

WHAT REGULATIONS OF LAW ON EMPLOYMENT 2025 SHOULD BUSINESSES PAY ATTENTION TO?

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To overcome the limitations in the provisions of the Law on Employment 2013, amended in 2024 (Law on Employment 2013) and supplement new provisions suitable for the current labor market, the National Assembly has promulgated the Law on Employment 2025, replacing the Law on Employment 2013. The provisions of the Law on Employment 2025 on contribution rates, contribution duration and the bases for unemployment insurance contribution are mainly similar to those of the Law on Employment 2013. The Law on Employment 2025 takes effect from January 1, 2026 and contains several new highlights as follows:

First, the Law on Employment 2025 supplements regulations on labor registration, in particular:

- Subjects performing registration and adjustment of labor information include (i) employers, employees registering and adjusting labor registration information when registering and adjusting information for social insurance participation, and (ii) employees not subject to case (i) above.
- The content of employees' labor registration information includes:
 - Group of basic information: full name, ID number, date of birth, gender, etc.
 - Group of information on educational level and vocational skills, etc.
 - Group of information on employment status and employment demands;
 - Group of information on social insurance, unemployment insurance;
 - Group of other information on the applicants' characteristics.

The supplementation of these regulations is considered to generate numerous positive impacts. For state agencies, these regulations better support state management of labor as well as the development and implementation of labor assistance policies. Labor registration also supports employers in recruiting high-quality employees, accurately assessing the labor situation to make business decisions.

The dossier, procedures, places of conducting labor registration, and the reception, sharing, and use of the employee

database will be specified in decree(s) of the Government.

Second, the Law on Employment 2025 supplements subjects participating in unemployment insurance.

For example, (i) employees working under labor contracts with a term of at least 1 month, including cases where the employees and the employers enter into an agreement with a different form rather than a labor contract but containing the contents of paid employment, salary, management, administration, and supervision by one party, (ii) employees working under part time indefinite-term labor contracts, part time definite-term labor contracts with a term of at least 1 month, receiving monthly salary equal to or higher than the salary used as the basis for paying the lowest premium of compulsory social insurance according to provisions of the Law on Social Insurance; (iii) controllers, representatives of an enterprise's investment in another company under legal provisions.

According to previous regulations, the subjects participating in unemployment insurance do not include employees working under labor contracts with a term from 1 month to less than 3 months and part-time employees, controllers, and representatives of an enterprise's investment in another company under legal provisions. The supplement of such subjects is to ensure consistency with the applicable regulations on social insurance, and extend the coverage of unemployment insurance.

Third, the Law on Employment 2025 supplements regulations on unemployment insurance contributions, specifically:

(i) If an employee takes unpaid leave for at least 14 working days in a month, he/she and the employer do not have to pay the unemployment insurance premium for that month.

(ii) Employers are responsible for paying the full unemployment insurance premiums. In case of late payment or evasion of unemployment insurance contributions, they shall be handled following the Law on Social Insurance, which may include paying the full amount of late payment, paying a fine based on the number of days of late payment, being sanctioned for administrative violations, or being charged with a crime.

(iii) Employers are entitled to a reduction of unemployment insurance premiums for employees with disabilities for a maximum period of 12 months when recruiting and employing such employees.

(iv) Employers are responsible for paying the full unemployment insurance premiums to ensure the employees' unemployment insurance benefits in case of termination of labor contracts, employment contracts, or employment. If the employers fail to fulfil such

responsibility, they must pay the employees an amount equivalent to the employees' unemployment insurance benefits according to relevant legal provisions.

The specific contents at points (iii) and (iv) above will be specified in the Government decree(s).

Fourth, the Law on Employment 2025 amends the provisions on the circumstances in which employers are entitled to support under the unemployment insurance regime: "Supporting employers in training vocational skills to retain employment for employees participating in unemployment insurance".

Under the Law on Employment 2013, employers are supported in the following cases: *"The employers have to change their organization or production, trading, technology due to difficulties in economic downturn or other force majeure reasons"* and *"The employers do not have enough budget to organize training on vocational skills for employees"*. According to the Law on Employment 2025, employers are supported in the following cases:

(i) Changes in organization, technology, or for economic reasons as prescribed in the Labor Code;

(ii) Natural disasters, fires, attacks or dangerous epidemics;

(iii) Implementation of the competent state agency's decision on relocation or narrowing of production and business locations;

(iv) Other cases as prescribed by the Government.

Employers have to meet the following conditions to receive support:

(i) Paying full unemployment insurance premiums for at least 12 months within 24 months up to the date of submitting the support request. Pursuant to the Law on Employment 2013, employers must pay full unemployment insurance premiums for employees who have participated in unemployment insurance for at least 12 months continuously up to the date of submitting the support request.

(ii) Having plans for training vocational skills to maintain employment.

According to the assessment of the Ministry of Labor, War Invalids and Social Affairs (now the Ministry of Home Affairs), the cases for employers to receive support in training vocational skills to retain employment for employees participating in unemployment insurance under the Law on Employment 2013 are quite limited; therefore, employers have faced difficulties accessing this support. The amendment and supplementation of the related regulations aim to facilitate employers' easy access to the policy.

It can be seen that new regulations of the Law on Employment 2025 have expanded the rights and benefits of both employers and employees in the field of labor and employment (for example, supporting employers under the unemployment insurance regime, supplementing subjects participating in unemployment insurance, and enhancing the responsibility of employers in paying unemployment insurance premiums for employees). Enterprises should update and research the provisions of this document and its guiding documents that can be promulgated in the future to implement labor and employment regimes in accordance with legal regulations. Should our Valued Clients and readers wish to gain a deeper understanding of the regulations of the Law on Employment 2025, or any related regulations in the field of labor and employment, NHQuang&Associates is ready to provide all legal advice that may be requested.