

GOVERNMENT

SOCIALIST REPUBLIC OF VIETNAM
Independence – Freedom – Happiness

No. 108/2010/ND-CP

Hanoi, October 29, 2010

DECREE

Stipulating region-based minimum wages for laborers working for Vietnamese companies, enterprises, cooperatives, collaborative groups, farms, households, individuals and other labor hiring organizations

THE GOVERNMENT

- Pursuant to Government Organization Law on December 25, 2001;
- Pursuant to the Labor Code on June 23, 1994; Law amending and adding some articles to the Labor Code on April 02, 2002; Law amending and adding some articles to the Labor Code on June 29, 2006;
- Pursuant to the Enterprise Law on November 29, 2005;
- Considering the suggestion of the Minister of Labor – War Invalids and Social Affairs;

DECREE:

Article 1: Subjects and scope of application

This Decree stipulates region-based minimum wages for laborers working for Vietnamese companies, enterprises, cooperatives, collaborative groups, farms, households, individuals and other labor hiring organizations, including:

1. State-owned one-member liability limited companies managed, organized and operating under the Enterprise Law.
2. Enterprises established, managed and operating under the Enterprise Law (not including foreign-invested enterprises).
3. Vietnamese cooperatives, cooperative unions, collaborative groups, farms, households, individuals and other labor hiring organizations.

Companies, enterprises, organizations, individuals stipulated in Article 1 of this Decree are commonly called as enterprises.

Article 2: Region-based minimum wage

The region-based minimum wages which are used to pay for Vietnamese laborers doing the simplest manual works in normal working conditions for enterprises stipulated in Article 1 of this Decree shall be as follows:

1. VND1,350,000/month applied for enterprises operating in Region I.
2. VND1,200,000/month applied for enterprises operating in Region II.
3. VND1,050,000/month applied for enterprises operating in Region III.
4. VND830,000/month applied for enterprises operating in Region IV.

Article 3: The regions where minimum wages are applied in accordance with this Decree shall be stipulated in Appendices I & II attached to this Decree.

Article 4: Applying region-based minimum wages

1. Enterprises stipulated in Article 1 of this Decree are entitled to select their own minimum wage levels higher than those stipulated by the Government in Article 2 of this Decree as a basis for calculating wage units, wage payment funds of managing members in the Board of Members or managing chairmen, general directors (directors), deputy general directors (deputy directors), chief accountants and auditors. However, enterprises shall ensure conditions stipulated in Point a, Item 2, Article 4 of Decree No. 86/2007/ND-CP issued by the Government on May 28, 2007 stipulating the management of laborers and wages in one-member liability limited companies whose charter capital is wholly owned by the State.
2. For enterprises stipulated in Item 2 and Item 3 of Article 1 of this Decree:
 - a) Region-based minimum wages stipulated in Article 2 of this Decree shall be used as a basis for calculating wage levels in the payroll and allowances stated in labor contracts; implementing other regimes built and applied by enterprises with their rights and in accordance with the legal labor regulations;
 - b) The lowest wage paid to trained laborers (including those trained by enterprises) shall be at least 7% higher than the region-based minimum level stipulated in Article 2 of this Decree.
 - c) Enterprises are encouraged to apply their own minimum wages higher than those stipulated in Article 2 of this Decree.
 - d) Based on the region-based minimum wages stipulated in Article 2 of this Decree, enterprises shall adjust their wage levels in labor contracts accordingly.

Article 5: Organization of implementation

1. The Ministry of Labor – War Invalids and Social Affairs is responsible for providing guidelines on the implementation of this Decree.

2. The Ministry of Labor – War Invalids and Social Affairs presides over and coordinates with Vietnam Labor Union, Vietnam Chamber of Commerce and Industry, related ministries and agencies and People's Committees of provinces and cities under the central government to propagandize and communicate laborers and employers and control and supervise the implementation of the region-based minimum wages stipulated in this Decree.

Article 6: Effectiveness

1. The region-based minimum wages stipulated in Article 2 of this Decree shall be applied as follows:
 - a) From January 01, 2011 for localities stipulated in Appendix I of this Decree.
 - b) From July 01, 2011 for localities stipulated in Appendix II of this Decree.
2. Decree 98/2000/ND-CP issued by the Government on October 30, 2010 stipulating region-based minimum wages for laborers working for Vietnamese companies, enterprises, cooperatives, collaborative groups, farms, households, individuals and other labor hiring organizations has been annulled.
3. Parent companies – State economic groups which have not constructed wage coefficients in their payrolls as stipulated in Decree No. 101/2009/ND-CP issued by the Government on November 05, 2009 regarding the pilot establishment, organization and organizations of State economic groups; State-owned companies not being converted into one-member liability limited ones; organizations and units applying wage regimes as those of State-owned companies continue to apply the adjusted wage coefficients to define wage units, wage payment funds of Boards of Management (Boards of Members), general directors (directors) stipulated in Decree No. 205/2004/ND-CP, Decree No. 206/2004/ND-CP, Decree No. 207/2004/ND-CP on December 14, 2004, Decree No. 141/2007/ND-CP on September 05, 2007 and Decree No. 28/2010/ND-CP on March 25, 2010 until when the Government issues a new regulation.
4. Ministers, heads of agencies at ministerial level, heads of agencies under the Government, Chairmen of People's Committees of provinces and cities under the central government and organizations and enterprises are responsible for implementing this Decree.

To:

Central Party Secretariat;
PM, Deputy PMs;
Ministers, ministerial agencies, agencies under
Government
Central Steering Committee on Corruption
Prevention;
People's Councils, People's Committees of provinces
and cities under the central government;
Central Party Office & Committees;
Presidential Office;
Nation Council & NA Committees;
NA Office;
Supreme People's Court;
Supreme People's Procuracy;
State Auditing Agency;
National Financial Supervision Committee;
Social Policy Bank;
Vietnam Development Bank;
Vietnam Deposit Re-insurance;
Vietnam Fatherland Front;
Central Committees of social organizations;
State-owned Economic Groups, Corporation 91;
Gov. Off: BTCN, PCN, e-Portal, Depts, Agencies,
Gazette;
Archives: Admin, KTTH (5b), Q.320

**FOR AND ON BEHALF OF THE GOVERNMENT
PRIME MINISTER
(Signed and sealed)**

Nguyen Tan Dung

Appendix I
LIST OF LOCALITIES WHERE REGION-BASED MINIMUM
WAGES ARE APPLIED FROM JANUARY 01, 2011

(Attached to Decree No. 108/2010/ND-CP issued by the Government on October 29, 2010)

1. Region I including:

- Inner districts of Hanoi City
- Inner districts of Ho Chi Minh City

2. Region II including:

- Suburban districts of Hanoi City including Gia Lam, Dong Anh, Soc Son, Thanh Tri, Tu Liem, Thuong Tin, Hoai Duc, Dan Phuong, Thach That, Quoc Oai, Me Linh, Chuong Minh and Son Tay Town;
- Thuy Nguyen, An Duong, An Lao, Vinh Bao Districts of Hai Phong City;
- Hai Duong City of Hai Duong Province;
- Vinh Yen City, Phuc Yen Town and Binh Xuyen District of Vinh Phuc Province;
- Bac Ninh City, Tu Son Town and Que Vo, Tien Du, Yen Phong Districts of Bac Ninh Province;
- Ha Long, Mong Cai Cities of Quang Ninh Province;
- Thai Nguyen City of Thai Nguyen Province;
- Viet Tri City of Phu Tho Province;
- Ninh Binh City of Ninh Binh Province;
- Hue City of Thua Thien Hue Province;
- Districts of Da Nang City;
- Nha Trang City and Cam Ranh Town of Khanh Hoa Province;
- Da Lat, Bao Loc Cities of Lam Dong Province;
- Phan Thiet City of Binh Thuan Province;
- Suburban districts of Ho Chi Minh City;

- Bien Hoa City, Long Khanh Town and Nhon Trach, Long Thanh, Vinh Cuu, Trang Bom Districts of Dong Nai Province;
- Thu Dau Mot Town and Thuan An, Di An, Ben Cat, Tan Uyen Districts of Binh Duong Province;
- Vung Tau City, Ba Ria Town and Tan Thanh District of Ba Ria – Vung Tau Province;
- My Tho City of Tien Giang Province;
- Districts of Can Tho City;
- Rach Gia City of Kien Giang Province;
- Long Xuyen City of An Giang Province;
- Ca Mau City of Ca Mau Province.

3. Region III, including:

- Remaining cities of provinces (except for cities of provinces mentioned in Region II);
- Remaining suburban districts of Ha Noi City;
- Remaining suburban districts of Hai Phong City;
- Chi Linh Town and Cam Giang, Nam Sach, Kim Thanh, Kinh Mon, Gia Loc, Binh Giang, Tu Ky Districts of Hai Duong Province;
- Yen Lac, Vinh Tuong, Tam Dao, Tam Duong, Lap Thach, Song Lo Districts of Vinh Phuc Province;
- Phu Ninh, Lam Thao Districts of Phu Tho Province;
- Gia Binh, Thuan Thanh, Luong Tai Districts of Bac Ninh Province;
- Viet Yen, Yen Dung, Hiep Hoa Districts of Bac Giang Province;
- Uong Bi, Cam Pha Towns and Hoanh Bo, Dong Trieu Districts of Quang Ninh Province;
- My Hao, Van Lam, Van Giang, Yen My Districts of Hung Yen Province;
- Song Cong Town and Pho Yen, Phu Binh, Phu Luong, Dong Hy, Dai Tu Districts of Thai Nguyen Province;

- My Loc District of Nam Dinh Province;
- Duy Tien, Kim Bang Districts of Ha Nam Province;
- Tam Diep Town and Gia Vien, Yen Khanh, Hoa Lu Districts of Ninh Binh Province;
- Bim Son Town and Tinh Gia District of Thanh Hoa Province;
- Ky Anh District of Ha Tinh Province;
- Huong Thuy Town and Huong Tra, Phu Loc, Phong Dien, Quang Dien, Phu Vang Districts of Thua Thien Hue Province;
- Dien Ban, Dai Loc, Duy Xuyen, Nui Thanh Districts of Quang Nam Province;
- Binh Son, Son Tinh Districts of Quang Ngai Province;
- Song Cau Town of Phu Yen Province;
- Cam Lam, Dien Khanh, Ninh Hoa, Van Ninh Districts of Khanh Hoa Province;
- Ninh Hai, Thuan Bac Districts of Ninh Thuan Province;
- Duc Trong, Di Linh Districts of Lam Dong Province;
- La Gi Town and Ham Thuan Bac, Ham Thuan Nam Districts of Binh Thuan Province;
- Trang Bang, Go Dau Districts of Tay Ninh Province;
- Dong Xoai, Phuoc Long, Binh Long Towns and Chon Thanh, Dong Phu Districts of Binh Phuoc Province;
- Remaining suburban districts of Dong Nai Province;
- Remaining suburban districts of Binh Duong Province;
- Long Dien, Dat Do, Xuyen Moc, Chau Duc, Con Dao Districts of Ba Ria – Vung Tau Province;
- Thu Thua, Duc Hoa, Ben Luc, Can Duoc, Can Giuoc Districts of Long An Province;
- Go Cong Town and Chau Thanh District of Tien Giang Province;
- Chau Thanh District of Ben Tre Province;

- Binh Minh, Long Ho Districts of Vinh Long Province;
 - Suburban districts of Can Tho City;
 - Ha Tien Town and Kien Luong, Phu Quoc, Kien Hai, Giang Thanh, Chau Thanh Districts of Kien Giang Province;
 - Chau Doc, Tan Chau Towns of An Giang Province;
 - Nga Bay Town and Chau Thanh, Chau Thanh A Districts of Hau Giang Province;
 - Nam Can, Cai Nuoc, U Minh, Tran Van Thoi Districts of Ca Mau Province;
4. Region IV, including the remaining localities.

Appendix II
LIST OF LOCALITIES WHERE REGION-BASED MINIMUM
WAGES ARE APPLIED FROM JULY 01, 2011

(Attached to Decree No. 107/2010/ND-CP issued by the Government on October 29, 2010)

1. Region I including:

- Cu Chi, Hoc Mon, Binh Chanh, Nha Be Districts of Ho Chi Minh City
- Bien Hoa Town and Nhon Trach, Long Thanh, Vinh Cuu, Trang Bom Districts of Dong Nai Province;
- Thu Dau Mot Town and Thuan An, Di An, Ben Cat, Tan Uyen Districts of Binh Duong Province;
- Vung Tau City of Ba Ria – Vung Tau Province.

2. Region II including:

- Dinh Quan, Xuan Loc Districts of Dong Nai Province;
- Phu Giao, Dau Tieng Districts of Binh Duong Province;
- Tan An City and Duc Hoa, Ben Luc, Can Duoc, Can Giuoc Districts of Long An Province.

3. Region III including Thu Thua, Duc Hue, Chau Thanh, Tan Tru Districts of Long An Province.