

Salary Policies in the Period 1975 – 1984 for Vietnamese Public Servants

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Abstract:

There are four published papers about salary policies for Vietnamese civil servants from 1945 to the present and this is the fifth. The fifth article is about the salary policy of civil servants in 1975-1984 which is the ten-year recovery period after the war and before Vietnam implemented the 1986 Doi Moi policy. During the ten years from 1975 to 1984, Vietnam's civil servant salary policy did not have many changes, mainly increasing salary levels compared to regulations issued in 1974.

Keywords: Vietnam, civil servant, salary, minimum wage, allowances

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I. Introduction

Salary policies for public-sector employees are one of the policies that the Communist Party of Vietnam and the State are always interested in reforming. Paying salaries correctly to officials, civil servants, and public employees means investing in development, creating motivation for economic growth and improving the quality of leadership, management, public service performance, and public service provision, contributing to cleaning up and improving the effectiveness and efficiency of the state apparatus.

Vietnam gained independence and unified the North and South on April 30, 1975. Since then, the State has begun to rebuild regimes and policies for socio-economic development for the new period, including salary policy for state employees. The period from 1975 to 1984 was ten years after liberation and before the application of the second wage reform policy in 1985 and the comprehensive Doi Moi policy in 1986. During this period, people working in state agencies were collectively called state officials. Therefore, civil servants or public servants were understood as people working in administrative units and the management apparatus of state-owned enterprises.

This article will discuss the regulations on salary regimes for public servants in the period from 1975 to 1984. This is the fifth one in the series of articles on Vietnam's civil servant salary policy from 1945 to 2019 (Le & Phan, 2019, 2022; Le Thi Thu Huyen et al., 2021; Le Thi Thu Huyen & Phan Thi Ngoc Anh, 2023).

II. Literature Review and Method

Salary policy for Vietnamese officials is one of the topics that many authors are interested in researching. Some studies focus on minimum wage aspects such as research articles of Luu Thi Lam, Vu Thi Nga, Sakellariou, Nguyen Duc Thanh and colleagues (Lam, 2014; Nga, 2010; D. T. Nguyen et al., 2017; Sakellariou & Fang, 2014). Other articles explore the issue of public sector salary policy reform by researchers Vu Hoang Ngan, Bui Thi Thuy Ngan, Tran Thi Minh Ngoc, Nguyen Thi Nguyet, and Vu Thi Tam (Bui, 2015; Ngoc, 2022; T. N. Nguyen, 2022; Vu, 2014; Vu Thi Tam, 2014). Other articles are about different aspects of salary policy in Vietnam's public sector, written by Imbert and Nguyen Ngoc Duy Phuong (Imbert, 2011; Phuong et al., 2018).

This article uses a qualitative approach to analyze and describe the characteristics of salary policies for Vietnamese civil servants from 1975 to 1984.

III. Findings

1. The content of salary policies for Vietnamese civil servants from 1975 to 1984

April 30, 1975 was a milestone in Vietnam's history when the South was completely liberated and the country was unified. Since then, many new legal documents have been issued to suit the new situation, especially documents on salary policies for state employees formerly under the Southern government. During the period 1975-1984, people working for state administrative agencies were not called civil servants like in the period 1950-1959 but were called officials or cadres, public servants. Professional standards for certain state official positions were promulgated in 1983 (Decision 21-LD/QD, 1983).

The salary policy for public servants during this period did not have many changes, mainly raising salary levels and adjusting allowances compared to 1974. The salary policy includes three prominent aspects: main salary, allowances and minimum salary. A prominent feature of this period is that the State applied the stamp policy to buy food, fabric and other necessities. So every month, in addition to salary and allowances, state employees also receive stamps depending on their position (Inter-Ministerial Circular 29-TT/LB, 1974). Officials in different fields and occupations will have their legal documents regulating specific salaries and allowances in addition to the general salary and allowance regimes applicable to public employees nationwide.

1.1. Main salary

In the period from 1975 to 1984, the main salary of public servants was also paid based on the 1960 salary policy. Therefore, the main monthly salary of public servants is paid according to the salary scales system and position salary levels that had been issued by the State since 1960 (Decree No.23-CP, 1960; Decree No.25-CP, 1960). These decrees set out three payrolls for cadres and civil servants in administrative and non-business agencies including:

- Table A: The payroll of leaders in the administrative apparatus from central to district levels, in the professional agencies and public service agencies;
- Table B: The payroll of positions of cadres; professional, technical and scientific officials;
- Table C: The payroll of positions of employees working in administrative and service tasks.

Each payroll had many salary scales, each salary scale included salary levels, each level corresponding to a certain salary amount instead of salary coefficient. Level 1 salary could vary between different occupations. The regulation of high or low wages must be based on technical complexity, working conditions and the different importance of occupations in the national economy. The regime of cadres and civil servants working in administrative and non-business agencies was carried out on the principle that the salary of leaders was higher than the salary of other officials and employees; the salary for the position requiring high technical and professional level was higher than the one for a position requiring simpler technical and professional level; the salary of officials in difficult and unhealthy conditions was higher than the salary of people working in normal conditions (Decree No.25-CP, 1960).

For example, below is the salary payroll for teachers who graduated from a 4-year university of education and teachers who previously graduated from university systems under 4 years and then officially recognized as having graduated from a 4-year university of education in any form (full-time, part-time or special education according to Directive No. 11-CT dated March 8, 1979 of the Ministry of Education).

Table 1. Salary payroll for teachers who graduated from pedagogical university

| The old salary scale is being ranked in 1979 | | The new salary scale in 1984 | |
|--|----------|------------------------------|----------|
| Starting level | 55 dong | Starting level | 60 coins |
| Level 1 | 65 dong | Level 1 | 70 dong |
| Level 2 | 75 dong | Level 2 | 85 dong |
| Level 3 | 85 dong | Level 3 | 100 dong |
| Level 4 | 100 dong | Level 4 | 116 dong |
| Level 5 | 115 dong | Level 5 | 133 dong |
| Step beyond the frame | 127 dong | Level 6 | 150 dong |

Source: (Inter-Ministrative Circular 9-TT/LB, 1984)

State employees were given salary level increases according to regulations in early 1975, 1977, 1979, 1980, 1981, 1984 (Decision 274-CP, 1979; Directive 21-TTg, 1981; Directive No. 27-TTg, 1980; Directive No. 74-HDBT, 1984; Resolution 254-CP, 1977; Resolution No.137-CP, 1974). Officials who qualified for 5 years and meet the promotion standards would receive a new salary level from the month of signing the decision. Officials who completed their tasks received a salary level increase one or two years in advance, then decided which month to upgrade and received a new salary from that month. The number of officials chosen for each salary increase is about 5% to 15% of the total of state employees (Circular 02-LD/TT, 1980).

Furthermore, officials are entitled to full salary for holidays such as New Year, Lunar New Year, Labor Day (May Day), and National Day (Decree 13-CP, 1977).

1.2. Allowances and subsidies

In the period 1975- 1978, public servants received a lot of allowances and subsidies. These allowances and subsidies could be set at a specific amount of money or a percentage of the current main salary.

Types of allowances for public servants at that time were as follows:

1. Regional allowance: Officials working in mountainous areas with bad climates are entitled to an allowance equal to 20% of their main salary (Circular 09-TT/LB, 1975). Regional allowance regime was also applied

in the provinces of the Central Highlands including Gia Lai - Kon Tum, Dak Lak and Lam Dong since the fourth quarter of 1977 (Resolution 254-CP, 1977).

2. Occupational allowances: 10% of the main salary for geological officials (Circular 16/LD-TT, 1975), 10% of the main salary for officials in the salt production industry (Circular 15/LD-TT, 1975); and many others (Decision 166-HDBT, 1981).

3. Mobility allowance: Continue to apply according to Inter-Ministerial Circular 04-TT/LB issued in 1962 (Inter-Ministerial Circular 04-TT/LB, 1962) for officials who often went on business. Particularly for officials and their families who were transferred from the delta region within the province or another province to work in the midland and mountainous new economic regions, they were entitled to an initial allowance of 50 VND/official and 30 VND for their family only once. (Circular 07/LD-TT, 1975; Decision 292-CP, 1974).

4. Incentive allowance (Circular 07/LD-TT, 1975; Decision 292-CP, 1974): 6% of monthly rank or position salary if working in the midlands, 15% if working in high mountainous areas (the list of low mountainous and high mountainous areas has been determined in the Circular No. 4-TT/LB of the Ministry of Labor and Home Affairs dated February 23, 1962). Moreover, public employees mobilized from the lowlands to work in the new economic zones in the midlands and mountainous areas were entitled to a one-time allowance for building a private house, train, and car fares, baggage fees and meals while on the road. For officials mobilized by State management agencies to strengthen cooperatives, they received an incentive allowance of 6% of the main salary, a one-time allowance of 30 VND for themselves, and 30 VND for accompanying families and train fares, luggage fees, and travel meals for themselves and their family.

5. Allowances to compensate for other food prices instead of rice for state employees (Circular 01-TC/HCVX, 1975).

6. Allowances for working in toxic environments (Decision 130-LD/QD, 1976).

7. Allowances for state employees when going on business in other provinces or national areas. Business travel support allowances include transportation fares; travel allowance; accommodation allowance; and room rental allowance (Circular 2-TC/HCVX, 1983; Circular 14-TT/HCVX, 1976; Circular 17-TC/HCVX, 1981).

8. A one-time allowance for public employees when assigned to go on long-term business trips to another province or area (Circular 18-LD/TT, 1977; Resolution 254-CP, 1977). State employees who were transferred to work long-term from ministries, central agencies, provinces and cities in the North (Binh Tri Thien and above) to provinces, cities, districts, communes and establishments in the Southern Delta would receive a one-time allowance of one hundred dong (100 dong). Public employees in general nationwide, when assigned to work long-term from districts, provinces and cities in the plains to districts, provinces and towns in mountainous, border and island areas, would receive a one-time allowance of one hundred and fifty dong (150 dong). If they went to highlands or remote islands, they would receive a one-time allowance of two hundred dong (200 dong).

9. An allowance of 25% of the basic salary for cadres, civil servants and public employees on the payroll and contracts of Ho Chi Minh City (Decision 99/QD-UB, 1977).

10. Temporary salary allowances from 5% to 30% for public servants are calculated based on position salary or ranked salary (hereinafter referred to as main salary) (Decision 334-CP, 1980). These temporary allowances had become official allowances since August 1, 1982. (Circular 17/LD-TT, 1982; Decision No. 134-HDBT, 1982).

Some kinds of subsidies:

1. Subsidy for female state employees on maternity leave (Circular 10/TT.3, 1975).

2. Subsidies for State employees with occupational diseases (Inter-Ministerial Circular 08/TT-LB, 1976)

3. Medicine subsidy and compensation for female officials (Inter-Ministerial Circular 17-TT/LB, 1976).

4. Subsidy for housing, electricity, and water for daily use (Directive 16-TTg, 1976).

1.3. Minimum wage

The minimum wage for the period 1975-1984 was the same as the period 1961-1974. During the period 1961-1974, the minimum wage was implemented according to regulations issued in 1960, which was regulated to be 27.30 VND per month (Decree No.25-CP, 1960). The minimum wage of 27.3 VND in 1960 was equal to 27,300 VND in 1958 because the monetary policy changed in 1959, 1000 VND of old money was exchanged for 1 VND of new money (Decree No.095-TTg, 1959).

Labour legal documents during that time no longer mentioned and regulated the minimum wage, but the State directly limited it by specifically regulating salary levels in occupations or fields. In every working field, there was the lowest salary, which was the State agency's starting salary paid to officials corresponding to jobs requiring the lowest labour level, the lowest qualifications and the lightest labour intensity, which was called the first level salary. Level 1 service staff had a salary of 27.3 VND, level 1 light industrial engineers had a salary of 70 VND, and those

holding positions equivalent to ministers had a salary of 192 VND (Hiep, 2018). For teachers at all levels, the starting salary can be 45 VND, 50 VND, 55 VND or 60 VND depending on the school level (Joint Circular 32-TT/LB, 1972).

2. Evaluation of salary policies for Vietnamese public servants in the stage 1975-1984

During the period 1975-1984, Vietnam continued to implement a centralized economic mechanism, state civil servants were subsidized with many things for life needs, and the salary policy for civil servants also had characteristics suitable for the country's situation at that time.

This 1975-1984 period consists of 10 years, these are the main points of salary policies for public servants and other officials:

- The main salary still followed the salary scale that had been issued since the 1960 salary reform policy. Civil servants and other officials in different occupation fields would have their legal documents regulating salary scales and payrolls. At each salary level, an amount of money would be specified; the salary level increase was completely decided by the state. While waiting for the next salary reform, this period the State advocates increasing salary levels and adding allowances for civil servants.

- The minimum wage was understood as the first level salary of the salary scale and payrolls in occupations, usually equal to or higher than the level of 27.3 VND prescribed in 1960.

- Besides the main salary, civil servants also received many allowances and subsidies appropriate to the country's situation at that period. Many subsidies and allowances were not only paid directly to civil servants but also paid to their families.

- During the period 1975-1984, after the country was reunified, the Socialist Republic of Vietnam issued many support policies to encourage public servants to move to new economic zones in the Central Highlands and salary policies for public servants who previously worked in the southern provinces.

By implementing this salary policy, civil servants could rest assured that they could work with peace of mind and participate in military tasks when mobilized.

IV. Conclusion

After the historic victory in the spring of 1975, the country was unified, and the people of our country were completely in control of their destiny. In the 10 years since liberation, the economic situation and people's lives were facing many difficulties. Our Party and State must have urgent, strong, and resolute policies and measures that bring about practical results to boost production, stabilize and ensure people's lives, overcome negative aspects in economic and social activities, and at the same time strive to strengthen national defence, maintain order and security, and be ready to fight and protect the Fatherland. The salary policy for state officials during this period did not have many changes, mainly supplementing allowances and salary increase policies.

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