

DECREE
PROVIDING MINIMUM WAGE RATES OF VIETNAMESE EMPLOYEES
WORKING IN ENTERPRISES WITH FOREIGN OWNED CAPITAL, FOREIGN BODIES
AND ORGANIZATIONS, AND INTERNATIONAL ORGANIZATIONS
AND FOR FOREIGN INDIVIDUALS IN VIETNAM

Pursuant to the *Law on Organization of the Government* dated 25 December 2001;

Pursuant to the *Labour Code* dated 23 June 1994, and the *Law on Amendment of the Labour Code* dated 2 April 2002;

On the proposal of the Minister of Labour, War Invalids and Social Affairs;

Decrees:

Article 1

The minimum wage rate payable for work by Vietnamese employees doing the most basic work in normal working conditions for enterprises with foreign owned capital, foreign bodies and organizations, international organizations and foreign individuals in Vietnam (hereinafter collectively referred to as *enterprises*) shall be as follows:

1. Not less than eight hundred and seventy thousand (870,000) Vietnamese dong per month, applicable to enterprises operating in inner city districts of Hanoi and Ho Chi Minh City.
2. Not less than seven hundred and ninety thousand (790,000) Vietnamese dong per month, applicable to enterprises operating in outer city districts of Hanoi and Ho Chi Minh City; inner city districts of Hai Phong; the city of Ha Long in the province of Quang Ninh; the city of Bien Hoa in the province of Dong Nai; the city of Vung Tau in the province of Ba Ria Vung Tau; the township of Thu Dau Mot and the rural districts of Thuan An, Di An, Ben Cat and Tan Uyen in the province of Binh Duong.
3. Not less than seven hundred and ten thousand (710,000) Vietnamese dong per month, applicable to all enterprises operating in the remaining areas.

Article 2

1. The minimum wage rates stipulated in this Decree shall be used as the basis for calculating wage scales, wage tables and all types of allowances; for calculating wage rates recorded in labour contracts, and for implementing other regimes formulated by enterprises and promulgated by them in accordance with authority as provided in the law on labour.
2. The lowest wage rate payable for employees who have passed vocational training courses (including courses which enterprises themselves held) must be at least seven per cent higher than the minimum wage rates stipulated in article 1 of this Decree.

3. Enterprises are encouraged to pay higher minimum wage rates than those stipulated in article 1 of this Decree.

Article 3

1. The Government shall amend the minimum wage rates stipulated in article 1 of this Decree depending on the economic growth rate, the cost of living index, and labour supply and demand at any one time.
2. The Ministry of Labour, War Invalids and Social Affairs shall, after consultation with the Vietnam General Confederation of Labour, representatives of employers and relevant ministries and branches, make submissions to the Government for amendment of the minimum wage rates stipulated in clause 1 of this article.

Article 4

This Decree shall be of full force and effect as of 1 February 2006.

All previous provisions which are inconsistent with this Decree are hereby repealed.

Article 5

Ministers, heads of ministerial equivalent bodies and Government bodies, and chairmen of people's committees of provinces and cities under central authority shall be responsible for implementation of this Decree.

On behalf of the Government
Prime Minister
PHAN VAN KHAI