

THE GOVERNMENT

SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

No. 72/2018/ND-CP

Hanoi, May 15, 2018

DECREE

**ON STATUTORY PAY RATE FOR PUBLIC OFFICIALS AND PUBLIC EMPLOYEES AND
ARMED FORCES' PERSONNEL**

Pursuant to the Law on Government Organization dated June 19, 2015;

Pursuant to the Labor Code dated June 18, 2012;

*Pursuant to Resolution No. 49/2017/QH14 dated November 13, 2017 of the National Assembly
on state budget estimates 2018;*

At the request of the Minister of Home Affairs and Minister of Finance;

*The Government promulgates a Decree on statutory pay rate for public officials and public
employees and the armed forces.*

Article 1. Scope

This Decree sets forth statutory pay rate for public officials and public employees, employees on payroll, and employees (hereinafter referred to as employees on payroll) who have worked in public sector entities of the Vietnam Communist Party, the Government, or in state-funded socio-political organizations and associations that operate in the central, in central-affiliated cities and provinces (hereinafter referred to as provinces), in suburban districts, urban districts, district-level towns, provincial-affiliated cities, cities affiliated to central-affiliated cities (hereinafter referred to as districts), in commune, ward, or district-level towns (hereinafter referred to as communes), in special administrative and economic units and the armed forces.

Article 2. Regulated entities

Employees on payroll prescribed in Article 1 hereof include:

1. Public officials and public employees from central echelon to district level prescribed in Clause 1 and Clause 2 Article 4 of Law on public officials and public employees 2008;
2. Public officials and public employees at commune level prescribed in Clause 3 Article 4 of Law on public officials and public employees 2008;

3. Public employees working in public sector entities prescribed in Law on Public Employees 2010;

4. Contract employees who are paid as prescribed in Government's Decree No. 204/2004/ND-CP dated December 14, 2004 on pay policy for public officials and public employees and armed forces' personnel, including:

a) Contract employees in agencies of the Communist Party, the Government, socio-political organizations prescribed in Government's Decree No. 68/2000/ND-CP dated November 17, 2000 on contracts of employment for certain positions in regulatory agencies and public sector entities;

b) Contract employees in the employment quota that competent authorities allocate to public sector entities upon decisions by the Government and the Prime Minister;

5. Employees on state regular payroll in state-funded associations as defined in Government's Decree No. 45/2010/ND-CP dated April 21, 2010 on organization, operation and management of associations;

6. Commissioned officers, professional soldiers, non-commissioned officers, soldiers and national defense workers and public employees, contract employees in the People's Army of Vietnam;

7. Commissioned officers, non-commissioned officers on payroll, non-commissioned officers, police officers, public security workers and contract employees in the People's Police of Vietnam;

8. Employees in cryptography organizations;

9. Part-time workers in communes, hamlets or neighborhoods.

Article 3. Statutory pay rate

1. The statutory pay rate is the basis for:

a) Determining the levels of salaries in payrolls, allowances and other benefits as per the law with regard to individuals as defined in Article 2 hereof;

b) Determining subsistence allowances as per the law;

c) Determining contributions and benefits concerning the statutory pay rate.

2. From July 1, 2018, the statutory pay rate is VND 1,390,000 per month.

3. The Government shall request the National Assembly to consider adjusting statutory pay rate in conformity with the capacity of the state budget, consumer price index and national economic growth rate.

Article 4. Funding

1. Ministries, ministerial-level agencies, Governmental agencies, and other agencies of central government shall, on the basis of the given state budget estimates, establish funds for salary reform, combining cost saving and reshuffling, reduction in staff, enhancing financial autonomy of public sector entities, endeavor to increase revenues and use remaining funds carried over from 2017's salary reform (if any) to balance the expenditure increase for the 2017's adjustment of statutory pay rate.

2. Provincial authorities shall:

a) Use the saving funded by 10% of recurrent expenditures (excluding salaries, allowances, salary equivalents and other human-related costs) as per 2018's budget estimates as compared with 2017's budget estimates given by competent authorities.

b) Use 50% the increase in the local budget revenue in comparison with the 2017's revenue estimate given by the Prime Minister (excluding revenues from land levies and lottery).

c) Use the remaining funds for the 2017's salary reform carried over (if any).

d) Use the remaining funds (if any) after adjustment of statutory pay rate to VND 1,300,000 per month, from the following resources:

- Use the saving funded by 10% of recurrent expenditures (excluding salaries, allowances, salary equivalents and other human-related costs) as per 2017's budget estimates given by competent authorities; combining cost saving and reshuffling, reduction in staff, enhancing financial autonomy of public sector entities.

- Use part of the retained revenues of administrative agencies and public service entities.

- Use 50% the increase in the local budget revenue in comparison with the 2017's revenue estimate given by the Prime Minister (excluding revenues from land levies and lottery).

dd) Financially-challenged local authorities having a low budget shall receive financial aids from the central government's budget if their finances for the 2018's salary reform are insufficient despite their implementation of Points a, b, c and d of this Section.

Article 5. Entry in force

1. This Decree comes into force as of July 1, 2018.

2. This Decree supersedes Government's Decree No. 47/2017/ND-CP dated April 24, 2017 on statutory pay rate for public officials and public employees and armed forces' personnel.

Article 6. Guidelines and implementation

1. The Minister of Home Affairs shall provide guidelines for implementation of this Decree with regard to employees on payroll in bodies, organizations and agencies of the Vietnam Communist party and the Government, and political or social organizations and associations.

2. The Minister of National Defense, the Minister of Public Security shall provide guidelines for this Decree with regard to employees under their management.

3. The Minister of Finance shall:

a) Provide guidelines for determination of demands, sources and payment methods for adoption of the statutory pay rate as defined in this Decree.

b) Verify demands and sources of finances for adoption of the statutory pay rate as per this Decree in provinces, provide financial supports to financially-challenged local authorities that have implemented regulations on funding the salary reform, and summarize and report results of activities to the Prime Minister.

4. Ministers, Heads of ministerial-level agencies, Heads of governmental agencies, Chairpersons of provincial People's Committees shall implement this Decree./.

**ON BEHALF OF THE
GOVERNMENT
PRIME MINISTER**

Nguyen Xuan Phuc

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