# TRADE UNION REFORM NEWSLETTER

# FOR WORKERS' RIGHTS AND INTERESTS







**HIGHLIGHTS** 

**ESTABLISHMENT OF** 

MULTI-EMPLOYER TRADE

**UNION - OUTCOMF FROM** 

THE PILOT

THE XII NATIONAL CONGRESS OF THE VIETNAM TRADE UNION WITH THREE BREAKTHROUGH AREAS

- Progress of pilot activities within the cooperation framework between VGCL and ILO/NIRF - Japan project
- · Lessons from establishment of multi-employer trade union in Quang Nam
- Syndicates in the informal sector in Vietnam
- · Project's activities news



Tổng Liên đoàn Lao động Việt Nam



International Labour Organization

### MAIN CONTENT

# THE XII CONGRESS OF VIETNAM TRADE UNION

From 24 to 26 September 2018, the XII Congress of Vietnam Trade Union was held in Hanoi with the attendance of 946 delegates representing officers, union members, civil servants and workers across the country.



The Congress took place within the context of Vietnam's ongoing international integration with holistic and systematic reforms where the Vietnam Trade Union faces many challenges. This integration requires reform of trade union organizations and activities, with a focus on representing, defending and taking care of union members and workers.

The Vietnam General Confederation of Labour (VGCL) has received thousands of comments from workers and union members nationwide through the Trade Union Congress of levels. These comments and recommendations were gathered and presented at the 12th Congress of the Viet Nam Trade Union. They focused on five groups of issues, and particular there were recommendations to "consider the specificity of the Vietnam Trade Union in comparison to that of other political bodies to ensure that trade unions have sufficient human resources in terms of quantity and quality together with appropriate organizational models for fulfilling the requirements of new situations." Since the Trade Union is the representative organization for workers in industrial relations and in tripartite mechanisms, the percentage of full-time trade union officers compared to the total number of union members has the lowest ratio compared to other political organizations. At the same time, the Vietnam Trade Union's workload is increasingly heavy, especially considering the possible establishment workers'  $\cap f$ representative organizations when Vietnam will approve new generation of free trade agreements.

#### **SOME KEY INDICATORS FOR THE TERM 2018-2023**

#### Bv 2023:

- to recruit 2 million union members;
- to unionize 100% of enterprises employing more than 25 workers; to attempt to unionize enterprises employing more than 10 workers.

#### Every year:

- more than 80% of immediate upper-level unions ranked as good unions:
- more than 80% of the GTUs in the State sector and more than 55% of the GTUs in the non-State sector ranked as strong unions.

#### Every year:

- more than 98% of the agencies and units organized an Officials and Civil Servant Congress;
- more than 95% of state-owned enterprises and more than 60% of enterprises in the non-State sector held a Workers' Congress;
- more than 90% of state-owned enterprises and more than 70% of enterprises in the non-State sector engaged in dialogue at the workplace.

Unionized enterprises to sign CBAs:

 more than 70% of unionized enterprises concluded CBAs,

of which at least 45% are ranked as Type B or higher

The Congress agreed on a General Objective for the next five years 2018-2023: specifically: "to improve representation and care efficiency and also protection for the interests of union members and workers for the sake of decent work and a better life. To provide educational propaganda, to elevate class enlightenment, political will, patriotism, legal understanding, responsibility, high and workmanship in order to contribute to the building of a strong Vietnamese working class; to perfect organizational model, to change the mode of operation, and to build a contingent of intellectual, professional workers; to gather and attract a large number of workers joining into the Vietnam Trade Union; to build a strong Vietnam Trade Union; to actively participate in building the Party and a transparent and strong political system; and to contribute to national construction and defence."

In order to achieve this objective for the 2018-2023 period, VGCL will focus on three breakthroughs (1) Reform of organization and mode of operation and also care of the members' interests. representation and protection for workers: (2)Development of trade union officers. especially the chairpersons of grassroots unions in the non-state sector who are qualified and level-headed; (3)Development strong trade union capacity and promotion for trade unions to meet new requirements. In doing so, VGCL works out nine target groups, nine general missions and 10 groups of tasks and solutions to he implemented in the coming term.

Congress has passed the revised Statute of Vietnam Trade Union, and approved the election results for the Executive Committee of the 12th VGCL, 2018 - 2023 consisting of 161 members; in particular: Mr. Bui Van Cuong, Vice President of the World Federation of Trade Unions, Member of the Party Central Committee, and Party General Secretary of VGCL, held the position of President of the 12th VGCL; Mr. Tran Thanh Hai, Mr. Tran Van Thuat, Mr. Phan Van Anh, Mr. Ngo Duy Hieu are Vice Presidents of VGCL; and Mr. Van Dong Ta, Member of the Presidium, as Chairperson of the Inspection Committee of VGCL.

# A NUMBER OF ISSUES IN LABOUR REVISIONS OF CONCERN TO UNIONS

**Le Dinh Quang,** Deputy Director of Industrial Relations Department **Vietnam General Confederation of Labour** 

The process of revisina and supplementing the Labour Code of 2012 is underway in order to better adjust the reality for labour as well as to align to international labour standards in order to meet the requirements of the new situation. During this process, the Vietnam Trade Union, as an organization representing worker voices, has actively participated in expressing proposing its opinions to protect the rights and interests of not only union members but all workers.



# Positioning the Labour Code within the Legal System of Vietnam

In the labour law system of Vietnam, after the National Constitution, the Labour Code plays a very important role in regulating a broad range of socio-economic industrial relations that affect all sectors of the economy. The first Labour Code was enacted in 1994, and has been amended four times since in 2002, 2006, 2007 and 2012, with the 2012 revision being a comprehensive revision that forms the current Labour Code.

The Labour Code contains contents related to management, employment and the working conditions of workers, industrial relations and other social relations closely related to industrial relations, such as: employment contracts and collective bargaining agreements, wages, social insurance, working time, resting time, occupational safety and health, labour discipline, material liability, labour disputes and labour dispute resolution mechanisms, and strikes. Additionally it contains clearly defined roles, responsibilities and competences for state management agencies, labour inspectors, political organizations, and

socio-political organizations in the field of labour; responsibilities of the trade union and employers' representative organizations in industrial relations; and the establishment of critical regulatory framework for building harmonious, stable and advanced industrial relations.

However, with the inadequacies arising in law enforcement in practice, along with revision of the 2013 National Constitution and related laws and demands for international trade integration, the Labour Code needs to be further improved.

## Role of the Vietnam Trade Union in the Process of Revising the Labour Code

As representative organizations for workers, trade unions have the right and responsibility to participate in development and improvement of the legal system as well as policies in all areas of social life. Taking part in developing policies and laws, in particular laws relating directly to workers such as the Labour Code, is a profoundly safeguarded measure that protects the rights and interests of workers.

When participating in completing the Labour Code (amended),

#### THE LABOUR CODE (REVISED) FOCUSES ON FIVE MAJOR POLICY GROUPS Defending Ensuring the legitimate Improving labour Improving the Establishing a national fundamental rights rights and interests of market institutions: feasibility of the Labour labour regulatory and obligations of employers; establishing enhancing the Code and ensuring framework that is workers in the fields of uniformity of the legal a legal corridor for effectiveness and compatible with the core labour, industrial creating favourable efficiency of state system international labour relations and labour conditions for management of labour; standards of the ILO markets enterprises in enhancing the role and Declaration of 1998 and recruitment, status of unions in which meets the industrial relations requirements for management and employment international trade integration

trade unions hold to a number of the guiding principles:

- First, to institutionalize the positions and directions of the Party on perfecting the socialist-oriented market economy and promoting labour market development; also, creating a labour regulatory framework for rapid development of human resources, especially high-quality human resources, in order to raise the national labour competitiveness;
- Second, to protect the legitimate rights and interests of workers by strengthening the protection of vulnerable groups in industrial relations, ensuring fundamental rights and obligations of citizens in the field of labour; also, to create a labour legal framework to support enterprises in the process of recruiting and employing workers so that enterprises can develop their production and business activities and raise their competitiveness;
- Third, to develop a legal framework for reforming State management of labour and industrial relations in the direction of building and developing the labour market; also, to minimize labour disputes and to support the establishment of harmonious industrial relations in enterprises;
- Fourth, to ensure feasibility when enforced in practice and the consistency of the whole labour law system; and
- Fifth, to incorporate international labour standards into national legislation, especially fundamental international labour standards, in line with the level of socio-economic development and political regime of the country and to serve the process of international integration of Vietnam in spirit of Resolution No.

06-NQ/TW of November 5, 2004 of the 4th Session, Central Committee of the Communist Party of Vietnam.

#### Content of the Trade Union Emphasized

The Vietnam Trade Union recommends and emphasizes views that do not impair or undermine the rights of workers which are legally asserted and enforceable in the real world; at the same time they strengthen protection of vulnerable groups in industrial relations.

Through the Trade Union Congress at all levels, numerous comments from workers nationwide have been gathered which amend and supplement the Labour Code with principles that directly affect workers in order to:

- Stipulate mechanisms for the settlement of labour disputes in a professional, friendly and effective manner;
- Outline employers' responsibilities for ensuring a mid-shift meal for workers;
- Prescribe a retirement age suitable for each subject and field of labour;
- Specify the time workers to take part in studying the Party's guidelines, policies and laws of the State;
- Set up overtime hours at a reasonable rate with payment on a progressive basis; ensure gender equality, not reducing the progressive regimes that are applied to female workers.

VCGL and trade unions at all levels will continue to give specific positions when the draft Labour Code (revised) is officially published, which is expected in October - November 2018.

### ACTIVITIES OF THE UNION LEGAL ADVISORY NETWORK

# ENHANCE CAPACITY OF TRADE UNION LEGAL ADVISORS TO PROTECT WORKERS MORE EFFECTIVELY



In the third quarter of 2018, the Trade Union Legal Advisory Network organized two training courses to connect and strengthen the capacity of network members. These courses focused on the content of the Mobile Legal Advisory Service for workers and trade unions and on taking part in civil proceedings to settle individual and collective labour disputes.

In the recent years, mobile legal advisory service has become one of most effective and practical forms of available legal advisory services provided by unions. By providing mobile legal advisory, union officers at all levels become more proactive in approaching, understanding quickly responding to the legal aid needs of workers. New features in this training provide for unions officers, who advisory services, provide legal knowledge on legal issues, and Vietnamese psychology, to apply it to real-life situations as well as teaching

soft skills, such as listening and asking questions, and professional skills such as direct advice, dispute resolution, participation in proceedings, litigation in court, etc. In addition, training courses also provided materials and forms for use in practice in legal advisory so that union legal advisors can immediately apply the practice. Taking part in a mobile legal advisory organized by the Vung Tau Federation of Labour during a training period covering many situations helped the trainees to compare, self-assess and draw experience for themselves when organizing mobile legal advisory for workers.

Training courses for trade unions participating in civil litigation for both individual and collective labour disputes helped practitioners understand the legal bases, process and responsibility of the union in cases of participating in the settlement dispute at court. Trainers helped the

participants to acquire the basic skills necessary for the legal advisory to support and represent workers, and for union members to bring disputes to court to solve. A uniform system of forms has been synthesized and compiled, thus creating favourable conditions for legal advisors when engaging in legal advisory activities at the units. In addition, the preparation of action plans, attendance at court hearings, and practice analysing the results of court hearings helped participants to accumulate experience and confidence in participating in labour court proceedings. practitioners expressed that this was first time they had attended a trial (albeit in a simulated format).

In the future, VGCL should organize in-depth training courses for union legal advisors on wage issues, dialogue, collective bargaining, resolution labour of disputes, international labour standards, as well as on some issues of concern to workers such as social insurance and health insurance, to provide advisors with sufficient knowledge and skills to advise workers and to support grassroots trade unions. At the same time a handbook on "Trade union participation in legal proceedings: initiating lawsuits in individual and collective labour disputes" should be developed in order to widely share experiences and typical throughout the network of legal advisory offices.

See Vietnamese forms and templates for litigation process in https://drive.google.com/drive/u/0/folders/1sL4Y5vDTG-4Z9RurSjUR\_l8ByeLMaSPz?ogsrc=32

# PROMOTING SOCIAL DIALOGUE - THE EFFECTIVE SOLUTION TO PREVENT LABOUR DISPUTES

Dinh Quoc Toan, President of Hanoi Industrial and Export Processing Zones

Head of Liaisons Committee of the Industrial Zone Trade Unions Network

To facilitate activities of the Industrial Zone Trade Unions (IZ trade unions) Network, the IZ trade unions in northern provinces held seminars on the theme "The role of trade unions in the implementation of grassroots democracy in enterprises." The event was attended by representatives of the leaders of technical units of the VGCL, leaders of the Vinh Phuc Federation of Labour, leaders of

Vinh Phuc Authority of Industrial Zones province, and more than 200 representatives who are workers, grassroots trade union officers and upper level trade union officers of the 21 IZ trade unions located in the northern provinces.

At the workshop there were many comments focused on achievements in building and organizing implementation of regulations on grassroots democracy as well as an in-depth discussion on how to organize dialogue and a Workers' Congress in the workplace; additionally, there were comments on difficulties obstacles plus causes and solutions to improve the quality of dialogue in the workplace, and also on organization of a Workers' Congress at the enterprise. Most of comments affirmed that dialogue at the workplace and a Worker's Congress in the enterprise are the best approaches as they aim to build harmonious, stable and advanced industrial relations in each enterprise.

Through dialogue in the workplace and



organizing a Workers' Congress, employees and employers become closer, friendlier and more trusting, and can develop a better understanding of the feelings and aspirations of workers. In so doing, the employer seeks to solve in a timely manner the management problems in enterprises and respond to the legitimate proposals of workers. The employer communicates a sufficient amount of information to employees to help them understand the company's business situation, the ability to consume products, wages, bonuses, etc. Thanks to that, employees are happy to work in production and actively invest their efforts to constantly improve production and productivity in order to generate more income for themselves and improve business performance.

Starting with the actual situation and practical applications, organizing a Worker's Congress at an enterprise is an obligation and responsibility of the enterprise and trade union. As the representative responsible for

protecting the legitimate rights and interests of workers, grassroots trade unions must always work well with the employers to organize dialogue in the workplace. Depending on the nature and content of the dialogue, trade unions would participate either as a representative or as an independent organization in exchange for the enterprise finding a general formula for any given problem.

The workshop facilitates for grassroots trade union officers and grassroots trade unions to exchange and share experiences in leading, directing and implementing dialogue at the workplace. At the same time the participants could propose solutions and know-hows for improving the "Role of trade unions in implementing grassroots democracy in enterprises" in order to perform well the functions of representation, care and protection of the legitimate rights and interests of members and workers, and to establish harmonious, stable and advanced industrial relations in enterprises.

# PROGRESS OF PILOT ACTIVITIES WITHIN THE COOPERATION FRAMEWORK BETWEEN VGCL AND ILO/NIRF - JAPAN PROJECT

Under the framework of cooperation between VGCL and ILO/NIRF - Japan project, pilot programmes have been launched and gained initial outcomes. The updates on the progress of these pilot programmes and its results might provide a review of efforts, preliminary outcomes and lessons learned by union officers at all levels in the process of pilot implementation.

#### General information

The pilot programmes were designed in line with the development objectives of the Vietnam Trade Union with technical and financial support from the project ILO/NIRF - Japan project; they have been implementing in seven high density industrial areas: Hai Phong, Da Nang, Quang Nam, Binh Duong, Dong Nai, Ho Chi Minh City and Long An.

72 enterprises participate in pilot program

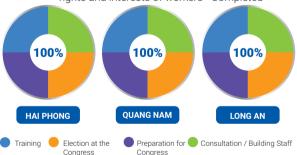
a total of nearly 45,000 employees

of which 60% are female
Percentage of trade unionists is 92.5%.

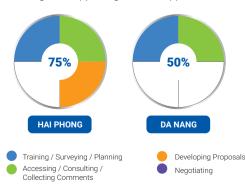
Pilots have been startingfrom June 2017. From the second quarter of 2018, a series of training activities on skills and knowledge for trade union officers in pilot units was carried out. Since then, local pilot implementation units have developed detailed action plans for the practical implementation phase.

Specific information on the progress of each pilot

Pilot 1 on direct election of the chairperson for grassroots trade unions at the Union Congress in order to introduce, choose and elect union leaders who are genuinely capable of representing the voice, rights and interests of workers - Completed



**Pilot 3** on extension of multi-employer collective bargaining agreements with coordinating and supporting roles for upper-level unions - In progress



**Pilot 2** on formation of multi-employer unions at small-and-micro-sized enterprises in order to diversify the organizing work of unions - In progress



**Pilot 4** on promotion of various forms of social dialogue to improve bipartite/tripartite IR, both internally and externally of firms – In progress



# KEY ACTIVITIES - TRAINING AND DETAILED ACTION PLANNING FOR IMPLEMENTATION IN PILOT LOCALITIES

After the strategic planning process for pilot activities with VGCL and the seven pilot implementing units, the ILO/NIRF -Japan project conducted training to support pilot implementation. In all 10 trainings were held over six months in provinces: the targeted content focused on three main areas: (1) Organizing - setting up trade unions and developing union membership focusing on the pilot to form multi-employer trade unions; (2)Collective bargaining - emphasizing multi-employer collective bargaining and extension of the agreement; and (3) Social dialogue at the enterprise level and beyond.

# Development of a training programme based on the nature of pilot and the local context

Content of these training courses is based on the relatively continuous communication and coordination between the Technical Advisory Committee composed of technical units of the VGCL, members of the local pilot implementing units and the ILO/NIRF - Japan Project. This is to ensure that the content of the training meets the needs of each locality and natures of pilot. For example, the pilot implementing units of Hai Phong and Da Nang, where implement Pilot 3 on extension of multi-employer collective bargaining agreement, participated in intensive training on multi-employer negotiation; pilot implementing units of Quang Nam and Long An are equipped with the knowledge and skills to organize unions with bottom-up approach in order pilot to establishment of a multi-employer

trade union; and training on social dialogue with innovative approaches was provided to pilot implementing units of Ho Chi Minh City, Dong Nai, and Binh Duong.

### Combination of theory and practice

The trainings were designed for trade union practitioners from the grassroots and industrial zone levels through to the provincial level in order to not only provide theoretical knowledge, but also an opportunity for union officers to their knowledge. practice advantage of these training sessions lied in the practical exchanges between union officers, where experienced pilot units were invited to share with members of other pilot implementing units. This is a useful way of communicating and spreading good practices as well as lessons in a most direct and concise manner. As a result. the content of training was assessed by the trade union officers as highly suitable and applicable directly to pilot activities as well as their daily work.

# Close coordination between international training experts and VGCL's training officers

In order to make tailor-made trainings for each pilot implementing unit, a training specialist from the Union Network International -Asia & Pacific Region - UNI-Apro worked with training officers from the VGCL in a close collaboration during the whole training process. Lessons from international unions in organizing, collective bargaining, and dialogue in the workplace were combined flexibly and properly with lessons learned from the

practice of trade union activities in Vietnam. Therefore, lectures were lively, attracting participants who actively participated in sharing and the Q & A.

# Training to realize pilot ideas with specific plans and outcomes

Training is one of the first stages in the pilot process. The training not only aimed at providing knowledge, skills and experience to pilot implementing units, but more importantly, these trainings gave a place for pilot members to share ideas and plan for pilot implementation. Pilot ideas were consulted and discussed extensively with pilot team members grassroots trade union officers directly involved in pilots, synthesizing and forming concrete steps and plans for implementing units to continue their work in the future. These plans were always accompanied by specific outputs and roadmaps as a basis for pilot groups as well as for the Project and Technical Advisory Committee of the VGCL to closely monitor the support.

Although these trainings only met a small part of the training needs of trade union officers at all levels, they have strengthened the capacity of the trade union officers to directly participate in the pilots. These pilots are also an opportunity for the Technical Advisory Committee of the VGCL, the local implementing units, and NIRF Project to further promote coordination and networking towards the successful implementation of the pilot programme, gain more lessons and experience from union activities.

# LESSONS FROM ESTABLISHMENT OF MULTI-EMPLOYER TRADE UNION IN QUANG NAM

One of the first pilot activities to be successful was the pilot on establishment of a Multi-employer Trade Union in Quang Nam among family-based childcare groups and private childcare services in An My Ward, Tam Ky City. The results of this pilot are important lessons for the VGCL in developing strategy on organizing and recruiting new members in small and micro enterprises. This pilot will form the basis for supporting VGCL in achieving important targets at proposed in the Congress XII specifically: "By 2023, 2 million union members to be recruited; 100% of enterprises with 25 workers or more will be unionized: and enterprises with 10 or more workers might have trade unions."

# Reasons for the selection of workers in pre-school facilities

The Quang Nam Federation of Labour is a new unit participating in the pilot and has demonstrated a strong determination to implement this highly difficult pilot which requires intensive coordination of the pilot implementing unit to mobilize and create links between employees working for different employers.

During the enterprise planning and zoning process for this pilot, the Quang

Nam pilot team encountered difficulties at the first step: identifying feasible target groups for multi-employer trade union. The pilot implementing unit persevered in its efforts and recognized the feasibility of the group of employees who work in pre-school facilities. Within the context of a large number of workers gathering in the industrial areas of Quang Nam to find jobs, demand for housing and social facilities have increased rapidly, including the need to send children of workers to pre-schools. Where public pre-school institutions have not been able to meet that need, private pre-schools have grown very rapidly. Regarding industrial relations, employees working in private establishments (including teachers, supporters, etc.) are always weak in comparison with their employers, so they will always have a need for associating in an union organization to protect their legitimate rights and interests.

# Process and results of pilot implementation

The Quang Nam Federation of Labour conducted a detailed baseline survey to understand the performance of private pre-schools in Tam Ky City to identify 'points of intervention' in order to build a core group and mobilize workers.

A survey was conducted in 10 units of family-based childcare groups and private childcare services located in An My Ward, Tam Ky City, Quang Nam Province. One characteristic of these units was the low number of employees, with the highest number of employees



reaching only 11 and the remaining ones having only 3-5 employees; 100% of the teachers are female.

After the survey, some similarities in this target group were identified such as the high level of connection between workers and geographically condense (the groups are located in An My Ward, Tam Ky City); differences in policies and working conditions for employees among establishments; the inability of employees to negotiate with employers when there is a violation of the employee's rights and interests: and a high turnover rate among those units or in the same industry (100% of surveyed units recruited new employees to replace laid off ones, with a unit turnover rate up to 66.7%.)

With the advantage of a high possibility of associating workers, strong union capacity and the support of the local government, the pilot implementing unit assessed that this was a highly feasible target group. The pilot team identified and fostered skills in a core group of three teachers in these units to set up a Campaign Committee. "The Campaign Committee organizes propaganda, responds to inquiries, and

# LESSONS LEARNED FROM THE PILOT

helps workers to understand and to join the union on a voluntary basis, of their own decision".1 After that, Campaign Committee successfully organized a multi-employer trade union with 27 employees working in 10 family-based childcare groups and private childcare services in My An ward, Tam Ky City.

#### Lessons learned

Piloting the establishment of unions among a group of family-based childcare groups and private childcare services in My An ward, Tam Ky City is the result of the Quang Nam Federation of Labour efforts in particular and the Vietnam Trade Union's in general in the

pursuit of activities that are placing employees' needs and aspirations at centre. To understand and meet these needs, it requires the union officers to deepen their understanding of the reality of workers' lives. By surveying, interviewing and reaching out to the parties, the pilot implementing unit thoroughly researched the target group to find a strong core group for mobilizing workers.

activity also represents breakthrough in the mindset and approach of the Quang Nam pilot implementing unit. Firstly, the pilot unit proposed out-of-the-box initiatives beyond the suggestion of the parties to

delineate the feasibility of the pilot to find the most capable target group. Secondly, the pilot unit applied the bottom up approach in organizing with the voluntariness and consent of employees in pilot units. Thirdly, the pilot team has demonstrated the highly-coordinated role so that workers in the 10 pilot units were able to form their own unions and elect leaders they trust.

This result reflects the reform of Vietnam Trade Union, targeting workers in small and micro enterprises (accounting for 90% of enterprises operating in Vietnam); placing the union members' interests at centre of activities with highly committed trade union officers.

# RESEARCH AND EXCHANGE

# SYNDICATES IN THE INFORMAL SECTOR IN VIETNAM

Vu Minh Tien - Director of Institute of Workers and Trade Unions Vietnam General Confederation of Labour

In Vietnam, before Doi moi in 1986, the informal sector and informal employment were not recognized in practice. Since 1986, the informal sector has developed and raised many issues related to job security, living and the voice of workers in informal sector. This includes the right to organize a representative organization to protect interests of informal workers. Such legitimate needs must be paid attention and addressed by the Vietnam Trade Union.

Workers in informal sector (or informal workers) is defined as persons having informal employment in a non-agricultural sector and in an agricultural household that has registered as a business.

There are more than 18 million informal workers in the country and their numbers are trending upward, but they occupy a smaller proportion of total employment in the country 1.

60%

Informal workers are concentrated in rural areas where many traditional craft villages and non-farm individual business households and cooperative groups are located

82.7%

81%

Informal workers being found in four sectors: Manufacturing and Processing Industry; Construction; the grouping of Wholesale and Retail plus Repair of Automobiles, Motorcycles, and Motorbikes;

### The highest proportion of informal workers can be found in the three sectors

98.7%	Employed in Households
90.2%	Construction
83.3%	Other Services

<sup>&</sup>lt;sup>1</sup> Pilot report for Q3/2018 of the Quang Nam pilot implementing unit.

# Informal workers with precarious work and unstable incomes, in absence of social protections

Informal workers are often employed without employment contracts or with oral contracts only. There is neither payment for their social and health insurances nor incentives and allowances. Until now, the informal workers has experienced unstable incomes, long working hours, unsecured labour safety, limited access to opportunities for skills development, and a lack of social protections. Their voices are rarely mentioned in the policy decision-making process. In particular, they lack formal representation to protect informal employment rights in industrial relations.

#### Definition in the VGCL Statute on this subject

Syndicates bring together law-abiding workers from the same occupation, location or undertaking who are legally free; a syndicate can be established when at least five members or five workers volunteer to join the Vietnam Trade Union (Article 13). Establishment of a syndicate is the same as establishment of a union: Workers volunteer to set up a campaign committee to form a syndicate, a upper level trade union offers support; when the conditions are met, the campaign committees shall organize a congress to set up the syndicates and register them with the upper-level trade union to consider and recognize syndicates (Article 14). In addition to the common tasks and competence, the syndicates focus on practical activities such as: (1) Representing syndicate members to local authorities and relevant authorities; (2) Caring for and protecting the legitimate rights and interests of members; (3) Gathering opinions and aspirations of the members to find solutions for supporting, helping or reflecting; petitioning and ask a competent person to resolve (Article 16).

### Situation of syndicate establishment

In the past, Vietnam Trade Unions have established syndicates in the informal sector, but the results have been modest.

Syndicates were established mainly in fields such as: the fishing and processing of aquatic products (fisheries, processing, fishery services); personal transport services, private transport (passenger cars, cargo), porters for charging and discharging (at markets, bus stations, fishing ports, etc.), cleaning (garbage collection, public toilets), car care, private medical practice (traditional medicine), handicrafts, pre-school teachers, hotel services, etc.

# Statistics on the syndicates and number of their members in provinces and cities, July 2018

Locale	Number of syndicates	Number of members
Country	522	42.583
Northern	61	3.159
Central and Central Highlar	nds 63	13.043
Southern	398	26.381

Source: 2018 VGCL's Thematic Investigation: "Organizational Model and Operation of Syndicates in Informal Sectors".

# Informal workers have the objective of association and formation of representative organizations, but the capacity to maintain their activities is very low

Characteristics such as work, working conditions and the desire to get a job – life guarantees are objective causes generating the need for a representative organization to protect informal workers' rights, to reflect their voices to the relevant agencies, and to be a place for exchanging and supporting each other in the profession. However, many syndicates have not been able to attract workers to join, and so there are no forms of activities and representatives to protect syndicate members in accordance with the nature and characteristics of employment diversity and the life of most workers. Workers have not seen much practical benefit when joining a syndicate. In addition, most syndicates today are unlikely to be self-sustaining after founding.

### Policy recommendations for Vietnam Trade Union

(1) To enhance and improve the quality of participatory formulation and improvement of policies and laws on workers in informal sector such as labour policies, social security, occupational safety and health, vocational training. employment, livelihood, financial needs, credit, etc. (2) To develop and implement a strategy for informal workers on roles, positions, functions, tasks and powers of the Trade Union; it gives them a better understanding of the union as a whole as well as the benefits they have when joining a union in particular (3) To survey and assess needs to timely develop organization and union members in the units, regions and occupations as informal workers' needs; (4) To strengthen the representation, protection of rights and interests of informal workers, with a focus on: (i) Implementation of the law, ensuring interests of informal workers needs to be strengthened; (ii) Trade unions should take the initiative or cooperate with relevant government agencies to strengthen inspection, supervision, and punishment of violations of the rights and interests of informal workers; (iii) When the rights and legitimate interests of informal workers are violated, the Trade Union should represent and protect them through the strengths of the Trade Union, such as: political positions, voices with public authorities, methods of propaganda, advocacy, persuasion, use of wide network of trade unions and tools for negotiation, etc.: (iv) Linkages, sponsoring associations and organizations of workers in informal sector needs to be extended to enhance their strengths, strengthening the strengths of each party to create "synergy" to represent the voice and better protect the interests of members.

Summary: Maintaining the operation of syndicates is very difficult due to the limited capacity of internal management, lack of resources, especially financial stability and capable, enthusiastic leaders as well as the long-term support from higher level trade unions. For syndicates to be set up and operate effectively, they need support in term of expertise and on financial (in the initial stages) and the sponsorship of mass organizations such as the Fatherland Front, Women's Union, Youth Union, and local authorities such as Commune People's Committees, local police and especially district-level trade unions.

# ACTIVITIES IN Q3 AND Q4 OF 2018

### List of activities implemented

- Training on promoting social dialogue for Wood Processing enterprises in Tam Phuoc Industrial Zone, Dong Nai (3-4 August)
- Training on promoting social dialogue for Textile and Garment Enterprises in Linh Trung Export Processing Zone, Ho Chi Minh City (7-8 July)
- Training for Network of Trade Union Legal Advisors (Can Tho, 16-17 July)
- Training on promoting social dialogue for pilot group in Quang Nam (18-19 August)
- Training on extension of Multi-Employer Collective Bargaining for group of Tourism enterprises in Da Nang (21-22 August)
- Consultation Workshops on the Draft of Labour Code revision (September).

### List of activities to be implemented

- Training on Collective Bargaining for Wood processing enterprises in Tam Phuoc IZ, Dong Nai (October)
- Training on Collective Bargaining for Quang Nam pilot group (October)
- 02 Workshops on Trade Union Models for better and more effective collective bargaining and labour dispute settlement, Quang Ninh and Can Tho (November - December)
- 02 Trainings for awareness raising on international labour standards and new generation of Free Trade Agreements for key trade union leaders of VGCL, Hanoi and Ho Chi Minh city (November)
- Research on Termination of Employment Contracts for Middle-Aged Workers (35-45 years old) in enterprises in Vietnam (October – December)
- Handbook on Trade unions participating in litigation and lawsuits of individual and collective labour disputes at courts.



Photos from ILO/NIRF - Japan project activities towards reinforced representative functions of workers' organization.

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