Newsletter

No. 9, May- Aug 2013



Highlighted Figure

3,965 workers have been surveyed as part of Better Work Vietnam's research programme on perceptions of working conditions as well as life outside the factory gates

Upcoming Events

Shared Learning Seminars on New Labour Law

The forth in our series of Shared Learning Seminars - implications of the new labour law for garment factories - will be held at the beginning of July (1st July Ho Chi Minh City, 4th July Binh Duong and 5th July Dong Nai).

Training Courses

The following courses are offered over the next few months: labour law, quality, supervisory skills, workplace cooperation and OSH. For more information on these and other courses see the full Training Schedule on page 6.

In the News

Better Work Vietnam Safety Fun Run was covered in 15 national newspapers (both Vietnamese and English) as well as on Binh Duong TV.

Agence France Press published an article on the potential role of Vietnam's textile industry as a model for Bangladesh. Find the article at f24.my/1buogwY.

Over 3,400 People Putting Fire Safety First

"A fun event but also an opportunity to learn about preventing and fighting fire" Le Duy Binh, Worker from Avery Dennision.

To mark Vietnam's National Week of Labour and Fire Safety and the ILO's World Day for Safety and Health at Work, on 5th May Better Work Vietnam (BWV) held its fourth annual Fun Run. The event aimed to strengthen the connection and awareness of employees, employers, buyers and the community of how to prevent fires in garment factories.

Around 3,400 garment workers, as well as managers, international buyers and local VIPs joined the event at Lucky Square, Binh Duong Province on Sunday 5th May. Buses of factory workers and managers started arriving at dawn to enjoy the warm-up which included over 3,400

The winner of the slogan contest - Shillabags





people dancing 'Gangnam Style'. The event really got going with the Run itself which was followed by a number of creative activities including animated videos, a fire safety quiz and a slogan competition. All aimed to increase and test workers' awareness of potential fire risks, prevention strategies and finally what to do in the event of a fire. All workers were given a handy booklet to take away with instructions on how to prevent fires both at work and at home.

The theme was highly relevant not just because of recent devastating fires in Bangladesh but also a need to take action here in Vietnam. Last year there were around 1,600 fires in Vietnam causing death and injury to workers and major structural damage to enterprises. A recent fire at a garment factory in Bac Giang province, damaged the factory and thousands of workers' vehicles at a huge cost to the enterprise.

"The event is supposed to be fun but the message is serious. We hope by the end of the day management and particularly workers are better equipped to prevent fires as well as act responsibly and safely if there is one" Thuy Nguyen, Training Officer, Better Work Vietnam.

Better Work would like to thank the sponsors of the 2013 Fun Run: adidas, American Eagle Outfitters, Coach, Gap, Nike, Levi Strauss & Co., PVH Corp and Target.

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LABOUR LAW UPDATE

Major Changes to the Labour Law Now in Effect

The new Vietnam Labour Law came into effect on 1st May 2013. Key changes affecting garment factories include:

Increases in pay for probationary workers, work on public holidays and overtime at night	One additional public holiday (for Tet/New Year)
Changes to daily working hours (down from 12 to 10 hours)	Maternity leave entitlement (up from 4 to 6 months)
Limits on monthly overtime (30 hours)	Regular workplace dialogue between employers and worker representatives
Working time for young workers	Process of negotiation of Collective Bargaining Agreements

Better Work started assessing factories against the new requirements from May. During advisory visits Enterprise Advisors will explain the new laws and provide factories with a template to complete to demonstrate how and by when they plan to come into compliance. The completed templates will be shared together with regular Advisory Progress Reports from July onwards.

In addition to work with individual factories, the Better Work Shared Learning Seminars in early July will focus on the New Labour Law providing participating factories with an overview of the changes as well as an opportunity to share both the challenges and best practice responses in adapting to the change. Better Work welcomes contributions from factories or buyers that wish to help develop materials, facilitate experience sharing and/or provide a venue. To register for a Shared Learning Seminar please contact: linhpham@betterwork.org

Factories and/or buyers requiring more in-depth training on the Vietnam labour law (including the recent changes) can register for the Labour Law Training Course. The next public courses are on 14th June, 25th July and 15th August. Private courses can also be organised. To register please contact: tien@betterwork.org

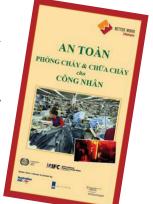
By the end of the year, once the implementation decrees to guide the detailed implementation of the new laws have been issued, Better Work will update its Labour Law Guide as an online resource.

RESOURCES

Fire Safety Booklet for Workers

A 20-page booklet on fire safety was distributed to around 3,400 workers at the Fun Run in May. As well as information on common causes of fire, it has simple instructions on how to prevent and fight fires at home and work illustrated by photos, pictures and easy to follow 'Do and Don't' sections. Emergency service numbers are also provided. The booklet can be viewed or downloaded from the website:

http://betterwork.org/vietnam/ wp-content/uploads/Fire-Safety Booklet.pdf



New Format to Media Updates

After collecting valuable feedback from subscribers, Better Work Vietnam has made changes to the Media Updates. Please look out for our reformatted monthly update covering recent garment industry news and labourlaw updates. Subscribe at http://betterwork.org/vietnam/?page_id=200



Compliance Synthesis Report Published: Emphasis on Collective Bargaining Ahead

Better Work Vietnam's 6th Compliance Synthesis Report was published on 26th April 2013 providing an overview of working conditions of 132 factories from February 2012 – January 2013.

There continue to be high levels of non-compliance in occupational health and safety, overtime, paid leave, contracting procedures and proper payment for temporary workers. In relation to Core Labor Standards this report marks a change in Better Work Vietnam policy on how to categorize and report on issues related to Freedom of Association and Collective Bargaining. From this report on, non-compliance regarding the right of workers to form or join a union of their choice and the ability of unions to form or join a federation of their choice will be reported only at the national level rather than the enterprise level. At the same time, Better Work will be increasing its attention to questions related to Collective Bargaining, putting greater emphasis on understanding the negotiation, decision making and communication processes behind collective bargaining agreements. As such, future reports will have more detailed information on collective bargaining indicators. See the full report at: http://betterwork.org/vietnam/?p=1941

RECENT DEVELOPMENTS

Helping SMEs access EU Markets with the CBI Netherlands Programme

etter Work is collaborating with a Dutch initiative to help garment and textile SMEs in Vietnam access European markets. The collaboration emphasizes the importance of social compliance to SMEs, as well as helping Better Work Vietnam factories improve production and marketing skills. The first phase of training was held in Ho Chi Minh City from 20-22 May with 40 participants from more than 10 factories and textile and garment associations. The training focused on: EU fashion trends: understanding EU buyers and their needs; positioning Vietnamese garment factories and the importance of CSR. It also included a presentation by Better Work on the role of social compliance in garment factories and the Better Work programme in Vietnam.

A second training on product development will be held in Ho Chi Minh City on 17-18 June and in Hanoi on 24-25 June 2013. A European Buyers Trade Fair is planned for later this year, when EU buyers will be invited to explore the potential for doing business here. The project is run by the Centre for the Promotion of Imports from Developing countries (CBI), an agency of the Netherlands' Ministry of Foreign Affairs. Over the course of the project SMEs will be provided with information and training on: the EU market and its requirements; product design; control of materials



More than 40 participants learned about export opportunities to the EU

and accessories; moving from CMT to FOB and costing and negotiating.

To learn more about the programme visit: http://www.cbi. eu/About%2520CBI/subweb/Garments-Vietnam/140299

Factories wishing to join the programme contact: Dinh Thi Nhu Quynh (Ms), CBI, email: dinhnhuguynh@gmail.com Tel: 0916 138 923/0946 157 988

New Funding for Better Work Vietnam

etter Work Vietnam would like to acknowledge and thank several government donors for their recent contributions to the programme. These funds will help the programme continue operations into the coming years, ensuring high quality services and allowing us to expand our scope in the country. The Vietnam programme is currently funded by the Australian Government, the State Secretariat for Economic Affairs, Switzerland (SECO) and the Netherlands Ministry of Foreign Affairs. Funding for additional activities is provided by Human Resources and Skills Development Canada and by the United States Department of Labor.

Have Your Say: Join the Factory/Supplier Focus Groups

o better understand and meet the needs of participating factories, in July 2012 Better Work, in cooperation with the Vietnam Chamber of Commerce and Industry (VCCI), established a Factory Focus Group. Better Work and VCCI meet quarterly with the group, which includes representatives of nine interested and active factories. The meetings are an opportunity for Better Work to update the factories about the programme's direction and priorities but more importantly to get their feedback on our services, answer questions and gather ideas for where we should focus going forward. It also provides a useful forum for exchange on issues facing the industry, new trends in corporate social responsibility, challenges with the law etc.

Better Work encourages proactive factories, with a strong commitment to driving change in the industry to join the group and get involved. Benefits of becoming a Focus Group member include representing the industry in Better Work Buyer Forums, attending networking events and meetings with other stakeholders. Participating factories are also the first to hear about planned changes and expansion to the programme and have a stronger voice in guiding its direction. For more details contact VCCI: Bui Thi Ninh (Ms), email: buithininh@ vcci-hcm.org, tel: 08 3932 6598

At a regional level Better Work is also seeking greater engagement with key players in the industry. On April 8th a Better Work Suppliers/Vendors Focus Group was launched with an initial meeting in Hong Kong. The purpose of this group is to give suppliers/vendors a voice; to ensure Better Work challenges and consequently meet their needs. Some of the supplier representatives from the group joined part of the Regional Buyers' Forum the following day. Regular meetings will be held with this group in Asia. Six major suppliers active in the programme joined the first meeting and the group is looking forward to welcoming others. Please contact: edington@betterwork.org for more information.

ENTERPRISE ADVISOR COLUMN

Listening to Workers to Prevent Future Tragedies

By Nauyen Ba Nhi, Enterprise Advisor, Better Work Vietnam



Fire at Ha Phong Garment Factory in Bac Giang Province on 6 April 2013

ollowing recent tragedies in Bangladesh, consumers are now turning their attention to safety standards in garment factories. The tragic accidents, a result of disregard for safety and compliance, could clearly have been prevented. However, instead of finger-pointing at the government, factory mangers or other stakeholders, we must now look at what we can do to prevent such tragedies from happening again. In many factories the most valuable resource to minimize the risk of fire accidents has not yet been properly taken advantage of: the ideas and input of hundreds or thousands of employees working on the production floor with open eyes and ears.

At most Better Work factories the Occupational Safety and Health Committee (OSH) aims to manage risk and prevent OSH accidents. It is supported by the Network of OSH Collaborators, whose members highlight any risks they see during their daily work, as well as support the Committee in implementing OSH related action plans. If these teams work well together accidents can be avoided.

Another important group is the Performance Improvement Consultative Committee (PICC), consisting of worker and management representatives. This team is tasked with identifying and improving non-compliance issues in the factory, including those on safety and health. The PICC meetings are a great opportunity for workers to raise their voices and take part in protecting themselves and their working environment from risks and accidents.

Workers in these teams play a variety of roles related to OSH, from seeing, informing, monitoring, supervising and contributing ideas. For example exposed electrical wires can cause death by fire or electrocution; workers can be the first to notice the problem and ensure it is fixed by reporting it to supervisors and monitoring the follow-up. Likewise, workers need to ask management to open locked or blocked fire exits so they have a way to escape in case of emergency. It is a guick and simple but potentially life-saving contribution.

Through education and training, workers also contribute to health related issues that may be less obvious but can have long-term implications. For example poor quality drinking water that management may be unaware of can cause long-term health issues. Raising this with management and ensuring that it is addressed can help to protect hundreds or thousands of workers from future diseases.

Improving social dialogue at factories is the most effective way to sustainably improve compliance and safety at work. Regular meetings, discussion and two-way communication between workers and management can help detect and solve issues at the outset before turning into problems or tragic accidents.

IN FOCUS

Thuy Nguyen, Better Work Training Officer (TO) talked to Ms. Hoang Thi Cam, Vice Production Manager of Viet Hung Factory when she joined a 4 -day Supervisory Skills Training in April.

Please tell us about your job at Viet Hung.

I have been a Vice Production Manager at Viet Hung for almost 10 years. There are 244 workers under my supervision including regular workers as well as some line and technical staff.

you decide to join?

Resource Department constructively. As well I learned about the course information they had got from our workers, the strategies Better Work Advisor, I outline I found that conflicts not only the content workers which will be but also the venue, schedule and trainer factory. profile were suitable for my needs.

What have you found how you work as a remost useful in the sult of the course? course so far?

supervisors, mechanics workers is my most have learned challenging task as a manager. How did you find out Thanks to the course I honestly say that before great thing has been about this training now know how to do the course I sometimes meeting

course and why did this more effectively, communicating Thanks to our Human with workers more as preventing conflicts between me have learned will When I looked at the also help me sort out between of great benefit to the

will change about

Distributing jobs to do is share what I would like to share? with In daily my managers and other colleagues. I can learned

things without much consideration for their working conditions or feelings. I will now pay more attention to the way I talk to workers particularly when they make mistakes. I also plan to encourage the workers to come to me with suggestions or complaints so I can resolve these before **Is there anything you** they become bigger problems.

Any final thoughts The first thing I will about the course you

addition to everything have the other

ordered workers to do from other factories in the same position as me. It has been really helpful to learn from their experience as well as realizing that I am not alone.



Ms. Hoang Thi Cam receives her certificate

RECENT EVENTS

"Safety Starts with Me"

The "Safety Starts with Me" Seminars were held in Ho Chi Minh, Binh Duong, Dong Nai and Cu Chi provinces in March and April 2013 with 130 participants from 65 factories. Better Work presented the history of garment factory fires worldwide, highlighted by a clip of the tragic fire in Bangladesh last year. Drawing on best practices from around the world, participants went on to learn about the causes of fires and how to control fire and respond in case of emergency. Every participant developed an action plan for their own factory, which included steps such as:

- Ensure that in addition to workers, line leaders, production managers and top management are involved in fire prevention and management
- Show workers where they should exit buildings and assemble in case of fire
- Train all workers (not just fire-fighting team) on how to use fire extinguishers
- Stop burning factory garbage on-site and stop burning incense close to storage of flammable items

Thanks to Esquel and Hansae VN for providing venues for the seminars. The next Seminars will be held in July 2013 focusing on the New Labour Law.

Global Exchange of Ideas

Every year, Enterprise Advisors and Training Officers from all Better Work programmes meet to share ideas and find creative approaches to common challenges. In early May it was the turn of Better Work Vietnam to host the largest summit to date in Vung Tau, a beach town just outside Ho Chi Minh City, with over 80 participants from Better Work programmes around the world.



The richness of their combined experience could only be rivalled by the passion and energy that each of them brought to the table. Exchange was the key word of the week as they shared their personal experiences, learned from one another, and found innovative solutions by transforming their individual skills into collective know-how. Together, they will strengthen the services Better Work delivers to international buyers, suppliers and the workers they interact with daily.

The Summit was fortunate to have a session run by Aykut Kazanci, CSR Manager from American Eagle Outfitters, one of Better Work's Buyer Partners. Aykut shared AEO's approach to promoting transparency and tackling excessive overtime. As well as being useful technical input this was also a great example of the buyer partnership model in practice. Speaking after the Summit Aykut said:

"This was the first and unique opportunity for me to observe and engage with the community of EAs and TOs at this level. We all know that Better Work brings up one of the most impactful CSR processes to the field, but now I also know that it has even the human competency and potential to further up."

Vietnam and Regional Buyers' Forums

The local Buyers' Forum was held in Ho Chi Minh City on 21st March 2013 with international buyers with local offices. Working with Better Work to ensure good important role in supporting

The Forum included updates on the progamme's present status as well as plans for expansion and adaptation of the current model. The buyers expressed appreciation for the services (particularly as well as providing useful feedback on areas Better Work expressed strong support for the programme's possible expansion to north Vietnam and into the footwear sector.

The local Forum was followed on 9th April by the Regional Buyers' forum in Hong Kong, Cambodia, buyer representatives from to general updates, smaller law. The Forum also put Better Work's Core Services within its stakeholder engagement, policy influencing, multimedia innovation, capacity building Cambodia joint Buyers' Forum will be held in Phnom Penh in the first week of September.

TRAINING SCHEDULE

Better Work Vietnam offers a range of targeted training programs to managers, supervisors and workers, both in the classroom and at the factory. Our upcoming public training courses are scheduled as follows:

Training Courses	Dates	Fees
Labour Law	14 June, 25 July, 15 August, 18 September	USD 25/pax USD 600/in-house course
Quality	21-22 June	USD 50/pax USD 1,250/in-house course
Supervisory Skills Training	12-13 & 19-20 July	USD 80/pax USD 2,000/in-house course
Workplace Cooperation	9-10 August	USD 50/pax USD 1,250/in-house course
OSH	23-24 August	USD 50/pax USD 1,250/in-house course
Negotiation	20-21 September	USD 50/pax USD 1,250/in-house course
Worker Training	Up on request	USD 300/episode/factory

What you will get: Certificate, handouts, books & pen, tea break 2 times per day.

Who should attend: Factory Manager & Human Resources, Administrative, Compliance Managers, Supervisors, Workers and Union representatives.

In-house courses can also be provided at a discounted rate. For more information or to register for training please contact: tien@betterwork.org

Better Work Vietnam is a partnership between the International Labour Organization (ILO) and the International Finance Corporation (IFC). The Vietnam program is currently funded by Netherlands Ministry of Foreign Affairs, Australian Government, the State Secretariat for Economic Affairs, Switzerland (SECO). Funding for additional activities is provided by Human Resources and Skills Development Canada and the United States Department of Labor.



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Swiss Confederation

Federal Department of Economic Affairs FDEA State Secretariat for Economic Affairs SECO



Kingdom of the Netherland

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- · Australian Government
- · Netherlands Ministry of Foreign Affairs
- State Secretariat for Economic Affairs, Switzerland (SECO)
- Levi Strauss Foundation
- United States Council Foundation, Inc. (funds provided by Gap Inc., Nike and Walmart)

Newly Participating Enterprises and Buyers

At the end of April 2013, there were 194 factories registered with Better Work Vietnam assessment and advisory services, while 46 buyers subscribed to view factory reports and engaged with the program.

Better Work Vietnam would like to welcome the following enterprises and buyers who have recently joined the program:

Enterprises:

Truong Vinh 2 Toptex Emperor Thao Minh Sun World

Buyers:

Mountain Equipment Coop (MEC)

For regularly updated and complete list of all participating factories and buyers, please visit:

http://www.Better Work. org/sites/VietNam/English/ ourpartners/Pages/index.aspx (under Partners)

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