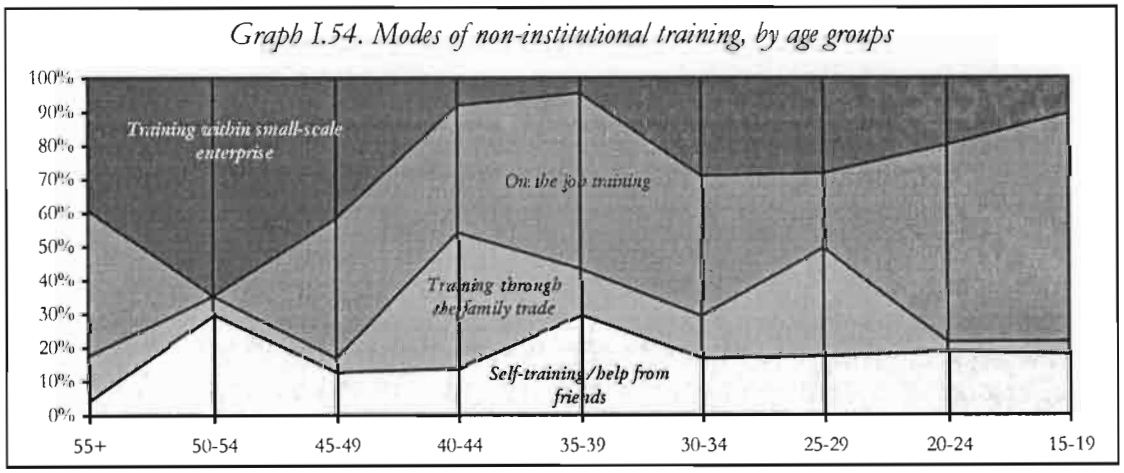
Graph I.52. Training specialities by industry groups



Graph I.53. Duration of the training by type of institution



Graph I.54. Modes of non-institutional training, by age groups



The specialities taught in these training institutions (graph I.52) are constituted of 5% in the agricultural sector, 44% for the industrial sector, and 51% for the service sector. The specialities in agriculture appear only temporarily while others are always present. The speciality that is most dominant, car driving (15% of the total) is mostly imparted by the army (37%) and training centres of State bodies (28%). The next dominant speciality is garment manufacturing (9.1%) imparted mostly by private training centres (50.8%), and the manufacturing of other textile products (7.6%) also imparted by private centres (80.4%). Accounting (5.2%), conducted by the training centres of line ministries (42.9%), electrical repair, and maintenance (4.5%) imparted by private training centres (40%) and training centres of territorial administration (33%), are also notable.

The duration of training (graph I.53) varies from a few weeks to more than three years. One-year or more training programmes are the most common, accounting for 56% of the total. Except for some training programmes with extreme durations, most institutions are present in all the different course durations. The longest training programmes are mainly present in the training centres of the line ministries (80% of one year plus courses, of which 32% are from 2 to 3 years). The training centres of companies show a preference for training programmes between 1 to 2 years (57%) and 1 to 5 months (33%). The centres for employment promotion are placed in the middle.

2. Non-institutional training

Non-institutional training brings together diverse forms of learning processes that are more or less related in the absence of an organised protocol. It thus involves self-training, training with the help of friends, training in the family trade, on the job training, and training through apprenticeship in small enterprises. The significance of these various forms of training varies according to the different age groups (graph I.54). Thus apprenticeship in small businesses, which represents 25.6% of the total, moves from 65% in the 50-54 age group to 11% in the 15-19 age group. On the other hand, on the job training, which represents 39.7% of the total, is non-existent in the 50-54 age group but has a major representation in the younger age groups (59% in the 20-24 age group and 68% in the 15-19 age group). Training in the family trade (15.8% of the total) follows a peculiar evolution. Their highs are found in the 40-44 age group (40.5%) and the 25-29 age group (32%). Self-training does not stray away too much from its average representation of the total (19%).

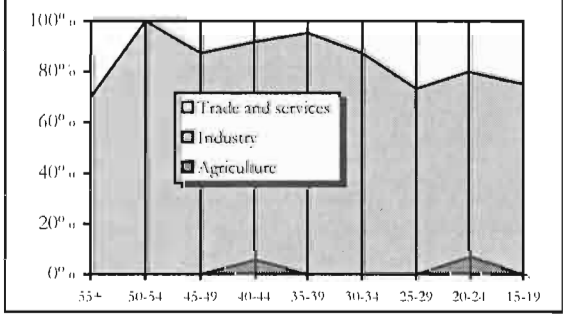
The specialities covered by such training (graph I.55) are mainly dominated by the industrial sector (81.5%). The services sector caters for 16.6%. The agricultural sector is almost non-existent (1.9%) and shows itself only in the 40-44 and 20-24 age groups. We also notice that from a position

of monopoly in the 50-54 age group, the industrial sector tends to decline as it moves towards the younger age groups, but maintaining at all times its overall dominance (75% in the 15-19 age group).

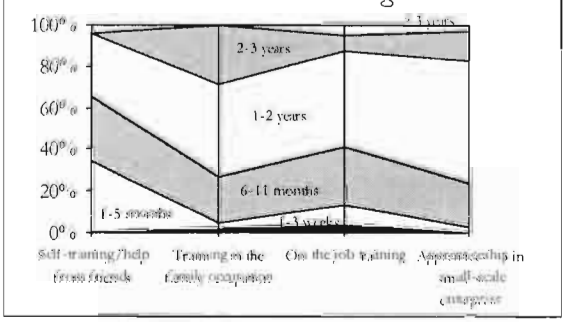
The speciality that appears most frequently is textile manufacturing other than garments (21%) where apprenticeship in this category accounts for 60% of apprenticeship in small-scale enterprises. Among other specialities, there is woodwork (8.3%), with training imparted in equal parts in small-scale enterprises, on the job and in the family business; followed by metal treatment (7.5%), with training in family business being 44.4% and on the job being 41%; then masonry (5.8%), through self-training (57%) and on the job training (43%); and finally, manufacture of metal products (5.3%), with 78.9% training imparted by small-scale enterprises.

The duration of non-institutional training (graph I.56) shows that the very short or very long training periods are minutely represented as it was in the case of institutional training. We also notice the regular existence of training periods ranging from 6 months to two years.

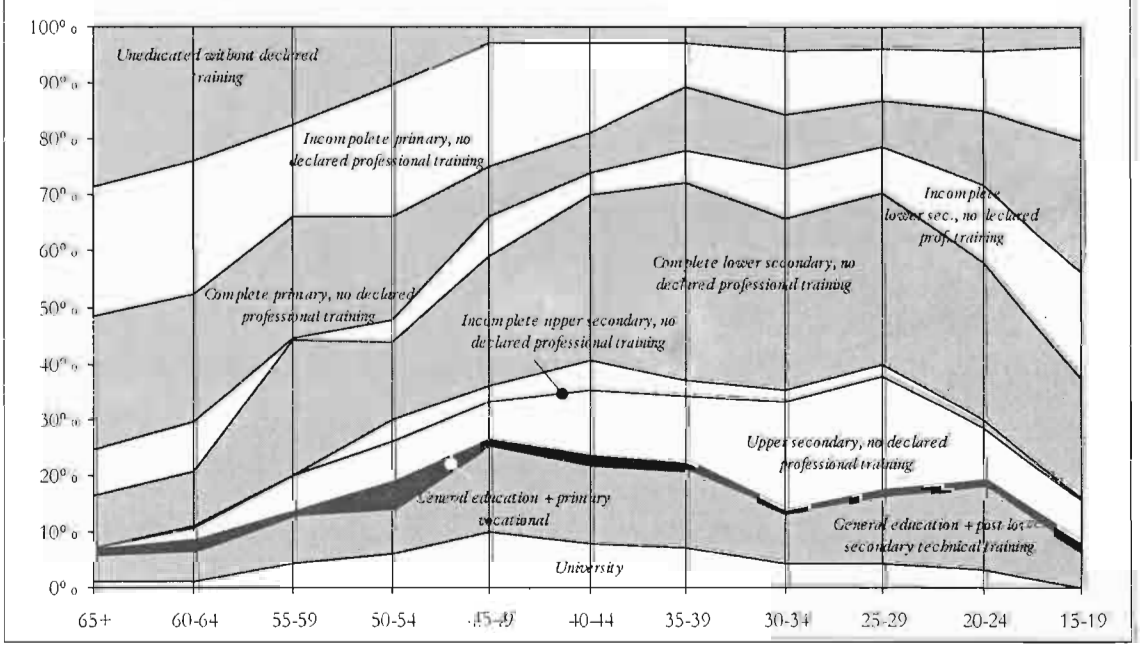
Graph I.55. Non-institutional training by industry groups



Graph I.56. Duration of the non-institutional training



Graph I.57. Educational level and training of the working population



III. Levels of education and training

After studying the state of development of professional training and the different modes, academic and non-academic, which ensure the transmission of knowledge, we will now relate the accessibility to non-academic training and the educational level of the concerned workers. We will then reconstitute the general picture of the education-training levels of the currently employed population.

A. Education levels and access to non-academic training

The educational history of the employees who have undergone non-academic training (table I.4) shows two consistent trends. Firstly, the educational level has a strong influence on the access to non-academic training, even if this access remains very limited. In fact, the employees having a level below lower secondary constitute only 12.6% of those who have undergone training. Secondly, the higher the educational level, and more so if one has successfully completed the concerned stage, the more one undertakes institutional training programmes. In fact, in this category only 6.1% have a level below lower secondary.

Table I.4. Educational level and access to non-academic professional training

Education levels	Non-institutional training	Institutional training	Total
Incomplete primary	11,4	2,8	5,9
Complete primary	13,3	3,3	6,9
Incomplete lower secondary	22,8	14,7	17,6
Complete lower secondary	31,3	38,9	36,2
Incomplete upper secondary	5,8	2,5	3,7
Complete upper secondary	14,6	32,8	26,2
University diploma	0,8	4,9	3,4
Total	*100%*	*100%*	*100%*

B. Education-training levels

By putting together the knowledge acquired from the academic process in terms of general and professional studies, and that from non-academic training, in the case of the currently employed population, we can draw a complete picture of the state of human resources (graph I.57). Ten categories are established starting from "no general education no declared professional training" (no GE no PT) up to the university (that corresponds to GE and PT), and passing through "GE only/incomplete primary", GE only/primary complete, GE only/lower secondary incomplete, GE only/lower secondary complete, GE only/upper secondary incomplete, GE only/upper secondary complete, GE+PT/post-primary and GE+PT/post secondary.

Three major groups can be identified for reading this table: those having GE and PT (17.9%), those who have GE only (76.3%) and those who

have neither GE nor PT (5.8%). This last group sees its span consistently reduced from the 65 plus age group (28.6%) until the 45-49 age group (2.7%) and then it continues to maintain a weak presence until the 15-19 age group (3.7%). The second group (only FG) varies much more. It goes from 64.6% for the 65 plus age group to 71.1% (45-49 years), 82.2% (30-34), and 77% (20-24 years). However, these irregularities do not hide the regular increase in lower and upper secondary. In the case of the group that has GE and PT, the evolution appears to be rather hampered. It begins to rise as expected from the 65 age group (6.8%) to the 45-49 age group (26.2%). And while, logically, one would have thought it would continue in this direction, particularly on account of the growth in secondary studies, or at least that it would remain constant, we see a decline till the 30-34 age group (13.7%). This is followed by a gain until the 20-24 age group (18.9%). This last increase associates two opposing movements: the fall in university levels is compensated by the increase in the post-secondary general and in professional training.

Conclusion

In this chapter, the analysis underlines the low levels of professional training. To this is added what we can call an unequal division of the scarcity in different age groups between urban and rural areas, between men and women, the North and South. Alternating progress and setbacks mark the global evolution. The most recent phase shows a clear progress for the 20-24 age group. An analysis of the training centres show that while higher studies was mainly responsible for the high levels of training in the 45-49 age group, it was the significant role played by non-academic training that accounted for the increases recorded in the 20-24 age group. A phenomena that is particularly applicable to rural areas. The growth in non-academic training is an important development, more so as private centres carry out a significant portion of it. We witness at the same time the good performance by the territorial training centres and the centres for employment promotion, and the growing importance of on the job training. All these put together displays a large palette of specialities, and the emerging signs of a strong demand for professional training.

CONCLUSION

In spite of difficulties related to the reconstruction of the country after the war, the synchronisation of the two systems of education and the economic crisis of 1990s, the current dynamics of the education system registers a capacity to renew and even improve the educational potential of the population. The unequal control over entry ages in primary school in different regions and according to living standards however remains a fundamental problem. It contributes to maintaining the gaps in terms of levels of education, and has a strong influence on the conditions of entry into the labour market. From that point of view, there exists a double contradiction: one drops out of school too early because he entered school late and one enters the labour market late because he has spent too few useful years at school. We have thus found children in the 10-14 age group who have dropped out of school without completing primary, 15-19 year olds who are still in primary and 20-24 year olds who are still in secondary studies. This incomplete or belated education constitutes a handicap for accessing professional training. Such training is in growing demand, but it is not very developed, and it is really accessible, in terms of its educational structure, only to those coming out of lower or upper secondary. As far as non-academic institutions are concerned, they are preferentially open to a level equal to or higher than lower secondary. On the other hand enterprises, irrespective of their size, do not carry out much training. Therefore it is not surprising that almost half (47.5%) of the candidates for non-academic non-institutional training, three fourths of whom are self-trained, trained on the job or through family trade, have an educational level below lower secondary. Therefore, the structure of the strictly educational qualifications has a major influence on the options open for access to professional training, and on the actual demand that is presently addressed to it. It remains that the poor development of the different modalities of professional training can only be further analysed through the employment structure.

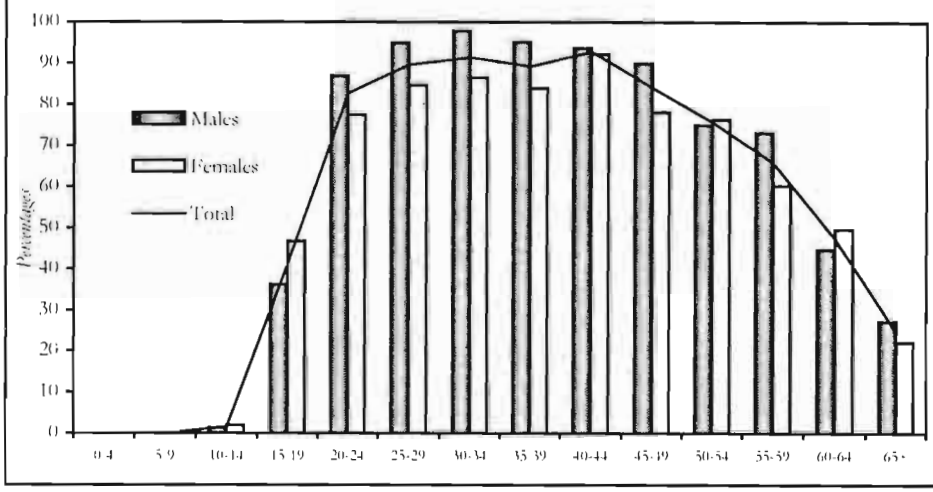
PART II- LABOUR, EMPLOYMENT, MOBILITY

Employment is at the heart of all the changes experienced by the Vietnamese economy in recent years. Its past development reflects the transformations characterising the economy. It indicates through current trends the problems that will have to be solved in the future. It suggests measures to manage, if not to overcome the crisis posed by a dragging transition, in a current context, it is true, of general regional crisis. After laying emphasis on human resources in the first part of the report, the aim of this second part is to present the employment structure in 1997 and the evolutions that it entailed, before concluding on a synthesis of the relationship between training and employment.

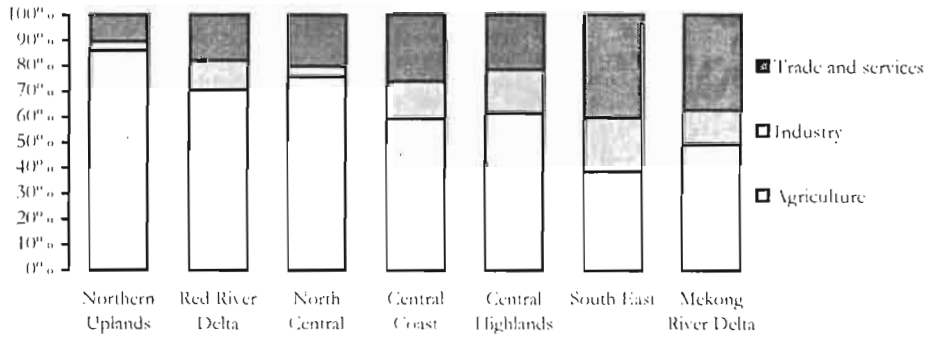
In this part, emphasis would be laid on employment development with regard to the goals set for industrialisation and modernisation, and the shift towards a market economy under the management of the State. The changes introduced during the second round of the survey have allowed an expansion of the investigative field to the entire employed population. With the help of an adapted weighting system, these changes also allow an improved measuring of the changes taking place, of which one of the fundamental dimensions is the transition accompanying the reduction of the agricultural labour-force in rural areas.

This part is divided in two chapters. The first chapter deals with the structure and characteristics of employment. At the individual level, the different aspects of the employment structure cover the distribution of the labour force by activity and institutional sectors. Meanwhile one must go from individuals to their households to analyse the impact of standards of living on the employment structure and to carry out an analysis of the type of employment generated by household enterprises and farms. This chapter will also show that the employment structure determines to a large extent the employment conditions in terms of relationship with the employer, whenever there is one, of working hours, working conditions and pay. The second chapter focuses on the dynamics of the system through labour mobility, analysed through changes in employment, activity sector, and in occupation of the working population, parallel with the trends observed for those seeking entry in the labour market. The analysis of the search for employment would help in establishing the current trends for the employed population as well as for the unemployed, with or without professional experience.

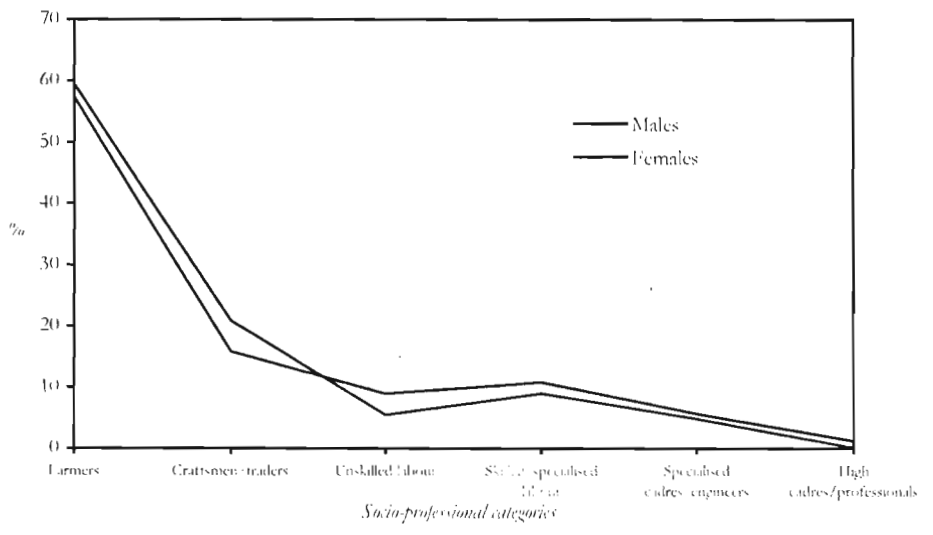
Graph II.1. Participation rates by age and by sex



Graph II.2. Distribution of the employed population by industry group in the seven regions (%)



Graph II.3. Distribution of the employed population by sex and socio-professional categories



CHAPTER 1. EMPLOYMENT AND INCOME

The current period is one of change, development, and opening up for the Vietnamese economy on the whole and in particular for the labour market. This signifies not only the introduction of new operators in the labour market but also a total restructuring of the existing employment structure and labour relations, the extent and characteristics of which need to be determined.

The employment structure

In 1997, the employed population and those in search of employment represented 51% of the total population of the sample. The first axis of the analysis of the employment structure is the distribution of the working population by age and sex, by sector of activity and by socio-professional categories. The second axis consists in studying the employment structure at the household level instead of the individual level. This would enable us to have an overview of the employment structure at a level neither restricted to that of individuals nor of their aggregate, but at the relevant level best suited for understanding employment in the household sector.

A. Distribution of the labour-force

The activity ratio for men is close to 100% between the ages 25 and 34 years and still crosses 90% for men between 35 and 44 years of age (graph II.1). This ratio goes down for men around their fifties, and is notably lower for men above 60 years of age, which is the official retirement age. As far as women are concerned we note that the activity ratio is in general lower than that of men, except for the age groups 15-19 and 60-64. They show a consistent decline from the age of 45 years. Among the people surveyed, those past retirement age still have a high activity ratio.

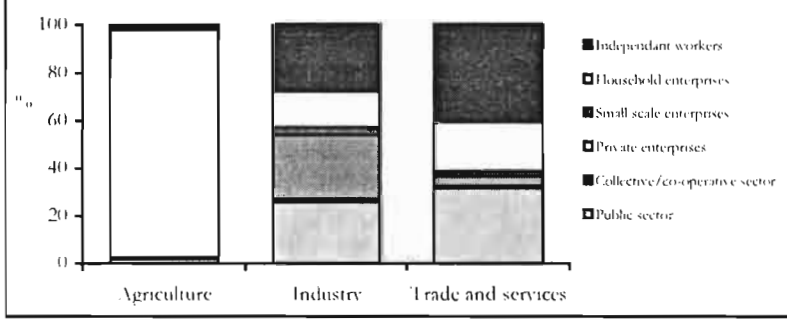
In terms of activity sectors, employment in Vietnam remains essentially agricultural, even though commerce and services employ nearly a fourth of the labour-force. The sector-based employment structure still varies widely from one region to the other (graph II.2). The importance of the agricultural labour-force is most significant in the Northern Highlands, the Red River Delta and the Central North than in other regions. These regions can also be characterised by under-developed industrial employment. This is despite the presence of Hanoi and Hai Phong in the Red River Delta region. In this

Table II.1. Distribution of the labour force by type of employment

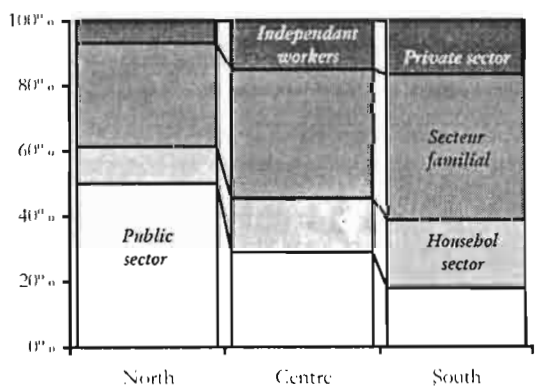
Employment	Percentage
Public sector	12,7
Of which : Civil service	*38,5*
State sector	*61,5*
Collective and cooperative sector	0,6
Private sector enterprises and societies	4,3
Of which : Domestic enterprises	*76,4*
Foreign capital enterprises	*23,6*
Small scale enterprises*	1,0
Household enterprises/farms*	65,9
Of which : Own enterprise/farm without hired labour	*89,7*
Own enterprise/farm with hired labour	*9,9*
Other household enterprise	*0,4*
Individuals	0,1
Independent workers	15,4
Of which : Own account	*86,8*
Wage workers	*13,2*
Total	*100,0*

* Small scale enterprises do not have to register, have a starting capital less than 20 million dongs, and employ more hired labour than family members. Conversely, the members of the family who work in a household enterprise outnumber hired labour.

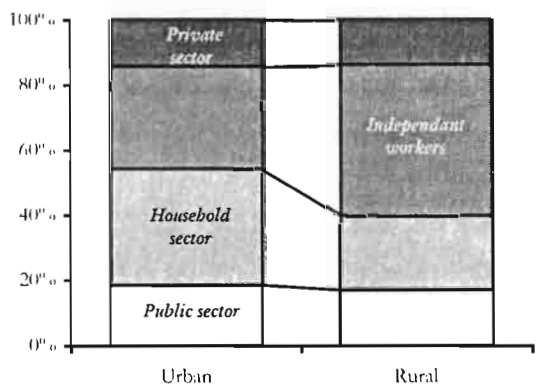
Graph II.4. Distribution of the non-agricultural labour force by industry group



Graph II.5. Distribution of the non-agricultural labour force by sector of employment, three regions



Graph II.6. Distribution of the non-agricultural labour force by sector of employment, urban/rural



region, the population density compensates for the industrial employment. On the contrary, the South-East, that contains Ho Chi Minh City, presents a relatively diversified employment structure.

The significance of agriculture in terms of employment is automatically reflected in the distribution by socio-professional categories of the active population. Farmers, craftsmen and tradesmen represent 80% of the employed population, while high cadres and professionals cater for less than 1% (graph II.3). There are comparatively more women than men among farmers, craftsmen and tradesmen, and relatively less in other socio-professional categories. But the difference is marginal.

A major portion of the labour-force is concentrated in household undertakings, and among independent workers, a category that consists of hired and independent workers. The quantitative significance of workers employed by their own households and independent workers results in a very limited deployment of the labour market, in the strict sense, which accounts for only a fourth of the labour-force. This has a definite incidence on the labour and employment policies, as we shall see later.

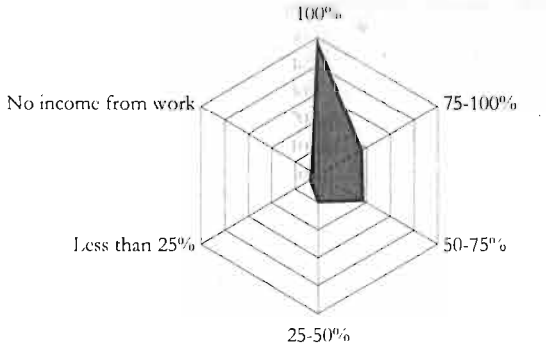
The public sector, consisting of civil services and the State sector employed 16,5% of the labour force in 1980[1] and 12,7% now. Employment in the collective and co-operative sectors has seen a much greater fall in numbers and has only a marginal presence today. Among the new-entrants in the labour market, the registered private sector, which consists of companies with domestic or foreign and investments, employs only 5% of the total labour-force, while the unregistered small enterprises do not even reach 2% of the total.

While the agricultural labour is essentially composed of family labour, the industry, commerce and services offer more diversified structures (see graph II.4). The non-household private sector is proportionally more developed in the industrial than in the tertiary sector, which is characterised by a significant proportion of independent workers.

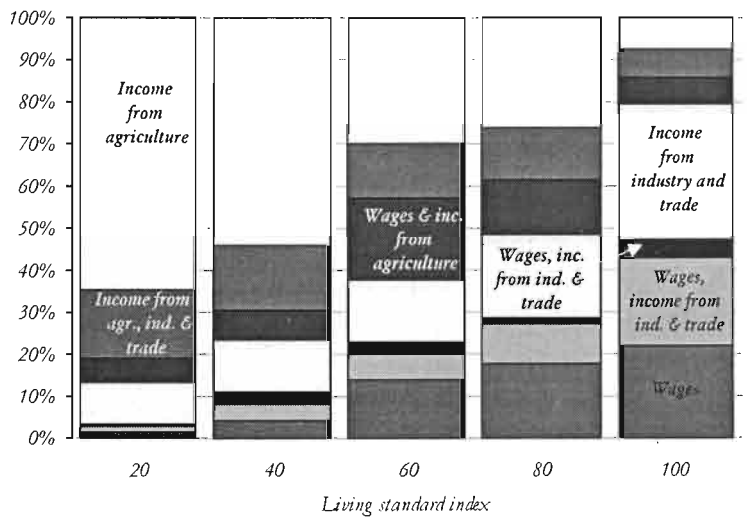
The regional distribution by employer type shows differentiated employment structures (graph II.5). The public sector remains the biggest non-agricultural labour-force employer in the North, where it represents half of the labour-force of the region. As we move southwards, there is a decline in the relative importance of the public sector and we see an increase of the household sector, of independent workers and of the non-household private sector. The employment structure is also differentiated between urban and rural areas (graph II.6). The public sector is the main non-agricultural employer in urban zones while independent workers represent the main non-agricultural workforce in rural areas.

[1] General Statistical Office, Statistics 1930-184, Hanoi

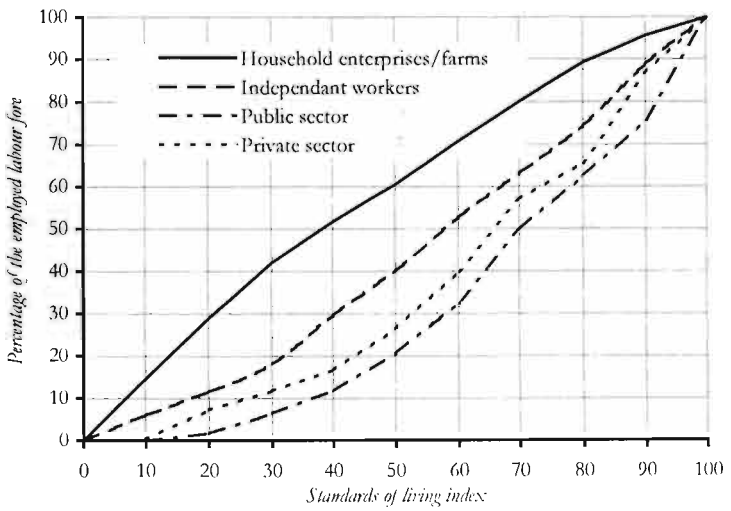
Graph II.7. Share of income derived from work in the family income (%)



Graph II.8. Distribution of households by types of income from work, by living standards



Graph II.9. Distribution of the labour force by sector of employment and by living standard index (cumulative percentage)



B. Households, income from work, and employment

Work is the main source of income of Vietnamese households, even if public or private transfer incomes also play an important role in determining the standards of living of households. Each employed person forms part of a household and contributes through his or her revenues to the living standards of that household. In return, we observe a relationship between the living standards of the households and the socio-professional categories to which the individuals constituting the household belong.

Moreover, the households can also act as employers. It is important to spend some time on the characteristics of this type of employment which, in the early years of the transition period, may have appeared as a substitute to public sector employment. This could provide a better understanding of the role such employment can be expected to play in future.

1. Household and income from work

Only 3% of households have no income from work and are thus totally dependent on transfer incomes or on past savings (graph II.7). These households essentially constitute aged and/or ailing people, young students and working age people in search of employment. Half of such households receive retirement pensions. On the other hand, close to half of the households depend fully on work for their income and 18% more depend on work for three fourths of their income. The distribution of households by type of income from work and by living standards reveals certain consistencies that allow a better understanding of the situation of households (graph II.8).

Thus, as expected, the majority of households belonging to the poorest strata, in terms of living standards, depend solely on agricultural income. This is mainly true for rural households. The share of households with incomes from work constituted solely by salaries shows an increase as the standard of living increases. A similar trend exists for households whose income comes only from industrial and commercial activities. The latter represents the most significant group of households in the higher income brackets. Cases of combined income are few in numbers. The addition of non-agricultural income to agricultural income seems to improve notably the living standard for households in comparison to those with only agricultural income.

The distribution of the employed population by type of employers and living standard of households confirms the trends observed, to the extent that the multi-sectoral character of employment within households, as reflected by the nature of income, remains limited (graph II.9).

2. Employment in household undertakings

An undertaking can be considered as a household undertaking when at least two members of the same household participate in the same economic activity. Meanwhile, those who work alone are classified under household enterprise/farm when they are involved in an agricultural activity on own-account. The household enterprises/farms are defined by a greater number of individuals employed within the households than from outside it. With such a definition, the household sector accounts for 66% of the labour force. Close to 90% of these people are employed by an enterprise/farm managed by their own household and employing no one from outside.

The extremely low percentage of the labour-force working for other household enterprises/farms reflects the fact that very few such undertakings use external labour. The major part of those employed in this sector work for their own household, without any external labour, as shown in table II.2. Most of such units require only one or two household members on a permanent basis. Those who work alone, or the households with agricultural activities have most often need of external help.

Table II.2. Distribution of household enterprises/farms by number of workers (% of the total)

		Number of hired workers in the household undertaking					*Total*
		0	1	2	3	4	
Number of household members engaged in the household activity	1	20,4	5,8	1,5	0,7	0,2	*28,6*
	2	47,8	1,6	1,0	0,2	0,0	*50,6*
	3	11,3	0,6				*11,9*
	4	5,6	0,4				*6,0*
	5	1,4					*1,4*
	6	1,2					*1,2*
	7						*0,0*
	8	0,3					*0,3*
Total		*88,0*	*8,4*	*2,5*	*0,9*	*0,2*	*100,0*

Table II.3. Distribution of the household enterprises/farms hiring non-household workers by industry group (percentages)

Type of household enterprise	Agriculture	Industry	Trade and services	*Total*
No hired workers	79,6	2,2	6,2	*88,0*
Employing hired workers	9,4	0,6	2,0	*12,0*
Total	*89,0*	*2,8*	*8,2*	*100,0*

Most household undertakings engage in agricultural activities (table II.3). The employment generated by household enterprises in the non-agricultural sector remains marginal, especially in industry. The household enterprises have potentially emerged in 1990s as a substitute to employment in the public and collective sectors. Indeed, employment in agricultural co-operatives have been mostly transferred to household farms. Meanwhile, in the commerce and services sector, independent workers and to a lesser degree private sector employment, have enjoyed high growth levels. After agriculture, commerce and services are the main sectors for the development of household undertakings, here too, mostly in units employing no external labour. From an industrial and modernisation point of view, the household sector appears as more of a drawback than as a leading sector in terms of employment generation.

Employment characteristics

Working conditions contribute to the characterisation of employment. Regulated by the Labour Code since 1994, the working conditions that cover the labour contract and the relations to employers, as well as the stability and duration of work, and the working environment, need to be viewed in terms of deviation of the realities on the ground from the existing rules. The remuneration of work, that constitutes an essential aspect of the labour contract, will be studied in part III.

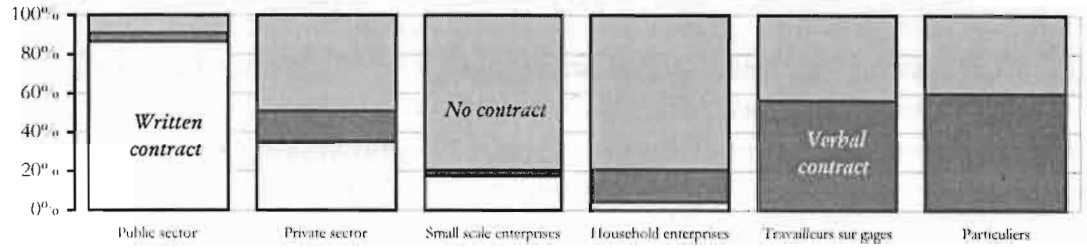
C. Relation to the employer and labour contract

Employees, including apprentices and trainees without pay constitute 21% of the labour force. The remaining 79% are comprised of employers and people working on own account or for their own households, who totally fall outside the purview of the Labour Code.

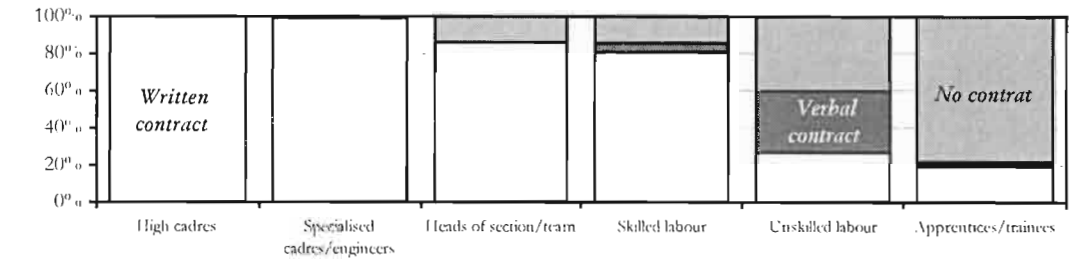
The non-earning family workers and a fourth of other employees declare they have no labour contract. The case of workers employed by their own household is particular due to the nature of their relationship with their employers. Their dues and rights in terms of their contribution in the common activity depend at the same time on their physical and professional capacities, as on the relationships within the household, and are thus mostly determined outside the economic sphere. Moreover, in most cases the income generated by the collective activity are themselves collective in nature and their redistribution in the household after subtracting the common expenses does not necessarily account for individual efforts or competencies displayed. Therefore, the notion of labour contract is not adapted to the analysis of labour relations between the different members of the same household involved in a common economic activity.

Consequently, it is suitable to limit the analysis of the labour contract to other categories of employees. Decree n°198-CP of 31/12/94 states the

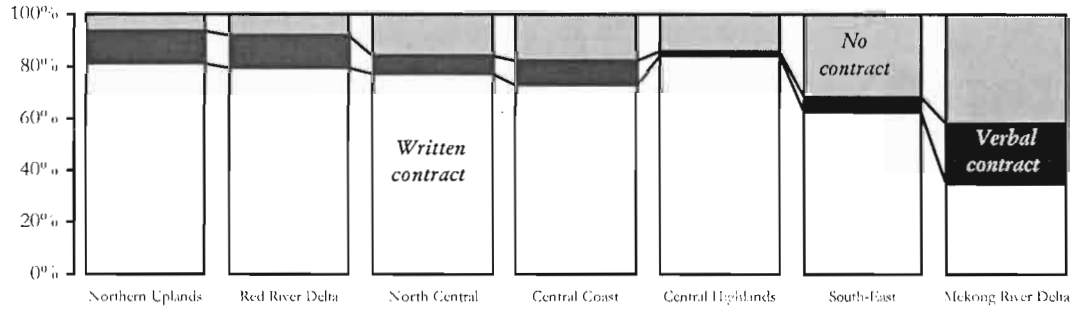
Graph II.10. Types of labour contract, by employment sector



Graph II.11. Distribution of wage-workers by type of labour contract and employment status



Graph II.12. Types of labour contract, by regions



Graph II.13. Types of labour contract, urban/rural

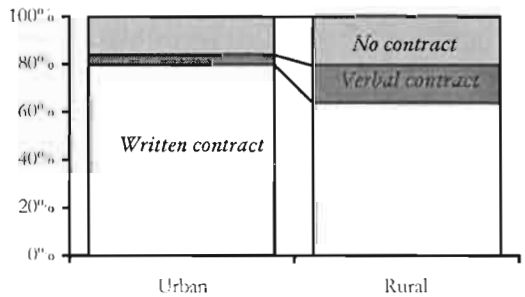


Table II.4. Labour contract, full-time and part-time employment

Labour contract	Duration of the labour contract	Type of labour contract		*Total*
		Full time	Part time	
Written contract	Permanent	65,8	5,3	*71,1*
	Limited	27,5	1,4	*28,9*
	Total	*93,3*	*6,7*	*100,0*
Verbal contract	Permanent	16,9	8,0	*24,9*
	Limited	72,3	2,8	*75,1*
	Total	*89,2*	*10,8*	*100,0*
Total		*92,6*	*7,4*	*100,0*

mandatory requirement of written labour contract (Article 1). Naturally, as soon as an individual undertakes to perform a task for somebody else in return for remuneration that is not linked to the result but to the work itself, a labour contract becomes applicable de-facto. The distinction between supplying work force and offering services is however tenuous, which may make it difficult to implement the Labour Code, especially in case of independent workers. Nevertheless, 82% of salaried employees have contracts, of which 88% have written contracts.

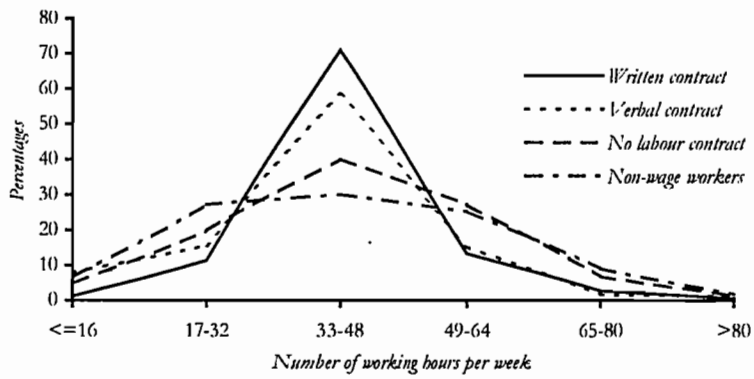
There exists a strong correspondence between the institutional sector to which the employer belongs, the existence of a written contract and the perception of the labour contract (graph II.10). It is in the public sector, and to a lesser extent in the private registered sector, that the principle of establishing written labour contracts is most stringently followed and that the notion of labour contract is best understood. On the contrary, workers not having any labour contract are largely represented among employees of household undertakings and small-scale enterprises. An analysis of the types of labour contract by employment status shows the relationship between employment qualification and the perception of the labour contract (graph II.11). The lower the qualifications of employees the higher the number of workers who report no labour contract. On the other hand, we note that the existence of verbal contracts is most frequent in the case of unskilled workers, which is comparable to the case of day/casual workers. Professional experience, age and education level, which are the three main determining factors for employment qualification, display the same consistencies in the perception of labour contract.

The absence of contracts is basically the result of a problem of perception. This is confirmed by the fact that 61% of people who claim not having any form of labour contract have permanent employment and 13.4% more have temporary employment. This is, no doubt equivalent to permanent and temporary contracts. The vast majority of people, and definitely those who work for the public sector, joint ventures between the public and the private sector, and the companies with foreign investment, are most probably in possession of written contracts. For others, particularly those with seasonal employment or on hired basis, the contracts can be assumed to be verbal.

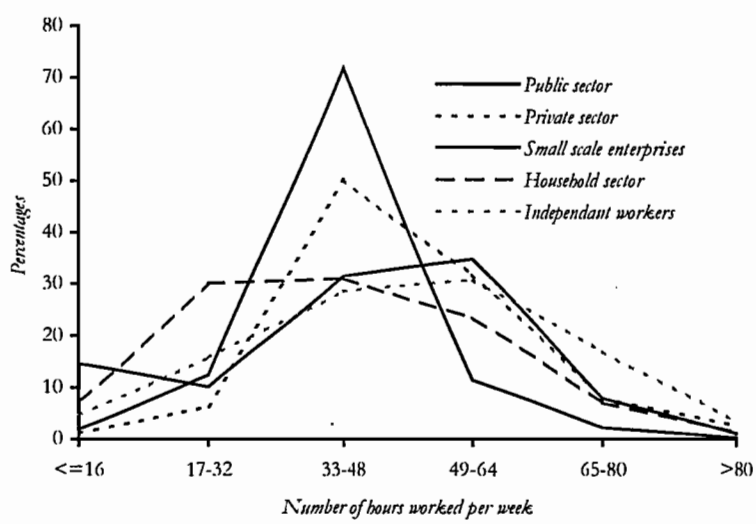
The perception of a labour contract is a crucial element in the employer-employee relationship. Indeed, the labour contract precisely spells out the rights and obligations of the two contracting parties. The apparent ignorance on the part of the labour-force suggests it is difficult to apply the Labour Code in this regard, although the labour contract alone cannot claim to represent the work relationships. In this regard, we can establish that North Vietnam, which unlike the southern regions, has inherited an extended salaried culture, better understands the notion of labour contract, no major difference existing between urban and rural areas (graphs II.12 and II.13).

Table II.4 underlines another important difference between written and verbal contracts. Almost three fourths of the written contracts are permanent contracts. It is the opposite in the case of verbal contracts. This latter type of contract, which is much less compelling at the administrative level, is more suited for short duration contracts, particularly for hired-wage workers. By allowing contracting parties to escape the social and fiscal deductions, it brings down labour costs as compared to its theoretical value. This probably generates a number of jobs. Based on mutual trust, it is the dominating type of arrangement for employment by individuals, household enterprises/farms, and the domestic private sector. Nevertheless, it introduces practical difficulties in solving problems in case of litigation.

Graph II.14. Weekly duration of work depending on the existence and type of labour contract



Graph II.15. Sector of employment and weekly duration of work



D. Duration of work and employment stability

Working hours and employment stability help to demonstrate the vulnerability of certain categories of labour. These aspects are directly related to labour contracts and offer a possibility to verify empirically the consequences for wage workers, of the existence of a verbal labour contract, whether explicit or not.

The working duration can be analysed on a weekly basis, in order to refer strictly to the regulations in the Labour Code, or on a monthly or annual basis.

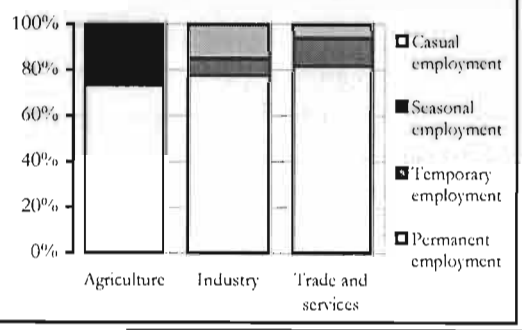
1. The weekly duration of work

Officially, the maximum weekly duration of work is 48 hours, but only people with written labour contracts can actually benefit from such timings. Graph II.4 underlines the existing relationship between the labour contract and the duration of work, and the difference between the various types of contracts. The more formal the relationship with the employer, the more the duration of work conforms to the legal duration, and the lesser the dispersion around this duration. It is the non-salaried who witness the highest dispersion in terms of duration of work.

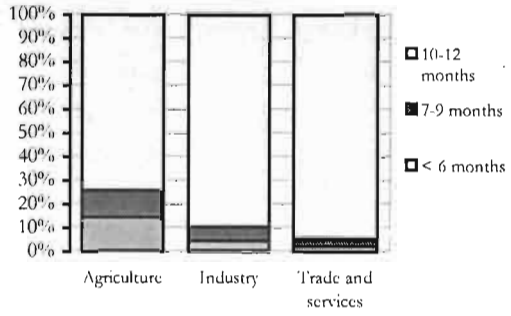
In terms of institutional sectors, the public sector shows the most consistent distribution and maximum conformity with the laws, as regards working hours (graph II.15). It is also the case with the registered private sector, which, nevertheless, has less employees working in reduced weekly hours and more working over 48 hours a week in comparison with the public sector. The working hours tend to be much higher in the other institutional sectors. Generally speaking, the hours surpassing the legal working hours, which theoretically correspond to overtime, are rarely paid. Overtime is considered in 5% of the cases in the public and registered private sector, and in 1% of the cases in other sectors. In the public sector, the dispersion is minimum, that is the number of public sector employees working more than 48 hours is much lower than with other types of employers. In the registered private sector the work effort demanded from the labour-force is important: about 5% work less than 32 hours per week, but 42% work more than 48 hours a week. It is important to remember that half of the employees in this sector have only verbal contracts. Only 20% of the employees of small-scale enterprises have written contracts. About 15% of them work less than 16 hours per week, 93% of them happen to be the heads of the enterprises.

The independent workers are the most vulnerable. They never benefit from the protection of written contracts. This category, to a large extent, is pressured by their employers or their clients to work for weekly working hours that are clearly longer than the legal duration. Meanwhile, 20% work less than 32 hours. This may be the outcome of individual preferences, or

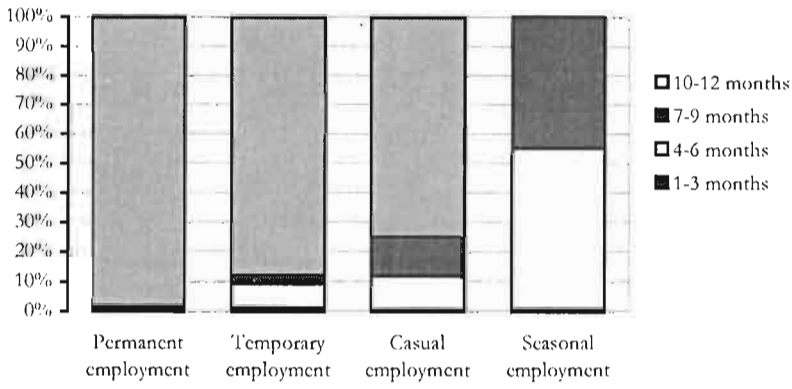
Graph II.16. Industry group and employment stability



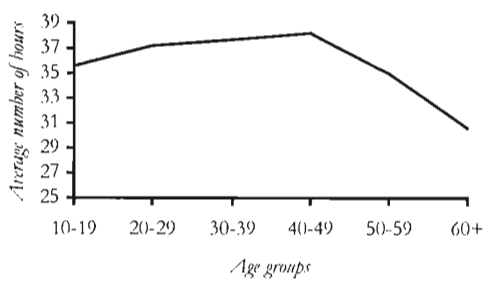
Graph II.17. Industry group and annual duration of work



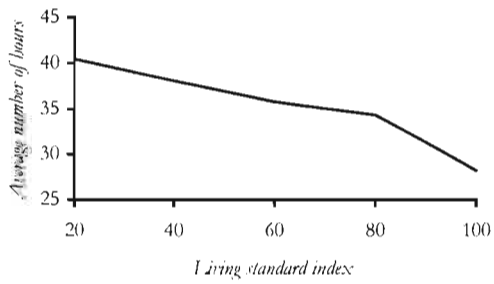
Graph II.18. Annual duration of work and employment stability



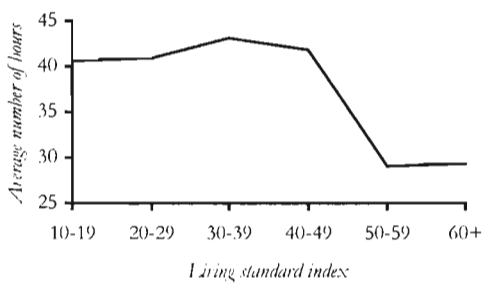
Graph II.19. Age and average weekly duration of work, seasonal activities



Graph II.20. Standard of living and average weekly duration of work, seasonal activities



Graph II.21. Standard of living and average weekly duration of work, casual employment



more likely a result of the difficulties faced by this type of labour in finding work.

The household enterprises/farms represent a particular case as the working hours are negotiated at the level of the household in accordance with the requirements of the activity. A significant share of the labour-force employed in that sector works below an average of 32 hours a week, particularly people employed in agriculture. On the contrary, 32% work more than 48 hours a week. This is mostly the case of those who work for their own household. It is however remarkable that 50% of the people who are employed by other households than their own work more than 48 hours a week.

2. Annual distribution of work and stability of employment

The annual duration of work measured in number of working weeks per month, and in number of months per year, shows a strong correlation with the weekly duration of work. In other words, the lower is the weekly duration of work, the lower the annual duration of work, and vice versa. Among fulltime workers, 13.2% average three weeks or less per month, of which 86% work below 48 hours per week. The trend remains identical as far as the number of working months per year is concerned. This convergence allows us to concentrate on the duration of work measured in months per year.

Employment stability is closely linked to the sector of activity (graph II.16). In the agricultural sector, this instability comes from the seasonal character of certain agricultural activities, which appears in the absence of diversification of the agricultural activities. The seasonal character of the agricultural activities is highly reduced when the concerned households practice crop rotations or combine cultivation and rearing of stocks or cultivation and fishing, for example. In industry, the more unstable type of employment concerns the day/casual workers. In commerce and services, it is the temporary employed. Overall, it is in agriculture that there is the maximum number of employees with unequally spread work duration during the year, and the minimum of such cases exists in the commerce and services sector. This has a direct incidence on the annual duration of work (graph II.17 and II.18). In fact, if the major portion of the labour-force work between 10 to 12 months per year, the share of those working below 10 months reduces when looking from the most downstream to the most upstream activity sectors. An annual duration of work below 10 months is found most frequently in the seasonal and casual types of employment.

We can examine the issue of under-employment for these two employment categories. As far as seasonal employment, which accounts for 15.4% of the employed population, is concerned, we note that the average

weekly duration of work, during the working season, varies according to age (graph II.19). It is also lower for households with higher living standards (graph II.20). On the other hand, 37% of the people surveyed claim to be satisfied with their employment. Dissatisfaction in the other cases is systematically linked to poor income. Thus the problem, for the affected cases, is caused less by the duration of work than by the seasonal character of the activity, which deprives the workers of income in the low seasons. In fact, agriculture in Vietnam has very little mechanisation and is very labour intensive. During harvest season the maximum mobilisation of available labour is done, including labour above or below working age, on a fulltime basis, in often physically strenuous activities. Thus the question is not strictly speaking of under-employment, but of finding alternate income sources for those who are not continuously employed during the year. We note that 16% of those with seasonal employment are involved in some other activities during other seasons, in occupations other than their main occupation. And 81% of those not satisfied with their situation do not contemplate quitting the agricultural activities, as they are convinced of their inability to find other jobs.

Table II.5. Difficulties faced in searching employment, by type of employment

	Permanent employment	Temporary employment	Seasonal employment	Casual employment
No difficulties	58,0	42,7	56,9	22,2
Income	24,4	29,9	30,9	12,6
Employment stability	1,8	12,0	2,2	48,5
Lack of capital	9,0	8,1	7,9	3,3
Distance to the working place	3,1	3,9	0,1	7,2
Working conditions	2,5	0,8	1,4	4,8
Lack of qualification	0,1	0,8	0,0	0,3
Employment status	1,0	1,4	0,7	0,9
Mismatch between qualification and employment	0,1	0,4	0,0	0,3
Total	*100,0*	*100,0*	*100,0*	*100,0*

Table II.6. Difficulties faced in searching employment, by type of labour contract

	Written contract	Verbal contract	No contract	Non-wage workers
No difficulties	76,5	46,5	42,8	52,8
Income	9,4	7,6	11,4	29,4
Employment stability	2,3	41,4	20,2	2,6
Lack of capital	0,6	0,0	2,2	10,5
Distance to the working place	6,2	2,0	15,3	1,6
Working conditions	4,2	2,0	5,7	1,8
Lack of qualification	0,1	0,0	1,1	0,0
Employment status	0,3	0,5	1,1	1,1
Mismatch between qualification and employment	0,4	0,0	0,3	0,1
Total	*100,0*	*100,0*	*100,0*	*100,0*

As far as casual employment is concerned, the situation is equally clear. On average the weekly working hours correspond to fulltime working hours, except in the case of the oldest workers (graph II.21). The problem is thus more a problem of unstable employment rather than that of under-employment. Yet, in this case 22% claim not having any difficulties with their employment.

E. Working conditions

Casual and temporary workers face the most difficult situations. The main problem for more than half of the casual workers is the lack of stable employment (table II.5). Stable employment is also a problem for temporary workers, although the primary difficulty for this category is their income levels.

The workers who enjoy the best working conditions are those with written labour contracts (table II.6). The workers in the worst working conditions are those with verbal contracts, whether explicit or implicit. The latter are proportionately more in numbers among those facing difficulties in terms of working conditions, particularly in stability of employment, physical working conditions (risk related work, noxious environments, strenuous activities, duration of work), and in terms of hygienic and security concerns. The non-salaried class, because they have a choice, benefit from better physical working conditions.

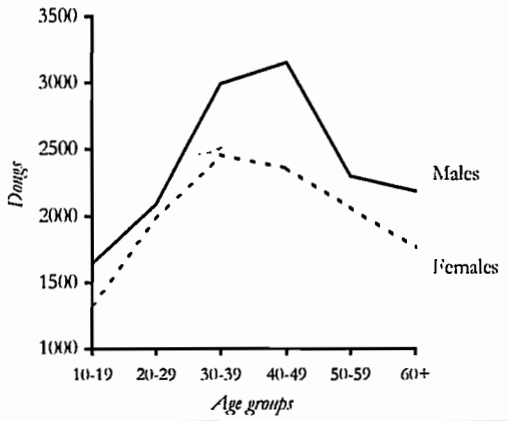
The differences between the various types of labour in function of their status are also linked to the social advantages and protection that can be accessed through membership of a union or professional association. The employees with written contracts can, at least in theory, have access to a collective group to press for their individual or collective rights, while other type of workers and the non-salaried category appear to be isolated and cut-off from all collective organisations.

The geographic distribution, based on activity and institutional sectors, of the salaried labour, in function of the different types of labour contract, and that of the non-salaried, leads to the conclusion that the workers under the most favourable working conditions are relatively more in numbers in the Northern provinces, in industry and services, and in public or in the registered private sector. Apart from the fact the Labour Code applies only to the salaried class, there are certain other limitations in its application, that are linked to the more or less official character of the contractual commitments of employers and employees.

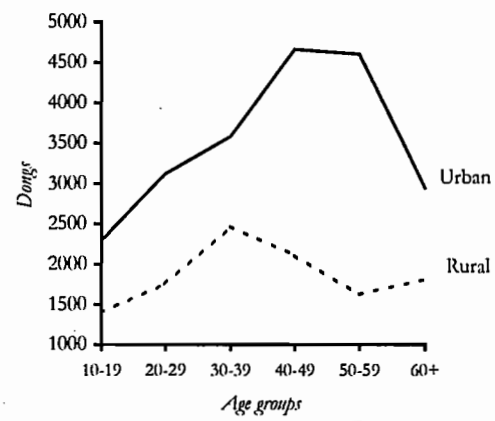
Income from employment

The average income levels will be studied in function of parameters such as age, sex, urban or rural environment, regions, socio-professional categories, type of employer and relation to the employer, in order to

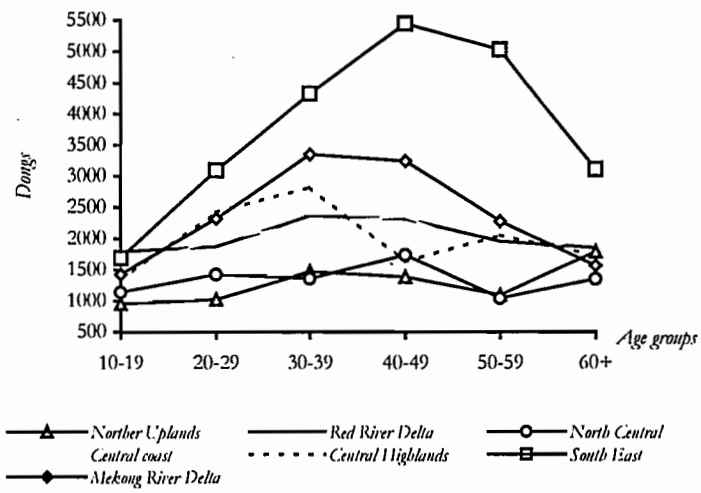
Graph II.22. Average income by sex and by age



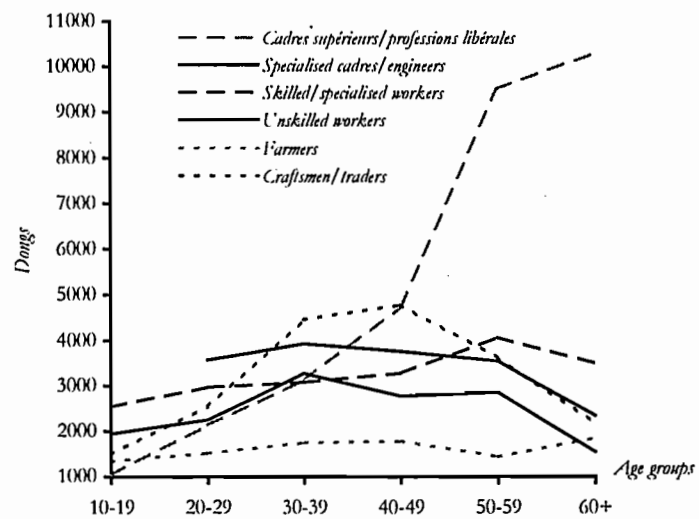
Graph II.23. Average income by age, rural and urban areas



Graph II.24. Average income by age group and by regions



Graph II.25. Average income by age and by socio-professional categories



determine the characteristics of income from work. In this case income will mean the combination of all conceivable income, including regular or one-time bonuses and other allowances. In order to eliminate distortions arising from differences in the duration of work, the analysis will be conducted on the hourly income, based on declared monthly incomes and duration of work.

The average hourly income for the whole labour force is 2346[2] dongs. The gaps between the lowest paid and the highest paid are significant. The mode and the median are around 1563 dongs, variations in the incomes ranging approximately from 100 to 107000 dongs per hour.

On the whole, income from work varies with age, increasing gradually to hit a ceiling between the ages of 30 to 50 years and declining thereafter. The men average higher incomes than women, the gap tending to increase between the ages of 20 to 50 years, and reducing thereafter (graph II.4).

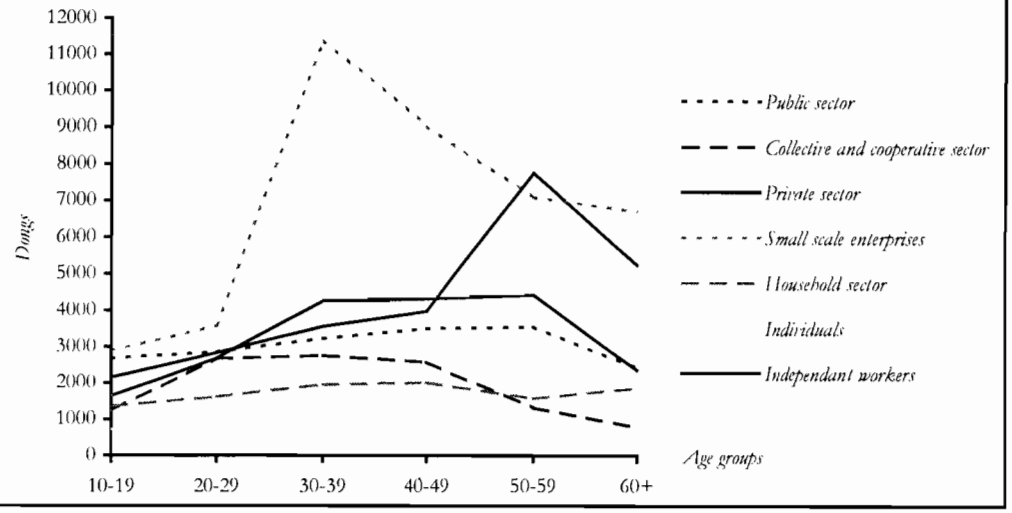
The differences in income between urban and rural areas are very significant. The average hourly income in rural areas is equivalent to half of the average hourly income of urban areas. The difference between urban and rural areas tends to increase with age. The maximum levels are attained in the 30-39 age group for rural areas, and 40-59 for urban areas (graph II.19).

The regional disparities are equally strong (graph II.20). Two regions, which distinguish themselves from the rest by their relatively high average income, are the South-East and the Mekong River Delta. On the contrary, the two regions with the lowest average hourly income are the Northern Uplands and the Central Highlands. The Red River Delta, the Central Coast, and the North Central have all very similar hourly income, even though the last region differs from the rest in terms of income levels based on age.

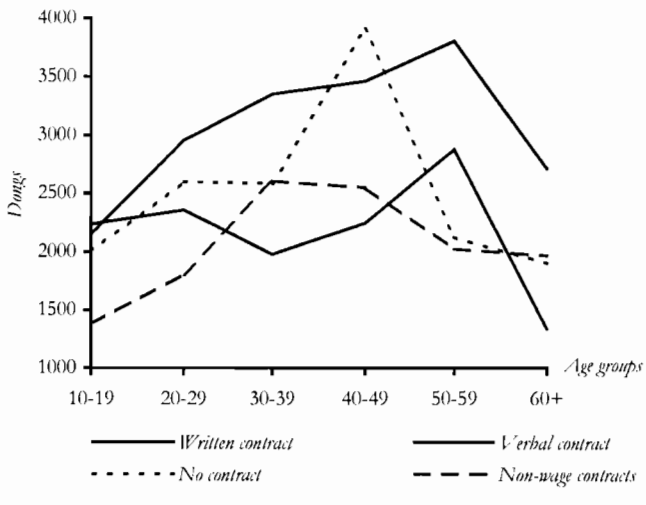
The observations on average hourly income by socio-professional categories show that high cadres and professionals average the highest incomes. The difference with other socio-professional categories is all the more significant since for this category, the levels of income increase greatly with age, whereas for other categories the levels of income are stable or decline after sixty years of age (graph II.25). The income levels for craftsmen/small tradesmen are also much higher than the average, but vary greatly with age. They reach a maximum for the 40-49 age group, and decline rapidly thereafter. The pattern in terms of age is similar for unskilled labourers at a lower income average, and with fewer variations. On the other hand, the average hourly income for skilled labour tends to increase with age. The lowest incomes characterise farmers, with an hourly income that does not change with age. This last characteristic is undoubtedly linked to the fact that for a majority of household enterprises, the income generated is collective. Apart from significant variation in terms of duration of work,

[2] At the time of the survey, 1 dong was worth 0,0004 FF and 0,00007 USD

Graph II.26. Average income by age and employment sector



Graph II.27. Average income by age and type of labour contract



Graph II.28. Income stability and sector of employment (%)

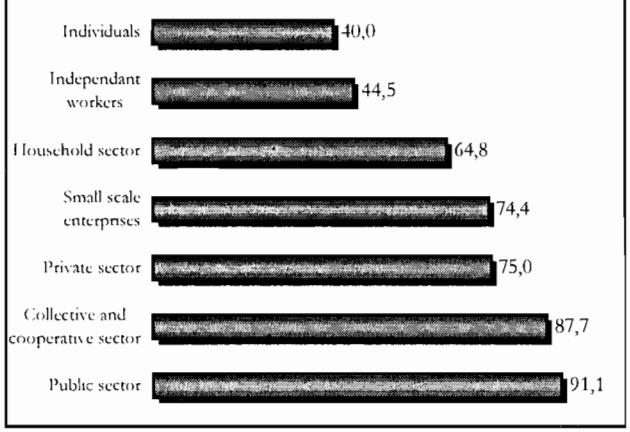


Table II.7. Income stability and mode of payment (percentages)

Mode of payment	Stable income	*Total*
Per month	89,8	*16,1*
Per week	82,7	*0,8*
Per piece/service	63,6	*71,2*
Lump sum	49,4	*4,2*
Per day	41,5	*7,6*
Per hour	38,5	*0,1*
Total	*65,7*	*100,0*

reflected in the hourly income, the income within a given household would differ very slightly if at all.

Small-scale enterprises offer the highest pay levels (graph II.26), especially, for the employers, who have an average pay of 12700 dongs per hour, while the hourly pay of their employees hardly ever crosses 3000 dongs. The structure of the pay levels by age follows a similar logic. The average age of employers is 38-39 years of age, while their employees have an average age of 26-27 years. In other sectors, the hourly income hardly varies with age, with the exception of the registered private sector where the age group of 50-59 years corresponds to high cadres and specialised cadres/engineers. In the public sector, the average hourly income tends to stagnate until retirement.

The salaried with written contracts are those with the highest average hourly income (graph II.27). Their income increases with age until the age of 60 years. The non-salaried experience a similar trend with much lower pay levels and their maximum average monthly income is attained sooner between 30 and 50 years of age. The salaried with verbal contracts are situated somewhere between these two levels but with an irregular progression in function of age.

The stability of monthly income varies with the type of employer (graph II.28). 90% of workers with written contract enjoy a stable income. It is equally true for 63% of the non-salaried, for 49% of the salaried having an implicit verbal contract and for 35% of the salaried having a verbal contract. The above is essentially attributable to the modes of payment (table II.7), which are directly related to the status of the employees and the institutional sector that employs them.

IV. Conclusion

Vietnam is characterised by a high activity ratio and by a concentration of the work force in agriculture, commerce, and services. The largest portion of the labour-force work for household enterprises and farms, which do not usually employ people from outside the household, and independent workers. This labour-force belongs to the households with the lowest standards of living. Income from work is the most significant source of income for the households. The agricultural households constitute a major portion of the low-income households.

Close to 80% of the labour force, being non-salaried, fall outside the purview of the Labour Code. As for the salaried labour, the practices and perceptions vary substantially between different regions and institutional sectors. In the North the written contracts are more common, while the household enterprises/farms, and the private sector and others easily practice verbal contracts. Being more flexible than written contracts, verbal contracts

often subject workers, who are largely unaware of their rights, to potentially arbitrary decisions of the employer in terms duration of work, working conditions and pay. The most vulnerable are the temporary and casual workers, for whom employment stability is a real problem.

Income from work varies a lot according to sex, rural or urban areas, region, and institutional sector. The variations are less by socio-professional categories with the exception of farmers, who receive the lowest income and in whose case income barely varies with age, and of the high cadres/professionals who enjoy high salaries, and in whose case income increases with age. If there are incentives to work, they do not apparently lie, for the majority of the workers, in a progression of income based on seniority and/or employment qualification.

CHAPTER II - MOBILITY AND SEARCH FOR EMPLOYMENT

The main purpose of this chapter is the analysis of mobility. We will be estimating it first through a retrospective study of labour movements in terms of specialisation, activity sector, employer, and position in the employment. This survey has enabled us to collect information on the present, previous and first employment. This employment may be different or not, depending on the cases. This choice allows us to cover the general characteristics of all the employment in the course of their entire professional life for 99.6% of those interviewed. The first section will focus on the analysis of the change of employment in time and space, and of the general characteristics of the concerned population. In the second section we will analyse the sectoral changes entailed by the change of employment. The third section will present a brief analysis of the change of occupation, while the last section will deal with the search for employment.

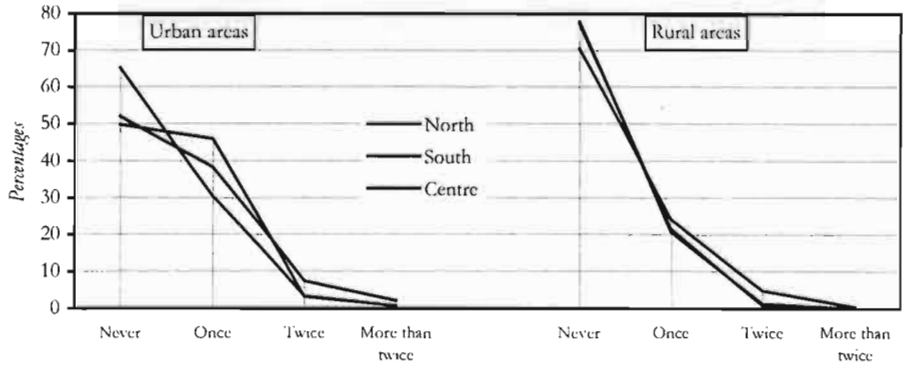
I. Employment mobility

Nearly 72% of the labour force have never changed employment. The proportion of workers that have changed employment at least once in their professional carrier is higher in urban (42%) than in rural areas (24%). There is not much variation between the different regions, as far as rural areas are concerned (graph II.29). In urban areas, a particularly low mobility is noticed in the southern regions, while it is slightly higher in the central regions than in the northern ones.

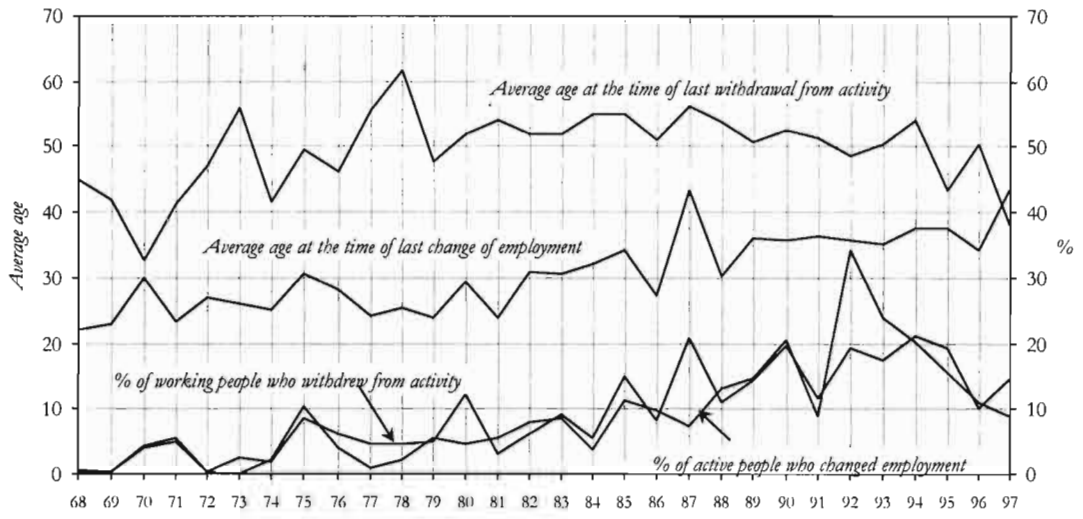
There has been a major increase in mobility over time, particularly between 1989-1994 (graph II.30). Almost a third of working population have changed employment in 1992. Since then however, the proportion of people who have changed employment has witnessed a downward trend. The average age for the last employment switchover has gone up 10 years from 25 years in the seventies, to approximately 35 years in the late eighties. The average retirement age has also increased between the mid-eighties and the mid-nineties, only to go down again. The average age for withdrawal from professional activities shows a downward trend since the late eighties.

The end of the eighties and the beginning of the nineties correspond to a period of major restructuring of employment in Vietnam and mark a behavioural change as is shown in the graph II.31. The reunification of the country in 1975 led to a large-scale demobilisation whose effects begin to erode only since the mid-eighties. People joining and leaving the army represented up to 24% of the changes in employment in the 1981-85 period. This is no longer the principal cause for change in employment. Simultaneously the private sector developed itself since 1976. 12% of

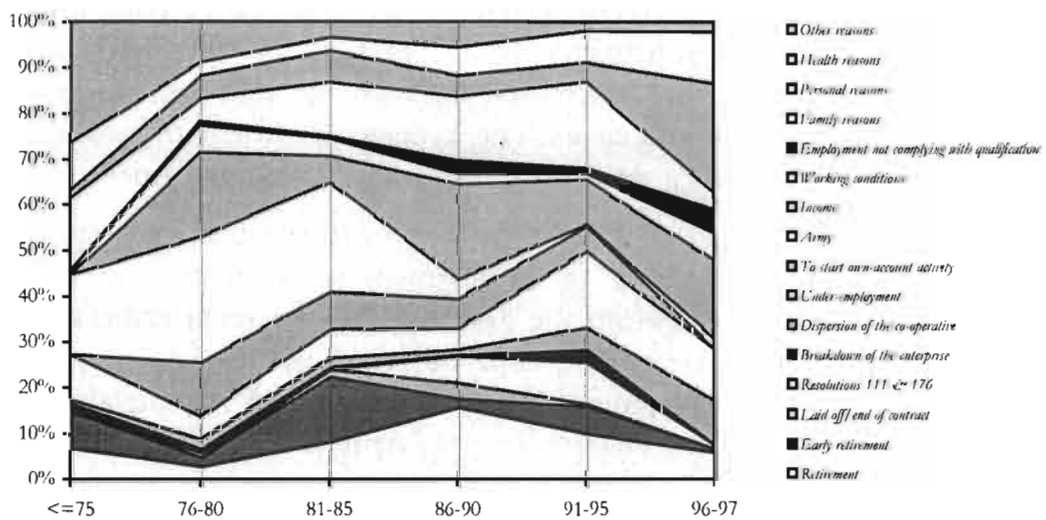
Graph II.29. Frequency of employment changes by region, urban and rural areas



Graph II.30. Withdrawal from activity and changes of employment 1968-1997



Graph II.31. Causes of employment changes of the currently employed labour force over time



changes in employment in 1976-80, and 8% in 1981-85 are linked to private initiative and the desire of setting up an activity on own account. Thereafter, the proportion of labourers leaving their present employment with the goal of owning a private business gradually reduces.

The main cause of change of employment between the years 1981 and 1985 is a sudden increase in early retirements and in laying-off. This is probably a fallout of the first efforts to reorganise the production structure. Since 1986 the number of people changing employment due to retirement or withdrawal from activity has seen a significant increase. This might be linked to the regularisation of the situation of a number of workers in order to reduce the total number of employees, particularly in the public sector. It might also account for the increase in the proportion of employees who have continued to remain professionally active after retirement.

Low levels of income explain 21% of the changes of employment for the period 1986-90. We can assume that after years of rationing, the renovation policy has played an important role in bringing hope of increased income for the labour force through a change of employment. The decline in income, which was a major cause of change of employment in the years 1991-95, is at the same time, relative and absolute. It might be explained by the significance of the changes in the preceding period, and by the difficulties encountered during that period. Actually, during the period 1991-95, mobility is on a marked increase, particularly under the effect of a restructuring of the production system.

This latter period is characterised by a shrinking of the labour market. Resolutions 111 and 176 account for approximately 11% of the changes of employment during the period 1989-1994. Between 1991 and 1995, pre-retirement departures and lay-offs due to bankruptcies recorded an increase, in relative as well as absolute terms, and under-employment became a major cause for the change of employment, representing 17% of the changes of employment during that period. It is also during this period that changes of employment linked to the dispersion of co-operatives become important, a trend, which is asserted in 1996-1997. It is therefore a period when people are reluctant to switch employment for reasons other than personal or familial.

Personal and familial reasons are causes of change of employment not directly linked to the employment conditions. They constitute one of the primary causes of change in employment especially for the women. 41% of the working population that have changed employment for reasons that are personal are women. 75% of the workers that have changed employment for familial reasons are women. Marriage and childbirth are two of the main reasons for a change of employment for women. In 1996-97, we notice that on the whole, the percentage of the working population that has changed employment for personal or familial reasons is on the increase. Personal reasons are gaining importance as compared to familial reasons. Familial

reasons are on the decline starting from 1996 for women, while the number of people who have changed employment for personal reasons are on the increase since 1995, particularly for women. This tendency, if it were confirmed over time, would reflect a major change in the feminine behaviour toward professional activities. On the other hand, the mobility is low in 1996-97 in comparison to the previous years, which explains the relative importance of mobility linked to personal or familial reasons. In absolute terms, the number of employees that change employment for these reasons is stable. In relative terms, the share of the labour force that changes employment for personal or familial reasons increases when the total number of people who change employment declines.

Another striking characteristic of the years 1996-97 is the relative importance of the changes in employment connected to the working conditions and to the adequacy between the position held and the qualifications of the employee. Insufficient income and under-employment are the cause of 30% of the changes in employment in 1996-97. Among the employees that have changed employment due to under-employment, 86% were wage earners. 78% of these are now non-wage-earners. On the other hand, 65% of those that were not wage earners are now in that category. Among the employees that have changed employment due to insufficient income during the same period, 45% were wage earners, 49% continue to be, whereas only 10% of those that were not wage earners are now in that category. These figures put in evidence behaviours that are differentiated according to status, and reason for changing employment. It seems that in the case of under-employment, the workers believe that a change in position can improve their situation. While in the case of insufficient income the improvement is sought through a change of employer for the wage earners, and a change of activity for the non wage earners.

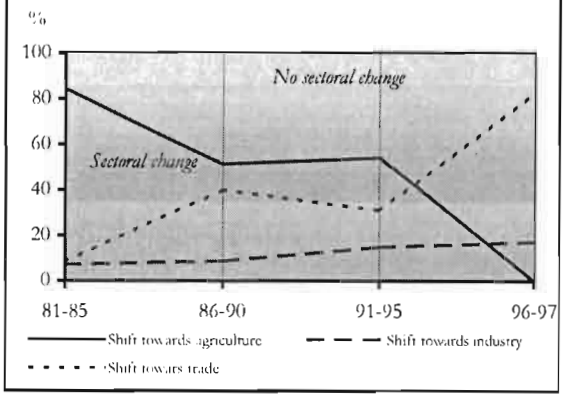
II. Change in employment and sectoral mobility

The mobility of employment allows for an adjustment of the labour market that evolves with the production structure. After having analysed the evolution in the mobility of employment, in particular with regard to the reasons that explain it, a closer look at the nature of this mobility is required.

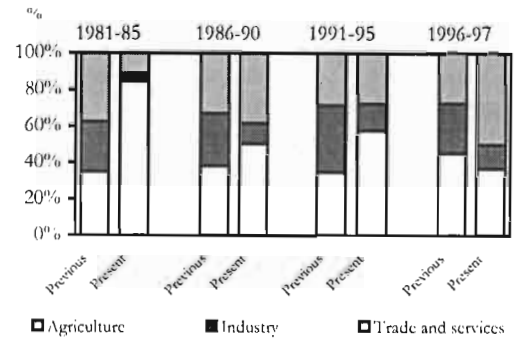
There are major differences between rural and urban areas, as much in the sectoral distribution of the employment as in the mobility of employment. The sectoral changes that occurred in urban and in rural areas, with reference to the last change in employment, must therefore be analysed separately. In order to establish the most recent trends while keeping a long-term global view, the analysis will focus on the labour force that have changed employment after 1980.

In rural areas, the proportion of the labour force for which the change of employment is accompanied by a change of sector increases in 1986-90, only to decrease consistently (graph II.32). In 1996-97 it is barely 35%. The

Graph II.32. Last employment and sectoral changes over time, rural areas



Graph II.33. Industry group of previous and present employment, rural areas



employment mobility is reduced during these two years. It is also a period of sectoral drawback corresponding to a situation in which the change of employment is imposed by the employer or by the circumstances rather than results from a voluntary act.

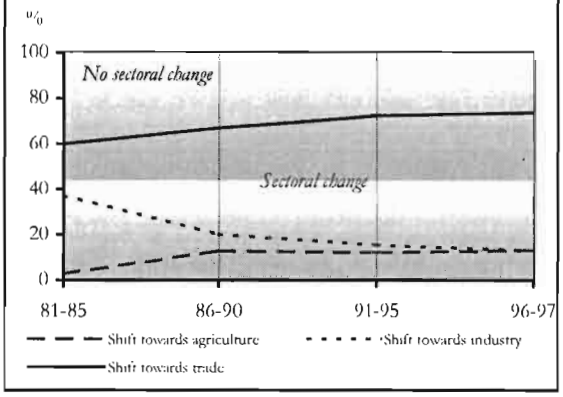
The proportion of the non-agricultural labour force that went to agriculture, among those who have changed sectors, is 84% in 1981-85. This period is marked by the demobilisation following the reunification of the country. 83% of the demobilised soldiers turn towards agriculture and 14.2% towards industry. During this period the changes in employment strengthen the agricultural work force, which surpasses 80% of the total after the change of employment, while before it represented barely 40% (graph II.33).

From 1986 onwards, the labour force in agriculture continues to thrive due to changes of employment but in a more modest way. For the first time in 1996-97, the labour force employed in agriculture is proportionally lower after the change of employment than it was before. It is the outcome of a growing decline in the share of the non-agricultural labour turning towards agriculture.

For industry, commerce, and services, the trends are reversed. Yet, the increase of the non-industrial labour force that turns towards industry is too low to prevent a decline of the share of industry through changes of employment. On the other hand, the sectoral changes towards the commerce and services sector reflects the high growth experienced by this sector in terms of employment. We may note that 87% of those who are currently in the commerce and services sector and have changed sector between 1981 and 1985 are people who intend to run own-account businesses. This proportion jumps to 13% in 1986-90 and a little less than 2% in 1991-95.

In urban areas, the labour force whose change of employment is accompanied by a change of sector of activity is relatively stable between 1981 and 1995. This is followed by a gradual decline over the next two years, which, as previously seen, correspond to the two years of decline in the

Graph II.34. Last employment and sectoral changes over time, urban areas



Graph II.35. Industry group of previous and present employment, urban areas

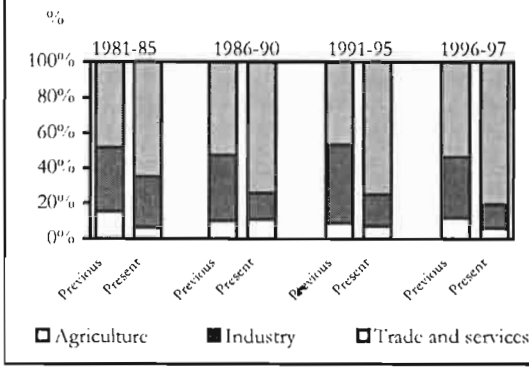


Table II.8. Employment changes after 1981 and industry groups (%)

				Industry group of present employment			
	Industry group of first employment		Industry group of previous employment	Agriculture	Industry	Trade and services	*Total*
Urban areas	The present employment is the first employment (75%)[1]			4,2	28,3	67,5	*100,0*
	The previous employment was the first employment (83,9%)[2]		Agriculture	2,2	2,8	4,7	*9,7*
			Industry	1,7	7,8	31,6	*41,0*
			Trade and services	3,6	7,8	38,0	*49,3*
			Total	*7,5*	*18,3*	*74,2*	*100,0*
	The previous employment was not the first employment (16,1%)[2]	Agriculture (17,1%)[3]	Agriculture	8,3	8,3	8,3	*25,0*
			Industry	8,3	8,3	25,0	*41,7*
			Commerce et services	8,3	-	25,0	*33,3*
			Total	*25,0*	*16,7*	*58,3*	*100,0*
		Industry (28,6%)[3]	Agriculture	-	5,0	5,0	*10,0*
			Industry	5,0	5,0	45,0	*55,0*
			Trade and services	5,0	5,0	25,0	*35,0*
			Total	*10,0*	*15,0*	*75,0*	*100,0*
		Trade and Services[3] (54,3%)	Agriculture	2,6	2,6	7,9	*13,2*
			Industry	-	10,5	7,9	*18,4*
			Trade and services	2,6	5,3	60,5	*68,4*
			Total	*5,3*	*18,4*	*76,3*	*100,0*
		Total		*10,0*	*17,1*	*72,9*	*100,0*
Rural areas	The present employment is the first employment (86,8%)[1]			76,1	7,9	16,0	*100,0*
	The previous employment was the first employment (90,1%)[2]		Agriculture	21,8	4,7	12,8	*39,3*
			Industry	15,4	3,5	11,6	*30,5*
			Trade and services	20,0	3,5	6,7	*30,2*
			Total	*57,2*	*11,7*	*31,1*	*100,0*
	The previous employment was not the first employment (9,8%)[2]	Agriculture (41%)[3]	Agriculture	14,7	2,9	0,0	*17,6*
			Industry	23,5	23,5	14,7	*61,8*
			Trade and services	17,6	2,9	0,0	*20,6*
			Total	*55,9*	*29,4*	*14,7*	*100,0*
		Trade and services (59%)[3]	Agriculture	-	-	-	-
			Industry	32,7	0,0	2,0	*34,7*
			Trade and services	24,5	4,1	36,7	*65,3*
			Total	*57,1*	*4,1*	*38,8*	*100,0*
		Total		*56,6*	*14,5*	*28,9*	*100,0*

1. Figures in this row refer to the present total labour force.
2. These figures give the breakdown of the presently employed labour force that has changed employment after 1981. Their total, for urban as well as urban areas, is 100.
3. These figures give the breakdown of the presently employed labour force who have changed employment after 1981, and whose previous employment was not the first employment. Their total, for urban as well as urban areas, is 100.

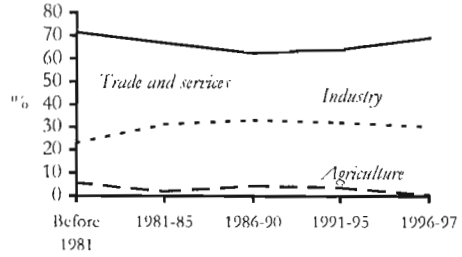
mobility (graph II.34). We see the commerce and services sector grow, period after period, at the expense of agriculture, and mostly industry (graph II.35). The trends are less prominent than in rural areas, but we see that the tertiary sector attracts a growing share of the industrial as well as of agricultural labour force. The agricultural sector attracts a constant share of the non-agricultural labour-force, whereas industry attracts less and less people from agriculture, commerce, and services.

Table II.8 allows for a more precise understanding of the sectoral changes that occur during the different changes of employment. In urban areas, the labour movements systematically result in an increase of the number of people employed in the tertiary sector. The share of the population employed in industry in the total number of the working people whose present employment is also their first employment is 28.3%. The figures go from 41% to 18.3% for all the workers whose last employment is also their first their first, and from 28.6% to 17.1% for those whose last employment was not their first employment. 77% of the labour force employed in industry whose previous employment was their first employment, and 75% of the workers whose first employment, different from their previous employment, belonged to industry, have moved on to the commerce and services sector during their last change of employment. In the agricultural sector the situation is similar. The proportion of people working in agriculture has gone down from 9.7% to 6.5% of the total number of workers that changed employment only once, and from 17.1% to 10% of the total number of workers that have changed employment more than once. Nearly half of the people employed in agriculture whose previous employment was their first one, and 58% of the people who have changed employment more than once, and whose first employment was in the agricultural sector, are now in the commerce and services sector. The different types of changes of employment result in the reinforcement of the labour force in the tertiary sector at the cost of agriculture, and even more of industry. This is further marked by the fact that the people employed in commerce and services tend to remain in that sector throughout changes in employment.

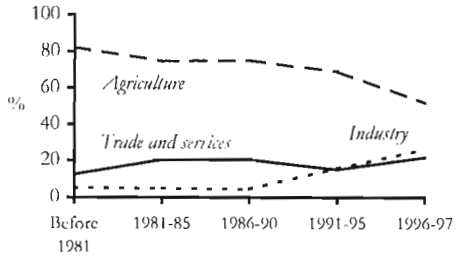
In rural areas, the labour movements reinforce the work force in agriculture, at the expense of industry, commerce, and services. However, the trend in the past fifteen years has been a shift from the agricultural sector towards the services sector. One should keep in mind that changes of employment are not frequent in rural areas. Only 3% of the currently employed people have changed employment at least once in the course of their professional life. And 10% of those who have changed employment since 1981 have changed employment more than once.

The comparison between the sectoral trends in mobility and the sectoral evolution of the first employment reveals the nature of the mobility (graphs II.36 to II.39). In urban areas, the relative growth of employment in

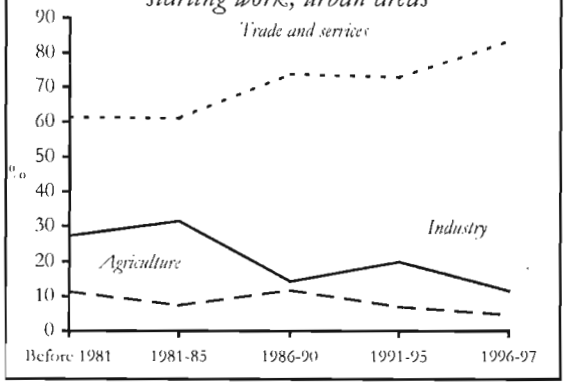
Graph II.36. Industry group breakdown of the first employment by year of arrival on the labour market, urban areas



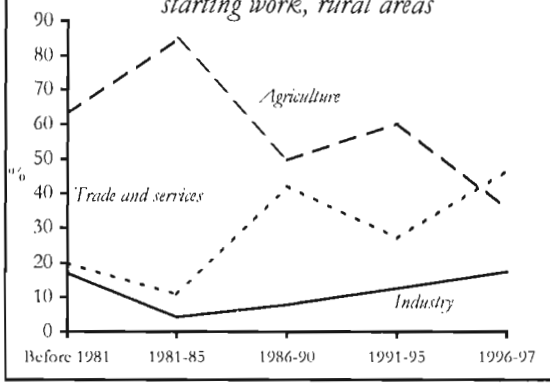
Graph II.37. Industry group breakdown of the first employment by year of arrival on the labour market, rural areas



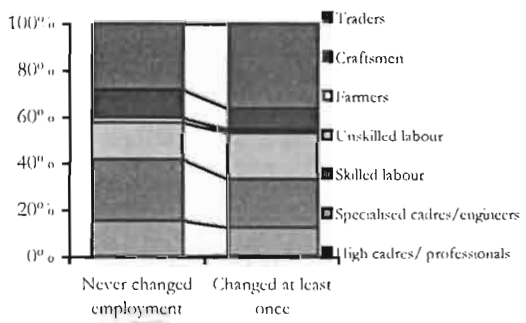
Graph II.38. Industry group breakdown of last employment by year of starting work, urban areas



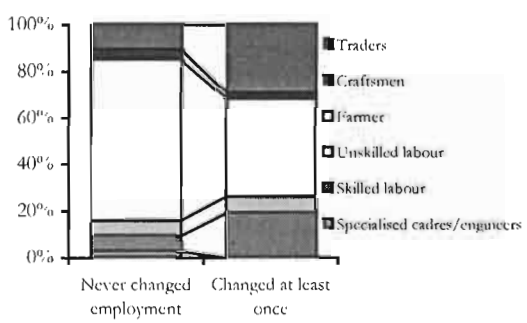
Graph II.39. Industry group breakdown of last employment by year of starting work, rural areas



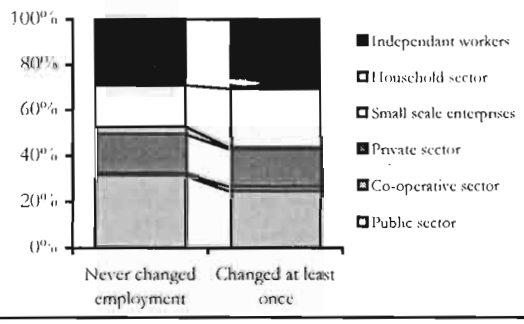
Graph II.40. Employment changes and present socio-professional categories, urban areas



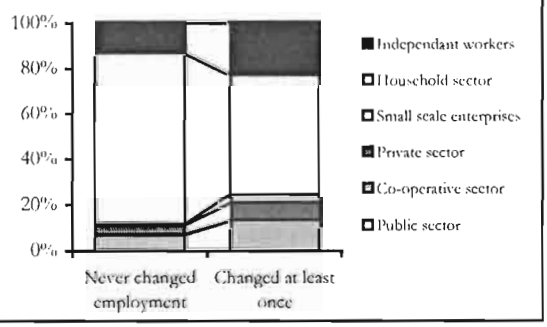
Graph II.41. Employment changes and present socio-professional categories, rural areas



Graph II.42. Employment changes and present employment sector, urban areas



Graph II.43. Employment changes and present employment sector, rural areas



commerce and services and relative decline of employment in industry is less visible for the first employment than for the last employment. We observe that the period 1981-90 corresponds to a decrease of 12.6% of the share of the people whose first employment was in the tertiary sector, while the share of the people who have changed employment and work at present in the tertiary sector increases by 20.5%. From 1990 onwards the share of employment in commerce and services simultaneously increases for the two categories of labour. Meanwhile, the decline in industry is more accentuated for the workers who have changed employment at least once than for workers for whom it is the first employment sector. In rural areas, the tendencies are also more accentuated for the people who have changed employment at least once, than for the employees who have joined the labour market freshly, except for industry. The increase in the relative share of industry in employment is higher for the workers entering the labour market.

In terms of mobility, the sectoral trends therefore follow the general trend, the evolution of employment in commerce and services being much more pronounced, both in urban and rural areas, mainly at the cost of industry. In urban areas, in terms of socio-professional categories, it reflects an increase in the number of tradesmen and unskilled workers, at the expense of the skilled and specialised workers, and of the specialised cadres and engineers (graph II.40). In rural areas, the reduction in the share of farmers and engineers is compensated by an increase in the number of tradespeople and skilled workers (graph II.41).

In rural areas, the farmers that have quit their activity after 1981 have become independent labourers or work for the public sector, the registered sector, and small-scale enterprises (graph II.42). In those areas, the change of employment leads to household undertakings, and marginally to the co-operative and collective sector (graph II.43).

On a global scale, the trends in terms of mobility seem more favourable in rural areas than in urban areas, as much in sectoral terms as in terms of socio-professional categories, even though the relative importance of the independent workers suggests that one part of the labourers who leave the agricultural sector for joining other sectors is relatively vulnerable (see chapter I of this part). In urban areas, the change of employment seems to correspond to a shift towards household enterprises and to commerce and services. For the urban areas, this corresponds to a general tendency of reduction of employment in industry, and a decline in public sector employment in 1991-95, due to a number of measures intended to reduce over-employment in the State sector and the army. These trends show, in the context of a high growth in industrial production, that the industrial development is linked to an intensification of capital. Employment therefore tends to shift towards the commercial sector, which is, in its actual form, more labour intensive, but at the same time less productive. The shift from agriculture towards other sectors is initiated, more in terms of labour mobility

Table II.9. Distribution of the employed labour force by occupation and by date of changing occupation, urban areas

	Before 1981		1981-85		1986-90		1991-95		1996-97	
	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
Engineering and design	1,7	1,7	-	1,6	0,7	-	2,0	1,3	-	-
Farming, fishing, forestry...	11,7	10,0	17,2	6,3	11,2	8,4	9,9	7,2	14,3	4,9
Mining/oil	-	-	1,6	-	-	0,7	-	0,7	-	-
Manufacturing	23,3	13,3	21,9	14,1	28,7	10,5	31,6	9,9	26,2	14,6
Construction	6,7	3,3	6,3	3,1	2,8	2,8	4,6	2,0	-	2,4
Machine operators	-	-	-	-	1,4	-	2,0	-	4,8	-
Repairing/maintaining	5,0	1,7	6,3	3,1	4,2	4,9	6,6	1,3	11,9	-
Standardisation/quality control	-	-	1,6	1,6	0,7	1,4	-	0,7	-	2,4
Administrative occupations	1,7	10,0	9,4	9,4	6,3	11,2	9,9	11,2	4,8	7,3
Accounting, Baking and finance	1,7	3,3	4,7	3,1	4,2	0,7	2,0	2,6	7,1	-
Education	5,0	1,7	3,1	3,1	7,7	0,7	7,2	2,6	4,8	-
Occupations in Science	-	-	-	-	0,7	-	2,0	0,7	-	2,4
Occupations in Trade	6,7	28,3	3,1	29,7	4,2	37,8	5,9	38,8	14,3	41,5
Occupations in Health	3,3	3,3	-	-	4,2	0,7	3,9	1,3	-	-
Occupations in transports	3,3	10,0	7,8	12,5	5,6	7,7	5,3	7,9	4,8	12,2
Art, literature, culture, sports	1,7	-	4,7	-	0,7	2,8	2,0	2,0	-	-
Occupations in security	23,3	3,3	12,5	1,6	14,7	3,5	3,3	3,3	7,1	2,4
Occupations in services	5,0	10,0	-	10,9	2,1	6,3	2,0	6,6	-	7,3
No specialisation	-	-	-	-	-	-	-	-	-	2,4
Total	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*

(1) Distribution of occupations before the change. (2) Distribution of occupations after the change

Tableau II.10. Distribution of the employed labour force by occupation and by date of changing occupation, rural areas

	Before 1981		1981-85		1986-90		1991-95		1996-97	
	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)	(1)	(2)
Engineering and design	3,5	-	-	8,4	2,5	-	-	1,6	-	-
Farming, fishing, forestry...	7,7	60,2	36,2	74,6	34,7	45,2	23,2	50,1	50,5	40,3
Mining/oil	-	-	-	-	-	0,4	1,6	-	-	-
Manufacturing	11,7	7,4	9,1	0,8	16,8	15,8	29,5	10	25,1	16,3
Construction	3,4	-	20,6	4,1	5,7	-	3,2	2,5	7,3	-
Machine operators	-	-	-	-	2,2	-	-	-	-	-
Repairing/maintaining	3,4	3,4	-	-	4,8	0,4	3,5	3,2	-	-
Administrative occupations	7,7	6,9	11,7	4,9	3,0	-	10,5	0,9	-	-
Accounting, Baking and finance	-	-	-	-	4,3	-	-	-	-	-
Education	0,6	-	-	-	8,3	-	7,1	-	-	-
Occupations in Science	0,6	-	-	-	-	21,9	1,9	-	7,5	-
Occupations in Trade	1,3	2,5	-	3,1	0,4	-	9,2	12,3	1,4	33,4
Occupations in Health	3,9	-	-	-	5,3	6,6	0,3	3,2	-	-
Occupations in transports	7,6	8,3	4,1	-	7,0	9,7	4,3	2,5	-	8,6
Art, literature, culture, sports	-	7,7	0,8	-	-	-	0,3	0,3	-	-
Occupations in security	48,7	3,5	16,8	-	2,6	-	5,4	9,9	8,3	-
Occupations in services	-	-	0,8	4,2	2,5	-	-	-	-	-
No specialisation	-	-	-	-	-	-	-	3,5	-	1,4
Total	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*

(1) Distribution of occupations before the change. (2) Distribution of occupations after the change

Table II.11. Age and distribution of the population aged 15 and over by present and past activity status, and by search for employment

		Not looking for employment			Looking for employment			*Total*	
		%	Average age	Distribution (%)	%	Average age	Distribution (%)	%	Average age
Working	Active	94,9	37	69,4	5,1	28	56,1	*100,0*	*36*
	On temporary leave (< 1 year)	72,7	34	0,4	27,3	29	2,0	*100,0*	*33*
	Total	*94,7*	*37*	*69,8*	*5,3*	*28*	*58,1*	*100,0*	*36*
Without employment	With professional experience	95,3	62	12,7	4,7	36	9,3	*100,0*	*60*
	No professional experience	89,0	27	17,5	11,0	23	32,6	*100,0*	*26*
	Total	*91,6*	*41*	*30,2*	*8,4*	*26*	*41,9*	*100,0*	*40*
Total		*93,8*	*38*	*100,0*	*6,2*	*27*	*100,0*	*100,0*	*38*

than of generational transition. But for an improvement of employment prospects, in an economy that still comprises more than 60% of farmers, an acceleration in the Industrial growth seems necessary, as much as the modernisation of a tertiary sector that is still largely artisan and familial.

III. Occupational changes

85.4% of the currently employed workers have never changed occupation. Among those who have changed occupation, 89% have changed occupation only once, and 11% more than once. Change of occupation and change of employment are therefore closely linked. In fact, although a change in occupation could occur independently from a change of employment, all the employees that have changed occupation at least once have also changed employment at least once. On the other hand, the cases in which the change of employment is not followed by a change of occupation (6% of cases in urban areas and 7% in rural areas) are rare.

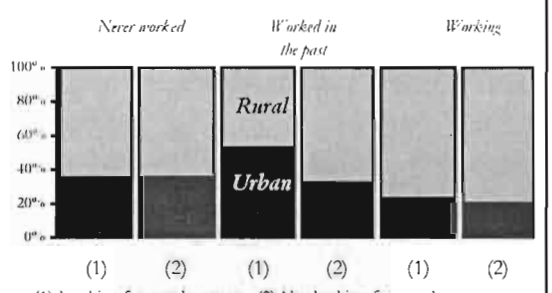
An analysis of the change of occupation in terms of the period of change shows that commercial occupations attract a maximum number of employees that change occupation, in urban as well as in rural areas (tables II.9 and II.10). In urban areas, it is the occupations in manufacture that are the most affected, as well as the occupations in repair and maintenance. Accounting, banking and finance lose labour, as well as education. The years 1986-95 see an increase in the number of teachers who opt for commerce, particularly in 1986-90. The same trend is seen for the occupations related to health, though they are less affected than education. The occupations that benefit most from the redeployment are those in commerce and services. We may note that the proportion of the working population that reconverted themselves towards commerce has increased regularly between 1981 and 1997. The number of employees in commerce who change occupation increases too, reaching 14% for the changes that have occurred in 1996-97. But as we have noticed, as far as the change in employment is concerned, the major part of the people employed in commerce that change occupation opt for another occupation in commerce. The occupations in administration and transport also witness an increase in work force due to the change of occupation, particularly in 1996-97. For the occupations in transport, this means that the number of motor-taxis, cyclos, and porters tends to increase.

In rural areas, the range of occupations is less extensive than in urban areas, but it tends to reduce even more with the changing of occupation. Over the period 1981-1997, almost all the occupations lose workers, except for occupations in commerce and agriculture, the latter beginning to lose workers instead of gaining them only in 1996-97. We should also note that the number of workers that reconvert in occupations of health tend to increase, while the number of people in the health occupations that change occupations reduces. Occupations in commerce attract the major part of the labour force that changes occupation. The share of the working people who

are involved in commercial occupations, of the total of those who have changed occupation at least once, goes from 7% in 1986-90 to 12% in 1991-95, and crosses 33% in 1996-97.

A striking fact is the appearance in the nineties of labourers who have no specialisation whatsoever as an outcome of the change in occupation. We have noted that change of employment and change of occupation are closely related. The present occupations therefore depend largely upon the possibilities of employment in the market. The end of rationing, the commercial opening towards other countries and the economic growth, all generating an increase in the standards of living, especially in urban areas, have favoured the development of the tertiary sector, and opened the way to a re-conversion in the occupations of this sector, as independent workers or in household enterprises. The loss of qualifications that can result in this process will be dealt with in the chapter on training and employment. However, it already appears now that an important number of qualified labourers have opted for occupations that require only a minimum qualification, or none at all.

Graph II.44. Distribution of the population aged 15 and over searching for employment, rural/ urban



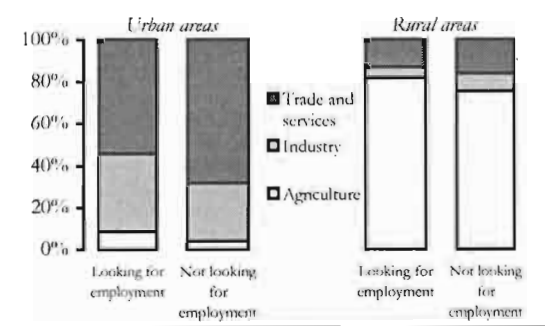
(1) Looking for employment (2) Not looking for employment

Table II.12. Regional distribution of the employment seekers

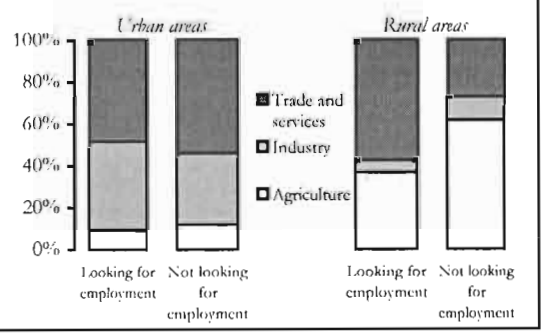
	15 years or more, employed		15 years of more, unemployed		Unemployment rate
	(1)	(2)	(1)	(2)	
Northern Uplands	4,3	8,1	12,8	5,5	3,0
Red River Delta	5,4	25,4	10,8	22,4	4,2
North Central	12,5	26,8	4,9	14,6	2,8
Central Coast	1,9	3,8	11,8	10,8	5,1
Central Highlands	10,8	10,1	10,6	4,4	4,1
South East	5,0	12,5	4,8	17,4	2,8
Mekong River Delta	2,7	13,3	8,0	24,9	3,4
Total	*5.3*	*100.0*	*8.4*	*100.0*	3,6

(1) Share of the unemployed in the population aged 15 and over
(2) Share of each region in the total of unemployed

Graph II.45. Distribution of the workers by industry group and search for employment



Graph II.46. Distribution of the workers by industry group and previous search for employment



IV. Search for employment and unemployment

The percentage of people that are on the search for employment in the population aged 15 and over is 6.2%, of which 41.9% have no employment, which gives a rate of unemployment of 3.7% (table II.11 page 84). The largest part of the search for employment takes place during employment. It is therefore important, in order to determine the characteristics of the employment seekers, to be able to characterise the search for employment. It is also important to understand the reasons for which a number of people who would like to change employment do not search for one, and the reasons why a number of people of active age do not work. We will then look into the time spent in searching for, and to the means used for finding, employment.

A. Characteristics of the employment seekers

62.9% of the persons looking for an employment are men, although they represent 48.5% of the population of active age and 49.6% of the employed population. The male proportion is particularly high in the case of the employed population (66.3%), but reaches 58.9% for the newcomers on the labour market. This can be explained by the fact that men generally come in later than women on the labour market, and by the fact that the time spent by men searching for employment is higher. For those below 20 years of age, 55% of the employed population and 60% of the employment seekers are women, while for those above 20 years, 50% of the employed population and 67.1% of the employment seekers are men.

89% of the people who are on a temporary break from work and are searching for another employment are on leave due to a temporary shutdown of their companies. Among the unemployed above 15 years, 88% of those who are presently searching for employment have never worked. The average age of those who are looking for employment is ten years less than those who do not search for employment.

The people searching for employment come mainly from rural areas, although the number of employment seekers in the urban area is higher in the case of the population of active age who have never worked, and particularly in the case of the people who have worked in the past, than in the case of the currently employed population (graph II.44). We notice that employment seekers that have already worked are relatively larger in number in urban areas than those who have withdrawn from activity.

In terms of regional distribution, the regions that supply the largest number of unemployed are the Mekong River Delta, the Red River Delta, and to a lesser degree the South-East, the North Central and the Central Coast regions (table II.12). Meanwhile, the regions where the rate of unemployment is highest are the Central Coast and the Central Highlands. On the other hand, the North Central and the Red River Delta account for more than half of the employed population who are on the lookout for

another job, even though it is in the Centre-North and in the Central Highlands that the proportion of those who are on the lookout for employment is the highest in the total of the employed population (12.5% and 10.8% respectively).

In urban areas, the proportion of the population employed in industry is higher among those who search for employment than among those who do not. This confirms the trends observed with regard to past mobility (graphs II.45 and II.46). In rural areas, the people employed in agriculture looking for other employment are relatively more numerous than those who do not search for another job. On the other hand, in the case of the people who have worked in the past, the share of ex-employees of the commerce and services sector is noticeably higher among the employment seekers (58%) than among those who have withdrawn from activity (27%).

In general terms, and with the exception of the people working in rural areas, the tertiary sector is the source of a major number of employment seekers. Among the people employed in the tertiary sector, the occupations of commerce, transport and services constitute the major part of the employees looking for another job (27.4%, 22.1% an 20.4% respectively). As for the unemployed with working experience, close to 70% of the employment seekers were involved in the past in an occupation in transport, accounting, banking, finance, or commerce (32.6%, 18.6% and 18.6% respectively). It should also be noted that the employed with no specialisation that are on a search for employment represent 13.3% of tertiary sector employment seekers. The employment seekers employed in manufacturing, production and construction, represent 82.3% of the total in industry, (61.3% and 21%), while they account for 85% of the employment seekers who have practised an occupation in industry in the past (65% and 20%).

B. The people who do not search for an employment

85.4% of the employed population claim to be satisfied with their present employment, and 83.6% do not wish any change of employment. In the 5% of those who are satisfied with their present employment but still wish for a change, 74% are not on the search for an employment. Simultaneously, among the 11.4% of the unsatisfied who wish to change employment, 65.5% do not search for one. Low income (81.2%), unstable employment (10.5%), lack of career prospectives (4.4%), and risky or strenuous nature of the employment (1.4%), are the main reasons for dissatisfaction in the employment. The reasons why the largest part of the employees who wish for a change of employment do not search for one are diverse. But the main reason is that they think they cannot find one (53.6% of those that claim to be satisfied, and 77.9% of the unsatisfied), family reasons ranking only second (30.4% and 9.9% respectively). 93% of those who think they would not find another job live in rural areas.

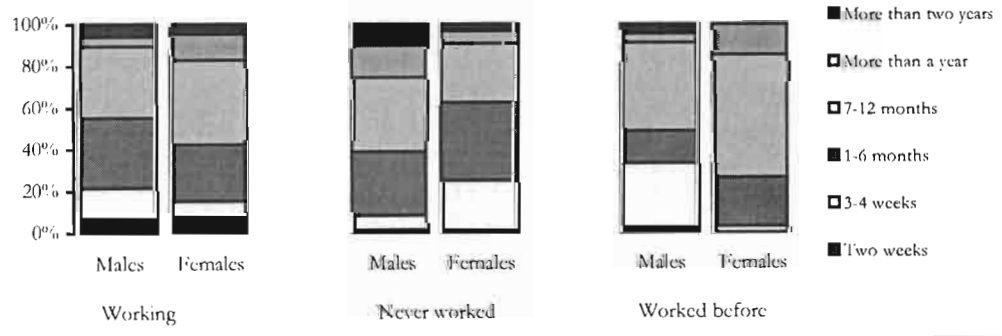
Amongst the people of an active age presently unemployed, 72.4% of those who do not think themselves capable of finding another employment live in rural areas. Those who do not think they will be able to find a job represent only 4.4% of the unemployed of active age who do not search for employment. The main reasons are education and training (40.2%), health reasons (20.4%), and family reasons (15.9%).

C. Duration of the search for employment and difficulties encountered

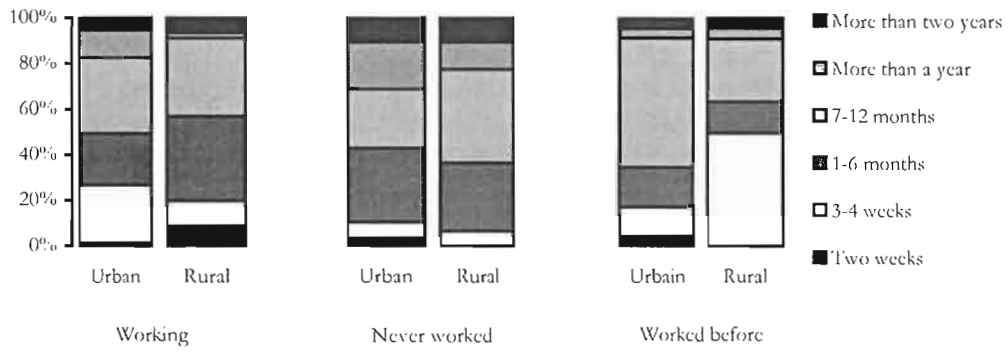
In general the women look for employment for a longer time than the men, except in the case of employment seekers who have never worked before (graph II.47). Therefore it seems that men and women have different behaviour in the labour market. The women enter the labour market at a younger age and find employment quickly. 24.8% of women without any occupational experience look for work for six months or less, whereas in the case of men it is only 7.9%. On the contrary, 25.4% of men have been looking for an employment for more than one year, whereas in the case of women it is only 9.4%. Once they start to work, the women are less willing than the men to look for another job, and take more time, in general, than the men to look for one, whether they are employed or not. We note at the same time that the percentage of those unemployed for long durations (more than two years) is more significant in the case of men than of women.

The number of people who look for employment for more than one year is more prominent in the urban than in the rural areas (graph II.48 and II.49). The men who are looking for employment for more than two years represent the same percentage in the urban as in the rural areas. This is not the case for women. Globally, the duration of search for employment is lower in rural than in urban areas. 51.6% of the people of active age have been searching for employment for six months or less in rural areas, while the corresponding percentage in urban areas is 42.8%.

Graph II.47. Duration of the search for employment by sex and employment status



Graph II.48. Duration of the search for employment, by employment status, Males, Urban/rural



Graph II.49. Duratio of the search for employment, by employment status, Females, Urban/rural

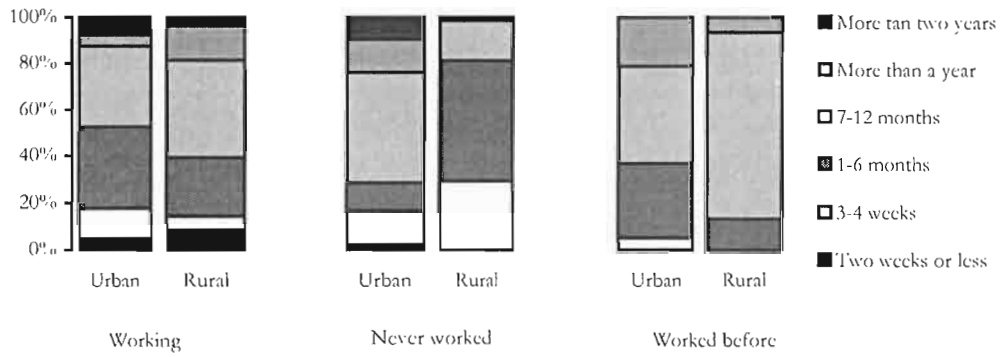


Table II.13. Difficulties faced while searching for employment

Difficulties	Males		Females		Working	Never worked	Worked before
	Urban	Rural	Urban	Rural			
No difficulties	7,1	2,6	1,0	8,3	6,0	2,5	3,8
Lack of training/qualification	41,3	36,1	41,2	33,3	41,9	30,6	26,6
Lack of experience	9,7	5,4	7,8	4,6	5,2	8,5	5,1
Lack of information	21,3	26,5	26,5	24,5	29,8	16,7	25,3
Problems due to CV	0,6	-	-	-	0,2	-	-
No permanent registration	1,9	-	-	-	0,2	0,7	-
Obtaining the required authorisations	-	-	-	2,3	1,0	-	-
Lack of funds	5,8	13,1	5,9	19,9	9,5	17,8	13,9
Age, health	-	0,3	-	-	-	0,4	-
Competition	5,8	13,9	7,8	3,2	2,0	19,9	15,2
Lack of employment	5,8	1,3	9,8	2,8	3,8	1,4	10,1
Other	0,6	0,8	-	0,9	0,4	1,4	-
Total	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*

Table II.14. Wishes of the employment seekers (%)

	Males		Females				
	Urban	Rural	Urban	Rural			
Public sector	52,6	34,0	37,3	34,2	39,3	33,3	45,0
Collective and co-operative sector	3,2	2,8	2,9	3,2	0,6	5,7	8,8
Domestic private sector	10,3	8,2	19,6	11,9	13,5	6,7	7,5
Household sector	0,0	0,0	1,0	0,0	0,2	0,0	0,0
Private-public joint-ventures	3,8	1,5	2,0	3,2	3,4	1,8	0,0
Foreign capital enterprises	3,2	3,4	9,8	3,7	3,0	5,7	6,3
Individuals	3,8	0,5	5,9	3,2	3,2	0,4	5,0
Own account	9,6	9,8	5,9	20,5	13,7	10,6	6,3
Indifferent	13,5	39,7	15,7	20,1	23,2	35,8	21,3
Total	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*

The lack of training and the lack of information rank first among the difficulties faced during the search for employment (table II.13), particularly in urban areas, and among the presently employed. The second main reason is competition on the labour market and the lack of employment, for men in urban areas, and for women in rural areas. This kind of problem seems to affect the women more than the men, and the unemployed more than the employed in searching for another job. Finally the lack of funds causes principally a difficulty in rural areas, and for the unemployed. Indeed, in a situation considered as difficult on the labour market, the starting of a self-owned activity appears as a better alternative to the search for an employment. 13.7% of employment seekers in rural areas, and 8.1% in urban areas, wish to start an own account activity. In urban areas, 71.4% of those who want to work on their own account are men. They are only 45.8% in the rural areas.

D. Preferences in terms of employment

The preference for civil service and the State sector remains high. 46.5% of the people in search of employment in urban areas wish to find one in the public sector. In rural areas, the proportion is 34%. It is with the employment seekers who have an occupational experience that the attraction towards the public sector is the highest. They are 45% who wish to find an employment in the public sector. 39.3% of the already employed also search for employment in the public sector. Amongst them 5.1% are already employed there, but only a little more than 7% wish to remain. The workers of household enterprises, registered private enterprises, and the independent workers are the most attracted towards the public sector. In urban areas, they are mostly men. Amongst them 52.6% wish to work in the public sector, whereas the women are only 37.3%. In rural areas, the percentage is lower and comparable for men and women (34% and 33.8%).

Employment in the private sector attracts 10.7% of employment seekers, particularly, amongst the already employed, the people working in household enterprises, and the independent workers. These two categories represent 94% of the employed looking for another job in the domestic private sector. The percentage of employment seekers who wish to work in a joint venture with a foreign company or 100% foreign company is only 4.8%, out of which 59% are women. 45.2% of those who look for employment in a foreign invested company are new entrants to the labour market.

Finally, we should note that the new entrants to the labour market consist of the highest percentage of employment seekers who are indifferent as to the institutional sector in which they might find employment. The percentage of people in search of an employment, who are indifferent as to the institutional sector, is higher in the case of men than of women, and in rural areas than in urban areas.

E. Methods used for search of employment

The most common method for finding employment is through family and friends, particularly for the unemployed and in rural areas (table II.15). Classified advertisements are a method often used in the urban areas. It concerns 15.4% of the people searching for employment in urban areas, 2.6% in rural areas, and the unemployed without any previous professional experience, who are proportionately the largest in number to look for an employment in this manner.

Spontaneous candidatures and recourse to the Centres for Employment Promotion are also urban methods for search of employment. It is primarily men who use this method, the spontaneous candidature being a more frequent method for the employed people and the unemployed who have already worked rather than for newcomers on the labour market, out of which only 8.1% apply with Centres for Employment Promotion. In rural areas women apply more easily than men with Centres for Employment Promotion, while men prefer to apply with other public organisations. Finally, the search for employment through an intermediary or a recruitment agent is a rural behaviour that concerns primarily employed people.

43.8% of the employed people who have arrived on the labour market or have changed employment in 1996 and 1997, have found their employment through family contacts or friends, the proportion of those who have changed employment being of 34.7%. 28.8% have found their employment through spontaneous candidature, 8.8% through advertisements, 0.6% through Centres of Employment Promotion, and 15.6% through other public organisations.

As for the geographical extent of the search for employment, the preferences remain for the district or the sub-district in particular for rural areas (47.7% of the cases against 23.2% in urban areas), and for the province (47.1% and 16.4% respectively for urban and rural areas). It is however in the rural areas that the highest proportion of people on the search for employment are indifferent to the location of employment (20.8% in rural areas and 13.1% in urban areas). 20.4% of the unemployed are ready to work in another province, as compared to only 9.5% of the presently employed.

Table II.15. Methods of search for employment (%)

Methods for employment search	Males		Females		Working	Never worked	Worked before
	Urban	Rural	Urban	Rural			
Through family, friends...	56,7	73,5	55,9	77,2	67,5	70,8	76,5
Through advertisement	12,1	2,8	20,6	2,3	5,2	8,8	6,2
Direct contact with the employer	14,0	10,3	5,9	-	9,5	5,3	6,2
Centre for employment promotion	8,3	1,3	9,8	5,0	2,6	8,1	3,7
Other public organisation	5,7	6,2	4,9	2,7	5,2	4,9	4,9
Intermediary/recruitment agent	1,3	5,9	1,0	7,8	7,9	0,7	1,2
Other	1,9	-	2,0	5,0	2,2	1,4	1,2
Total	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*	*100,0*

Conclusion

The relative share of the employed that have changed employment has increased in time, in particular over the period 1989-94, which corresponds to a period of important structural changes to the labour market.

The period of highest mobility is characterised by a strong sectoral mobility, leading to massive re-deployments not organised by the State. The situations in urban and rural areas are very contrasted. However, we observe that overall, mobility accentuates the tendencies observed in newcomers on the labour market, and supports the growth of the work force in commerce and services. Certainly, the tendency towards the re-deployment of teachers, accountants and professionals of banking and finance observed in the years 1986-90 seems to have stopped now. However, the occupations in manufacturing still remain greatly affected. In rural areas, the agricultural occupations start losing numbers in the work force only in 1996-97. We should also point out the appearance in the 1990s, of workers without any specialisation. Moreover, in a majority of cases, the change of employment introduces a loss in the levels of qualification previously acquired.

The analysis of the search for employment shows a reinforcement of recent tendencies in terms of mobility. The search for employment is a primarily masculine and rural activity, which is practised essentially during the term of current employment. The regional disparities in this field are high. The duration for the search of employment is on the average relatively low, even though there exists long term unemployed workers, especially in the male population. Lack of training and information are the main difficulties met by employment seekers. Employment seekers show a strong preference for work in the public sector especially if they are not working in it already, while the preference for working locally (sub district, district, province) still remains very strong for all the employment seekers, but especially in urban areas.

The recourse to family and friends remains the dominant trait in the search for employment. However, the beginning of a change is visible, essentially in urban areas, in the proportion of the employment seekers who answer to advertisements, make spontaneous candidatures, or resort to the services of the Centres of Employment Promotion, even though the latter do not seem to have been able to place a significant share of the population that changed employment in 1996 and in 1997.

CONCLUSION

In spite of all the movements that have taken place in Vietnam these last twenty years, which have deeply modified the structure of employment, this structure remains largely dominated by agriculture.

The end of the war, in 1975, has led to a massive demobilisation that continued until the beginning of the eighties, while the reunification of the country enforced a more flexible organisation of the national labour market, to allow the mutual adjustment of two economic systems, the logic and the organisation of which were diametrically opposite. In terms of economic activities, private initiative developed from 1975, preceding by ten years the launch of the renovation policy, which sanctioned and reinforced the existing movements. But towards the end of the eighties, the evolution of the labour market saw a new turn when the State decided to reduce the number of its employees. The changes of employment are particularly high during this period, which sees a contraction of the labour market.

The general tendency, since the beginning of the nineties is in the reinforcing of the tertiary sector and in particular of commerce, both in terms of evolution of the labour market, and of mobility. Simultaneously, the labour force shifts from the public and co-operative sectors towards household enterprises/farms that do not use salaried workers, and towards independent labour. This labour force forms the major part of the presently employed that are unsatisfied with their present situation and want to change employment.

These movements have induced a reduction in salaried labour, and the atrophy of the domain covered by the Labour Code. Even for the salaried, the infringements to the Labour Code are numerous, especially in terms of working hours. Under-employment, which is actually rather a manifestation of insufficient income, is considerably high, particularly among cultivators and casual workers. It is, along with insufficient income, one of the principal reasons for changes of employment.

In the absence of a significant development of the employment prospects in the domestic private sector, we can only fear an increase in unemployment in the context of slow growth, and in the prospect of a renewed reduction of the number of employees in the State sector linked to partial privatisation. This will be exacerbated by the reduction of the number of people working in agriculture. We may wonder about the absorption capacity of a very labour intensive and low productivity tertiary sector.

The Vietnamese State, while backing away from its monopoly in employment, has not invested in the field of re-conversion, which was left to the individual initiative. To conclude, we shall focus on the relationship between employment and training to try and define the nature of the ongoing evolutions.

CONCLUSION – THE RELATIONSHIP BETWEEN TRAINING AND EMPLOYMENT

The first part of the report has revealed the nature of the relationship between education and professional training, and shown that this relationship has an effect on the conditions of the transition to employed life. The structure of employment and the evolution leading up to it have been analysed in the second part. Training considerations cross these two parts, but have not, to this point, been discussed in terms of their relationship with employment. This is will be discussed now, in the conclusion, and would allow us to synthesise the analysis carried out in each part according to the logic of the domains covered.

In the first place we shall study the status of training in relation to the employment structure. We shall then evaluate its contribution in the dynamics of employment through the entry on the labour market and mobility.

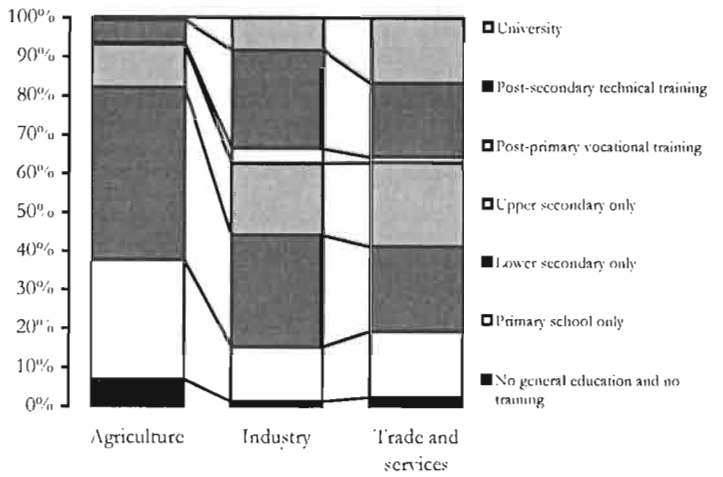
I. Training and structure of employment

The situation of the employed population in terms of professional training can be judged in relation to the activity sector, to the institutional sector, and to the socio-professional category to which the working people belong.

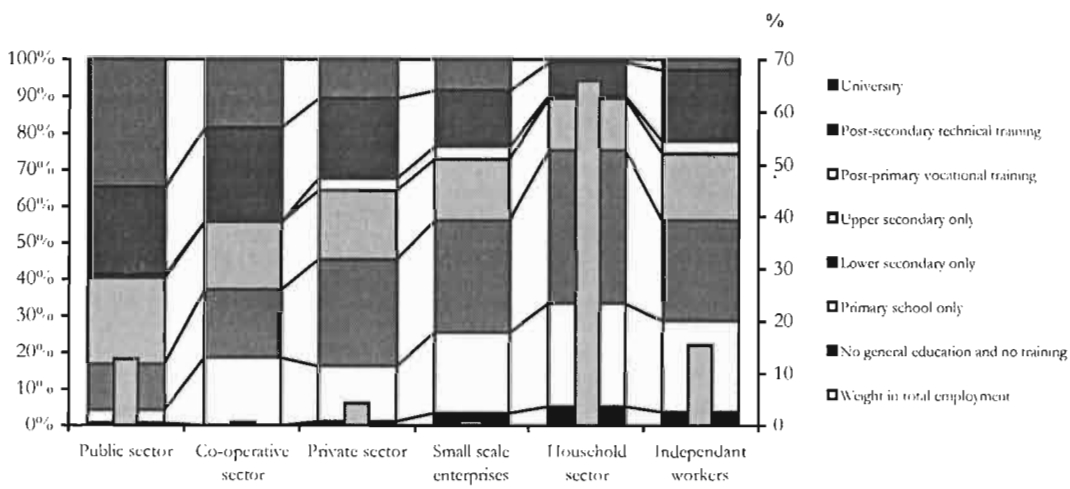
Agriculture accounts for the largest percentage of workers without any training whatsoever, whether general or professional, and with the lowest general education levels (graph 1). It is also the sector of activity where professional training is most limited. As already emphasised in the chapter on professional training, the training analysed is the training that was declared by the workers themselves. The perception of what can be termed as training by the worker himself varies from profession to profession. For example, the majority of farmers do not consider acquisition of knowledge related to their work as training. The tertiary sector is marked by its heterogeneity in the relative importance of workers trained at university on the one hand, and of workers without any training or having at best a primary education level, on the other hand. Industry proves to be a much more homogeneous sector than the former, and is characterised by the domination of professional training. It is also the sector that accounts for the lowest number of workers without any training.

The public sector, which consists of all sectors of public administration and State sector companies, comprises 60% of professionally trained labour force (graph 2). These figures portray a virtual monopolisation of the trained labour force. In fact, the public sector employs 78% of

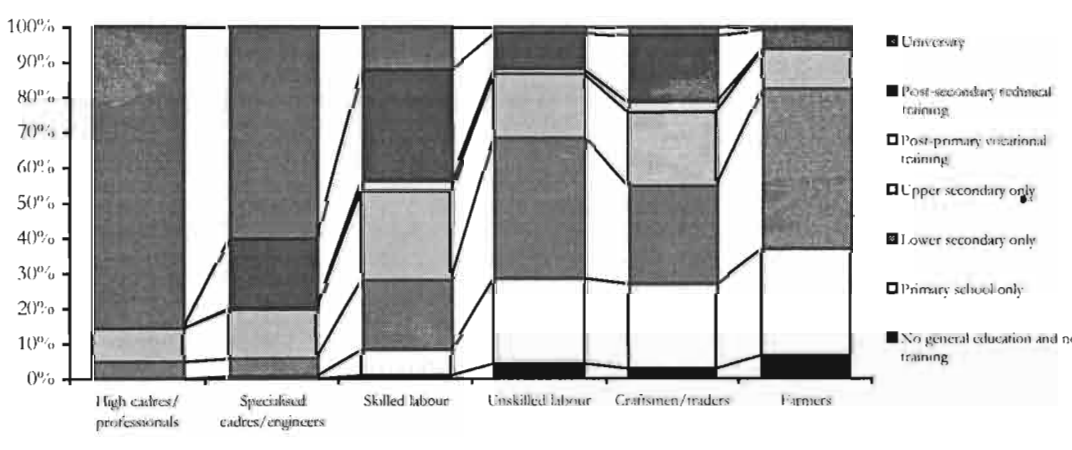
Graph 1. Training level of the working population, by industry group



Graph 2. Training level of the working population, by sector of employment



Graph 3. Training level of the working population, by socio-professional categories



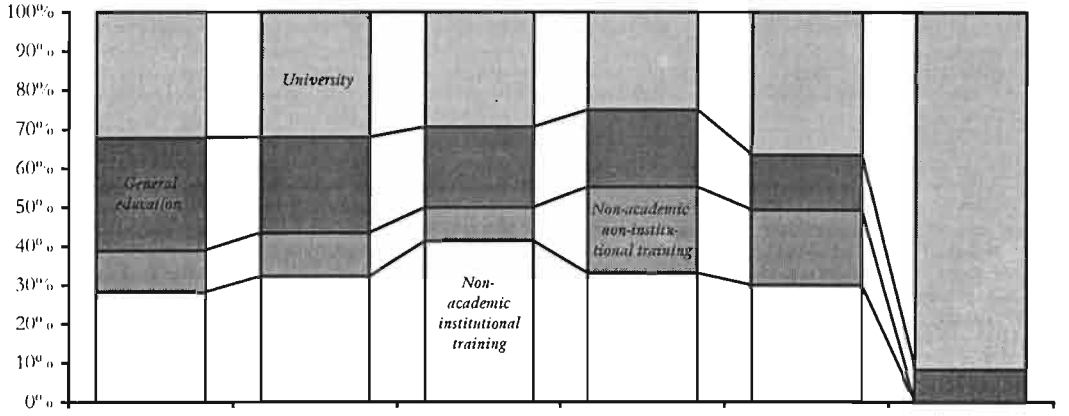
university graduates and more than a third of those who have undergone post secondary training. These figures are not too surprising and reflect, on the one hand, the nature of qualifications in demand by the public administration, and on the other hand, establish the still visible connection that exists between the requirements of the State sector companies and the organisation of professional training in academic institutions. The public sector is also the only sector currently capable of responding to its training needs through the university, the technical secondary schools and the training centres of the different line ministries. As far as the registered private sector and the small-scale enterprises are concerned, it is difficult, even with the support of the existing data, to form an opinion as to their situation in terms of training. Have they found the balance enabling them to channel the labour force in accordance to their needs? Or are they in a state of permanent misbalance resulting from their inability, due to their insufficient representation in the total employment, to influence the choices of the State in terms of professional training? After all, they employ less trained workers than the public, the co-operative and the collective sectors. Independent workers consist of individuals with high levels of professional training, as well as of persons who have had no training at all, the majority of whom have a poor level of education. Before analysing the state of training in this sector, it would be appropriate to verify the adequacy existing between the actual employment requirements and the training acquired. Household undertakings, where one must recall, the majority engages in agricultural activities, account for a very limited portion of the trained manpower. They account for 62.7% of the people without any professional training or general education and 75% of those with academic levels of lower secondary or less.

The training levels for the employed population in terms of socio-professional category follow a logical pattern. The training levels decline consistently starting from the high cadres/professionals down to farmers. However, the proportion of high-level trained labour maintains an abnormally high representation in the unskilled workers' category. We need to establish the relationship between the current occupation and the initial training received in order to explain this phenomenon. The craftsmen/ tradesmen category mixes two types of professions that fit into different logical systems. Being a craftsman requests specific training, whereas the training for tradesmen may be more diffused.

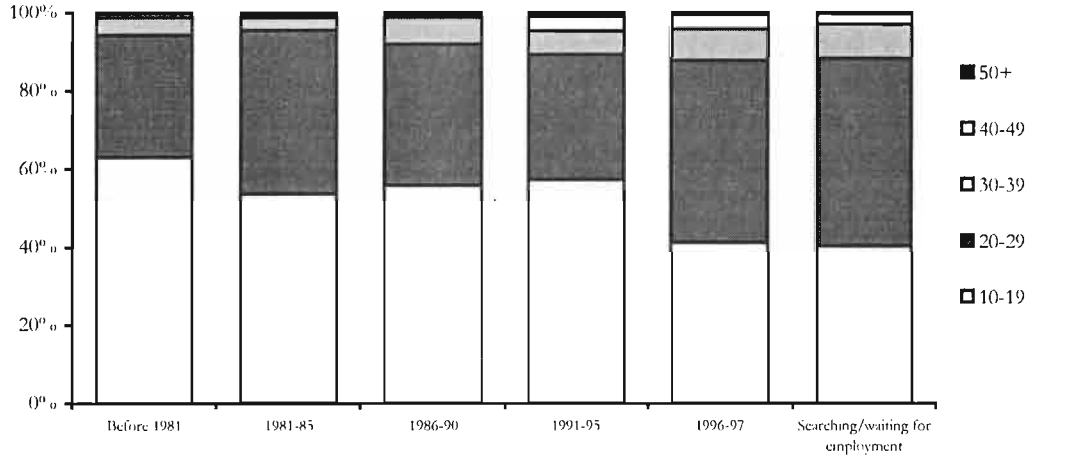
II. Training and entry into the labour market

Entry into the labour market is, by definition, characterised by the absence of professional experience. The only skills available to the workers are those acquired during initial training. The nature and significance of this training will be studied in function of the period of entry into the labour market, and

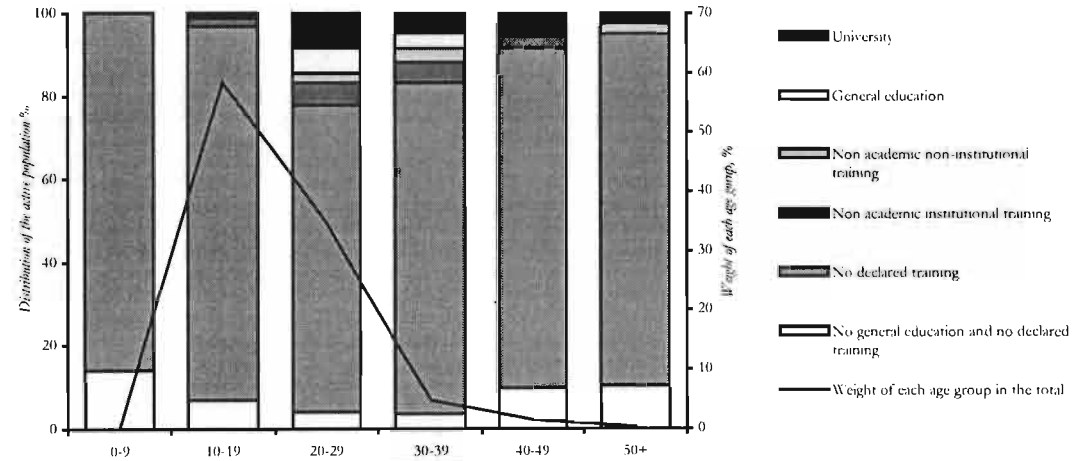
Graph 4. Initial training of the active population, by date of entry on the labour market



Graph 5. Distribution of the active population by age at the time of entering the labour market



Graph 6. Initial training of the active population by type of training and by age at the time of entering the labour market



of the age of the workers at that time. Adequacy between the first occupation and at least one of the occupations that has been acquired through training will be analysed in relation to time, age, region and sex, with the aim of establishing the trends in this domain. The analysis will focus on those currently active, a term that covers those employed, waiting to be employed, or in search of employment.

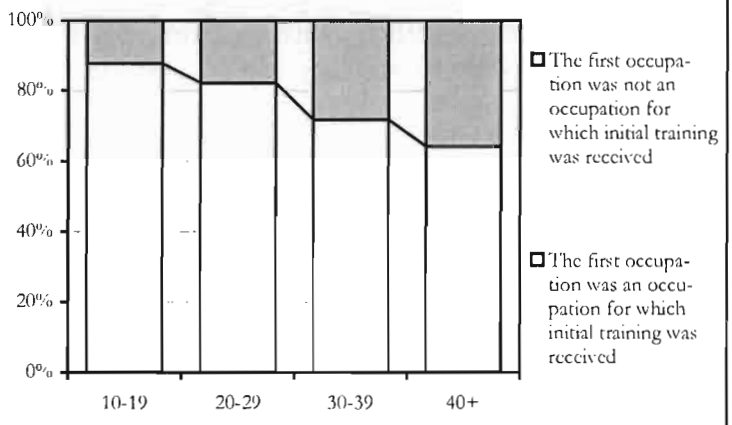
1. Importance and nature of the initial training

We have already underlined the poor development of professional training on the whole. This fact is clearly visible as far as the initial training is concerned, despite registering the characteristic variations according to the different periods of entry on the labour market. We find that the share of the uneducated, professionally untrained workers remains stable over time. But we also find that, apart for the period 1986-90, which recorded a setback in the initial training, there is a consistent upward trend in the proportion of workers who have received professional training before entering the labour market.

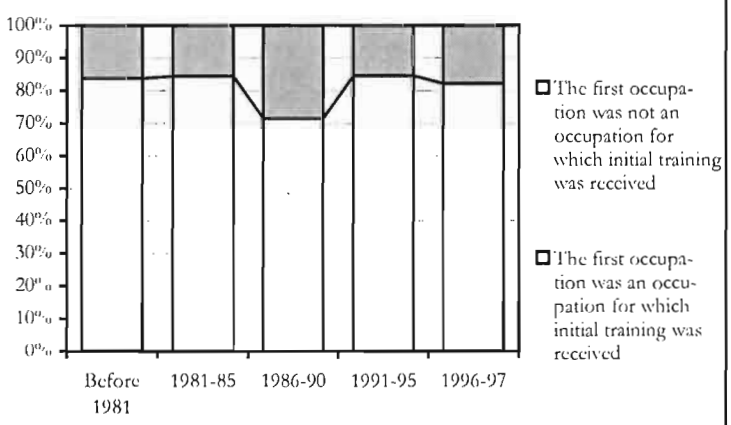
The different modalities of the initial training register differentiated trends over time (graph 4). There is a regular increase in the proportion of workers whose initial training is non-academic. Within the non-academic training, we note a steep relative increase in non-institutional training at the cost of institutional training since 1991. This confirms the general trends analysed in part I. The development of non-institutional training is particularly strong in the 1991-95 period. The school and university training follows an inverse growth pattern from that of non-academic training. The 1996-97 period nevertheless marks a strong increase in the share of university in the initial training. This, no doubt, is the beginning of a new trend in view of the significance of the current number of university students. The technical secondary training experiences a regular decline of its share in initial training.

The trends in terms of age according to the periods of entry on the labour market show an ageing of the labour force entering into active life due to a double movement (graph 5). The consistent increase in the share of the labour force aged 30 or more at the time of entry on the labour market is combined with a reduction in the share of the labour force below the age of 20. The 1986-95 period is marked by a temporary growth, of small intensity, of the share of the labour force aged 10-19 at the time the entered the labour market. Those in the 20-29 age group at the time of entry on the labour market are the most qualified, and represent the smallest share of uneducated workers without professional training (graph 6). Among those below 20 years of age, greater in numbers than the preceding category, very few have received professional training, and the younger they are the less they are qualified. This expresses the discriminating character of the age factor in access to training. The 30 plus age group, whose numeric significance

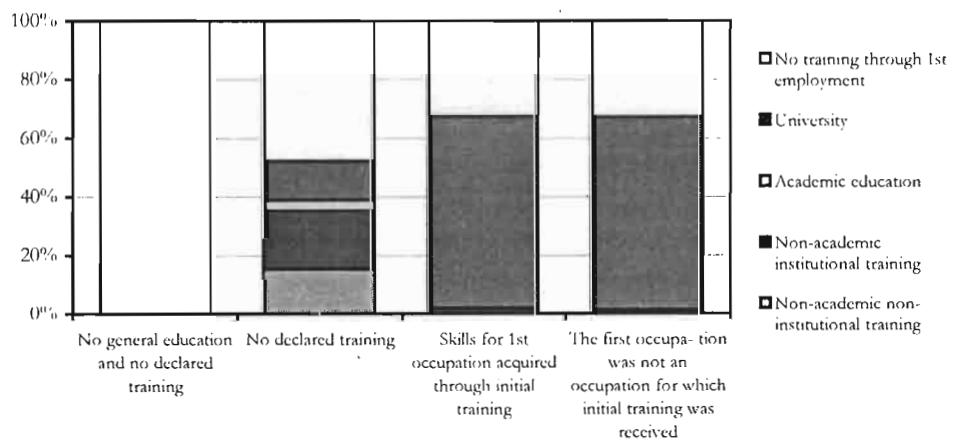
Graph 7. Initial training and first employment, by age of entering the labour market



Graph 8. Initial training and first employment by period of entering the labour market



Graph 9. Training received through the first employment, by initial training and adequation between the first occupation and the skills acquired through initial training



reduces with age, also experience a downward trend in the numbers of those with initial training as their age increases. Given the structure of professional training, there is definitely an adequate age for entering the labour market. The 20-29 age group has mainly received university, technical secondary, andinstitutional non-academic training. This age group is best positioned for accessing these types of training before they start working, given the rigid modalities involved in accessing them. Access to initial training is denied by too premature entry into the labour market. The more the entry into the labour market is delayed, the less accessible these trainings are.

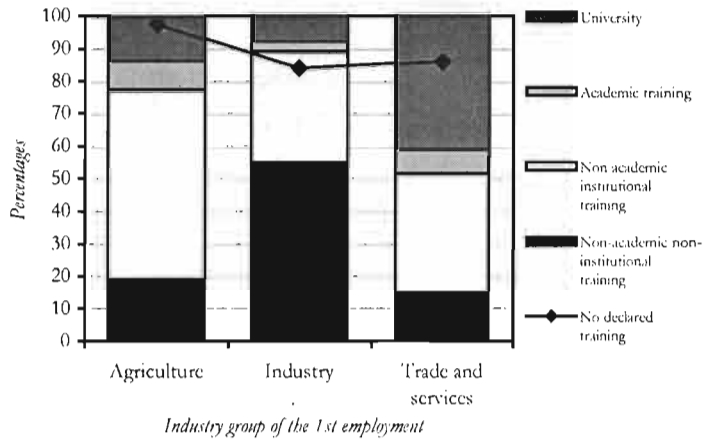
The relationship between the age of entry into the labour market and access to initial training does not imply that there is an automatic adequacy between this training and the first occupation. In fact, the adequacy in this context is directly linked to the age of entry into the labour market (graph 7). The later the entry into the labour market, the less adequacy. It however remains high for all of the age groups. This statement is also valid with regard to the period of entry into the labour market, with the exception of the 1986-90 period during which we see a sharp fall in the adequacy between the skills acquired through the initial training and the first occupation (graph 8). This fall is steeper in the North than in the South. Moreover, adequacy, though disturbed in the South at the beginning of the 1980s, remains one level higher than in the North for every period. The trends according to sex start to diverge only from the beginning of the 1990s. The lack of adequacy is reinforced in the case of women, while it is opposite for men.

2. Training during the first employment

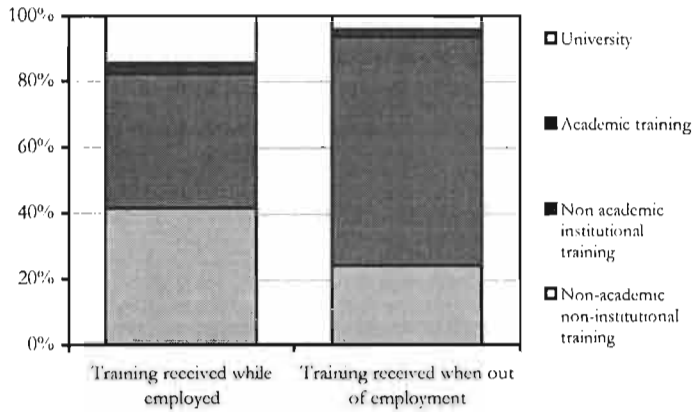
As we have just pointed out the proportion of the active population that has benefited from an initial training is low. The training received during the first employment is even more limited. The uneducated population without professional training does not receive any form of training in their employment (graph 9). The educated labour force without any initial professional training is proportionally the largest category receiving professional training after being employed, and has access to different modes of training. Those who have an occupation for which they have been trained before they started working mainly receive training aimed at enhancing their skills through technical secondary or by way of non-academic training. Those whose first occupation skills were not acquired through initial training mostly re-orient themselves through secondary or higher studies. Here too, the level of education remains the key for accessing to training. Professional training like further training and retraining, require workers to pass through channels that require education up to certain levels.

Less than 3% of the farmers have followed some form of training, mainly non-academic, during their first employment (graph 10). Training is much more developed in the other two sectors. 16% of the labour force that

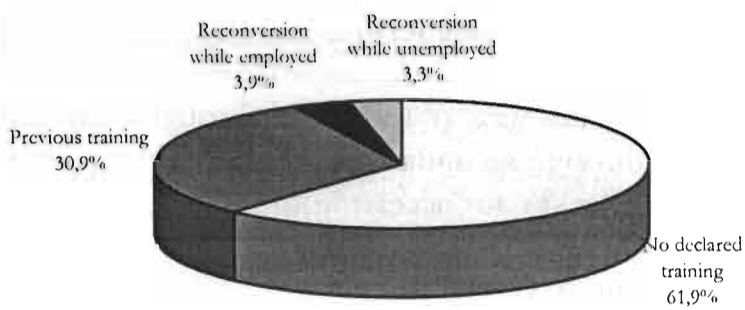
Graph 10. Training received through the first employment, by industry group



Graph 11. Training received after the first employment change



Graph 12. Occupational change and reconversion



start their careers in industry benefit from training in the course of their first employment. This involves almost exclusively non-academic training (mainly in the State sector companies and training centres of the line ministries). In the tertiary sector, 13% of the labour force receive professional training, close to half acquiring training in universities.

III. Mobility, re-training and re-deployment

We have analysed the relationship between employment and training at the time of entry into the labour market and during the first employment. We shall now focus on the workers who have changed employment at least once during their professional life, or have temporarily withdrawn from employment. Re-deployment occurs in situations where a change in employment is marked by a change in specialisation. This re-deployment is accompanied by a loss in terms of professional experience, and should the occasion arise, in terms of initial training or training in the course of employment. Acquiring some other training can make up for this loss. In those cases where a change in employment is not accompanied by a change in the nature of work, the training acquired, during employment or during a temporary withdrawal from activity, corresponds to re-training/further training.

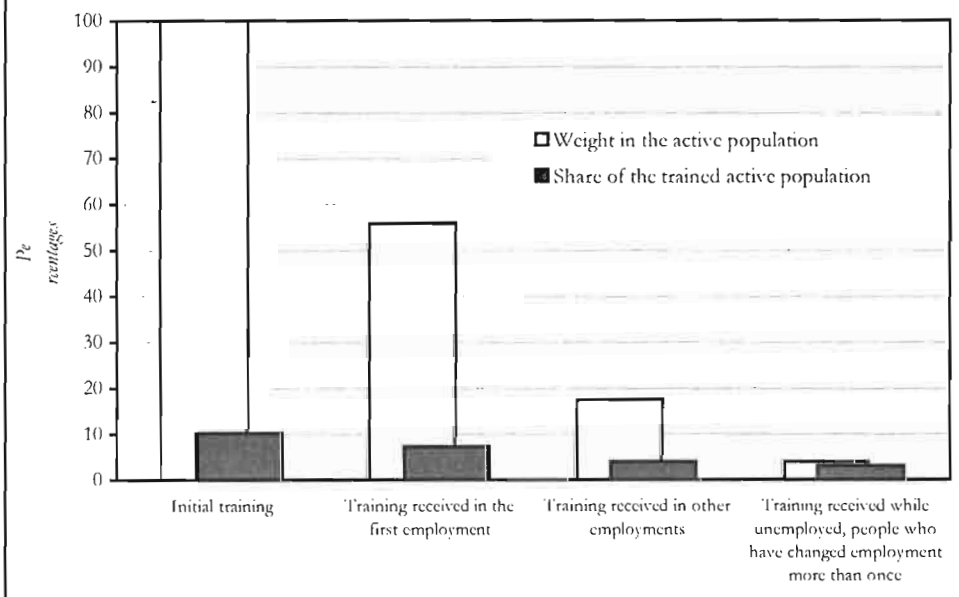
Half the people quitting their employment do so in order to pursue university studies (graph 11). The other half does not pursue any form of training. As far as training in the course of employment, after the first employment, are concerned, re-training/further training is very limited. It represents only 4% of the people concerned, all of them following only non-academic training.

On average, those workers who have changed occupation at least once are more qualified than those who have never changed occupation. For these two categories the percentages of workers who have availed themselves of professional training are 38% and 4%, respectively. Change in occupation is accompanied by re-training in 7% of the cases, half during the course of employment and half outside it. 62% of the workers who have changed occupation have received no training, and were consequently deprived of their professional experience. 31% were deprived both of their professional experience and previously acquired training. These acquisitions refer mainly to non-academic and university training (72% and 20% respectively). Similarly, re-training is mainly acquired outside the education system.

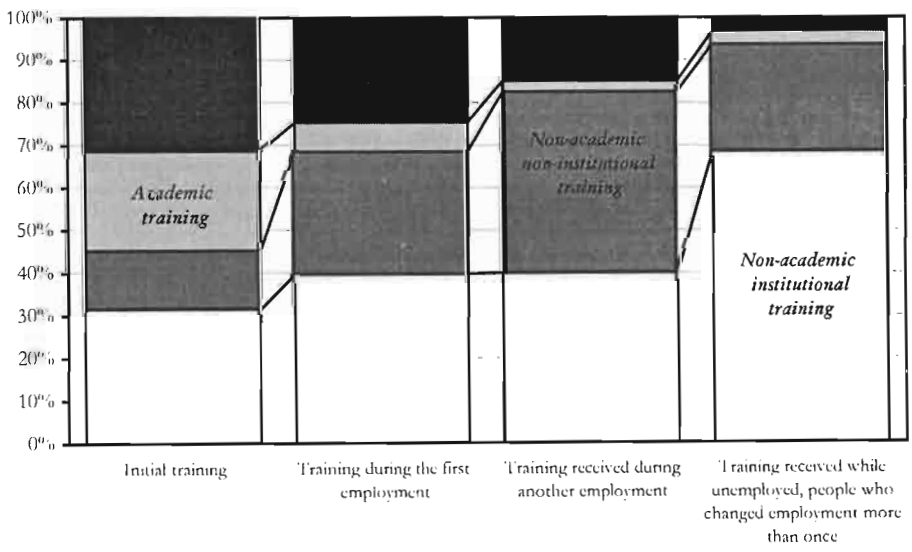
This report has laid emphasis on the most crucial, contemporary questions concerning the education, training, and employment policies. To conclude, these can be summarised in the following manner.

No clear development strategy for the labour market is apparent apart from the emphasis, in all spheres, on the public sector. In this sector, which

Graph 13. The weight of training through activity



Graph 14 . The share of the different types of training throughout activity



is the largest employer of salaried labour, the sectoral distribution of employment, the structure of the qualification and recruitment levels, and the adherence to legislative rules, correspond to the priorities of the transition.

The orientations of the development strategy of the country have had, up to now, only a marginal impact on employment outside the public sector. Yet, this sector has experienced a decline in employment due to the constraints in terms of competitiveness arising from the opening up of the economy to foreign investment. Outside agriculture, those who have no access to public sector employment, or who have to leave it, have in most cases no other option than to become self-employed, mainly in commerce or personal services. This population totally escapes the purview of the labour and employment policy.

The priority given to the public sector in terms of employment explains a structure of professional training, academic and non-academic, largely oriented towards catering to the needs, at least quantitative, of this sector. The growth of the demand of training linked to the evolution of the labour market and allowed by the renovation policy has, since the beginning of the 1990s, led to the growth in a supply that is disorganised, ignorant as it is of the nature of demand, because it is not organised by the State. All those who do not have access to the education system or fall outside the traditional institutional purview, and who were subject to a loss of professional experience and qualification arising out of change of employment, are mainly destined to self-training. However, among the multiplicity of non-academic training operators, three types of operators have appeared recently in the market, which specifically cater to this population. These are the training centres of territorial organisations, the Centres for Employment Promotion, and the private training centres. Their contribution is however still marginal.

Due to the low level of professional training, general education plays the role of training for the majority of the employed population in Vietnam. In this context, maintaining and increasing the level of general education assume a greater strategic significance. Firstly because a good general level of education allows greater flexibility for adapting to a changing economic and social environment and, if the necessity arises, for professional re-deployment. Secondly because of the direct relationship between the level of education and professional training. Maintaining and increasing the levels are largely dependent on the conditions of access to school and of the schooling process, in particular the control over age. This control appears as a major component of the education policy.

Thus, the professional training policy cannot be considered in isolation from the education policy. It can also not be considered independently from the employment policy.

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