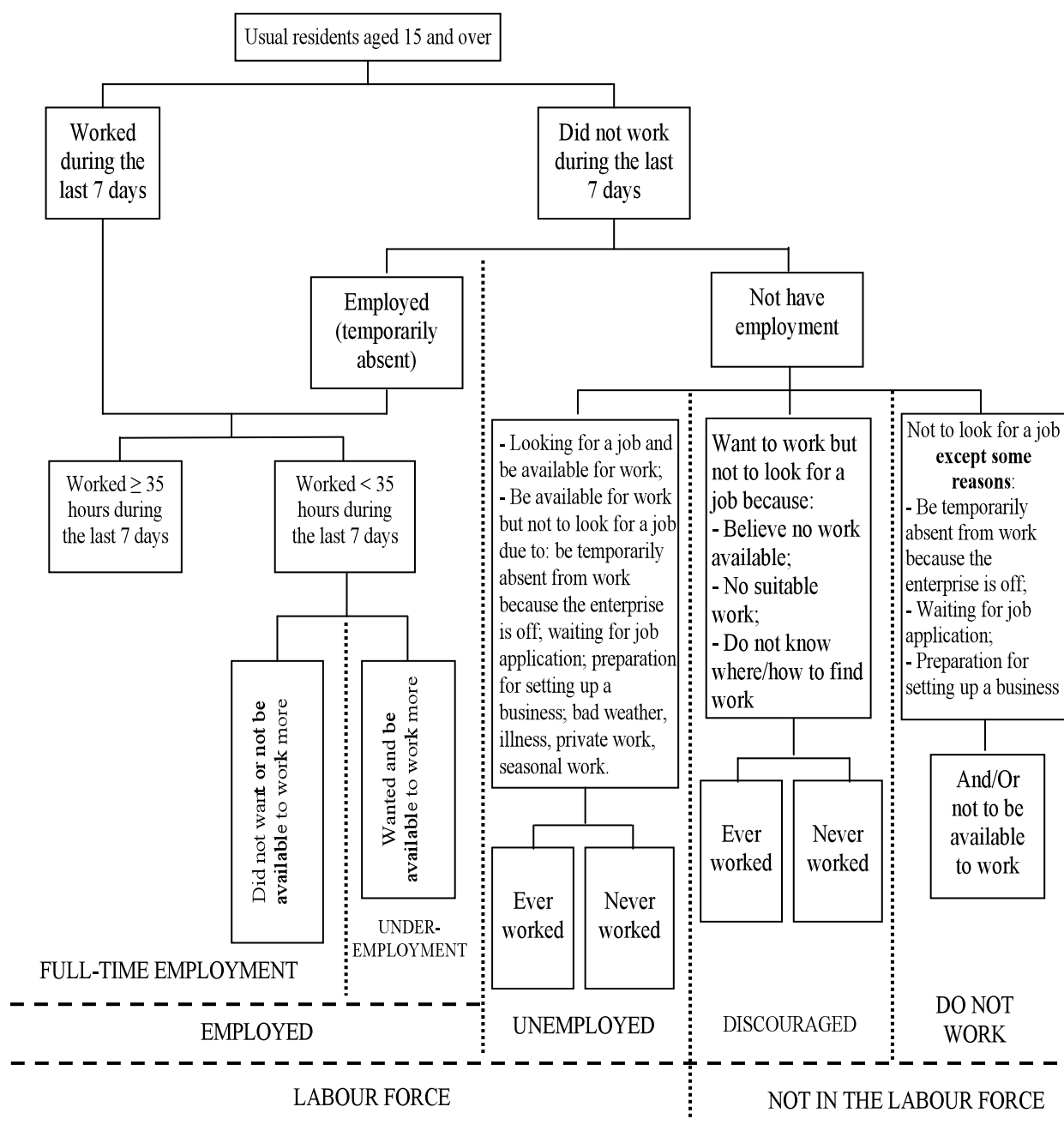


### III. DEFINITIONS AND CONCEPTS

#### 1. Concept diagram



#### 2. Definitions and concepts

**(1) Household:** A household comprises either one person living alone or a group of people living in the same dwelling and sharing meals together. For households with 2 persons or over, its members may or may not share a common budget; or be related by blood, marriage or bring up or not; or in combination of both.

**(2) Reference period:** This refers to the full week, namely exactly 7 days, prior to the date of visiting the household to conduct the interview. It is also called as “reference period” or “reference week” in this report.

**(3) Priority mechanism in the labour classification:** In the labour classification, there need to be specific priorities to determine the active status for many occurrences happening at the same time in the period. By this way, results are classified into three groups excluded to each other: employed, unemployed and currently economical inactivity. Hence:

The first priority is for “employed” activity. If a person works to make income for at least one hour in the reference week then he/she is classified into the “working” and is considered as “employed” without concerning his/her current position (student, housework, etc).

The second priority is for persons who although have a job or production/business but in the reference period, they are currently temporarily absent from work “do not work”. These persons are also classified into the group of “employed”.

The third priority is the activity of “looking for a job”. If a person does not work but steps to look for a job and is currently available for work in the reference week, then he/she is considered as “unemployed”.

The fourth priority is persons who do not work, are available to work but do not look for a job in the reference week because of specific reasons such as temporary illness, bad weather, holidays, waiting for the last job application or to start a new business at the time after the reference week (the duration of 30 days, or be waiting for a new job within next 30 days), also called as “unemployed”.

**(4) Activity status:** Population is classified as economically active and economically inactive.

The economically active population: refers to persons who were either employed (working) or unemployed during the reference period. As the reference period is a week (or 7 days), the economically active population is also known as the labour force.

The economically inactive population: refers to persons who are neither the employed nor the unemployed during the reference period.

**(5) Employment:** Employment are all of the working activities for at least one hour creating income without the law prohibition.

*Paid employment:* by cash, or other forms that employee has to complete in the given time with specific demand in quantity and quality of the work assigned by the employer without caring of individual or agency, enterprise, etc. The labour contract (by hardcopy or verbal) allows them to receive basic salaries/wages as long as this income is not dependent directly on the activity result of agency/enterprise where they are working.

*Own-account employment* are jobs whose income is dependent directly on the profit attained from the production of commodity and service. Own-account employment includes self-working to make income or work for their family-household economy without salaries/wages.

**(6) Employed persons:** This refers to persons: (i). worked for one hour at least as wage workers, or those have a job or business or working on their own rice-fields/gardens/farms in the reference week, and (ii). although do not work but they had a job or business and will return to work but were temporarily absent because of illness, labour management dispute, summer vacation/holiday/travel, bad weather, mechanical breakdown, or other similar reasons. They still joined the work by receiving salary, wage or related payments, etc and they are surely back to work after their temporarily absent time.

**(7) Underemployed persons:** This refers to persons who are working less than 35 hours per week and are willing or available to engage in additional work.

**(8) Unemployed persons (out of work):** The concept of “unemployed” is based on the following three criteria: (i) currently not working; (ii) looking for a job; and (iii) are willing to work. These factors have to be meet concurrently.

Unemployed persons are persons who did not work but were available for work and were actively looking for job during the reference week. Activities of looking for a job consist of: applying for job at the employment office of the state or the individual; submitting the job application from to the employer/boss; checking, reading and answering advertisements of looking for a job in the newspaper; via friends or relatives, etc.

Persons who are not currently working, willing/have demand to work but are not looking for a job due to less work, bad weather, seasonal crop, taking steps to start their own business or taking up a new job after the reference week, being busy in their private matters, their temporary illness are also classified into the “unemployed”

**(9) Economically inactive persons:** refers to persons who are neither the employed nor the unemployed during the reference week. These persons may be classified into groups such as “pupils, students”, “housework for their family”, “can not work due to not capacity of working”, “disabled”, "too young/old", and “other persons”. “Other” group includes persons who do not need or not to want to work because they had sponsoring source, the state or individual subsidy or persons who are voluntary to participate in works of the religion/charity (humanity) or other similar organizations, and comprising other persons who are not in any above groups.

**(10) Discouraged workers** This refers to persons who are outside of economic activity. They have demand for work but are currently not looking for a job because they believe their job search would be in vain or do not know how/where to look for a job or there is no suitable work available for them.

**(11) Qualified workers:** This refers to persons who has ever attended at an institution/center of technique/qualification training and graduated/passed (owning degrees, certificates of training result recognition).

The classification of technique/qualification level is based on the list of “Education, Training of Vietnam in 2005” issued by the Government’s Prime Minister, including one of the following levels:

- *Short-term training:* are those who attended the short term vocational training centers for the duration of training prolongs from 3 months to less than 12 months (under 1 year).
- *Trade vocational school:* Duration of training is from 1 to 2 years, depending on the field of training for those who graduated upper secondary school and received certificate, from 3 to 4 years, depending on the field of training for those who graduated lower secondary school and received certificate.

- *Vocational school*: Duration of training is from 1 to 2 years, for those who graduated the upper secondary school and received diploma, from 3 to 4 years for those who graduated the lower secondary school and received diploma.
- *Trade college*: Duration of training is from 2 to 3 years, depending on the field of training for those who graduated the upper secondary school and received diploma; from 1 to 2 years, depending on the field of training for those who graduated the vocational school and received diploma with the similar field of training.
- *College*: Duration of training is from 2 to 3 years, depending on the field of training for those who graduated the upper secondary school or vocational school and received diploma; from 1.5 to 2 years, depending on the field of training for those who graduated the vocational school and received diploma with the similar field of training.
- *University*: Duration of training for graduatee is from 4 to 6 years, depending on the field of training for those who graduated upper secondary school or vocational school and received diploma; from 2.5 to 4 years for those who graduated vocational school and received certificate with the similar field of training; from 1.5 to 2 years for those who graduated from a college and received diploma with the similar field of training.
- *Master*: Duration of training for master degree is from 1 to 2 years for those who graduated a university and received a diploma of university.
- *Doctor*: Duration of training for doctorate degree is 4 years for those who graduated university and received diploma of university, from 2 to 3 years for those who graduated post-university and achieved master degree. In particular case, duration of training for doctorate could be prolonged as regulated by the Minister of the Education and Training Ministry.

**(12) *Employment status***: This refers to the position or status of an employed person in relation to others within the agency/organization for which he worked. Employment status is divided into the following categories:

- *Employer*: This refers to persons working as “own-account employment” namely he himself or cooperate with other partners to operate the activity of a unit in relation to production, business, service or professionals and recruited or hired at least one salary/wage paid labourer.

- *Own account worker*: These are persons who working "own account employment", namely a person himself or cooperate with other partners to operate the activity of a unit in relation to production, business, service or professionals and not to recruit or hire any salary/wage paid labourers.
- *Unpaid family worker*: These are persons who working "own account employment" namely the own account labourer is working in the establishment operated by at least a member of the household to make income without receiving wages or salaries. In the case of doing all the work operated by members of the family, but are paid salaries, wages, then he shall not be considered as the family worker, he must called as "*wage workers*".
- *Wage worker (employee)*: These are persons who working "paid employment" namely they are employed under the agreement (such as the labour contract, the recruitment verification paper...) by some institution or individual to implement one or more than one kind of work in order to meet the demand of the above-mentioned institution or individual and receive the payment including wage, salary or kind.
- *Member of cooperative*: These are persons who working "own account employment" namely persons who are working in cooperatives established as stipulated by the Cooperative Law.
- *Apprentice*: These are persons who contracts to work in exchange of getting training for acquiring skills.

**(13) Occupation:** This refers to the type of work performed by a person during the reference period (or type of work was done before the reference time for those who are temporarily off work); it may not necessarily be related to his industry or employment status. In the case of a person who performs two or more kinds of work, then his occupation would refer to the one in which he spent the greatest part of his working time during the reference period. The classification of occupations is based on the Vietnam Occupational Standard Classification 2009 (VSCO-09). It was amended consistently to the last version of International Occupaton Standard Classification at 4 digists.

**(14) Industry/Kind of economic activity:** Industry or kind of economic activity refers to the main activity (main functions, assignments, products) of the establishment in which the person worked during the reference period. The

classification of industries is based on the 2007 Vietnam Standard Industry Classification (VSIC), which are consistent with the 4-digit group of the International Standard Industry Classification (ISIC).

**(15) *Hours worked*:** This refers to the average number of hours that a worker spent for work in the reference period. Actual hours worked including overtime hours but does not include the number of hours not working but is still paid.

**(16) *Average monthly income*:** Earnings include categories such as salaries/wages, bonuses and allowances of all kinds have properties such as wages (overtime and hazardous,...).

**(17) *Duration of unemployment*:** This refers to the time-interval (in completed months) between *the month when first action of looking for a job was taken* and the interview month.

**(18) *Labour force participation rate*:** As a percentage of the labour force accounted for the total population in the age of working capacity are specified (for example, Labour Law stipulated a minimum age limit is 15 years old, the working age can be calculated from age 15 and older).

**(19) *Employment to population ratio*:** This is defined as the percentage rate between the employed population (working) accounting for total population in the working capacity age as stipulated.

**(20) *Underemployment rate*:** This is defined as the percentage of underemployed persons to the total employed persons in the working capacity age as stipulated.

**(21) *Employment rate (working)*:** This is defined as the percentage of the employed population (working) to the labour force in the working capacity age as stipulated.

**(22) *Unemployment rate*:** This is defined as the percentage of unemployed persons to the labour force in the working capacity age as stipulated.