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GRIST

Vietnam publishes decree on revised labor code

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A decree that provides guidance on the implementation of Vietnam's revised labor code was recently published by the government. The revised labor code took effect on 1 Jan 2021, and the decree took effect on 1 Feb 2021. The revised labor code includes increased normal retirement ages for men and women, a reduction in the types of permitted employment contracts, changes to probationary periods, criteria for terminating employees, and employee representation rights.

Highlights

- Specifies the occupations requiring longer notice periods for terminating employees, including those in certain managerial positions.
- Clarifies that severance is not payable to employees who are dismissed for being absent from work for five continuous days without notifying their employer, and the "good reasons" that would prevent their dismissal in such circumstances. The "good reasons" include natural disasters, certified sickness of the employee or their relatives, fire, and other situations set out in the employer's internal rules.
- Requires employers with 10 or more employees to consult with employee representatives about work rules, and to register the rules with the local labor authority. Employers with smaller workforces do not have to publish work rules.
- Specifies the issues that must be included in work rules, such as the prevention of workplace sexual harassment, and situations that would allow employers to temporarily transfer employees to another job.

Related resources

Non-Mercer resource

- [Decree No 145/2020ND-CP \(Vietnamese\)](#) (Vietnamese government, 14 Dec 2020)

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- [Vietnam approves labor code changes](#) (12 Dec 2019)

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