

HUMAN RESOURCE DEVELOPMENT IN THE MEKONG DELTA (1996-2000)

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I. POPULATION

The Mekong Delta's population increased sharply from 2,883,044 in 1954; 4,991,460 in 1957; and 4,656,000 in 1990 to 16,365,611 in 2000. It rose 2.33 times from 1954 to 1970 and 2.43 times from 1970 to 2000. This generated fast a human resource for its socio-economic development; at the same time put heavy pressure on training and employment in the region. The new economic mechanism has been effective in the Mekong Delta since 1990, so the figures of the 1990-2000 period are a scientific basis for this analysis.

In this period, the Mekong Delta's population saw an increase of 1.71 million, or 11.7%. Its average annual growth rate was 1.17% and 0.5% lower than the national average. This shows the efficiency of the population planning policy. In spite of low growth rate, the region's population scale remains large and causes a huge labor force and increasing pressure on employment.

1. Population by gender and area

The female proportion in the past 10 years was always higher than male proportion, rural population larger than urban one. In 1990, the rural population accounted for 84.93% and dropped to 82.92% in 2000.

The decline in rural population is suitable to the common rule, but the Mekong Delta proportion is still very high. In 2000, it was 76.38% across the country; 78.73% in the Hồng River Delta, Southeastern provinces 49.9%. As a result, the region is required to restructure its economy towards industrialization and modernization to change its population structure strongly.

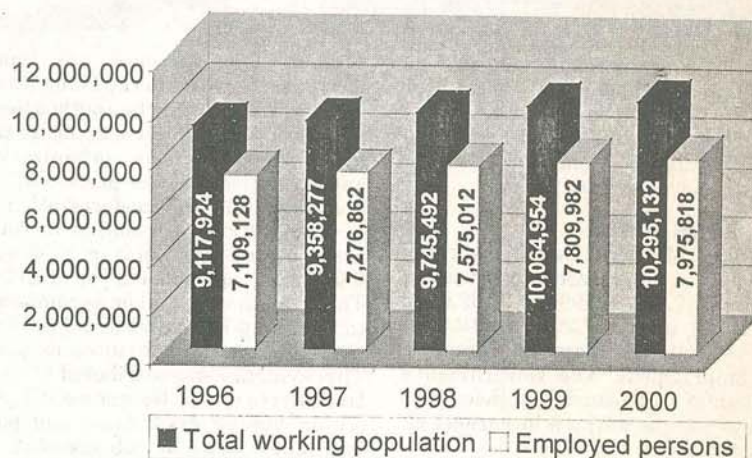
2. Population by age bracket

In the Mekong Delta, ages below 15 indicate a downward trend, the proportion of this bracket is 33.21% and down to 28.24% in 2000. In the meanwhile, the 15-24 age bracket increased steadily, from 20.23% in 1996 to 21.57% in 2000. This is a young human resource but they have

less experience in working. The 25-34 cohort also grew from 16.36% in 1996 to 16.42% in 2000. This labor cohort plays an important role in

brackets, from 6.59% in 1996 to 8.85% in 2000. The sharp rise in the working population of this cohort also displayed its aging level, espe-

Figure 1: Comparison between employed persons and working population (1,000 persons) *



socio-economic activities, so its quality should be promoted. The 35-44 age bracket also rose from 12.27% in 1996 to 13.77% in 2000. The 45-54 group soared faster than the above

cially women in the cohort who were prepared for retirement. The 55-59 age cohort tended to go down from 2.75% in 1996 to 2.30% in 2000. This is also the last working period of

Figure 2: The proportion of employed persons to the Mekong Delta's working population (1996-2000)





men. The age bracket of 60 and up fluctuated without trend. The Labor Code stipulates the retirement age is 60. Therefore, this cohort needs better assistance from the Government's social welfare policy.

II. LABOR FORCE

The Mekong Delta's working population increased continuously from 9,117,924 in 1996 to 10,295,132 in 2000, up 1,117,208, or 12.91%. This resulted to increasing pressure on employment. The Government's economic restructuring policies also create jobs to workers in various industries.

The number of employed persons also went up from 7,109,128 in 1996 to 7,975,819 in 2000, up 866,691, or 12.19%.

The employment rate was 12.58% in the Hồng River Delta and 12.30% in the southeastern provinces, so the Mekong Delta's employment rate is lower in comparison to the Hồng River Delta and the southeastern provinces. The employment rate shows the capability of production expansion to attract labor. This figure of the Mekong Delta was above 70% in the 1996-2000 period. However, it was different in various age brackets. The 15-24 age bracket represented above 60% because it included the school ages. The 25-34 and 35-44 age brackets always topped the list (some 90%) and it was the most important young labor force for socio-economic development. The 55-59 age bracket bottomed the list, below 60%, because this cohort comprised retired women.

1. Urban and rural areas

The number of employed persons in urban areas was 1,105,576 in 1996 and 1,303,782 in 2000, up 198,206 or

17.93%. This increase was much lower as compared to the Hồng River Delta (21.25%) and the southeastern provinces (23.12%). It was due to the Mekong Delta's slow urbanization and less effects of the process of industrialization and modernization.

The working population in rural areas posted 6,003,552 in 1996 and 6,672,037, up 668,485 or 11.13%. This growth was higher as compared to the Hồng River Delta (5.25%) and the southeastern provinces (3.35%). This evidence was attributed to positive effects of the Government's policy on hunger eradication and poverty alleviation by job creation in rural areas. In addition, some labor-intensive industries attracted labor from rural areas.

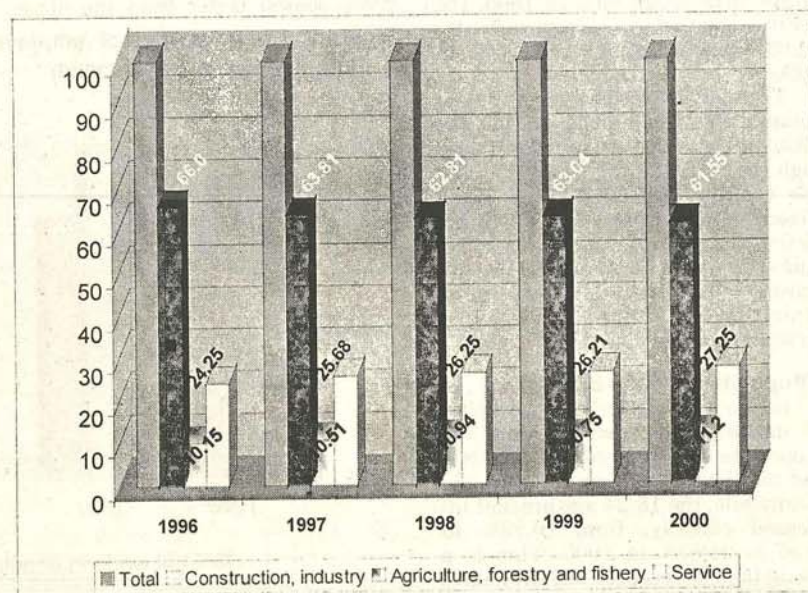
The increase rate is different by age bracket. In urban areas, the 45-54 age bracket topped the list with 42.57%; followed by the 35-44 age bracket with 27.55% and the 25-34 age bracket with 12.83%. In both of the two areas, the employment growth rate of the 54-59 age bracket declined because persons in this category did not want full-time jobs.

2. Unemployment rate

In urban areas, the residents may face unemployment because the working population increases faster than economic restructuring and production expansion. The Mekong Delta's unemployment rate was 4.73% in 1996 and rose to 6.15% in 2000, up 0.97% while the increase in unemployment rate was 0.44% in the Hồng River Delta; 0.64% across the country, 0.67% in the southeastern provinces. This poses a hard problem to the Delta government and requires more effective solutions in job creation.

The proportion of working hours in rural areas was 68.16% in 1996 and rose to 73.10% in 2000. Although it increased but remained far lower as compared to the whole country (73.68%), southeastern provinces (76.44%) and the Hồng River Delta (74.98%). The Government's policy on hunger eradication and poverty alleviation has produced strong effects on rural areas in the Mekong Delta, especially on the life of ethnic minorities. It also created more jobs and thus increased the working hours by 4.94% in the 1996-2000 pe-

Figure 3: Working population by industry (1996-2000) (%)



riod. However, the unemployment rate is still high.

3. Labor force in industries

The labor force also experienced a positive movement in industries from 1996 to 2000, that is, the ratio of workers dropped in the agriculture-forestry and fishery sector and climbed in the sectors of construction, industry and service. The number of workers in the agriculture-forestry-fishery sector rose from 4,663,588 to 4,909,117, with an an-

65.60% to 61.55%, down 4.05% in the agriculture-forestry-fishery; rose from 10.15% to 11.20%, up 1.05% in the industry sector; from 24.25% to 27.25% in the service sector. The labor mobility of the Mekong Delta made progress remained slow in the past five years, so the process should be enhanced further.

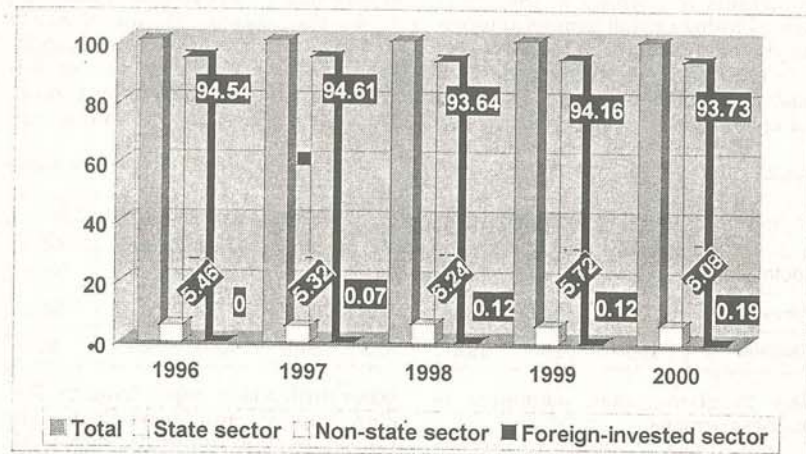
Regarding economic sectors, the number of employees in the state, non-state, foreign-invested sectors were increasing, but the growth rate was not the same in various sectors.

workers in 1997 and this figure rose to 15,154, up 10,060 or 3,353 annually.

The employees in the state sector accounted for 5.46% in 1996. This proportion swelled to 6.08%, up 0.62% while the non-state sector saw a drop in the proportion of labor from 94.54% to 93.73%, down 0.81%. Nevertheless, the number of workers in this sector still increased fast. This sector remained a major job machine in the Mekong Delta and made great contributions to the region's hunger eradication and poverty alleviation. The workforce in the foreign-invested sector represented 0.07% in 1997 when foreign investment projects started in the Mekong Delta. This ratio rose to 0.19%, up 0.12%. The Delta still attracts less foreign investment as compared to other regions due to many reasons, including the region's poor infrastructure.

In brief, the Mekong Delta's working population is increasing steadily. Its size is very favorable for the region's socio-economic development. However, it also puts great pressure on employment. The region is still facing disadvantages including higher proportion of female workers and rural labor, higher unemployment rate in rural areas, lower ratio of working hours as compared to the whole country. All of this has posed a thorny problem how to develop fast careers and industries to employ rural and female labor. At the same time, the region's restructuring should be accelerated. This is really a dilemma if the quality of the region's human resource is not strongly promoted. ■

Figure 4: Working population by economic sector



nual growth of 61,382; in the sectors of construction and industry from 721,576 to 893,292, up 171,725 or 42,931 per year; in the service sector from 1,723,964 to 2,173,410, up 449,446 or 112,362 per year.

In the 1996-2000 period, the proportion of workers declined from

The number of workers in the state sector was 388,158 in 1996 and swelled to 484,930 in 2000, up 96,772 with an annual increase of 188,691. The workforce in the non-state sector soared from 6,720,790 to 7,475,735, up 745,765 or 188,691 per year. The foreign-invested sector had 5,094

