



EMPOWERING UNIONS AND STRENGTHENING THE VIET NAM GENERAL CONFEDERATION OF LABOUR IN THE BETTER WORK PROGRAMME

Within the last decade Viet Nam has experienced an impressive average annual GDP growth of 7 per cent and the poverty rate has fallen from around 40 to below 17 per cent. Living standards have risen substantially, and the country is successfully transitioning from a centrally planned to a market economy. The nation also joined the World Trade Organization (WTO) in 2007. While providing opportunities for growth, this transition is also leading to an increase in the level of industrial disputes, including strikes (from 2009 to the end of 2012, there were 1,985 – according to the *2013 Labour and Social Trends in Viet Nam* report). Despite revisions to the national Labour

Code, which provide for strengthened union recognition and collective bargaining, many enterprises are struggling for effective workplace cooperation and meaningful worker representation. The role of the Vietnam General Confederation of Labour (VGCL) – Viet Nam's sole national trade union organization – is changing: in the past, with the dominance of state-owned enterprises, trade unions worked alongside the Government and management to increase prosperity and promote government policies. In a market economy, the VGCL needs to strengthen its capacity to represent workers' interests, in particular at the enterprise level.

FACTS AND FIGURES

Partners:

Levi Strauss
Foundation

Beneficiary country:

Viet Nam

Timeframe:

March 2009 –
June 2012

Budget:

USD 332,332

This project was co-implemented by APHEDA (Australian People for Health, Education and Development Abroad)

THE RESPONSE

Better Work is a multi-country innovative partnership between the ILO and the International Finance Corporation (IFC) aimed at improving compliance with national labour law and core labour standards while enhancing business competitiveness. The partnership in Viet Nam particularly supported workers' organizations.

The project provided workers, employers and the public with a better understanding of the role that trade unions play at the enterprise level, and improved the ability of the VGCL to represent workers at this level. The selected focus was the apparel sector – Viet Nam's second largest export industry (18 per cent of the total in 2010).

A range of new training materials and methodologies, including active adult learning, coaching and mentoring in key areas of consultation, problem solving, communication, negotiation and collective bargaining, was employed to deliver practical training tools and products to over 60 enterprises in Ho Chi Minh City, and in Dong Nai and Binh Duong provinces.

A second project phase saw an expansion in the scope of awareness raising and capacity building, with additional activities related to improved representation, training of trainers, recruitment, and retention of membership to build longer-term sustainability for the trade union.

RESULTS

An independent evaluation in 2013 concluded that 'the effectiveness of the capacity-building efforts was demonstrated through:

- The integration of effective teaching methodologies into union training programmes;
- The participation of unionized workers in democratic union activities and social dialogue;

- The application of innovative bottom-up approaches;
- The strengthened focus on industrial relations in the Better Work Viet Nam enterprise assessment process'.

The project has increased the awareness of workers and trade unions and their capacity to participate in dialogue in factories



subscribed to Better Work. It has also significantly built the capacity of Viet Nam's trade unions in the apparel sector to deliver effective education and training to factory representatives. Specifically:

- Training was provided to 214 Performance Improvement Consultative Committee (PICC) members, thus improving their ability to participate in a key element of the Better Work programme at the factory level. An accompanying guide was also distributed;
- A training kit for enterprise level union participants was developed;
- 27 VGCL/FOL (Federation of Labour) trainers developed key skills in adult learning methods, collective dispute resolution, communication, negotiation, and collective bargaining;
- Workplace information sessions updating workers on the role of trade unions, including collective bargaining and workplace cooperation, were conducted in apparel factories and reached 1,744 workers;
- 30 enterprises participated in training on collective bargaining and negotiation skills, recruitment, and dispute settlement;
- 1,600 workplace posters on the benefits of union membership and participation in dialogue and consultative processes were printed and distributed to the FOL and workers;
- 10,000 information booklets on the role of the union, workplace cooperation and collective bargaining were distributed;
- 15,000 pocket books on the role of trade unions were printed and distributed among workers;
- 5,000 Labour Law pocket books were distributed to local unions and workers;
- 520 consultative committee guidebooks were produced and distributed.



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BENEFITS OF PARTNERING

The partnership furthered workplace cooperation and social dialogue, joint problem solving by management and unions on issues of labour standards, and competitive and constructive approaches to dispute resolution.