



\$4m

project to turn VN's hopes for better labour relations into reality

A US\$4 million project was launched on 31 May in Hanoi to develop industrial relations in Viet Nam, making the new Labour Code and Trade Union Law beneficial to both employers and workers.

The four-year project "Support to development in industrial relations, wage fixing, and labour law implementation institutions and capacity in Viet Nam" will be implemented by the ILO, the Ministry of Labour, Invalids and Social Affairs (MoLISA) among other relevant agencies with financial support from the US Government.

The non-refundable official development assistance aims to help Viet Nam effectively enforce the new labour laws, make employers' and workers' organizations more influential, promote collective bargaining and social dialogue, and develop the minimum wage law and a good wage fixing mechanism.

"The new labour laws provide a sound legal framework for Viet Nam to improve relations between employers and

workers and solve enduring issues in the world of work but how to effectively enforce the laws is a bigger challenge than drafting them," said ILO Viet Nam Director Gyorgy Sziraczki.

According to Vice Minister of Labour, Invalids and Social Affairs Pham Minh Huan, improved industrial relations that protect the legal rights and benefits of different parties involved will create a healthy investment environment, which results in stronger economic growth and social justice.

The Labour Code, which came into effect on 1 May, and the Trade Union Law, that has been effective since the start of this year, carry significant changes in industrial relations – stronger rights for workers to establishing and joining trade unions, bigger roles and responsibilities of upper-level trade unions, increased dialogues and collective bargaining at workplaces, and enhanced mediation role of the Government to deal with labour disputes and prevent wild-cat strikes.

SPOTLIGHT

Vietnamese seafarers to be protected by newly-ratified Maritime Labour Convention

Viet Nam has ratified the Maritime Labour Convention, which provides comprehensive rights and protection at work for the world's more than 1.2 million seafarers.

When coming into effect in August 2013, the 2006 convention aims to achieve both decent work for seafarers and secure economic interests in fair competition for quality ship owners.

Viet Nam has nearly 32,000 licensed seafarers, including about 27,000 still working in Vietnamese and international vessels.

According to Viet Nam Maritime Administration (Vinamarine), there exists a "severe imbalance between supplies and demands" for seafarers partly because preferential policies fail to encourage them to stay with the job.

"Their jobs are harsh, dangerous and need lots of training but they are treated as manual workers," said Trinh The Cuong, director of Vinamarine's Shipping and Maritime Services Department.

Many crewmembers have been abandoned by ship owners in ship seizures while Viet Nam lacks specific regulations on the repatriation and other policies for seafarers in this situation.

Viet Nam has about 1,700 ships with the total capacity of 8.6 million DWT. The number can only cover one tenth of the country's exports and nearly half of domestic goods.

On the occasion of 50th anniversary of the Vietnam Chamber of Commerce and Industry (VCCI) this year, ILO in Viet Nam talks to President Vu Tien Loc about skills, productivity and competitiveness issues for businesses development.

Meeting today's and tomorrow's

Many enterprises have complained about the inadequate skills of their employees and the mismatch between education and market demands. How serious is the problem? What types of skills and in which areas do Vietnamese workers lack the most?

According to VCCI's recent surveys, the number of employers who feel satisfied with the skills of workers has improved but is still very low. Many workers, who have been trained at vocational schools, are mostly equipped with theoretical knowledge but lack the skills to apply them. The shortage of skilled workers is recorded in all sectors, especially in industrial production and high-tech industries.

How does this affect the productivity and competitiveness of businesses?

According to reports from the World Bank and Asia Productivity Organization, Viet Nam is among the countries with the lowest level of labour productivity. This is a major challenge for Vietnamese businesses. As Viet Nam is in the process of integrating into the world economy, improving the level of competitiveness is vital to enterprises. The annual global competitiveness report of the World Economic Forum has also lowered the ranking of Viet Nam in the past consecutive three years.

It is vital to establish a strong institutional mechanism that will allow regular business participation in vocational and technical education. What are your suggestions to do this effectively?

There are many reasons for the shortage of skilled workers. We can attribute it to the lack of an information



skills needs

and forecast of the demand of the labour market inadequate, career guidance for young people, and also because vocational training curricula do not meet the real needs of businesses.

We believe that the participation of businesses is critical. In addition to encouraging the private sector to participate in vocational education and training, we need a mechanism that allows businesses or business associations to take part in the policy making process and the implementation of vocational training programmes.

This can take full advantage of our

human resources and make sure that vocational training can reflect the market demands. We also suggest that the amended Law on Vocational Training outline clearly the roles and responsibilities of employers and their representing organizations in vocational training.

The ILO has been helping Viet Nam in skills development to bridge education and training to export growth, economic diversification and the creation of more and better jobs. How do you think we can further assist VCCI in this issue in the time to come?

With ILO's invaluable expertise and resources, we hope that the ILO will continue assisting VCCI to research and assess the initiatives and experiences of businesses in training and developing human resources. Besides, we can choose several sectors to implement pilot projects in skills training.

VCCI can provide good models to share among members of the business community and offer practical contributions to legal documents and curricula of vocational training. We believe that these efforts can contribute in improving the quality of human resources, creating new jobs for workers and helping Vietnamese businesses develop sustainably.

VCCI, MoLISA and ILO organized a national conference "Meeting Today's and Tomorrow's Skills Needs" in HCM City in late April to discuss the challenges and opportunities for skills development in Viet Nam. More than 80 participants representing the Government, private sectors, workers' organizations and development partners agreed on the need to bridge the gap between education and training and the world of work in the country with reference to international experiences and good practices.

Management-worker dialogue to put safety first



More than 3,600 workers joined Better Work Viet Nam's annual Safety Fun Run in Binh Duong Province on 5 May to raise awareness on fire prevention in garment factories in the country.

Better Work Viet Nam manager Tara Rangarajan analyses safety situation in the country's apparel industry after Bangladesh collapsed garment factory kills more than 1,100.

The tragedy of the collapse of Rana Plaza in Bangladesh in May has turned global attention to the issue of working condi-

ILO Viet Nam launches first Media Award for journalists

ILO in Viet Nam has invited journalists to submit entries for its annual US\$3,500 Media Award, which sheds light on labour and employment issues in the country.

Applications should be sent to email VNmediaaward@ilo.org by 30 November 2013. Print, broadcast and online reporters together with social media journalists can submit their stories on working conditions, youth employment, the informal economy, sustainable enterprises, skills and training, productivity, gender barriers, discrimination, social protection, labour migration, labour inspection and labour law, the rural economy, vulnerable groups at the workplace, among others.

The winner of the Story of the Year will get US\$2,000 in cash and a certificate whereas a special prize, worth US\$1,500, will be given to the best story on the amended Labour Code.

tions in garment factories around the world. While international clothing brands are anxiously assessing their risks of where they produce their products, governments have the daunting task of ensuring that they have the laws and enforcement mechanisms in place to ensure their factories are safe.

At the same time, recent industrial disasters in Bangladesh, Pakistan, and elsewhere point to the essential role of social dialogue – worker and management communication – as a key to preventing the scale of tragedy we have witnessed. In Rana Plaza, as well as in the fire that took more than 100 lives at the Tazreen Factory in Bangladesh at the end of last year, the workers themselves had tried to raise their voices to escape from the dangers, but were unable to stand up to the demands of factory managers.

In Viet Nam, the laws on occupational health and safety are strong and some of the most serious threats to building integrity that exist in other countries – such as unauthorized multi-story factories – are virtually non-existent. The issue in Viet Nam is the degree to which factories take

the existing regulations seriously. The most recent data from Better Work Viet Nam shows high levels of non-compliance to national law in areas such as labelling, storage and worker exposure to chemicals and hazardous substances, lack of proper attention to emergency preparedness, health services and first aid, and insufficient health and safety management systems. While some factories have shown to improve their compliance levels at times, they often backslide for lack of ongoing attention or commitment. Making sustainable change will require a concerted effort by all parties to put safety first.

Yet Viet Nam is a country that is working to differentiate itself in the international market place on more than cheap labour. As part of the new Labour Code, all enterprises are required to have a mechanism for management-worker dialogue that meets at least every three months. This is great progress and should help ensure that, alongside its strong laws, Viet Nam also provides the necessary space for management and workers to jointly identify potential risks and take preventative action.

□ A Vietnamese delegation led by Vice Minister of MoLISA Pham Minh Huan joined the 102nd Session of the International Labour Conference which took place between 5 and 20 June in Geneva. Mr Huan addressed the General Council session on 12 June and the delegation, which also includes representatives from VCCI, Vietnam Cooperative Alliance and the Vietnam General Confederation of Labour had a meeting with ILO Director-General Guy Ryder on the same day.

□ MoLISA and ILO on 17 June launched a project to improve social insurance legal system in the wake of Viet Nam's demographic changes and only one fifth of the total workforce having social insurance. The project on "Strengthening the performance of the social insurance system in Viet Nam through improved legislation and legal framework for social insurance" supports the reform of the Social Insurance Law which is expected to get the green light from the National Assembly next year.

□ The Vietnamese Government, workers' and employers' organizations are making further progresses in mainstreaming the Decent Work Country Programme (DWCP) into their existing projects and programmes. Minister of MoLISA Pham Thi Hai Chuyen as the DWCP Steering Committee chair has requested all relevant departments and agencies to implement the document, which was signed in May 2012. A series of regional training workshops will also be organized for local authorities, trade union and employers across the country this year.

□ The preparation for the Rural Youth Employment Programme progressed after a screening trip to various potential partner organizations in northern Phu Tho Province while the potential cooperation with the Luxembourg Development Cooperation Agency was expected to improve the demand-driven training capacity of Bac Kan vocational training school.

World Day *Against* CHILD LABOUR

12 JUNE 2013



No to child labour! in domestic work!

MoLISA and the ILO called for special attention to child domestic workers on the occasion of the World Day Against Child Labour on 12 June this year.

According to the latest National Population and Housing Census, some 7.1 per cent of domestic workers in Viet Nam are under 18 of age. A 2011 domestic worker study conducted by MoLISA and ILO in Viet Nam's two biggest cities of Hanoi and HCM City also indicates that 17.3 per cent of surveyed domestic workers started their job before 18 year old.

"We can see from the reality that the number of child domestic workers tends to be on the rise for a number of reasons – the awareness of families and the whole society, poverty, poor children dropping out of school thus having very few choices for jobs, the increasing demand for domestic workers in urban households to take care of old people and housework," said Vice Minister of MoLISA Doan Mau Diep.

The Labour Code allows children from 15 of age to work as domestic workers if the job is light, suitable for their age, working hours are not too long and do not affect their education, and that the working environment and working conditions do not harm their physical and mental development.

ILO Viet Nam Country Director Gyorgy Sziraczki, however, said: "Since their work is often hidden from the public eye, child domestic workers are particularly vulnerable to discrimination, exploitation and abuse." "It's time to identify hazardous elements of

domestic work and to prohibit such work for children under 18 of age!" he added.

With ILO cooperation, Viet Nam has been implementing a number of projects dealing with early child labour – researching the situation and causes of child labour, working out the national programme on the elimination of the worst forms of child labour which focuses on the prevention, early intervention, saving the children from hazardous work and supporting them to re-integrate into the community.

Representing a major international donor in the fight against child labour in Viet Nam, Spanish Ambassador Alfonso Tena believed "one important way to contribute to the prevention and elimination of the worst forms of child labour, and child labour in domestic work in particular, is through awareness raising activities,

to change the perception of the society."

The ILO estimates that 15.5 million children around the world are engaged in paid or unpaid domestic work in the home of a third party or employer. The vast majority of all child domestic workers are girls and more than half of them are found in hazardous child domestic work.

In 2011, the ILO adopted new international standards (Convention 189) promoting decent work for domestic workers and providing clear guidance on how to avoid child labour in this sector.



With ILO support, the Youth Theatre premiered the play "Mum, I'm growing up" on 11 June in Hanoi in a hope to transform social attitudes and to address the acceptance of child labour in domestic work in Viet Nam. The drama by renowned director Si Tien highlighted the fate of a child domestic worker who had to drop out of school and work for an urban family.

Upcoming events

- Better Work Viet Nam shared learning seminar on the new Labour Code, 1 July in HCM City, 4 July in Binh Duong, 5 July in Dong Nai
- Employers roundtable discussion on National Wage Council model, Hanoi, 2 July
- Meeting of key stakeholders of the Joint Disability Project funded by UN Partnership to Promote the Rights of Person with Disabilities, 3 July
- Workshop on sharing initiatives to promote Quang Nam tourism

value chains, Quang Nam, 5 July

- Stakeholders workshop of child labour elimination project, Nha Trang, Khanh Hoa, 11-12 July
- Training for journalists on the new Labour Code and preventing sexual harassment at workplaces, Da Nang, July
- Launch of Viet Nam National Wage Council, July
- Workshops on actuarial valuation of the Social Insurance Law reform, Hanoi, 20 and 22 August
- Joint workshop on wage practices surveys, August

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