

III. UNEMPLOYMENT

Unemployment is a common socio-economic problem for almost all nations and Viet Nam is no exception. Research on unemployment levels helps to assess accurately living standards and socio-economic stability, etc of a country. Surveys on labour and employment also supply of information appropriate for serving in research and evaluation of the unemployment.

1. Profile of the unemployed population

Results of the 2010 Labour Force and Employment Survey indicate that nationally, over 1.3 millions people were unemployed, where urban unemployed people accounts for 42.9% and unemployed females account for 56.1% of all unemployed population. The number of young unemployed (from 15-29 years of age) accounted for two-thirds (66.5%), while this age group accounts for only 34.8% of the entire population aged 15 years and older.

Observation of the number of women unemployed by age shows that an issue of concern, namely that the proportion of female labour that is unemployed is the highest in young ages (15-29 years of age), accounting for 70.3% of the total.

There are many reasons for this, but the underlying reason is the need for employment and the difficulties in finding work of young females, people who besides working to earn a living, also have to ensure the tasks of being a wife and mother.

As observed by urban/rural residence it is shown that in urban and rural areas the number of unemployed workers is concentrated mainly in younger ages below 30 years. Therefore, the problem of unemployment is put out for all young people. Thus, the unemployment problem arises with younger workers, is one of the working groups considered most vulnerable by the changes in the labour market.

TABLE 3.1: NUMBER AND DISTRIBUTION OF UNEMPLOYED POPULATION
BY SEX, URBAN/RURAL RESIDENCE AND AGE GROUP IN 2010

Age group	Unemployed persons (Thous.persons)	Percentage			% Female
		Total	Male	Female	
Total	1 343.6	100.0	100.0	100.0	56.1
15-29	893.8	66.5	61.7	70.3	59.3
30-39	195.4	14.5	11.7	16.8	64.6
40-49	124.3	9.3	11.0	7.9	47.8
50+	130.0	9.7	15.6	5.1	29.4
Urban	576.8	100.0	100.0	100.0	51.2
15-29	353.4	61.3	54.8	67.5	56.4
30-39	93.8	16.3	14.6	17.9	56.3
40-49	63.4	11.0	12.9	9.2	42.7
50+	66.2	11.5	17.8	5.5	24.6
Rural	766.7	100.0	100.0	100.0	59.8
15-29	540.4	70.5	68.0	72.1	61.1
30-39	101.6	13.3	9.1	16.0	72.3
40-49	60.9	7.9	9.2	7.1	53.1
50+	63.8	8.3	13.6	4.8	34.4

The unemployed population in Vietnam has a relatively high educational attainment, with population of “never attended” less than 4% and population with technique and qualifications account for 18.6% of total unemployed population. Qualification of the unemployed population is higher than that of labour force, with the trained workers rate is 3.9 percentage points higher (18.6% versus 14.7%).

The male-female gaps in educational attainment among the unemployed are not great. This is an advantage that the labour market in Vietnam currently needs to take advantage of.

The final column in Table 3.2 presents the proportion of unemployed females among unemployed labour by highest educational attainment. Females account for a higher share of the unemployed than that of male except the short-term training level. Thus, one of the methods to help increase employment opportunities for women is to improve their educational attainment.

TABLE 3.2: DISTRIBUTION OF THE UNEMPLOYED POPULATION
BY SEX AND EDUCATIONAL ATTAINMENT IN 2010

Educational attainment	Percentage			% Females
	Total	Male	Female	
Total	100.0	100.0	100.0	56.1
Never attended	3.8	3.2	4.2	62.7
Incomplete primary	8.4	6.9	9.5	63.8
Completed primary	21.0	18.6	22.8	61.0
Completed lower secondary	27.4	28.8	26.2	53.8
Completed upper secondary	21.0	22.9	19.5	52.1
Short-term training	4.4	7.2	2.2	27.6
Vocational school	5.3	4.1	6.3	66.6
College	2.7	2.3	3.0	62.8
University and over	6.1	5.9	6.3	57.5

2. Unemployment rate and underemployment rate in the working age

Notably, as a way to get to the true employment situation, especially for developing countries, where the level of the social welfare is low, it is necessary to analyze simultaneously both the unemployment rate and the underemployment rate. As recommended by the International Labour Organization (ILO), these two indicators mean complementary and explain to each other.

The below-mentioned underemployment rate and unemployment rate are calculated for population in the working age, namely males aged 15-59 and females aged 15-54.

In Vietnam, the urban unemployment rate is always higher, contrarily, more underemployed persons mainly come from rural areas. In 2010, the working age unemployment rate in urban area was 4.29% and the working age underemployment rate in rural areas was 4.26%. This is one of specific characteristics of Vietnam's labour market in recent years.

In 2010, there are 43 underemployed persons for every 1000 employed persons in rural area; rural underemployment rate is 2.3 times higher than that of urban, while there is insignificant difference in underemployment between male and female in rural area of socio-economic regions.

TABLE 3.3: UNDEREMPLOYMENT RATE BY URBAN/RURAL RESIDENCE, SEX AND SOCIO-ECONOMIC REGION IN 2010

Unit: Percentage

Socio-economic region	Total	Residence		Rural residence	
		Urban	Rural	Male	Female
Entire country	3.57	1.82	4.26	4.17	4.36
Northern Midlands and Mountains	2.15	1.97	2.18	2.40	1.94
Red River Delta	3.50	1.58	4.23	4.06	4.40
North and South Central Coast	4.47	2.88	4.95	4.82	5.09
Central Highlands	3.70	3.37	3.83	4.00	3.64
Southeast	1.22	0.60	1.99	2.15	1.80
Mekong River Delta	5.57	2.84	6.35	5.83	7.02

Table 3.4 indicates the unemployment rate in the working age by urban/rural residence, sex and socio-economic regions. For Vietnam, the urban unemployment rate is 4.29% in 2010, that figure of male is 3.9%, is lower than that of female by 0.83 percentage points (4.73%).

TABLE 3.4: UNEMPLOYMENT RATE BY URBAN/RURAL RESIDENCE, SEX AND SOCIO-ECONOMIC REGION IN 2010

Unit: Percentage

Socio-economic region	Total	Residence		Urban residence	
		Urban	Rural	Male	Female
Entire country	2.88	4.29	2.30	3.90	4.73
Northern Midlands and Mountains	1.21	3.42	0.82	3.69	3.14
Red River Delta	2.61	3.73	2.18	3.53	3.95
North and South Central Coast	2.94	5.01	2.29	4.91	5.13
Central Highlands	2.15	3.37	1.66	2.71	4.12
Southeast	3.91	4.72	2.90	4.22	5.30
Mekong River Delta	3.59	4.08	3.45	3.21	5.23

The unemployment rate in urban areas and of socio-economic regions varies substantially. This figure in the Central Highlands is the lowest (3.37%); and in the North and South Central Coast, it is the highest (5.01%). Unemployment in urban areas for female is higher than for male in all regions, except the Northern Midlands and Mountains (male 3.69% versus female 3.14%). This indicates that the need for employment among women is a concerning issue.

Table 3.5 indicates the unemployment rate in urban areas was the highest among the youngest group aged 15-19 (15.11%), followed by the age group 20-24 years (10.91%) and falling gradually into middle ages (25–44) then increasing again with older ages (45 years and older). Unemployment among youth has become the socio-economic issue. The main reason for this unemployment among youth increasing is partly resulting from the fact that the labour market has added many new workers to labour supply while the economy has not yet reached growth rate able to satisfy this need for employment.

TABLE 3.5: UNEMPLOYMENT RATE BY URBAN/RURAL RESIDENCE, SEX AND AGE GROUP IN 2010

Unit: Percentage

Age group	Total	Residence		Urban residence	
		Urban	Rural	Male	Female
Total	2.88	4.29	2.30	3.90	4.73
15-19	7.62	15.11	6.23	15.22	14.97
20-24	6.68	10.91	5.23	9.45	12.31
25-29	3.44	4.93	2.75	3.57	6.28
30-34	1.81	2.69	1.41	2.06	3.35
35-39	1.22	1.98	0.88	1.85	2.13
40-44	1.01	1.81	0.66	1.83	1.79
45-49	1.18	1.91	0.86	2.15	1.64
50-54	1.66	2.85	1.14	3.29	2.34
55-59	3.34	6.23	2.22	6.23	-

Figure 3.1 show the gender gap in the unemployment rate in urban areas. It is worth noting that unemployment among young women in childbearing ages (20-34 years) is higher than among young men. This is an issue that society needs to pay attention to, because during this period when they are busy becoming-mothers, they are vulnerable and in a disadvantaged position compared to men of the same age in terms of finding employment.

FIGURE 3.1: URBAN UNEMPLOYMENT RATE BY AGE GROUP AND SEX IN 2010

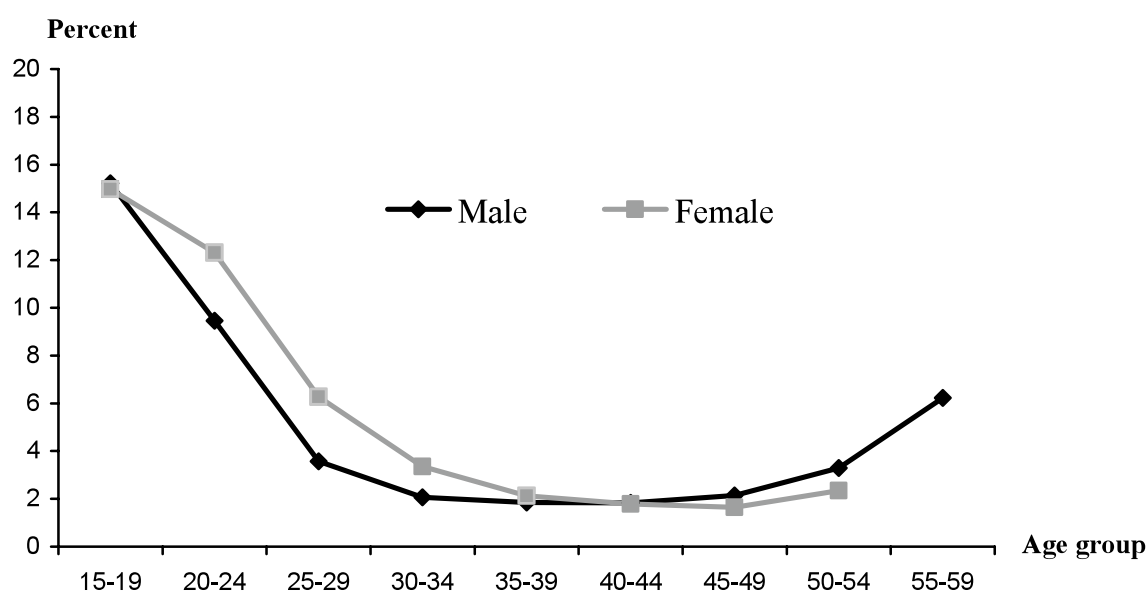


Table 3.6 shows a differential in the unemployment rate for urban areas across different levels of qualifications. Labour that has not yet received technical/professional training has urban unemployment much higher than the overall level in urban areas (4.63% compared to 4.29%). As for labour that has received training, the unemployment rate of persons with university and over is the lowest (2.87%).

TABLE 3.6: UNEMPLOYMENT RATE BY URBAN/RURAL RESIDENCE, SEX AND THE HIGHEST TECHNIQUE AND QUALIFICATION IN 2010

Unit: Percent

Technique and Qualification	Total	Residence		Urban residence	
		Urban	Rural	Male	Female
Total	2.88	4.29	2.30	3.90	4.73
No technique and qualification	2.76	4.63	2.19	4.37	4.92
Short-term training	3.16	3.13	3.18	2.66	4.66
Vocational school	4.36	4.93	3.85	4.24	5.45
College	4.35	4.92	3.82	5.17	4.75
University and over	2.92	2.87	3.09	2.38	3.49

3. Mode of job search of unemployed population in the working age

Table 3.7 reflects the distribution of the unemployed by mode of job search and the highest technique and qualification attained.

In 2010, in the whole country, nearly half of the unemployed population looked for job via “Via friend/relatives”, followed by “Job application” accounting for 37.9%. The mode of job search via “public employment exchange” formed a tiny share (just 5.4%).

Meanwhile “Job application” was used most often for those who have achieved higher education or qualification while a large share of “Job search via “friend/relatives” belonged to those who have not gained any technique and qualification.

TABLE 3.7: PROPORTION UNEMPLOYED IN THE WORKING AGE
BY TECHNIQUE AND QUALIFICATION AND MODE OF JOB SEARCH IN 2010

Unit: Percent

Technique and Qualification	Total	Mode of job search						
		Job application	Via public employment service	Via friend/relatives	Via placing advertisement	Via looking up advertisement	Setting up a business/own account work	Other
Total	100.0	37.9	5.4	49.1	0.5	4.8	1.3	1.1
No technique and qualification	100.0	27.4	5.4	59.4	0.6	4.3	1.5	1.4
Short-term training	100.0	49.5	6.7	37.6	0.4	4.6	1.2	0.0
Vocational school	100.0	68.9	4.3	22.7	0.2	3.5	0.4	0.1
College	100.0	62.0	5.1	24.1	0.2	8.3	0.2	0.2
University and over	100.0	69.2	5.9	16.7	0.0	7.3	0.7	0.2

Comparing by sex indicates that the mode of job search of males was similar to that of females. The proportion of mode of job search “Via friend/relatives” was the most favoured for both males and females (58.0% and 40.8%, respectively). Following was “Job application” (39.6% for males and 36.4% for females). It was reaffirmed that Vietnam’s labour market remains in the primary stage of development.

TABLE 3.8: PROPORTION UNEMPLOYED IN THE WORKING AGE
BY URBAN/RURAL RESIDENCE, SEX AND MODE OF JOB SEARCH IN 2010

Unit: Percent

Mode of job search	Total	Residence		Sex	
		Urban	Rural	Male	Female
Total	100.0	100.0	100.0	100.0	100.0
Job application	38.0	37.5	38.4	39.6	36.4
Via public employment service	5.4	7.2	3.7	6.0	4.8
Via friend/relatives	49.1	45.8	52.1	58.0	40.8
Via placing advertisement	0.5	0.8	0.2	0.2	0.7
Via looking up advertisement	4.8	6.1	3.5	5.0	4.5
Setting up a business/own account work	1.3	1.6	1.0	1.2	1.4
Other	1.0	0.9	1.2	1.0	1.1

There was a difference in using mode of job search between urban and rural areas. The proportion of unemployed population seeking work via “Placing job advertisement” or “Looking up job advertisement” in urban areas was nearly 2 times higher than that in rural areas. This is reasonable because the frequency of using the popular communication mediums in urban areas was higher than that in rural areas