Vietnam Payroll & HR Compliance Update November 2026:

Minimum Salary Increase for 2027 and other developments for employers

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Minimum Salary Increases For 2027, Foreign Worker Restrictions, New Public Holiday, E-Labour Contracts And Other Key Employment Updates For Vietnam

Vietnamese employers face a range of developments taking effect over the next few months and that impact payroll calculations, foreign-worker arrangements, leave planning and electronic labour contracts. Some require action this month. Others call for preparation ahead of the new year.

This update covers the increase in regional minimum wages under Decree No. 399/2026/ND-CP, the new foreign-worker framework under Decree No. 393/2026/ND-CP, the introduction of Vietnam Culture Day as an annual paid day off, and the temporary e-labour contract arrangements under Resolution No. 44/2026/NQ-CP. Payroll and HR compliance depends on aligning calendars, systems, contracts and records with new rules before the effective dates, not after them.

1. Regional Minimum Wages Increase from 1 January 2027

Decree No. 399/2026/ND-CP replaces Decree No. 293/2025/ND-CP from 1 January 2027. Monthly minimum wages rise by between VND 310,000 and VND 390,000, depending on the region.

Region	New monthly minimum	Increase	New hourly minimum
I	VND 5,700,000	VND 390,000	VND 27,400
II	VND 5,080,000	VND 350,000	VND 24,400
III	VND 4,450,000	VND 310,000	VND 21,400
IV	VND 4,040,000	VND 340,000	VND 19,400

Impacts from increases, as always, are not limited to employees paid at or near the minimum. Where salary scales, grade differentials or allowances are built around the minimum wage, an

increase at the bottom of the structure can compress pay relativities throughout it. Employers with offices, branches or work locations in more than one region should confirm the applicable region for each location rather than assuming a single group-wide position.

The decree also restates a protection that employers should keep in view when updating pay structures: the new minimum wage is not a basis for removing or reducing existing overtime pay, night-work pay or other statutory wage entitlements.

Actions to undertake

- Map current salaries against the 2027 minimum for each work location.
- Review employment contracts, collective labour agreements and internal salary policies for minimum-wage references.
- Update payroll system parameters before the January 2027 payroll run.

2. Decree 393: A New Foreign-Worker Framework from 5 December 2026

Decree No. 393/2026/ND-CP replaces Decree No. 219/2025/ND-CP from 5 December 2026. It simplifies several practical aspects of employing foreign nationals, but it also narrows some routes and introduces a restriction that directly challenges Employer of Record (EOR) hosting models. Seven changes merit attention:

- **Subleasing of foreign workers.** Article 37.6(b) requires employers not to sublease foreign workers. This creates potential legal constraints on EOR hosting, where a provider formally employs a foreign national who works under a client company's direction.
- **Experts and executive directors.** Eligibility routes are broader for Work Permits. The minimum experience for executive directors who directly manage a field falls from three years to two, and new expert routes cover eligible outstanding science and technology graduates and candidates with at least five years' experience but no degree.
- **Intra-company transfers.** The category has been narrowed and now covers managers, executive directors and experts, but no longer technical workers.
- **Recruitment notices.** Under Article 37.6(c), recruitment must meet the qualifications and experience stated in the recruitment notice, and the notice must be consistent with the position, form of work, location and duration proposed.
- **Digital processing.** For eligible online Work Permit applications, a separate criminal record certificate may not be required where the information can be retrieved from government databases.
- **Filing windows and renewals.** New Work Permit applications may be filed from 60 days to 10 working days before the start date. Renewals may be filed from 90 days to 10 working days before expiry (previously 45), the stated renewal processing time falls from 10 to five working days, and the health certificate is removed from the renewal dossier.
- **Short-term work and reporting.** The 90-day short-term work exemption applies on a cumulative basis across employers in a calendar year, and does not apply where there is an employment relationship and wages are paid. Employers must also maintain foreign-worker information and submit periodic reports, generally before 5 June and 5 December each year.

The practical analysis differs depending on how a business engages its people. For businesses with directly employed foreign staff, the decree is largely a procedural improvement: a longer renewal window, faster processing and fewer documents. For businesses using EOR or similar third-party arrangements, the position is more serious. The substance of the arrangement, meaning who employs the individual and who directs and supervises the work, will matter more than the label used. Existing permits and exemption confirmations remain valid until they expire, but that should not be treated as blanket protection for an underlying arrangement that may constitute subleasing.

Actions to undertake

- Identify EOR and other third-party arrangements involving foreign workers, and assess feasible alternatives before 5 December 2026.
- Review planned intra-company transfers, particularly those involving technical workers.
- Update work-permit calendars, recruitment-notice processes and document checklists.
- Assign responsibility for the periodic foreign-worker reports.

Our separate article, ***Vietnam's Decree 393 Streamlines Foreign Employment and Challenges EOR Hiring Models***, examines these changes in more detail.

3. 24 November: Vietnam Culture Day Becomes an Annual Paid Day Off

Under Resolution No. 28/2026/QH16, 24 November is designated Vietnam Culture Day each year, and employees are entitled to a day off with full pay. 2026 is the first year the day is observed nationwide, and 24 November falls on a Tuesday.

The resolution should be read alongside the Labour Code. Article 112 of the Labour Code still lists 11 public holidays, and the addition of Culture Day to the Code has been proposed. Employers should therefore treat the day as a statutory paid day off arising from the resolution, rather than an internal celebration or an optional leave benefit, without waiting for any amendment to the Code.

With the date only weeks away, the immediate issues are operational. Employers should update leave and holiday calendars, check how November payroll and time-and-attendance systems treat the day, and plan operational cover. Businesses that require employees to work on 24 November, including shift-based and customer-facing operations, should confirm the pay treatment before the date.

Actions to undertake

- Add 24 November to the 2026 and 2027 holiday calendars and inform employees.
- Review November payroll and attendance configuration.
- Confirm arrangements and pay treatment for employees required to work on the day.

4. E-Labour Contracts: Temporary Arrangements Ahead of 1 January 2027

Resolution No. 44/2026/NQ-CP, effective 30 October 2026, addresses practical difficulties in implementing electronic labour contracts under Decree No. 337/2025/ND-CP. Its interim provisions apply from 1 July 2026. The key transitional arrangements are:

- Providers that supplied e-contract services before 1 July 2026 but were not yet connected to the national platform may continue to provide them until 31 December 2026.
- Contracts concluded during this period keep the same legal validity as written labour contracts until they expire.
- The national e-contract platform is temporarily not in official operation, pending completion of the required provider conditions and connection procedures, but must commence no later than 15 December 2026.
- From 1 January 2027, electronic labour contracts must comply with the applicable conditions and methods under Decree 337.

The important distinction is between continuity and readiness. Contracts already concluded through an eligible provider are protected, so there is no need to treat them as invalid. The more significant exposure is prospective: from 1 January 2027, new electronic contracts will depend on the provider meeting the full Decree 337 conditions and the platform being operational. Employers whose provider is not ready by then may need a contingency, such as written contracts, for new hires and renewals.

Actions to undertake

- Confirm whether your e-contract provider falls within the transitional arrangement and its timetable for platform connection.
- Review the continuity and record-keeping of existing electronic contracts.
- Prepare a contingency for contracts to be signed from 1 January 2027.

For background on the framework, see our earlier article, ***Vietnam's New E-Labour Contract Framework: What Employers Need to Know Before 1 July 2026***.

Key Dates

Date	Development
24 November 2026	Vietnam Culture Day: paid day off
5 December 2026	Decree 393 takes effect; Decree 219 repealed
15 December 2026	Latest date for official operation of the national e-contract platform
31 December 2026	End of the transitional period for late-connected e-contract providers
1 January 2027	New regional minimum wages apply; Decree 337 e-contract conditions apply in full

Priorities for Employers: Review, Align and Document

These updates address different areas, but each rewards early preparation and clear documentation. Employers should consider the following immediate priorities:

- map salaries against the 2027 regional minimum wages and update payroll parameters before January;
- review foreign-worker engagements, particularly EOR and third-party arrangements, before 5 December 2026;
- add 24 November to the holiday calendar and confirm payroll and attendance treatment; and
- confirm e-contract provider readiness and plan for the 15 December and 1 January milestones.

Payroll and HR compliance is not only about knowing the new rules. It is about making sure processes, documents and payroll practices are ready when the rules apply. Organisations that address these matters early will be better placed to manage implementation risk and maintain confidence in their payroll controls.

To discuss your payroll and employment compliance arrangements in Vietnam, contact Alitium at vietnam@alitium.com

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