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# NATIONAL TRANSFER ACCOUNTS

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Faculty of Economics and Business, UB

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# NTA UNDER AREA AND GENDER PERSPECTIVES – AN UPDATE FOR VIETNAM\*

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\* This presentation is prepared with the results from two studies produced by Vietnamese team, which also includes Dr. Nguyen Thi Lan Huong, Ms. Pham Minh Thu, and Mr Pham Ngoc Toan (Institute of Labour Science and Social Affairs, MoLISA Vietnam)

# POPULATION AND LABOR FORCE IN VIETNAM\_1

## *General indicators of population and labor force, 2007-2011*

| Indicator                                                 | 2007          | 2009          | 2010          | 2011          |
|-----------------------------------------------------------|---------------|---------------|---------------|---------------|
| <b>1. Population (thousands)</b>                          | <b>84 219</b> | <b>86 025</b> | <b>86 933</b> | <b>87 840</b> |
| Male                                                      | 41 448        | 42 523        | 42 986        | 43 445        |
| Female                                                    | 42 771        | 43 502        | 43 947        | 44 395        |
| <b>2. Population 15+ (thousands)</b>                      | <b>63 179</b> | <b>64 436</b> | <b>65 711</b> | <b>67 121</b> |
| Male                                                      | 30 411        | 31 233        | 31 873        | 32 630        |
| Female                                                    | 32 767        | 33 203        | 33 838        | 34 491        |
| <b>3. Percentage distribution of labour force 15+ by:</b> |               |               |               |               |
| <i>Sex:</i>                                               | <i>100.0</i>  | <i>100.0</i>  | <i>100.0</i>  | <i>100.0</i>  |
| Male                                                      | 50.8          | 51.3          | 51.4          | 51.5          |
| Female                                                    | 49.2          | 48.7          | 48.6          | 48.5          |
| <i>Residence:</i>                                         | <i>100.0</i>  | <i>100.0</i>  | <i>100.0</i>  | <i>100.0</i>  |
| Urban                                                     | 26.4          | 28.4          | 28.0          | 29.7          |
| Rural                                                     | 73.6          | 71.6          | 72.0          | 70.3          |

Source: GSO(2012), *The 2011 Vietnam Labor Force Survey*



## POPULATION AND LABOR FORCE IN VIETNAM\_2

### *Distribution of employed labor by gender, area and age group (%)*

| Indicator                                                        | 2007         | 2009         | 2010         | 2011         |
|------------------------------------------------------------------|--------------|--------------|--------------|--------------|
| <b>4. Percentage distribution of employed population 15+ by:</b> |              |              |              |              |
| <b>Sex:</b>                                                      | <i>100.0</i> | <i>100.0</i> | <i>100.0</i> | <i>100.0</i> |
| Male                                                             | 50.8         | 51.3         | 51.6         | 51.7         |
| Female                                                           | 49.2         | 48.7         | 48.4         | 48.3         |
| <b>Residence:</b>                                                | <i>100.0</i> | <i>100.0</i> | <i>100.0</i> | <i>100.0</i> |
| Urban                                                            | 25.9         | 27.9         | 27.6         | 29.3         |
| Rural                                                            | 74.1         | 72.1         | 72.4         | 70.7         |
| <b>Age group:</b>                                                | <i>100.0</i> | <i>100.0</i> | <i>100.0</i> | <i>100.0</i> |
| 15-19                                                            | 6.5          | 6.9          | 6.5          | 5.8          |
| 20-24                                                            | 10.9         | 11.1         | 11.1         | 10.1         |
| 25-29                                                            | 12.0         | 13.2         | 13.5         | 12.8         |
| 30-34                                                            | 12.6         | 13.0         | 12.9         | 12.5         |
| 35-39                                                            | 13.4         | 12.6         | 12.7         | 12.7         |
| 40-44                                                            | 13.2         | 11.5         | 11.8         | 12.0         |
| 45-49                                                            | 11.7         | 11.4         | 11.0         | 11.6         |
| 50-54                                                            | 8.6          | 8.6          | 8.9          | 9.4          |
| 55-59                                                            | 5.1          | 5.5          | 5.4          | 6.1          |
| 60-64                                                            | 2.6          | 2.8          | 2.9          | 3.3          |
| 65+                                                              | 3.4          | 3.5          | 3.4          | 3.6          |

Source: GSO(2012), *The 2011 Vietnam Labor Force Survey*

# POPULATION AND LABOR FORCE IN VIETNAM\_3

## *Income, hours worked and participation rate by gender and area (%)*

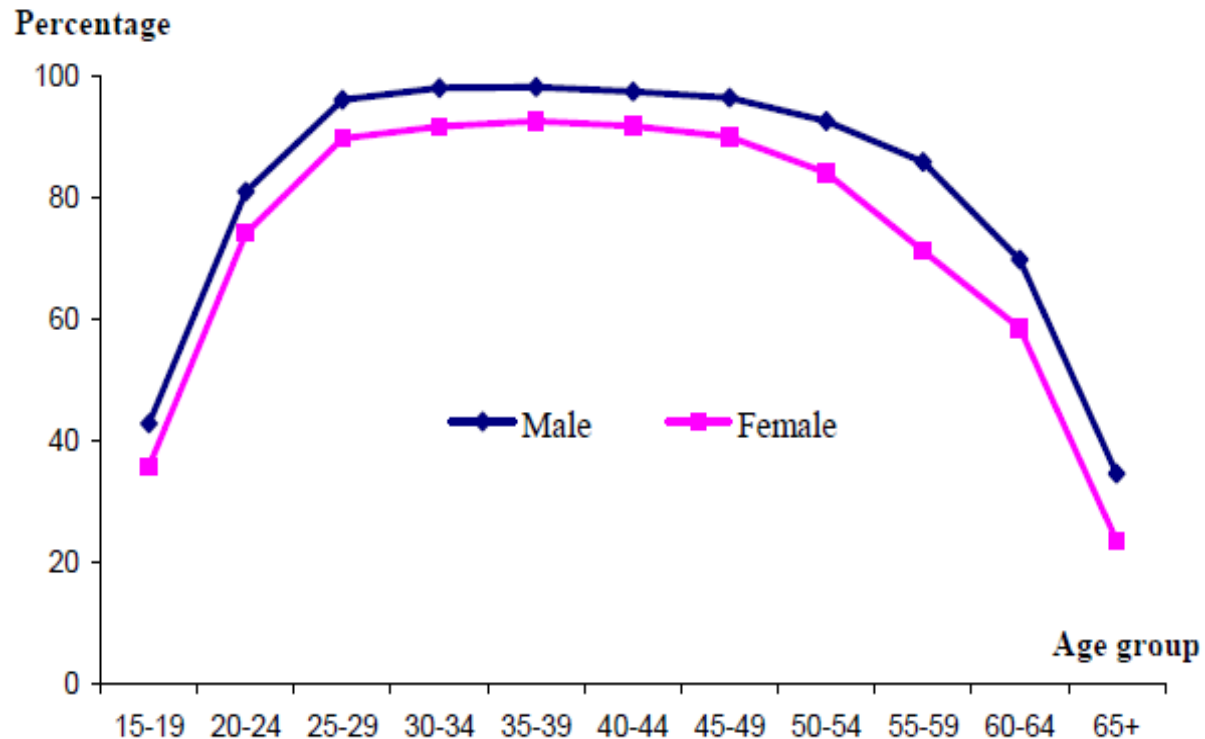
| Indicator                                                                | 2007         | 2009         | 2010         | 2011         |
|--------------------------------------------------------------------------|--------------|--------------|--------------|--------------|
| <b>5. Average monthly income of wage worker aged 15+ (thousand dong)</b> | <b>1 399</b> | <b>2 395</b> | <b>2 519</b> | <b>3 105</b> |
| Male                                                                     | 1 464        | 2 562        | 2 668        | 3 277        |
| Female                                                                   | 1 280        | 2 175        | 2 297        | 2 848        |
| Urban                                                                    | 2 415        | 3 671        | 2 940        | 3 629        |
| Rural                                                                    | 1 271        | 2 023        | 2 183        | 2 687        |
| <b>6. Average weekly hours worked of a worker (hour)</b>                 | <b>-</b>     | <b>47.0</b>  | <b>45.0</b>  | <b>45.6</b>  |
| Male                                                                     | -            | 47.8         | 45.8         | 46.5         |
| Female                                                                   | -            | 46.2         | 44.1         | 44.6         |
| Urban                                                                    | -            | 48.7         | 47.3         | 47.6         |
| Rural                                                                    | -            | 46.4         | 44.1         | 44.7         |
| <b>7. Labour force participation rate of population aged 15+ (%)</b>     | <b>74.7</b>  | <b>76.5</b>  | <b>77.4</b>  | <b>77.0</b>  |
| Male                                                                     | 78.8         | 81.0         | 82.0         | 81.7         |
| Female                                                                   | 70.9         | 72.3         | 73.0         | 72.6         |
| Urban                                                                    | 66.8         | 70.7         | 69.5         | 69.7         |
| Rural                                                                    | 78.0         | 79.1         | 81.0         | 80.6         |

Source: GSO(2012), *The 2011 Vietnam Labor Force Survey*

# POPULATION AND LABOR FORCE IN VIETNAM\_4

## Labor force participation rate by gender, area and age, 2011 (%)

| Residence/Socio-economic region | Total | Male | Female | Male-female gap |
|---------------------------------|-------|------|--------|-----------------|
| <b>Entire country</b>           | 77.0  | 81.7 | 72.6   | 9.1             |
| Urban                           | 69.7  | 75.7 | 64.2   | 11.4            |
| Rural                           | 80.6  | 84.5 | 76.8   | 7.8             |



Source: GSO(2012), *The 2011 Vietnam Labor Force Survey*

# POPULATION AND LABOR FORCE IN VIETNAM\_4

## *Rate of trained labor force, 2011 (%)*

| Residence/Socio-economic region | Total       | Vocation training | Secondary vocation school | College    | University and over |
|---------------------------------|-------------|-------------------|---------------------------|------------|---------------------|
| <b>Entire country</b>           | <b>15.6</b> | <b>4.0</b>        | <b>3.7</b>                | <b>1.8</b> | <b>6.1</b>          |
| Male                            | 17.4        | 6.0               | 3.3                       | 1.3        | 6.8                 |
| Female                          | 13.7        | 1.9               | 4.1                       | 2.3        | 5.5                 |
| Urban                           | 30.8        | 6.7               | 5.8                       | 2.9        | 15.4                |
| Rural                           | 9.2         | 2.9               | 2.8                       | 1.3        | 2.2                 |

Source: GSO(2012), *The 2011 Vietnam Labor Force Survey*



## DATA (1)

- NTA approach is used with the 2007 Vietnam inter-sectoral balance sheets (or IO Table) and the 2008 Vietnam Household Living Standard Survey (VHLSS).
- The 2007 IO Table is the fourth and latest version IO for Vietnam (three previous versions were produced in 1989, 1996 and 2000). This version covers 138 production industries. The concepts and methods used in establishing the 2007 IO Table are consistent with the UN's National Account version 1993.

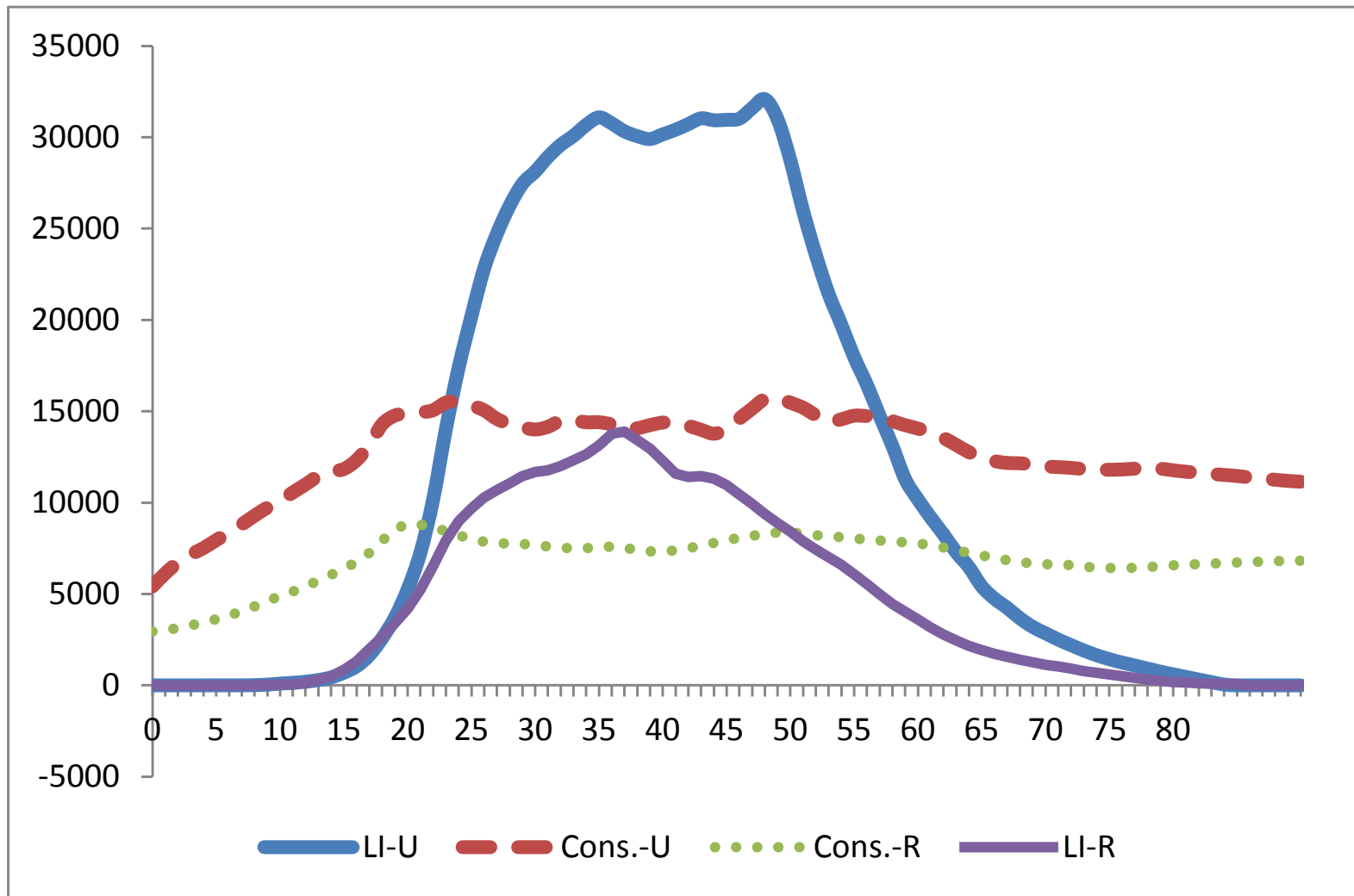
### DATA (2)

- The 1998 VHLSS was one of seven household surveys in Vietnam (including 1993, 1998, 2002, 2004, 2006, 2008, and 2010) conducted by GSO. Its design is in line with the World Bank's LSMS. VHLSS collects basic indicators of individuals and their households and communes, such as age, gender, educational and training level, job, employment, household income and expenditure, housing condition, assets, and participation in poverty reduction programs. The 2008 VHLSS sample included 38,523 individuals living in 9,189 households.
- For population projections, the paper uses UN (2010) and GSO (2011) to decompose the total population into urban-rural groups.

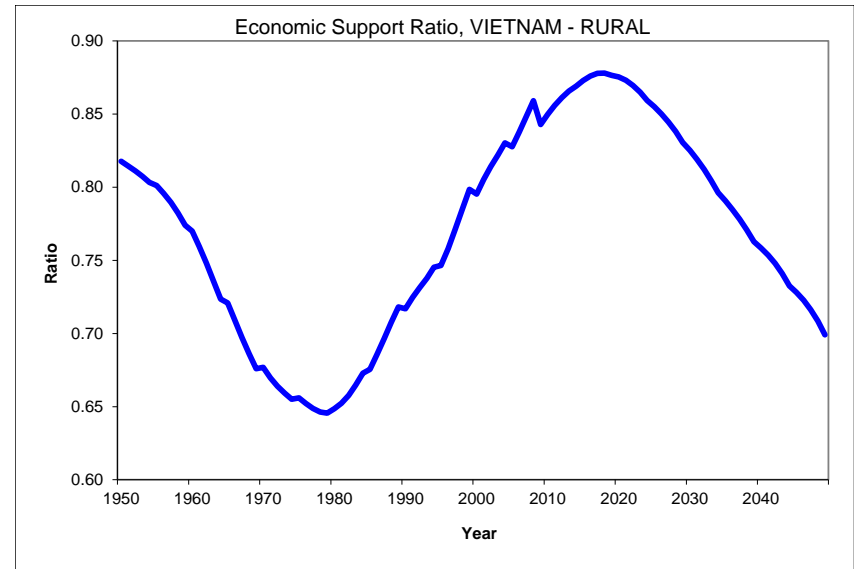
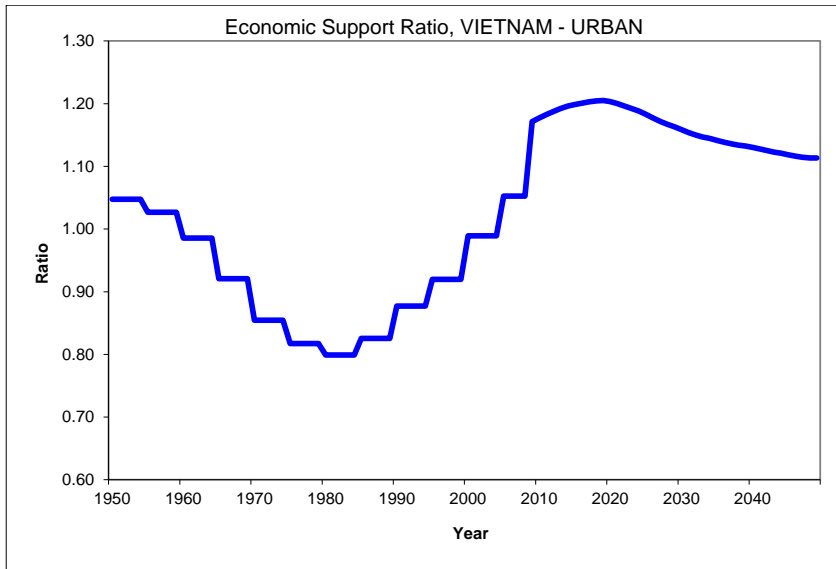
## **METHODOLOGY**

- General procedures of NTA approach are applied to all calculations.
- Two main steps in producing the NTA for area (urban vs. rural) and gender (male vs. female) include: (i) calculate gender/area-specific indicators of NTA age schedules; and (ii) adjust these respective schedules to be consistent with the single-sex/area NTA profiles along with macro controls.

## FINDINGS – URBAN vs. RURAL

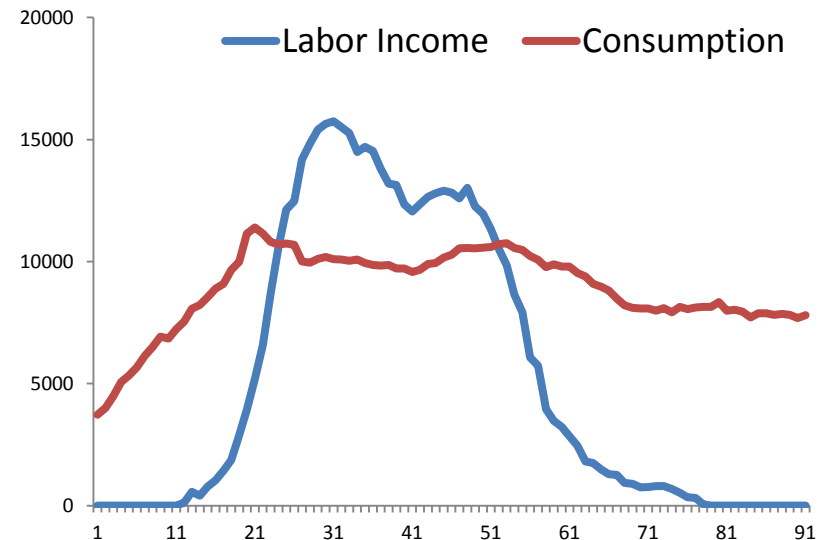
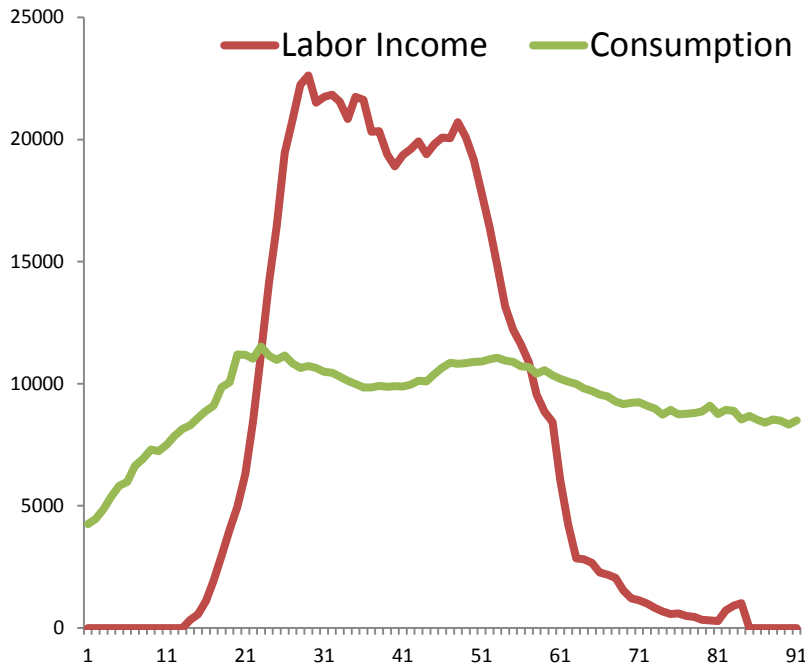


## FINDINGS – URBAN vs. RURAL



- First, given any age, both labor income and expenditure of a rural person are always lower than those of his/her counterpart in urban, particularly during their ‘surplus’ times.
- Second, urban and rural people have similar period when they reach to the peak of labor income, i.e. about aged 35-40, but the maximum labor income for a rural person is just by half of that for an urban person. The same observation is true for consumption.
- Third, ‘surplus’ of an urban person is significantly larger and lasting longer than that for a rural person. This is an extremely important fact about differences in capacity for paying off for the childhood, and preparing for the old-aged between urban and rural persons.

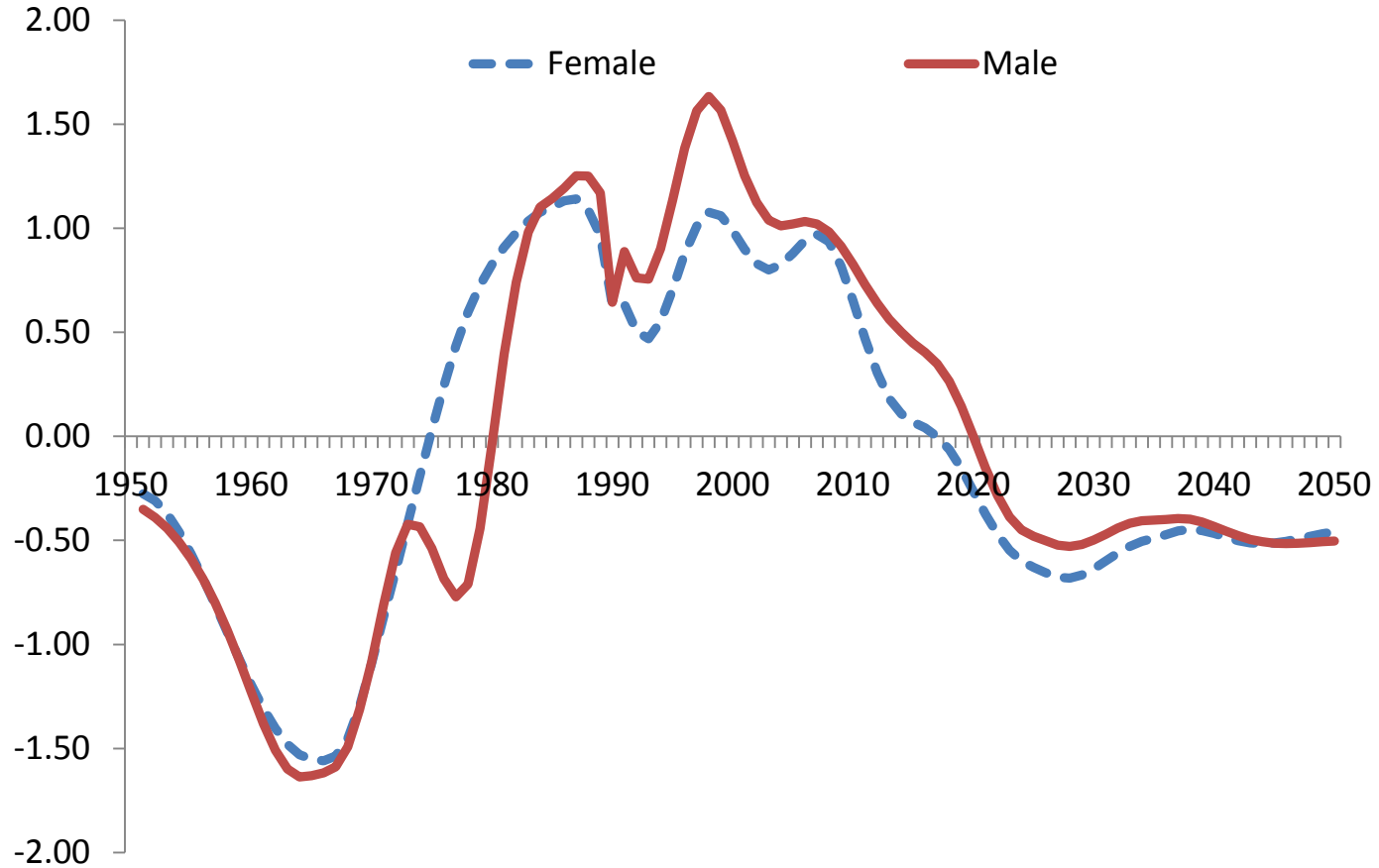
## FINDINGS – MALE vs. FEMALE



- Gender gap is significant both in terms of the duration and the volume of the lifecycle surplus. Women's labor income is 35% lower than men's, while the gap in consumption is small.
- This is due to a number of factors: women retire earlier than men and have less skills, which result in lower productivity and usually work in lower-income industries.



## FINDINGS – MALE vs. FEMALE



### ***IMPLICATIONS***

- Productivity, which leads to different income between male and urban people and female and rural people, is the key to help close the gender and area gaps. As such, skills need to be improved via efficient and appropriate vocational training programs.
- Health care and social protection systems should also be strengthened to protect health and deal with various risks for vulnerable and poor working people, including female and rural laborers.

### ***ON-GOING WORK***

- Collaborating with GSO in collecting information on time use by age cohorts in a household – making a typical time-use model for Vietnamese household.
- Collaborating with GSO in redesign 1997 VHLSS's questions on intra-family transfers and their uses.
- Using 1996 IO Table-1997 VHLSS and 2007 IO Table-2008 VHLSS to estimate and compare how NTA for gender and area perspectives changed over time.

***THANK YOU FOR YOUR ATTENTION !***