



LEGAL UPDATE

LABOUR LAW RELATED CHANGES IN 2017 AND 2018

We would like to remind you of several labour related changes that will enter into force as per 1 January 2018.

1. Social insurance contribution

Please note that pursuant to clause 89 of the Social Insurance Law 2014 additional amounts will be included in the salary for the calculation of the social insurance contribution. Additional amounts are defined in Decree 47/2015/TT-BLDTBXH, and are the measured additional amounts paid regularly in each period the salary is paid. This will be on top of the salary and allowances that are currently the basis for the contribution.

2. Compulsory social insurance for foreigners

As of 1 January 2018, foreigners are obliged to participate in the social insurance scheme. They will pay a premium that is based on salary, allowances and other additional amounts as stated in the Social Insurance Law. The percentage the employer will pay is 18% and the employee will pay 8%, like Vietnamese employees.

3. On-line request for work permit

Circular 23/2017/TT-BLDTBXH (**Circular 23**) which entered into force on 2 October 2017 forms the legal basis to request a work permit on-line since. You can apply for the first issuance and re-issuance of the work permit, but also a request for approval of the labour plan and confirmation of work permit exemption can also be submitted on-line. The employer needs to register and create an account on <http://dvc.vietclamvietnam.gov.vn/> before being able to use the online application. The original documents need to be sent or delivered to the authorities for verification. Circular 23 also sets out the deadlines when to submit the various requests and when a decision will be issued.

For more information, please contact:

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