

RESEARCH

**Social security in Vietnam and the role of Vietnamese people's organizations
in building and implementing social security policies**

Funded by:
Rosa Luxemburg Stiftung SEA

Execution unit:
Vietnam Peace and Development Foundation

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Concept of Social Security in Vietnam

Social security plays an important role in socio-economic development strategy of each country. It aims to realize basic human rights and social justice and equality and contribute to building a harmonious, civilized, democratic, and progressive society towards sustainable development.

Social security policy has a wide comprehension and is always completed in line with the development of awareness and socio-economic development standard of each country and region. It is based on responsibility sharing and social justice enforcement, which is implemented with diversified forms, modes and measures.

The effort to have a developed social security system which is able to resist social risks is the goal of each country and the whole international community as well. Based on research foundations and experiences of many countries in the world in the development of the social security system, the International Labour Organization (ILO) adopted many conventions and recommendations of social security network development in member countries, including a Convention 102 (1952) on social security and protection at the contingencies.

Every year, ILO collects the implementation of social security in different countries in the world and gives recommendations to continue completing and developing social security networks in member countries. There have been many researches on social security system, however, awareness and conception of social security is different in each country. According to the United Nations, the social security system includes key pillars as following:

- Social insurance: pension, health insurance, allowance, short-term social insurance
- Social benefits: poverty reduction allowance, support vulnerable groups, natural disaster relief.
- Universal Social Benefits: family support, public healthcare services, allowance for the elderly and disabled people
- Private Benefit Systems
- The social security system has two main functions:
- Ensure safety for each member in the society with minimum income and access to healthcare and social services to have meaningful life.
- Maintain income for social members in order to have a normal life although they still work or retire, or even they are sick, pregnant, disabled and unemployed.

Basic principles of the social security system is that: the **whole people**, all people are ensured to have social protection and access social security system; **sharing** in the principle of unity, solidarity and mutual support and compensation among individuals and social and state groups; **justice and sustainability**, combining responsibility, rights and contribution to benefits; **enhancing responsibility** of subjects and effort of citizens, families and the community in ensuring social security.

The UN Economic and Social Commission for Asia and the Pacific (ESCAP) proposed a model of social security system based on reality in Asia as following:

Level	System	Social risks	Target group	
Level 1 (basic) Social security	1. Healthcare insurance	Sickness, diseases	All people	
	2. Allowance	Old people	Entire people	
	3. Injury insurance	Workplace accident	Labourer	
	4. Employment insurance	Occupational diseases	Labourers	
Level 2 (secondary) Social support	Active support system	Temporary employment in public sector	Employment	Unemployed people
		Vocational training		
		Loan lending		
	Social Support	Temporary, emergency relief aid	Poverty	Poor people Unemployed people
		Regular aid system		

In ASEAN, through a number of consultation conferences on social security for many years, an expanded concept of social security made debut, accordingly a regional social security system includes:

Health insurance system: insurance for occupational accidents, health care, elderly and unemployed. The system is formed based on the contribution of relevant sides to create a provision for the elderly, sickness, pregnancy, death, disability, injury, disease and unemployment.

Social support and services: are social welfares taken out from taxes and donations.

Labour market policy (including active and passive labour market): creates job opportunities, forms human resources, develops skills and seeks jobs (information, job introduction), on-spot training and employment support.

In recent decades, especially after the Asian financial crisis in 1997-1998, there was a new concept in the world called Social Safety Net – SSN. However, SSN now comprises employment policy, poverty reduction, income support, and relief in order to deal with sudden risks on large scale like storms, economic crisis and depression and institution reform.

Thus, in ASEAN, social security policy implies extended concept, including:

- Labour market and employment policy
- Social and health insurance policy
- Social support policy
- Social Safety Net (temporary and depending on each country's conditions)

In Vietnam, building and successfully implementing social security policies must take into account of special factors. As a country which underwent several wars and is constantly affected by natural disasters and climate change and in the process of industrialization and urbanization with impact of market economy, the number of people in need of social support is high, accounting for more than 20% of total population.

Vietnam has 9.2 million old people, 7.2 million disabled people, 1.5 million disadvantaged children, nearly 5% poor families, 1.8 million families which need sudden support due to natural disasters, fire, crop failure, 234,000 HIV carriers, 204,000 drug users, 30,000 victims of domestic violence, not mention to many street women and children who are abused.

From a point of view, the State's stance on social security is to build and implement a series of policies and programs to ensure that every citizens have minimum income and have access to basic social services like education, healthcare, housing, clean water, and information through improving self-social welfare capacity of citizens and State support. Building diversified and comprehensive social security system which gradually expands coverage and shares among the State, society and citizens and among citizen groups in one generation and among generations, it focuses on four main contents:

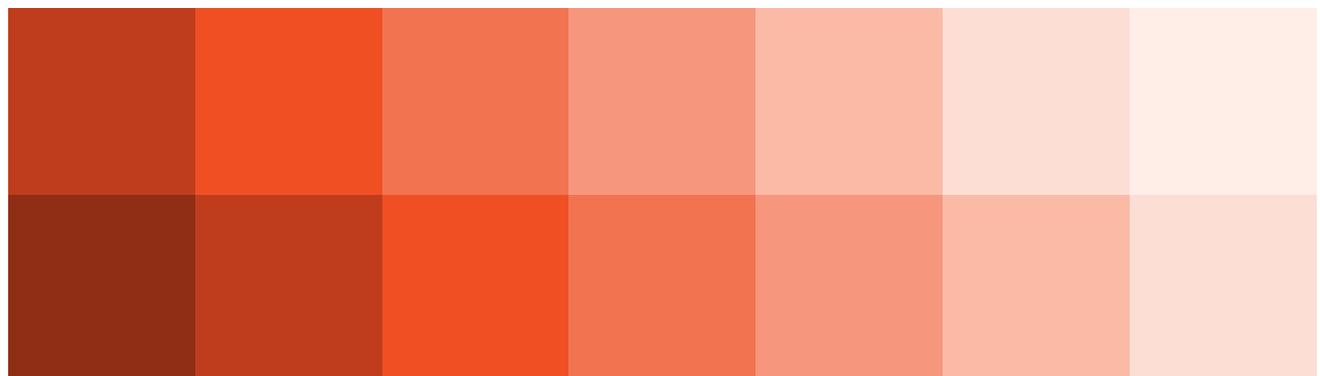
First, enhance employment opportunities; ensure minimum income and sustainable poverty reduction for vulnerable workers through providing vocational training for individuals and households, production development, credit, job generation and information about labour market.

Second, offer opportunities for labourers to take part in social insurance system, and unemployment insurance to actively deal with when income reduces or loses due to risks, sickness, occupational accidents and elderly.

Third, provide regular support for people with special circumstances and sudden support for those who face unanticipated or uncontrollable risks (crop failure, natural disasters, earthquake, war and poverty) through granting in cash and kind ensured by State budget.

Fourth, enhance citizens' access to basic social services like education, health care, housing, clean water, environment sanitation and information.

With special conditions, Vietnam has built a social security system based on five pillars: social insurance, health insurance, unemployment insurance, social relief and social support and incentives. In fact, five pillars aim to realize three strategic functions of the social security system: preventing, minimizing and dealing with risks. Compared to popular model in the world, the social security system in Vietnam has a special part that is social preferential policy. It aims to realize a noble goal that is to render those who sacrificed or contributed to the revolutionary cause and the nation and demonstrate the State and social responsibility for caring those who contributed to the revolution and ensure them to have stable life.





Current state of social security in Vietnam

1. Party and State's guidelines and stances on social security

In Vietnam, since the establishment of the Democratic Republic of Vietnam in 1945, the Party and State have determined to develop a social security system to better ensure basic rights of citizens in line with socio-economic development standards and gradually reach international standards. Since the implementation of the renewal process in 1986, the Party and State have always paid due attention to building and organizing the implementation of social security policies and considered it as a goal and motive to stabilize politics and society and sustainable development.

This is a system of policies and programs carried out by the State and social forces to ensure that all citizens have minimum income and opportunity to access basic and essential social services like education, health care, housing, clean water, and information through improving self-social welfare capacity of the citizens and State support. Social security is identified as an important part of social policy and the national socio-economic development strategy. Ensuring social security is a condition for socialist-oriented market economy and reflects good nature of socialist regime.

The guideline is clearly demonstrated at a Political Platform to build the nation in the transitional period towards socialism (1991 and supplement and development 2011) and resolutions of Party congresses.

'Social security' was officially used in the document of the 9th National Party Congress (April 2001): quickly expanding social insurance and social security systems; Quickly building and implementing unemployment insurance policy.

The 10th National Party Congress came up with a strategic direction: better implementing social policies on the basis of economic development, attaching rights to obligations, contributions to benefits, creating a strong motivation for socio-economic development. Vietnam basically becomes a modern-oriented industrialized country by 2020. It attaches economic growth to social policy implementation on the principle of social progress and justice in each development policy,... better handle strategic social issues to ensure socialist orientation of the market economy, especially employment, unemployment reduction, incentives for those who contributed to the nation, poverty reduction, social protection and anti-social evils.

The resolution of the 10th National Party Congress advocated: building a diversified social security, strongly developing social insurance and health insurance systems towards health insurance for all..., diversifying social reliefs.

The resolution of the 6th Party Central Committee's conference (X) emphasized: gradually expanding and improving the social security system to meet the increasing demands of all people in the society, especially social policy beneficiaries and the poor.

During the 11th Congress, awareness on social security continues to be completed and improved to strategic level on the development of social security in the new period of the socialist-oriented market economy and deep integration into the world economy. The resolution of the 11th Congress pointed out: making significant progress in the implementation of social progress and justice, ensuring social security, reducing poverty and improving healthcare conditions for citizens.

The 11th Party Congress continued to clarify concepts, orientations and specific contents for each social security policy: Continue to adjust, complete the social insurance system, health insurance, unemployment insurance, social protection and relief, which is able to protect and help all people in the society, especially vulnerable groups to overcome difficulties or risks in their lives. Increase the number of labourers taking part in different kinds of insurance. Accelerate socialization of social insurance services, shift social protection and relief to provide community-based social protection services.

Ensure subjects to social protection to have stable lives and better integrate into the community, have opportunity to access economic forces and essential public services. Inspect, check and strictly fine social insurance violators, ensure full regimes for all subjects.

The socio-economic development strategy 2011-2020 stresses: developing diversified, opened and effective social security system. Strongly developing insurance system like social insurance, unemployment insurance, insurance for occupational accidents and diseases. Encouraging and creating favourable conditions for labourers to access and join different kinds of insurance. Better implementing preferential policies and constantly improving living conditions for those who contributed to the nation. Expanding social relief methods, especially for disadvantaged subjects.

Especially the Resolution 15-NQ/TW dated June 1 2012 of the 11th Party Central Committee on some social policy issues in the 2012-2020 period set out some requirements: the social policy must be in par with economic policy and be implemented synchronously with economic development in line with development standard and ability in each period. It must ensure minimum living standard and provide timely support for disadvantaged people, consider social security as a regular and important task of the Party, State and the whole politic system with the goal that by 2020 social security system will cover all people with requirements: all people have jobs and minimum income and join social insurance, and disadvantaged people, especially children, the elderly with low income, people with disability and the poor get support. People get access basic social services at minimum level (health care, education, housing, clean water, and information).

The guideline is reaffirmed in the resolution of the 12th National Party Congress: “attract and promote all sources and creativeness of people. Care and improve spiritual and living conditions of people, better resolve hot issues, enhance social development management, ensure social and human security, improve social welfare and reduce poverty sustainably.

1.1 Institutionalization process of social security system

Together with economic development policy, the social security policy for labourers and employment plays an important role, directly affects spiritual and property life of each family, labourers and localities and shows special and preeminent feature of the national politic regime. Caring people’s life and ensuring social security is an urgent and key task, especially in the post-crisis period. The social security system in Vietnam has been formed and developed completely.

Compared to developed countries, Vietnam has not had a completed social security system. However, the State has issued 50 policies on social security (managed by the Ministry of Labour, Invalids and Social Affairs) related to labour and employment, gradually in line with the socialist-oriented market economy and international integration. These policies are clarified according to pillars of the social security system that Vietnam pursues, including:

1.1.1 Policy on labour market and employment to ensure minimum income and poverty reduction

In recent times, Policy on labour market and employment to ensure minimum income and poverty reduction is one of key pillars of the Vietnam's social security system. The system is built and issued quite comprehensively in line with the market economy and requirements of the international economic integration, especially since Vietnam joined the World Trade Organization (WTO).

In this policy, the most basic way is to develop production, generate more new jobs for poor and disadvantaged labourers who do not have chances to access good jobs with stable incomes and good working conditions. The basic cause for the State's issuance of social protection policy and job generation is that labourers have low qualifications, ill health, and a little information about labour market and are limited in negotiation capacity.

In the context of market economy and international economic integration, labour supply and demand fluctuations on the labour market often occur while unemployment and shortage of jobs are increasing. Thus, generating more jobs and access labour market information to find jobs and increase income is the solution for poverty reduction and ensuring effective and sustainable jobs.

Accordingly, in recent years, the birth of some laws like Land Law, Enterprise Law, Trade Law, Investment Law, Competition Law and Cooperatives Law has created a legal framework and favourable environment for different kinds of businesses, especially small-and medium-sized enterprises, economic farms, household economy and cooperatives to develop strongly. Besides, to improve the efficiency of State-owned enterprises, Vietnam has restructured and renovated some State-owned enterprises, mainly according to equitization method and setting up state-owned economic groups operating in different kinds of fields, and building industrial zones and processing zones.

This helps generate more jobs with stable income through vocational training, providing capital and labour market information. They are important policies, helping generate jobs for labourers with minimum incomes and reduce poverty.

In addition to issuance of laws and policies, the State attaches much importance to building and implementing targeted programs to deal with hot issues concerning labour market and employment to ensure minimum income and poverty reduction like the National Target Programme of Employment and Vocational Training (in the period of 1998–2000, 2001–2005, 2006–2010, 2012- 2015), the National target program on poverty reduction (in the period of 2001– 2005, 2006–2010, 2011–2015), National Target Program for Sustainable Poverty Reduction (in the period of 2012–2015, 2016-2020), the Program to enhance vocational training capacity (in the period of 2001–2005, 2006–2010), the vocational training program for rural labourers and soldiers, the program 135, Resolution 30a/2008/ NQ-CP. These programs focus on supporting unemployed people, people without jobs, the poor and vulnerable groups self-creating jobs or seeking jobs on the labour market to ensure their social security.

1.1.2. Social and health insurance policies

In the context of developing countries with low socio-economic development and being affected by negative impact of the market economy, climate change, natural disaster and aging population, the social insurance and health insurance are two main pillars of the Vietnam's social security system, which actively contributes to stabilizing social security, realizing a target of wealthy people, strong country and an equitable, democratic, civilized society.

The State continues to complete building policy and regime and organize the implementation of different kinds of social insurance (compulsory social insurance, voluntary social insurance, unemployment insurance and social insurance for workers with higher income to improve self-welfare ability) and compulsory health insurance. On the other hand, social and health insurance policies are an important part of social policy, helping the State regulate relations between economic and social policies to ensure the economy constantly develop and keep the society stable in each period and during the process.

In 1961, the first social insurance regulation was issued enclosed with decree 218/CP, which was applied for State employees and armed forces. In 1985, the council of ministers, now the government issued the decree 236 on social insurance. In 1995, the Labour Code (chapter 12) stipulated general principles of social insurance. In 2003, the government issued decree 01/2003 /NĐ-CP (revised and supplemented some articles of social insurance regulations), of which expand participant subjects who are labourers with work permit of at least three months.

Particularly, the Social Insurance Law which was adopted in 2006 and came into effect as from January 1, 2007 has voluntary social insurance (applied from January 1, 2008 for pensioners and death those who did not join compulsory social insurance and unemployment insurance) (applied from January 1, 2009 for workers with labour contract above 12 months).

From 1992 to 2005, the State issued decrees: 229/HDBT-1992, 58/NĐCP-1998 and 63/NĐCP-2005 on health care protection. The Health Insurance Law was approved by the National Assembly on November 14, 2008 and came into effect as from July 1, 2009 towards health insurance after 2014. Besides, Social Insurance Law and Health Insurance Law, the State issued many documents to guide the implementation of the Government's decree 152/2006/NĐ-CP dated December 22, 2006 and circular 03/2007/TT-LĐTBXH dated January 30, 2007 of the Ministry of Labour, Invalids and Social Affairs to guide the implementation of the 152/2006/NĐ-CP and the Government's decree 190/2007/NĐ-CP to guide the implementation of Social Insurance Law on voluntary social insurance. Although these documents have different legal values, they focus on identifying participant subjects, contribution level and payment level for labourers who are still working or retire.

The content of the health insurance policy is now reflected in Health Insurance Law and some other documents like the national target program on health care (in the 2012-2015 period). The program targets for actively preventing some social diseases and dangerous epidemics, early detecting and stamping out the epidemics, reducing the number of people affected diseases and died of social diseases, and dangerous diseases, contributing to realizing social justice in healthcare and improving the quality of life. It aims to form healthcare system from central to local and improve the citizens' awareness on healthcare to meet the requirements of industrialization and modernization and national construction and defence. In general, policies and law on health insurance focus on two main forms: voluntary health insurance and compulsory health insurance.

1.1.3. Social protection and preferential policies

Social preferential policy: It is a special policy in the Vietnam's social security policy. It aims to give special spiritual and material treatment for people who contributed to the nation and revolution and shows the tradition of 'drinking water, remember its sources' of the nation. The content of the policy is reflected in the ordinance 26/2005/PL-UBTVQH11 dated June 29 2005 and ordinance 04/2012/UBTVQH13 dated July 16, 2005, the Government's decree 101/2013/NĐ-CP dated September 4, 2013.

The policy regulates different preferential methods like education and training, jobs, vocational training, health care, building charitable houses, providing capital for buying, repairing houses, visiting and presenting gifts on Tet and special occasions.

For Social protection policy: Social protection including sudden and regular support is an important part in the social security system in Vietnam. In the context of rapid and unpredicted fluctuations, and serious consequences of wars, a part of people like disabled people, the elderly, the psychiatric, orphans, HIV carriers and natural disaster victims are unable to have income, social protection is essential in order to give minimum income for people, help them to stabilize their lives and improve their capacity to cope with risks.

The State gradually ensures all citizens with income lower than minimum living standard to receive social protection. At present, the State issues many policies and legal documents to support the above subjects, such as the Government's decree 05/CP-1994 on allowance for social policy beneficiaries, ordinance 06/1998/PL-UBTVQH, Law on People with Disability 2010, Law on the Elderly 2009 (to replace the law in 2000), Law on Child Protection, Care and Education 2004, the Government's Decree 61/2015/NĐ-CP. Particularly, the Government's Decree 68/2007/NĐ-CP and 13/20/2010NĐ-CP stipulate social protection regimes and policies and criteria to set up social support centres. These policies came into life, helping generate more jobs with high and stable income. They are effective solutions for poverty reduction, sustainable employment and social stability.

2. Social security results, limits and new challenges

2.1 General challenges

Over the past 30 years, together with economic achievements, strong development of the socialist-oriented market economy and national economic potential, Vietnam has made great effort to invest in policy and mechanism reform to implement social security to constantly improve the living condition of citizens, significantly contributing to sustainable development.

First, social security attaches with social progress and development and economic development in the context of market economy. In recent times, despites domestic and international economic fluctuations and limited sources, the Party and State attach much importance to social security and livelihood development affairs in line with economic development. They invest more in mountainous areas, ethnic minority groups, poor districts, villages and hamlets, especially disadvantaged areas, and island districts.

Poverty reduction programs at the national level have obtained good results and been acknowledged by the international community, especially poverty reduction and elimination in mountainous and ethnic minority areas.

Vietnam is one of countries which fulfilled millennium development goals of handling social issues and implementing social security and received active evaluation of the international community. In spite of limits and obstacles compared to the requirements of rapid and sustainable development, Vietnam's achievements and results in education development, healthcare, health insurance for

people, providing healthcare for the poor, caring for mothers and children, generating jobs, improving living conditions for people, providing social protection, implementing social welfare and caring for vulnerable subjects are evidences of significant progress in social security.

Second, the legal system is gradually completed to ensure social security for all people. The Constitution 2013 first affirms basic social security rights for people (Article 34: Citizens have the rights to ensure social security; Article 59: The State creates equal opportunities for citizens to enjoy social welfare and develop social security system).

The revised Labour Code (2012) continues to develop labour market, enhance conditions for subjects who take part in labour market (State, enterprises, intermediate organizations and labourers), increase State support for vulnerable workers on the market through employment support policy.

Employment Law was first issued in 2013). This is the first time Vietnam has a law focusing on non-economic sector and gives opportunity for labourers who join unemployment insurance (all labourers working at enterprises having labour contracts over three months are forced to participate in unemployment insurance).

The revised Health Insurance Law (2013) shifts from coverage for all people to compulsory health insurance for all and expands subjects who join health insurance and the State protects a part or whole to join health insurance.

The revised Social Insurance Law (2014) expands subjects who join compulsory social insurance for labourers with work contract over 1 month and enhance sanctions for those who do not pay social insurance and complete voluntary social insurance in flexible manner in line with workers' conditions and income in the unofficial sector. It proposes measures to encourage labourers in the unofficial sector to join social insurance and modernize management of social insurance participants.

Third, State investment in social security is increasing. Total expenses for social security made up 5.88% of GDP in 2012 and the figure increased to 6.6% in 2015. Despite economic difficulty, the Party and State do not reduce expenses on social security, effectively implement social policy from different sources like ODA, non-refundable aids and sources from enterprises, organizations and citizens.

Fourth, Vietnam fulfilled many millennium development goals ahead the schedule. By the end of 2014, the poverty rate according to national standard reduced to below 6%. Living conditions of citizens, especially the poor, ethnic minority people and vulnerable people have been improved. Most people have jobs. Unemployment rate was low, below 2%. The number of labourers who joined social insurance reached more than 20% and who joined unemployment insurance hit 17%. Most labourers have access health care and the health insurance rate was 71.6%. Around 3% of disadvantaged people get monthly allowance. Universal preschool, primary and junior-high school education has been completed. Housing, clean water, and information are significantly improved.

2.2. Employment, education, vocational training, housing, social security and protection

Job generation: the national target program on employment and vocation training creates jobs for 320,000 people annually. Many disabled people, ethnic minority people and people whose agricultural land is used for other purposes are provided loans for production and given jobs. In 2015, 1,625,000 people got jobs (1,510,000 at home and 110,000 abroad). The rate of labourers in agri-forestry and seafood dropped to 42.54%. the unemployment rate in working age was low, just 2.31% (3.29% in urban areas and 6.85% among youth).

Vocational training: Scale of vocational training in Vietnam has increased in recent years. In 2015, there were 1,467 vocational training foundations, 190 vocational training colleges, 280 vocational training schools which recruited nearly 2 million, and supported around 550,000.

The rate of trained labourers reached 51%, of which the rate of labourers getting vocational training was 38.5%. Five years after implementing vocational training development strategy in the 2011-2015 period, 9.2 million labourers have been trained, reaching 95.6% of the set target. Vocational training foundations attracted more than 2.4 million rural labourers.

During five years from 2010 to 2015, the number of trained labourers hit 51.6 million (lower than the set target for 55 million). At present, labour market transaction system develops strongly and widely. Millions of labourers are introduced to get jobs annually. This contributed to ensuring minimum income for labourers and accelerating poverty reduction.

For poverty reduction: the number of poor household reduced to below 5% by the end of 2015. The number of poor households in poor districts was below 28% in 2015.

For social insurance, health insurance and unemployment insurance: the number of people who join social insurance increased sharply. The number of people who take part in compulsory social insurance in 2001 was 4.8 million, however total number of people who join social insurance, health insurance and unemployment insurance hit 70.2 million in 2015, up 8.3% or 5.37 million people higher than in 2014. Of the figure, 12.1 million people join compulsory social insurance, 254,000 people take part in voluntary social insurance, 10.3 million people join unemployment insurance, accounting for 20.2% of total labour forces. The unemployment insurance fund paid VND4,800 billion for more than 600,000. Particularly, 73 million people join health insurance, making up 79% of total population, up 8.3% over 2014.

For implementation of preferential policy and social protection: In recent years, social preferential policy and social protection have expanded and covered all people, ranging from infants to the elderly. Sources for the policy are diversified, including central and local budget and society. Preferential and protection methods are diversified, including monthly allowance, money to nurture subjects at social protection foundations, medical support, education, housing and clean water. By the end of 2015, nearly 2.7 million people across the country got social allowance, around 3% of population. Around 408 social protection foundations were set up to care for 41,450 people.

According to preliminary report, expenses for social benefits and protection in 2015 was VND3,967 billion, including VND2,179 billion for visiting and providing for social policy beneficiaries, VND1021 billion for the poor and VND767 billion for hunger relief and other social relief.

The Government provided more than 31,000 tons of rice for 2.1 million people in 21 provinces, mainly in Nghe An, Quang Ngai, Thanh Hoa, Binh Dinh and Quang Binh. It provided monthly allowances and health insurance cards for more than 2,643,000 people (37,348 orphans, 88,594 poor people, 1,480,000 above 80-year old people, 896,644 disabled people, 69,257 families and individuals who care for social policy beneficiaries and 8,185 poor HIV carriers.

Around 408 social protection foundations across the country care for 41,400 people, 56.5% of them are disabled people and people with mental disorders.

Ensuring minimum education: By 2015, the rate of five-year old children going to kindergarten reached 97.93% and below four year old children (86.61%). The rate of children going to primary school was 98.69% and junior secondary school (90.89%). The rate of secondary school students was 62%. The rate of disabled children going to school was 60%. The literacy rate for all people aged 15 and over was 99%.

Ensuring minimum healthcare: By 2015, 98.4% of villages had medical centres, 96% of communes had medical staff, 80% of villages had doctors, 50% of villages reached national medical standards and more than 95% of villages have midwives. Health insurance pays for pregnant women to have prenatal check-up and give birth at medical centres.

The child malnutrition rate was 14.1% (underweight), 24.2% (stunted growth). Maternal mortality rate reduced to 58.3 out of 100,000 children, the mortality rate of below one-year old children dropped to 14.7%. The rate of women getting at least three prenatal check-ups reached more than 90%.

Nearly 70 million people join health insurance, accounting for 76% of population, including 11,796,000 poor and ethnic minority people.

Ensuring minimum housing: After three-year implementation, the program helped 7,600 poor households build houses to avoid floods and storms in 7 north-central and central coastal provinces by the end of 2015. The social housing development program for workers at industrial zones and social housing program for low-incomers in urban areas have completed 179 projects for workers and low income workers in urban areas by the end of 2016, including 97 projects for workers and 82 projects for low income urban residents. They supplied around 71,150 flats (around 3.7 million sq.m) with an investment of VND25,900 billion. At present, localities are implementing 191 projects, including 70 social housing projects for workers, 121 for low incomers with 163,000 flats and investment of VND71,800 billion. The housing program for pupils and students invested by the Government bonds has supplied accommodation for 200,000 students, meeting 80% of demands.

Ensuring safe water: by the end of 2015, more than 1,000 clean water projects had been built, bringing the total number of people using clean water to 86% and using clean water according to the Ministry of Health to 45%.

Ensuring information: After three-year implementation, the rate of villages with public telephone stations was 97%, with fiber optic transmission line was 96% and with bronze transmission line was 90%. There were around 16,000 post offices. Around 4,195 radio and television programs had been broadcast to the remote, mountainous, borderline and island areas. 1.327.631 publications on agriculture and health care had been published. More than 40 million publications of 24 kinds of newspapers, and magazines were offered free to ethnic minority and mountainous people in disadvantaged areas.

3. Limits

General policy: Social security in Vietnam still remains obstacles and weaknesses. Poverty reduction is not sustainable. Ethnic minority people in remote and mountainous areas still face a number of difficulties. Gap between the rich and the poor and among regions tends to widen. Shortage of jobs in rural areas and urbanization areas and unemployment rate in urban areas are still high. Sources for social security implementation are limited, mainly depending on State budget with low coverage and support and not catch up with the development of the socialist-oriented market economy. The ability to balance between sources and usage of the social security system, including social insurance and health insurance funds and social protection regimes is limited and faces challenges in the short-term, medium-term and long-term, especially to balance between collection and payment.

Social insurance funds, especially health insurance funds are in alarming situation in the near future. State investment for social security is difficult to meet the requirements of increasing social security while mobilization from other sources, especially from the community is limited, particularly in rural areas.

Insurance forms do not meet diversified demands of people while the quality of services is low. Some social security policies are still irrational. There are not special social security policy in accordance with rural, ethnic minority and mountainous people. The quality of social security services is limited, especially healthcare services, which does not meet the requirements of socio-economic development and improved living conditions of people.

The administration system and supply of social security services do not catch up with development requirements. Housing for groups of citizens (migrant labourers, pupils, students and ethnic minority) still has obstacles. The rate of people using clean water with national standards is low.

Budget allocation for information programs in remote and mountainous areas is difficult. The quality of information infrastructure projects is low. The social security policy system is cumbersome. Around 233 documents were issued by the Party, National Assembly, Government, ministries, departments and different agencies. Many documents were issued in different periods and applied for many subjects, causing difficulties for implementation and management.

From 2009 until now, due to impact of the global economic crisis, Vietnam's GDP growth dropped from more than 8% in 2008 to under 6% in 2014, resulted in many difficulties for mobilizing budget for social security. Besides, since 2012, Vietnam has entered low middle income status so international non-refundable aid reduced significantly, which causes difficulties for the implementation of social security targets.

On the other hand, the social security policy system is dispersive and lack of cohesion so it does not encourage citizens to actively take part in. efficiency of policies is limited.

Vocational training programs for rural labourers is not in line with labour market demands and production demands, not mention to low quality training. The rate of labourers who have degrees or certificates was nearly 20% in 2014. Poverty reduction is not sustainable. The poverty rate in ethnic minority and remote and mountainous areas is still high (more than 50%), even over 70% in

some areas. Income gap between the rich and the poor tend to increase high, especially in northern mountainous and central highland regions and the remaining regions and between ethnic minority people and Hoa and Kinh people.

Unsustainable results: the quality of employment is low while job generation ability of the economy in current period tends to decline. Economic growth is not high, resulted in unsustainable job generation.

Although the labour market is reformed but have not been completed yet. In general, Vietnam still has abundant labour forces in agriculture and rural areas. It supplies low quality labour forces, and unskilled workers. There is also a big gap between labourers in urban and rural areas, between developed economic zone and underdeveloped economic zone. Labour productivity is low, working conditions are weak and incomes are not sustainable.

Labour market information system does not meet demands of both labourers and employers. Job introduction information is not diversified, and labour market databases have not been updated.

The system of employment service centres is not united among ministries, departments and localities. Support policy for workers who lost jobs due to social fluctuations is not satisfactory. Some regulations restrain workers from accessing employment information.

Challenges from economic risks and population aging: During the economic reform, many arising social security issues have not been resolved timely and comprehensively in terms of theory and reality. The social policy system does not catch up with requirements of the socialist-oriented market economy and international economic integration trend. In addition to development trends, economic and social risks tend to rise. As a developing country with special geo-natural, geo-specific characteristics, it is likely to face risks, affecting livelihood and income. This is an important objective challenge, forcing lawmakers to make into account the ability to build a proper social security system.

Population aging: Vietnam has entered the population aging process since 2010 and is one of countries with rapid population aging. This imposes many difficulties for the current and future social security system.

According to the National Committee for the Elderly, the elderly rate in Vietnam will be 16% by 2020 and continue to increase in the next years (the number of above 60-year old people will make up 10% of total population and 20% by 2050).

The rapid population aging trend imposes challenges in healthcare expenses and social security policy. According to statistics of the MOLISA, the number of pensioners gradually increases from 1.43 million in 2005 to 4.154 million in 2015.

A target for health insurance for all has many challenges as nearly 30% of population have not participated in health insurance. The rate of malnutrition children reduced slowly while the quality of healthcare services in rural, remote and mountainous areas is low. Most unofficial workers have not joined voluntary social insurance and unemployment insurance.

By the end of 2014, nearly 4.415 million people above 55 across the country enjoy old age security (including 2.2 million get pension regimes, 1.6 million people over 80 and 670,000 old people from poor households receive old age allowances. The rate of people who get monthly allowance in cash

is around 3% of population, but their living conditions are still difficult because of low allowance level. Education gap among regions and ethnic minority groups tend to go up high.

According to experts and managers, causes for these challenges are:

- Awareness on the role of social security of local authorities, organizations, businesses and citizens are not right and full. They consider social security as responsibility of the State and rely on the State and central agencies.
- Social security building capacity is limited. Dissemination of policy and law and inspection and checking the implementation of social security policy have not been paid due attention. State management on social security is not good due to a number of policies issued in different periods and applied for many kinds of subjects.
- The implementation of social security policies at different levels, especially grassroots level is weak. Implementation sources are limited while support from State budget is low and distracted. There is shortage of policies to encourage people to escape poverty. Giving and receiving levels for social insurance is not reasonable and not ensure live for beneficiaries. Financial sustainability and coordination among regimes, policies remain obstacles.
- Social and economic risks are diversified and complicated and have wide influence. Negative impact of unforeseen shocks from outside like global financial and economic crisis, natural disasters and epidemics on livelihood is rapid and strong. Meanwhile Vietnam is lack of experience to prevent and cope with in the context of globalization.

Rapid and strong division in the market economy makes vulnerable groups weaker because of limited competitiveness and risk prevention capacity. Movement of employment and labourers occurs strongly, causing big pressure on ensuring rights and opportunities to access basic social services and social security policies.

Law enforcement is not strict in economic sectors, especially in the foreign-directed sector where many businesses show their poor social responsibility through regularly violating and evading law enforcement. Sanctions are not strong enough to prevent violations of social security policies.

In short, despite obtaining certain achievements, social security policies on labour and employment in Vietnam still reveal limits and obstacles. First obstacle is unable to cover all subjects who need insurance and support. In addition, social security policies are lower compared to real demands.

4. Orientations to complete social security policy system in the coming time.

First, for opinions:

- Continue to ensure social security development orientations and targets in the socio-economic development strategy and in line with Vietnam economy's ability by 2020. Ensuring social security is an important and regular task and a responsibility of the Party, State and the whole politic and social system. Of which, the State plays the key role in organizing the implementation of social security policies and promoting the role and responsibility of individuals, households, labourers, businesses and community.
- Build and implement social security system flexibly and provide mutual support, including

active labour market, social insurance, health insurance, and social protection to ensure basic rights and obligations of the people.

- Implement social security development strategy and consider it as basic policy to reduce poverty, ensure the living condition of people, create a motive for economic growth, social justice and consensus, politic stability, social order and enhance national defence and security.
- Gradually build and implement social security policy system for all, expand access ability and coverage to ensure people to have minimum living conditions and able to cope with risks

By 2020, Vietnam needs to form social security system for all people in order to ensure that people have access employment and poverty reduction policies, take part in social insurance and support disadvantaged people (children with special difficult circumstances, the elderly with low income, disabled people and the poor), enhance basic social services at the minimum level (healthcare, education, housing, clean water and information), gradually improve income and ensure safe and equal life for people.

Second, complete the social security theory system in line with the context of a country entering low middle income status and deep and wide regional and international integration. Attach social security policy with proper economic development policy in line with economic development target. Mobilize the strength of the whole political system to take part in to create huge sources for the target of ensuring social security for people and encouraging people and society's involvement. Develop the social security system in line with the oriented-socialist market economy. Attach social security policies to socio-economic development plans and programs, create motive for economic development and social justice. Choose social security development model based on the opinion of the ILO with constituent parts that are social insurance, health insurance, social protection and social benefits.

The model is in line with the Party and State's development guidelines; consider human as motive and target for development. Gradually develop social security policies with international contents, access and standards. Mobilize regional and international coordination and cooperation to implement social security policies on labourers in the context of strong international labour movement.

Third, complete labour market, employment development and sustainable social security. Modernize labour market, link labour supply and demand, develop small-and medium-sized enterprises to generate jobs and restructure employment, enhance labour dialogue, training and develop skills for labourers, focus on developing labour hygiene and safety programs and good jobs.

Fourth, continue to complete legal foundations, policies and measures to ensure social security:

- Accelerate building and completing social security legal system, of which it should research and issue Law on Employment, Law on Minimum Wage, Law on Social Relief, Social Benefits Law, revised Labour Code, Social Insurance Law, Law on Disabled People, Law on the Elderly and legal documents on communal social security to create full legal framework for strict, effective and comprehensive implementation of social security regimes and policies.
- Check, adjust and supplement current social security policies, including social insurance, health insurance, social relief, social benefits and active support system.
- Quickly unite different social insurance regimes for different subjects like State employees, non-state workers, rural labourers to remove differences among regions and beneficiaries.
- Synchronously combine social security policies with other socio-economic policies like employment policy, wage and income policies, implement active support programs, poverty

reduction programs and sustainable poverty reduction programs, improve accessible capacity to basic social services for special subjects and region.

Pay attention to developing social security system in rural, and ethnic minority areas, those who are affected by socio-economic reforms like migrant labourers, people whose land is seized, people who made contribution to the nation, children, the elderly and disabled people.

Complete legal document system and policies concerning poverty reduction. Enhance education and dissemination information to help the poor raise their awareness on their circumstances to determine to escape poverty. Regularly build and implement action programs and projects on poverty reduction.

Businesses should have vocational training policies and job generation for the poor. Sources for poverty reduction must be used correctly for the right purposes.

Fifth: give priority to social security development in rural areas and for non-state labourers: building social security system in rural areas and for non-state labourers include three main contents: first social security regime to ensure minimum living conditions for low income, second communal health regime to deal with issues related to medical check-up and treatment. Third, pension insurance regime to ensure living conditions for the elderly.

Sixth: Mobilize sources for social security policies. Raise State budget spending on social security at average level in Southeast Asia (7% of GDP), combine with contributions of citizens, businesses and society for social security. Encourage and create favourable conditions for developing different kinds of social security models, charitable activities in supplying social security services, share risks with vulnerable groups, continue to promote poverty elimination and sustainable poverty reduction. Boost international cooperation, take full advantages of sources and experiences of other countries in building and implementing social security policies.

Seventh: strengthen the Party leadership, the State management on social security. Systematize the Party view and stance on social security, set out new views and guidelines in line with current situation. The State implements the Party's guidelines through building the legal system and programs on social security. Local authorities and businesses implement legal documents and social security programs. Foster inspection and supervisor of Party foundations and socio-politic organizations.

Eighth, speed up dissemination and raise public awareness on the importance, role and position of social security for national sustainable development. Not only party members, local authorities, socio-politic organizations, employers, workers and other people in the society must raise awareness on the importance of social security.

Ninth, promote the role of socio-politic organizations, non-governmental organizations and humanity organizations. Create a channel to share information among Party, State and Government agencies with NGOs, people's organizations. Have legal documents to facilitate NGOs and people organizations to support social security services and related law-making activities.



**Participation of people's
organizations in formulation
and implementation of social
security policies in Vietnam**

1. The definition of people's organizations of Vietnam

Arguably, without any knowledge of the definition of Vietnam's social- political system, it would be impossible to have a full and profound understanding of the status and the role of people's organizations in Vietnam's specific circumstances, much less their involvement in formulating and implementing Social Security policies in Vietnam.

In the actual social- political life of Vietnam, in addition to the political system as a system of political and social- political institutions including the Communist Party, the government, the Vietnamese Fatherland Front and public corporate bodies, there are some social- political- vocational organizations and other social organizations called non-governmental organizations, people's organization. To be more comprehensive,

- Social- political organizations: the Vietnamese Fatherland Front, public corporate bodies such as the Youth Union, Women's association, the Trade Union, Farmer Union, War Veteran Association; some social- political- vocational organizations such as the Vietnam union of science and technology organizations, the, the Vietnam Union of Friendship Organizations, the Vietnam Union of arts and literature organizations, the Vietnam Journalist Organization etc.
- Social organizations: economic associations, social- vocational organizations and other social organizations etc.
- Non-governmental organizations, people's organizations: Are people's voluntary organizations of which foundation is permitted by authorized agencies or workers with legal capacities; gather people with shared characteristics, industries, gender, interests, needs, etc.; work on a regular basis to achieve the common non-profit goal, and within the legal framework

Social- political organizations unite socially and politically. This is demonstrated by aggregation and unification of the people to accomplish the political tasks set by the government. Social- political organizations are ones that organize, encourage and mobilize the human resources in compliance with the aim of building and protection the country of Vietnam. Together with the Party and the Government, social-political organizations constitute the political system in Vietnam, in which the Communist Party plays the role of a direct leader. In Vietnam's social- political system, due to its political and social attribute, social- political organizations play the role of organizing and mobilizing the people to undertake the tasks facing the Vietnam revolution via appropriate methods .

Every type of social- political organizations has a distinctive responsibility. For example, the Vietnamese Fatherland Front is a political alliance organization- a voluntary association of people's corporate bodies and outstanding individuals representing the various social strata, classes, ethnic groups, religions; is an organization representing the will of great unity and the people's lawful aspirations; is the venue in which the intellect of patriotic Vietnamese comes together, where the unity of action among member organizations is achieved; coordinates with authorities to exercise democracy, attend to and protect the rightful interests of people of all classes; supervise, protect and participate in social management and the building of the State. The Vietnamese Fatherland Front has the functions of discussing, consulting and supervising; bring the people together, attend to the life and the interests of individual members, implement democracy and reform the society, enforce the citizens' rights and obligations, tightens the connection between the Party, the State and the people

Vietnam General Confederation of Labor is a social- political organization of the working class, the intellectual and the laborers which is established on a voluntary basis with a view to assembling and uniting forces, building a working class that is strong in all aspects; represents and protects the lawful and justifiable rights and interests of laborers in State relations and in labor relations. Vietnam General Confederation of Labor bears the nature of the populace and the working class, and fulfills following functions: Represent and protect the lawful and justifiable rights and interests of employees; participates in the running of the State, socioeconomic management, the inspection and supervision of state-owned agencies and economic organizations; educate and encourage employees and laborers to exercise their rights to mastery, fulfill their civic duties, build and protect the Motherland

Ho Chi Minh Communist Youth Union is a social- political organization that gathers the youth, is a body of outstanding adolescents, the Party' reserve force. The Youth Union is established nationwide, and present in almost all agencies, units and organizations from central level to institutional level in order to engage the youth in useful and healthy activities, and thus impart the respect for the laws to its members.

Vietnamese Women's Association is a social-political organization for the female, which represents sex equality, democracy and women's lawful and justifiable rights and interests, participates in the running of the State and the building of the Party. The Association unites, rallies, organizes and instructs women to realize the Party's undertakings and policies, the State's laws, and contributes to the building and protection of the Socialist Republic of Vietnam.

The Farmers' Union of Vietnam is a social-political organization of the farmers under the leadership of Vietnam's Communist Party, and a member of the Vietnamese Fatherland Front, and the legal basis of the Socialist Republic of Vietnam. The Farmers' Union mobilizes and educates farmers to exercise the right to mastery, and to learn to enhance their competence in all aspects; represents farmers to participate in the building of the State and the Party; attends to and protects Vietnamese farmers' rights and interests.

The War Veteran Union is a social- political corporate body, a member of the Vietnamese Fatherland Front, the legal basis of a people's government, an organization in the political system led by the Communist Party of Vietnam; operates in accordance with the lines, undertakings and policies of the Party, the Constitution, the State's laws and the Union's regulations. Its aim is to gather, unite, organize and encourage former soldiers to preserve and promote the nature and tradition of Uncle Ho's soldiers; actively involve in the building and protection of the Motherland; protect the revolution's achievement; build and protect the Party, the government, the regime; protect the lawful and justifiable interests of veterans; takes after veterans emotionally and materially, and strengthens comrades' friendship

Apart from the above mentioned organizations, many other social organizations are considered social-political organizations such as Vietnam Union of Science and Technology Associations (VUSTA), Vietnam Union of Journalists, Vietnam Union of Friendship Organizations, Vietnam's Red Cross etc. This point is of great importance and indicates a development trend of social institutions in the age of renovation, especially at the stage of promoting industrialization and modernization. Several vocational unions, and the associations of the intellectual and scientists do not simply possess the nature of a social corporate body but they play an enormous role in the accomplishment of the country's political tasks. Now more than ever, the State is encouraging and highly promoting the role

of the intellectual, scientists and businessmen in outlining and implementing paths and policies for national development. It is safe to say that this is an inevitable trend in the process of building and consolidating the democratic socialism in Vietnam, one of which characteristics is the supportive interaction leading to the harmonization between political factors and socioeconomic factors

Hence, it is evident that in Vietnam's social- political system, social- political organizations is a center which gathers and unites the populace (social nature), represents and protects the lawful and justifiable rights and interests of all member; at the same time, it acts as a legal basis of a people's government which organizes and encourages the people to successfully accomplish the State and the Party's political tasks. In comparison with other social organizations, these roles of social- political organizations assist the revolutionary career following the Party's lines, and the State's policies and laws in a more direct way.

In addition to the mainstream political and social- political organizations and organizations which are on their way to become social- political organizations as mentioned earlier, in Vietnam's social- political system, there are thousands of other social organizations. Such social organizations are on a quick increase and operate in various organizational structures such as economic associations, vocational associations, public bodies formed on the grounds of interests, aspirations, non-profit organizations working to support the society etc. The similarity among these organizations is their non-political and non-profit nature which means these organizations operate on the principle of volunteer, democracy, equality, protection and promotion of members' common interests. In essence, these organizations do not directly undertake the Party and the State's tasks.

In addition to the main characteristics of abundance and diversity, another feature of social organizations is the increasing presence of greater forces which are aggregated and formed a coalition on the ground of common interests and aspirations. This is an objective trend of a civil society, and we need to promote its strong points and limit its downsides

In today's condition, it is noteworthy that vocation unions, economic unions is assuming an increasingly important role and status. And according to the principles of the relationship between economics and politics, economics unions will exert a powerful effect on the political and statutory life in both positive and negative manner. This is an objective trend in the development of current democracy. This does not directly affect political and statutory institutions but the promulgation and implementation of laws and policies could ill afford to ignore the need, interests as well as consulting, counter-arguing and society-evaluating capacity and the active participation of vocational social organizations and economic unions in that process.

To sum up, in today's social- political system, social organizations are contributing in a more dynamic and enthusiastic manner than that under the centrally planned economy. Social organizations are not separate from but become increasingly involved in the political system, and exert great effect on its operational outcomes. Hence, social organizations could be conceived as the political system's feedback and operational supervision. From the perspective of democratic socialism, both the political system and the system of social organizations are vehicles for people's power. The political system influences the society on the basis of class- society power, assuring the orientation, leadership and direction of social development. Therefore, the political system ensures the uniformity in the people's will, aspirations and power. The social system ensures the humanism and diversity of social life. The social system is not passively influenced by the political system or completely dependent on the political system, but it is also jointly responsible for the multifaceted national development. The two systems

are neither dispensable nor interchangeable in their roles. The failure in one system will inevitably lead to inadequacies in the other. For this reason, both social and political systems combine into one entity called the social-political system. However, in the dialectical relation between two systems, it is noteworthy that if the political system do not have an intrinsic motivation then as the social system work for its own good (social nature), it will expect to influence the political system in a natural way. Therefore, in spite of differences in organizing and operating procedures and principles, overall, two systems are both dedicated to the people, and a better society.

It is important to draw a conclusion from above analysis that the roles of social-political organizations in the foundation and development of the entire social-political system have created an objective basis for their participation in and feedbacks to the political system, the Party and the State. The roles could vary: consultation, evaluation and social counter-argument.

In the process of formulating and implementing Social Security policies, people's organizations act as both counter-argument voices and as Social Security policies' direct formulator and implementer with the view to protecting the interest and the rights of their members, and contributing to the construction of a harmonious, democratic, civilized, and advanced society in pursuit of a sustainable development.

2. The participation of people's organization in the formulation and implementation of Social Security policies

In addition to fulfilling their functions and missions as stipulated, people's organizations has been active in the compilation, counter-argument, formulation, instigation and supervision of Social Security related laws and policies implementation, especially in fields that are relevant to their members' rights and interest. Their functions are clearly stated in the Constitution of the Socialist Republic of Vietnam (Clause 9 and Clause 10) and in legal documents. people's organizations work on Social Security in following fields:

1. Labor market and employment policies
2. Social insurance and health insurance policies
3. Social support policy
4. Social Security Network Program

2.1. Participation in the formulation and implementation of labor market and employment policies

Aware of policy on labor market employment, guaranteed minimum wage and poverty reduction is one of the fundamental pillar of Vietnam's Social Security system, people's organization, that firstly is, Vietnam General Confederation of Labor, Ho Chi Minh Youth Union, Vietnamese Women's Association have actively participated in compiling and encouraging members and laborers to

contribute to the completion of the Social Security statute and policy system such as: The Labor Code 2012, Law on Employment 2013, Amended and Supplemented Law on child protection, care and education, Law on Social Insurance 2014, Law on Vocational Education 2014, Ordinance on preferential treatment of people with meritorious services to the revolution 2012; Law on Occupational Safety and Health 2015, Decree no 88/2015/ND-CP has modified and supplemented some clauses in Decree no.95/2013/ND-CP that handles administrative violations in the areas of labor, social insurance, contract labor export etc. The popularization and propagandization of Social Security undertakings and policies are widely implemented via written newspapers, magazines, online newspapers, radio broadcasting, leaflets; consultation center, legal popularization and bookshelf on legal matters will help enhance awareness and knowledge of union members and the people. Conferences, workshops and training on Social Security are staged. Assisting publications and materials will be gradually renovated, integrated with contents about Social Security to raise union members' and people's awareness of ensuring Social Security

Job creation, including job for the youth is one of the national vocational programs' priorities. people's organizations such as the trade union, women unions, and youth unions have come up with programmes of action such as boosting the effectiveness of technical schools, job promotion, financing etc. For example, the Central Committee of Youth Union have utilize effectively the concessional credits from the National Funds for employment, helping to establish more youth camps, cooperatives, partnerships operating effectively. A lot of manufacturing bases, businesses owned by union members have expanded, and created jobs, increased incomes for local young working population. To date, the aggregate capitals of the National Fund under the direction and management of the Central Committee has reached VND 72 billion, and is financing altogether 1420 projects nationwide (increases by VND 3 billion as against 2014)

Besides employment, wages and income of the working people are another public concern. Considering its functions, the Trade union has made great effort in reforming wage policies. Vietnam General Confederation of Labor has persistently defended its viewpoint in Congress forums, in the National Salary Council, in meetings with the government etc. After 3 years, regional minimum wage increases by 13.5% on average annually, satisfying 87% the minimum needs of workers and their family. In the administration sector, wages of officials, and staffs also increase by 5.2% since May 1st 2016.

People's organizations led by the trade unions, the youth and women have helped in providing employment for approximately 7827 million people from 2011 to 2015, in which 7349 thousand people work domestically and 478 thousand are exported. Thus, generally unemployment rate is inclined to decrease; till late 2015. The unemployment rate of the working population declined to 2.35% in which 3.38% in urban areas, 1.86% in rural areas.

2.2 Building and implementing social insurance and health insurance

In addition to participating in building social insurance and health insurance policies through supervising, criticizing, collecting members and community's opinions and contributing opinions with the drafting board, people's organizations carry out inspection, checking and supervision activities and obtained active results.

The Vietnam General Confederation of Labour, the Vietnam Fatherland Front Central Committee, the Ministry of Labour, Invalids and Social Affairs, Vietnam Social Insurance Agency and Government

Inspectorate have coordinated to supervise the implementation of social insurance law in different kinds of businesses in provinces and cities and signed the coordination program with the Supreme People's Court of Vietnam to organize training courses on skills and lodge lawsuits against businesses which violated labour, trade union, social insurance and labour hygiene laws. Thus, the number of inspection and supervision increased 2.3 times to 19,544 in 2015. Through supervision, people's organizations urged relevant agencies to devise measures to deal with law violations. In 2016, they forced employers to pay social insurance for 263,994 people and severance allowances to nearly 30,000 people.

2.3 Implementation of social assistance

This is the field that attracts wide and effective involvement of people's organizations. Social assistance activities are diversified with many different measures and models, depending on functions, tasks, features and strength of different people's organizations. Prioritized fields are:

- **Poverty reduction**

People's organizations always pay attention to poverty reduction and accompany with the State to pursue the sustainable poverty reduction goal. They mobilize all sources like capital, labour, techniques, and land resources, take part in vocational training, support production and develop fields. They focus on economic restructuring towards active and effective ways to diversify income, develop farm economy, accelerate labour exports, apply preferential credit policy to poor households and offer preferential interest rates to poor households who are ethnic minority people, disabled people when they borrow capital to produce, run business, participate in vocational training courses, and build houses. They also offer preferential loans for students and pupils of poor families and expand capital mobilization networks.

Besides, they assist providing free vocation training for the poor, supply free agri-forestry and fishery encouragement services for the poor to do agricultural works, improve the qualifications of staff who get involved in poverty reduction programs and staff in poor villages. They develop the labour market, encourage labourers to create jobs by themselves and investors in agriculture to create new jobs for local people, actively take part in domestic labour market and accelerate labour exports, closely combine vocational training and job generation and call on support from foreign non-governmental organizations in poverty reduction and human resources development.

Borrowing loans from banks for social policies are accelerated. In 2015, total debt as VND2,100 billion (15%), VND800 billion higher than the set target. Capital funds for poor labourers of the Vietnam General Confederation of Labour have been implemented in 10 provinces and cities across the country and disbursed VND2,522 billion for thousands hundreds of labourers to borrow capital, helping them increase their income, improve living conditions and contributing to poverty reduction among workers, state employees and labourers.

In the 2012-2016 period, women's associations at different levels provided vocational training for 540,000 women and gave consultancy and generate jobs for 1.8 million female labourers.

Youth unions gave consultancy for more than 3 million youth to follow vocational training, begin start-up, provided vocational training and introduced jobs for 500,000 youth.

The Vietnam Women's Union has launched credit support funds and micro insurance funds to provide capital, savings and insurance to poor women with low income. Total debts from loans was VND76,000 billion (up VND26,000 billion compared to the previous period) and supported 5.4 million poor households and helped 430,000 households escape poverty.

Trade unions pay special attention to housing for poor labourers and encourage local authorities to deal with the issue. By the end of 2016, 179 social housing projects for workers and low incomers in urban areas had been completed, including 97 social housing for workers and 82 ones for low incomers, to supply around 71,150 flats (equal to 3.7 million sq.m) with an investment of VND25,900 billion.

At present, localities are implementing 191 projects, including 70 social housing for workers, 121 ones for low incomers with 163,000 flats and investment of VND71,800 billion, bringing the total number of social housing projects to 370 with investment of VND100,000 billion. In response to the project to build flood-avoidable sheds for the poor and social policy beneficiaries in south-central coastal and north-central coastal provinces, Youth Union has contributed 26,449 working days and raised VND4,215 million to build 4,000 houses to avoid storms and floods for poor families.

It can be said that peoples' organizations' activities have contributed to reducing the poor households from 14.2% in 2011 to below 4.5% late 2015. The poverty rate in poor districts dropped from 50.97% late 2011 to 28% late 2014.

- Ensuring social security for vulnerable groups

To carry out social assistance activities for disadvantaged subjects, people's organizations have paid due attention to many voluntary activities for community health and ensuring social security, such as Youth Union with "Tet for the Poor", "relief the sick", "bring music to hospital", and a compassionate journey for public health, helping people overcome the consequences of rainstorm. Trade unions launched programs such as 'trade union shelter', 'the net of love', 'Tet gathering', "Love for Truong Sa-Hoang Sa". Women's union had campaigns 'women build new rural areas'. Besides, Youth Union is an active force to take part in fighting and preventing storm, natural disasters and fire and timely help citizens when upheavals occur.

With active coordination of people's organizations, social assistance policies have been implemented effectively. The number of people receiving social assistance increased from 2.4 million people in 2012 to nearly 2.7 million in 2015 (accounting for 3% of total population), mainly over 80-year old people, serious disabled people and orphans.

Furthermore, social organizations have carried out many programs and projects like vocation training, generating jobs for people with disabilities, disseminating information about HIV/AIDS prevention and environment protection.

Many NGOs and peoples' organizations have implemented programs and projects for vulnerable groups. Viethealth centre recently has a research program 'detecting and early interfering children with disabilities in Vietnam' to improve the capacity of the local system and supply some services for disabled children and their families. The Disability Research and Capacity Development (DRD) Centre carried out a project 'enhancing capacity for disabled youth' to help disabled people have a chance to go to school, work, improve their knowledge and skills and take part in social activities through mobilizing communal support.

Social policies and assistance have contributed to ensuring social security, keeping political stability and social order in recent times.

Caring and implementing support policies for people who made contributions to the revolution. The movement 'showing gratitude – drink water, remember its sources' implemented by people's organizations has played an important part in providing spiritual and material support for people who made contribution to the revolution through visiting, assisting and presenting gifts to families of social policy beneficiaries, wounded soldiers and martyrs, Vietnamese heroic mothers, offering free medical check-ups and medicines, granting scholarships to families of social policy beneficiary. On the War Invalids' and Martyrs' Day (July 27 annually), people's organizations organize activities to pay tribute to war heroic martyrs at cemeteries across the country, reminding the community of great sacrifice of ancestors during the struggle to defence the national sovereignty.

The people's organizations' activities have contributed to improving living conditions of people who made contributions to the nation. By the end of 2015, more than 98% of families of social policy beneficiary have living conditions which are equal or higher than average level of the communal residents.

Some obstacles:

Beside obtained achievements, involvement of people's organizations in implementing social security polices still has some obstacles:

- **Participation in labour market policy**

The people's organizations' voices in building labour market policies are not comprehensive and strong enough. Their awareness of human resource development and vocational training is not full and mainly relies on the State. Their involvement in human resources development and vocational training in society, especially among youth is not proper and fair. Some organizations have vocational training foundations but they have not paid due investment and not been in line with labour market demand, resulting in low quality of labour forces and productivity and shortage of skilled workers. Unemployment rate among youth stands high (7% among youth aged 15-24, 3.1 times higher than the average rate). Their involvement in building health and harmonious labour relations at businesses is weak and they has not set up real dialogues between relevant sides to resolve labour disputes in accordance with market principles.

- **Social insurance policies**

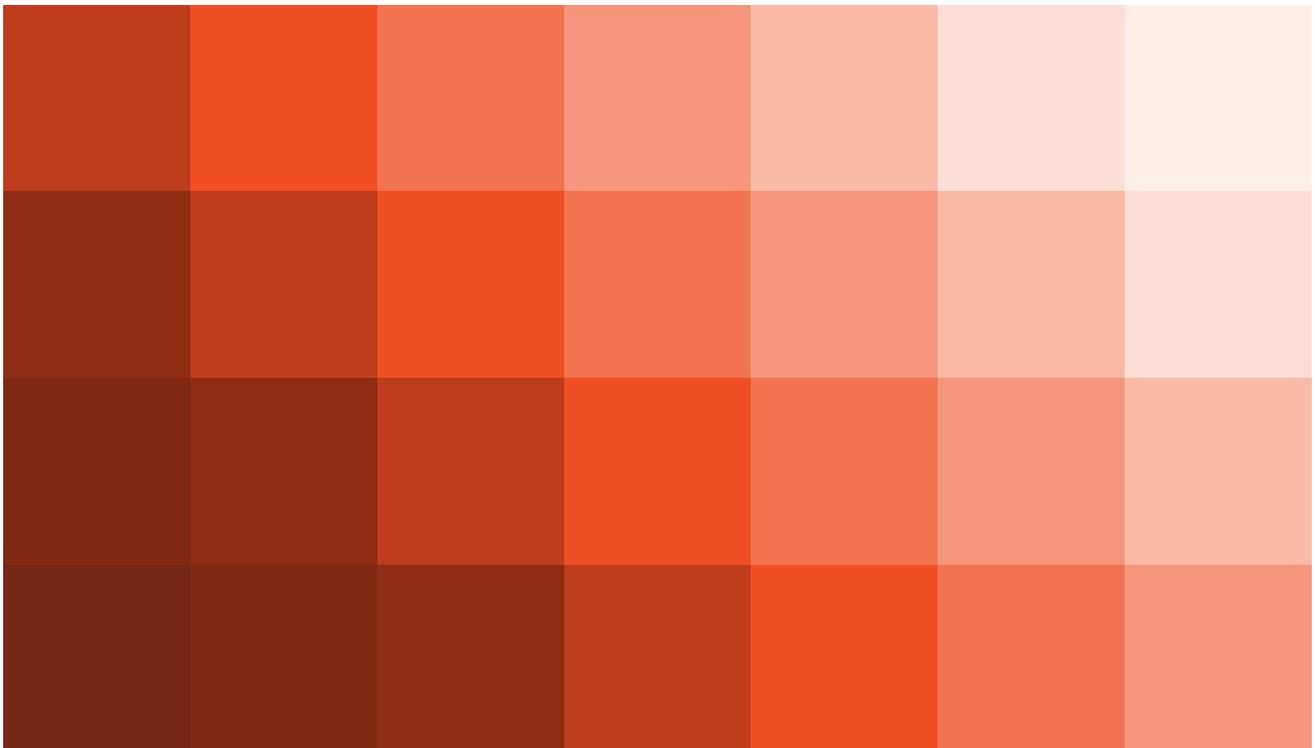
Awareness of social security in general and social security development is not full. They consider it as the State task. Many people's organizations have not cared for education and dissemination of social security policies for their members. Inspection and checking the implementation of social security have not been paid due attention. There is lack of coordination among people's organizations in making policies, supervising the implementation of policies and disseminating policies, implementing social assistance activities, especially major campaign to support victims of natural disasters and climate change.

Coordination between people's organizations and State agencies is not good and effective. Human resources for these activities are weak and not trained basically. Although people's organizations

have paid effort to encourage international community to support social security activities the results are not as expected.

- **Social assistance**

People's organizations have participated in social assistance activities but they are not aware of sustainable poverty reduction so their activities do not closely attach with communal and rural development. Each people's organization implements its own social assistance program so there is lack of comprehensive collaboration in mobilizing and implementing social assistance activities. Strength of each organization is not promoted. Social assistance activities mainly focus on providing property, instead of improving market capacity for the poor and turning them into the main subject to develop economy to escape poverty and enrich themselves.





**Challenges and
recommendations of people's
organizations in further
participating in implementing
social security policies in
Vietnam**

In the coming time, people's organizations' participation and implementation of social security policies impose a number of challenges such as:

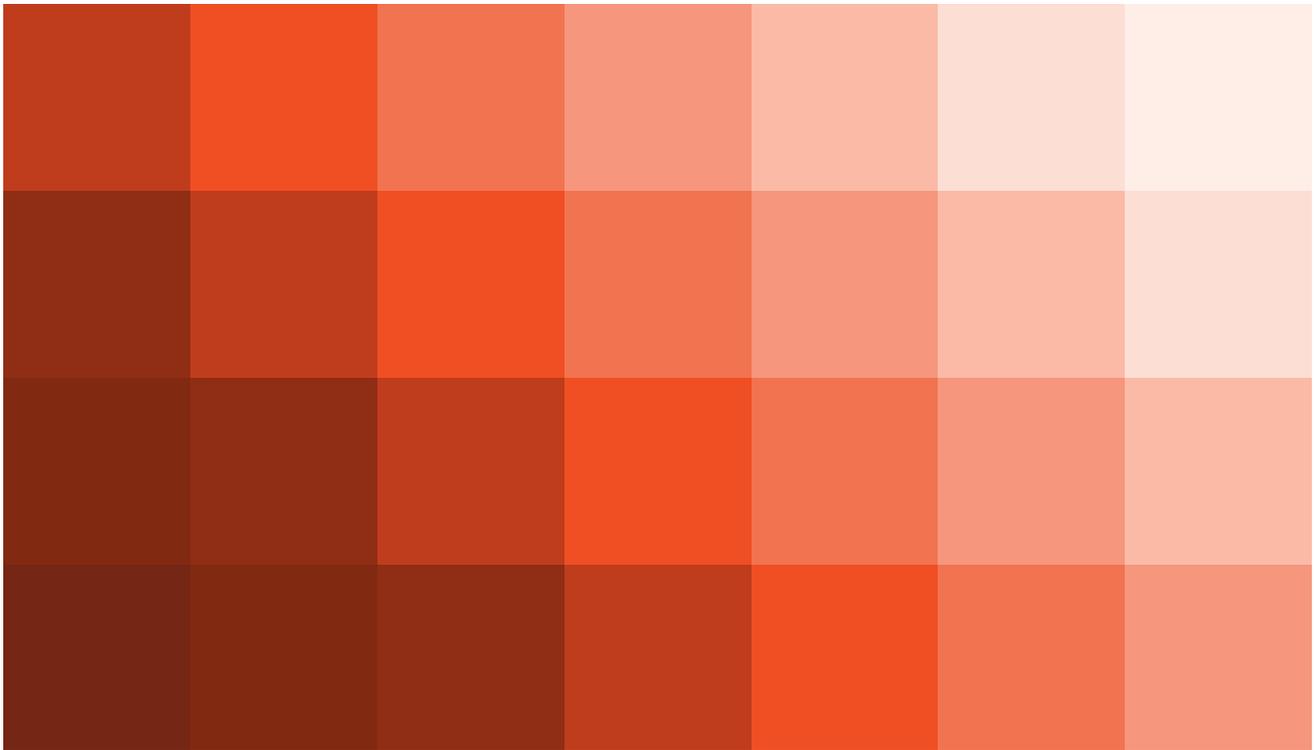
- Enhancing capacity to participate, build, implement and disseminate education on social security policies is still limited.
- NGOs and people's organizations are lack of information about State social security policies, programs, and projects.
- There is not any mechanism to encourage NGOs and people's organizations to take part in building and implementing social security policies.
- Complicated situation of climate change and rising sea level creates new challenges for generating jobs and social security for people in general and people in affected areas in particular.
- Global economic crisis, natural disaster risks and social risks are larger and affect in a large scale, imposing challenges for the whole social policy system, especially social security policies.
- Deep and wide international integration and new generation free trade agreements will open more opportunities and challenges, especially in ensuring basic rights for migrant workers.
- The socialist-oriented market economy which is in the completion process imposes a number of challenges such as social justice, rich-poor gap, social stratification with vulnerable groups finding difficult to access social security services and policies.

Based on achievements and challenges, people's organizations will continue to actively join building and implementing social security policies for members and the community with some contents:

- First, building and completing legal document system to create a legal framework for better implementation of social security policies, gradually improving the quality of policies, researching and building social assistance policies in harmony with other social security policies, especially social insurance, health insurance and employment insurance policies.
- Changing the view to consider social assistance as humanitarian activity to ensuring the rights of people who get social assistance. Social assistance policy is a measure and tool to realize a target for ensuring safety for part of disadvantaged citizens.
- Creating an information sharing mechanism, enhancing regular exchanges and coordination among people's organizations, ministries, and departments in disseminating law, scientific research and implementation and supervision social security policies.
- Accelerating the dissemination of Party and State policies and guidelines on social security. People's organizations and NGOs actively introduced and expanded effective social security support models and poverty reduction models, actively participated in building social security policies towards advanced and comprehensive social security policy and legal systems. Providing training courses on inspection and supervision for staff at different levels.
- Paying more attention to vocational training support policy and job generation, enhancing and developing skills for young labourers, the poor and vulnerable groups to improve the quality of human resources to meet the requirements of industrialization, modernization and international integration process.
- Speeding up the implementation of support policies for people who take part in voluntary social insurance in response to the Social Insurance Law 2014 and other legal documents, implementing dissemination measures and improve the role and responsibility of each people's organization in joining voluntary social insurance to raise the rate of labourers in the unofficial sector participating voluntary social insurance.
- Continuing develop and improve the quality of social assistance activities to ensure social security.
- Actively taking part in building social infrastructure and supporting houses for the poor, and

developing production to support vulnerable groups and promote sustainable poverty reduction.

- Helping citizens access basic social services like health care, education, housing, clean water, environment sanitation and information.
- Strengthening international cooperation, promoting the strength of each organization to get support and technical cooperation from international organizations and social sources from businesses, organizations and people.



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