

Nguyen, Cuong Viet

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Employment Mobility of FDI Workers in Vietnam: New Evidence from Recent Surveys

Cuong Viet Nguyen*

Abstract

In this study, we examine characteristics of employment in FDI in Vietnam. Workers from FDI account for 5.6% of working people. Female and younger people are more likely to work the FDI sector. Compared with private and public sectors, the FDI sector has a lower share of workers who have tertiary education. The FDI sector has a high proportion of workers with social insurance, at 95%. However, there is a relatively large proportion of the FDI workers receiving daily wages and piece payment. The FDI workers have a high number of working hours and more likely to have overtime working hours. The FDI workers have lower wages per hour than those in the private and public sector. However, once observed characteristics of workers are controlled for, the FDI workers have higher hourly and monthly wages than the private as well as public workers. The proportion of FDI workers who moved out of the FDI sector was 11% over a three-month period and 31% over a two-year period. Older workers are more likely to move out of the FDI sector than young ones. There is no evidence that workers move out of the FDI sector after age 35.

Keywords: FDI, employment, labor, Vietnam.

* International School, Vietnam National University, Hanoi, Vietnam.

Mekong Development Research Institute, Hanoi, Vietnam.

Contact information: Email: cuongnv@isvnu.vn ; Tel: (84) 904 159 258.

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1. Introduction

Over the past decades, Vietnam has made great achievements in reducing poverty and improving the well-being of its people. There are many factors contributing to the success of poverty reduction in Vietnam, of which the main cause is economic growth. Annual economic growth has averaged around 6% since 1990. Economic growth has an important contribution to trade and international integration. Vietnam is increasingly strengthening international integration and trade liberalization, especially after Vietnam officially joined the WTO in 2007. At the same time, the flow of foreign direct investment (FDI) into Vietnam has also increased over time. In 2018, Vietnam attracted over US\$35 billion worth of FDI. Although FDI firms accounted for between 2.4% of the total, their share in total employment and revenue of firms was 28.4% and 25.5%, respectively.

There is an argument that trade liberalization has a positive effect on economic growth. In the long run, trade liberalization may contribute to poverty reduction (for example, McCulloch et al., 2001; Harrison, 2005; Winters et al., 2004). However, through integration and trade liberalization households might be exposed to negative shocks from world prices (Winters et al., 2004). For the case of Vietnam, there are a number of studies on the impact of trade integration and liberalization on economic growth, employment and poverty in Vietnam (e.g. Duncan and Quang, 2003; Jensen and Tarp, 2005; Nguyen and Ezaki, 2005; Heo and Doanh, 2009). Most studies show that trade liberalization can contribute to poverty reduction. However, several studies show that trade liberalization can increase poverty (e.g., Jensen and Tarp, 2005; Nguyen and Ezaki, 2005). Regarding foreign direct investment, several studies such as Hoang et al., (2010), McLaren and Yoo (2017) and Bui et al. (2019) find a positive effect of foreign direct investment (FDI) on economic growth and household

welfare in Vietnam. Recently, Ha et al. (2019) find a positive spillover effect of FDI on labor productivity of domestic firms in Vietnam.

Although there is no doubt about the positive economic role of FDI, there are recent concern about employment quality in FDI sectors in Vietnam. Workers in FDIs have a high proportion of overtime work (Phung Son, 2018). According to the Vietnam General Confederation of Labor 78.4% of strikes occurred in FDI enterprises (Dieu Quan, 2019). FDI enterprises are creating pressure so that employees do not easily complete the job, and dismiss workers over 35 years old (Dieu Quan, 2018; Nguyen Trang, 2018). There is a view that FDI firms tend to fire workers when they are older than 35, since these workers tend to have lower productivity (due to health issues) and higher wages than younger workers. However, there are no quantitative and nationally representative analysis on this evidence. Studies which compare the employment quality between FDI and domestic sectors in Vietnam are also very limited. Thus, the purpose of this study is to examine characteristics of employment in FDI sector and the employment mobility of FID workers in Vietnam.

The current report is structured into 7 sections. The second section introduces data sets used in this study. The third section discusses the role of FDI sector in Vietnam. The fourth and fifth sections present the characteristics and wages of FDI workers, respectively. The sixth section examine the employment mobility of FDI workers. The seventh section concludes.

2. Data set

In this study, we use the data from the Labor Force Surveys (henceforth referred as to LFS) in 2013 and 2018. LFSs have been conducted annually by the General Statistics Office (GSO) of Vietnam. The LFS uses a two-stage stratified cluster design. There are 126 strata, which

are urban and rural areas of 63 provinces throughout the country.¹ The list of enumeration areas is based on the most recent Population and Housing Census (e.g., in 2009) or Inter-censal Population and Housing Survey (i.e., in 2014). The number of enumeration areas in each stratum is selected by the method of probability proportional to size. In the second stage, 15 households are randomly selected from each enumeration area.

The sample size is allocated for all the months throughout a year. Thus, around one-twelfth of the sampled households are surveyed in each month. LFSs are representative at the national, urban-rural, and provincial level.² It should be noted that the sample is selected alternately: each enumeration area is divided into two rotational groups, whose households are selected into sample in two adjacent quarters, and then excluded in two succeeding adjacent quarters. It means that we can have panel of households and individuals by two adjacent quarters. The total sample size is 747,807 individuals in the 2013 LFS and 824,143 individuals in the 2018 LFS.

LFSs contain basic demographic information for all individuals. People aged from 15 are surveyed for detailed information on employment and wages. Information on unemployment is also conducted for unemployed people.

In addition to LFSs, this study uses Vietnam Enterprise Censuses to analysis the FDI firms in Vietnam. This data covers all the firms in Vietnam. Information collected in this data set include the firm performance and employment. We also use the Vietnam Household

¹ At the first-level administrative division, Vietnam consists of 58 provinces and 5 central-level cities or municipalities. A province is divided into districts, and a district is further divided into communes or wards. In 2018, there were around 700 districts and 11 thousand communes.

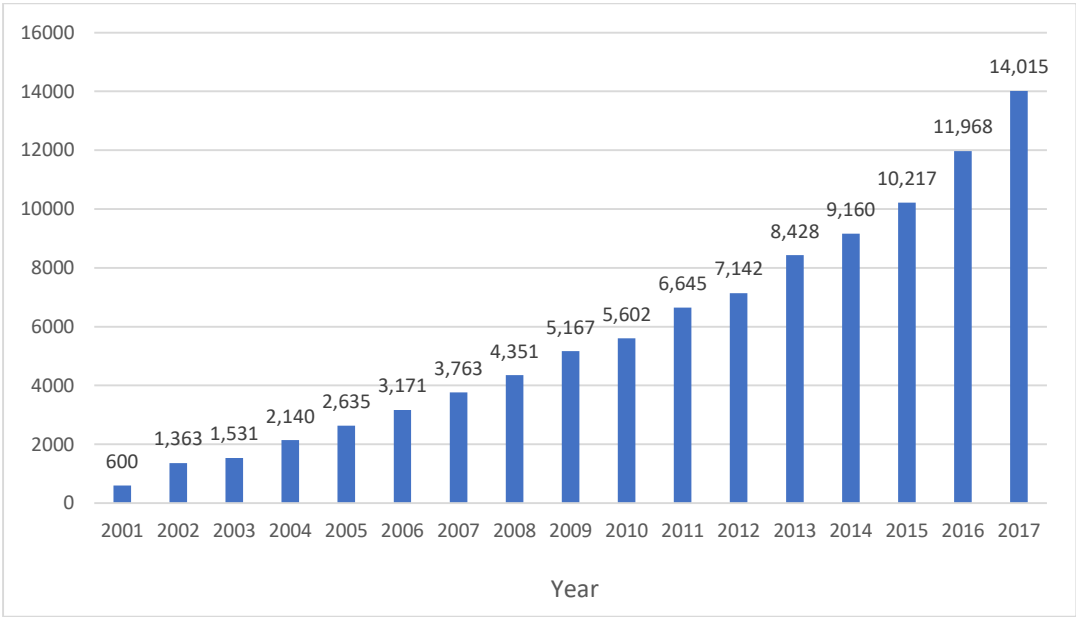
² In Vietnam, there are Vietnam Household Living Standard Surveys (VHLSSs) which also contain data on employment. Compared with VHLSSs, LFSs have a remarkably larger sample size and can be representative at the provincial level instead of regional level as VHLSSs. Moreover, LFS contains more information on employment and working than VHLSSs. Thus, we use LFSs instead of VHLSSs in this study.

Living Standard Surveys in 2016 and 2018 to examine the labor mobility over two-year period. LFSs contains panel by quarter, which is very short-term period. VHLSSs contain data on employment of individuals. Although VHLSSs have a small sample size and less information on employment than LFSs, VHLSSs contain panel data on individuals over two-year period to examine the medium-term labor mobility. VHLSSs are also conducted by GSO and nationally representative.

3. FDI sector in Vietnam

Vietnam has achieved a high economic growth and international trade integration since the economic reform in 1980s. The FDI flows has also increased over time. In 2018, Vietnam attracted over US\$35 billion worth of FDI. South Korea, Japan and Singapore are countries with the largest FDI to Vietnam. Using the Vietnam Enterprise Censuses, we estimate the number of FDI firms in Vietnam over time. Figure 1 shows the upward trend in the number of FDI firms from 600 firms in 2001 to 14 thousand firms in 2017.

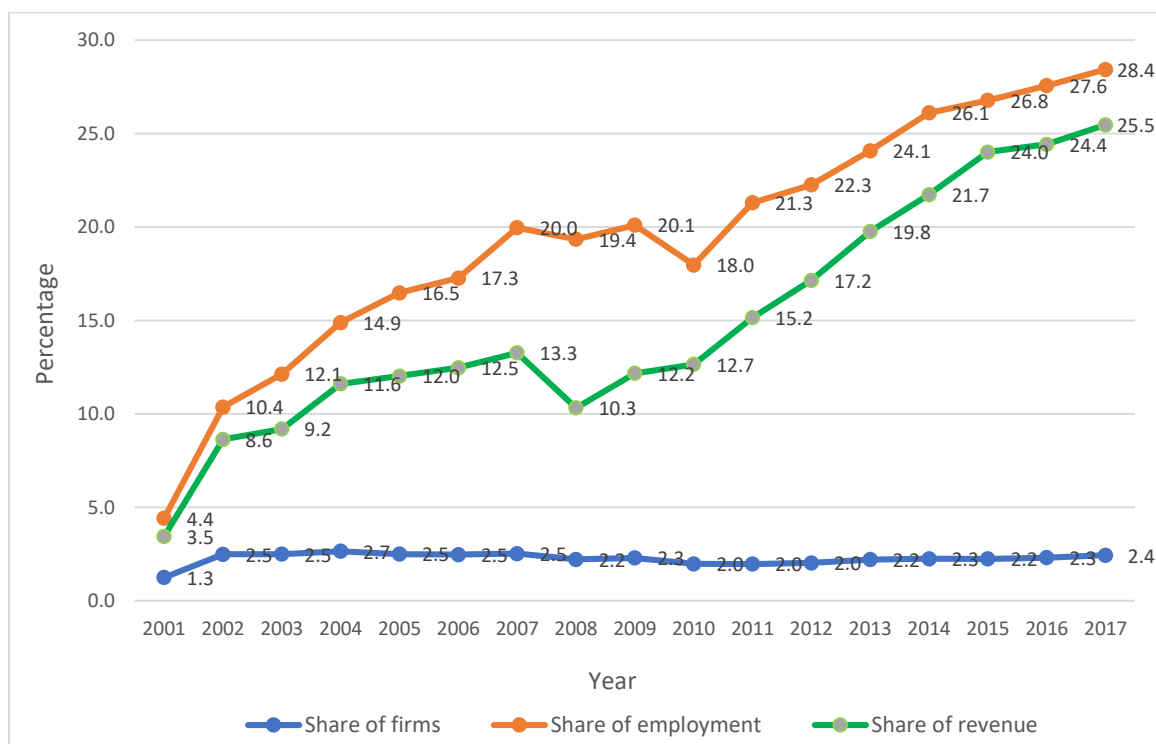
Figure 1. The number of FDI firms



Source: Authors’ estimations from the firm-level data of Vietnam Enterprise Censuses.

Although the number of domestic firms has increased over time, the FDI firms play an increasingly important role in the economy. Figure 2 shows that the proportion of FDI firms in the total number of firms was stable over time, since the number of domestic firms also increased. However, the share of revenue and workers from FDI firms in the total revenue and workers is increasing over time. In 2017, although FDI firms accounted for between 2.4% of the total, their share in total employment and revenue of firms was 28.4% and 25.5%, respectively. This highlights the important role of FDI in creating jobs and stimulating economic growth in Vietnam.

Figure 2. FDI firms' share in firms, employment, and revenue

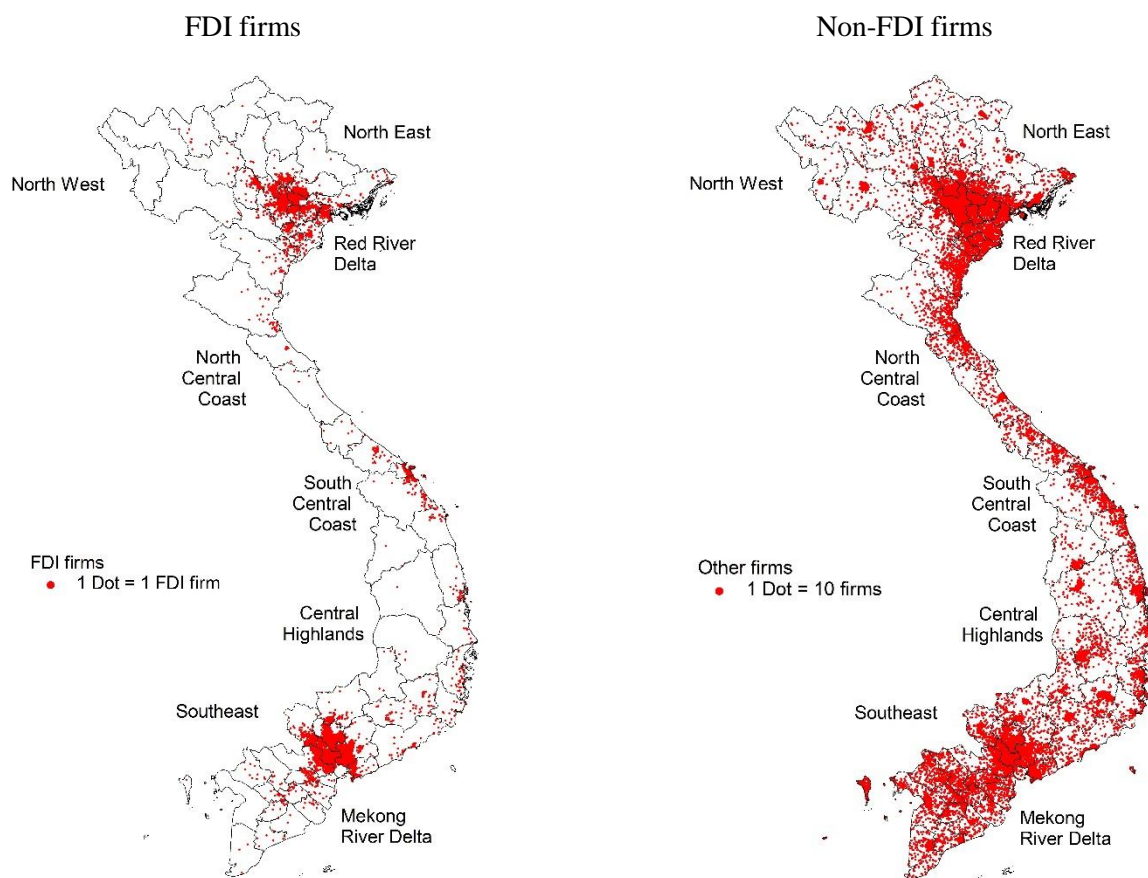


Source: Authors' estimations from the firm-level data of Vietnam Enterprise Censuses.

Figure 3 presents the spatial distribution on firms in 2017. Most FDI firms are located in Red River Delta and Southeast. The top 5 provinces with the highest number of FDI firms are HCM city, Binh Duong, Hanoi, Dong Nai and Bac Ninh. Compared with FDI firms, non-FDI or domestic firms are more scatters They are also concentrated in Red River Delta and

Southeast. However, there are a relatively number of domestic firms in Mekong River Delta and Central Coast.

Figure 3. Geographic location of FDI and other firms in 2017



Source: Authors' estimations from the firm-level data of Vietnam Enterprise Censuses.

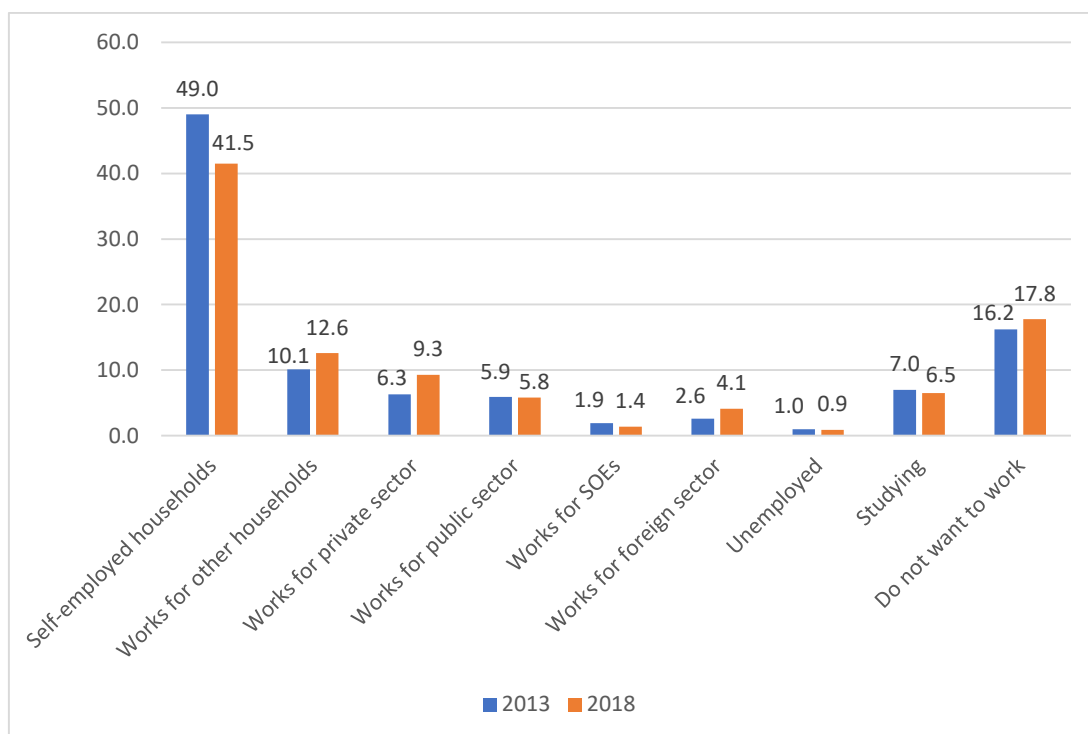
4. Characteristics of FDI workers

4.1. Share of FDI workers

As mentioned, the FDI sector accounts for nearly one-third of employment in all the firms. In Figure 4, we examine the share of employment from the foreign sector in Vietnam using the LFSs in 2013 and 2018. This figure presents the distribution of the whole population by the employment status. We consider the whole population instead of labor force in order to see the proportion of students and people who don't want to work.

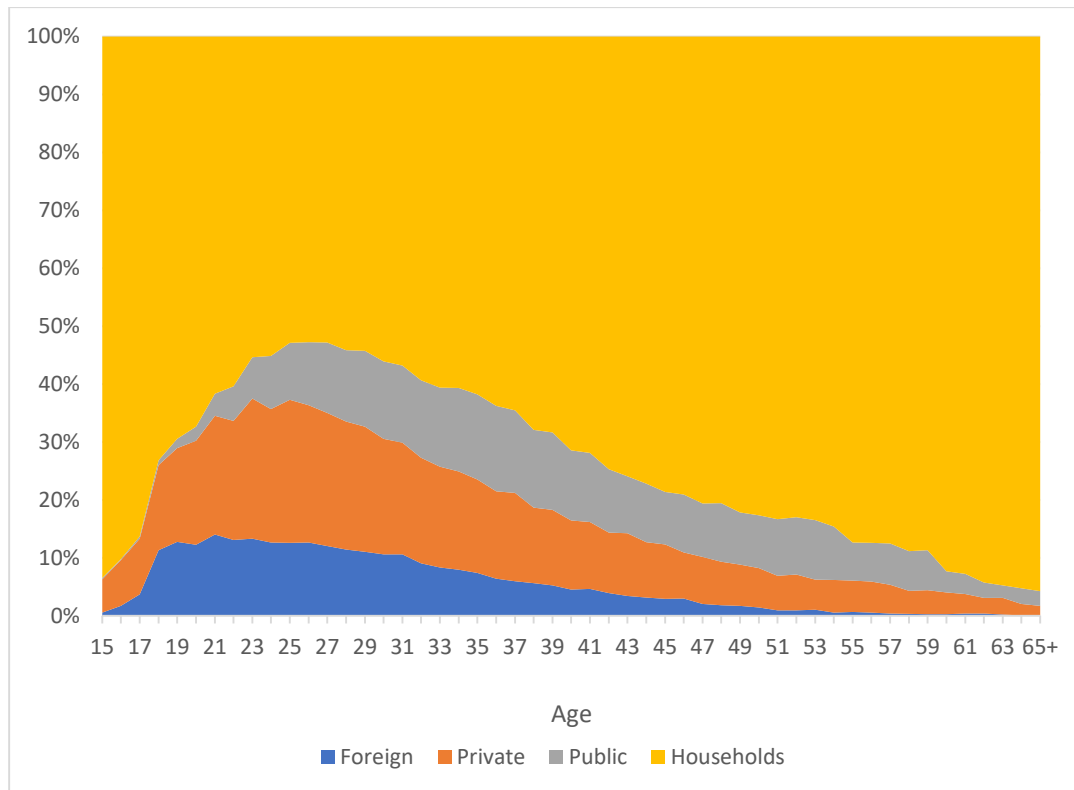
Figure 4 shows that there is a large share of population who are self-employed or working for their households. It means that despite the high economic growth in the recent decades Vietnam is still a country with a large informal and agricultural sector. However, the proportion of self-employed workers tends to decrease over time. In 2018, 41.5% of population were self-employed. Around 12.6% of the population worked for other households in 2018. In this study, domestic firms and organizations are defined as the private sector. It shows that the share of people working for the private sector increased, while the share of people working for SOEs decreased over time. This reflects the privatization and equitization of SOEs. The share of people who were working for the foreign sector increased from 2.6% in 2013 to 4.1% in 2018.

Figure 4. Share of population by employment status (%)



Source: Authors' estimation using data from LFSs 2013 and 2018.

Figure 5. Share of working people by sectors, 2018



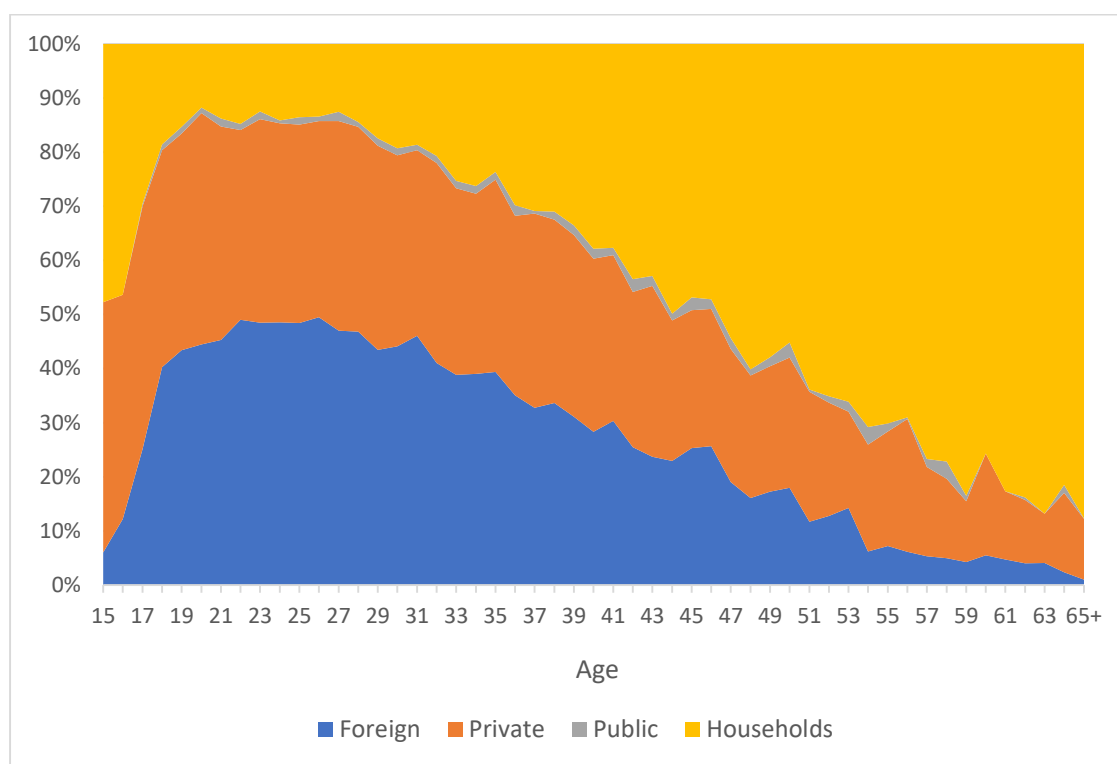
Source: Authors' estimation using data from LFS 2018.

In Figure 5, we examine the share of working people aged from 15 (both self-employed and employed) by sectors for 2018. People who are not working (unemployed, studying or do not want to work) are excluded from the sample. Workers from FDI account for 5.6% of the total working people. Workers in private and public sectors account for 12.4% and 9.6%, respectively. It shows that the proportion of people working for the FDI sector is highest at the age 21. The FDI sector tends to attract young people. The proportion of working for the private sector is highest among people aged 25. The proportion of people working for the FDI and private sectors decreases as age increases. However, there is no evidence that there is a sharp fall in the working age at a given age. For the FDI sector, the share of working people is not suddenly decreased after age 35. The proportion of people working in the public

sector is highest at age around 35. The proportion of people working in the public sector is stable until age 55.

In Figure 6, we limit the sample of working people to top 5 FDI industries, the proportion of people working in FDI as well as private sectors is highest at around age 23. The share of workers in the public sector is very small in these industries. Compared with the FDI sector, the private sector has a more stable share of workers across age.

Figure 6. Share of working people by the main FDI industries, 2018



Note: The sample includes workers in the top 5 FDI industries including Leather products, Garment & textile, Electronic & electric equipment, Food processing, and Furniture.
Source: Authors' estimation using data from LFS 2018.

It should be noted that the foreign sector includes FDI workers and those who are working in international organizations such as embassies, United Nations and World Banks. The share of workers in the international organizations account for only 0.3% of total workers

in the foreign sector. In the following analysis, we focus on the FDI workers. Thus, individuals who are working for international organizations are dropped from the sample.

In the following analysis, we focus on wage-earning workers who work for FDI firms, private firms, and public sector (including both firms and organization). Self-employed workers and those working for households are dropped. The restricted sample allows comparison between FDI workers and more similar workers in private and public sector.

Table 1 presents the share of workers by industries. Half of workers in the FDI sector were working in industries of leather, garment and textile in 2018. 36% of workers in the FDI sector were working in the manufacture industry, especially in the electronic and electric equipment industry.

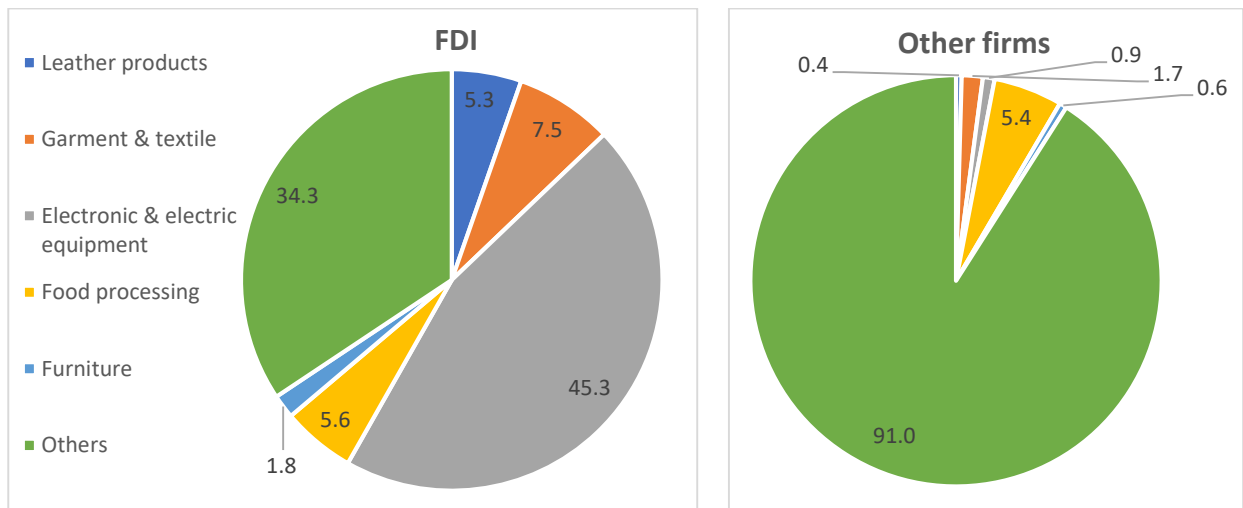
Table 1. Share of workers by industries

	2013			2018		
	FDI	Private	Public	FDI	Private	Public
<i>One-digit industries</i>						
Agriculture	0.3	0.8	2.8	0.2	1.0	2.6
Fishery	0.2	0.3	0.0	0.0	0.5	0.1
Mining	0.3	1.2	2.0	0.2	1.0	1.3
Processing	5.0	9.6	1.6	2.6	8.6	0.5
Leather, garment & textile	51.9	18.8	1.6	53.0	21.3	1.3
Wood and paper	2.2	2.9	0.2	1.1	2.5	0.1
Manufacture	30.9	18.1	6.3	36.1	18.4	5.6
Construction	0.7	9.6	1.8	0.4	6.4	0.8
Trade	2.3	15.3	1.5	1.9	14.9	1.1
Services	6.2	23.3	82.2	4.4	25.4	86.7
Total	100	100	100	100	100	100
<i>Main FDI industries</i>						
Leather products	24.9	6.0	0.1	29.7	6.3	0.1
Garment & textile	27.0	12.8	1.5	23.3	14.9	1.2
Electronic & electric equipment	11.4	1.6	0.3	19.8	2.6	0.1
Food processing	4.5	8.7	1.3	2.2	7.9	0.3
Furniture	4.6	2.5	0.1	3.0	1.9	0.0
Others	27.5	68.4	96.9	22.0	66.4	98.3
Total	100	100	100	100	100	100

Source: Authors' estimation using data from LFSs 2013 and 2018.

In Figure 7, we use the Vietnam Enterprise Census 2017 to estimate the share of revenues by industries. Although the electronic and electric equipment industry accounts for 20% of the total number of workers in the FDI sector, this industry accounts for 45% of the total revenue of the FDI sector. The industries of leather, garment and textile account for 50% of the number of FDI workers, but account for only around 13% of the total revenues of the FDI sector.

Figure 7. Share of firm revenues, 2017



Source: Authors' estimations from the firm-level data of Vietnam Enterprise Censuses.

Table 2 presents the main demographic characteristics of workers in 2013 and 2018. The characteristics of workers are quite similar in 2013 and 2018. For interpretation, we use the estimates in 2018. It shows that nearly two-thirds of workers in the FDI sector are female. Most female workers are working in industries of leather, garment and textile. Around 20% of FDI workers have primary education and lowers. Most of workers (66%) have the lower- or upper-secondary education. 13% of FDI workers have post-secondary or tertiary education. Compared with private and public sectors, the FDI sector has a lower share of workers who have tertiary education.

Compared with workers in the private and public sectors, the FDI workers are more likely to live in rural areas. 63% of FDI workers are living in rural areas. FDI firms are mainly located in rural areas. There is a large proportion of the FDI workers living Southeast and Red River Delta, since a large number of FDI firms are located in these regions. Central Highlands and Central Coast have the smallest proportion of FDI workers.

Table 2. Characteristics of workers

	2013			2018		
	FDI	Private	Public	FDI	Private	Public
% by gender						
Female	65.4	43.2	46.1	67.2	46.0	49.3
Male	34.6	56.8	53.9	32.8	54.0	50.7
% by marital status						
Single	32.1	31.3	15.3	26.5	28.1	12.7
Married	64.2	65.1	81.5	69.6	67.9	83.4
Widowed	1.2	1.2	1.4	1.1	1.2	1.6
Divorced/separated	2.6	2.4	1.8	2.8	2.8	2.4
% by education level						
Less than primary education	5.3	5.2	0.9	3.7	4.0	0.7
Primary education	16.7	13.3	2.8	15.6	12.5	2.4
Lower-secondary education	36.2	31.0	10.8	33.7	25.1	6.7
Upper-secondary education	31.0	29.3	31.4	33.9	30.7	24.6
Post-secondary education	10.7	21.1	54.2	13.0	27.7	65.7
% by migration status: time living in current areas						
Less than 6 months				1.3	1.3	0.4
6 to less than 12 months				1.5	1.3	0.6
12 months to 5 years				11.0	7.9	4.5
5 years and longer				86.2	89.5	94.5
% by urban/rural areas						
Urban	49.8	55.3	56.7	37.2	51.9	56.7
Rural	50.2	44.7	43.3	62.8	48.1	43.3
% by regions						
Northern mountain	23.3	29.9	26.9	10.3	5.7	13.3
Red River Delta	5.3	4.7	13.2	29.2	29.9	26.5
Central Coast	6.6	14.6	20.4	7.6	17.4	21.8
Central Highlands	0.4	1.7	5.7	0.2	1.4	5.5
Southeast	56.5	34.2	19.8	42.7	30.7	18.3
Mekong River Delta	7.9	15	14	9.9	14.9	14.5

Source: Authors' estimation using data from LFSs 2013 and 2018.

Table 3 presents the characteristics of employment in different sectors. 75% of the FDI workers are skilled workers (include machine workers). 9.6% and 8.6% of the FDI

workers are professionals/technicians and clerks, respectively. Compared with the private and public sector, the share of these occupations is lower in the FDI sector.

Around one-thirds of the FDI workers have the permanent labor contract. 56.5% of the FDI workers have the one-three year contract. Around 10% of the FDI workers have the labor contract less than one year. Only 1% of the FDI workers have verbal contract or no contract. Compared with the private sector, the FDI sector has a lower rate of workers with verbal or no contract.

In LFSs, there is a question on the duration of the current job. 10% of the FDI workers have been worked the current job less than one year, 56% have been worked for 1-5 years, and 25% have been worked for 5-10 years. Around 9% of the FDI workers have been worked for 10 years or longer. The duration of the current job of the FDI workers is very similar to workers in the private sector. Workers in the public sector have a longer duration of experiences. Nearly half of the public workers have been worked for the same job for 10 years and longer. This finding is consistent with the fact that workers in the public sector are older than those in the FDI and private sectors.

Regarding the payment method, there is a relatively large proportion of the FDI workers receiving daily wages (31% of workers) or piece payment. (22% of workers). It means that the proportion of workers receiving monthly wages is lower in the FDI sector than the private and public sectors. Monthly wages are less fluctuated than daily wages and piece payment. In addition, there are no daily minimum wages in Vietnam.

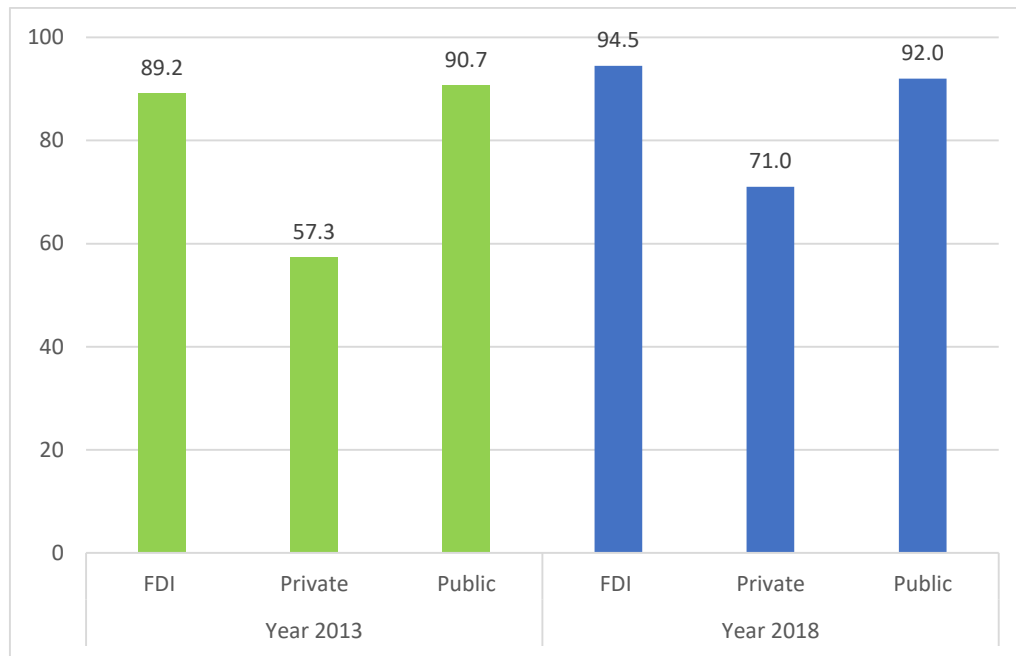
Table 3. Employment characteristics of workers

	2013			2018		
	FDI	Private	Public	FDI	Private	Public
% by occupation						
Leaders/Managers	0.2	1.2	6.5	0.1	1.1	6.9
Professionals/Technicians	10.7	21.9	60.2	9.6	24.1	63.6
Clerks/Service Workers	9.4	18.0	17.5	8.6	18.1	16.7
Agriculture/Forestry/Fishery	0.2	0.7	0.6	0.2	1.0	0.5
Skilled Workers	72.0	46.2	11.7	74.9	44.9	9.3
Unskilled Workers	7.6	12.1	3.5	6.6	10.8	3.1
Not working	0.1	0.0	0.0	0.0	0.0	0.0
% by labor contracts						
Permanent contract	40.0	38.7	86.8	32.0	28.8	82.9
1-3 year contract	51.2	35.1	8.7	56.5	45.4	11.1
Less than one year contract	6.8	8.5	2.3	10.5	14.0	3.9
Verbal contract	1.2	12.0	0.7	0.6	8.6	0.7
No contract	0.8	5.7	1.4	0.4	3.2	1.4
% by duration of current job						
Working less than one year	13.4	14.6	3.8	10.3	11.5	2.9
1 to less than 5 years	61.6	54.9	30.2	56.3	49.7	23.2
5 to less than 10 years	19.4	20.4	24.6	24.5	24.0	24.5
10 years and longer	5.6	10.2	41.4	8.9	14.8	49.4
% by payment methods						
Monthly wages	48.5	57.9	92.4	46.2	62.4	94.2
Daily wages	29.2	22.0	3.0	31.0	17.9	2.4
Piece payment	22.1	19.6	4.4	22.1	17.7	2.8
Commission	0.1	0.4	0.2	0.6	1.9	0.5
Other payment method	0.0	0.0	0.0	0.1	0.1	0.1
% by suitability of the current job for training specification						
Yes				66.8	61.6	82.6
No				11.1	14.0	8.7
Not trained				21.1	23.0	8.3
Don't know				1.0	1.4	0.4

Source: Authors' estimation using data from LFSs 2013 and 2018.

An important issue in employment quality is the social insurance enrolment. Nearly 95% of the FDI workers had social insurance in 2018. This rate is slightly higher than in the public sector. The private sector has a lower rate of workers with social insurance, at 71%. However, the rate of workers with social insurance in the private sector increased significantly from 2013 to 2018. This indicates the expansion of the formal sector and the increase in the compliance to social insurance.

Figure 8. The proportion of workers having social insurance (%)



Source: Authors' estimation using data from LFSs 2013 and 2018.

Table 4 presents the rate of workers with social insurance by age groups and industries. The proportion of the FDI workers with social insurance is lower for younger people, aged 15-19, and older people, aged from 55. The groups might have a short-term contract and do not receive social insurance. They can be less advantaged and more vulnerable, therefore should receive attention from the government. By industries, workers in the food process have the lowest proportion of social insurance, at 88%.

Table 4. The proportion of workers with social insurance by age group and industries

	2013			2018		
	FDI	Private	Public	FDI	Private	Public
<i>Age groups</i>						
15-19	83.6	38.3	46.9	84.4	51.2	65.3
20-24	86.8	50.2	85.2	94.3	67.2	84.2
25-29	92.7	63.7	93.6	96.2	75.7	94.5
30-34	91.3	66.1	95.6	97.0	78.2	96.8
35-39	90.8	60.2	96.3	96.8	76.6	96.5
40-44	87.4	56.2	93.4	94.9	73.1	96.7

	2013			2018		
	FDI	Private	Public	FDI	Private	Public
45-49	82.8	54.3	91.9	90.9	66.3	94.5
50-54	72.3	52.9	90.1	84.2	58.8	90.9
55-59	75.2	42.0	80.2	62.8	50.3	78.6
60-64	60.1	29.0	44.1	58.0	38.6	39.2
65+	100.0	38.2	23.9	52.2	24.4	22.0
Industries						
Leather products	93.2	71.5	90.3	97.3	84.3	94.3
Garment & textile	88.6	65.6	93.4	95.9	83.0	96.0
Electronic & electric equipment	89.6	69.8	91.7	94.3	77.1	97.9
Food processing	84.3	44.4	75.9	88.2	61.8	76.9
Furniture	87.1	46.6	78.9	93.1	57.2	49.6
Others	87.0	56.3	90.9	90.3	68.3	92.0
Total	89.2	57.3	90.7	94.5	71.0	92.0

Source: Authors' estimation using data from LFSs 2013 and 2018.

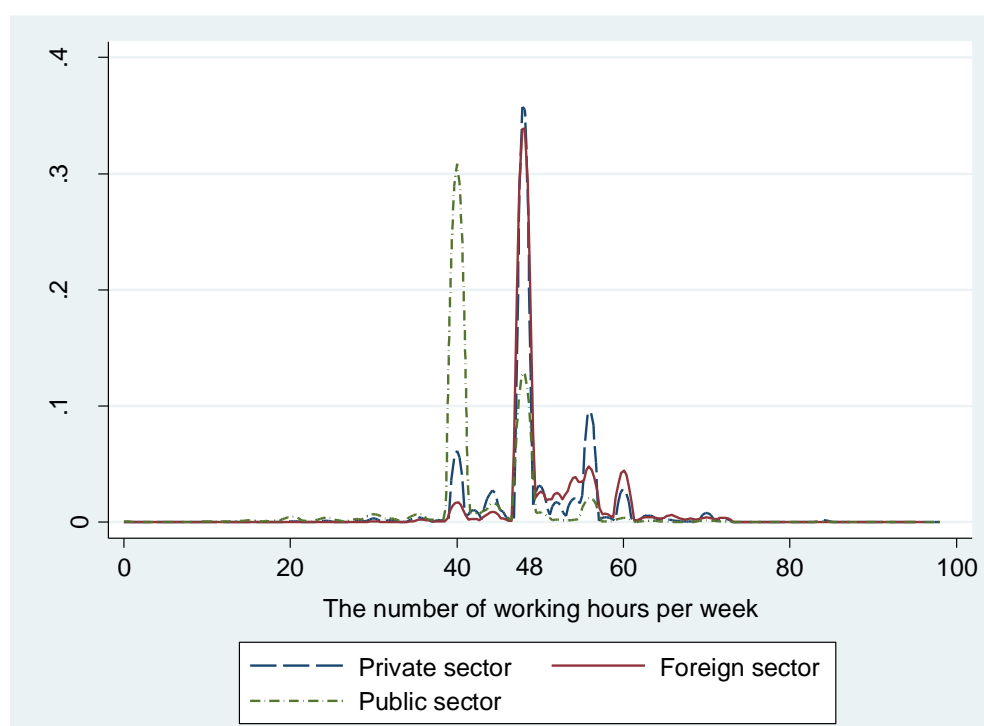
5. Working time and wages

For wage workers, the average number of working hours in a typical week has remained relatively unchanged between 2013 and 2018, with 47.5 and 47.4 hours, respectively. These working hour data are actual total hours worked per week. Workers in the private and FDI sectors have a higher number of working hours than those in the public sector. Specifically, in 2018 the average number of working hours per week was 50.7 and 49.5 for workers in the FDI and private sectors, respectively (reported in the last row of Table 5 below). The public workers had the average number of working hours at 42.4 in 2018.

Figure 9 shows that there are a large number of people working at 48 hours, then 40 and 56 hours per week. There is a peak at 48 and 56 hours for the FDI workers. It should be noted that these estimates come from the survey question, “With the above job, how many hours do you usually work in a week?”. It is possible that the reported working hours may contains hours of “overtime” work. The peaks of 40 hours and 48 hours may indicate that actual working hours are within the statutory weekly working hours of 40 and 48. The third peak of 56 hours weekly work can be seen as including 8 hours of “overtime” work per week.

It should be noted that in LFSs there are two questions on the number of working hours. The first is the one mentioned above, which collects information on the number of working hours in a typical week. The second is the question asking respondents about the number of working hours in the previous week. The difference between these two estimates is small. The number of working hours in a typical week was around 0.6 hours higher than the number of working hours in the previous week. To estimate the number of working hours per month, we multiple the number of working hours per week by 4.357 (which is 30.5 days per month divided by 7 days per week).

Figure 9. Working hours in a typical week

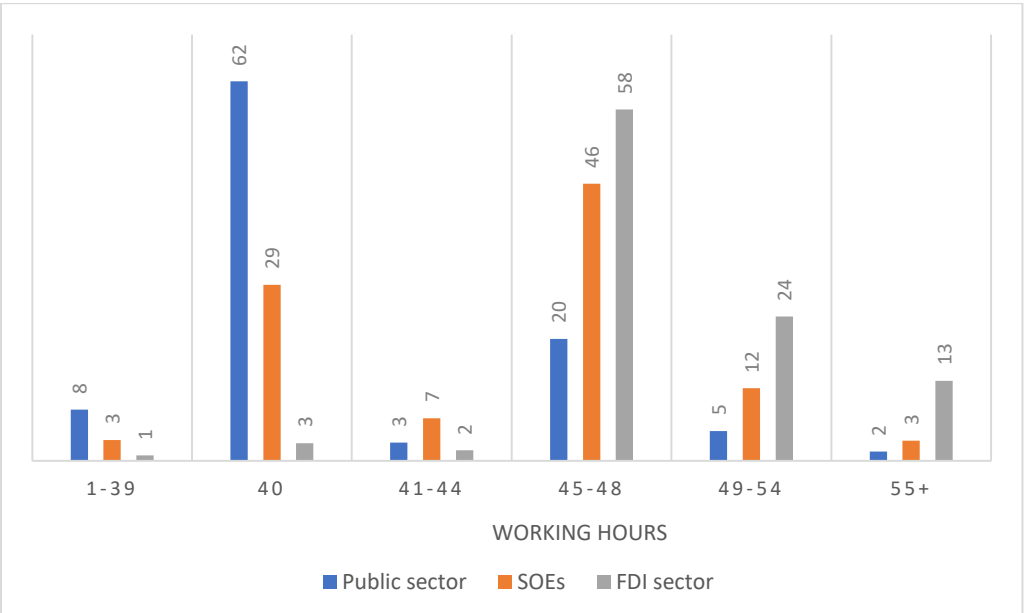


Source: Estimation from LFS 2013 and 2018

Figure 10 presents the distribution of workers by the level of working hours in 2018. For the FDI sector, less than 1% of workers had the number of working hours from 1 to 39 in 2018. 3% of the FDI workers worked 40 hours per week. Most workers have the working

hours from 45 to 55. 60% of the FDI workers worked for 45-48 hours a week. If the statutory weekly working hours of 48 hours is applied, any work above 48 hours a week would be “overtime” work. Among FDI workers who work more than 48 hours a week, 24% worked between 49 and 54 hours, while 13% of workers worked more than 54 hours a week. Especially, 3.8% of the FDI workers had the number of working hours above 60. Compared with the private and public sectors, the FDI sector has a larger share of workers having overtime working hours.

Figure 10. Distribution of workers by the number of working hours per week in 2018 (%)



Source: Authors’ estimation using data from LFS 2018.

By age groups, the FDI workers older than 60 have the lowest number of working hours, though the gap between their working hours and younger’s working hours is not large, at around 3 hours. Young workers aged below 25 have the highest number of working hours, at 51. By industries, workers in the furniture have the highest number of working hours, at 52.9, while workers in the food process have the lowest number of working hours, at 49.3.

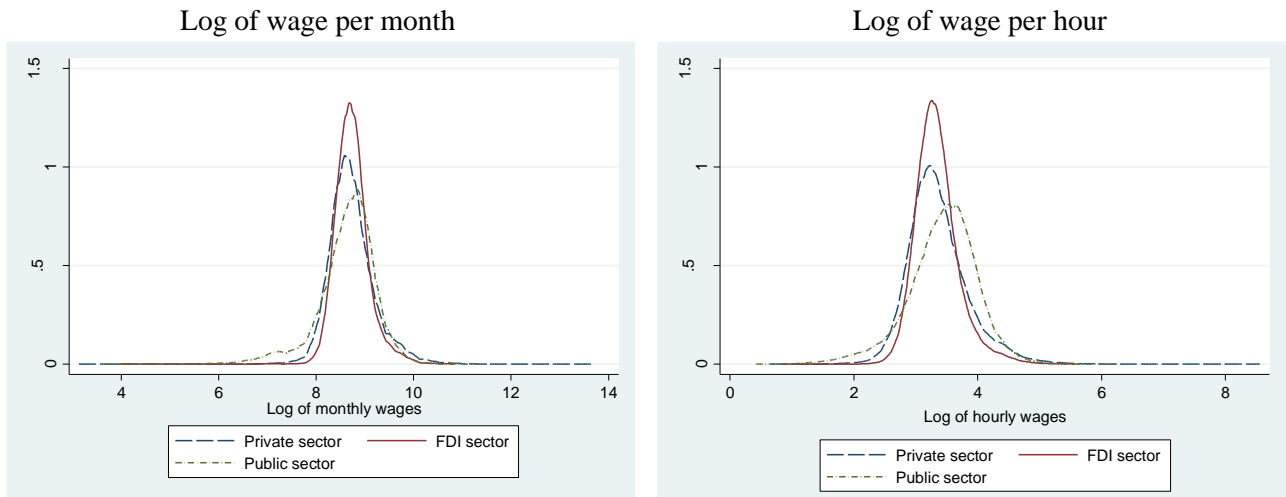
Table 5. The number of working hours in a typical month

	2013			2018		
	FDI	Private	Public	FDI	Private	Public
Age groups						
15-19	52.4	51.7	50.1	50.9	50.4	44.2
20-24	51.7	50.4	43.8	51.0	49.4	43.2
25-29	51.4	49.8	43.5	50.8	49.4	43.2
30-34	50.8	49.9	43.1	50.7	49.5	42.9
35-39	51.1	50.1	43.2	50.7	49.4	42.6
40-44	50.3	50.3	43.4	50.3	49.7	42.6
45-49	49.2	50.4	43.2	49.6	49.5	42.6
50-54	48.6	50.0	42.9	49.5	49.0	42.4
55-59	48.0	49.8	41.8	50.5	49.0	40.6
60-64	44.2	51.3	38.1	47.4	49.1	36.1
65+	51.2	47.1	32.6	47.4	46.1	31.6
Industries						
Leather products	51.1	51.0	48.7	50.3	50.5	53.3
Garment & textile	52.0	51.4	49.4	51.0	50.9	48.6
Electronic & electric equipment	51.4	50.0	46.1	51.8	50.3	47.2
Food processing	48.2	50.9	49.3	49.3	50.0	49.0
Furniture	60.3	52.4	48.4	52.9	52.6	60.7
Others	49.3	49.7	42.9	49.5	48.8	42.3
Total	51.2	50.2	43.1	50.7	49.5	42.4

Source: Authors' estimation using data from LFSs 2013 and 2018.

Figure 11 presents the distribution of monthly wages and the average wage of hours. In the LFSs, there is a question on the total wages that an individual received in the previous month. To estimate the average wage per hour, we divide total wage of the main job in the previous month by the number of working hours of the main job in the previous month. The distribution of monthly wages is very similar between different sectors. Regarding hourly wages, there is a more variation in the hourly wages of workers in the private and public sectors than that in the FDI sector.

Figure 11. Kernel distribution of workers by wages

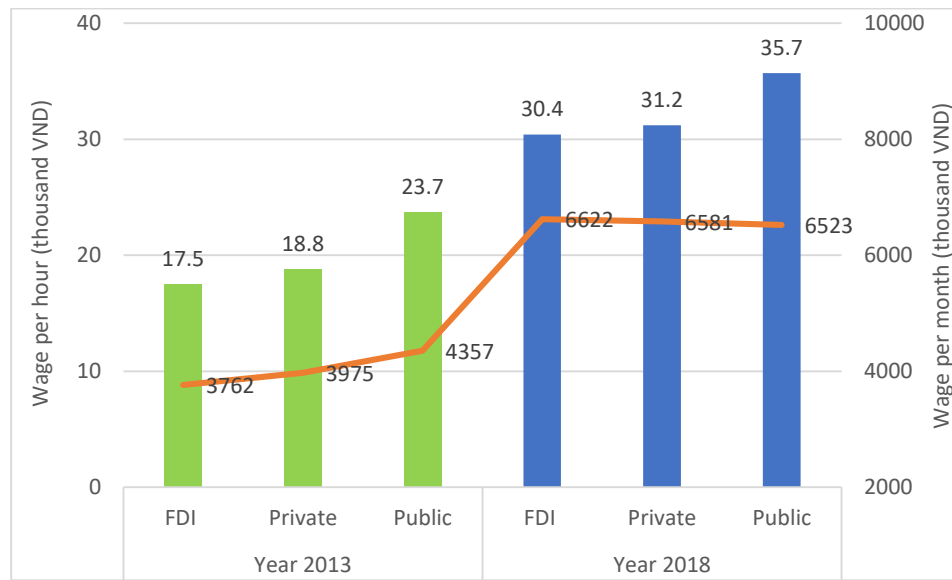


Source: Estimation from LFS 2013 and 2018

The FDI workers had a lower average wage per month than workers in the private and public sectors in 2013. In 2018, there are almost no differences in monthly wages between the FDI workers and workers in the private and public sectors. It means that the monthly wage increases at a higher rate in the FDI sector than other sectors. However, when the number of working hours is taken into account, workers in the FDI are paid than those in the private and public sector. The average wage per hour of the FDI workers was 30.4 thousand VND in 2018, slightly lower than that of workers in the private sector (31.2 thousand VND) and the public sector (35.7 thousand VND).

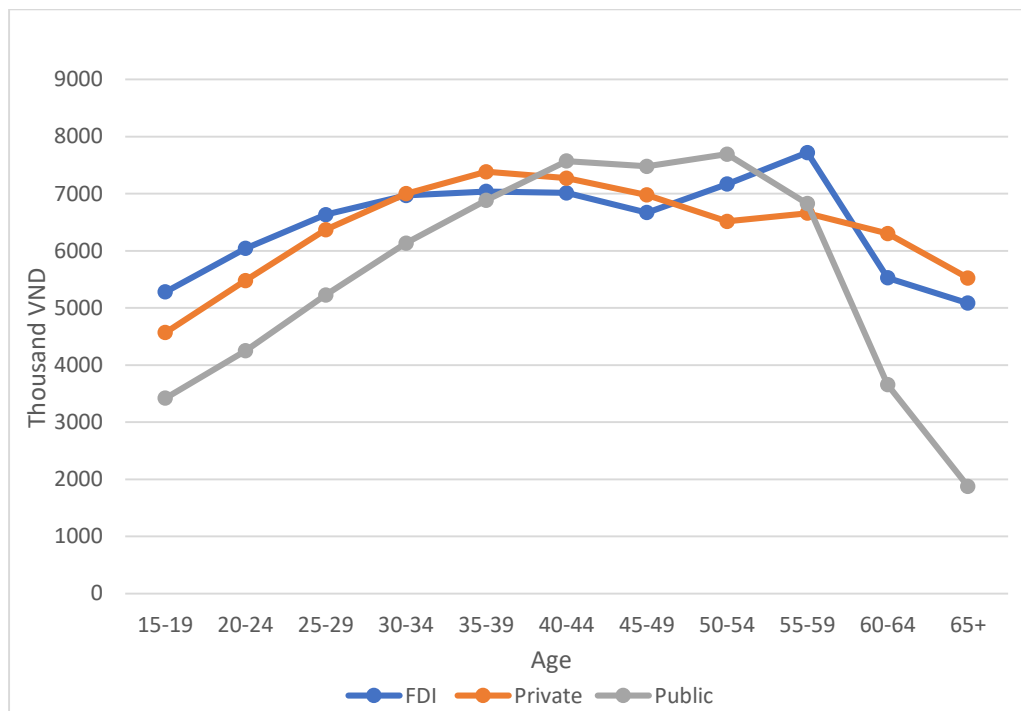
Figure 13 shows an inverted-U shape relation between age and wages for workers in all the three sectors. Wages tend to be highest for people at the middle age and lowest for younger and older people.

Figure 12. The average wages by sectors (thousand VND)



Source: Estimation from LFS 2013 and 2018, current price.

Figure 13. Wages per month by age groups in 2018 (thousand VND)



Source: Estimation from LFS 2018

By industries, FDI workers in the garment and textile industry have the lowest wages per month as well as per week (Table 6). Workers in group ‘others’ have the highest wages.

Table 6. Average wages per month and per hour (thousand VND, 2018)

	Wage per month			Wage per hour		
	FDI	Private	Public	FDI	Private	Public
Age groups						
15-19	5277.6	4568.5	3419.8	23.8	21.0	18.0
20-24	6040.3	5478.9	4249.3	27.4	25.8	22.8
25-29	6633.0	6369.8	5226.7	30.3	30.1	28.0
30-34	6968.1	6997.8	6131.9	32.1	33.2	33.3
35-39	7037.0	7381.2	6884.6	32.4	35.0	37.7
40-44	7013.5	7271.4	7570.9	32.6	34.4	41.4
45-49	6668.5	6977.4	7479.0	31.3	32.9	41.0
50-54	7168.0	6513.9	7690.3	33.5	31.4	42.3
55-59	7718.9	6656.6	6825.3	36.1	32.5	38.5
60-64	5526.7	6301.0	3654.1	26.9	31.0	23.4
65+	5081.6	5521.6	1876.0	24.6	30.9	15.6
Industries						
Leather products	6320.1	5534.3	5668.5	29.1	25.4	25.6
Garment & textile	5801.4	5313.1	6308.7	26.2	24.2	30.2
Electronic & electric equipment	6653.8	6098.5	7740.3	29.6	28.3	38.4
Food processing	7063.4	5547.6	6403.3	33.3	25.8	31.0
Furniture	7370.8	6113.1	5557.2	32.4	26.9	22.8
Others	7722.8	7121.0	6524.9	36.7	34.2	35.8

Source: Authors’ estimation using data from LFSs 2013 and 2018.

There are differences in wages between the FDI workers and those in the private and public sectors. However, the FDI workers and workers in other sectors also differ in demographic characteristics such as age, gender and education. To examine whether the FDI workers are underpaid, we use OLS regression to compare the wages between sectors with controlling for observed characteristics. Table 7 specifies OLS regressions of the number of working hours, wages per month, and wages per hour on the dummy variables indicating the FDI and public sectors (the reference group is workers in the private sector). The data used in this regression are from the 2018 LFS. We control for a large number of observed variables including demographic, education, occupation, industries, urban and province fixed effects.

For each outcome, there are two models: one with controlling for only age and gender, and another with controlling for the full explanatory variables.

The descriptive analysis shows that the FDI workers have a higher number of working hours than the private and public sectors. This is consistent with the estimate in column 1 in Table 7. After age and gender are controlled, the number of working hours of the FDI workers is around 2.7 percent higher than that of the public sector. When the full explanatory variable are controlled for, the coefficient of the FDI sector becomes negative and statistically significant. The magnitude is quite small, at 0.008. It means that the FDI workers have the number of working hours 0.8 percent lower than the private workers. The coefficient of the public sector remains negative and significant. The number of working hours of public workers is around 12% lower than that of the private workers.

The average wages per month and per week of the FDI workers are very similar to those of workers in the private sector (Figure 12). However, after differences in observed characteristics of workers are controlled for, the FDI workers have higher wages than the private as well as public workers. The full model in column 4 of Table 7 show that wages per month of the FDI workers are around 8% higher than that of the private workers. The FDI workers also have higher wages per hour than workers in the private and public sectors. It is interesting that public workers have lower wages than workers in the private as well as FDI workers once the explanatory variables controlled for.

Table 7. OLS regression of working hours and wages, 2018

Explanatory variables	Dependent variables					
	Log of weekly working hours	Log of weekly working hours	Log of monthly wage	Log of monthly wage	Log of hourly wage	Log of hourly wage
	(1)	(2)	(3)	(4)	(5)	(6)
Private sector	<i>Reference</i>					
FDI sector	0.027***	-0.008*	0.083***	0.084***	0.057***	0.093***

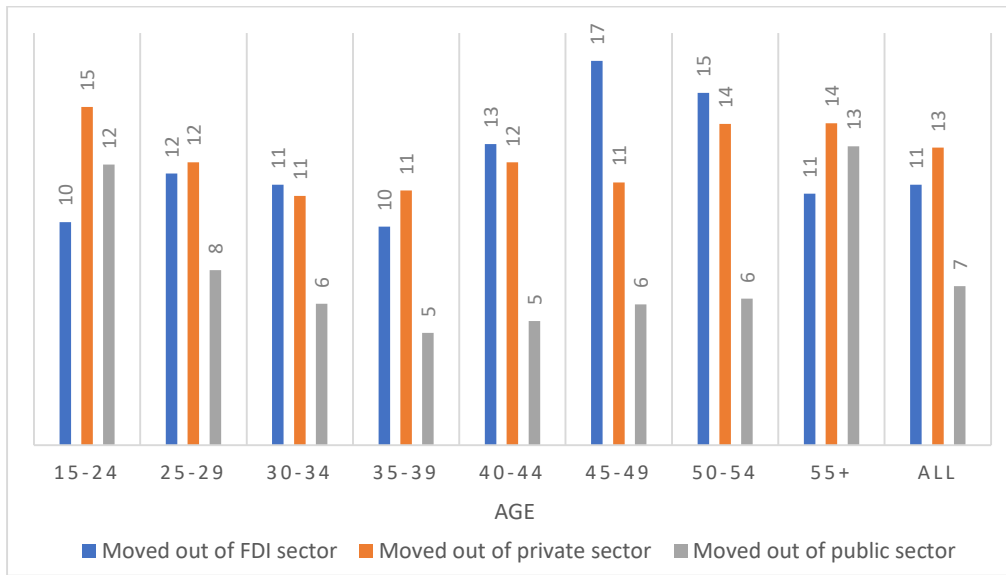
Explanatory variables	Dependent variables					
	Log of weekly working hours	Log of weekly working hours	Log of monthly wage	Log of monthly wage	Log of hourly wage	Log of hourly wage
	(1)	(2)	(3)	(4)	(5)	(6)
	(0.007)	(0.004)	(0.015)	(0.009)	(0.017)	(0.010)
Public sector	-0.153***	-0.122***	-0.085***	-0.280***	0.068***	-0.158***
	(0.005)	(0.004)	(0.012)	(0.010)	(0.013)	(0.009)
Age	0.020***	0.024***	0.151***	0.144***	0.131***	0.120***
	(0.002)	(0.002)	(0.006)	(0.005)	(0.006)	(0.004)
Age squared	0.008***	0.009***	0.080***	0.043***	0.072***	0.034***
	(0.001)	(0.001)	(0.003)	(0.002)	(0.002)	(0.001)
Male	-0.000***	-0.000***	-0.001***	-0.001***	-0.001***	-0.000***
	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)	(0.000)
Migrant (living in the current area less than one year)		-0.001		0.023*		0.023*
		(0.005)		(0.013)		(0.013)
Less than primary education	<i>Reference</i>					
Primary education		0.004		0.040***		0.036***
		(0.005)		(0.012)		(0.012)
Lower-secondary education		-0.005		0.064***		0.069***
		(0.006)		(0.013)		(0.013)
Upper-secondary education		-0.008		0.129***		0.137***
		(0.006)		(0.015)		(0.015)
Post-secondary education		-0.027***		0.341***		0.368***
		(0.006)		(0.017)		(0.017)
Have vocational training		-0.017***		0.031***		0.048***
		(0.003)		(0.009)		(0.008)
Leaders/Managers	<i>Reference</i>					
Professionals/Technicians		0.000		-0.199***		-0.199***
		(0.004)		(0.016)		(0.015)
Clerks/Service Workers		0.022***		-0.411***		-0.433***
		(0.005)		(0.019)		(0.018)
Agriculture/Forestry/Fishery		0.039**		-0.341***		-0.383***
		(0.018)		(0.038)		(0.033)
Skilled Workers/Machine Operators		0.047***		-0.225***		-0.272***
		(0.005)		(0.019)		(0.019)
Unskilled Workers		0.028***		-0.346***		-0.374***
		(0.006)		(0.020)		(0.019)
Household size		0.001		-0.001		-0.001
		(0.000)		(0.001)		(0.001)
Proportion of children (below 15) in family		-0.028***		-0.007		0.021*
		(0.005)		(0.013)		(0.012)
Proportion of older people (above 64) in households		-0.032***		-0.129***		-0.097***
		(0.008)		(0.020)		(0.018)
Urban areas (urban=1, rural=0)		0.001		-0.067***		-0.067***
		(0.004)		(0.009)		(0.009)
Others	<i>Reference</i>					
Leather products		0.012*		-0.020		-0.032***
		(0.007)		(0.013)		(0.012)
Garment & textile		0.021***		-0.030***		-0.052***
		(0.003)		(0.009)		(0.009)

Explanatory variables	Dependent variables					
	Log of weekly working hours	Log of weekly working hours	Log of monthly wage	Log of monthly wage	Log of hourly wage	Log of hourly wage
	(1)	(2)	(3)	(4)	(5)	(6)
Electronic & electric equipment		0.023*** (0.004)		0.064*** (0.013)		0.041*** (0.012)
Food processing		0.017*** (0.005)		-0.012 (0.013)		-0.029** (0.013)
Furniture		0.031* (0.017)		0.007 (0.014)		-0.025 (0.026)
Working less than one year	<i>Reference</i>					
Working for 1 to less than 5 years		-0.002 (0.003)		0.093*** (0.007)		0.095*** (0.007)
Working for 5 to less than 10 years		0.003 (0.004)		0.197*** (0.008)		0.195*** (0.008)
Working from 10 years		0.023*** (0.004)		0.392*** (0.010)		0.370*** (0.009)
Province fixed effects	No	Yes	No	Yes	No	Yes
Constant	3.772*** (0.015)	3.731*** (0.018)	7.154*** (0.047)	7.943*** (0.045)	1.908*** (0.042)	2.738*** (0.039)
Observations	119,445	119,443	119,342	119,340	119,282	119,280
R-squared	0.215	0.265	0.101	0.378	0.092	0.406
Robust standard errors in parentheses.						
*** p<0.01, ** p<0.05, * p<0.1.						
Source: Authors' estimation using data from LFS 2018.						

6. Employment mobility

As mentioned, an important issue in FDI employment is labor movement. There is a view that FDI firms tend to fire workers when they are older than 35, since these workers tend to have lower productivity (due to health issues) and higher wages than younger workers. Using the 2018 LFS, we can examine the change of employment of individuals over three months. Figure 14 presents the proportion of workers who moved out of their sector after three months. 7% of the public workers quitted the public sector after three months in 2018. These people either worked in other sectors or stopped working. The proportion of FDI workers who moved out of the FDI sector was 11%. This rate is higher for the private sector, at 13% in 2018. Workers aged 45-49 are most likely to move out of the FDI sector. There is no evidence that workers move out of the FDI sector after age 35.

Figure 14. Short-term employment mobility



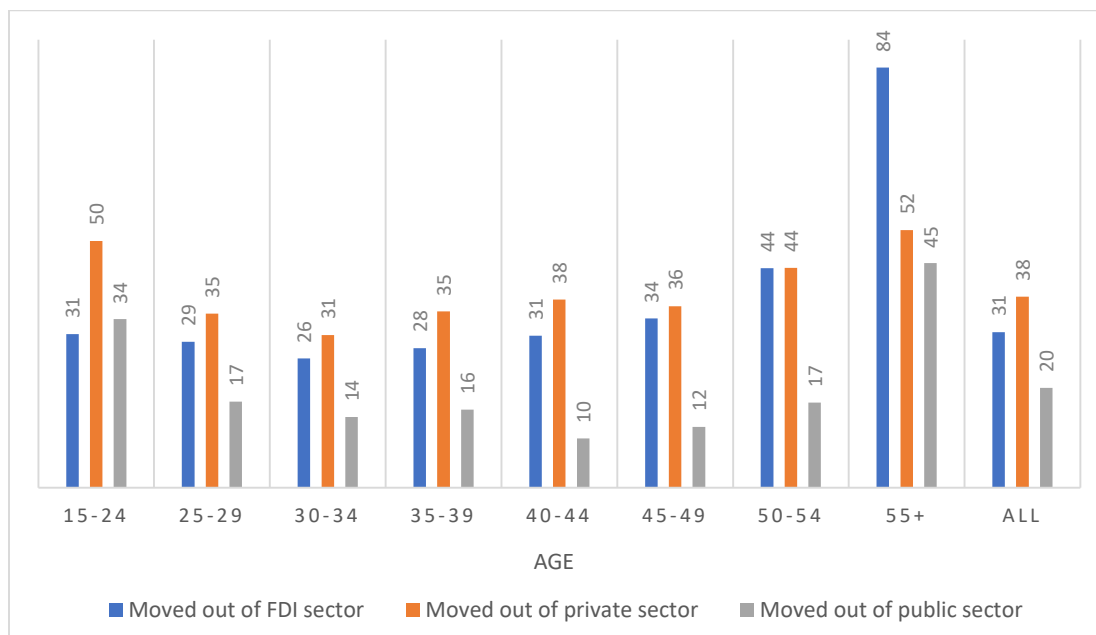
Source: Authors' estimation using data from LFS 2018.

In Table 8, we examine the short-term mobility in more details. 11% of the FDI workers moved out of the FDI sector during the three-month period. Most of the FDI workers moved to the private sector. 7.9% of the workers moved to the private sector. 1.0% of the FDI workers became self-employed, 0.6% working for other households, and 0.9% finding a job in the public sector. Only 0.2% of the FDI workers became unemployed. 0.1% of the workers quitted the FDI sector to study and 0.8% of the workers did not want to work.

Table 9 examines the short-term movement of laborers to the FDI sector. Among the FDI workers in a given quarter, 87.1% of them have been worked in the FDI sector from the previous sector. It means that 12.9% of the FDI workers have been moved to the FDI sector in the current quarter. 7.3% of the FDI workers were from the private sector. 1.3% and 0.8% of the workers were from self-employed and 'other households' group, respectively. 0.9% of the FDI workers were from the public sector, 1.3% were from 'studying' group. Among the FDI workers in the current quarter, 0.4% and 1.0% were unemployed and voluntarily unemployed in the previous quarter.

In Figure 15, we use the panel data of VHLSSs 2016 and 2018 to explore the medium-term mobility of workers (over the two-year period). The proportion of workers moving out of the current sector is higher in the medium-term than in the short-term. However, the pattern of the current sector is higher in the medium-term than in the short-term. However, the pattern of medium-term mobility is similar to the short-term mobility. Public workers are less likely to move than workers in the private and FDI sector. 20% of workers moved out of the public sector during the past two years. This rate is 31% and 38% for the FDI and private sectors, respectively. The mobility is higher for older people. However, there is no evidence that the movement out of the FDI sector is higher for people after 35 years old.

Figure 15. Medium-term employment mobility



Source: Authors' estimation using data from VHLSSs 2016 and 2018.

Tables 10 and 11 present the medium-term mobility of workers across different sectors. There is a very small proportion of unemployment for the FDI workers in the medium-term. Most workers moved between the private and FDI sectors.

Figures A.1 and A.2 present the mobility rate by gender. It shows that males are more likely to move than female in the short-term as well as the long-term periods.

Table 8. Short-term mobility out of FDI sector

		Employment status in the second quarter								Total
		Self-employed	Work for other households	Work for private sector	Work for public sector	Work for FDI sector	Study	Unemployed	Do not want to work	
Employment status in the first quarter	Self-employed	92.4	3.6	0.6	0.3	0.1	0.3	0.4	2.3	100
	Work for other households	9.5	84.7	2.9	0.3	0.2	0.5	0.3	1.6	100
	Work for private sector	1.9	3.5	87.2	3.0	3.2	0.3	0.2	0.8	100
	Work for public sector	1.3	0.7	3.7	93.2	0.5	0.1	0.0	0.6	100
	Work for FDI sector	1.0	0.6	7.9	0.9	88.6	0.1	0.2	0.8	100
	Study	14.7	16.4	11.0	2.4	5.1	38.4	3.2	8.8	100
	Unemployed	3.0	1.3	0.8	0.1	0.2	0.8	91.7	2.3	100
	Do not want to work	5.6	1.2	0.5	0.3	0.2	0.5	0.7	91.0	100
Total		41.4	12.8	9.4	8.0	4.0	0.7	6.4	17.4	100

Source: Authors' estimation using data from LFS 2018.

Table 9. Short-term mobility into FDI sector

		Employment status in the first quarter								Total
		Self-employed	Work for other households	Work for private sector	Work for public sector	Work for FDI sector	Study	Unemployed	Do not want to work	
Employment Status in the second quarter	Self-employed	93.2	2.8	0.4	0.2	0.1	0.4	0.5	2.4	100
	Work for other households	11.7	81.6	2.5	0.4	0.2	1.3	0.7	1.7	100
	Work for private sector	2.5	3.8	84.6	3.2	3.3	1.2	0.5	1.0	100
	Work for public sector	1.5	0.5	3.5	93.1	0.4	0.3	0.1	0.7	100
	Work for FDI sector	1.3	0.8	7.3	0.9	87.1	1.3	0.4	1.0	100
	Study	14.6	8.5	3.4	1.0	0.6	53.9	7.0	11.0	100
	Unemployed	2.8	0.5	0.2	0.0	0.1	0.5	94.0	1.8	100
	Do not want to work	5.6	1.1	0.4	0.3	0.2	0.5	0.9	91.1	100
Total		41.8	12.3	9.1	8.0	3.9	1.0	6.6	17.4	100

Source: Authors' estimation using data from LFS 2018.

Table 10. Medium-term mobility out of FDI sector

		Employment status in the VHLSS 2018								
		Self-employed	Work for other households	Work for private sector	Work for public sector	Work for FDI sector	Study	Unemployed	Do not want to work	Total
Employment status in VHLSS 2016	Self-employed	82.0	7.1	2.1	0.8	0.7	0.3	0.1	7.0	100
	Work for other households	21.1	61.9	9.3	0.9	1.8	0.2	0.2	4.5	100
	Work for private sector	9.1	12.9	61.6	4.0	6.8	0.5	0.2	4.8	100
	Work for public sector	6.2	2.4	5.8	80.0	0.7	0.1	0.1	4.8	100
	Work for FDI sector	5.1	3.6	16.6	1.5	68.7	0.6	0.1	3.8	100
	Study	8.7	6.3	8.9	2.1	2.8	63.3	1.2	6.6	100
	Unemployed	18.6	21.0	22.8	6.8	6.3	0.9	10.0	13.6	100
	Do not want to work	16.3	3.7	2.8	0.7	0.5	0.4	0.4	75.4	100
	Total	46.6	13.7	8.8	7.1	3.4	4.5	0.2	15.8	100

Source: Authors' estimation using data from VHLSSs 2016 and 2018.

Table 11. Medium-term mobility into FDI sector

		Employment status in VHLSS 2016								
		Self-employed	Work for other households	Work for private sector	Work for public sector	Work for FDI sector	Study	Unemployed	Do not want to work	Total
Employment Status in VHLSS 2018	Self-employed	85.1	5.9	1.4	1.0	0.3	1.2	0.1	4.9	100
	Work for other households	24.9	58.8	6.9	1.3	0.8	3.0	0.6	3.7	100
	Work for private sector	11.7	13.8	52.0	4.9	5.5	6.7	0.9	4.5	100
	Work for public sector	5.7	1.7	4.2	84.2	0.6	2.0	0.4	1.3	100
	Work for FDI sector	9.9	7.0	14.8	1.5	58.7	5.5	0.7	2.0	100
	Study	3.4	0.7	0.9	0.1	0.4	93.2	0.1	1.2	100
	Unemployed	9.7	10.0	7.2	2.1	1.3	33.5	15.5	20.9	100
	Do not want to work	21.4	3.7	2.3	2.3	0.7	2.8	0.3	66.6	100
	Total	48.4	13.0	7.4	7.4	2.9	6.6	0.4	14.0	100

Source: Authors' estimation using data from VHLSSs 2016 and 2018.

Finally, we use probit regression to examine variables that are associated with the movement out of the FDI sector in the short-term and medium-term periods. We also regression a dummy indicating an increase in wages of workers over time (the wages are adjusted for the CPI). Overall, there are only a few variables that are statistically significant. We use the results of the medium-term mobility for interpretation. It shows that migrant workers are more likely to move out of the FDI sector and less likely to experience an increase in wages. Workers with higher education are more likely to move than workers with less than primary education. Workers in industries of leather products, electronic & electric equipment are more likely to have wage increases during the medium-term period.

Table 12. Probit regression of mobility

Explanatory variables	Short-term mobility (panel data of quarter of LFS 2018)		Medium-term mobility (panel data of VHLSSs 2016 and 2018)	
	Moved out of FDI	Experienced wage increase	Moved out of FDI	Experienced wage increase
Age	0.006 (0.005)	-0.001 (0.004)	-0.000 (0.006)	-0.002 (0.006)
Male	0.169*** (0.059)	-0.082 (0.053)	0.030 (0.103)	0.022 (0.089)
Migrant	-0.037 (0.183)	-0.311* (0.178)	0.844** (0.390)	-0.913** (0.394)
Kinh majority			-0.157 (0.247)	0.154 (0.177)
Less than primary education	Reference			
Primary education	0.089 (0.211)	-0.256* (0.148)	0.620** (0.288)	-0.208 (0.215)
Lower-secondary education	0.226 (0.218)	-0.130 (0.165)	0.539* (0.291)	-0.017 (0.191)
Upper-secondary education	0.156 (0.242)	-0.185 (0.169)	0.623** (0.297)	-0.092 (0.202)
Post-secondary education	0.263 (0.263)	-0.146 (0.201)	0.282 (0.321)	0.032 (0.223)
Have vocational training	0.109 (0.113)	0.019 (0.090)		
Leaders/Managers	Reference			
Professionals/Technicians	0.802* (0.475)	-0.517 (0.695)	-0.513 (0.819)	0.338 (0.481)
Clerks/Service Workers	0.689 (0.478)	-0.322 (0.681)	-0.200 (0.806)	0.035 (0.487)
Skilled Workers/Machine Operators	0.712 (0.479)	-0.183 (0.702)	-1.097 (0.799)	0.450 (0.478)
Unskilled, agricultural workers	0.977** (0.486)	-0.107 (0.709)	-0.496 (0.821)	0.108 (0.508)
Household size	0.007 (0.018)	-0.047*** (0.014)	-0.014 (0.033)	-0.019 (0.036)
Urban areas (urban=1, rural=0)	-0.046	0.067	-0.114	0.078

Explanatory variables	Short-term mobility (panel data of quarter of LFS 2018)		Medium-term mobility (panel data of VHLSSs 2016 and 2018)	
	Moved out of FDI	Experienced wage increase	Moved out of FDI	Experienced wage increase
	(0.109)	(0.103)	(0.139)	(0.122)
Others	Reference			
Leather products	-0.353*** (0.125)	0.024 (0.103)	-1.123*** (0.185)	0.528*** (0.117)
Garment & textile	-0.094 (0.104)	0.161* (0.088)	-0.552*** (0.160)	0.038 (0.128)
Electronic & electric equipment	-0.527*** (0.101)	-0.012 (0.081)	-1.429*** (0.190)	0.306** (0.128)
Food processing	0.109 (0.249)	-0.020 (0.168)	-0.140 (0.287)	-0.127 (0.316)
Furniture	-0.196 (0.233)	-0.016 (0.163)	-0.542 (0.425)	-0.570 (0.415)
Working less than one year	Reference			
Working for 1 to less than 5 years	-0.218** (0.091)	-0.191** (0.084)		
Working for 5 to less than 10 years	-0.345*** (0.120)	-0.254** (0.100)		
Working from 10 years	-0.359*** (0.136)	-0.307** (0.119)		
Constant	-1.899*** (0.634)	0.414 (0.813)	0.439 (0.962)	0.103 (0.638)
Observations	4,717	4,649	1,182	1,182

Robust standard errors in parentheses. *** p<0.01, ** p<0.05, * p<0.1.

Source: Authors' estimation using data from LFS 2018, and VHLSSs 2016-2018.

7. Conclusions

The FDI sector plays an important role in the economy. Although FDI firms accounted for only 2.4% of the total number of firms in Vietnam, their share in total employment and revenue of firms was 28.4% and 25.5%, respectively. For the whole number of working people, workers from FDI account for 5.6%. The proportion of people working for the FDI sector is highest at the age 21. The proportion of people working for the FDI and private sectors decreases as age increases. However, there is no evidence that there is a sharp fall in the working age at a given age.

Workers in the FDI sectors are younger than those in the private and public sectors. Nearly two-thirds of workers in the FDI sector are female. Most female workers are working in industries of leather, garment and textile. Compared with private and public sectors, the FDI sector has a lower share of workers who have tertiary education. 75% of the FDI workers

are skilled workers (include machine workers). This rate is higher than that in the private and public sector.

Compared with the private sector, the FDI sector has a lower rate of workers with verbal or no contract. The FDI sector also has a higher proportion of workers with social insurance, at 95%. However, there is a relatively large proportion of the FDI workers receiving daily wages (31% of workers) or piece payment. (22% of workers). The proportion of workers receiving monthly wages is lower in the FDI sector than the private and public sectors.

Workers in the FDI sector have a higher number of working hours than those in the private and public sector. Among FDI workers 24% worked between 49 and 54 hours and 13% of workers worked more than 54 hours a week. Especially, 3.8% of the FDI workers had the number of working hours above 60. Compared with the private and public sectors, the FDI sector has a larger share of workers having overtime working hours.

There are almost no differences in monthly wages between the FDI workers and workers in the private and public sectors. However, the FDI workers have lower wages per hours than those in the private and public sector. To examine whether the FDI workers are underpaid, we use OLS regression to compare the wages between sectors with controlling for observed characteristics. Once the explanatory variables are controlled for, the FDI workers have higher hourly and monthly wages than the private as well as public workers.

The proportion of FDI workers who moved out of the FDI sector was 11% over a three-month period and 31% over a two-year period. Older workers are more likely to move out of the FDI sector than young one. However, there is no evidence that workers move out of the FDI sector after age 35. Most workers moved between the private and FDI sectors.

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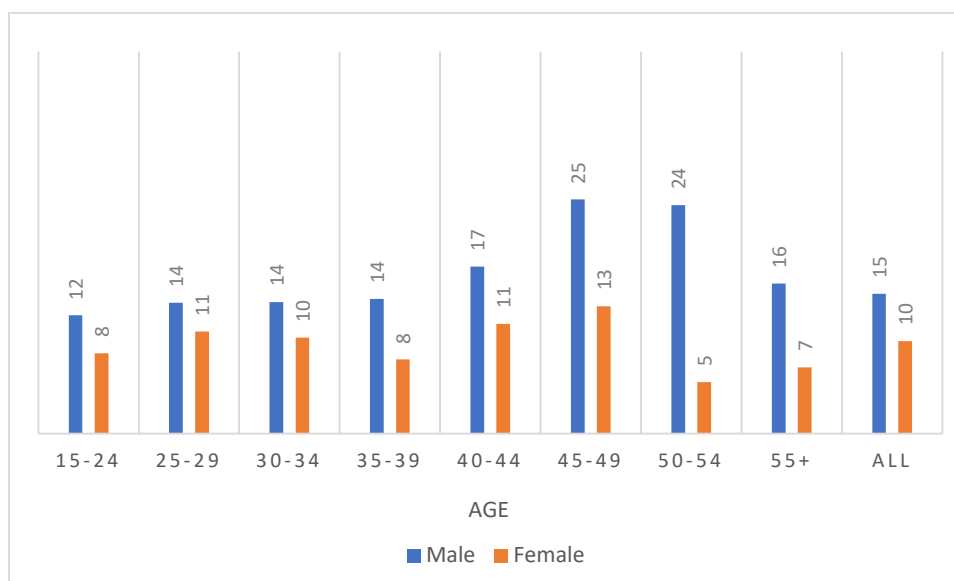
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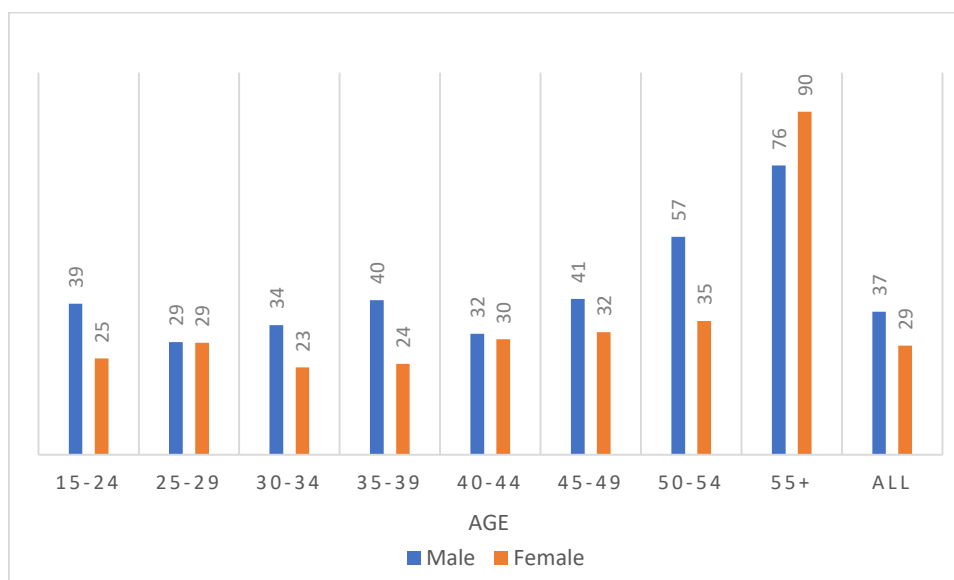
Appendix

Figure A.1. Short-term movement out of FDI sector



Source: Authors' estimation using data from VHLSSs 2016 and 2018.

Figure A.2. Medium-term movement out of FDI sector



Source: Authors' estimation using data from VHLSSs 2016 and 2018.