

THE GOVERNMENT

No. 103/2012/ND-CP

SOCIALIST REPUBLIC OF VIET NAM
Independence - Freedom – Happiness

Hanoi , December 04, 2012

DECREE

**STIPULATING REGION-BASED MINIMUM WAGE LEVELS FOR LABORERS
WORKING FOR COMPANIES, ENTERPRISES, COOPERATIVES,
COOPERATIVE GROUPS, FARMS, HOUSEHOLDS, INDIVIDUALS AND
AGENCIES, ORGANIZATIONS EMPLOYING LABORERS**

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

Pursuant to the Labor Code dated June 23, 1994; the Law on Amending and Supplementing a Number of Articles of the Labor Code dated April 02, 2002; and the Law on Amending and Supplementing a Number of Articles of the Labor Code dated June 29, 2006;

Pursuant to the Law on Enterprises dated November 29, 2005;

At the proposal of the Minister of Labor, War Invalids and Social Affairs;

The Government promulgates Decree stipulating on region-based minimum wage levels for laborers working for companies, enterprises, cooperatives, cooperative groups, farms, households, individuals and agencies, organizations employing laborers,

Article 1. Scope of adjustment

This Decree stipulates the region-based minimum wage levels applied to laborers working for companies, enterprises, cooperatives, cooperative groups, farms, households and individuals and agencies, organizations employing laborers.

Article 2. Subjects of application

1. The enterprises which are established; organized and managed; and operated under the Law on Enterprises (including Vietnam-based foreign-invested enterprises).

2. The cooperatives, cooperative unions, cooperative groups, farms, households, individuals and the other organizations of Vietnam employing laborers.

3. The foreign agencies, foreign organizations, international organizations and foreigners in Vietnam employing laborers (unless the international agreements, which the Socialist Republic of Vietnam is a member, have provisions different from this Decree).

Companies, enterprises, organizations, and individuals defined in Clauses 1, 2 and 3 of this Article are collectively referred to as enterprises.

Article 3. Region-based minimum wage levels

1. To stipulate the region-based minimum wage levels applied to enterprises as follows:

- a) The level of VND 2,350,000/month applies to enterprises operating in localities of region I.
- b) The level of VND 2,100,000/month applies to enterprises operating in localities of region II.
- c) The level of VND 1,800,000/month applies to enterprises operating in localities of region III.
- d) The level of VND 1,650,000/month applies to enterprises operating in localities of region IV.

2. Localities in which region-based minimum wage levels will be applied are specified in the Appendix attached to this Decree.

Article 4. Application of region-based minimum wage levels

1. The region-based minimum wage levels specified in clause 1 Article 3 of this Decree are basis for enterprises and laborers making agreement on wage ensuring:

- a) The monthly wage levels paid to untrained laborers working simplest jobs, under normal working conditions, being ensured sufficient number of standard working days in month and finished under the labor norms or the agreed work are not lower than the minimum wage levels.

- b) The lowest wage levels paid to laborers who have received vocational training (including laborers trained by enterprises themselves) must be at least 7% higher than the region-based minimum wage levels.

2. The region-based minimum wage levels specified in clause 1 Article 3 of this Decree are applied to enterprises elaborated and promulgated wage scales and tables in according to Article 57 of the Labor Code as follows:

- a) For enterprises having elaborated and promulgated wage scales and tables, based on the region-based minimum wage levels, to adjust wage levels in wage scales and tables, wage allowances, wage levels in labor contracts in conformity with agreements and provisions of labor laws.

- b) For enterprises having not yet elaborated wage scales and tables, based on the region-based minimum wage levels, to calculate wage levels upon elaborating wage scales and tables, wage allowances, calculating wage levels stated in labor contracts and performing other regimes in according to provisions of labor laws.

3. The enterprises are encouraged to pay the wage to the laborers higher than the region-based minimum wage levels specified in clause 1 Article 3 and clause 1 this Article.

Article 5. Effectiveness

1. This Decree takes effect from January 20, 2013. The region-based minimum wage levels specified in clause 1 Article 3 and regimes stipulated in this Decree are applied from January 01, 2013.

2. This Decree replaces the Government's Decree No. 70/2011/ND-CP, of August 22, 2011, stimulating region-based minimum wage levels for laborers working for companies, enterprises, cooperatives, cooperative groups, farms, households, individuals and agencies, organizations employing laborers.

3. The state-owned one-member limited liability companies, state companies which have not been transformed into limited liability companies or shareholding companies; organizations and units currently applying wage regimes like state-owned companies upon defining wage unit prices of laborers and wage funds of management officers under the Decree No. 206/2004/ND-CP, of December 14, 2004, the Decree No. 207/2004/ND-CP, of December 14, 2004; the Decree No. 86/2007/ND-CP, of May 28, 2007; the Decree No. 141/2007/ND-CP, of September 05, 2007 of the Government shall have the right to choose the minimum wage to apply in enterprises for conformity while ensuring conditions under provisions of the Government and the levels of wage increase for management officers not exceeding the levels of wage increase for laborers, until there are new provisions.

Article 6. The responsibilities for implementation

1. The Ministry of Labor, War invalids and Social Affairs shall guide implementation of this Decree.

2. The Ministry of Labor, War invalids and Social Affairs shall assume the prime responsibility for, and coordinate with the Vietnam General Confederation of Labor, the Vietnam Chamber of Commerce and Industry, relevant ministries, agencies and People's Committee of centrally-affiliated cities and provinces to propagate, disseminate to employers, employees and to inspect, supervise implementation of the region-based minimum wage levels specified in this Decree; submit to the Government for consideration, adjustment of the region-based minimum wage levels as prescribed.

3. The Ministers, heads of ministerial-level agencies, heads of governmental agencies, Presidents of People's Committees of centrally-affiliated cities and provinces, and agencies, enterprises are responsible for the implementation of this Decree.

**ON BEHALF OF THE GOVERNMENT
PRIME MINISTER**

Nguyen Tan Dung

APPENDIX

LIST OF LOCALITIES APPLIED THE REGION-BASED MINIMUM WAGE LEVELS FROM JANUARY 01, 2013

(Issuing together with the Government's Decree No.103/2012/ND-CP of December 04, 2012)

1. Region I, covering the following localities:

- Urban districts and Gia Lam, Dong Anh, Soc Son, Thanh Tri, Tu Liem, Thuong Tin, Hoai Duc, Thach That, Quoc Oai, Me Linh and Chuong My rural districts and Son Tay town of Hanoi city;
- Urban districts and Thuy Nguyen, An Duong, An Lao and Vinh Bao rural districts of Hai Phong city;
- The urban districts and Cu Chi, Hoc Mon, Binh Chanh, Nha Be rural districts of Ho Chi Minh City;
- Bien Hoa City and Nhon Trach, Long Thanh, Vinh Cuu, Trang Bom rural districts of Dong Nai province;
- Thu Dau Mot city; Thuan An, Di An Towns, and Ben Cat, Tan Uyen rural districts of Binh Duong province;
- Vung Tau City of Ba Ria - Vung Tau province.

2. Region II, covering the following localities:

- Remaining rural districts of Hanoi city;
- Remaining rural districts of Hai Phong city;
- Hai Duong city of Hai Duong province;
- Hung Yen city and My Hao, Van Lam, Van Giang and Yen My rural districts of Hung Yen province;
- Vinh Yen city, Phuc Yen Town, and Binh Xuyen, Yen Lac rural districts of Vinh Phuc province;
- Bac Ninh city, Tu Son town and Que Vo, Tien Du, Yen Phong, Thuan Thanh rural districts of Bac Ninh province;
- Ha Long and Mong Cai cities of Quang Ninh province;
- Thai Nguyen city of Thai Nguyen province.
- Viet Tri city of Phu Tho province;
- Lao Cai city of Lao Cai province;
- Ninh Binh city of Ninh Binh province;
- Hue city of Thua Thien Hue province;
- Urban and rural districts of Da Nang city;
- Nha Trang and Cam Ranh cities of Khanh Hoa province;
- Da Lat city and Bao Loc city of Lam Dong province;
- Phan Thiet city of Binh Thuan province;
- The Can Gio rural district of Ho Chi Minh city;
- Long Khanh town and Dinh Quan, Xuan Loc rural districts of Dong Nai province;
- Phu Giao and Dau Tieng rural district of Binh Duong Province;

- Chon Thanh rural district of Binh Phuoc province;
- Ba Ria city and Tan Thanh rural district of Ba Ria - Vung Tau province;
- Tan An city and the Duc Hoa, Ben Luc, Can Duoc, Can Giuoc rural districts of Long An province;
- My Tho city of Tien Giang Province;
- Urban 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, covering the following localities:

- Remaining cities of provinces (except the cities of provinces mentioned in the Region I, Region II);
- Chi Linh town and Cam Giang, Nam Sach, Kim Thanh, Kinh Mon, Gia Loc, Binh Giang, Tu Ky rural districts of Hai Duong province;
- Vinh Tuong, Tam Dao, Tam Duong, Lap Thach, Song Lo rural districts of Vinh Phuc province;
- Phu Tho town and Phu Ninh, Lam Thao, Thanh Ba, Tam Nong rural districts of Phu Tho province;
- Gia Binh, Luong Tai rural districts of Bac Ninh province;
- Viet Yen, Yen Dung, Hiep Hoa, Tan Yen, Lang Giang rural districts of Bac Giang province;
- Hoang Bo, Dong Trieu rural districts of Quang Ninh province;
- Bao Thang, Sa Pa rural districts of Lao Cai Province;
- The remaining rural districts of Hung Yen province;
- Song Cong town and Pho Yen, Phu Binh, Phu Luong, Dong Hy, Dai Tu rural districts of Thai Nguyen province;
- My Loc rural districts of Nam Dinh province;
- Duy Tien, Kim Bang rural districts of Ha Nam province;
- Tam Diep Town and Gia Vien, Yen Khanh, Hoa Lu rural districts of Ninh Binh province;
- Bim Son Town and Tinh Gia rural districts of Thanh Hoa province;
- Ky Anh rural districts of Ha Tinh province;
- Huong Thuy and Huong Tra towns, Phu Loc, Phong Dien, Quang Dien, Phu Vang rural districts of Thua Thien – Hue province;
- Dien Ban, Dai Loc, Duy Xuyen, Nui Thanh rural districts of Quang Nam province;
- Binh Son, Son Tinh rural districts of Quang Ngai province;
- Song Cau town of Phu Yen province;
- Ninh Hai, Thuan Bac rural districts of Ninh Thuan province;
- Ninh Hoa town and Cam Lam, Dien Khanh, Van Ninh rural districts of Khanh Hoa province;
- Dak Ha rural district of Kon Tum province;

- Duc Trong, Di Linh rural districts of Lam Dong Province;
 - La Gi town and Ham Thuan Bac, Ham Thuan Nam rural districts of Binh Thuan province;
 - Trang Bang, Go Dau rural districts of Tay Ninh province;
 - Dong Xoai, Phuoc Long, Binh Long towns, and Dong Phu, Hon Quan rural districts of Binh Phuoc province;
 - Remaining rural districts of Dong Nai province;
 - Long Dien, Dat Do, Xuyen Moc, Chau Duc, Con Dao rural districts of Ba Ria - Vung Tau province;
 - Thu Thua, Duc Hue, Chau Thanh, Tan Tru, Thanh Hoa rural districts of Long An province;
 - Go Cong town and Chau Thanh rural districts of Tien Giang province;
 - Chau Thanh rural district of Ben Tre province;
 - Binh Minh, Long Ho rural district of Vinh Long province;
 - Rural districts of Can Tho city;
 - Ha Tien town and Kien Luong, Phu Quoc, Kien Hai, Giang Thanh, Chau Thanh rural districts of Kien Giang province;
 - Chau Doc town, Tan Chau town of An Giang province;
 - Nga Bay Town and Chau Thanh, Chau Thanh A rural districts of Hau Giang province;
 - Nam Can, Cai Nuoc, U Minh, Tran Van Thoi rural districts of Ca Mau province.
4. Region IV, covering the remaining localities./.