

# Reducing Income- and Health-Related Vulnerability of Older Persons in Vietnam Project

## Labor Management Procedures (LMP)

**Project title:** Reducing Income- and Health-Related Vulnerability of Older Persons in Vietnam

**Project ID (World Bank):** P171030

**Implementing Agency:** HelpAge International

**Practice Area (Lead):** Health, Nutrition & Population

**Contributing Practice Areas:** Social Protection & Jobs

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## 1. INTRODUCTION AND CONTEXT

### 1.1. Country Context

Vietnam has achieved tremendous poverty reduction over the last couple of decades through distributing the gains of strong economic growth equitably. By 2016, the incidence of poverty had fallen to 9.8 percent (national General Statistics Office [GSO]-World Bank poverty line), down from nearly 60 percent in 1993.

Balancing economic prosperity with environmental sustainability, promoting equity and social inclusion, and strengthening state capacity and accountability—all within a constantly evolving global and domestic context—will be challenging.

### 1.2. Sectoral and Institutional Context

Vietnam has one of the most rapidly aging populations in the world. By 2049, nearly one quarter of the population will be age 60 and older. In 2019, the ratio of working-age people to older persons is about 9 to 1, but by 2049, this ratio will fall to only 4 to 1. Currently there are about 11.7 million persons aged 60

and older, but by 2049, this number will reach nearly 25 million, of whom nearly 4 million will be age 80 and older. Among the population aged 60 and older, a majority are women, with the share of females increasing with age.

In 2014, about 56 percent of people aged 60 to 69 years were female, increasing to 66 percent by the age group 80 and older. A majority of older persons are living with their children (63 percent in 2011), but many are in less advantageous living situations, e.g. living with other older persons or alone. About 39.1 percent of older persons are still working, a majority in government jobs (56.8 percent), followed by self-employed agricultural occupations (22.6 percent). A large share of people reported not working due to health reasons (39.4 (age 60-69) rising to 54.7 percent (age 80+)). The main sources of financial support reported by older persons is children (31.9 percent), working (29.4 percent), pension (16.1 percent) and social allowance (9.4 percent). Relatively large shares of people age 60 and older report that financial resources are insufficient for daily needs (26.2 percent) or sometimes insufficient for daily needs (36.2 percent). Some 17.2 percent of older persons report living in poor households, with only about 30 percent reporting social allowance payments, 3.7 percent reporting pension. The economic situation of older persons in rural areas tends to be worse than in urban areas. Rural older people are also more dependent on continuing working as a way to support themselves compared to urban older people.

Health is an important concern of older persons in Vietnam as in any society. In 2015, life expectancy at age 60 was 25 for women and 20 for men in Vietnam. However, seven of those years for women and five for men are lived in poor health. When asked about their health, 10.1 percent of older persons report very weak health and another 55.3 percent report weak health. Among people aged 60 and older, 40 percent of men and 46 percent of women report having some disability. While vision problems are the most prevalent, mobility, hearing and memory/cognition problems are also common. Some 37.6 percent of older persons reported difficulties with activities of daily living (ADLs). In 2011, 30.8 percent reported difficulty in getting up from lying position, 15.1 percent struggled with toilet hygiene, 14.8 percent had trouble self-feeding. Health problems among older persons tend to be related to chronic diseases, with the burden of disease from cardio-vascular disease and cancer accounting for nearly half of all DALYs among people aged 60 and older.

## **2. ABOUT THE PROJECT**

### **2.1. Proposed Development Objective(s)**

The proposed development objective is to reduce the income and health-related vulnerabilities of older persons by increasing their participation in income-generating activities and their use of community-level health and social care services in the project communities.

### **2.2. Project Description**

The Intergenerational Self-help Clubs (ISHC) development model closely follow the Community Driven Development (CDD) approach which is a development initiative that provides control of the development process, resources and decision-making authority directly to community groups. The underlying assumption of ISHC approaches are that communities are the best judges of how their lives and livelihoods can be improved and, if provided with opportunities, information and adequate resources, they can organize themselves to provide for their immediate and future needs.

The core activity of the project is the establishment of community-led sustainable ISHCs to promote economically productive, healthy and active ageing, while enhancing the contributions of older persons to their own families/communities, and also reducing the burden of care of older people on these families/communities. The ISHCs supported by this project will implement four types of activities:

*Livelihoods program for needy ISHC members.* At the core of the ISHCs is an income-generation program that provides capital for ISHC members to start small age-appropriate and environmentally-friendly income-generating activities. Operated as a revolving fund, this program allows members to access capital to start livelihoods activities (e.g. small-scale agriculture, animal husbandry, handicrafts, or small business) to provide much needed income in old age.

*Activities focused on the health of older persons.* Clubs will give presentations and demonstrations on health-related topics, organize physical exercise, promote access to health insurance and, with support from local Association of the Elderly. The ISHC management boards will also help to arrange for the provision of low-cost home-based medical care for people who are not able to easily leave home (e.g. help with rehabilitation exercises, monitoring of blood pressure and/or blood glucose, help with taking of medication etc)

*Activities focused on community-based care.* Each club will have at least 10 volunteer caregivers (mostly older persons) trained in the knowledge and skills to provide home care for those in need. This includes support for activities of daily living (ADLs), instrumental activities of daily living (IADLs), and companionship.

*Support for older persons to receive their entitlements.* In collaboration with VAE and/or the Women's Union (WU), the clubs will inform older persons of their entitlements (such as old age pension, benefits for people with disabilities, veterans' benefits) and help them to complete the administrative procedures needed to access them.

### **2.3. Overview of labor use in the Project**

The project will be implemented by the HelpAge International (HelpAge).

The third party service providers that will be used by HelpAge's in this project, include Vietnam Association of the Elderly (VAE) and provincial Associations of the Elderly, tentatively in Hoa Binh, Thanh Hoa, Quang Binh, Khanh Hoa, Ninh Thuan provinces and Da Nang city.

For the purpose of these Labor Management Procedures', HelpAge, The Vietnam Association of the Elderly, and provincial Associations of the Elderly are considered as employers where relevant.

ESS 2 categorizes the workers into: direct workers, contracted workers, community workers and primary supply workers. As per the design and nature of this project, three categories of workers are involved, which are: direct workers, contracted workers and community workers.

***Direct workers.*** Those employed or engaged directly by HelpAge to work specifically in relation to the project. These workers include HelpAge staff and consultants who are hired on contract basis for the implementation of wide range activities of the project. Examples of these direct workers are as: National Project Manager, National ISHC consultants, National Finance and Admin Manager, National Finance and Admin/Procurement Consultant...

Direct workers include both full time and part time contracts. Total number of direct workers dedicated to this project is estimated at around 10.

The direct workers (called National Project Team - NPT) will be in charge of the day to day management and implementation of the project. There are three project sub-teams of NPT, each including of one National ISHC consultant and one national junior ISHC consultant, to be in charge of 2 target provinces out of total 6 provinces. The NPT will be responsible for developing and implementing the project annual workplan, budget and M&E, knowledge management, safeguards, and reporting. Specifically, the PT will conduct, in partnership with and logistic support of local AE, the project activities including project orientation, training and review & networking and on-going trainings, regular technical support visits to the ISHCs and local AEs, annual meetings with project Advisory Committee, project model sharing and replication to non project communities, and involve in the M&E. The PT will conduct monthly visit to the project sites to assess overall progress against the project's plan and targets, as well gather best practice and lessons learned.

**Contracted Workers.** Those worked at the third parties (Associations of the Elderly (AEs) – national level and provincial level) to perform and support works related to the project activities at the localities. The AEs can propose TOR and qualified candidates then HelpAge will do selection and contracting process. Examples of these contracted workers are as: National VAE ISHC advisor, Provincial AE ISHC consultant, Provincial AE ISHC junior consultants.

Contracted workers include both full time and part time contracts. Total number of contracted workers dedicated to this project is estimated at around 13. The roles of contracted workers at provincial level, with the technical support from national project team (HelpAge), include: responsible for organizing (logistic arrangement of) all the project activities in their province, guiding local AEs to recruit ISHC Management Board members and ISHCs members, communication and link/collaborate with key stakeholders at provincial, district, commune and community levels to provide better support to ISHCs and older people. They will also provide direct and regular monitoring and technical support to the local AE and ISHCs, as well as participating in the project annual evaluation. They will also play a key role in the project advocacy work within their target province.

At the national level, the VAE ISHC advisor will support the project in the sharing of the project model widely within the project areas as well as nationally. She/he will help bring the challenges that the older people and ISHCs in the project communities face with to the national agenda and advocate for change. She/he also provides guidelines to the provincial AE and CMBs (Club Management Board) in term of older people right and entitlement, advising provincial AEs in addressing issues relating to ISHCs replication such as financing, influencing other sectors to support ISHCs, ect...

**Community workers.** Those voluntarily engaged in the ISHCs' activities at the commune/village level. These are the volunteers of ISHC and the ISHC's board members as well. There will be 5 volunteers and 5 board members per each ISHC. The board members and volunteers may be re-selected by the ISHCs every 2-years or every 3-years based on the ISHC's regulation

With the target of 180 fully funded ISHCs, the total number of community workers involved in this project is estimated at around 1,800 in 3 years of the project.

The community workers will provide all the community level services/activities relating to income, health and care, among others, for their members and community members, most of them are older people. They will also involve in project participatory M&E. They will receive the regular technical supports from local AE and HelpAge

### **3. DIRECT WORKERS**

#### **3.1. General principle and the rights of labors**

The project guarantees the rights and legitimate interests of employees and encourages agreements providing employees with conditions more favorable than those provided by the labor law.

An Employee of the project is persons who is full 18 years or older, has the ability to work, works under a labor contract, is paid with wage and is managed and controlled by the employer.

The project will not hire child labor.

An employee has the following rights:

- a/ To work, freely choose a job or occupation, to participate in vocational training and to improve occupational skills and suffer no discrimination;
- b/ To receive a wage commensurate with his/her occupational knowledge and skills on the basis of an agreement reached with the employer; to receive labor protection and work in assured conditions of labor safety and labor hygiene; to take leave according to the prescribed regime, paid annual leaves and enjoy collective welfare benefits;
- c/ To form and join and participate in activities of trade unions, occupational associations and other organizations in accordance with law; to request and participate in dialogues with the employer, implement democracy regulations and be consulted at the workplace to protect his/her rights and legitimate interests; and to participate in management activities according to the employer's regulations;
- d/ To unilaterally terminate the labor contract in accordance with law;
- e/ To go on strike.

#### **3.2. Labor contract**

A labor contract must be directly entered into between an employee and an employer before the employee is admitted.

A Job Description shall be provided. An employer shall provide an employee with information about the job, workplace, working conditions, working hours, rest time, occupational safety and hygiene, wage, forms of wage payment, social insurance, health insurance, regulations on business confidentiality, technological confidentiality, and other issues directly related to the entry into the labor contract as requested by the employee.

The employee shall provide the employer with information about his/her full name, age, gender, residence address, education level, occupational skills and qualification, health conditions and other issues directly related to the entry into a labor contract as requested by the employer.

During the performance of a labor contract, any party that requests to modify or supplement the contents of the labor contract shall notify at least 3 working days in advance to the other party of the contents to be modified or supplemented.

In case the two parties can reach an agreement, the modification or supplementation of the labor contract must be carried out by signing an annex to the labor contract or signing a new labor contract.

In case the two parties cannot reach an agreement on the modification or supplementation of the labor contract, they shall continue performing the labor contract already entered into.

All workers are employed under contract for a specific period, the duration and date of commencement of the employment contract, including the probationary period, notice period will be stated. The contract may be renewed by mutual agreement prior to an expiry date.

**The right of employees to unilaterally terminate labor contracts.** An employee working under a definite-term labor contract, a seasonal labor contract or performing a certain job of under 12 months may unilaterally terminate the labor contract prior to its expiry in the following cases:

a/ He/she is not assigned to the job or workplace or is not given the working conditions as agreed in the labor contract;

b/ He/she is not paid in full or on time as agreed in the labor contract;

c/ He/she is maltreated, sexually harassed or is subject to forced labor;

d/ He/she is unable to continue performing the labor contract due to personal or family difficulties;

e/ He/she is elected to perform a full-time duty in a people-elected office or is appointed to hold a position in the state apparatus;

f/ A female employee who is pregnant and must take leave as prescribed by a competent health establishment;

g/ If he/she is sick or has an accident and remains unable to work after having received treatment for 90 consecutive days, in case he/she works under a definite-term labor contract, or for a quarter of the contract's term, in case he/she works under a labor contract for a seasonal job or a specific job of under 12 months.

**The right of employers to unilaterally terminate labor contracts.** An employer may unilaterally terminate a labor contract in the following cases:

a/ The employee often fails to perform his/her job stated in the labor contract;

b/ The employee is sick or has an accident and remains unable to work after having received treatment for 12 consecutive months, in case he/she works under an indefinite-term labor contract, or for 6 consecutive months, in case he/she works under a definite-term labor contract, or more than half the term of the labor contract, in case he/she works under a labor contract for a seasonal job or a specific job of under 12 months.

When the employee's health has recovered, he/she must be considered for continued entry into the labor contract;

c/ If, as a result of natural disaster, fire or another *force majeure* event as prescribed by law, the employer, though having applied every remedial measure, has to scale down production and cut jobs;

d/ The employee is absent from the workplace after the time limit specified in Article 33 of the Labor Code<sup>1</sup>.

### 3.3. Wages

Wage is a monetary amount which is paid by an employer to an employee to do a job as agreed by the two parties.

Wage includes a wage amount which is based on the work or title, wage allowance(s) and other additional payments. An employee's wage must not be lower than the minimum wage set by the Government. A wage must be paid to an employee based on labor productivity and quality of the work performed.

An employer shall pay equal wages without gender-based discrimination to employees doing a job of equal value.

An employer may select the form of wage payment based on working time, products or piecework. The selected form of wage payment must be maintained for a certain period of time. Any change in the form of payment must be informed by the employer to the employee at least 10 days in advance.

Wages are credited to staffs' bank accounts on the 25th of each month, payable in VND. If 25th is a weekend or holiday, the salaries can be transferred in the prior day. In some special cases, staff will be informed if the salary transfer is later than 25th.

Employees enjoying hourly, daily or weekly wages must be paid after the working hour, day or week or paid in a lump sum as agreed by the two parties.

Employees enjoying monthly wages must be paid once a month.

Employees enjoying wages based on products or piecework must be paid as agreed by the two parties; if the work is to be performed in a number of months, each month, the employee must be given an advance wage according to the volume of work completed in the month.

Timesheet is required to support for wage payment.

Employees, those are subject to compulsory state insurance scheme, shall contribute the employees' compulsory part to social insurance, health insurance and unemployment insurance and other compulsory contributions (if any) in compliance with the laws. The deductions in wage payments are applied accordingly.

**Salary/wage reviews.** Salaries shall be adjusted:

- on the basis when renewal of employment contract for each staff
- or, on an annual review with effect from 01 April.

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<sup>1</sup> **Article 33. Reinstatement of employees upon expiry of the period of suspension of labor contracts**

Within 15 days after the expiry of the period of suspension of a labor contract in a case specified in Article 32 of this Code, the employee shall show up at the workplace and the employer shall reinstate the employee unless otherwise agreed upon by the two parties.

### **3.4. Insurances and benefits**

#### **Participation in social insurance and health insurance**

Employers and employees shall participate in compulsory social insurance, compulsory health insurance and unemployment insurance and are entitled to the benefits in accordance with the social insurance and health insurance laws.

Employers and employees are encouraged to participate in other different forms of social insurance for employees.

When an employee is absent from work and covered by social insurance, the employer is not required to pay a wage to the employee.

For a worker (e.g. a consultant) who is not subject of compulsory social insurance, compulsory health insurance and unemployment insurance, the employer shall calculate and pay to the labor a wage which includes the level of contribution to compulsory social insurance, compulsory health insurance and unemployment insurance in accordance with regulations.

#### **Other benefits**

Beside the benefits required by Vietnam Labor Code, the Social Insurance Laws, and the Health Insurance Law, HelpAge attempts to provide benefits for the wellbeing of staff which are consistent with market practices. Other benefits may be below:

##### ***Health and Accident Insurance (Group insurance)***

The Health and Accident Insurance will be on annual basis and will be dependent on HelpAge's ability to pay and will vary each year and will have to be approved by the Country Director.

##### ***Annual Physical/Health Check Up***

HelpAge will provide an annual standard medical examination for all current staff, the check-up items/contents may vary according to age. Details of the check up will be announced by the Finance and Admin Manager.

The annual medical examination will be dependent on HelpAge's ability to pay and will vary each year and will have to be approved by the Country Director.

##### ***Tet (Lunar New Year) bonus***

The Tet bonus will be dependent on HelpAge's ability to pay and will vary each year and will have to be approved by the Country Director upon yearly basis.

The project-end bonus may be applied depending on the regulation of each project. In this case, the Country Director has the right to combine the two kinds of bonus and decide the bonus rate for each staff.

##### ***Terminal grants***

HelpAge will contribute to your Provident Fund (Employer contribution 10% if employee agrees to contribute 5% of his/her base salary). It is understood that the Provident Fund is not part of the monthly salary. The Provident Fund will be deposited in a long-term bank account or stock and bonds, in



agreement with the employer and employees. Once the employee contract is terminated, the employee is entitled to withdraw their provident fund. Other withdrawal cases will be decided by the Country Director.

### **3.5. Working hour, annual leave, public holidays, personal leave, unpaid leave and other leave**

#### **Normal working time**

Normal working time must not exceed 8 hours per day or 40 hours per week.

#### **Annual leave**

An employee who has been working for an employer for full 12 months is entitled a fully paid annual leave as stated in his/her labor contract as follows:

Twelve working days for an employee working in normal conditions;

The annual leave of an employee will be increased 1 day for every 5 years' working for an employer.

#### **Public and New Year holidays**

An employee is entitled to fully paid days off on the following public and New Year holidays:

a/ Calendar New Year Holiday: 1 day (the first day of January of the calendar year);

b/ Lunar New Year Holidays: 5 days;

c/ Victory Day: 1 day (the thirtieth day of April of each calendar year);

d/ International Labor Day: 1 day (the first day of May of each calendar year);

e/ National Day: 1 day (the second day of September of each calendar year);

f/ Commemorative Celebration of Vietnam's Forefather - Kings Hung: 1 day (the tenth of March of the lunar year).

g/ Besides, 3 Holidays are applied for HelpAge's employees: 24<sup>th</sup>, 25<sup>th</sup>, 31<sup>st</sup> December

Total: 13 holidays per year.

#### **Personal leave, unpaid leave**

1. An employee may take fully paid leave for personal reasons in the following cases:

a/ Marriage: 3 days;

b/ Marriage of his/her child: 1 day;

c/ Death of a blood parent or a parent of his/her spouse, his/her spouse or child: 3 days.

2. An employee may take 1 day off without pay and shall inform the employer when a paternal or maternal grandparent or blood sibling dies; his/her father or mother gets married; or a blood sibling gets married.

3. An employee may discuss and agree with the employer on unpaid leave in addition to the leaves specified in Items 1 and 2 above.

#### **Maternity leave**

1. A female employee is entitled to 6 months of prenatal and postnatal leave.

In case a female employee gives birth to twin or more babies, counting from the second child upward, for each child the mother is entitled to 1 more month off.

Prenatal leave must not exceed 2 months.

2. During the maternity leave, a female employee is entitled to maternity policies provided by the law on social insurance.

3. After the maternity leave period stipulated in Item 1 of this Maternity Leave, if a female employee wishes, she may take additional leave without pay as agreed upon with the employer.

4. Before the expiration of her maternity leave stipulated in Item 1 of this Maternity Leave, a female employee may return to work if she so wishes and the employer so agrees provided that she has a certificate from a competent health establishment that early resumption of work will not adversely affect her health and she has taken at least 4 months of maternity leave.

In this case, the female employee continues to receive the maternity allowance as provided by the law on social insurance, in addition to the wage paid by the employer for her working days.

#### **Business leave/Compensation leave**

Occasionally, due to the work/travel requirement, staff will have to spend time after normal working hours (from 10 hours and above) or during weekends, the day-off-compensation can be applied with full salaries. The compensation leave is on the basis of one free day for a day worked.

#### **Paternity leave**

National male staff are entitled 10 working days for paternity leave

#### **Medical leave**

Subject to the HelpAge's staff policy, HelpAge will normally grant paid sick leave up to 20 working days per annum. However, in special cases, HelpAge, by the Country Director, may give sympathetic consideration and at his/her discretion may grant paid sick leave in excess of the employee's entitlement.

#### **Sterilization Leave**

Staff can take leave to undergo sterilization procedures for a period of time determined by first-class physicians and receive pay. The leave request must be submitted seven days in advance and must be approved by the Country Director to take effect.

#### **Other Leave**

Any leave which is not mentioned by Vietnam laws will be decided by the Country Director.

## **4. CONTRACTED WORKERS**

### **4.1. General principle and the rights of labors**

The project guarantees the rights and legitimate interests of employees and encourages agreements providing employees with conditions more favorable than those provided by the labor law.

Employee of the project is persons who is full 18 years or older, has the ability to work, works under a labor contract, is paid with wage and is managed and controlled by the employer.

The project will not hire child labors.

An employee has the following rights:

- a/ To work, freely choose a job or occupation, to participate in vocational training and to improve occupational skills and suffer no discrimination;
- b/ To receive a wage commensurate with his/her occupational knowledge and skills on the basis of an agreement reached with the employer; to receive labor protection and work in assured conditions of labor safety and labor hygiene; to take leaves according to the prescribed regime, paid annual leaves and enjoy collective welfare benefits;
- c/ To form and join and participate in activities of trade unions, occupational associations and other organizations in accordance with law; to request and participate in dialogues with the employer, implement democracy regulations and be consulted at the workplace to protect his/her rights and legitimate interests; and to participate in management activities according to the employer's regulations;
- d/ To unilaterally terminate the labor contract in accordance with law;
- e/ To go on strike.

#### **4.2. Labor contract**

A labor contract must be directly entered into between an employee and an employer before the employee is admitted.

A Job Description shall be provided. An employer shall provide an employee with information about the job, workplace, working conditions, working hours, rest time, occupational safety and hygiene, wage, forms of wage payment, social insurance, health insurance, regulations on business confidentiality, technological confidentiality, and other issues directly related to the entry into the labor contract as requested by the employee.

The employee shall provide the employer with information about his/her full name, age, gender, residence address, education level, occupational skills and qualification, health conditions and other issues directly related to the entry into a labor contract as requested by the employer.

During the performance of a labor contract, any party that requests to modify or supplement the contents of the labor contract shall notify at least 3 working days in advance to the other party of the contents to be modified or supplemented.

In case the two parties can reach an agreement, the modification or supplementation of the labor contract must be carried out by signing an annex to the labor contract or signing a new labor contract.

In case the two parties cannot reach an agreement on the modification or supplementation of the labor contract, they shall continue performing the labor contract already entered into.

All labors are employed under contract for a specific period, the duration and date of commencement of the employment contract, including the probationary period, notice period will be stated. The contract may be renewed by mutual agreement prior to an expiry date.

**The right of employees to unilaterally terminate labor contracts.** An employee working under a definite-term labor contract, a seasonal labor contract or performing a certain job of under 12 months may unilaterally terminate the labor contract prior to its expiry in the following cases:

- a/ He/she is not assigned to the job or workplace or is not given the working conditions as agreed in the labor contract;
- b/ He/she is not paid in full or on time as agreed in the labor contract;
- c/ He/she is maltreated, sexually harassed or is subject to forced labor;
- d/ He/she is unable to continue performing the labor contract due to personal or family difficulties;
- e/ He/she is elected to perform a full-time duty in a people-elected office or is appointed to hold a position in the state apparatus;
- f/ A female employee who is pregnant and must take leave as prescribed by a competent health establishment;
- g/ If he/she is sick or has an accident and remains unable to work after having received treatment for 90 consecutive days, in case he/she works under a definite-term labor contract, or for a quarter of the contract's term, in case he/she works under a labor contract for a seasonal job or a specific job of under 12 months.

**The right of employers to unilaterally terminate labor contracts.** An employer may unilaterally terminate a labor contract in the following cases:

- a/ The employee often fails to perform his/her job stated in the labor contract;
- b/ The employee is sick or has an accident and remains unable to work after having received treatment for 12 consecutive months, in case he/she works under an indefinite-term labor contract, or for 6 consecutive months, in case he/she works under a definite-term labor contract, or more than half the term of the labor contract, in case he/she works under a labor contract for a seasonal job or a specific job of under 12 months.

When the employee's health has recovered, he/she must be considered for continued entry into the labor contract;

- c/ If, as a result of natural disaster, fire or another *force majeure* event as prescribed by law, the employer, though having applied every remedial measure, has to scale down production and cut jobs;
- d/ The employee is absent from the workplace after the time limit specified in Article 33 of the Labor Code.

### 4.3. Wages

Wage is a monetary amount which is paid by an employer to an employee to do a job as agreed by the two parties.

Wage includes a wage amount which is based on the work or title, wage allowance(s) and other additional payments. An employee's wage must not be lower than the minimum wage set by the Government. A wage must be paid to an employee based on labor productivity and quality of the work performed.

An employer shall pay equal wages without gender-based discrimination to employees doing a job of equal value.

An employer may select the form of wage payment based on working time, products or piecework. The selected form of wage payment must be maintained for a certain period of time. Any change in the form of payment must be informed by the employer to the employee at least 10 days in advance.

Wages are credited to staffs' bank accounts on the 25th of each month, payable in VND. If 25th is weekend or holiday, the salaries can be transferred in the prior day. In some special cases, staff will be informed if the salary transfer is later than 25th.

Employees enjoying hourly, daily or weekly wages must be paid after the working hour, day or week or paid in a lump sum as agreed by the two parties.

Employees enjoying monthly wages must be paid once a month.

Employees enjoying wages based on products or piecework must be paid as agreed by the two parties; if the work is to be performed in a number of months, each month, the employee must be given an advance wage according to the volume of work completed in the month.

Timesheet is required to support for wage payment.

Employees, those are subject to compulsory state insurance scheme, shall contribute the employees' compulsory part to social insurance, health insurance and unemployment insurance and other compulsory contributions (if any) in compliance with the laws. The deductions in wage payments are applied accordingly.

#### **4.4. Insurances and benefits**

##### **Participation in social insurance and health insurance**

Employers and employees shall participate in compulsory social insurance, compulsory health insurance and unemployment insurance and are entitled to the benefits in accordance with the social insurance and health insurance laws.

Employers and employees are encouraged to participate in other different forms of social insurance for employees.

When an employee is absent from work and covered by social insurance, the employer is not required to pay a wage to the employee.

For a labor (e.g. a retired person) who is not subject of compulsory social insurance, compulsory health insurance and unemployment insurance of the Project, the employer shall calculate and pay to the labor a wage which includes the level of contribution to compulsory social insurance, compulsory health insurance and unemployment insurance in accordance with regulations.

## **4.5. Working hour, annual leave, public holidays, personal leave, unpaid leave and other leave**

### **Normal working time**

Normal working time must not exceed 8 hours per day or 40 hours per week.

### **Annual leave**

An employee who has been working for an employer for full 12 months is entitled a fully paid annual leave as stated in his/her labor contract as follows:

Twelve working days for an employee working in normal conditions;

The annual leave of an employee will be increased 1 day for every 5 years' working for an employer.

### **Public and New Year holidays**

An employee is entitled to fully paid days off on the following public and New Year holidays:

a/ Calendar New Year Holiday: 1 day (the first day of January of the calendar year);

b/ Lunar New Year Holidays: 5 days;

c/ Victory Day: 1 day (the thirtieth day of April of each calendar year);

d/ International Labor Day: 1 day (the first day of May of each calendar year);

e/ National Day: 1 day (the second day of September of each calendar year);

f/ Commemorative Celebration of Vietnam's Forefather - Kings Hung: 1 day (the tenth of March of the lunar year).

### **Personal leave, unpaid leave**

1. An employee may take fully paid leave for personal reasons in the following cases:

a/ Marriage: 3 days;

b/ Marriage of his/her child: 1 day;

c/ Death of a blood parent or a parent of his/her spouse, his/her spouse or child: 3 days.

2. An employee may take 1 day off without pay and shall inform the employer when a paternal or maternal grandparent or blood sibling dies; his/her father or mother gets married; or a blood sibling gets married.

3. An employee may discuss and agree with the employer on unpaid leave in addition to the leaves specified in Items 1 and 2 above.

### **Maternity leave**

1. A female employee is entitled to 6 months of prenatal and postnatal leave.

In case a female employee gives birth to twin or more babies, counting from the second child upward, for each child the mother is entitled to 1 more month off.

Prenatal leave must not exceed 2 months.

2. During the maternity leave, a female employee is entitled to maternity policies provided by the law on social insurance.

3. After the maternity leave period stipulated in Item 1 of this Maternity Leave, if a female employee wishes, she may take additional leave without pay as agreed upon with the employer.

4. Before the expiration of her maternity leave stipulated in Item 1 of this Maternity Leave, a female employee may return to work if she so wishes and the employer so agrees provided that she has a certificate from a competent health establishment that early resumption of work will not adversely affect her health and she has taken at least 4 months of maternity leave.

In this case, the female employee continues to receive the maternity allowance as provided by the law on social insurance, in addition to the wage paid by the employer for her working days.

### **Business leave/Compensation leave**

Occasionally, due to the work/travel requirement, staff will have to spend time after normal working hours (from 10 hours and above) or during weekends, the day-off-compensation can be applied with full salary. The compensation leave is on the basis of one free day for a day worked.

### **Medical leave**

National staff are entitled to a sick leave as long as necessary. However, subject to the provision of the Labor law, HelpAge will grant paid sick leave up to 20 working days per annum. HelpAge, by the Country Director, may give sympathetic consideration and at his/her discretion may grant paid sick leave in excess of the employee's entitlement.

### **Sterilization Leave**

Staff can take leave to undergo sterilization procedures for a period of time determined by first-class physicians and receive pay. The leave request must be submitted seven days in advance and must be approved by the Country Director to take effect.

## **4.6. Employment of elderly employees**

1. When necessary, an employer may reach agreement with an elderly employee who has sufficient health conditions on the extension of the labor contract or the conclusion of a new labor contract in accordance with the provisions of Chapter III of the Labor Code.

2. If, after retirement, an elderly employee is employed under a new labor contract, he/she still enjoys the rights and interests agreed upon in the labor contract, in addition to the rights and benefits under the retirement regime.

3. An employer may not employ elderly employees in heavy or dangerous jobs or jobs exposed to toxic substances that adversely affect their health, except in special cases as stipulated by the Government on the Decree No. 39/2016/NĐ-CP dated 15<sup>th</sup> May 2016.

4. An employer is responsible for taking care of the health of elderly employees at the workplace.

## 5. COMMUNITY WORKERS

Since all project intervention (design, implementation and monitoring) at community level will be led by the ISHCs, which will involve ISHC's members and its community volunteers, the Project will include the community workers. The community workers, which are all community non-paid volunteers, would include the ISHCs' management board, members, life-long communicators, homecare and economic volunteers, neighborhood group leaders, exercise and sport groups, social and cultural groups, self-help groups which will take lead in all ISHC community actions. Due to the nature of the investment activities it is not expected the Project would involve in a contracted employment. Due to the voluntary nature of work, the community workers will not be subject to terms of and conditions of employment, regular payment or written notice of termination.

With the community model like the ISHCs, community workers (with the voluntary nature of work) are documented in the community/ISHC records. The ISHC regulation will stipulate that all these positions will be taken on a voluntary basis. ISHCs will provide community workers with full information about the voluntary nature of the work and their roles. The voluntary commitment of community workers is documented in minutes of ISHC (monthly) meetings when the former are accepted to do the work.

HelpAge maintains its policy of Equal opportunities and dignity at work applies to all those who work for HelpAge including the volunteer/community workers. The community workers will be protected from from discrimination, harassment, exploitation and intimidation (if any). See further in section 8.

Led by the ISHCs, the members and its community volunteers will involve in a number of different activities to which the working conditions and occupational health and safety will apply to the following ISHC's intervention:

<b>Community lead activities</b>	<b>Led by</b>	<b>Beneficiary</b>	<b>Frequency</b>	<b>Working condition and occupation health and safety</b>
1) Social and cultural	Social and cultural group	Community & ISHC members	Monthly	<ul style="list-style-type: none"> <li>• Are social and culturally sensitive</li> <li>• Environmentally friendly</li> <li>• Location: at village level</li> <li>• Safe and accessible venue</li> <li>• Time: daytime (decided by the members)</li> <li>• Inclusive of gender, ageing, EM and disability</li> <li>• Free of charge</li> </ul>
2) Exercise and sport	Exercise & sport teams	Community & ISHC members	Daily, weekly or monthly	<ul style="list-style-type: none"> <li>• Are social and culturally sensitive</li> <li>• Environmentally friendly</li> <li>• Location: at village level</li> <li>• Safe and accessible venue</li> <li>• Time: daytime (decided by the members)</li> <li>• Inclusive of gender, ageing, EM and disability</li> <li>• Free of charge</li> </ul>



<p>3) Health component</p> <ul style="list-style-type: none"> <li>• 3.1 Health awareness and health promotion</li> <li>• 3.2 Health screening</li> <li>• 3.3 Health check-up</li> <li>• 3.4 Health insurance</li> </ul>	<p>Health led (CMB) and local health experts (CHS - volunteers)</p>	<p>3.1 ISHC and community members 3.2-3.4 ISHC members and care clients</p>	<p>Monthly</p>	<ul style="list-style-type: none"> <li>• Are social and culturally sensitive</li> <li>• Environmentally friendly</li> <li>• Are voluntary (information provided on the benefit of healthy and active ageing)</li> <li>• Location: at village level</li> <li>• Safe and accessible venue</li> <li>• Time: daytime (decided by the members)</li> <li>• Inclusive of gender, ageing, EM and disability</li> <li>• Free of charge</li> </ul>
<p>4) Care component</p> <ul style="list-style-type: none"> <li>• 4.1 Social care</li> <li>• 4.2 Personal care</li> <li>• 4.3 Living support care</li> <li>• 4.4 Health and medical care</li> </ul>	<p>Care lead (CMB) and local health experts (CHS - volunteers)</p>	<p>3.1 and 3.2 are provided by community care volunteers 4.3 by ISHC and local communities 4.4 CHS staff and local retired medical volunteers</p>	<p>At least 2 times per week per clients</p>	<ul style="list-style-type: none"> <li>• Are social and culturally sensitive</li> <li>• Environmentally friendly</li> <li>• Are voluntary</li> <li>• Care training and care kits provided to homecare volunteers (how to protect oneself, when providing care – like washing hands and wearing gloves)</li> <li>• Location: at village level</li> <li>• Safe and accessible venue</li> <li>• Time: daytime (decided by the members)</li> <li>• Inclusive of gender, ageing, EM and disability</li> <li>• Free of charge</li> </ul>
<p>5) Livelihood</p> <ul style="list-style-type: none"> <li>• 5.1 Awareness</li> <li>• 5.2 Revolving fund</li> <li>• 5.3 Home-visit</li> <li>• 5.4 Economic volunteer</li> </ul>	<p>Livelihood led (CMB) and local livelihood experts (community members and local livelihood extension officials)</p>	<p>4.1 ISHC and community members 4.2-4.4 ISHC members and care clients</p>	<p>Monthly and Quarterly</p>	<ul style="list-style-type: none"> <li>• Are social and culturally sensitive</li> <li>• Environmentally friendly</li> <li>• Are voluntary (information provided on the benefit of pro-poor, age and environmentally friendly livelihood schemes).</li> <li>• Location: at village level</li> <li>• Safe and accessible venue</li> <li>• Time: daytime (decided by the members)</li> <li>• Inclusive of gender, ageing, EM and disability</li> <li>• Free of charge</li> </ul>
<p>6) Live-long learning (ISHC monthly meeting)</p>	<p>CMB and local livelihood, health and right experts (community members and local experts)</p>	<p>ISHC members</p>	<p>Monthly</p>	<ul style="list-style-type: none"> <li>• Are social and culturally sensitive</li> <li>• Environmentally friendly</li> <li>• Are voluntary (information provided on the benefit of life-long learning).</li> <li>• Location: at village level</li> <li>• Safe and accessible venue</li> <li>• Time: daytime (decided by the members)</li> </ul>

				<ul style="list-style-type: none"> <li>• Inclusive of gender, ageing, EM and disability</li> <li>• Free of charge</li> </ul>
<p>7) Self-help</p> <ul style="list-style-type: none"> <li>• 7.1 Individual cases</li> <li>• 7.2 Community development support</li> </ul>	CMB and group leaders	Those most in need in target communities	Monthly	<ul style="list-style-type: none"> <li>• Are social and culturally sensitive</li> <li>• Environmentally friendly</li> <li>• Within the capacity of the ISHC and its members.</li> <li>• Are voluntary (information provided on the benefit of pro-poor, age and environmentally friendly livelihood schemes.</li> <li>• Location: at village level</li> <li>• Safe and accessible venue</li> <li>• Time: daytime (decided by the members)</li> <li>• Inclusive of gender, ageing, EM and disability</li> <li>• Free of charge</li> </ul>
<p>8) Right and entitlement</p> <ul style="list-style-type: none"> <li>• 8.1 Awareness</li> <li>• 8.2 Monitoring</li> <li>• 8.3 legal service</li> </ul>	Right and entitlement led (CMB) and local right and entitlement experts (community members and local AE and authorities)	8.1 -8.3 community and ISHC members ISHC	Monthly	<ul style="list-style-type: none"> <li>• Are social and culturally sensitive</li> <li>• Environmentally friendly</li> <li>• appropriate and environmentally friendly</li> <li>• Are voluntary (information provided on the benefit of pro-poor, age and environmentally friendly livelihood schemes.</li> <li>• Location: at village level</li> <li>• Safe and accessible venue</li> <li>• Time: daytime (decided by the members)</li> <li>• Inclusive of gender, ageing, EM and disability</li> <li>• Free of charge</li> </ul>
<p>9) Resource mobilization</p> <ul style="list-style-type: none"> <li>• 9.1 Golden Heart sponsorship</li> <li>• 9.2 Membership fee</li> <li>• 9.3 Revolving fund interest</li> <li>• 9.4 Small social enterprise</li> </ul>	Resource mobilization led (CMB)	Those most needy in the target communities	Monthly	<ul style="list-style-type: none"> <li>• Are social and culturally sensitive</li> <li>• Environmentally friendly</li> <li>• Are voluntary (information provided on needy cases in the target communities.</li> <li>• Location: at village level</li> <li>• Safe and accessible venue</li> <li>• Time: daytime (decided by the members)</li> <li>• Inclusive of gender, ageing, EM and disability</li> <li>• Free of charge</li> </ul>
<p>10) Advocacy</p> <ul style="list-style-type: none"> <li>• 10.1 gather inputs from ISHC and communities</li> </ul>	CMB and local service providers and authorities	Entire communities, especially for those most in need	At least 2 times per year	<ul style="list-style-type: none"> <li>• Inclusive of gender, ageing, EM and disability</li> <li>• Are voluntary (consultation with ISHC and community members)</li> </ul>

<ul style="list-style-type: none"> <li>• 10.2 regular feedback and dialog with local authorities and service providers</li> </ul>				<ul style="list-style-type: none"> <li>• Location: at village and commune levels</li> <li>• Safe and accessible venue</li> <li>• Time: daytime (decided by the members)</li> <li>• Free of charge</li> </ul>
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## 6. OCCUPATIONAL HEALTH AND SAFETY

### Employers' and employees' (including community workers) obligations for occupational health and safety

1. An employer has the following obligations:

a/ To ensure that the workplace meet the requirements on space, airiness, dust, steam, toxic gas, radiation, electricity of magnetic field, heat, moisture, noise, vibration and other harmful factors as prescribed in relevant technical regulations. These factors must be checked and measured on a regular basis;

b/ To ensure safe and hygienic working conditions for machines, equipment and workshops as required by the promulgated or applied national technical regulations or standards on occupational safety and hygiene at workplace;

c/ To check and evaluate dangerous and harmful factors at the workplace in order to put forward measures to avert and minimize dangers and harms and improve working conditions and healthcare for employees;

d/ To examine and maintain machines, equipment, workshops and warehouses on a periodical basis;

e/ To display signboards of instructions for occupational safety and hygiene for machines, equipment and workplaces at easy-to-read and -see locations at the workplace;

f/ To consult the representative organization of the grassroots-level employees' collective when planning and implementing activities to ensure occupational safety and hygiene.

2. An employee has the following obligations:

a/ To observe regulations, processes and internal rules on occupational safety and hygiene which are relevant to assigned jobs;

b/ To use and maintain equipped personal protection equipment and occupational safety and hygiene tools at the workplace;

c/ To promptly report to responsible persons when discovering risks of labor accident, occupational disease, toxic or dangerous incidents; to participate in first aid and overcoming the consequences of labor accidents as requested by the employer. The contact numbers of responsible persons of employers are always disseminated to employees at the beginning of the employment. Contact channel can be both in telephone and email.

## 7. GRIEVANCE MECHANISM

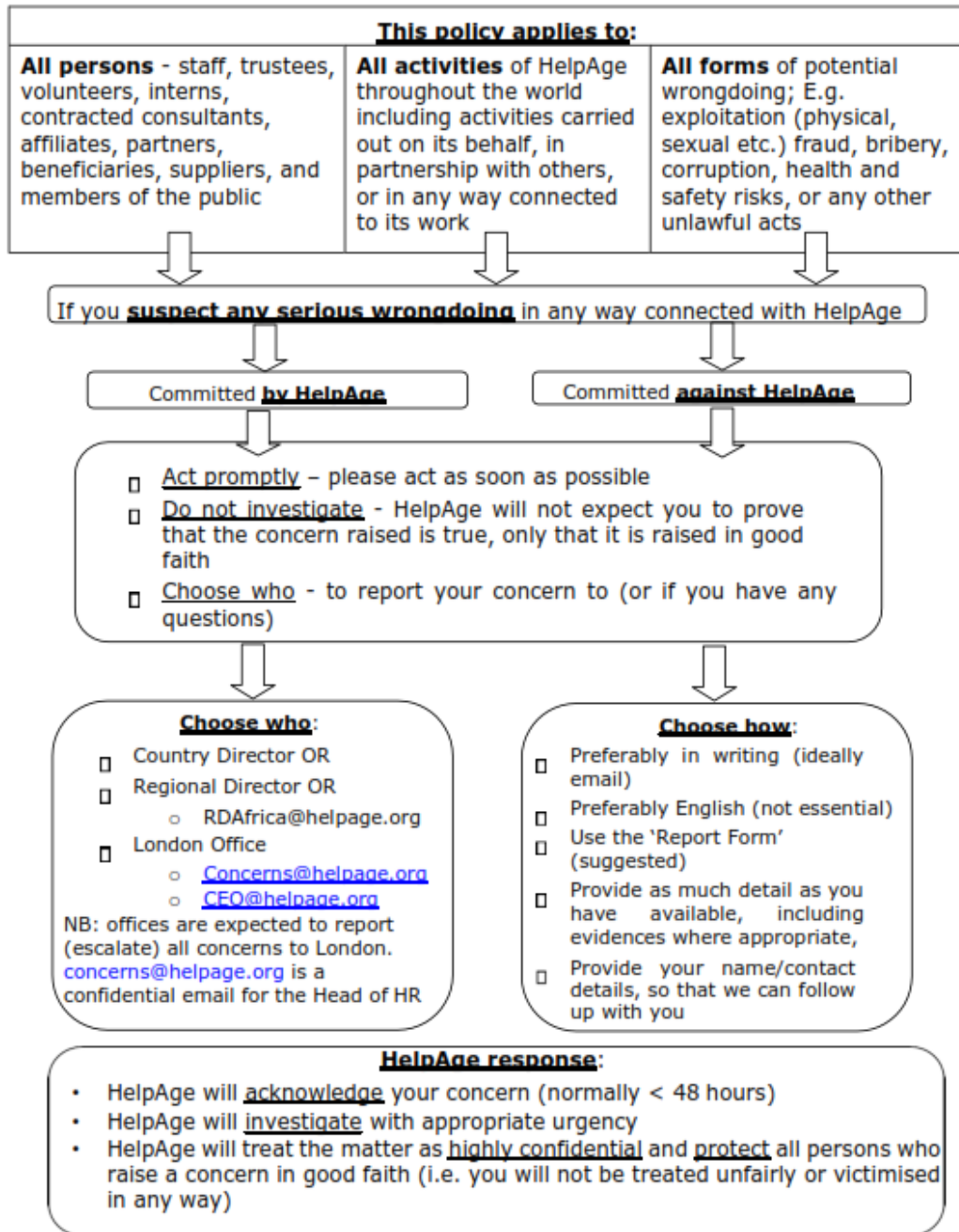
As an internal global policy, HelpAge maintain a grievance mechanism and provide for all direct workers, contracted workers and community workers to raise their workplace concerns.

The grievance mechanism is translated, disseminated and provided to all workers at the beginning of the Project or at the time of recruitment. This will help to protect employees against any violation, reprisal.

Further to the grievance mechanism as described below, all workers can raise their concerns to HelpAge International in Vietnam with the contacts below:

- Office phone number: 024 32474145
- Office/ mailing address: No.20, K80C, alley 376, Bui street, Ba Dinh district, Hanoi, Vietnam
- Country Director: Tran Bich Thuy (Mrs.); telephone 090 4006040; email: thuytb@helpagevn.org

Below is the HelpAge grievance mechanism to provide all partners, employees.



## 8. NON-DISCRIMINATION AND EQUAL OPPORTUNITIES

HelpAge International is committed to equal opportunities for all its employees and potential employees. It seeks to be an inclusive organisation where everyone is treated with respect and dignity and where there is equal opportunity for all.

It is HelpAge's Equal opportunities and dignity at work policy to provide equality of treatment to all, irrespective of:

- Gender, including gender reassignment
- Marriage or civil partnership
- Having or not having dependents
- Religion, belief
- Race (including colour, nationality, ethnic or national origins,)
- Disability
- Sexual orientation
- Age
- Pregnancy or maternity
- Caste

HelpAge policy applies to all those who work for (or apply to work for) HelpAge across its locations globally, for example:

- Job applicants and potential applicants
- Employees
- Contract workers
- Agency workers
- Volunteer workers

All employees, whether part-time, full time or temporary will be treated fairly and with respect. Selection for employment, promotion, training or any other benefit will be on the basis of aptitude and ability. Decisions about pay and benefits, terms and conditions of employment, appraisals, dismissal or redundancy will be made objectively and without unlawful discrimination. All employees will be helped and encouraged to develop their full potential and the talents and resources of the workforce will be fully utilised to maximise the efficiency of the organization.

Managers will ensure that:

- Standards referred to this policy are adhered to within their own area of responsibility
- Bring the details of the policy to the attention of their team members
- Ensure that information on equality of opportunity is included in all induction processes.
- Ensure that their team members are available to attend relevant equality training programmes (if any)

The Human Resources Department is responsible for ensuring that this policy is effectively communicated to all employees and all those involved with the organisation at whatever level or position and for providing advice and guidance where appropriate. It will in particular provide full text and an induction on

equal opportunities to all new employees; translate this policy into Vietnamese and send to all relevant partners. In addition upon any significant update, the policy will be presented to all staff or department/office meetings and re-translated to all relevant partners.

Each member of staff has a responsibility to:

- Co-operate with any measures introduced to ensure equality of opportunity and in preventing discrimination, harassment or bullying
- Report any discriminatory acts
- Treat others fairly without prejudice;
- Promote a work environment where an individual can feel valued and realise his/her potential and encourage others to do so;

Failure to comply with the policy, procedures and practices outlined below will be considered within the framework of HelpAge's disciplinary procedure.

The HelpAge's equal opportunity policy also covers bullying and harassment issues in the workplace and in any work-related setting outside the workplace, for example, during business trips and at work-related social events.

Some harassment is unlawful discrimination and serious harassment may be a criminal offence.

**Bullying** is offensive, intimidating, malicious or insulting behaviour, and/or an abuse or misuse of power that is meant to undermine, humiliate or injure the person on the receiving end.

Examples of bullying would include:

- Abuse of authority by a line manager or their acting in such a way that the employee feels threatened or coerced
- Aggressive or intimidating behaviour towards an individual including shouting or unreasonable anger
- Repeated unfair criticism or destructive and negative criticism along with lack of reasonable support for future improvement
- Criticism in front of others that humiliates and undermines them including by email
- Criticism that focuses on a personal characteristic rather than work performance
- Ostracising someone e.g. refusing to speak to them, blatantly ignoring their views or comments, or deliberately excluding them from work related or social activities
- Deliberately imposing grossly excessive or unachievable workloads or impossible deadlines in order to make life difficult for a particular employee
- Unjustified micromanagement that may undermine confidence or disempower an individual
- Coercion or pressure to perform social favours or participate in religious or political activity
- Making threats or comments about job security without foundation.

**Harassment** is unwanted conduct related to relevant protected characteristics, which are sex, race (which includes colour, nationality and ethnic or national origins), disability, sexual orientation, religion or belief and age, that:

- has the purpose of violating a person's dignity or creating an intimidating, hostile, degrading, humiliating or offensive environment for that person; or

- is reasonably considered by that person to have the effect of violating his/her dignity or of creating an intimidating, hostile, degrading, humiliating or offensive environment for him/her, even if this effect was not intended by the person responsible for the conduct.

Examples of harassment would include:

- Physical conduct ranging from unwelcome touching to serious assault;
- Unwelcome sexual advances;
- Demeaning comments about a person's appearance;
- Unwelcome jokes or comments of a sexual or racial nature or about an individual's age;
- Spoken or written words of abuse;
- Insulting or ridiculing the way someone dresses, speaks or behaves;
- Display or circulation of any offensive or pornographic material, graffiti or racist literature; or sexually suggested pictures, objects or written materials;
- Isolation and/or non-cooperation at work and exclusion from social activities

HelpAge is committed to creating a work environment free of harassment and bullying, where everyone is treated with dignity and respect.

HelpAge will treat complaints of bullying and harassment sensitively and maintain confidentiality to the maximum extent possible. Support will be provided for those who have experience instances of discrimination, bullying and harassment.