

Solutions To Improve Vietnamese Law on Improving the Labour Force and Workers' Income in The Context of the 4th Industrial Revolution

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Abstract

The fourth industrial revolution has a significant impact on labour quality as well as workers' income. This article analyzes the theoretical basis for the impact of the 4th industrial revolution on the quality and income of workers. This article also evaluates the current impact as well as some recommendations on improving the law to improve the quality and income of workers.

Keywords: *Employment, Labour Relations, Labour Laws, Trade Union, Vietnam.*

INTRODUCTION

Theoretical basis for the impact of the 4th industrial revolution on the quality and income of workers

The labour force includes all workers in society. The labour force is calculated by the total number of workers participating in the labour market. Normally, the working age is calculated from 15 years old. According to the provisions of the current Vietnamese Labour Law, the working age is 15 years old or older. In fact, people often enter the workforce when they turn 18 years old. In the context of international integration and the fourth industrial revolution, the workforce has many influences, especially the structure and quality of the workforce. As the requirements and demands of the industrial revolution grow, the demand for high-quality labour also increases, and simple, processed workers are no longer in demand, which will likely lead to surplus of simple labour, shortage of complex labour.

The quality of workers can be improved, especially the ability to use foreign languages, the ability to use information technology and special skills in specific industries, and the professionalism of workers. labour is likely to be enhanced.

Workers' income may improve for some participating workers but may also decrease in areas where the labour force is abundant, especially low-skilled workers.

The Fourth Industrial Revolution is taking place globally and is expected to accelerate in the coming years. This is a trend based on digital technology and integrating smart technologies to optimize production processes. This revolution will have a strong impact on each country's economy and blur the line between humans and machines, improving production efficiency. The 4.0 Industrial Revolution has a number of challenges for the workforce and income such as: Changes in work , the 4.0 Revolution will change the nature of work and require new skills. Workers need to adapt to the use of technology, self-study and develop new skills to meet the requirements of the labour market (Thảo Nguyễn); Enhance the quality of human resources : To cope with pressure from the 4.0 Revolution, it is necessary to focus on training and developing skills for workers. This includes providing courses, training programs and learning support related to new technology, artificial intelligence and automation; Change in income : Revolution 4.0 can change the income structure. Some traditional jobs will be replaced by automation and robots, while new jobs will emerge. This may affect workers' income.

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Current status of the labour force and income of Vietnamese workers in the context of Industry 4.0

The current situation of the labour force and income of Vietnamese workers in the context of the 4.0 Industrial Revolution shows:

Regarding Labour Structure : The Industrial Revolution 4.0 has changed the labour structure from labour-intensive to knowledge- and technology-intensive. Industrial Revolution 4.0 has the potential to bring many benefits to workers through increased labour productivity leading to increased income, many new products and services are launched to help improve quality of life and especially employment. Open the labour market, create many new jobs (Pham Thi Thu Hien, 2019).

About Skill Needs : Industrial Revolution 4.0 requires workers to have high skills and qualifications to meet society's needs (Pham Thi Thu Hien, 2019). The proportion of highly skilled workers in Vietnam's key manufacturing industries is very low (Mai Lan Huong, 2022). According to the Labour and Employment Report of the General Statistics Office, in 2014, Vietnam had nearly 5.4 million highly skilled workers, of which the highest concentration was in the education and training sector (accounting for 30 million workers). % of highly qualified workers, the proportion of highly qualified workers accounts for 88.4% of the industry's workers), activities of the Party, socio-political organizations, state management and national security and defense (accounting for 19 %), health care and social assistance activities account for (8%). The processing and manufacturing industry is a key sector in the process of industrialization and modernization, accounting for only 9% of the total number of highly qualified workers, while in developed countries this ratio is up to 40-60%. %. To improve labour quality and increase income, Vietnam needs to focus on training and developing skills for workers.

According to the report of the General Statistics Office in 2024, the labour force aged 15 and over in the first quarter of 2024 is 52.4 million people, down 137.4 thousand people compared to the previous quarter but increasing 175.8 thousand people compared to the previous quarter. with the same period last year. The labour force situation has returned to the normal trend in the period before the Covid-19 epidemic (the labour force in the first quarter usually tends to decrease slightly compared to the fourth quarter of the previous year but is still higher than the same period). last year). The labour force participation rate in the first quarter of 2024 is 68.5%, down 0.4 percentage points compared to the fourth quarter of 2023. The labour force participation rate of women is 62.6% and that of men is 74.7%. The labour force participation rate in urban areas is 66.1%, 3.9 percentage points lower than in rural areas. Observing by age group, the labour force participation rate in urban areas is lower than in rural areas in the very young and old age groups, of which the largest difference is recorded in the group 55 years and older. up (urban: 34.6%; rural: 49.2%) and the group from 15-24 years old (urban: 34.4%; rural: 42.8%). Percentage of trained workers with degrees and certificates in the first quarter of 2024 is 27.8%, an increase of 0.2 percentage points compared to the previous quarter and an increase of 1.4 percentage points compared to the same period last year. Thus, currently, the whole country still has 37.8 million untrained workers. This number shows that there is no small challenge in improving the technical and professional qualifications of workers (Vietnamese General Statistics Office, 2024).

Regarding Workers' Income : The average income of Vietnamese workers tends to increase.

According to the Report of the General Statistics Office, the average monthly income of workers in the first quarter of 2024 is 7.6 million VND, an increase of 301 thousand VND compared to the previous quarter and an increase of 549 thousand VND compared to the same period last year. The average monthly income of male workers is 1.33 times higher than the average monthly income of female workers (8.6 million VND compared to 6.5 million VND). The average monthly income of workers in urban areas is 1.42 times higher than in rural areas (9.3 million VND compared to 6.5 million VND). In the first quarter of 2024, the average monthly income of workers continues to improve but the growth rate is low at 7.8% (in the first quarter of 2023 it will increase by 10.0%). Compared to the same period last year, the average monthly income of workers in the first quarter of 2024 in three economic regions all increased; Of which, the service sector recorded the highest growth rate. The average monthly income of workers in the service sector in the first quarter of this year was 9.0 million VND, an increase of 8.7%, equivalent to an increase of 724 thousand VND compared to the same period last

year; agriculture, forestry and fishery sector is 4.4 million VND, an increase of 8.3%, an increase of 338 thousand VND respectively; industrial and construction sector was 8.4 million VND, an increase of 5.9%, equivalent to an increase of 471 thousand VND. In the first quarter of 2024, the average monthly income of workers increased in most economic sectors compared to the same period last year. Some industries recorded a good average income growth rate compared to the same period last year: the real estate business industry was 12.1 million VND, an increase of 15.3%, equivalent to an increase of 1.6 million VND; Production and distribution of electricity, gas, hot water, and steam was 11.1 million VND, an increase of 12.7%, equivalent to an increase of 1.3 million VND; Finance, banking and insurance activities were 13.1 million VND, an increase of 12.7%, equivalent to an increase of 1.5 million VND; Accommodation and food services are 7.3 million VND, an increase of 9.3%, equivalent to an increase of 617 thousand VND; warehouse transportation is 10.5 million VND, an increase of 9.2%, equivalent to an increase of 880 thousand VND (Vietnamese General Statistics Office, 2024).

Regarding foreign language proficiency of workers: In the context of globalization, to be able to integrate with the world and regional economy, foreign language is an extremely important requirement; especially now when English is considered a global language, present and has a strong impact on many aspects of people's lives such as studying, trading, trading... However, in Vietnam In Vietnam, workers' ability to use foreign languages in general and English in particular at work is still limited. According to results from the JELA English proficiency test conducted by Jobstreet (JobStreet English Language Assessment) (), with the participation of more than 615,000 candidates in countries: Malaysia, Singapore, Philippines, Indonesia and Vietnam. In 2013, workers from Vietnam had a low ability to use foreign languages, ranking only 4/5 of the countries surveyed. When comparing above average scores (calculated from 21 points or more), Singapore achieved the highest ranking with over 95% of all test takers, followed by the Philippines with 91%, in third place is Malaysia with 87%, fourth and fifth in the rankings are Vietnam and Indonesia with 74% and 61% respectively .

In addition to being assessed through work capacity, a worker's foreign language ability can also be considered through many other aspects, the most obvious of which is possessing internationally recognized certificates and degrees. Currently, Vietnam does not have regulations on foreign language proficiency standards for the workforce in general, but only has regulations on foreign language input and output standards in the training process for master's and advanced degrees. doctor. However, when compared with regional and international standards, this standard is still quite low: typically the English standard requirement for a master's degree upon graduation is only equivalent to level B1 according to the European reference framework, or IELTS 4.5; The graduation English standard for a doctoral degree is only equivalent to level B2 according to the European frame of reference, or IELTS 5. Meanwhile, to be able to enroll in a master's degree in many countries around the world, requirements are required. Minimum English is IELTS 6.0. For universities and colleges, the requirement to possess an internationally recognized foreign language certificate for this group of subjects is only applied at a few schools with different standards.

Recommend Solutions To Improve The Law To Improve Labour Quality And Income For Workers

The Fourth Industrial Revolution (Industrial Revolution 4.0) is a global trend and is predicted to accelerate in the coming years. It will have a strong impact on each country's economy and blur the line between humans and machines, improving production efficiency. Vietnam is also not outside the vortex of the 4.0 Industrial Revolution.

Currently, the Labour Law also has a number of regulations on labour quality and workers' income in accordance with the 4.0 revolution such as regulations on regulated subjects in Article 1: " The Labour Code sets forth labour standards; rights, obligations and responsibilities of employees, employers, internal representative organizations of employees, representative organizations of employers in labour relations and other relations directly related to labour relations; and state management of labour". Or the regulations on State policies on labour in Article 4: “ 3. Facilitate job creation, self-employment and occupational training and learning to improve employability; labour-intensive businesses; application of certain regulations in this Labour code to workers without labour relations. 4. Adopt policies on the development and distribution of human

resources; improve productivity; provide basic and advanced vocational training, vocational skill development; assist in maintenance and change of jobs; offer incentives for skilled employees in order to meet the requirements of national industrialization and modernization. ” (Vietnamese National Assembly, 2019)

However, to cope with the pressure from this revolution, the law needs to have a direction to improve the quality of human resources.

Firstly, the legal system needs to aim at training and skills development : it is necessary to invest in training and skills development for workers. This includes providing courses, training programs and learning support related to new technology, artificial intelligence and automation.

This is an important factor in ensuring workers are able to perform their jobs effectively and in compliance with the law. In the context of the Fourth Industrial Revolution (Industrial Revolution 4.0) taking place strongly, this has become more urgent than ever. In Vietnam, training practical skills for workers right from the time they are studying at universities is extremely necessary. However, the current status of practical skills training at Vietnamese universities still has many limitations. Training institutions often focus on theoretical teaching, and have few practical opportunities for students (Pham Thu Nga, 2021). To overcome this drawback, the law needs Practical Education : This model combines theoretical teaching with practice in real-life situations. Workers are involved in solving problems in real environments. Besides, it is also necessary to aim for extracurricular and practical activities : Organize extracurricular activities, practice, and participate in solving problems to help workers master practical skills. Linking professional training with practice : Combining theoretical training with improving workers' practical abilities is an important way to ensure they are able to perform their jobs effectively.

Second, the law needs to encourage creativity and innovation

The government needs to create programs that encourage employees to propose new ideas and participate in research and development projects for employees. Encouraging creativity and innovation in the field of labour law is an important factor to improve work efficiency and meet the requirements of the Fourth Industrial Revolution (Industrial Revolution 4.0). The government and employers need to aim at Training and skill development to encourage creativity, and need to invest in training and skill development for workers. This includes providing courses, training programs and learning support related to new technology, artificial intelligence and automation. (Ministry of Science and technology). Employers need to Create a work environment that encourages creative thinking : Businesses need to create an environment where employees are encouraged and free to express ideas. Encourage participation from all levels and departments in the innovation process. The Government needs to have documents promoting cooperation between businesses and education : Businesses and educational institutions need to cooperate more closely to ensure that workers are equipped with enough knowledge and skills to meet Meet the requirements of the Industrial Revolution 4.0.

Third, the Employment Law needs to create attractive working conditions : To attract and retain talented people, the law needs to create an attractive working environment. This includes improving environmental conditions, wages, benefits and advancement opportunities.

Fourth, there needs to be a legal solution to help cooperation between businesses and education : Businesses and educational institutions need to cooperate more closely to ensure that workers are equipped with enough knowledge and skills to Meets the requirements of the Industrial Revolution 4.0.

Fifth, there needs to be solutions to improve the law to enhance labour demand forecasting.

In the context of the Fourth Industrial Revolution (Industrial Revolution 4.0) taking place strongly, promoting forecasting of human resource market needs is extremely important. This requires the law to have a direction to research and evaluate the current status of the existing human resource structure as well as forecast human resource needs in different industries and fields. The law needs to be proactive to avoid the situation of excess and shortage of human resources (Mai Lan Huong, 2022), especially high quality human resources (Thảo

Nguyễn). Improving the quality of human resources is an important task, helping Vietnam adapt and take advantage of opportunities from the industrial revolution (Mai Lan Huong, 2022).

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