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Organization

Labour Law Compliance and the Role of Labour

Inspection in Viet Nam's Electronics Sector

Gale Raj-Reichert and Leonhard Plank

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This action-oriented study in Viet Nam was funded by the Government of Japan, as part of the [“More and Better Jobs through Socially Responsible Labour Practices in Asia”](#) (MNED project) focusing on the Vietnamese electronics sector.

It is one of the three studies undertaken in 2016 under the MNED Electronics project, and should be read in conjunction with the first report [“More and Better Jobs through Socially Responsible Labour and Business Practices in the Electronics Sector of Viet Nam”](#) that mapped out the industry situation and sought to address how enterprises can generate more and better jobs through socially responsible labour practices in Viet Nam’s electronics sector, taking into account the evolving transnational production system as the country further integrates in the global economy. The [ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy \(MNE Declaration\)](#) is used throughout the report as the guiding framework for “socially responsible labour practices.”

The MNED project in Viet Nam has followed a two-pronged approach by engaging in dialogue with enterprises on their responsibilities, while at the same time strengthening public labour administration, especially the labour inspectorate. It also worked from one end of the supply chain to the other, connecting actors at different levels to promote continuous dialogue – at the enterprise and sectoral and national levels, and between the home and host countries of MNEs - to prompt joint action involving all the stakeholders to advance decent work.

Documentation of country experience - [“Advancing decent work in Viet Nam: strengthening dialogue along the global electronics value chain”](#)

EXECUTIVE SUMMARY

I. Introduction

As part of the Japan-funded ILO project “[More and Better Jobs through Socially Responsible Labour Practices in Vietnam](#)”, this is a report of a study carried out to understand labour law compliance issues in the electronics sector towards ensuring decent working conditions. The study further considered the work of the labour inspectorate towards improving workplace compliance, both with regard to general working conditions and occupational safety and health issues. Also, the specific interactions between electronics firms and the labour inspectorate were analysed. The main findings show key challenges in the areas of discrimination, working hours, low wages and allowances, occupational health and safety risks, weak trade unions (TUs) and industrial relations, weak monitoring of labour compliance by the Ministry of Labour, Invalids and Social Affairs (MOLISA) and industrial zone authorities, and the use of private standards on working conditions. This report is based on semi-structured interviews with managers and workers in 17 foreign-owned electronics factories and 7 domestic Vietnamese electronics enterprises. In addition brief information notes on Department of Labour Invalids and Social Affairs (DOLISA) inspections of 40 electronic firms from 2012 to 2015 across the country were taken into account.

II. Electronics Industry in Viet Nam

Viet Nam’s economic development trajectory over the last 30 years is remarkable. Since the beginning of gradual economic and political reforms – initiated under the name Đổi Mới (“renovation”) in 1986 – Viet Nam has achieved outstanding economic and social progress. Over the last few years, the electronics industry has developed into the leading export sector in Viet Nam. In 2014, electronics accounted for more than 29 per cent of total exports. As a result Viet Nam is now among the top Asian electronics exporters and was ranked 12th in global

electronics exports in 2014. The number of electronics firms increased from 256 in 2005 to 1,021 in 2014. Employment in the industry increased more than eightfold from 46,000 in 2005 to 408,000 in 2014. The industry's importance in the national economy is also reflected in the rise in manufacturing value added from 1.9 per cent in 2006 to 11.9 per cent in 2013. The major driver behind this boom is foreign investment, particularly from Japan, South Korea and Taiwan.

Large foreign direct investment (FDI) companies dominate the industry in Viet Nam and account for most of the production (99 per cent) and employment (95 per cent). The result of the FDI-driven dynamic is a bifurcation between two largely autonomous segments in the industry: 1) large FDI firms that draw on imports or foreign-owned suppliers (often from home countries) in Viet Nam for primarily export production. These suppliers either have limited autonomy from their parent companies or, as in the case of Samsung's suppliers, co-location of key suppliers in the value chain in Viet Nam; and 2) small domestically-owned firms operating primarily in the domestic market with almost no linkages as suppliers to the FDI companies. The few linkages with FDI firms are limited to non-electronic inputs such as packaging, chemicals or (facility) services.

The most important production locations are clustered around the two major cities Ha Noi and Ho Chi Minh City (HCMC) and their surrounding provinces. In terms of employment, the leading provinces are Ha Noi, Bac Ninh, Bac Giang, Thai Nguyen in the North and HCMC and Binh Duong in the South. The recent FDI-boom in electronics has been relatively more important in the Northern regions. Export-oriented firms operate out of dedicated zones, including industrial zones (IZs), special economic zones and technology parks.

III. Findings on labour conditions

Amongst the firms interviewed, several similar characteristics were observed with regards to the composition of the workforce. First, the majority of workers were female. Second, the majority of workers were young and in their mid-20s. Third, minimum qualifications of workers were either secondary school (the

majority) or high school. Fourth, the majority of firms hired workers directly and only a few reported using agency workers during production fluctuations. Our findings of key labour challenges were similar to those faced in other developing countries that are heavily embedded in the electronics industry global value chain. The key issues are working hours, wages, occupational health and safety, weak TUs, and the governance structures monitoring and enforcing the compliance of labour laws.

Discrimination

Some firms revealed discrimination in the hiring of female workers. There were also questionable discriminatory practices involved e.g. allowances for menstruating or non-pregnant workers.

Working hours

In Viet Nam, overtime (OT) is a regular practice across all industries. In our interviews, most managers of foreign firms reported OT hours to be around 200 to 300 per year, which is permitted by law. Several foreign firms specifically spoke about the need for the OT laws to be revised for longer hours. Interviews with workers also revealed OT to be the main complaint. In domestic firms OT appeared to be less of an issue with annual OT hours averaging around 110 hours.

Wages and allowances

The average wage with OT and allowances amongst the interviewed foreign firms was 6.6 million in the North and 7.6 million in the South, which is more than double the minimum wage. This also illustrates the systemic use of OT by the firms. It is also notable that all five firms that reported worker stoppages said these were due to complaints over wage and allowance calculations, and OT. This is supported by the IZ TU leader which stated that the most common labour violation in Hai Phong is working hours, wages, and allowances. In contrast, the

gap between remuneration before and after OT was less significant amongst domestic firms, particularly for state owned enterprises. There was also notable difference between the range and amount of allowances amongst foreign firms in the North versus the South. In the South, several firms provided more allowances than in the North.

Worker contracts

In our interviews all firms reported that workers had written contracts. The firm managers interviewed amongst the foreign firms did not reveal violations of labour contracts. Two domestic firms on the other hand were found lacking information on wages in their worker contracts during labour inspections.

Occupational health and safety

Interviewed firms reported minor accidents at the workplace such as cuts to fingers. Several firms were using chemicals, which are pervasive in the electronics industry. Only 6 foreign firms and 2 domestic firms reported OHS inspections by government agencies. Without access to accident reports sent to IZ authorities and DOLISA, however, it is not clear whether our findings provide an accurate picture of the level of OSH risks and incidences.

During factory visits, several observations were made of potentially questionable health and safety practices. They included a lack of ventilation against the fumes from using cleaning solvents and soldering, very loud noise without ear protection, and repetitive practices without job rotation in almost all firms, and overheated workstations.

Trade unions and Industrial Relations

Worker-management relations were fairly similar across firms. The majority of firms had TUs, which were established within 1 to 2 years of the start of operation. The majority of foreign firms and fewer domestic firms reported to

have collective bargaining agreements (CBAs) with additional provisions reportedly above the law. All firms had complaint/suggestion boxes in factories, meetings between workers and line managers or supervisors, or TU meetings. Worker complaints were reported to be focused on working hours/over-time, food quality, and salary increments.

According to the IZ TU leader, factory TUs focused more on organising social activities than bargaining for improved working conditions or resolving labour disputes. The composition of TUs, however, was often biased towards management. Three firms reported managers as TU Chairpersons. In some instances, chairpersons were not voted for but appointed in advance by management. Concerns around conflict of interest were also apparent in some firms whose TU Chairpersons were part of management.

A key challenge based on our findings is a complicated multi-tiered system of TUs in Viet Nam. TUs exist at the factory, IZ, district, and provincial levels. During worker disputes it is not always clear which TU should be called upon. An important finding from the IZ TU leader was that work stoppages, although not widespread, were spontaneous and not organised by TU leaders.

This and further challenges in industrial relations were echoed by the IZ TU leader which identified challenges for collective bargaining due to: 1) TU leaders employed and paid by employers and therefore lacking bargaining power; and 2) TU leaders lacked knowledge of laws and experience in addressing worker complaints. Higher level/provincial TUs were said to provide support to factory TU leaders. This would also raise questions as to whether training TU leaders that are managers of firms poses a conflict of interest for addressing worker complaints.

Monitoring labour compliance: Public Inspection vs Industrial Zone Authorities

Most of the foreign firms interviewed had minimal interaction with the Labour Inspectorate. This was in contrast to most of the domestic firms, which had received at least one labour inspection visit within the last two years. The IZ authorities have had more regular contact with foreign firms on labour issues, many of which were located in IZs. On average, each firm was visited at least once a year by an IZ authority. According to Circular No. 32/2014, however, IZs no longer have the authority to carry out labour inspections. Even so, a few firms reported still receiving checks on worker issues such as employment contracts, wages, and over-time hours. In the North, firms interviewed were registered with the IZ and were visited by them regularly to monitor compliance with regulations on wages, allowances, bonuses, worker contracts, occupational safety and health, and recruitment.

Some firms reported examples of unethical behaviour amongst labour inspectors. Part of this problem is seen to result from an unclear chain of command among labour officers. This is further complicated by the fact that the People's Committees (PC) can override decisions and therefore holds ultimate power in decision-making on labour compliance matters at the local level. This can be seen as a problem given that Regional PCs' interests may be more attuned to protecting local investment by companies and the benefits this brings in the form of jobs and tax revenues.

Based on our findings there are three different possible explanations emerging for the minimal interaction with the labour inspectorate: 1) the labour inspectorate is of the view that the electronics industry is largely compliant with labour regulations and is not prioritized for inspections; 2) there is significant economic and political interest to support FDI-led growth within the electronics industry leading to less regulatory "interference" in the labour field. Moreover, the government is said to help resolve worker unrest quickly and for the benefit

of firms; and 3) there is overlap between the roles assumed by IZ monitors and labour inspectors, which continues despite regulatory changes.

Private Standards

Finally it should be noted that out of all of the firms interviewed, only 8 were implementing the Electronics Industry Code of Conduct and 10 had their own company code of conduct. 15 of these firms were audited against private codes on labour conditions either by customers or headquarters. Thus, while labour inspection visits were absent in these firms, labour conditions were being assessed albeit through private measures.

I. Introduction

As part of the Japan-funded International Labour Organization (ILO) project ["More and Better Jobs through Socially Responsible Labour Practices in Viet Nam"](#), this is the report of a study carried out to understand labour law compliance in the electronics sector towards ensuring decent working conditions in Viet Nam. The study further considered the work of the labour inspectorate towards improving workplace compliance, both with regard to general working conditions and occupational safety and health (OSH) issues. The specific interactions between electronics firms and the labour inspectorate were also analysed. The main findings show key challenges in the areas of discrimination, working hours, low wages and allowances, OSH risks, weak trade unions and industrial relations, weak monitoring of labour compliance by the Ministry of Labour and industrial zone authorities, and the use of private standards on working conditions.

This report continues with Section II outlining the methodology of the research conducted on a mix of 24 multinational and domestic electronic firms in Viet Nam in 2016. Section III gives a brief overview of the composition of the electronics industry in Viet Nam and its implication on working conditions. In particular its placement in lower value added segments of the global value chain (GVC) and its dominance by foreign multinational corporations (MNCs) are discussed. Section III also discusses the different characteristics that affect working conditions within various industrial locations and high tech parks. This provides background for understanding how wider global and local contexts affect working conditions in the electronics industry in Viet Nam. For example, firm linkages and clusters amongst MNCs and suppliers from particular home countries may be dominated by business cultures which increase risks (either inadvertently or intentionally) towards labour violations. It also helps illustrate how a lack of domestic supplier integration into the MNC dominated electronics industry limits the ability of foreign firms to influence or improve working conditions domestically. Thus, the discussion in Section III also provides a wider

context in which findings from the 24 firm interviews are situated and discussed in further detail in Section IV.

Section IV presents a detailed discussion of the seven main findings listed above. Each of the seven sub-sections also presents the various issue areas in relation to current labour laws. While each of these are issue areas of concern, findings around excessive working hours, TUs and industrial relations, the monitoring of labour compliance, and private standards were particularly important. These four issues were found not only to exhibit particular challenges but they are also areas in which policy changes and activities could lead to improvements.

The following Section V provides policy recommendations V that are specific to the major findings. The report is concluded in Section VI.

II. Methodology

This report is based on semi-structured interviews with managers and workers in 17 foreign-owned electronics factories and seven domestic Vietnamese electronics enterprises in the Northern and Southern provinces in Viet Nam. All foreign firms interviewed originated either from Japan, South Korea, Taiwan or the United States (US). Interviews in the North of the country surrounding Hanoi were in the Trang Due Industrial Zone in Hai Phong, Khai Quang Industrial Zone in Vinh Phuc, Que Vo Industrial Zone and Tien Son Industrial Zone in Bac Ninh, Thang Long Industrial Park in Dong Anh, Hap Linh Industrial Zone and Tien Son Industrial Zone, both in Bac Ninh province, and Cam Giang in Hai Duong province. In the South of the country interviews were conducted in the Vietnam Singapore Industrial Park II in Binh Duong surrounding HCMC and the Saigon High Tech Park in HCMC, and Dong Nai.

The selection of firms was based on a purposeful sampling derived from a unique database compiled by the Vietnam Chamber of Commerce and Industry (VCCI) for the project (VCCI 2015). As the aim was to capture a wide range of dimensions

in the sector a maximum variation sampling was drawn taking into account nationality of ownership, firm size and location. Only one enterprise contacted for the study, which was foreign-owned, declined to take part in the study.

Interview questions focused on firm characteristics, labour conditions, labour inspection, and private labour standards (see Questionnaire in Annex). Interviews with foreign firms were conducted by two consultant researchers, three ILO staff members, and one Ministry of Labour Invalids and Social Affairs (MOLISA) labour inspector. Simultaneous translation was provided by ILO staff members during the interviews and discussions. Interviews with domestic firms were conducted by two ILO staff members and one MOLISA labour inspector. Factory floor visits were conducted in the majority of firms, which included interviews by the labour inspector with 22 factory workers. Two semi-structured interviews were conducted with civil society organisations in Ha Noi. One interview was conducted with a temporary worker agency. One questionnaire was administered to an Industrial Zone TU leader (hereafter 'TU leader'). Meetings were also held with individuals at the ILO office in Ha Noi, VCCI, Vietnam Electronics Industries Association (VEIA), and MOLISA.

Secondary data includes brief information notes on Department of Labour Invalids and Social Affairs (DOLISA) inspections of 40 electronic firms¹ from 2012 to 2015 across the country. They include 11 firms in Bac Giang, 10 firms in Binh Duong, 7 firms in Hai Phong, 11 firms in Ha Noi, and 1 firm in Thai Binh. This source is referred to as 'DOLISA Inspections Notes' in the text. Quantitative data from international and national sources were analysed to understand the trajectory of the emerging electronics industry in Viet Nam. The former included trade statistics from the United Nations (UN) Comtrade database, industrial statistics from United Nations Industrial Development Organization (UNIDO) (Indstat2 and Manufacturing Value Added database), and firm-level data from

¹ The identity of the electronic firms inspected by DOLISA are kept anonymous. Therefore we are unable to know whether they include firms that were interviewed for this report.

Bureau van Dijk's ORBIS database. The latter primarily draws on economic and social statistics provided by the General Statistics Office (GSO) in Viet Nam.

III. Electronics Industry in Viet Nam

This section begins with a brief discussion on the composition of the electronics industry in Viet Nam. It focuses in particular on the dominance by foreign MNCs in particular segments of the industry. The aim is to show that the electronics industry in Viet Nam has entered and located itself in segments of the GVC that are low skilled and comprise primarily labour intensive assembly operations. This is the result of a set of favourable factors and conditions in Viet Nam that include government incentives for foreign investors and a large and fast growing workforce that is young, female dominant, and relatively low cost.

The foreign direct investment (FDI) dominated industry is characterised by strong buyer-supplier linkages between foreign brand firms and suppliers from their home countries. As discussed below, these characteristics have implications for working conditions and labour governance in Viet Nam. Moreover, there is also a lack of integration by domestic private firms into the export oriented FDI segments of the industry. In other words, domestic electronics firms are not key suppliers to MNCs. This may present challenges for domestic firms to move up the value chain through technology transfer and training opportunities, and into increased value added production which can offer better working conditions for workers.

This section also discusses the use of Industrial Zones, Industrial Parks and High Tech Parks in Viet Nam in the manufacture of electronics. These industrial areas suggest patterns of localised working conditions and challenges and which provides a strategic opportunity for (further) study on the patterns of, and opportunities for improving governance structures over working conditions.

The insertion of developing countries like Viet Nam into GVCs in lower value added segments that are dominated by foreign firms tend to face greater challenges in economic upgrading and social upgrading of working conditions. When it comes to working conditions, low-skilled labour intensive assembly operations normally face the highest risk of labour violations in the electronics industry GVCs (Gallagher and Zarsky 2007; Raj-Reichert 2016; Philips/Henderson 2009; Plank and Staritz 2013; Lüthje et al. 2013; Lüthje and Butollo 2016). This section therefore aims to highlight some of the key factors which from the firm composition and segments of the electronics industry GVC present potential challenges and risks for working conditions in Viet Nam.

A. A growing sector

Viet Nam's development trajectory since the beginning of Đổi Mới ("renovation") in 1986 has been significant (World Bank 2016). It adopted an outward-oriented development model based on exports and FDI guided by important strategic state interventions. Selective trade policies that aimed to drive export growth while maintaining import protection for targeted industrial sectors have also played an important role (Thoburn 2013). As a result, Viet Nam developed a diversified industrial base that includes textiles, clothing and footwear, automobiles, machinery, and electronics (Masina 2012; Kelly 2016). The electronics industry² has become one of the most important industries in the Viet Nam economy as a key export sector and significant job creator (see Annex Table 1, 2 and 3). Electronics exports have risen from 4.7 per cent in 2005 to 29.2 per cent in 2014 (UN Comtrade 2016) and surpassed textile and clothing exports for the first time since 2013 (Tran and Norlund 2015). Viet Nam is now among the top Asian electronics exporters and was ranked 12th in global electronics exports

² The electronics industry is often defined as a sub segment of the electrical and electronics sector which includes a variety of everyday electronics products ranging from computers, mobile phones to household appliances, generators and batteries. We take a narrow definition focusing on "C26 Manufacture of computer, electronic and optical products" based on ISIC Rev. 4. The trade data analysis is based on the categorisation of Reed (2001).

in 2014 (see Annex Table 1). The number of electronics firms in the country also increased substantially from 256 in 2005 to 1,021 in 2014. The number of employees in the sector increased more than eightfold from 46,000 in 2005 to 411,000 in 2014. In 2014 the electronics industry accounted for 7.1 per cent in manufacturing employment up from 1.5 per cent in 2005 (GoV 2016).

B. An FDI dominated industry

The electronics industry in Viet Nam is dominated by foreign MNCs. FDI firms dominate the industry and account for most of its employment (95 per cent) (see Annex Table 4 and Annex Figure 1). FDI from Asian countries has been a major driver behind the industry's boom. MNCs from Japan have been strong investors in electronics since the 1990s followed by South Korea and Taiwan in more recent years (Vind 2008; Sturgeon and Zylberberg 2015; Goto 2016). FDI projects during the 1990s and early 2000s tended to be tariff-hopping and hence focused on serving the domestic market. However the more recent wave of FDI has been efficiency seeking with investments targeting mostly exports (Vind 2008; Le Duy Binh/ Pham Ngoc Thach 2010; Sturgeon and Zylberberg 2015).

The most significant example of a recent FDI firm is Samsung. Today Samsung is the single most important exporter (amongst all sectors) in Viet Nam. The foreign brand accounted for 17.5 per cent of total exports and roughly 60 per cent of electronics exports in 2014. With its first investment in 1995, Samsung now has 7 operations worth USD\$ 11.3 billion in the country and continues to seek permission to expand facilities (Tuoi Tre News, 2015; UN Comtrade 2016). Its turnover in Vietnam in 2015 was USD\$ 32 billion. Samsung is also a major employer in the electronics industry. According to its CEO, in 2016 nearly 86.6 per cent of its 150,000 (which is 130,000) information technology and mobile telecommunications workers are in Viet Nam. The majority (120,000) of these

workers are Vietnamese.³ Other important foreign investments include Intel which built its largest assembly and test facility site in the world worth USD\$ 1 billion in HCMC in 2010. There is also an important share of Japanese first tier suppliers in Viet Nam (VCCI 2015) and leading contract manufacturers. The latter include Foxconn and Jabil Circuit which have expanded production in recent years in the country. Non-FDI firms in the electronics industry do not contribute to the overall Vietnamese economy in the same way as do foreign MNCs. While there are a large number of domestic private firms, which make up 52 per cent of all electronic firms in the country, they are relatively small in size. The average size of a domestic firm is 24 employees compared to 628 employees amongst foreign firms. In 2014, domestic firms together employed only 14,000 workers in total and accounted for barely 4 per cent of total electronics employment (see Annex Table 4).

The most important sub-segments in which FDI firms operate in are electronic components, communication equipment, computer and peripheral equipment, and consumer electronics. These sub-segments are also where the main exports are generated, and where the most workers are employed (see Annex Figure 1 and 2). In these segments of the industry, operations are primarily simple and labour intensive assembly. These operations also draw heavily on imported electronics inputs (WTO-OECD 2016). In recent years mobile phones have emerged as a key product segment of communications equipment. In 2014, for example, communications equipment accounted for 72 per cent of total electronics production in Viet Nam (VCCI 2015). This is mainly due to Samsung's recent and very large investments in mobile phone assembly factories in the country. In 2016 it was reported that 50 per cent of Samsung mobile phones were made in Viet Nam.⁴

³ <http://vneconomicstimes.com/article/vietnam-today/almost-all-samsung-it-employees-in-vietnam>, accessed 1 September 2016.

⁴ <http://www.businesskorea.co.kr/english/news/industry/8785-samsung-made-vietnam-50-samsung-mobile-phones-made-vietnam>, accessed 1 September 2016.

The result of the FDI-driven dynamic in the electronics industry has been a continuing split between two largely autonomous segments of the industry in Viet Nam (Vind 2008; Le Duy Binh and Pham Ngoc Thach 2010). In the export-oriented segment, large FDI firms dominate with operations that primarily conduct simple, labour intensive assembly work. Their high use of imported inputs (seen by rising import figures that match rising export figures in Annex Figure 2) continue to feed into and stabilise labour-intensive operations. Large FDI operations also depend on the co-location of foreign suppliers often from their home countries thereby largely bypassing domestic suppliers and the creation of backward linkages in Viet Nam. The other domestic segment of the industry is made up of small private firms operating primarily in the domestic market with almost no linkages to MNCs. Their operations are also relatively less reliant on capital investment and modern machinery/production technology. The few linkages between Vietnamese firms and foreign firms are limited to non-electronic inputs such as packaging, chemicals or (facility) services (Le Duy Binh and Pham Ngoc Thach 2010; Sturgeon and Zylberberg 2015; Goto 2016).

It is clear that the strong performing electronics industry in Viet Nam is one that is export oriented and dominated by large foreign brands that are leaders of global and regional value chains. It is also clear that local Vietnamese suppliers are largely unable to meet quality standards required for export-oriented production led by MNCs. For example Samsung sources the majority of its components from Korean suppliers and uses only a very small number of domestic suppliers because of their inability to meet high quality standards (Tuoi Tre News 2015). Similarly Intel, which has an 80 per cent localization target rate, was able to raise the number of their local Vietnamese suppliers from three in 2010 to only 16 in 2014.⁵ The lack of domestic supplier capabilities is a situation that is typical during infant stages of industry development and early stage insertion into GVCs (Milberg et al. 2014).

⁵ <http://www.amchamvietnam.com/80-of-intels-global-production-of-latest-cpu-made-in-vietnam/>, accessed 2 August 2016

Within the GVC, Viet Nam's status as a manufacturing hub for primarily low-skilled assembly work implies that it is positioned at lower tiers of low value added production in global and regional value chains (Masina 2012; Tran and Norlund 2015; Sturgeon and Zylberberg 2015). Our own firm interviews and factory visits also revealed that the majority of firms were engaged in manual and labour intensive work on assembly lines. The positioning within lower tiers of the GVC presents stronger competitive pressures on firms and workers. In the electronics industry in particular, which is dominated by relatively mobile FDI, there is a risk of being locked in this primarily low value-added, labour intensive, and low paid work that is vulnerable to systemic labour violations. This risk is exacerbated by an overall lack of upgrading by the electronics industry in Viet Nam, which is contingent on increasing the capabilities of local suppliers. A number of examples, including Malaysia, Mexico, and Hungary point to the difficulties countries can face in achieving paths for economic and social upgrading in the electronics industry when it is heavily dependent on FDI that is concentrated in low wage and low-skilled production in the GVC (Gallagher and Zarsky 2007; Raj-Reichert 2016; Philips and Henderson 2009; Plank and Staritz 2013).

C. Favourable conditions

A variety of factors help explain the emergence of Viet Nam as an electronics hub in the GVC and Asia region. Government incentives, an abundant low-cost workforce (relative to its level of skill), and trade and investment agreements (see Box 1) have been important advantages for MNCs to locate in Viet Nam. Examples of government incentives include reduced rates of corporate income tax and subsidised infrastructure costs (FIA 2014). With regards to an abundance workforce, the post-war baby boom in Viet Nam has translated into a very young and expanding population. About one quarter of the population of Viet Nam is aged between 15 and 24 (ILO 2015) and every year around 1 million new persons enter the workforce (FIA 2014). Young workers face particular compliance challenges in the workplace and tend to suffer higher rates of workplace injuries

and illnesses. This is typically the case because young workers have limited knowledge of their workplace rights, and generally lack the training, skills and experience to recognize workplace hazards, voice their concerns, or manage associated risks.

There is also a large number of female workers in the labour market. The feminisation of the workforce is acute in the FDI sector, which presents particular issues for workplace compliance related to discrimination, sexual harassment and maternal health. In 2014, female employees accounted for almost 66 per cent of the total workforce whereas the national average for all economic sectors was 49 per cent (GoV 2015). There is an even higher rate of female workers in the electronics industry. In 2013 the share of female employees in the industry rose from 58 per cent in 2005 to 78.9 per cent (GoV 2016). The gendered workforce in the electronic industry also coincides with our findings where close to 72 per cent of the workforce amongst the firms interviewed was female (see Annex Table 3). There also has been an important movement of internal migrant workers into export sectors and particularly in the Southern cities of Binh Duong, Dong Nai, and HCMC (Tran and Norlund 2015). The majority of internal migrants in Viet Nam are also young (under 30) and majority female (59 per cent in 2014) (GoV 2015).

The majority of the workforce in Viet Nam (around 81 per cent) is classified as low-skilled without training and qualifications (GoV 2015). Skills upgrading is normally restricted to higher qualified workers such as engineers. However, even in large MNCs such as Samsung and Intel (which employs 1000 engineers in its factory in HCMC), skills upgrading occurs only amongst a small number of engineers (Tran and Norlund 2015; Vind 2008).

Box 1 - Trade agreements and labour governance in Viet Nam: the potential role of the Trans-Pacific Partnership

Membership to the World Trade Organization (WTO) in particular and its Information Technology Agreement appears to have acted as a boost to FDI into the electronics sector (FIA 2014; WDI 2016). This has been reinforced by a number of bilateral and regional free trade agreements (FTAs), including the Viet Nam-Japan Economic Partnership Agreement (entered into force in 2009), the Korea-Viet Nam FTA (went into effect in December 2015), the Viet Nam-EU FTA (concluded in late 2015) and the pending Trans-Pacific Partnership (TPP) agreement between 12 Pacific Rim countries including Viet Nam.

Beyond the liberalisation of trade the latter two agreements may have important implications with regard to labour conditions in Viet Nam. In particular the labour chapter in TPP has thus far the strongest labour provisions among existing FTAs involving developing countries. TPP requires that all parties to the agreement adopt and maintain laws recognizing the ILO's fundamental labour rights and practices. Moreover, all TPP parties are required to have laws governing minimum wages, hours of work, and OSH. However, the TPP does not set minimum standards in these areas as it explicitly states that these obligations will be satisfied "as determined by" each country (Article 19.3.2; e.g. labour laws setting a working week of 70 hours would meet this TPP requirement). While labour violations may be resolved via state-to-state dispute settlement, which includes the theoretical possibility of trade sanctions as a remedy to labour disputes, non-state actors, particularly TUs and public interest groups have no legal dispute mechanism in the TPP. In contrast, private entities can sue governments over trade and investment related conflicts via the investor-state mechanism (AFL-CIO 2016).

The United States has negotiated bilateral "consistency plans" with the TPP parties Vietnam, Malaysia, and Brunei. The consistency plans place additional legal requirements on these governments. In the case of Viet Nam in particular, the bilateral agreements are a response to national labour laws that do not meet the ILO Convention of Freedom of Association and Protection of the Right to Organise. Hence, the TPP consistency plans sets out that Viet Nam must allow for independent unions and grant them the same rights as those affiliated with the government. These independent unions must also be allowed to affiliate with each other to form a broader national federation – a process called "cross-affiliation." All the consistency plan laws must be passed before Vietnam may export to the United States under the terms of the TPP. Not meeting this obligation would theoretically allow the US government to withhold those tariff reductions (Charnovitz 2016). However, for the cross-affiliation obligation Viet Nam is granted a 5 year transition period. Only in year six may the US unilaterally suspend all tariff phase-outs that have not already occurred (AFL-CIO 2016).

It remains to be seen to what extent the new labour provisions in TPP will go beyond the first generation of labour chapters in FTAs. Thus far, this approach has resulted in strengthening domestic regulations in developing countries. However weak implementation and enforcement of those laws have raised questions to their efficacy (Campling et al 2015).

Beyond the field of labour governance TPP also may have important indirect consequences for workers inserted into electronics GVCs in Viet Nam. Because of the economic liberalisation agenda enshrined in FTAs such as TPP the policy space for government to support structural transformation of the economy and job creation is reduced (Staritz 2016). In particular industrial policies to nurture domestic firms, support linkage creation and promote moves into higher value activities are endangered by these rules. This is particularly relevant for the current status of and Viet Nam's ambition to upgrade its electronics industry in the medium term.

Thus while we see that Viet Nam offers favourable conditions for FDI growth in the electronics industry, the characteristics of its workforce poses particular risks and challenges for working conditions that have been seen elsewhere in the industry (Plank and Staritz 2013; Raj-Reichert 2016). Female, migrant (internal and foreign) and young workers employed in low- skilled jobs for export industries have been shown to be at a higher risk of poor working conditions and violations. Further, skills upgrading, which is limited in low value added segments of the GVC, may create challenges for social upgrading or improvements for working conditions. The ways in which these issues offer opportunities for intervention will be taken up in Section V on Policy Recommendations.

D. Industrial Zones, Industrial Parks and High Tech Parks

In 2014, there were close to 300 industrial zones (IZs), industrial parks (IPs), and high tech parks (HTPs) in operation, under construction, or under planning in Viet Nam. For the electronics industry, the most important of these industrial areas are clustered around Hanoi and HCMC and their surrounding provinces (VCCI and ILO 2015) (See Annex Figure 5 and Annex Table 3 for a description of select IZs and IPs). All of the electronic firms interviewed for this report were located either in an IZ, IP, or HTP. Many of these industrial areas are not only dominated by MNCs but are clusters of foreign firms from a particular country. There are IZs that have a majority of firms from Japan, or IPs whose electronic sector is dominated by Korean firms. Therefore it is important to understand how firm composition, cultures, and governance as well as provincial and central government interests and control over these industrial areas affect and influence working conditions.

IZs were introduced during the early 1990s as a way for MNCs to bypass the state bureaucracy when setting up their foreign investments in Viet Nam. One of the key objectives of IZs in the country's overall industrial policy framework is job creation (Kuchiki 2009). A study by UNIDO (2012) on a set of MNCs in IZs found

them to be more export-oriented in their activities than MNCs located outside IZs. They also had a more female dominated workforce, less females in managerial positions, less subcontracting or backward linkages to local firms, lower wages, more training of workers (especially amongst Japanese firms), and slightly higher working hours than MNCs located outside IZs.⁶ The MNCs in the IZs also exhibited higher labour productivity due to very high performing firms.

There has been strong engagement by the Japanese government and Japanese MNCs in the development and use of IZs in Viet Nam. For example, in Northern Viet Nam, Japanese official development assistance loans helped develop infrastructure including constructing and repairing highway route 5 linking Hanoi to Haiphong and the Haiphong port which assisted in the growth of IZs and IPs in the area (Kuchiki 2009). Provincial governments in Viet Nam view Japanese investments as extremely important to local development and has provided infrastructure to attract and maintain FDI (UNIDO 2012). Some provincial governments have extended further benefits specifically to Japanese firms in IZs and IPs. For example in Dong Van II Industrial Park the governor, in order to show his strong support for Japanese investors, personally made 10 pledges to attract Japanese firms to the IP. The pledges were the assurance of stable power supply, free land outside the IP for worker dormitories, a sufficient labour supply, a 24-hour hotline to the governor's desk run by Japanese speaking staff, and the prevention of labour strikes (which applies to local and foreign companies) (Ohno and Ohno 2015).

A number of IZs and IPs have also been developed by private foreign investors. While older IZs and IPs were developed by Taiwanese and Malaysian investors more recent ones are investments by Japanese, Singaporean, and Thai firms (Ohno and Ohno 2015). An example is the Japanese trading and investing firm Sumitomo Corporation which has developed (as joint ventures) the Thang Long

⁶ Similar findings on the lack of backward linkages by MNCs with domestic suppliers were found in the SHTP (Pham 2016).

Industrial Park (TLIP) and Thang Long Industrial Park II (TLIP II) outside Hanoi, and will build TLIP III (100 per cent owned) which is scheduled to open in 2018 in Vinh Phuc province north of Hanoi.⁷ The IPs developed by Sumitomo Corporation is primarily for Japanese firms (which make up the majority of firms in the IPs) signalling the continuing importance of Japanese investments into the country. Sumitomo itself owns electronic firms one of which is located in TLIP.

The clustering or concentration of firms from particular countries in IPs could exhibit and reveal upon closer look a country effect on working conditions and labour governance. For example, at TLIP there is a governance structure that caters to the specific needs of its majority Japanese tenants. The 'Tenant Relation Division' of TLIP is run by Japanese staff which organise monthly meetings for information exchange, coordinate meetings with major firms, and conduct annual surveys on the issue of salaries. This is similar to our findings from firm interviews in other IZs (for example the Que Vo IZ which is dominated by Japanese firms and in Khai Quang IZ which is dominated by Korean suppliers) whereby human resource managers engaged in formal and informal meetings over hiring practices and salaries.

Country specific clusters of firms are also characterised by strong buyer-supplier linkages. Our own firm interviews revealed several Korean firms that were sole suppliers to Samsung. These findings are important because large foreign buyers may set the tone for working conditions within particular industrial areas. For example suppliers to a particular buyer could exhibit similar patterns of work, working hours, wages, gender discrimination and programmes of private labour standards. Further study of these effects is important to understand whether strong buyer control over suppliers, or firm coordination within an economic zone, perpetuate similar (compliant or non-compliant) working conditions across different suppliers. On the other hand they may exhibit positive practices in the workplace or present opportunities for improving the governance of working

⁷ <http://www.sumitomocorp.co.jp/english/news/detail/id=28747>, accessed 3 August 2016

conditions. This issue is discussed in more detail in Section V on Policy Recommendations.

Finally, the management of industrial areas is decentralised in Viet Nam. Only some high tech parks and economic zones are managed directly by the central government. Provincial and municipal governments are largely responsible for regulating IZs and attracting FDI. The Management Boards (also called Management Committees) of IZs play an important role in different ways. As will be discussed in the following section, the devolution of management responsibilities to local authorities also extends to governance responsibilities over working conditions. In particular, tasks related to labour law compliance had previously been delegated to IZ management committees, which included carrying out labour inspections and sanctioning labour law violations (Wheeler and Murtagh 2010). This can have particular consequences for example where private developers, whose interests may not be prioritised around worker issues and working conditions, are able to influence or affect communication and decisions over responses to new laws, wage levels, and other issues that affect working conditions in IZs and IPs. Moreover, provincial government policies and priorities to attract FDI, with a lack of oversight by central government ministries over worker issues, may compromise their responsibilities over maintaining proper working conditions, result in inconsistent application of the labour law across the national territory, and weaken the central authority of the labour inspectorate which is a principle of international labour law under ILO Convention 81, to which Viet Nam is a signatory.⁸ A more detailed discussion on the role of the various layers of government including labour inspectorates is discussed in the next section.

⁸ Viet Nam ratified the ILO Labour Inspection Convention, 1947 (No. 81) in 1994.

IV. Findings and analysis from firm interviews

This section summarises and discusses in detail the most important findings of the study from firm interviews, factory visits, and ad hoc interviews with electronics workers. They include detailed profiles of the firms interviewed, their working conditions, and governance challenges and limits. The major findings around working conditions were discrimination, working hours, low wages and allowances, occupational health and safety risks. The study also found weak TU presence and industrial relations in the sector, together with weak monitoring of labour compliance by the Ministry of Labour and industrial zone authorities. It further found the use of private standards on labour conditions. Details of the interview findings are found in Tables A to C in the Annex.

Each of these issues from our major findings, including the legal provisions governing them, are analysed and discussed in detail in the sub-sections below. While each of these are issue areas of concern, findings around excessive working hours, the role of TUs and industrial relations, the monitoring of labour compliance, and the use of private standards were particularly important. These four issues were found not only to exhibit particular challenges but they are also areas in which policy changes and activities could lead to improvements.

Details from DOLISA inspections of 40 electronics firms in various provinces between 2012 and 2015, which support parts of our evidence, are also included in this section. In general, DOLISA inspections found that compliance to laws is still a challenge amongst the firms inspected and particularly so amongst small and medium sized enterprises. The DOLISA inspections also generally found that most workers were unaware of the applicable labour laws and their rights in the workplace.

A. Profile of firms interviewed

The firms interviewed were located in six IZs, two IPs, and one high tech park. Interviews in the North of the country surrounding Hanoi were in the Trang Due Industrial Zone in Hai Phong, Khai Quang Industrial Zone in Vinh Phuc, Que Vo Industrial Zone and Tien Son Industrial Zone in Bac Ninh, Thang Long Industrial Park in Dong Anh, Hap Linh Industrial Zone and Tien Son Industrial Zone, both in Bac Ninh province, and Cam Giang in Hai Duong province. In the South of the country interviews were conducted in the Vietnam Singapore Industrial Park II in Binh Duong surrounding HCMC and the Saigon High Tech Park in HCMC, and Dong Nai.

(i) Foreign firms

The majority of the firms interviewed (17 out of the 24) and analysed in this report were foreign. The majority (10 firms) were Japanese. Six of the Japanese firms were located in the Thang Long Industrial Zone, which is occupied by a majority of Japanese firms. The remaining four Japanese firms were in the Vietnam Singapore Industrial Park II. The second largest group of firms interviewed was Korean (4 firms) and were located in the Trang Due Industrial Zone and Khai Quang Industrial Zones. In the Que Vo Industrial Zone, one Taiwanese firm was interviewed. In the Saigon High Tech Park, interviews were conducted with two American firms. The majority of firms were large enterprises with large factory floor workforces ranging from 318 operators (H7) to 4,114 operators (S5). The medium sized enterprises⁹ ranged from 71 (S4) to 187 (S7) workers. The majority of operators in most of the firms interviewed were female. The majority of firms hired workers directly and only a few (H3 and S9) reported using temporary worker agencies (TWAs) during production fluctuations.

The majority of Japanese firms (7 out of 10) were established before 2010 in Viet Nam. All of the Korean firms were established after 2010. This reflects the early Japanese FDI led development of the electronics industry which was

⁹ Medium sized enterprises are defined as firms comprising between 50 and 250 employees.

followed by a second wave of FDI from Korea and Taiwan. The only Taiwanese firm interviewed was established in 2007. The two American firms were established in 2007 and 2010.

Amongst the firms interviewed, only H2 was a final product branded company. All other firms were first or second tier suppliers. The majority of the firms interviewed were suppliers to brand firms headquartered in their home countries. Thus, the majority of the foreign firms also supplied to customers in Japan. All Korean firms interviewed were suppliers to either LG or Samsung. The Korean firms were also largely concentrated in supplying to one or a small number of customers. In the Khai Quang Industrial Zone both Korean firms interviewed were suppliers exclusively to Samsung. It was noted by interview respondents at H4 that all electronics suppliers in the Khai Quang Industrial Zone were suppliers to Samsung. The majority of the Korean firms (3 out of 4) were either assembling or producing parts for mobile phones. In contrast, only 60 per cent of Japanese firms (6 out of 10) were in the mobile phone industry. The other Japanese firms were engaged in security and audio equipment, printed circuit boards and semiconductor chips, parts for printers, and wires and cables. Fourteen of the foreign firms were engaged in the low value-added activity of assembly and testing. Amongst these 14 firms only H6 and S4 conducted some research and design. The remaining three firms included H7 which was engaged in highly automated advanced processing of printed circuit boards. The other remaining two firms, S8 and S9, were engaged in the most 'higher value-added' activity amongst all of the firms interviewed. They were producing semiconductor chips and conducting wafer assembly. These two firms also had the largest shares of engineers in our sample.

All of the firms interviewed imported the overwhelming majority of their inputs and mainly from their home countries. For 3 out of the 4 Korean firms, 90 per cent to 100 per cent of inputs were from Korea.

The low value nature of the operations in the majority of the firms is also illustrated by the large proportion of total employees amongst these firms being production floor operators as opposed to engineers. The majority of workers in all of the firms were young and in their mid-20s. Minimum qualifications of workers were either secondary school (for the majority of firms) or high school. In 10 out of the 17 firms, non-operators (which included administrative staff,

engineers, and managers) were less than 20 per cent of the total workforce. Amongst the 7 firms, which had larger percentages of non-operators, included those engaged in relatively higher value added activities. The largest amongst these was S9 with 62.5 per cent of its workforce comprised of non-operators. This firm assembled semiconductor chips and employed 300 engineers (19 per cent of workers) and 300 managers (19 per cent of workers). Similarly, S8 assembled semiconductor chips and had 45 per cent of its workforce as non-operators. It employed 18 engineers (12 per cent of workers), and 25 managers (17 per cent of workers) out of which only 1 was a foreigner. As mentioned above, H7 (27 per cent of workforce were non-operators) was engaged in highly automated processing. H2 (25 per cent of workforce were non-operators) and H3 (36 per cent of workforce were non-operators) were not only major production hubs but also the location of large management operations within the country.

In stark contrast are firms such as H4, S1, and S2 whose percentage of non-operators was 6 per cent or less of the total workforce. These were the most labour intensive factories. These three firms were also engaged in what is referred to as 'high volume, low mix' production whereby large numbers of one or a very small number of products are manufactured in a factory. These types of production sites are normally engaged in low value added activities. H4 for example only had one product line which was mobile phone cameras and camera parts which it supplied to only one customer - Samsung. S1 produced one main product, which is a flexible circuit board. S2 produced standard parts for printers. S1 and S2 are examples of where high usage of over-time occurs during peak production months. These findings are important because 'high volume, low mix' manufacturing tends to face more high peak production cycles that can create excessive over-time (ILO 2014). Suppliers in the mobile phone supply chain in particular face drastic peaks and troughs in production cycles. How these fluctuating production schedules affect overtime hours amongst several interviewed firms is discussed below.

When asked why or for what reasons a firm located in Viet Nam, the most common answer was the availability of an abundant and cheap workforce. The second most common reason was business expansion either by their mother corporations or customers. The third most common reason were favourable political and investment conditions in Viet Nam. Two firms (H1 and H7) were

performing under-capacity. These firms had established factories in Viet Nam in anticipation of increased orders and activity in the future - signaling their potentially long-term investment in the country.

All except one firm (H2) were engaged in production for exports and not the domestic market. H2 sold 10 per cent of its production in the domestic market. There were clear distinctions when it came to destination markets of the exports amongst the different groups of firms. Firms that supplied exclusively to Samsung, including Samsung in Viet Nam, (H4 and H5) were exporting only to developing countries in the Asia region. The majority of Japanese firms were exporting mainly to Japan. There was much less exports to Europe and North America.

(ii) Domestic firms

Seven out of the 24 firms interviewed were Vietnamese enterprises. All seven were private Vietnamese enterprises (SOE, D3-D6, D1, D2, D7) and none were state-owned enterprises. The majority of these firms were older than the foreign firms interviewed. The oldest, D5, was established in 1979. Most of the older firms were located in the South, including D4, D5, and D6 which were located in HCMC. This also reflects the earlier establishment of industrial parks and zones in the South of the country. The three relatively newer firms located in the North and in the area surrounding Ha Noi. All of these firms were medium sized enterprises ranging from 55 (D4) employees to 290 (D2). The majority of the factories had predominantly female operators (D1, D2, D3, and D5). D4, D6 and D7 had a majority of male operators.

Not all of the firms interviewed were suppliers to foreign firms. D6 and D7 were suppliers to other Vietnamese small and medium sized enterprises. The rest of the domestic firms were suppliers to predominantly Japanese and Korean customer firms. D1, D4, and D5 also supplied to American, Canadian, and European customers. Almost all of the firms were engaged in only low value added assembly work. They included assembly of electronic components, printed circuit boards, electric circuits, speakers, CD players, and antennae. Some firms (D2 and D3) were supplying parts for mobile phones. D1 was more diversified and supplied parts for auto-cycles and sewing machines. The majority of the

workforce in these firms was line operators. D4 however stands out with a lower percentage of line operators (58 per cent). It is also one of two firms with a majority of male workers (73 per cent of total workforce). D4 is also engaged in metalworking, which may in part explain the large share of male workers. D2 and D6 had the most engineers (12 and 9 respectively) compared to the other firms. Minimum qualifications of workers in D3, D4, D5, and D7 were secondary school. D6 required vocational diplomas.

While customer firms were not revealed in the interviews, the websites of individual firms show Canon, LG and Samsung as customers to D2. Most firms (D1, D2, D5 and D6) were engaged in production for both, the domestic and export markets in. D3 and D4 were exclusively targeting export markets. Most of exports were targeting the East and Southeast Asia region (Japan, Korea, Hong Kong, Malaysia, and Indonesia). Other markets included Cuba (D6), the US and Canada (US, Canada) and Europe (D1). Only D7 was supplying solely for the domestic market.

The findings in this section signal the role Viet Nam plays as a production location for the electronics industry GVC to 1) expand production capacity by Asian brands in Japan and Korea and 2) the widening of sales in the Asia region. As is discussed in the final sub-section, this Southern based regional value chain may exhibit lower pressure by consumers and governments to improve working conditions in the industry.

B. Discrimination

Findings from the firm interviews showed several similar characteristics with regards to the composition of the workforce. Firstly, the majority of workers amongst foreign firms were strongly female (on average 72 per cent). Amongst domestic firms, however, there was more gender balance with 51 per cent of workers being female. Firms in both the sample of foreign and domestic firms revealed discrimination in the hiring of female workers. For example, respondents at S7 noted a preference for female workers because it was perceived that they tend not to have disputes in the workplace. D1 and D3 also

stated it encouraged female applicants. A sample of job advertisements¹⁰ by electronics firms also showed clear preferences for and direct discriminatory recruitment of young female workers in the industry.

There were additional questionable and potentially discriminatory practices amongst a couple of foreign firms. H4 for example provided allowances for workers who were menstruating. S6 provided allowances for female workers who did not become pregnant or give birth during the first year of employment. These practices amounted to the monitoring of pregnancy amongst workers. Moreover, these practices call into question whether pregnant workers could be singled out and subsequently fired by firms looking to avoid maternity related compensation, the provision of leave and shorter working hours, or the need to remove these workers from hazardous jobs as required by national laws. Some of these practices are a clear violation of national laws. According to the 2012 Labour Code of Viet Nam discrimination on the grounds “of gender, race, colour, social class, marital status, belief, religion, HIV status, disabilities or for the reason of establishing, joining TU and participating in TU activities” is prohibited (Labour Code 2012, Art. 8). The 2012 Labour Code, which has a dedicated chapter on equal working rights for female employees, places responsibility on employers to create favourable working conditions for female employees. Hence, employers must ensure gender equality for recruitment, employment, advancement in wage grades, and remuneration (Labour Code 2012, Art. 90; Chapter X).

Six firms (H2, S8, S9, D4, D6, and D7) had a majority male workforce. H2 was a major assembler of washing machines and other large white goods. According to managers at H2, males were preferred because of their physical strength. Similarly, D6 and D7 was also engaged in producing household appliances such as refrigerators. S8 and S9 were engaged in semiconductor chip assembly.

While firm managers stated they did not engage in discriminatory hiring practices, job advertisements posted by the firm stated a clear preference for

¹⁰ See Annex for a sample of job advertisements last accessed on 08 September 2016.

male workers under 27 or 30 years of age. What we found in H2 coincides with findings by Vind (2008) who showed firms preferred males for work that involved heavy-lifting. However, a high level of automation at H2 had lowered the need for 'heavy-lifting' and we observed a few female workers working alongside male workers on the same production line factory. On the other hand, S8 and S9 were the only two firms in our sample engaged in the most highly value added activities. They are both semiconductor chip manufacturers conducting assembly and testing in their factories in Viet Nam. This coincides with findings elsewhere which have shown that in higher value added or more upgraded nodes in the GVC, there tends to be a lower share or participation of female workers (Staritz and Reis 2013).

Amongst the domestic firms, D4 (both engaged in plastic and metal moulding considered 'male' work) and D6 were older firms, established in 1985 and 1981 respectively, and may reflect an earlier tradition of hiring male workers before women entered the workforce in large numbers since the FDI-led electronics boom started in the second half of the 2000s where the female share of employment rose from 58 per cent in 2005 to 79.3 per cent in 2014 (to match the clothing industry at 80.6 per cent) (GoV 2016).

C. Working hours

Depending on whether working hours are determined on a daily or weekly basis the legal working hours in Viet Nam are between eight and 10 hours but no more than 48 hours a week (Labour Code 2012, Art. 104). This includes a daily break of at least half an hour if employees work for at least 8 consecutive hours and a mandated weekly rest period of 24 consecutive hours. If an employee decides to work overtime on their weekly rest day in a particular week, then the employer must ensure that the employee has at least 4 days off during the calendar month. The weekly day off must be stated in the Internal Regulations and in the Collective Bargaining Agreement (CBA) of the firm (Labour Code 2012, Art. 108, 110).

Total working hours per day, including overtime hours, must be below 12 hours. Overtime regulation allows for up to 30 hours per month and 200 hours

per year. For specific sectors annual overtime is permitted up to 300 hours (Labour Code 2012, Art 106). These exceptions are granted to export oriented sectors such as clothing, textiles, leather/shoes, aquaculture, and electronics (Decree No. 45/2013/ND-CP).

In our interviews, most foreign firm managers reported overtime hours to be around 200 to 300 per year. While some of these firms noted that 200 hours per year was the maximum allowed according to the law, others reported that 300 hours per year was the maximum allowed. This raised concerns of firms not understanding the law in the same way. Despite this confusion, several firms exceeded the 300 hours per year amount. They included H4 which reported the highest overtime hours averaging 500 to 600 hours a year per worker. H3 reported that workers on average had 350 hours. S5 and S6 had up to 60 overtime hours/month and H4 up to 80-90 overtime hours/month. It is important to note here that all except for one of these firms (H6) were producing for the mobile phone or mobile device supply chain.

Unlike the sample of foreign firms, only a minority (2 out of 7) domestic firms reported excessive working hours. The others were on average 110 overtime hours per year. High overtime hours was reported in two domestic firms (D1 and D2). Both firms reported four overtime hours per day during seasonal peak time. For D1, this was the case in 2015 where some workers worked four overtime hours per day from June to September. While it was not reported how often this occurred, however, 4 overtime hours on a daily basis during a four month peak season period, would amount to 384 overtime hours, which is a violation of the law. D1 was the most diversified supplier which supplied to the electronics, auto-cycles, and sewing machines. At D2, a line manager attested that overtime hours for workers can go up to four hours a day. It should be noted that on the website of D2 is listed as its customers Samsung Vietnam and Viettel – both of which are in the mobile phone industry. As was the case with some of the foreign firms, those that supplied components to mobile phones (mostly Samsung) experienced the highest overtime hours in our sample of firms.

A significant contributor to excessive working hours or overtime in the electronics industry GVC is the regular fluctuation of production cycles (ILO 2014). This is because electronic products, in particular mobile phones, have short life-

cycles and a quick end-of-life period. As a result suppliers can face rapid increases in their time to market orders with little lead time or forewarning. Suppliers can also face late orders or changes to orders that lead to quick ramp-ups in factories. In order to manage upswings in production orders suppliers often increase overtime hours of workers and hire temporary workers. This has been seen throughout the electronics industry GVC and is an on-going challenge for the industry (ILO 2014).

Peak production cycles, unsurprisingly, were a common occurrence amongst all firms. For example, at S1 which produced flexible circuit boards for smartphones, DVD players and LCD screens, and D1 which produced a variety of products for sewing machines, auto-cycles, and lighting devices, reported their peak production season to be from June to September. At S2, which assembled parts for printers, peak production months were May to July. At S5, which assembled camera modules for smartphones, peak production was during the last quarters of the year. At H3 which was assembling wi-fi routers, headsets, and mobile phones, July to September were peak production months. Similarly at H5 who was a supplier of mobile phone antennas and only to Samsung, peak production periods were November to February and at times July to August which according to managers coincided with Samsung's launch of new products in April. Similarly, H4, which was also a supplier to Samsung for mobile phones, reported April to July being low production months.

During peak production periods, firms increased their overtime hours and shifts and a couple of firms (H3 and S9) hired temporary workers. Amongst the highest overtime hours reported during peak production times were S1 and S2 with more than 100 overtime hours during peak months. Managers at H4 reported that 100 per cent of workers had overtime during peak production periods.

Several foreign firms specifically spoke about the need to revise overtime laws to allow for higher overtime limits. For example, the Human Resources Director of H4 noted struggling to stay within the limits of the overtime regulations. The director noted that high volume firms wanted labour laws pertaining to working hours changed. H4 also had a very large number of workers (2,600 operators) and faced high volume requirements during peak periods in the production cycle. H4 also faced pressure by its customer Samsung

to comply with the overtime laws. Some firms, such as S3 and H4, when discussing the struggles with limits of the overtime regulation noted that workers would like to work more hours. Managers at S3 stated that workers would like to work overtime up to 400 hours a year. Similarly the Human Resource Director at H4 noted that workers wanted more hours because the salary was too low. The Director also noted that the minimum wage laws were being applied too strongly. We were however unable to verify the claims that workers wanted more overtime hours with worker interviews at these firms.

On the other hand, several firm managers (H1, H2, and H4) noted that working hours and too much overtime were also amongst common worker complaints. Indeed amongst the 5 firms in our sample that experienced work stoppages (H1, H3, H4, S3, and S5) worker complaints included excessive overtime. The majority of the interviews with workers in different factories revealed overtime as a main complaint. Interviews with four workers at H1, which experienced a worker stoppage within the last 5 years (see Box 2) reported having too much overtime hours including during the weekend. They complained of wanting to have more time for their families and for taking care of their children. A worker at H3 worked on average 40 hours overtime per month. A second worker at H3 reported working 52 hours overtime per month. At S5, a worker reported working 12 hours overtime/day and 600 hours/year in 2015. A worker at S3 described overtime hours in terms of the monthly wages. During low overtime hours, the worker earned 5 million VND/ month. During high overtime hours, the worker earned 8 million VND/ month. While it is difficult to pinpoint to what extent wage differences is the result of excessive overtime, given the lack of official records shared by firms, it however correlates with the mobile phone production chain, to which the majority of these firms (H1, H3, and S5) were suppliers to. It should also be highlighted that all of these workers interviews were conducted in firms that had experienced worker stoppages in the past 5 years.¹¹

¹¹ It should be noted that a worker interview at H2 and one worker interview at H3 did not reveal overtime hours as a complaint.

The general picture from our findings of excessive working hours and use of overtime is supported by the DOLISA inspections of 40 electronics firms. It was found that some firms did not strictly follow the regulations on overtime as stipulated by Article 106 of the 2012 Labour Code. It also found enterprises not providing adequate rest time and improper arrangement of working hours. According to the inspection notes, the most common violation across all firms inspected was violation of overtime rules (Hung 2016). Inspections in Bac Giang and Hai Phong in particular showed workers had to work excessive overtime. In Hai Phong, DOLISA inspections also found firms had improved the arrangement of working hours and rest hours.

In addition to this secondary data, workers at a Samsung factory interviewed by the civil society organisation (CSO) representative noted that they complained of their lives consisting of only “working and sleeping”. The CSO representative revealed that working hours in some Samsung factories restricted the number of times workers could use the toilet. ‘Toilet cards’ were used to limit the time workers were allowed for bathroom breaks. According to the CSO representative workers were unaware that this and other practices are violations of international labour standards on the freedom of movement (ILO conventions 29 and 105 states “employment is freely chosen”).

Box 2 – H1 worker stoppage: worker demands

H1 had a worker stoppage in the past 5 years. During three days around 1,000 workers went on strike in this Korean firm. The reasons for the work stoppage, the related workers' demands (six of them), and how they were addressed are highlighted below based on information from the firm's managers and local media reports. This is an example of worker complaints over working conditions in an electronics firm in Viet Nam. Since no TU was established in the firm the key brokerage role in resolving the work stoppage was played by the chairwoman of the TU at the level of the concerned IZ.

- 1.** The first demand of workers centred on additional days off. While workers were legally registered to work 26 days per month implied that workers would have to work every Saturday. Workers requested to have two Saturdays off per month as other firms in the industrial area had similar arrangements. The firm agreed to phase in this request over a four month period as the production order cycle at the time could not allow for immediate implementation of the request.
- 2.** A second working time related demand was for workers to be informed in advance of planned overtime. According to management workers should know one day in advance if they are scheduled for overtime work. According to firm managers, due to logistics problem (disruptions in the supplies imported from Korea) this had not been the case. Local media however reported that there was an overall lack of working time regulations in the firm and therefore workers working hours were left to discretionary decisions of production line managers.
- 3.** Workers demanded to establish a TU at the enterprise level. According to firm managers, while they had previously agreed and promised to help organize the election process it was delayed for several months. The reason given by management was that they wanted to wait for a fuller capacity (from 600 to 1,400 workers) in the plant. Immediately after the strike the managers reported that they had begun organising for the process of establishing the TU.
- 4.** With regard to wages and allowances management reported that the workers demanded a change in the allowance system. Before the strike workers would, if applicable, receive VND 300,000 (USD 13.7) for discipline and VND 250,000 (USD 11.4) for fuel allowance. They requested that the attendance allowance should be reduced to VND 100,000 (USD 4.5) and the fuel allowance be raised to VND 450,000 (USD 20.5). This would as a result allow workers a guaranteed payment of a higher share of allowances (for fuel). The managers said they agreed to this and the change would be effective immediately. In addition to the information provided by management, local media reported that overtime hours were not compensated according to the law. It was said that workers would receive a VND 100,000 lump sum for all overtime hours per month, which is an obvious violation of the law.
- 5.** It was demanded that pregnant workers should be granted their rights to be moved to functions that are less physically demanding. Similarly, workers coming back from maternity leave should have their working time reduced according to the law.
- 6.** The final demand was related to the problems line workers had with the head of the production unit. It was said that this person was not perceived as being skilled and capable for this important position. The plant manager promised that the person would receive additional training but if complaints continued he would be replaced.

D. Wages and allowances

According to the 2012 Labour Code, the total wage which includes the base wage, wage based allowances and other extra payments must be included in the labour contract (Labour Code 2012, Art. 90, 102; Decree 05/2015/ND-CP). Wage based allowances are intended to compensate for hazardous working conditions, challenging living conditions, and complexity of jobs that are not (adequately) reflected in the work or position based wages. There can also be allowances for responsibility, seniority, and mobility (Circular No. 23/2015/TT-BLDTBXH, Art. 3). Other non-wage benefits may include annual performance bonuses as well as subsidies for petrol, telephone, transportation, housing, and child care (Circular No. 47/2015/TT-BLDTBXH, Art. 4). Wages can be paid on a piece rate or time basis (Labour Code 2012, Art. 94). Workers on probation must be compensated with 85 per cent of the normal wage (Labour Code 2012, Art. 28). Overtime payment is calculated according to a differentiated system. Overtime pay must be at least 150 per cent on regular working days, 200 per cent on rest days and 300 per cent on public holidays or paid leave. This does not including the statutory payment for paid holidays or paid leave days. Night work (hours worked between 10pm and 6am) is to be compensated by at least 130 per cent of normal wages (Labour Code 2012, Art. 97; Circular No. 23/2015/TT-BLDTBXH).

In Viet Nam there is a tripartite national wage council which is made up of equal representation by MOLISA, Vietnam General Council of Labour (VGCL), and employer's associations (Labour Code 2012, Art. 91, 92). The minimum wage level is set annually following recommendations from the National Wage Council (NWC). Recommendations of the NWC are made after considering minimum living needs of employees and their families, social and economic factors, and prevailing wage levels (Labour Code 2012, Art. 91). Minimum wages are differentiated across districts according to four regions/tiers based on their developmental status. In 2016, minimum wages ranged from VND 3.5 Mio (USD160) in region tier 1 to VND 2.4 Mio (USD110) in the least developed region tier 4 (see Table 8 in Annex for localities for each tier) (Decree 122/2015/ND-CP). Most electronics firms operate in more developed provinces that are in the top two tiers of the minimum wage scheme (see Table 4) (VCCI 2015).

Minimum wage strikes that began in 2005 have contributed to a minimum wage increase of 40 per cent in 2006 and continuing annual cost of living wage adjustments ever since (Tran and Norlund 2015). With the formation of the NWC the level of minimum wage has seen significant real growth on top of inflation and productivity. The goal has been to ensure minimum wage reaches closer to the minimum living needs of workers and their families. However, in the export and FDI led sectors, a large portion of the workforce, namely female workers that dominate these sectors, experience a gendered wage gap. According to a household survey conducted in Viet Nam in 2012, females earned 90 per cent of what males earned in the same job. Unskilled youth and ethnic minorities also receive lower wages than others (Tran and Norlund 2015).

According to a VGCL 2013 survey the minimum wage in region 1 (in which many of the firms interviewed were located, see Table 4) was 65 per cent of what would be deemed a living wage to cover food, non-food and childcare expenses.¹² Therefore, workers, in order to cope with rising costs of living, would likely have to and be willing to work overtime hours. For this reason, overtime is closely linked to low wages (Oxfam 2013). The DOLISA Inspection Notes also found that because average salaries in the electronics industry in Viet Nam are low, employees were compelled to voluntarily work excessive overtime hours (Hung 2016)).

Table 1: Minimum Wages in 2016, by regions and firms interviewed

Region	Minimum Wage (VND / USD)	Firms interviewed
I	VND 3.5 Mio USD 160	H6-H7, S1-S4 (Thang Long IZ, Ha Noi) S5-S8 (Binh Duong VSIP II IZ, Binh Duong): S9-S10 (Saigon Hi-Tech Park, HCMC)
II	VND 3.1 Mio USD 141	H1-H2 (Trang Due IZ, Hai Phong) H3 (Que Vo IZ, Bac Ninh) H4-H5 (Khai Quang IZ, Vinh Phuc) D1 (Hai Duong) D2 (Hap Linh IZ, Bac Ninh), D3 (Tien Son IZ, Bac Ninh)

¹² Comparing the electronics industry with the clothing industry, in 2014 the national average for monthly compensation per employee in electronics was VND 6.1 Mio (USD 288) which was higher than VND 5 Mio (236 USD) in clothing (GoV 2016).

		D4 (Tan Phu, HCMC), D5-D6 (Binh Thanh, HCMC)
III	VND 2.70 Mio USD 123	--
IV	VND 2.4 Mio USD 110	--

Source: Decree 122/2015/ND-CP

There was a notable difference between the range and amount of allowances amongst foreign firms in the North versus the South. In the South, several firms (S5, S6, S7, S8) provided allowances for workers with children up to 5 or 6 years of age. S8 provided an allowance for workers with children up to 18 years of age. This could signal an interest on the part of these firms to keep their workers for the long-term and minimise turn-over rates. Indeed monthly turn-over rates were also amongst the lowest for these firms. These firms were Japanese and may also be exhibiting a cultural tradition of maintaining strong worker loyalty. There might also be a trend in the Southern region, which boasts higher incomes, for higher allowances across industries.

Indeed, allowances help boost wages. On the other hand however certain types of allowances, which are not compulsory, are said to be used by companies to control worker behaviour (CSO representative, 2016). For example allowances for attendance, discipline, and non-pregnancy (see discussion above), which were employed by several of the firms interviewed, are typical disciplining measures also seen in electronics factories in other countries (Lüthje et al. 2013).

From our firm interviews we found wages before overtime and allowances to be only slightly above the legal minimum wage of VND 3.5 Mio (USD 160) in region 1. However, the average wage with overtime and allowances amongst the foreign firms was VND 6.6Mio (USD 301) in the North and VND 7.6 million (USD 347) in the South which is more than double the legal minimum wage. Because allowances made up only between 20 per cent and 30 per cent of the base wages the higher salary suggest that in many cases there has been a systemic use of overtime by firms. Further, all of the five firms (H1, H3, H4, S3, and S5) that reported work stoppages said they were due to a number of complaints including over wages and allowance calculations, amongst others.

In the interviewed domestic firms the gap between the base and the final take-home remuneration seems to be less important. This is partly related to the

SOEs (D3-D6) where the wages and allowances before OT ranged between VND 4.5 and 5 million and after OT they only amounted to 5 and 6 million. In contrast, this gap was wider for the private Vietnamese firms D1 and D2 which also appeared to have higher OT hours amongst this group of firms.

DOLISA inspections in Ha Noi found violations around severance pay. The DOLISA inspections in Hai Phong found untimely payments of illness and maternity allowances and lapses in the timely revision of salary scales and allowances. Some firms inspected in Hai Phong had also not contributed to the social insurance scheme according to the Social Insurance Law and some firms were in arrears.

E. Worker Contracts

In general there are three types of employment contracts: permanent ('indefinite' term), fixed ('definite' term) with duration of one to three years; and seasonal or task-specific with less than one year duration (Labour Code 2012, Art. 22). In principle, all contracts have to be in writing except for temporary work with duration of less than 3 months where an employment contract can be a verbal agreement between employer and employee (Labour Code 2012, Art. 16). Temporary contracts (maximum 12 months) cannot be used for long term jobs. Fixed-term contracts and temporary contracts can only be renewed once. Employees who have signed a labor contract for 3 months or more are required to contribute to mandatory social insurance and health insurance. Employees who have signed a labor contract for 12 months or more are required to contribute to additional unemployment insurance (Social Insurance Law; Health Insurance Law; Decree 62/2009/NĐ-CP).

Box 3 – Role of private worker recruitment agency in the electronics industry in Viet Nam

While most of the firms we interviewed had not reported using private recruitment agencies for temporary worker contracts, these agencies are widespread in the global electronics industry. There are many reasons for the use of temporary worker contracts. They range from fluctuations in production, a reduction in the cost of human resource services, and in some instances suppression of labour rights. In particular, in a developing country context, the effects of temporary contracts for workers particularly in the lower end of the labour market can be detrimental for workers. Workers on temporary contracts can lack certainty on whether their contracts will be extended or renewed. This can lead to income insecurity which presents difficulties in managing a household (i.e. paying bills in a regular manner) and family planning. Based on studies in developing countries, women are found to be disproportionately to only be placed on temporary contracts but to also remain on them for longer periods of time. Job insecurity for women can lead to additional problems such as family conflicts, relationship pressures, domestic violence, increased stress and other health implications, and may result in children becoming independent prematurely. In some developing countries, it has been shown that women on temporary contracts do not get their contracts renewed if they become pregnant, get married, or reach a certain age. Also, because of employment insecurity, it has been shown that workers on temporary contracts are less likely to complain or raise concerns about working conditions such as occupational health and safety risks. Wages amongst temporary workers is also found to be lower than permanent workers. There has also been a widespread violation of labour rights amongst temporary workers. In many developing countries, these workers are prohibited from joining a TU and engaging in collective bargaining. There is some evidence that large multinationals use temporary workers contracts as a mechanism to prevent labour unrest through TUs (ILO 2014). In more extreme cases, temporary worker agencies have been implicated in forced labour by withholding passports of foreign workers and charging high recruitment fees (Verite 2014).

An interview with a private worker recruitment agency in Viet Nam shows that the electronics industry is one of the fastest growing industries demanding its services in the country. It was estimated that there are around 50 domestic recruitment agencies and 10 foreign agencies. There is a growing need for mass recruitment amongst large electronic firms in Viet Nam. They are looking for assembly workers with 'good attitudes' and which are 'hard-working', 'disciplined', and 'follow orders'. Some firms that have used this particular worker agency include Microsoft, LG, Foxconn, and Samsung. The recruitment by these firms can be up to 1,000 workers. Some firms such as Microsoft use multiple worker recruitment agencies, up to ten or more, at one time. It was noted that American firms tend to outsource more than Korean and Japanese (the least amount).

According to the agency, firms use worker agencies to save on the time, costs and legal procedures as well as covering sudden worker demand during seasonal peaks in production. The larger multinational firms such as Samsung and LG also prefer outsourcing their human resources (HR) functions in order to focus more on other functions such as research and development. In effect it is cheaper to hire workers through recruitment agencies that take over the HR management, which includes termination of workers. The worker agency also takes over the responsibility of training workers, which includes on occupational health and safety and corporate social responsibility codes of conduct provided by the firm and according to the specific firm's policies. When a client firm does not have its own policies, then the recruitment agency will develop an employee training package which covers wages and benefits, working hours, leave, and discipline according to the Vietnamese laws and regulations.

At the time of the interview, the agency was providing temporary workers to three small and medium sized enterprises in the electronics industry which were subcontractors to Korean firms, which includes Samsung. The contracts provided by the agency are normally shorter than one year. If there are more than 50 workers outsourced by the agency, it will also outsource a human resources person to the firm to assist with their management. The employment relationship of workers is with the agency and not the electronics firm in which they work. Due to this triangular relationship, these workers can only join the TU of the recruitment agency and not the electronics firm in which they work. This creates barriers to workers who are unable to bring complaints directly related to their factories, such as OSH risks or excessive working hours, which are not the responsibility of the worker agency.

The transition of temporary contracts into regular employment by the electronics firm is not always guaranteed by law. This is further exacerbated by instability in the market for electronic products. For example, while Samsung had converted many of its temporary workers into regular workers in the past, the current ban on the production of its Galaxy Note 7 (which is mostly assembled in Viet Nam) will result in pressures to non-renewal of contracts. The experience of this particular worker recruitment agency in Viet Nam reflects the gender imbalance seen in other countries. Most of the workers hired by the recruitment agency are female.

While it is not clear whether there will be more use of temporary worker agencies in the electronics industry in Viet Nam, there are particular challenges and concerns that should be better understood. Moreover, policies and regulations should be put in place to ensure that temporary agency workers do not face barriers to decent work.

The last comprehensive revision of the Labour Code in 2012 introduced for the first time legislation over temporary work agencies (TWAs). This move is recognised as a first attempt in the regulation of temporary agency work. This was in response to triangular employment arrangements in the past in which the rights and responsibilities of the agency and principal employer were unclear and had caused several industrial disputes in 2010 (Landau et al. 2015). The conditions under which TWAs can be used are relatively restricted (Labour Code 2012, Section 5). In particular they are limited to specific situations (e.g. sudden increase in labour requirements for a specified period; replacing a worker who is on maternity leave, has been involved in a work-related accident, or is suffering an occupational disease; or where there is a need to employ someone with high technical expertise) and explicitly prohibits the use of temporary workers in specific situations (e.g. to replace workers on strike or who have been

retrenched) (Decree No. 55-2013-ND-CP, Art. 23, 24). In principle, temporary agency workers must receive the same wages as regular workers. Only a limited number of jobs are allowed to have temporary work arrangements up to 12 months. These include only one job relevant to the electronics industry, which is “Producing, installing equipment of broadcasting and telecommunication” (see Annex V of Decree No. 55-2013-ND-CP).

In our interviews all firms reported that workers had written contracts. According to managers the typical contractual arrangements for operators was a 1 month probation period followed by a 12 month contract and a fixed-term contract (between 1 and 3 years) before a permanent contract would be awarded. Almost all firms said that they recruited their workers directly. Only H3 and S9 reported having used TWAs in the past. This limited use of TWA is quite exceptional in the global electronics industry.

The firm managers interviewed amongst the foreign firms did not reveal violations of labour contracts. DOLISA inspections in Ha Noi and Bac Giang on the other hand found firms which had not provided sufficient details in their employment contracts with regards to the provisions on wages, social insurance, job descriptions, amongst others. Similar issues were also raised in interviews with firms D1, which lacked of information on pay rises in worker contracts, and D4, which lacked information on wages in worker contracts.

F. Occupational health and safety

According to the law, employers in Viet Nam have to ensure that the working environment meets required OSH standards, improve the healthcare and working conditions of workers, and establish practices to minimize or eliminate safety and health related hazards (Labour Code 2012, Art 137,138). The employer must also organize OSH trainings for its employees. Employees are divided into four sub-groups with different training requirements. The first group includes management and production supervisors. The second group includes full time and part-time OSH officers and managers that are also in charge of OSH in the workplace. The third group includes persons doing work or operating

machines that have a strict OSH requirement. The fourth group is all other employees (Circular No. 27/2013/TTBLĐTBXH).

Large firms (> 1000 employees) are required to set up an OSH council which must carry out OSH inspections every 6 months. The OSH council is to have an advisory role and ensure the participation and supervision of TUs in OSH matters. It must consist of a maximum of 9 members and shall be chaired by an employer's representative and co-chaired by a TU's member. For firms with less than 300 employees at least a part-time OSH officer is required while firms between 300 and 1000 employees must employ a full time OSH officer. Every employer must develop or update the OSH plan on an annual basis. The OSH plan must specify the costs, completion date and people in charge for each activity/measure and must be developed in cooperation with the TU (Labour Code 2012, Art 148, 183; Circular No. 01/2011/TTLT-BLĐTBXH-BYT).

A specific regulation sets out thresholds for noise levels, air quality, temperature and lighting (Decision 3733/2002/QĐ- BYT). Employees engaged in hazardous and toxic work shall be adequately provided with Personal Protective Equipment. Employers are further required to instruct workers on the use of adequate PPE and closely supervise its use (Labour Code 2012, Art. 149, Circular 04/2014/TTBLĐTBXH).

Annual inspections of working environments should be conducted and the cost assumed by the employer. These examinations can only be carried out by private agents licensed by the Ministry of Health (Labour Code 2012, Art. 138, Circular 19/2011/TT-BYT).

Firms must promptly report serious incidents that cause injuries to 2 or more workers, and fatal work-related accidents to DOLISA's inspectorate. In addition, employers must submit bi-annual reports on work-related accidents to the state labour department and occupational diseases to the state health department. Further, enterprises must submit to DOLISA a report on labour monitoring twice per year (Decree No. 45/2013/ND-CP).

Only 4 out of the 17 foreign firms interviewed reported OSH inspections by government agencies. Further, all except two firms had occupational health and safety (OSH) committees in place. The two firms (S4 and S7) which did not have OSH committees were small and medium-sized enterprises (SMEs). Amongst domestic firms, only D2 and D6 reported OSH inspections. The

infrequent number of labour inspections and visits by DOLISA is a reflection of the lack of capacity and resources. In 3 of the domestic firms (D1, D2, and D4), managers had recalled only one inspection, which had occurred in 2014 for D1 and D4 and 2015 for D2. On the other hand, D6 and D7 reported labour inspections occurring annually.

Amongst our own interview findings, very few firms reported having had OSH incidences or accidents. Without access to accident reports sent to IZ authorities and DOLISA, however, it is not clear whether our findings provide an accurate picture of the level of OSH risks and incidences in these factories. Only five out of the 17 firms interviewed reported to have had major accidents in the workplace. Firm managers in both foreign and domestic firms reported that workers mainly experienced minor accidents such as cuts to fingers. The most frequent accidents reported by the foreign firms were road accidents during worker travels to or from the factories. Several firms were using chemicals, which are pervasive in the electronics industry. Firms reported having in place chemical labels and Material Safety Data Sheets. There was also alcohol based cleaning in H4, H6, and S3. H7 reported the use of sulphuric acid, S6 reported using bleach and corrosive cleaners, and H6 used thinners. Only a few firms reported risks from chemical exposure. For example, S1 reported OSH risks that included chemicals in eyes. Firms using chemicals were engaged in final assembly of cameras, which require cleaning agents, and parts and assembly for mobile/smart phones. Eye strain was reported by S7, D1, D3, and D6, which suggest strenuous manual work involving microscopic or small component assembly. Electric shock was also reported by S1, S7, and D1. D3 reported workers needing to stand for productivity reasons. This was the case for the majority of factories visited across both foreign and domestic firms.

According to the TU leader, the most common OSH complaints by workers were smoke from welding, chemical fumes, sitting for long periods of time, problems with eye-sight, headaches, and work that is difficult and stressful. The TU leader also finds OSH issues in the industry to include cancer and heart disease, which is caused by exposure to hazards in the workplace such as radioactivity, electromagnetic waves, and harmful chemicals.

During factory visits, several observations were made of potentially questionable health and safety practices. They included a lack of ventilation for

fumes from the use of cleaning solvents and soldering at H6, overheated workshops at D2, very loud noise without ear protection at H7, and repetitive practices without job rotation in almost all firms. At H7 one of several young female workers whose job was to look into a microscope during an entire shift was not rotated to other jobs because, according to a firm manager, 'a significant amount of resources went into training her for that particular job'. While an eye exam was conducted annually, no additional or longer breaks were provided and she was not afforded a higher wage.

According to the DOLISA Inspection Notes firms were not fully aware of the laws on OSH. Inspections in Bac Giang found that, while firms were complying well with labour laws, there were some violations with regards to OSH training that were not provided to workers, annual inspections of work environments were not done, and periodic health checks on workers was not conducted. In Ha Noi inspections found that firms had not sufficiently publicised regulations, operation processes, and OSH procedures for all machinery in factories. For machinery with strict OSH requirements, logbooks which monitor the maintenance, repair and regular checks were absent. There was also insufficient OSH training for different groups of workers, as required by the law.

In Hai Phong, DOLISA inspections found there was regular reporting of OSH incidents and accidents to the Management Board of Hai Phong Economics Zone. Annual OSH implementation plans were developed and periodic health checks provided. However, some firms had not conducted annual inspections of working environments according to the law. It also found OSH training was not in accordance with regulations. The inspection note states that firms did improve training after the inspections by subcontracting it to nationally authorised providers.

DOLISA inspections in Thai Binh found one firm not having any staff members in charge of OSH, did not have an annual OSH work plan, did not provide workers with required Personal Protective Equipment, did not conduct self-assessment on OSH, did not develop and publicise OSH regulations and operation procedures for machinery and equipment sufficiently, did not conduct OSH worker trainings, and did not provide period health checks for workers.

D2, in particular, was found to be in violation of laws. It was specifically found to be in violation for not having an OSH committee and not providing

reports to DOLISA. The firm also did not have an OSH plan in 2014 and 2015. OSH training had also not met the requirements of the law. Temperature in the workplace and hygiene was also found to be in violation of the law.

G. Trade unions and industrial relations

The Constitution grants the right to form TUs. TUs are established voluntarily as social political organisations to protect the lawful rights and legitimate interests of workers among a range of other functions (Constitution, Art. 10, 25). Enterprise level workers have the right to establish, join and operate TUs in accordance with the Law on TUs. This law provides for a system of TUs under the VGCL at several levels. These include 1) grassroots-level TUs (GTU), established at the enterprise level and 2) immediate upper-level TUs that both recognise GTU's and supervise their activities (TU Law 2012, Art. 1, 4). The immediate upper level TUs have the right and responsibility to mobilize employees to join and establish GTUs and request the employer and local labour state management agencies to create favourable conditions for and support their establishment. At non-unionized workplaces, immediate upper-level TUs are to perform the duties of the GTU (TUs Law 2012, Art. 5; Labour Code 2012, Art. 189).

Employers are prohibited from obstructing or making it difficult for employees to establish, join, or operate a TU; coercing employees to establish, join or operate a TU; asking employees not to join or to withdraw from a TU; and discriminating against employees regarding wages, hours and other rights and obligations in order to obstruct them from establishing, joining and operating a TU (Labour Code 2012, Art. 192).

TUs have the following rights: represent workers' collective interests by negotiating, signing and supervising the implementation of CBAs; litigating in Court upon violations of CBAs; cooperating with enterprises in formulating and monitoring the implementation of wage scales and tables; guiding and counselling workers on their rights and obligations upon signing and implementing labour contracts with enterprises; representing workers in taking legal actions in Court with workers' authorization; taking part in the settlement

of labour disputes together with competent agencies; and organizing and leading strikes as stipulated by the law (TU Law 2010, Art. 10, 14, 15; DECREE 43/2013/ND-CP).

A CBA is a written agreement between the workers' collectively and the employer concerning working and employment conditions, which is agreed upon between the parties through collective bargaining. There is enterprise level, sectoral level, and other forms of CBAs allowed under the law. The following are the contents of a CBA: (a) wages, bonuses, allowances and pay raises; b) work and rest hours, overtime hours, and break between shifts; c) employment protection for workers; d) occupational safety and health and the implementation of internal work regulations; e) and other issues of concern. Once a CBA is signed, the employer must inform all workers of the CBA and its provisions. A copy of the CBA must be sent to DOLISA (for enterprise CBAs) and MOLISA (for sectoral and other CBAs). An enterprise level CBA is valid for 1-3 years. However, the duration of the first CBA signed by an enterprise may be less than one year (Labour Code 2012, Chapter V).

The majority of firms in our sample reported having CBAs with additional provisions above the law.¹³ This is in contrast with recent analysis of around 1000 CBAs in Viet Nam where 85 per cent had only the minimum legal requirements (ILO 2016). This may be an indication of labour market competition whereby MNCs in the electronics sector have the ability to pay higher wages compared to textile and clothing MNCs (see Just-Style, 2016).

The right to strike is recognized under the Labour Code of 2012. A strike is a temporary and voluntary cessation of work organized by the workers in order to resolve an interest-based labour dispute that goes beyond provisions of the labour law or a registered CBA. A strike must be led by the TU executive committee if one has been established in the enterprise. If a TU executive committee is not established, strikes are to be organized and led by the upper level TU on the request of workers. A TU is entitled to collect the members'

¹³ However, since requests to see CBAs from the interviewed firms were denied, the contents of these agreements could not be verified.

opinion regarding a strike; organize and lead strikes; negotiate disputed issues; withdraw a decision to hold a strike; and request the Court to declare a strike as lawful. The Labour Code 2012 Art. 222 also outline procedures to resolve strikes that do not follow statutory procedures. In Viet Nam the TU has not yet led a strike under the provisions set out above.

An employer is entitled to continue to negotiate on disputed issues or request mediation from the labour management authority; accept all or part of the demands made by the workers collectively and must inform the TU executive committee in writing of the decision. An employer can also temporarily close the workplace during a strike due to the lack of necessary operational capacity or to protect the enterprise's assets; and can also request the Court to declare a strike illegal.

The Labour Code prohibits certain acts by workers/TUs and employers during strike periods. Employers are prohibited from obstructing employees in exercising their right to go on strike; terminating employment contracts, imposing labour disciplinary measures on employees or strike leaders, or transferring employees and strike leaders to other work or workplaces on the grounds of their preparation for, or involvement in, the strike; retaliating, inflicting punishment against employees who take part in a strike or against strike leaders; and taking advantage of the strike to commit illegal acts. Workers/TUs are prohibited from the following acts during a strike period: inciting, inducing or forcing employees to go on strike; preventing workers who do not take part in the strike from working; using violence, sabotaging machines, equipment or assets of the employer; and violating public order and security.

Amongst the firms in our sample, worker-management communication was fairly similar. All firms had complaint/suggestion boxes in factories, meetings with line managers or supervisors, or TU meetings. Worker complaints were reported to be focused on working hours/over-time, food quality, and salary increments. The majority of firms reported having TUs, which were established within 1 to 2 years of the start of their operations.¹⁴ However, enterprise level

¹⁴ The DOLISA Inspection Notes did not mention any violations with regard to trade unions rights.

TUs appeared to be geared towards organising social activities (TU leader, 2016). Also, interviews with managers gave the impression that the duties and rights of enterprise level TUs, for example “negotiating” or “bargaining”, with employers, were not being fulfilled. This is likely related to the lack of representativeness of TUs’ at the enterprise level which tends to be comprised of management staff (see also Trinh 2014; Van Gramberg et al. 2013). In most firms the executive committee of the enterprise TU was dominated by management with very limited participation of line workers. In three cases the plant manager (H2, D4, D5) was also the chairperson of the TU. In some instances, chairpersons were not voted for but appointed in advance by management. This raises questions as to whether managers of firms pose a conflict of interest when it comes to representing worker interests. These practices may also be related to the historic role TUs in communist regimes have played as “transmission belts” within the state system. In other words TUs, often headed by factory directors, served primarily as an intermediary between the orders of the communist party and workers (Schweisshelm 2014). Indeed, states in East Asia have generally exercised tight control over labour in the name of economic development during the development boom years (Walter and Zhang 2012). We are now witnessing this institutional legacy uncomfortably interacting with an electronics industry that is global and which is increasingly being scrutinised over violations of key fundamental TU rights (Lüthje et al. 2013). For example, a recent report by the International Trade Union Congress (ITUC) pointed to a leaked 150 page “union-busting” manual developed by Samsung to discourage the formation of independent unions (ITUC 2016).

A key challenge based on our findings is a complicated multi-tiered system of TUs and their broad range of responsibilities in Viet Nam. TUs exist at the factory, IZ, district, and provincial levels. During worker disputes it is not always clear which TU should be called upon (see Box 2). An important finding from the TU leader was that work stoppages, although not widespread, were spontaneous and not organised by TU leaders. Normally, after a work stoppage, the provincial TU is contacted by the enterprise level TU to negotiate with the firms and at times

directly represent workers in negotiations. The provincial TU is said to give 'instructions to workers on collective issues, categorize them as rights and benefits; give explanations and propose recommendations on issues and methods for negotiation; [and] also, they encourage workers to come back to work" (TU leader, 2016). This practice of encouraging workers to go back to work raises questions on the interests and priorities of provincial TUs whose social and political tasks may have a higher priority than those related to representing and protecting workers' rights and interests

Concerns around conflict of interest were apparent at H3 whose TU chairperson was the former provincial level TU leader. An interview with a worker, which had worked at H3 for four years, admitted not being involved in electing the TU Executive Committee. This raises questions on whether all workers are always involved in electing TU representatives. This and further challenges in industrial relations were echoed by the TU leader which identified challenges around collective bargaining were due to enterprise level TU officers: 1) often being managers (in Human Resources or Finance) who often have a conflict of interest with the workers they are supposed to represent; and 2) lacking knowledge of laws and experience in addressing worker complaints. Higher level or provincial TUs were said to provide support to enterprise level TU leaders. However, this raises questions as to whether training enterprise level TU leaders or chairpersons that are managers of firms pose a further conflict of interest for addressing worker complaints. Further, enterprise level TUs are generally the weakest when it comes to bargaining power and are critically dependent on supporting policies and regulations by the State (Schulten et al. 2016). The most important state instrument in this regard is the administrative extension of CBAs, which makes them applicable beyond the immediate contracting parties, covering all workplaces and workers in a certain area and/or sector (Traxler et al. 2001).

H. Monitoring labour compliance: Ministry of Labour, Invalids and Social Affairs versus Industrial Zone Authorities

The labour inspection system is regulated by the Law on Inspection (No: 56/2010/QH12) and the Labour Code (Law No. 10/2012/QH13). The key authority is MOLISA which has 17 departments, including an Inspectorate Department. MOLISA's Inspectorate Department carries out administrative and specialized inspections. The former are targeted at the internal monitoring of MOLISA's units and the latter include labour inspections covering areas such as working conditions, employment relations, and OSH.

Labour inspectors are obligated to ensure compliance with the law with regards to the establishment of TUs in enterprises, the negotiation and application of CBAs, and the settlement of labour disputes. Labour inspectors are to provide information and technical advice to employers and workers, and bring to the attention of competent authorities any issues not specifically covered by existing legal provisions (for further amendments in legislation). Labour inspectors are also mandated by the law on social insurance to ensure the collection and payment of social security dues and benefits.

MOLISA's structure is broadly mirrored at the provincial levels with 63 Departments of Labour, Invalids and Social Affairs (DOLISA) under its responsibility. DOLISAs oversee 697 district units in the country. The DOLISAs and the district units are governed by the People's Committees at both the provincial and district-levels (ILO 2012).

At the IZ level are management committees (also referred to as management boards) that consist of a chairman, several vice-chairmen and support personnel. The Chairman is appointed (or removed) by the chairman of the provincial People's Committee (Decree 29/2008/ND-CP, Art. 39). The IZ management committees are responsible for a vast range of tasks as detailed in article 37 and 38 of decree 29/2008/ND-CP. There is an important delegation of state authority over labour-related areas to the IZ management committees. In 2009, a number of tasks were delegated from DOLISA and the People's

Committees (both at regional and district levels) to the management committees (Circular No. 13/2009/ TT-BLDTBXH). In order to carry out these duties, generalist “IZ monitors” were recruited and trained by the Ministry of Home Affairs and subsequently hired by IZ authorities. It is important to note that no formal coordination agreements exist between the work of IZ monitors and respective DOLISA inspectorates. Cooperation happens on an ad-hoc basis and IZ monitors seem to depend on MOLISA/DOLISA for carrying out labour inspections. However the monitoring system in place in IZs at the time was not effective in ensuring compliance of labour laws (ILO 2012). Against this background in 2014 some tasks previously delegated to the IZ, particularly pertaining to the implementation of the labour law and the social security law, carrying out labour inspections, and sanctioning labour law violations (Circular No. 13/2009/TT-BLDTBXH, Art. 3), were revoked (Art 7, Circular No. 32/2014). The main explanation for this change according to MOLISA’s Chief Labour Inspector was that the quality of IZ labour inspections was low. IZ committees were carrying out a lot of other inspections which diverted their attention away from being able to provide a dedicated labour inspection function. However, as our interview findings show below these reforms were not always practiced on the ground. Today, IZ management committees continue to be responsible for important administrative functions such as granting foreigners work permits, registering enterprises’ internal labour regulations, and receiving CBAs, notifications of labour outsourcing, overtime hours, wage scales and tables, and labour norms of enterprises, amongst others (Circular No. 32/2014/TT-BLDTBXH, Art 7).

None of the foreign firms in our sample had received a comprehensive labour inspection by the labour inspectorate. Most of the firms had minimal interaction with MOLISA and in particular labour inspection officials. Managers at H5 had the impression that DOLISA conducted inspections only outside IZs. Nine firms had received a visit by DOLISA mainly for OSH and social insurance checks. Additional interactions by firms with DOLISA were limited to submitting reports on worker stoppages, accidents, and training for fire prevention and OSH. Two firms (S8, S10) have never received any visits by MOLISA, DOLISA or IZ authorities. In contrast, domestic firms had much more interaction. In particular, D6 and D7 reported annual labour inspections. Only D3 which was established latest (2006) reported no visits.

The IZ authorities on the other hand have had more regular contact with foreign firms over certain labour issues. On average, each firm was visited at least once a year by an IZ authority. In the North, firms were registered with IZ authorities and were visited by them regularly to monitor compliance of regulations on wages, overtime hours, allowances, bonuses, worker contracts, OSH, and recruitment. Among the domestic firms, interactions with IZ authorities were minimal. This is explained by the fact that almost all of these firms (except D2 and D3) were located outside IZs. However, D2 reported only one initial contact with the IZ authority in 2009.

According to a DOLISA representative in Hai Phong, accidents at workplaces are reported to the management committees of the Hai Phong IZ. The Hai Phong DOLISA also conducted monitoring and inspection visits in cooperation with the management committees of the Hai Phong Economic Zone. According to Circular No. 32/2014, however, IZs no longer have the authority to carry out labour inspections. Nevertheless, according to MOLISA's Chief Labour Inspector, DOLISA inspectors are said to continue to rely on IZ committees and, hence, rarely carry out visits on their own.

Some firms reported examples of unethical behaviour among labour inspectors. Part of this problem is a confusing and often unclear chain of command to labour officers and inspectors. Labour inspectors may report to DOLISA, the People's Committees, or to MOLISA. Moreover, People's Committees are able to override labour inspectors and can therefore hold ultimate power in decision-making in the various regions. This can be a problem given that the interests of People's Committees are in protecting local investment by companies and the benefits they bring from local jobs and taxes. These interests can indeed be counter to worker interests.

Foreign investors, such as Samsung, are also said to lobby and intensively communicate with government authorities on their interests. A recent example includes Samsung's intervention in the context of the anticipated labour law changes to meet the requirements set out in the TPP consistency agreements (see Box 1). A long "research note" by Samsung to the Vietnamese government concludes that envisaged TPP reforms to meet international labour standards should be discouraged for fear of disrupting the electronics industry. Similar tactics pertaining to labour legislation in Romania and Hungary have been

observed amongst MNCs from Germany, Finland and the US throughout the global electronics industry GVC (Plank and Staritz 2011; Lüthje et al. 2013).

Further, the lack of consistency in the legal instructions among MOLISA, DOLISA and IZ authorities was raised as a source of ambiguity by some firms. DOLISA training sessions have been said to be untimely and not sufficiently informative. An additional challenge highlighted by almost all of the firms interviewed was a lack of clarity and difficulty in implementing the numerous laws and circulars. Part of the problem is the high number of reforms and new laws in recent years and a lack of explanations on implementation processes.

Based on our findings there are three different possible explanations for the minimal interaction between firms in the electronics industry and the labour inspectorate:

1) the labour inspectorate has an impression that the electronics industry is generally compliant with labour laws;

2) there is a higher priority to support FDI-led growth within the electronics industry which leads to a lack of political will to solve or prioritise worker problems. In this regard, government is said to help resolve worker unrests quickly and for the benefit of firms; and

3) there are overlaps with the role assumed by IZ Authorities and labour inspectorates which continues despite regulatory changes.

These issues are taken up in the policy recommendations sections.

I. Private standards

The majority of foreign firms in our sample were implementing private standards on labour conditions. Eight firms (H3, H4, S2, S5, S6, S7, S9, S10) were adhering to the Electronics Industry Code of Conduct (EICC), which is the only electronics industry wide code of conduct on labour conditions, human rights, and environmental conditions (see Raj-Reichert 2011). These firms were complying with the EICC in response to customer requests. Some of these customers were significant, such as Samsung and Hewlett-Packard who are both EICC members. H3, whose exports were to the European Union (EU) and the US, was the earliest in our sample to implement the EICC (since 2010). Nine firms (S1, S2, S5, S7, S8, H2, H7) had their own company code of conduct developed by their

mother corporations. Four firms (S5, S7, S9, H4) were implementing customer codes of conduct, for example the Samsung Code of Conduct.

Twelve firms were audited against private standards and codes on labour conditions either by their customers or headquarters. H2 and S2 have been audited by customers such as Hewlett-Packard, Canon, and Brother. S4 received audits by headquarters every three years. For the EICC, S9 may have been audited by a third party, S5 had received audits by two customers, and S6 has received audits by its customers Tosok, Fujukura, and Nissho. Five firms (H3, S1, S5, S6, S7) reported receiving multiple audits a year by their customers and headquarters. S1 received several audits per year by both customers and headquarters.¹⁵

Other firms have shared internal monitoring reports with customers and headquarters. S4, for example, has shared their own internal reports on their private standards compliance annually with their customer Samsung. H7 had shared their internal reports bi-annually with headquarters. H4 which supplied 100 per cent to Samsung was also the only firm which reported monthly to its customer. It was also one of the few firms interviewed that struggled with meeting national laws on over-time. H4 can be contrasted with H5 who was also supplying only to Samsung. However H5 did not comply with the EICC and was not being monitored over its labour conditions. A major difference between H4 and H5 is that the latter is a second tier supplier to Samsung. The manager of H5 noted that Samsung carries out audits over labour conditions only amongst its first tier suppliers. When it comes to second tier suppliers, audits and monitoring are only conducted over quality issues.

The picture amongst the domestic firms was very different. While half of the firms reported knowing about the EICC none were implementing it. However there was some engagement on private standards by several of the domestic firms. Three firms D1, D3, and D5 reported being audited or reporting on their labour conditions to customers. D1 had applied SA8000, which is a certification

¹⁵ The two firms - H3 and S5 - that did not disclose their customers were suppliers of parts and components of smartphones whose destination markets included the EU and US. The majority of smartphone brands sold in the EU and US, namely Apple and Samsung, are EICC members.

for management systems that set up procedures to ensure protection of the basic human rights of workers, due to a Japanese partner customer's request.

D3 was the only domestic firm reported having its own code of conduct, which according to its firm manager is similar to the EICC. It is also one of two domestic firms that reported receiving several inspections annually on its code of conduct (3 to 4 per year) by customers that are Japanese (some of which were in partnership for many years). D3 is also a part of a conglomerate which was named one of the top 100 sustainable enterprises in Vietnam in 2016. D2 which supplies to Samsung reports that it is not bound to any CoC by its customers and has also not received any audit in this regard.

The lack of private governance and monitoring of labour conditions amongst second tier suppliers is systemic across the electronics industry. It is also a feature of the EICC which requires member firms to enforce the code of conduct only on their direct suppliers. Since the majority of EICC members are branded customers, EICC enforcement does not adequately travel below the first tier of suppliers in the GVC (Raj-Reichert 2011). While very large first tier suppliers are also more recent members of the EICC, the need to ensure that their own vast and large number of factories come into compliance with the code of conduct is prioritised and prevents their ability to monitor their own large number of second tier suppliers (Nadvi and Raj-Reichert 2015).

Other firms that were not adhering to any private governance measures were H1 and S3. H1 had recently established in Viet Nam amongst the firms interviewed (established in 2014), which may partially explain the lack of private standards implementation. S3 on the other hand was exporting 80 per cent to Japan as components used in 'made in Japan' final products. The remainder of its exports were destined to Thailand. These findings point to the importance of final markets to the take up of voluntary governance measures such as private standards and codes of conduct. It is the case that end markets can play a significant role in the level of voluntary standards adhered to (Nadvi and Raj-Reichert 2015; Raj-Reichert 2016). This is because consumers in Northern markets such as the EU and the US demand more social and environmental conditions than consumers in developing countries and Southern regions (Kaplinksy and Farooki 2010).

Table 5. Comparison of factors across firms

	Country of Origin	High OT	3-4 shifts	Mobile/smart phone supply chain	CBA	TU	Worker stoppages in past 5 years	Labour inspection in past 5 years	EICC	Firm code of conduct	Customer code of conduct	Audits by customers	Audits by HQ
S1	Japanese	X	X	X	X	X				X		X	X
S2	Japanese	X	X		X	X			X	X		X	
S3	Japanese				X	X	X						
S4	Japanese			X	X	X							X
S5	Japanese	X		X	X	X	X		X	X	X	X	
S6	Japanese	X	X	X	X	X			X			X	
S7	Japanese		X			X			X	X	X	X	
S8	Japanese			X	X	X				X			
S9	American		X	X	X	X			X		X		
S10	American		N/A		N/A	N/A			X				X
H1	Korean	X			N/A		X						
H2	Korean			X	X	X				X		X	
H3	Taiwanese			X	X	X	X		X			X	
H4	Korean	X		X		X	X		X		X		
H5	Korean			X	N/A								
H6	Japanese				X	X							
H7	Japanese			X	N/A	X		N/A		X			
D1	Vietnamese	X			X	X		X				X	
D2	Vietnamese	X		X		X		X					
D3	Vietnamese			X		X						X	
D4	Vietnamese					X		X					
D5	Vietnamese				X	X						X	
D6	Vietnamese					X		X					
D7	Vietnamese					X		X					

V. Policy Recommendations

On discrimination:

1. A feminisation of the workforce is clear in the Vietnamese electronics industry. It must be ensured that an increase in female employment does not occur for reasons of lower pay, harsher conditions of work, discriminatory allowances, and lack of opportunities for skill growth and development. There should be regular monitoring of these factors and conditions in the sector. This includes current recruitment practices that are discriminatory for example with regards to age and gender and the potential discriminatory use of allowances that allow for the identification of pregnant women.

On working hours:

2. In our sample, firms engaged in the mobile/smartphone industry faced the most challenges around working hours. Because the global mobile/smartphone industry is characterised by high volatility that leads to excessive working hours (and the use of temporary workers) it should be ensured, as a priority, that working hours in these firms are monitored regularly and policies and laws around excessive working hours are upheld.

On wages and allowances:

3. It has been shown in other developing countries that industrial upgrading and movement into higher value added production and higher skilled jobs goes hand in hand with a rise in wages. To this end, the gradual raising of wages in Viet Nam, through sound wage setting mechanisms in consultation with representative organisations of employers and workers concerned, is critical for ensuring decent jobs in the electronics industry. A gradual shift towards better remuneration must be accompanied by a parallel rise in productivity which could be achieved by several mechanisms, including

improvements of workers' skills and/or a technology upgrading fund (refer also to recommendation 20) that particularly targets local suppliers capabilities and promotes the creation of linkages between foreign and domestic firms.

On worker contracts:

4. Our findings show that a few firms used temporary agency workers during peak seasons in the production cycle. In the electronics industry global value chain and in particular the mobile phone industry, an excessive use of temporary agency workers normally leads to violations of labour laws and poor working conditions. The extensive use of temporary agency workers is also associated with a lack of upgrading and stagnation in terms of value added in the electronics industry, which has for instance been seen in Malaysia (Rasiah et al 2015). The limited use of temporary agency workers in our findings may be the outcome of Vietnamese labour laws that severely limit their use. Our recommendation does not point to a problem but to validate and strongly support the maintenance of strong laws against the overuse of temporary agency workers. This is particularly critical to ensure that the nascent electronics industry in Viet Nam grows and matures from its current concentration in relatively low value added production and low waged jobs into higher value activities entailing high waged and high skilled permanent jobs with decent working conditions.

On occupational health and safety:

5. OSH training should be systematically provided to all workers including through independent non-governmental and non-profit organisations (see recommendation 20 below on training centres). All employees in a firm should be made aware of the OSH risks throughout their workplace regardless of where employees are situated. This is to ensure that anyone in a workplace is able to identify and report an OSH risk to management or DOLISA/MOLISA authorities for the safety of all workers. Because OSH incidences should be identifiable by everyone at a firm there should be no differences in the quality

of OSH training received and awareness of OSH risks amongst different groups of workers. Employees responsible for monitoring and reporting on OSH risks and incidences must also include an operator or worker at the factory floor level and not only at the managerial level.

6. DOLISAs should reinforce their OSH inspections. This must include well trained inspectors on OSH alongside certified or trained occupational health doctors that are independent of firms and government entities. It is important that occupational health doctors are available in the country and are able to assist during inspections to competently identify risks and warning signs of occupational health and safety problems in the workplaces.
7. Given the increasing awareness of occupational risks concerning the mental health of workers in the global electronics industry, the government of Viet Nam should strongly consider training and regular assessment of workers' mental, emotional, and psychological health conditions related to their workplaces. These assessments are to be conducted by trained mental health professionals. This would be provided by the OSH training centres in recommendation 19 below.
8. Small and medium sized enterprises (SMEs) and lower tiered suppliers tend to face the greatest resource constraints when it comes to OSH training and monitoring. These smaller suppliers are also firms that face a higher risk of OSH incidents and violations given their general lack of resources, automation, and/or use of advanced processing methods. There should be targeted assistance to SMEs with training and self-monitoring. The latter should be done by more regular inspections and the subsidizing of costs for OSH Councils and proper training of all workers in these firms.

On TUs and industrial relations:

9. To improve the effectiveness of TUs in the electronics sector there should be greater coordination, clarity and emphasis on the different representational

tasks within the multi-tiered TU system, particularly between the upper level TUs and GTUs.

10. Workers should be informed of their right to voluntarily establish, join and operate TUs at the plant level. Importantly this should include ensuring that workers independently elect their TU leaders free from interference by management. TU leaders must also be representative of workers at the factory floor levels and can be more effective at representation if they have the trust of workers.
11. TUs should also genuinely carry out their tasks such as collective bargaining. This includes closely engaging and consulting with union members and workers in order to and represent their complaints, concerns, and interests in collective bargaining.
12. While the DOLISA inspection notes did not identify violations of TU rights, our own findings suggest problems in the processes and outcomes of elections of TU representatives at several firms. In the current context of reforms to the industrial relations system in Viet Nam, there is a strong need for DOLISAs to be more attentive to the crucial enabling rights of TUs. Moreover, the labour inspectorate must be ready and willing to take appropriate action against acts of TU interference, misrepresentation, and discrimination.
13. The geographical concentration of the electronics industry into clusters in industrial zones, industrial parks, and high tech parks would appear to be conducive for establishing multi-employer collective bargaining within a particular industrial area. Our findings show that many industrial clusters are dominated by firms from a single country of origin or home country or suppliers to the same buyer firm which can facilitate and ease coordination across firms. To a certain degree formal and informal coordination structures are already in place in several IZs for example through information exchange and sharing around wage policies, labour law changes, and human resource practices on the employer side. This presents a promising entry point for

organising efforts by grassroots and upper level TUs for collective bargaining at a cluster level. IZ, IP, or high tech park level TUs, for example, could play an important role in steering the process to develop such multi-employer level unions. Similar outcomes have been seen amongst the pilot projects led by the ILO Industrial Relations project in the electronics sector in Viet Nam and by Better Work Viet Nam.

14. Given the positive outcomes of the ILO Industrial Relations pilot projects on the electronics industry in Viet Nam, we support and encourage similar operational reforms by VGCL to focus more on its representation role at the GTU and IZ union levels with regards to organising, collective bargaining, and dispute resolution. These reforms should be expanded and strongly supported and encouraged by the government.

On monitoring labour compliance:

15. Our research has found clusters of electronics firms in industrial zones, industrial parks, and high tech parks that are from the same country of origin and/or have tight buyer-supplier relationships. These clusters may exhibit similar challenges and opportunities around working conditions. Cluster characteristics and inter-firm relationships need to be better understood to identify what and where the challenges are and what opportunities are available for improving governance measures over working conditions, whether private or public-private. For example, brands/buyers could hold greater responsibility to ensure their suppliers adhere to and meet labour laws and standards and assist in their monitoring. Further, the current limited role by the central government in the control and governance of these industrial areas may be a missed opportunity for gaining an overview understanding of working conditions in these areas and across the country. The central government should play a greater role in collecting, recording, and documenting data/information on the changing characteristics of the different industrial areas, e.g. firm composition, production, export and import data, etc. including information on working conditions. With greater understanding on specific industrial areas, the Vietnamese government should develop

policies that are appropriate and specific to the different industrial areas. The tracking of information would also allow the government at different levels to prevent potential/foreseeable violations of labour laws and a weakening of working conditions.

16. The decentralization of a number of policy fields pertaining to the operations of industrial zones presents potential conflicts of interest. The prime responsibility of IZ Authorities is to ensure their smooth operation and growth based on national policy objectives. These priorities may not complement the objectives of labour condition inspections and in particular the sanctioning power over labour violations. While there have been recent changes in the law prohibiting labour inspections by IZ Authorities, our findings showed that not all IZs zones were adhering to these changes. The responsibility of labour inspections must be maintained by the labour inspectorate whose primary goals and objectives are ensuring decent work for workers and the compliance of labour laws by firms.
17. There should be careful consideration of a triangular system of governance that involves 1) strong labour laws and regulations and strong and regular public inspections; 2) supplemental information from the implementation of private standards and codes of conduct by firms; and 3) the monitoring of factories by local community based non-firm labour organisations. The idea here is for active labour inspectors to gain additional information on working conditions that is not always possible to be obtained from labour inspections but is available through firm implementation of private standards and codes of conduct and local community based monitors of working conditions living areas of workers.
18. Related to 17, firms that conduct annual audits (particularly those conducted by credible third party auditors) on the implementation of private standards and codes of conduct over working conditions such as the EICC, or prepare similar reports for internal management, customers, and headquarters should be requested to submit those reports to the Labour Inspectorate as part of their regular assessment of working conditions in those

firms. It is critical to emphasise that this would not replace the work that the labour inspectorate must continue through physical and thorough labour inspections on a regular basis. This recommendation is in line with the outcomes of the ILO Meeting of Experts on Labour Inspection and the Role of Private Compliance Initiatives in 2013.¹⁶ Instead, the receipt of audit and other monitoring reports from firms can provide additional information as well as alert impending challenges or violations of labour laws faced by electronic firms.

On wider policy considerations:

19. The DOLISA Inspections notes found employees in the firms, whose educational levels are low, were generally unaware of labour law provisions. This raises the need to ensure workers are trained on labour laws and worker rights before they begin employment in a firm. It is recommended that worker training on labour laws and worker rights are conducted by non-firm, non-governmental and non-profit organisations. For example, all workers should be required to receive training before starting a job at a training centre that regularly holds training sessions for future employees regardless of where they will be employed. This would ensure that workers know the laws and their rights as workers before they begin working at a firm. This would also allow workers to know whether a potential employer complies with labour laws before they sign an employment contract. Training should be conducted on laws on discrimination, working hours and overtime hours and overtime pay, and TU rights, amongst others.

20. In order to implement several of the recommendations above, there would need to be a sustainable base of additional funding. Funding would be needed for the setting up by the government of Viet Nam of a technology upgrading fund and skill upgrading programmes (see recommendation 3), OSH training centres

¹⁶ See http://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---lab_admin/documents/meetingdocument/wcms_235948.pdf

(see recommendation 5), and worker training centres (see recommendation 19). We recommend these entities to be initially funded by the US State Department (for recommendation 3) and or the Department of Labor (for recommendation 5 and 19) with co-funding by the Central Government of Viet Nam in the short and medium term. In the long term funding should be obtained through a fund paid into by all large electronics firms (based on sales) in the country.

VI. Conclusion

Our current understanding of labour conditions in the electronics industry in Viet Nam is limited. This is due to the fact that the industry is relatively new compared to the garments/textiles sectors and in which more research has taken place. This report has nevertheless identified and discussed some key challenges for working conditions amongst 17 foreign-owned electronics firms and 7 domestic Vietnamese electronics firms interviewed in different regions in Viet Nam. It has also analysed various possible contributing factors and made policy recommendations for improvements accordingly.

Particular challenges and characteristics of working conditions in the electronics industry, related to discrimination, working hours, low wages and allowances, weak TUs and industrial relations, limited monitoring and enforcement of labour laws, and absence of private standards are issues present in other developing countries. Thus, there are structural characteristics of the electronics industry GVC, such as FDI dominance, fierce price competition, significant peaks and troughs in production cycles, and the labour intensive nature of certain types of production activities, which leads to particular sets of problems. Challenges over monitoring and enforcement of labour laws in Viet Nam are also challenges faced in other developing countries that have entered the electronics industry GVC at segments of low value added production. These developing countries are part of GVCs whose products, consumer markets, and buyers operate in a business model which results in specific problems over working conditions.

We hope that this report has raised awareness over challenges to working conditions in the emerging electronics industry in Viet Nam. We also hope the policy recommendations provide ideas and inputs for short, medium, and long-term interventions to not only ensure working conditions are improved but also to prevent Viet Nam falling into similar traps of poor working conditions that are rampant in the electronics industry GVC.

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ANNEX

Annex Table 1: Top 15 electronic exporters (selected years, billion USD)

	1995		2000		2005		2014	
	Value	per cent	value	per cent	value	per cent	value	per cent
World	809	100	1.349	100	1.932	100	2.942	100
China	40	4,9	110	8,1	398	20,6	986	33,5
EU-15	199	24,6	300	22,2	389	20,1	406	13,8
Taiwan	43	5,3	85	6,3	132	6,8	241	8,2
US	145	17,9	231	17,1	196	10,1	209	7,1
South Korea	38	4,7	72	5,3	129	6,7	205	7,0
Japan	145	17,9	180	13,4	191	9,9	158	5,4
Germany	53	6,6	70	5,2	110	5,7	139	4,7
Malaysia	41	5,1	75	5,5	104	5,4	129	4,4
Mexico	16	2,0	44	3,3	51	2,6	85	2,9
Singapore	48	5,9	61	4,5	71	3,7	83	2,8
Netherlands	21	2,6	37	2,7	55	2,8	66	2,2
Thailand	16	2,0	26	1,9	41	2,1	64	2,2
Vietnam	0	0,0	0	0,0	2	0,1	51	1,7
Switzerland	13	1,7	17	1,2	27	1,4	49	1,7
Philippines	8	1,0	34	2,5	45	2,3	45	1,5
France	26	3,2	36	2,7	39	2,0	40	1,3

Annex Table 2: Top 10 Exports Products in Vietnam (2000, 2014)

2000				2014			
HS Code	Product Description	Mio USD	per cent	HS Code	Product Description	V Mio USD	per cent
270900	Petroleum oils and oils obtained fr	3.506	24,6	852520	Transmission apparatus, for radiote	28.484	16,4
640399	Footwear with rubber... soles, leat	826	5,8	270900	Petroleum oils and oils obtained fr	7.033	4,1
30613	Frozen shrimps and prawns	618	4,3	847120	Digital auto data process mach cntg	6.083	3,5
90111	Coffee, not roasted or decaffeinate	583	4,1	854219	Monolithic integrated circuits, nes	5.660	3,3

640299	Footwear, nes, not covering the ank	495	3,5	640399	Footwear with rubber... soles, leat	4.066	2,3
640411	Sports footwear,with rubber or plas	339	2,4	90111	Coffee, not roasted or decaffeinate	3.060	1,8
640419	Other footwear,with rubber or plast	312	2,2	640411	Sports footwear,with rubber or plas	2.806	1,6
100630	Semi-milled or wholly milled rice	311	2,2	847192	Input or output units, whether or n	2.673	1,5
620193	Men's or boys' anoraks, wind-cheate	273	1,9	640299	Footwear, nes, not covering the ank	2.403	1,4
853710	Boards, panels, including numerical	198	1,4	852990	Parts suitable for use solely or pr	2.377	1,4
Top 10		7.467	52,3	Top 10		64.649	37,3
Total exports		14.264	100	Total exports		173.489	100

Source: UN Comtrade (2016)

Annex Table 3: Key Indicators of the Vietnamese Electronics industry

	2005	2009	2014
Electronics exports (in billion USD)	1.6	4.4	50.7
per cent in total exports	4.7 %	7.1 %	29.2 %
Number of firms	256	655	1,021
per cent in manufacturing value added	1.9 %	n/a	11.9 %
Employment	46,000	126,000	411,000
per cent in manufacturing employment	1.5 %	3.1 %	7.1 %
per cent of female employees	58.0 %	72.9 %	79.3 %
Compensation per employee (mio VND)	2	3	6.71
Profit Rate	3.6 %	0.5 %	6.7 %

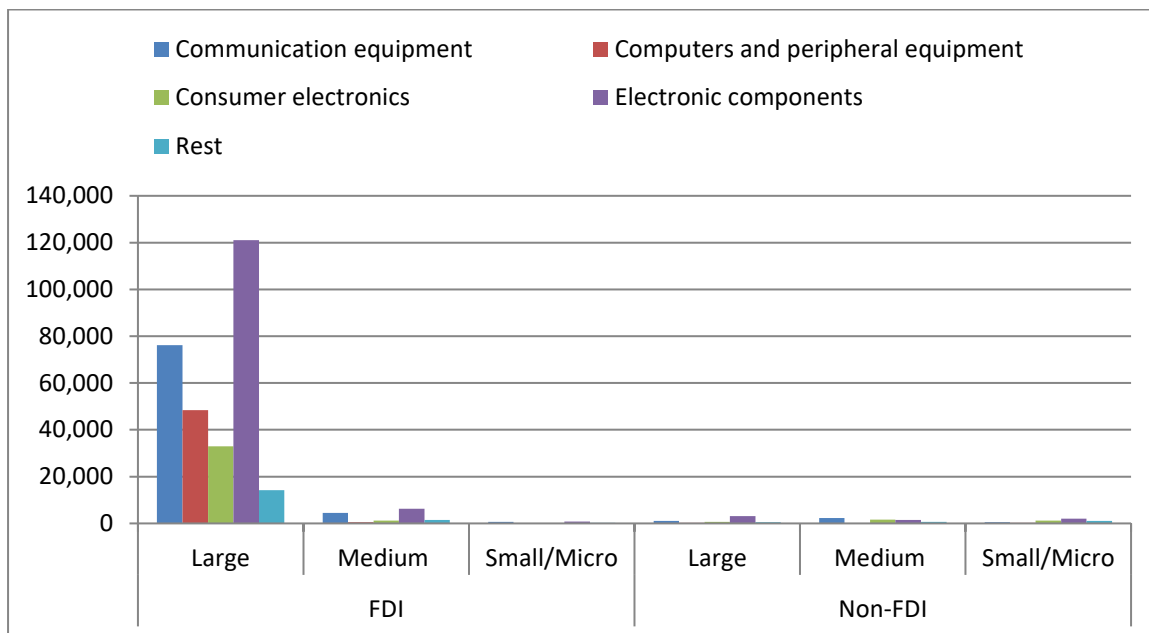
Sources: UN Comtrade 2016; GoV 2016; UNIDO 2016

Annex Table 4: Key indicators in the electronics industry, by ownership (2014)

Ownership	Number of Firms	(in per cent)	Employment	(in per cent)	Sales	(in per cent)	Sales per Employee
FDI	491	45	308.521	95	900.732.776	99	2.920
JV	17	2	1.212	0	2.116.425	0	1.746
Private	571	52	13.945	4	8.436.314	1	605
SOE	9	1	1.905	1	2.058.527	0	1.081
Total	1088	100	325.583	100	913.344.043	100	2.805

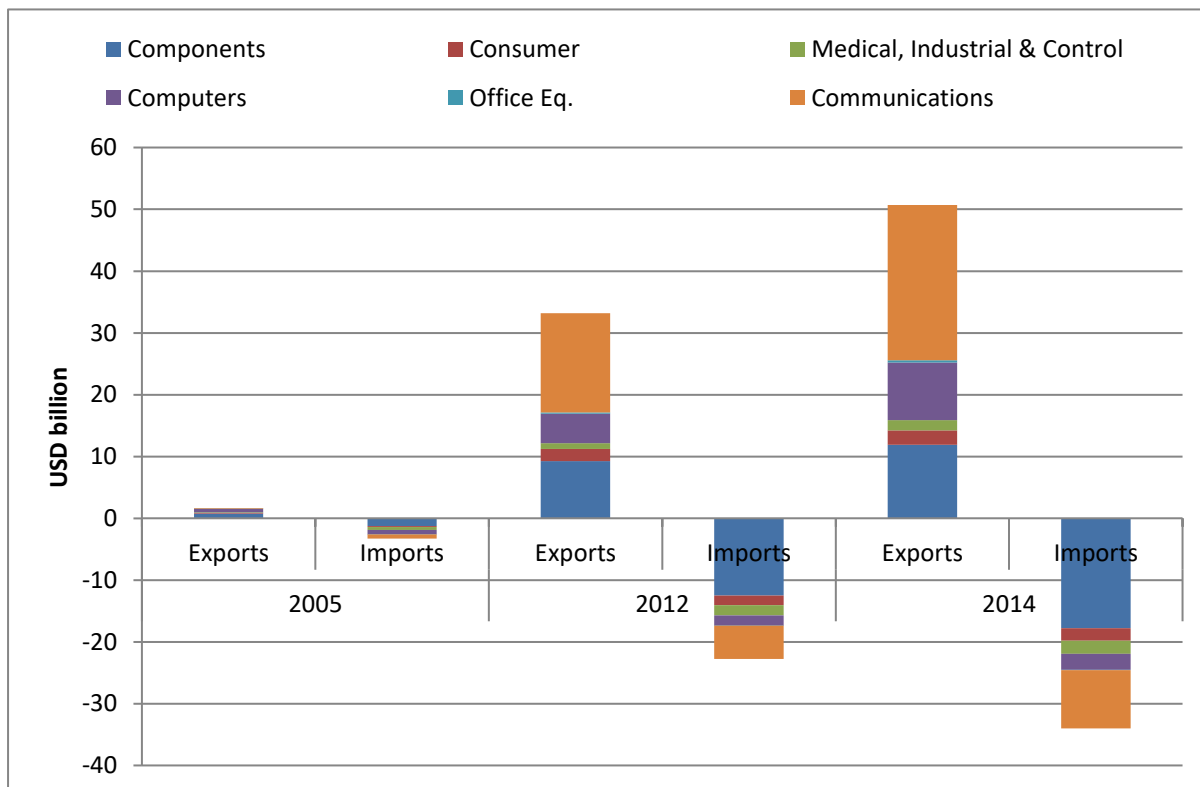
Source: VCCI/ILO (2015)

Annex Figure 1: Employment by firm size, ownership and electronics segment (ISIC Rev. 4)



Source: VCCI/ILO (2015)

Annex Figure 2: Electronics Trade Balance, by segments (2005, 2012 and 2014)



Source: UN Comtrade (2016)

Table A. Findings from interviews with firms in Trang Due Industrial Zone (Hai Phong), Que Vo Industrial zone (Bac Ninh), and Khai Quang Industrial zone (Vinh Phuc)

	H1	H2	H3	H4	H5
General Characteristics					
Factory location	Trang Due Industrial Zone (Hai Phong)	Trang Due Industrial Zone (Hai Phong)	Que Vo Industrial zone (Bac Ninh)	Khai Quang Industrial zone (Vinh Phuc)	Khai Quang Industrial zone (Vinh Phuc)
Year established	2014	2013	2007	2011	2014
Ownership	100 per cent Korean	100 per cent Korean	100 per cent Taiwanese	100 per cent Korean	100 per cent Korean
Products	Bluetooth speakers & earphones; modems	TVs, mobile phones, audio system for cars, & home appliances	Wifi-routers, headsets, & mobile phones.	Mobile phone cameras & parts.	Mobile phone antennas.
Production process	PCBA	Automated soldering & assembly.	Final assembly	Final assembly & testing	Final assembly
Imported inputs	Korea	Korea (majority), Indonesia, Malaysia, & China	China (70 per cent)	Korea (90 per cent)	Korea (100 per cent)
Vietnamese inputs	Plastics	Packaging	Nylon bags & packaging	Packaging & PPE	None.
Destination markets	Europe (100 per cent)	90 per cent exported (North America, ASEAN, Russia), 10 per cent for domestic market	Europe, China, US	Korea, India & China	Korea, Thailand, Hong Kong, Vietnam
Customers	LG-Korea.	LG subsidiaries, VW, Honda, and GM	Confidential	Samsung-Korea and Samsung-Vietnam	Samsung-Vietnam
Reason to locate in Vietnam	Cheap labour; close to port	Port	Labour advantage; business expansion	Customer request; labour force	Customer request
Labour & working conditions					
No. of operators	1,450	1,200	2,300 – 2,600	2,600	173
No. of non-operators		400 (25 per cent overall workforce)	1,490 (36 per cent overall workforce)	140 (5 per cent overall workforce)	13 (7 per cent overall workforce)
Foreign managers & origin		15 from Korea	50 foreigners from Taiwan & China	13	2 Koreans & 3 Vietnamese
Gender of workforce	85 per cent female; 15 per cent male	Majority male.			87 per cent female
Over-time hours		200 hours/year	300 – 350 hours/year	80-90 hours/month; 500 – 600 hours/year	30 – 35 hours/month; 100 – 150 hours/year
Base salary (no over-time)	3,745,000	3,850,000	3,850,000	3,320,000	3,320,000
Allowances	Discipline = 300,000 Fuel = 250,000	Night shift	Allowance = 200,000 Housing (if not in dorms) = 500,000	In-factory work = 100,000 Night shift = 120,000 Travel = 200,000 Female menstruation = 60,000	Travel = 200,000 Attendance = 200,000 Other = 200,000

	Attendance = 300,000 (6 months without leave) and 1,000,000 (1 year without leave)		Meals = 1,066,000 Commitment over 3 months = 200,000 - 400,000	Attendance 26 days/ month = 200,000 Housing = 200,000	
Average salary w/ OT			6,000,000	7,000,000 (minimum)	4,000,000 – 5,000,000
Shifts	1 shift (40 per cent capacity)	Two 12 hour shifts	Two 8 hour shifts	Two 12 hour shifts	1 shift
OSH Committee	Yes	Yes	Yes	Yes	Yes
Accidents/injuries		5 accidents in 2015	10 accidents in 2015	None	None
Chemical risks		MSDS, chemical labelling		Alcohol based cleaning solvents	No
Worker complaint/suggestions	Food, over-time, working hours, pregnant worker hours, payroll	Meals, lack of A/C, rest area, working hours, family gift during holiday, PPE gloves	Food, & lack of OT (10 complaints in 2015)	PPE gloves, holiday pay (8 – 10 complaints/month)	Working hours, payroll
Work stoppages	1 day in 2016	None.	3 in 2011	1 day in 2013	None.
TU	No	Yes (since 2014).	Yes	Yes (since 2013)	No
CBA? Above the law & how?		Yes. Extra 3 days leave.	Yes. New mothers given 1 month salary. Breastfeeding room with fridge.	No	
Labour inspection					
Labour inspection?	No	No	No	No	No
Other interaction with Ministry of Labour			Immediate & bi-annual accident reports shared with DOLISA. DOLISA, IZ, & Insurance department together do annual inspections. Inspections mostly positive with warnings.	DOLISA visit during work stoppage. MOLISA inspections in 2014 & 2016	
Industrial Zone Authority inspection	Twice a year	Annual (labour contracts, personal income tax, OSH).	Annual	1 visit in 2015 (labour, minimum wage, OSH, investment, construction)	1 visit in 2015 (environment, construction, fire prevention, labour)
Challenges with labour laws		Over-time	- want faster resolution of labour disputes - difficulty understanding new laws - over-time - government should provide housing for workers	Over-time & minimum wage	
Private standards					
Complying with private standards	No	Firm code of conduct	EICC since in 2010. Required by 80 per cent of customers.	Samsung's code of conduct since 2012. EICC since 2014	None
Audits/reporting on labour	No	Annually by customers	Three times a year on EICC by customers	Monthly reports to Samsung	No
Worker interviews					

	<p>Interviewed 4 workers.</p> <ul style="list-style-type: none"> - Policies for pregnant workers: arrange specific line in canteen, move to lighter workplaces. - Fuel allowance - Too much overtime, even weekends. Want time for families and for taking care of children. 	<p>Did not allowed to talk to workers but interviewed 1 worker.</p> <ul style="list-style-type: none"> - Satisfied with salary - Not much overtime 	<p>Interviewed 3 workers.</p> <p>1) Operator on circuit board processing line & worked 4 years & has permanent contract.</p> <ul style="list-style-type: none"> - Average Wage: 7.000.000 VND/month - Overtime 16h30' – 19h30' - Average overtime: 40h/month. - Allowance for working on the line, rent, & working experience. - Did not know about the TU congress - Was not involved in electing TU executive committee. <p>2) Operation line leader, 1 year contract.</p> <ul style="list-style-type: none"> - Wage: 14.000.000 VND/month including allowances (for leader of line, rent, fuel, meal). - Overtime: 52h/month; <p>3) Operation line worker, worked for 2 years, 1 year labor contract.</p> <ul style="list-style-type: none"> - Average wage: 6.500.000 VND/month (including overtime). 	<p>Not allowed to enter factor.</p>	<p>Interviewed 3 workers. Workers were afraid to answer questions.</p> <ul style="list-style-type: none"> - Said company is small and number of workers is few. - Contract with buyers not big so overtime is rare. - Weekend overtime for machine engineers when machines stop.
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Table B. Findings from interviews with firms in Thang Long Industrial zone (Dong Anh)

	H6	H7	S1	S2	S3	S4
General Characteristics						
Year established	2001	2014	2012	2004	2007	2008
Ownership	100 per cent Japanese	100 per cent Japanese	100 per cent Japanese	100 per cent Japanese	100 per cent Japanese	100 per cent Japanese
Products	CCTV & audio conference systems	PCBs for smartphones	flexible circuit boards for smartphones, DVD players, and LCD screens	Parts for printers (paper rollers, springs, and shaft)	Wiring kits, cables and connectors.	Tempered glass screens for mobile phones IP 6, Xperia and others.
Production process	Final assembly & R&D	Advanced processing	Assembly	Assembly and manufacturing	Assembly and manufacturing	Final assembly for re-packaging in third country. Design adjusting.

Imported inputs	Japan & Korea	Japan	40 per cent from Japan 50 per cent from Hong Kong (Japanese companies) 10 per cent from China, Taiwan, Thailand, and Singapore (FDI and local)	80 per cent imported from Japan (springs);	Mother company is key purchasing coordinator for electrical wires, cables, connector, and tapes. 10-30 per cent of these materials are made in Japan or made in USA, Korea.	Imported: glass from Hoya in Japan. Other materials, e.g. films and cover, from Singapore, Taiwan, Korea.
Vietnamese inputs	Packaging, plastics, & paper	None	Nylon and stamps	20 per cent from FDI in Northern export processing zones (springs and rollers). Carton boxes, packaging materials, small spare parts for rollers, and maintenance tools.	Carton and nylon for packaging. Some materials from Viet Nam FDI (Japan and Taiwan). One Vietnamese enterprise (invested by a Japanese). Bought in Hưng Yên, Hai Phòng, HN; and Bình Dương.	Chemicals (made from other countries), Logistics, pumps. Vietnamese made inputs: carton boxes, foam for packing.
Destination markets	Japan (90 per cent)	Japan (100 per cent)	Japan and Korea. In 2016, 70 per cent shipped to Hong Kong then on to Japan, China (10 per cent), and US (10 per cent)	Rollers exported. Have 90 per cent of global market share.	80 per cent exported to Japan (inserted into "made in Japan" machines). 1 – 2 big customers in Thailand.	Japan, Korea and US
Customers	Mother company	Merata and Toshiba	Confidential	Suncall Japan, other Suncall branches, Canon, HP, and Brother.	Komatsu and Kobenco (Thailand)	Main customer: Softbank Mobile in Japan. Docomo.
Reason to locate in Vietnam	Business expansion; increasing exports to East Asia	Business expansion; labour force; political environment	Viet Nam provides hard working female workers.	Human resources, location, to support Canon's supply chain; favourable investment conditions	Low labour cost, low rent cost, and favourable policies	To join other mother company branches in Viet Nam.
Labour and working conditions						
No. of operators	110	318 (273 female. 44 all male)	4010	503 (85 per cent female)	467 (100 per cent female)	71
No. of non-operators	21 (16 per cent overall workforce)	117 (27 per cent overall workforce)	254 (6 per cent overall workforce)	31 (5.8 per cent overall workforce)	53 (10 per cent overall workforce)	21 (23 per cent overall workforce)
Foreign managers & origin	2 Japanese (General Director & Engineer)	Japanese General Director	8 Japanese	2	2 Japanese	2 Japanese
Gender of workforce	91 per cent female	86 per cent female	92 per cent female	83 per cent female	99 per cent female	77.5 per cent female

Over-time hours	2 hours/day 200 hours/year	30 hours/month 200 hours/year	In peak time (June) OT more than 100 hours/ month. Can reach 500 hours/year.	During peak time (May to July) 4 hours over-time/day, maximum 28 hour per week. During low season, workers stay home 2 days/month (80 per cent basic salary)	1-2 hours/day 200 hours/year	16 hours/week
Base salary (without over-time)	3,800,000	4,000,000	3,750,000	3,500,00	3,800,000	3,750,000
Allowances	Housing = 200,000 Travel based on distance (highest) = 378,000 Diligence = 300,000 Birthday = 100,000 Baby = 500,000 1 to 5 years employed = 1.3 million	Living support = 200,000 Attendance = 200,000 Bonus = 1 month wages (gross) twice a year	Housing = 10,000 per day Transport = 12,500 per day Performance = 400,000 to 600,000 per month Checking allowance = 10,000 to 12,000 per day Noisy and smelly working conditions = 5,000 per day	Diligence = 150,000 Travel = 200,000 Housing = 100,000 Working in hot environment = 220,000	Seniority = 100,000 - 500,000 Attendance = 150,000 Travel = 278,000 Housing	Travel = 300,000 Housing = 270,000 Attendance = 300,000 Shift = 10,000 per shift
Average salary w/ OT	Up to 9,000,000	5,000,000 – 6,000,000	8,000,000 for newcomers	4,400,000 for newcomers	6,000,000 – 7,000,000	8,000,000 – 9,000,000
Shifts	1 shift	Two 8 hour shifts	3 shifts	2 day shifts; 1 night shift	Day shift	Night and day shift
OSH Committee	Yes	Yes	OSH Net meets weekly.	10 members include 1 representative from employers and 1 full time OSH officer.	5 members include director, manufacturing managers, and staff from different manufacturing stages. OSH Net has more than 50 members. Check factory weekly with both Japanese leaders.	No committee. OSH manager is deputy manager. 5S and QC staff checks OSH conditions weekly. OSH training 40,000,000/year
Accidents/ injuries	1 in 2015		Cut fingers. Traffic accidents.	No	No	No
Chemical risks	Thinners, & alcohol based cleaning solvents	Sulfuric acid & other chemicals.	-Chemical in eyes -Height of maintenance workers -Heavy load -Moving parts -Electric shocks	Painting and moving parts of machines. Challenges getting workers to wear ear protection.	Hand injury from forklift. Falling shelves. Components with sharp edges. Electricity. Alcohol for cleaning	Slippage and itching hand from not wearing gloves.

Worker complaint/suggestions				Food, meals, maternity benefits, & unclear information	Meals and salary increase policy.	
Work stoppages	None		None	None	2-day work stoppage in 2011	None
TU	Yes (before 2005)	Yes (since 2014)	Yes	Yes	Yes	Yes
CBA? Above the law & how?	Yes		Yes	Yes. Less hours for women during menstruation. 1 day bereavement leave.	Yes. Support during wedding, funerals, births, sickness, birthdays, etc. Gift to women on 8 March and 20 October. Additional Lunar holiday paid leave.	Yes. Shift allowance, 1 day bereavement leave, attendance allowance during paid leave.
Labour inspection						
Labour inspection	No		None		None	None
Other interaction with Ministry of Labour	September 2014 by DOLISA on OSH. Joint inspections with DOLISA, Department of Environment, & IZA		1 visit DOLISA in March 2015.	DOLISA safety division check in March 2015 and August 2013.	DOLISA and Hanoi Department of Fire in April 2015	DOLISA Safety Division and fire prevention check in 2012.
Industrial Zone Authority inspection	Annually (health check, wages, skills, OSH training, OSH machinery requirements, over-time).		None	Labour issues every 2 - 3 years.	2015 (HIZA TU).	None
Challenges with labour laws	Over-time			Law on wages. All laws challenging.	Laws change too quickly and difficult to apply.	Over-time law. Regulations lack clarity.
Private standards						
Complying with private standards	ISO 9001	Firm code of conduct. ISO 9000; ISO 14000	ISO/TS 16949, internal HQ Code of Conduct	EICC, ISO 9000, 14000, HQ Code of Conduct	None	ISO 14001, OSHAS 18001.
Audits/reporting on labour	No	Bi-annual reporting to HQ. Veritas certifies ISO standards.	2 – 3 times/ year by HQ and customers	3 audits by HP, Canon and ISO assessment. Brother audits every few years.	None	Annual ISO and OSHAS assessments, customer surveys. HQ audits every 3 years.
Worker interviews						
	Interviewed 2 workers. 1) Worker at company for 5 years & permanent contract. - average wage: 7.000.000 VND/month - 2 shifts: 6h00 – 14h00 & 14h00 – 22h00	Interviewed machine engineer. - Average wage: 8 million VND/month - Sometimes has overtime but not much.	Interviewed 1 worker, 1 year at firm & 1 year contract. - Overtime 3-4 hours/day - Overtime in some months nearly 100 hrs/month	Not allowed to enter factory.	Interviewed 1 worker, working since 2011 & permanent contract. Migrant worker from Ninh Binh province (100 km away).	

<ul style="list-style-type: none"> - Sometime overtime hours from 14h00 – 16h00 - Overtime < 30 hrs/month <p>2) Circuit board welder, 2 years at firm & 3 year contract.</p> <ul style="list-style-type: none"> - Average wage: 5 million VND/month; - Good policy for pregnant women: high chairs provided during pregnancy 		<ul style="list-style-type: none"> - Average wage: 8 million VND/month with 4hrs/day overtime - Pregnant women do not move to different lines, but receive lighter work 		<ul style="list-style-type: none"> - Average wage: 5million VND/month with low overtime hours; 8 million/month with high overtime hours - Overtime average 2hrs/day. - Rent allowance: Rents 100.000 VND/month (actual rent 600.000 VND/month). - Attended OSH Training & health check 	
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Table C. Findings from interviews with firms in and around Ho Chi Minh City: Vietnam Singapore Industrial Park II (VSIP II) and Saigon Hi-Tech Park (SHTP)

	S5	S6	S7	S8	S9	S10
General Characteristics						
Factory location	VSIP II	VSIP II	VSIP II	VSIP II	SHTP	SHTP
Year established	2007	2009	2007	2008	2010	2007
Ownership	100 per cent Japanese	100 per cent Japanese	100 per cent Japanese	100 per cent Japanese	100 per cent American	100 per cent American
Products	Camera module for smart phone	Plastic parts, electronics components, and metal molds and molding accessories for mobile phone, iPad, computers, cars.	Doorbell, internal communications appliances, door camera.	Semiconductor chips for mobile phones, laptop, consumer products	Chipset for tablets, smartphones, and laptops.	Printed circuit boards components and assembly.
Production process	Assembly	Manufacturing	Final assembly	Wafer assembly	Assembly & testing	Assembly
Imported inputs	Mainly from China (Japan-FDI) and Japan. Customer vendor list.	60 per cent Japan (HQ and another company), 25 per cent Hong Kong 10 per cent Singapore	Indonesia: 1 per cent Malaysia: 3 per cent Japan: 4 per cent Singapore: 22 per cent Thailand: 24 per cent China: 11 per cent	Japan (67 per cent) Singapore, Malaysia, Thailand (glue and strings)	90 per cent imported. 50 per cent imports from US, rest from China, Israel, Malaysia, Singapore, and Mexico.	100 per cent imported inputs.
Vietnamese inputs	Korean-FDI for packaging. Vietnamese chemicals.	5 per cent for stationery, packaging, chemicals from FDI-Japan	Viet Nam: 35 per cent (FDI: 32 per cent; Local: 68 per cent)	Packaging (nylon, carton box) include Chinese-FDI	9 per cent FDI, 1 per cent Vietnamese. Packaging, chemicals, spare-parts.	

Destination markets	100 per cent to HQ in Japan	60 per cent for export: -38 per cent to Japan (HQ and other customers) -10 per cent China -10 per cent Thailand -2 per cent Singapore 40 per cent to Viet Nam (FDI-Japan and US)	100 per cent export to Thailand and Japan	To HQ in Japan.	China, US, and EU.	France
Customers	In US	Tosok, Fujukura, and Nissho. Nidek (FDI-Japan in VN) Viet Nhat (Joint Venture in VN) Fujikuda-Thailand, Mother corporation- China, Mother corporation- Japan	98 per cent to Mother corporation in Japan 1-2 per cent to Mother corporation in Thailand	N/A		
Reason to locate in Vietnam	Attractive investment policies from from Binh Duong. Labour force with good skills.	To supply mother corporation in China. For different products.			Collaboration with government, tax policy, cheap workforce, potential for skilled workforce.	
Labour and working conditions						
No. of operators	4144	834	187	80	600	1985
Number of non-operators	729 (15 per cent overall workforce)	145 (15 per cent overall workforce)	39 (17 per cent overall workforce)	66 (45 per cent overall workforce)	1000 (62.5 per cent overall workforce)	362 (15 per cent overall workforce)
Foreign managers and origin	27 Japanese	7 foreigners	4 Japanese	1 Japanese		19
Gender of workforce	62 per cent	59 per cent	98 per cent	40 per cent	35 per cent female	51.5 per cent female (operators)
Over-time hours	Maximum 60 hours/month	60 hours/month (peak season). 30 hour/month (non-peak season)	3 hours/day	Not disclosed	12 hours/week	
Base salary (without over-time)	3,745,000	3,815,000	4,080,000	3,800,000	4,500,000	
Allowances	- Annual increments - Seniority support - Responsibility - Quality-check - Attendance - House = 200,000/ month - Travel = over 200,000/ month)	-Housing = 400,000 (staff), 200,000 (workers) - Travel = 350,000 - Attendance = 200,000 - Water & milk = 50,000 - Child (up to 6 years) = 150,000 - Performance = 100,000-600,000	Attendance = 200,000 Petrol = 200,000 House = 300,000 Child (to 6 years) = 100 Hot environment = 200,000 (for warehouse staff) Quarterly test on working skills = 100,000	Skill = 100,000 Shift = 4,000 to 12,000 Attendance = 200,000 Seniority: 200,000 to 700,000 Child = 300,000 (until 18 years) Fuel Responsibility	Lunch = 40,000/day Night shift Performance bonus after 1 year Salary increases (8-12 per cent; 20 per cent exceptional)	

	- Language (Japanese/English) - Child (younger than 5 years) = 150,000/ month - Birth = 500.000 - Shift = 7,000 (day), 15,000 (night)	- not giving birth/pregnancy during the 1 st year				
Average salary with over-time	8,500,000 (highest)	6,000,000 – 9,000,000	6,000,000		9,000,000	
Shifts	Day and night shift	2 day shifts; 1 night shift	2 day shifts; 1 night shift	2 day shifts; 1 night shift	Four 12 hour shifts	
OSH Committee	Meets every 3 months	Safety committee members: Assistant Manager of manufacturing, Sensor Manager, Manager of manufacturing, Manager of molding, GA officer.	No Committee. OSH issues monitored by a Japanese manager	Meets monthly. Members from all departments. No health care division. First aid. Rest room with bed for workers. Health check for all workers in July (600,000 each person).		Meets quarterly.
Accidents/ injuries	12 accidents/year	Cut fingers	No records. No incident accidents or injuries known. One accident during transportation from home to workplace	None.		2 accidents in 2015.
Common OSH risks and chemical usage	Traffic accidents. Cut hands. Minor head and foot injury.	Cut fingers. Bleaching/ corrosive cleaners	Electrical shocks. Eye problems. Chemicals.			Forklifts and chemicals
Worker complaints/ suggestions			Requirements related to salary (increments according to Government requirements), and meals.	Comments on food.		
Work stoppages	2 strikes in 2010	None	None	None	None	None
TU	Yes	Yes (since 2009)	Yes	Yes (since June 2010).	Yes	
CBA? Above the law?	Yes. Company paid annual trip.	Yes (June 2015). Company paid annual trip. Funeral and illness support.	None.	Yes (since 2012). 6 th leave day; paternity leave; 1 day bereavement leave. Company paid bi-annual trip.	Yes (since 2013).	
Labour inspection						
Labour inspection?	None	None	None	None	None	None

Other interaction with Ministry of Labour	DOLISA Social Insurance authority.	Visit in October 2011	Social Insurance Authority (2014). Tax inspection (August 2016).	N/A	1 visit by DOLISA in March 2015.	No
Industrial Zone Authority inspection	VSIP TU visit in Nov 2011.	None	None	None	None	None
Challenges with labour laws		Over-time law. Need guidance on laws.	Strict regulations on firing workers.	Over-time law.		
Private standards						
Complying with private standards	EICC, ISO 9001, ISO 14001, OSHAS 18001, HQ Code of Conduct, customer codes of conduct.	EICC, ISO 9001, TS 16949, OSHAS 18001, 13485, ISO 14001, 5S	EICC, SO 9001, 5S, HQ Code of Conduct	ISO 9001, 14001, 5S, Kaizen, HQ Code of Conduct	EICC	EICC. LEAN Six Sigma, OHSAS 18001
Audits/ reporting on labour conditions	EICC audits by 2 customers annually.	EICC audits annually by 3 customers (Tosok, Fujukura, Nissho)	6 times in 2015	None	EICC audit in 2015	Annual audit by mother corporation.
Worker interviews						
	Interviewed 1 worker in chipset, worked 4 years, just returned from 6 month maternity leave - Average wage: 7.3 million/month - works 1 day shift - has 1hr/day off - Allowances: housing, fuel, attendance, etc. total close to 1.000.000 VND/month - less overtime in 2016 - in 2015: 12 hrs overtime/day, 600 hrs/year		Interviewed 1 worker, worked 17 months & 3 year contract. - Works day shift. - Average wage: 6 million VND/month. - In peak season, overtime is 3 hrs/day - Attended OSH training & health check - Wages paid during training			

Table D. Findings from interviews with domestic firms

Company name	D1	D2	D3	D4	D5	D6	D7
Company overview							

Address	Cam Giang, Hai Duong	Hap Linh Industrial Zone, Bac Ninh,	Tien Son Industrial Zone, Tien Du, Bac Ninh.	Tan Phu, HCMC	Binh Thanh Distr, HCMC	Binh Thanh Distr, HCMC	Bien Hoa, Dong Nai
Year established	1998	2006	2000. Moving to Bac Ninh in 2006	1985	1979	1981	2004
Ownership structure	100 per cent Vietnamese-owned	100 per cent Vietnamese-owned	100 per cent Vietnamese-owned	100 per cent Vietnamese-owned	100 per cent Vietnamese-owned	100 per cent Vietnamese-owned	100 per cent Vietnamese-owned
Products	Motor parts (for auto-cycles), Lighting device (LED circuit board), power equipment, automatic control equipment, cable for sewing machine Jaguar, Caltex lubricants, NSK bearings	circuit board and electronic components	electronics components	Plastic and metal moulding for CD players, antennae	line filter, transformer, choke coil, electronic module	Electric circuits for TVs, midi karaoke machines, refrigerator and other home electric appliances.	Electric speaker, amply, electric circuits for household appliance
in-house production and partial outsourcing to Vietnamese enterprises	In-house production	In-house production	In-house production	In-house production	In-house production	In-house production and partial outsourcing to Vietnamese enterprises	In-house production
Procurement of main inputs	Local purchase, Japan, Singapore, China, Thailand.	Taiwan, Korea, China	Local purchase, Japan	Local purchase and outsourcing to some Vietnamese-owned enterprises	Supplied by partners	Local purchase and import from China, Singapore, Thailand and Malaysia	Local purchase and imports from China
Technological transfers or other collaborative programs to local enterprises	No	No	No	No	No	No	No
Target markets	Europe, Japan, domestic market	Korea, domestic market	Japan. Hongkong	Japan, South Korea, the US, Canada	Japan, Malaysia, Hongkong, Indonesia	domestic market and export to Cuba	domestic market

Customers	Some Japanese enterprises with a majority of Vietnamese ones	Korean enterprises and Viet Nam SMEs	Japan enterprises	Enterprises from Japan, the US, South Korea, Canada.	Foreign SMEs (in Japan, South Korea, USA and EU) and FDIs in Viet Nam. Include Sony Vietnam, Samsung Vietnam, Viettronics Tan Binh, Philip Vietnam	Domestic SMEs	domestics SMEs
Labour situation and conditions							
Total number of workers	115	290 (currently 11 on maternity leave)	200 (75 per cent female)	55 (40 male/15 female)	277 (60 per cent female)	160 (65 per cent male)	160 (60 female)
Total number of line operators	71 (61F - 10M)		160	32		118 (90 male - 28 female)	120 (30 female)
Staff (indirect workers)		27	40	29	39	13	40
Engineers	2 (both male)	12 (all male)		1	4	9	
Management	4 (all male)	4		3	17	26	
Worker drop-out rate		Yes. 11 per cent/year	Yes. Around 10 per cent/year.	Yes. Less than 10 per cent per year	Yes. 3 per cent/month	0.8 per cent/month	<10 per cent/year
Probation periods		1 month	1 month	1 month	1 month	maximum 2 months	1 month
Salary during probation and training periods		85 per cent	100 per cent	80 per cent	85 per cent	85 per cent	75 per cent
Base salary, allowances, and bonuses	VND 3 million	VND 3.5mil	VND 4.8mil	VND 4.5mil	VND 5.0 mil		
Average working hours	8 hours/day	8 hours/day	8 hours/day	8 hours/day	8 hours/day	8.5 hours/day	
Average over-time hours	4 hours/day (from June to September)	seasonally, 4 hours/day	seasonally, 8 hours/week	<100 hours/year	<120 hours/year	seasonally from October to February, on average ~ 10 hours/month, ~ 120 hours/year.	

Average monthly salary	VND4.5mil/month (not including overtime)			VND 5 million	VND 5.5mil	VND 6 mil	VND 5.5mil
Information on shifts: how many, rotation schedules, mandatory night-shifts		night shift	3 shifts a day (6:00-14:00; 14:00-22:00; 22:00-06:00). Daily rotation.	Normally 1 shift (07:30 - 16:30) Upon production rise 2 shifts: 6:00-14:00 and 14:00-22:00. No night shift.	Normally 1 shift (07:30 - 16:30) Upon production rise 2 shifts: 6:00-14:00 and 14:00-22:00. No night shift.	Normally 1 shift (06:30 - 15:30) Upon production rise 2 shifts: 6:00-14:00 and 14:00-22:00. No night shift.	Normally 1 shift (07:30 - 14:30) Upon production rise 2 shifts: 6:00-14:00 and 14:00-22:00.
Training	1 month	Yes. 1 month ahead of line task.	Yes. Both internal training and sending workers out for training. Min 1 month. Max 6 month.	Yes. 1 month prior to work and upon schedule by DOLISA inspectors	Yes. 1 month prior to work and by internal officers	Yes. 1 month prior to work	Yes. 1 month prior to work
Challenges faced in applying Viet Nam's labour laws?	regular law reforms without instructions, difficulty in contact with in-charge state agency for help and advice	No	Law execution as there is no instructions.	No	No	No	Delayed circulars of instructions.
most common OSH risks	Electrocution, finger cuts, slipping, visual impairments	Finger cuts, lack of PPE usage.	Finger cuts, visual impairments.	Finger cuts	Finger cuts, falls from slippery floors.	Finger cuts, eyestrain.	None
accidents and injuries	no accidents recorded with some light and commons injuries such as finger cuts or slipping out of work station			Not yet recorded	Not yet recorded	Not yet recorded	Not yet recorded
Accidents and injuries		0.2 per cent/year	Yes, but mostly common injuries like finger cuts. No accidents have been observed.		No serious accident observed		
Special arrangements for pregnant women and new mothers	Switching to less pressing tasks.	6-month leave, 1 hour/week of earlier leave upon return, switching to less pressing tasks and exempt from night shifts and overtime call. Pregnant women	6-month leave, 1 hour/week of earlier leave upon return, switching to less pressing tasks and exempt from night shifts and overtime call.	According to the law. And switching to less pressing tasks.	According to the law.	According to the law, adding gift distributions on birth delivery.	According to the law.

		are supplied with daily refreshments.					
Safety committee	None	Every 6 months	Yes. 5 members	Yes. 3 members	Yes. 1 officer in charge. There used to be 1 committee of 3 officers but it's no longer operational due to organization restructure	yes. 5 officers. Every 6 months	1 officer in charge
How are worker complaints dealt with	Complaints are collected by line manager and reported to the Board of directors	Complaints are to be collected by head of the division and reported to the board of directors.	Complaints are collected by line manager and reported to the Board of directors	Not yet recorded	Not yet recorded		Not yet recorded
Days of work stoppages and why	None	No	No	No	No	No	No
Social dialogue between management and workers	Yes. Quarterly	Yes. Every month.	Yes. Upon rising issues.	Yes. Upon rising issues.	Yes. Upon rising issues.	Yes. Every 3 months	Yes. Every 3 months
TU and Executive Committee	TU established in 2008		Yes. Chairman is the Production Manager.	Yes. Chairman is the GA Manager.	Yes. Chairman is the Director.	Yes. Chairman is the HR Vice manager	Yes. Chairman is the Head of Export-Import Division.
CBA? Above the law? How often revised?	CBA. Yes (to award pay raise).				Yes		
Minimum educational requirement		Not specifically required	Secondary school	Secondary school	Secondary school	Vocational diploma holders	Secondary school
Minimum age		Not specifically required	By law	19	18	20	18
Labour Inspection							
Labour inspection	Yes. In 2014	Yes. In 2015	No	Yes. Around the end of 2014	Not yet	Yes, once a year	Yes, once a year

What were the results of the inspection visit	Recommendations on Annex to the workers contract upon a pay raise. No administrative sanction.	Reminders of ongoing issues regarding probation period, probation pay, OSH Reporting and OSH committee operation and training to workers.		Reminders on contracts as contracts for employees do not indicate information on salary.	Not yet	Reminders and consultancy on working conditions, OSH, healthcare services to workers,	No
Has the Inspector provided consultancy on your firm's operation?				yes	not yet	yes, inspector organise training sessions on OSH, working conditions, policies implementation and healthcare services to workers,	yes, on contracts.
Thoughts on Labour Inspectors in Viet Nam				the role of inspectors is to instruct on executing law	advising the enterprise on remuneration to workers	essential in terms of consultancy and monitoring to better enterprises' performance	examining and advising
How often visited by the Industrial Zone Authorities?			Once. In 2009				once. Not regularly.
OSH training? What is the cost? Who conducts the OSH training?		Parallel with line training.	Once a year, outsourced.	Once a year upon schedule by DOLISA Inspector	Once a year for the whole factory and by internal officers and partners' (normally in February)	MOLISA regional center and DOLISA training to officers, then officers conduct training for workers.	Internal training and by other agencies' schedule
Private standards and codes of conduct							
Private social/labour standards	ISO9001, SA800	ISO 9001, ISO 14001, 5S	ISO 9001, ISO 14001, and internal code of conduct developed by the Company.	Not yet a complete set of standard built but has mixed standards	ISO 9001, 5S,	ISO 9000 and ISO 14000. Developed set of standards for 2016-2020	
Internal policies for implementing private standards		No		Study tour to partner's factory to exchange experience upon rising problems.			

How often audited on private standards?	5 to 7 times per year.		twice a year. By partner.	No	Once a year.		
Challenges in applying private standards?				No	No		
General thoughts on private standards?		Help build a set of conduct to the company and its worker to ensure the understanding of the work, as well as the ability to take responsibility in a safety manner		To maintain workers' discipline and minimise OSH risks.	minimizing OSH accidents	Create procedures for better management, operation and performance; help build a business culture with core values to retain workers.	
What challenges do you face with meeting Vietnam's labour laws?		No		No	not yet	not yet	
Their questions and comments to us	Providing more consultancy on labour law compliance, with stronger support from NGOs as when independent agencies' involvement will lead to bigger effectiveness.		More consultancy and training on law compliance. More networking opportunities with similar enterprises to enhance understanding of law compliance.				
Interviews with workers							
Factory floor visit notes		Heated workshops. Asynchronous workshop.	Moderate temperatures are maintained in the workshops. Orderly Classified.				

Table E. Labour inspections conducted on electronics firms from 2012 – 2015

Province	Number of labour inspections	Labour violations/issues of concern
Ha Noi	11	

Thai Binh	1	
Hai Phong	7	DOLISA felt the working environment at firms were good and created no pressure on workers and rather motivated them
Binh Duong	10	Worker conditions attributed to being the cause of work stoppages, strikes, and conflicts in the workplace
Bac Giang	11	OSH training, excessive over-time, and salary and allowance calculations and payments. Compliance of the law was still a challenge and in particular with small and medium sized enterprises

Table 8: Minimum wage levels, by regions (2016)

Region	Administrative Divisions
I	<ul style="list-style-type: none"> ➤ Gia Lam, Dong Anh, Soc Son, Thanh Tri, Thuong Tin, Hoai Duc, Thach That, Quoc Oai, Thanh Oai, Me Linh, Chuong My district and Son Tay town of Hanoi City ➤ Thuy Nguyen, An Duong, An Lao and Vinh Bao district of Hai Phong City ➤ Cu Chi, Hoc Mon, Binh Chanh and Nha Be district of Ho Chi Minh City ➤ Bien Hoa City, Nhon Trach, Long Thanh, Vinh Cuu and Trang Bom district of Dong Nai Province ➤ Thu Dau Mot City, Thuan An, Di An, Ben Cat and Tan Uyen town, Bau Bang and Bac Tan Uyen district of Binh Duong province ➤ Vung Tau City of Ba Ria – Vung Tau province
II	<ul style="list-style-type: none"> ➤ The remaining districts of Hanoi City ➤ The remaining districts of Hai Phong City ➤ Hai Duong City of Hai Duong province ➤ Hung Yen City, My Hao, Van Lam, Van Giang and Yen My district of Hung Yen province ➤ Vinh Yen City, Phuc Yen town, Binh Xuyen and Yen Lac district of Vinh Phuc province ➤ Bac Ninh City, Tu Son town, Que Vo, Tien Du, Yen Phong and Thuan Thanh district of Bac Ninh province ➤ Ha Long, Cam Pha, Uong Bi and Mong Cai city of Quang Ninh province ➤ Thai Nguyen City of Thai Nguyen province ➤ Viet Tri City of Phu Tho province ➤ Lao Cai City of Lao Cai province ➤ Nam Dinh city and My Loc district of Nam Dinh Province ➤ Ninh Binh City of Ninh Binh province ➤ Hue city of Thua Thien – Hue province ➤ Districts of Da Nang city ➤ Nha Trang and Cam Ranh city of Khanh Hoa province ➤ Da Lat and Bao Loc city of Lam Dong province ➤ Phan Thiet City of Binh Thuan Province ➤ Can Gio district of Ho Chi Minh City ➤ Tay Ninh city, Trang Bang and Go Dau district of Tay Ninh province ➤ Long Khanh town, Dinh Quan and Xuan Loc district of Dong Nai province ➤ The remaining districts of Binh Duong province ➤ Dong Xoai town and Chon Thanh district of Binh Phuoc province

	<ul style="list-style-type: none"> ➤ Ba Ria City and Tan Thanh district of Ba Ria – Vung Tau province ➤ Tan An City, Duc Hoa, Ben Luc, Can Duoc and Can Giuoc district of Long An province ➤ My Tho City of Tien Giang province ➤ Districts of Can Tho City ➤ Rach Gia City, Ha Tien town and Phu Quoc district of Kien Giang province ➤ Long Xuyen and Chau Doc City of An Giang province ➤ Ca Mau City of Ca Mau province
III	<ul style="list-style-type: none"> ➤ The remaining provincial cities (except those of region I and region II); ➤ Chi Linh town, Cam Giang, Nam Sach, Kim Thanh, Kinh Mon, Gia Loc, Binh Giang and Tu Ky district of Hai Duong province; ➤ Vinh Tuong, Tam Dao, Tam Duong, Lap Thach and Song Lo district of Vinh Phuc province; ➤ Phu Tho town, Phu Ninh, Lam Thao, Thanh Ba and Tam Nong district of Phu Tho province; ➤ Gia Binh and Luong Tai district of Bac Ninh province; ➤ Viet Yen, Yen Dung, Hiep Hoa, Tan Yen and Lang Giang district of Bac Giang province; ➤ Quang Yen, Dong Trieu town and Hoanh Bo district of Quang Ninh province; ➤ Bao Thang and Sa Pa district of Lao Cai province; ➤ The remaining districts of Hung Yen province; ➤ Pho Yen town and Phu Binh, Phu Luong, Dong Hy and Dai Tu district of Thai Nguyen province; ➤ The remaining districts of Nam Dinh province; ➤ Duy Tien and Kim Bang district of Ha Nam province; ➤ Gia Vien, Yen Khanh and Hoa Lu district of Ninh Binh province; ➤ Luong Son district of Hoa Binh province; ➤ Bim Son town and Tinh Gia district of Thanh Hoa province; ➤ Ky Anh town of Ha Tinh; ➤ Huong Thuy, Huong Tra town, Phu Loc, Phong Dien, Quang Dien and Phu Vang district of Thua Thien Hua province; ➤ Dien Ban town and Dai Loc, Duy Xuyen and Nui Thanh district of Quang Nam province; ➤ Binh Son and Son Tinh district of Quang Ngai province; ➤ Song Cau town and Dong Hoa district of Phu Yen province; ➤ Ninh Hai and Thuan Bac district of Ninh Thuan province; ➤ Ninh Hoa town, Cam Lam, Dien Khanh and Van Ninh district of Khanh Hoa province; ➤ Dak Ha district of Kon Tum province; ➤ Duc Trong and Di Linh district of Lam Dong province; ➤ La Gi town, Ham Thuan Bac and Ham Thuan Nam district of Binh Thuan province; ➤ Phuoc Long, Binh Long town, Dong Phu and Hon Quan district of Binh Phuoc province; ➤ The remaining districts of Tay Ninh province; ➤ The remaining districts of Dong Nai province; ➤ Long Dien, Dat Do, Xuyen Moc, Chau Duc and Con Dao district of Ba Ria – Vung Tau province; ➤ Kien Tuong town, Thu Thua, Duc Hue, Chau Thanh, Tan Tru and Thanh Hoa district of Long An province; ➤ Go Cong and Cai Lay town and Chau Thanh and Cho Gao district of Tien Giang province; ➤ Chau Thanh district of Ben Tre province; ➤ Binh Minh town and Long Ho district of Vinh Long province; ➤ Districts of Can Tho City; ➤ Kien Luong, Phu Quoc, Kien Hai, Giang Thanh and Chau Thanh district of Kien Giang province;

	<ul style="list-style-type: none"> ➤ Tan Chau town and Chau Phu, Chau Thanh and Thoai Son district of An Giang province; ➤ Nga Bay town and Chau Thanh, Chau Thanh A district of Hau Giang province; ➤ Gia Rai town of Bac Lieu ➤ Vinh Chau and Nga Nam town of Soc Trang; ➤ Nam Can, Cai Nuoc, U Minh and Tran Van Thoi district of Ca Mau province.
IV	➤ Region IV covers the remaining administrative divisions

MOLISA-ILO Study on

Labour Law Compliance and the Role of Public Labour Inspection

in the Viet Nam electronics sector

Enterprise Questionnaire

A. Company overview

1. Please introduce yourselves, i.e. your responsibilities in the enterprise, your previous positions, etc.
 - For Human Resource managers, are you part of a Human Resources network of managers; if so, what do you discuss?
2. What year did your enterprise establish in Vietnam?
3. What is your ownership structure? If it is a Joint Venture, what is the ratio of the different partners? If it is a FDI, what is your country of origin?
4. If a foreign firm, why did you establish in Vietnam?
5. What are the specific manufacturing processes in this factory? E.g. PCBA, final assembly, packaging?
5. What do you manufacture in this factory?
6. Production and distribution processes of those main products
 - 6.1 In-house production and outsourcing (Do you have any outsourcing arrangements, if you do, what kind of enterprises are they? (e.g. other FDI firms, local Vietnamese firms etc)

6.2 Procurement of main inputs (imports, local procurement (from FDI firms), local procurement (from Vietnamese firms) etc). What is the percentage of foreign inputs? What things do you source locally? Please give details on location and companies and the specific types of parts.

6.3 Do you have specific technological transfers or other collaborative programs to local enterprises? If you do, could you please elaborate on those programs?

6.4 Main target markets (Export (which countries), domestic, others)

7. Who are your customers? E.g. MNEs? From which countries?

B. Labour situation and conditions

1. Total number of workers (male and female for each category)

1.1 Line operators

1.2 Staff (indirect workers, mainly in administrative functions)

1.3 Engineers (maintenance work etc.)

1.4 Management (ratio of international/local staff, if available)

1.5 Migrant workers (rural migrants and non-Vietnamese workers). Where do they come from? Is there a concentration of workers originating from a specific province?

2. How many workers are used during peaks and troughs during the production cycle? How do you deal with worker needs during production fluctuations?

3. Do all workers have written contracts? What are the probation periods for different workers, i.e. operators vs. management? What is the share of permanent vs non-permanent contracts? Please give details on the types of non-permanent contracts and their shares in the factory.

4. What is the percentage of non-permanent vs permanent contracts?

5. What is the base salary? What are allowances and bonus structures? What is the salary during probation and training times?

6. What are average working hours? What is the average with over-time?

7. What is the average salary including over-time?

8. How many shifts do you have and how long are they? Do you have a night shift? Do all workers have to work night-shift?

9. What are average hours of over-time per worker annually?

10. What type of training do you conduct for workers?

11. What is the minimum educational requirement for your workers?
12. Do you record employee turnover rates? What is your average monthly turnover rate?
13. What are the most common OSH risks (both safety and health)? Please describe both risks from physical harm and chemical/hazardous substances (e.g. eyesight problems).
14. Do you record accidents and injuries? If yes, what is the annual incident/worker ratio?
15. Do you make special arrangements for pregnant women and new mothers? How many pregnant and new mothers do you currently employ?
16. Does your factory have a safety committee? Who is on the committee? How often does it meet?
17. How are worker complaints dealt with in your firm? Do you have a written complaints/disputes policy?
18. How many days of work stoppages have you had due to labour disputes? In the past year? In the past 5 years?
19. Do you have a regular forum for social dialogue between management and workers?
20. Do you have a TU? Who is on the Executive Committee?
21. Do you have a CBA and if so, does it go above the law? How often do you review/revise your CBA?

C. Labour inspection

1. How often have you been visited by a labour inspector by DOLISA/MOLISA?
2. If yes, what were the results of the inspection visit (e.g. compliance notice, follow-up visit, sanctions, advisory services, etc.?)
3. How often have you been visited by an inspector by the Industrial Zone Authorities? When was your last visit by the Industrial Zone Authority?
4. What is the cost of OSH training and who provides your training?

D. Private standards and codes of conduct

1. What private labour standards apply in your factory? E.g. EICC, ISO, etc.
2. What internal policies do you have that apply to working conditions? E.g. codes of conducts, etc.
3. How often are you audited on these standards, e.g. how many per year? Who audits you?
4. What challenges do you face in complying with these standards?
5. In general, what are your thoughts on the benefits of these private standards?

Final question

1. What challenges do you face in applying Viet Nam's labour laws in your factory?
2. Any other remarks? What recommendations do you have?

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Doanh nghiệp Thiết kế website duy nhất Vinh Phúc

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0965 848 848
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Ngoại tuyến

13:43 08.09.2016

ResearchGate x Konferenz 'Zukunft de... x Global Gardening | bpb x ECPR Press: Citizens in Eur... x Công ty TNHH Haesu... x Google Übersetzer x Jobs - Recruitment Vin... x Options x

https://translate.google.at/translate?sl=auto&tl=en&js=y&prev=_t&hl=de&ie=UTF-8&u=http%3A%2F%2Fwww.vinhphuc.work%2Fcong-ty-tnhh-haesung-vina-tuyen-cong-nhan- google translate

Google Übersetzer Von: Sprache erkennen Nach: Englisch Ansicht: Übersetzung Original

HAESUNG VINA CO., LTD. RECRUIT WORKERS ASSEMBLE ELECTRONIC COMPONENTS (GO TO WORK RIGHT)
 Posted on: 27 Th4 2016 Posted by: Administrator Employment Vinh Phuc

Ads Reaching hundreds of thousands of customers, enterprise Vinh Phuc?
Ads Top Website Design Vinh Phuc: Bonus domain name of your brand
Ads Vinh Phuc Mazda - Showroom and Cars Mazda car sales in Vinh Phuc

Content recruitmentEnterprise introduction

(BQT www.vinhphuc.work : **HOT NOTICE: Fanpage NEW**)
 - Vacancy: Staff
 - Number of recruitment: 500 Women, aged 18 to 32.
 - Working time: According ca

Job description
 - Assembly of camera components for smart phones.
 - Working in shifts (12h / ca)

Right:
 - Work in a clean environment.
 - The remuneration, attractive benefit.
 - Starting Salary: Negotiable

Job requirements
 - Requires technical expertise: Beginner

Other requirements:
 - There are health and shift work can produce.
 - Good eyesight.
 - There are the industrial working style
 - Profile: 1. The conventional resumes

Contact Info
 Address: No. 43, Lot 7 - Khai Quang Industrial Zone - Vinh Yen - Vinh Phuc, Quang Khai Street, Vinh Yen City, Vinh Phuc
 Email: tronggiapvn54@gmail.com

4.5 (2) votes

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13:46 08.09.2016

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www.vinhphuc.work/cong-ty-tnhh-vina-anydo-tuyen-100-cong-nhan.html

CÔNG TY TNHH VINA ANYDO TUYỂN 100 CÔNG NHÂN

Đăng ngày: 25 Th4 2016 Đăng bởi: Administrator Việc làm Vĩnh Phúc

Ads Tiếp cận hàng trăm ngàn khách hàng, Doanh nghiệp Vĩnh Phúc ?

Ads Thiết kế Website hàng đầu Vĩnh Phúc: Tặng ngay tên miền thương hiệu của bạn

Ads Mazda Vĩnh Phúc - Showroom trưng bày và bán xe Ô tô Mazda tại Vĩnh Phúc

Nội dung tuyển dụng Giới thiệu Doanh nghiệp

(BQT www.vinhphuc.work: THÔNG BÁO NÓNG: FANPAGE MỚI)

Update: DN đã tuyển dụng đủ. Các bạn ngừng liên lạc nhé ★★★★★ 5 (1) vote

Công ty TNHH Vina Anydo là 1 doanh nghiệp hoạt động trong lĩnh vực sản xuất bàn mạch điện tử. Để đáp ứng nhu cầu mở rộng sản xuất, Công ty chúng tôi cần tuyển gấp:

1: Công nhân sản xuất: 100 Nữ

- Tuổi từ 18-35
- Trình độ: không yêu cầu
- Có sức khỏe tốt, không mắc các bệnh xã hội
- Có thể đi làm ca
- Không bị các bệnh về mắt
- * Chế độ
- Làm việc trong môi trường sạch sẽ, năng động
- Tham gia BHXH, BHYT, BHTT theo quy định
- Lương cơ bản : 3,320,000 VND
- Phụ cấp : 650,000
- Thu nhập thực tế từ 6,500,000 – 7,000,000 VND
- Có nhiều cơ hội thăng tiến
- * Hồ sơ gồm có:
- Sơ yếu lý lịch
- Bản sao giấy khai sinh
- Sổ hộ khẩu phổ thông công chứng
- Giấy khám sức khỏe
- Giấy xác nhận dân sự
- Bản sao CMTND
- Bằng tốt nghiệp(nếu có):

Nhận hồ sơ và phỏng vấn vào 14h tất cả các ngày trong tuần từ 24/4 -24/5/2016 tại công ty TNHH Vina Anydo KCN Bình Xuyên, Thị Trấn Hương Canh, Huyện Bình Xuyên, Tỉnh Vĩnh Phúc
Phỏng vấn trúng tuyển đi làm ngay
SĐT LIÊN HỆ : 02113 866877

Ngoại tuyến Huệ



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Việc Làm - Tuyển dụng Vn...
3.129 lượt thích

Thích Trang Chia sẻ

13:48 08.09.2016

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https://translate.google.at/translate?sl=auto&tl=en&js=y&prev=_t&hl=de&ie=UTF-8&u=http%3A%2F%2Fwww.vinhphuc.work%2Fcong-ty-tnhh-vina-anydo-tuyen-100-cong-nha

google translate

Google Übersetzer Von: Sprache erkennen Nach: Englisch Ansicht: Übersetzung Original

ANYDO VINA CO. HIRED 100 WORKERS
 Posted on: 25 Th4 2016 Posted by: Administrator Employment Vinh Phuc
 Ads Reaching hundreds of thousands of customers, enterprise Vinh Phuc?
 Ads Top Website Design Vinh Phuc: Bonus domain name of your brand
 Ads Vinh Phuc Mazda - Showroom and Cars Mazda car sales in Vinh Phuc
 Content recruitmentEnterprise introduction
 (BQT www.vinhphuc.work : **HOT NOTICE: Fanpage NEW**)

Update: DN has recruited enough. You constantly in touch ★★★★★ 5 (1) vote

Vina Co. Anydo 1 enterprise operating in the field of electronic circuit production. To meet the need to expand production, the company we need to recruit:

1: Production workers: 100 Female
 - Ages 18-35
 - Education: not required
 - Good health, not social disease
 - It is possible to work shifts
 - No eye disease
 * Mode
 - Work in a clean environment, dynamics
 - Participate in social insurance, health insurance, as stipulated bhtt
 - Basic salary: VND 3,320,000
 - Earnings: 650,000
 - 6,500,000 Income from real - VND 7,000,000
 - There are many opportunities for advancement
 * Profile includes:
 - CV
 - Copy of birth certificate
 - Household Registry notarized photocopies
 - Health Certification
 - Certificate of civil
 - A copy of ID card
 - Diploma (if any):

words and interviews to 14h every day of the week from 24/4 -24/5/2016
 1 td Anydo

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Ngoại tuyến

13:49 08.09.2016

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www.vinhphuc.work/cong-ty-tnhh-nstech-vina-tuyen-100-cong-nhan.html

CÔNG TY TNHH NSTECH.VINA TUYỂN 100 CÔNG NHÂN

Đăng ngày: 12 Th5 2016 Đăng bởi: Administrator Việc làm Vinh Phúc

Ads Tiếp cận hàng trăm ngàn khách hàng, Doanh nghiệp Vinh Phúc ?

Ads Thiết kế Website hàng đầu Vinh Phúc: Tặng ngay tên miền thương hiệu của bạn

Ads Mazda Vinh Phúc - Showroom trưng bày và bán xe Ô tô Mazda tại Vinh Phúc

Nội dung tuyển dụng Giới thiệu Doanh nghiệp

(BQT www.vinhphuc.work: THÔNG BÁO NÓNG: FANPAGE MỚI)

Công ty TNHH NSTECH.VINA là một doanh nghiệp 100% vốn Hàn Quốc được Ban quản lý các khu công nghiệp Vinh Phúc cấp giấy chứng nhận đầu tư số 192043000181 ngày 12/09/2014. ★★★★★
5 (2) votes

Công ty chuyên sản xuất và kinh doanh các sản phẩm: Sản xuất màng chắn loa tai nghe cho điện thoại di động và điện thoại thông minh, Sản xuất khung loa tai nghe cho điện thoại di động và điện thoại thông minh

Để đáp ứng nhu cầu về sản lượng của công ty, chúng tôi cần tuyển **100 công nhân**. Thông tin tuyển dụng cụ thể như sau:

Yêu cầu:

- Giới tính: Nữ.
- Tuổi từ 18 đến 30 tuổi.

Hồ sơ dự tuyển (Chỉ nhận hồ sơ đầy đủ theo yêu cầu sau):

- Sơ yếu lý lịch có xác nhận của địa phương trong vòng 6 tháng (ảnh có dấu giáp lai).	- Giấy khám sức khỏe từ cấp huyện trở lên (không quá 6 tháng).
- 01 bản photo công chứng hộ khẩu.	- Các văn bằng, chứng chỉ photo công chứng.
- 03 bản photo công chứng CMND.	- Đơn xin việc.
- 02 bản photo công chứng giấy khai sinh.	- 2 ảnh 3x4
- 01 giấy xác nhận nhân sự tại địa phương cư trú.	

Ngoại tuyến



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Việc Làm - Tuyển dụng Vn...
3.129 lượt thích

Thích Trang Chia sẻ

13:50
08.09.2016

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https://translate.google.at/translate?sl=auto&tl=en&js=y&prev=_t&hl=de&ie=UTF-8&u=http%3A%2F%2Fwww.vinhphuc.work%2Fcong-ty-tnhh-nstech-vina-tuyen-100-cong-nh

google translate

Google Übersetzer Von: **Vietnamesisch** Nach: **Englisch** Ansicht: **Übersetzung** Original

CO. NSTECH.VINA HIRE 100 WORKERS
 Posted on: 12 TH5 2016 Posted by: Administrator Employment Vinh Phuc

Ads Reaching hundreds of thousands of customers, enterprise Vinh Phuc?
 Ads Top Website Design Vinh Phuc: Bonus domain name of your brand
 Ads Vinh Phuc Mazda - Showroom and Cars Mazda car sales in Vinh Phuc

Content recruitmentEnterprise introduction

(BQT www.vinhphuc.work : **HOT NOTICE: Fanpage NEW**)
 Co., Ltd. is an enterprise **NSTECH.VINA** 100% Korean capital management boards of industrial zones in Vinh Phuc investment certificate No. 192 043 000 181 dated 09.12.2014. ★★★★★ 5 (2) votes

The company specializes in the production and sales of products: *Production diaphragm speaker headset for mobile phones and smartphones, production headphone speakers framework for mobile phones and smartphones*

To meet the needs of the company's output, we need to recruit **100 workers**. Recruitment information as follows:

Request:

- Gender: Female.
- **Age from 18 to 30 years old.**

The application documents (only complete dossiers received the request following):

- CVs of local certified within 6 months (photographs be sealed).	- Health certificate from the district level upwards (no more than 6 months).
- 01 notarized copy of the household.	- The diplomas, certificates notarized photo.
- Notarized copy of ID card 03.	- Job application.
- 02 notarized copy of birth certificate.	- 2 photo 3 x 4
- 01 Certificate local personnel reside.	



- ✓ **Thiết kế website**
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13:50 08.09.2016

Thông tin tuyển dụng

Cách ứng tuyển/Applying:

- **Step 1:** Tìm hiểu thông tin tuyển dụng được cập nhật qua website tuyển dụng: Vietnamworks.com --> Search "LG" --> Click các vị trí để biết chi tiết mô tả công việc và yêu cầu trước khi gửi Cvs ứng tuyển/Refer updated recruitment information by website: Vietnamworks.com --> Search "LG" --> Click positions to understand clearly about job description and requirement before applying
- **Step 2:** CBCNV điền đầy đủ thông tin vào file excel và đính kèm Cvs tiếng Anh + bảng điểm nếu mới tốt nghiệp và gửi tới email: thuyduong.nguyen@lge.com; Cc: ocean.nguyen@lge.com/Fill in full information as attached file and attach English Cvs/Transcript (If any) of presentees to email: thuyduong.nguyen@lge.com; Cc: ocean.nguyen@lge.com

Hồ sơ ứng tuyển/Applied Documents:

- Cvs bằng tiếng Anh/English Cvs
- Scan bảng điểm (Nếu mới tốt nghiệp)/Scan of transcript
- Cvs bằng tiếng Hàn và tiếng Việt/Cvs in Korean and Vietnamese

No.	Job	Job Discription	Job Requirement
1	Phiên dịch tiếng Hàn	<ul style="list-style-type: none"> - Phiên dịch tiếng Hàn cho người Hàn Quốc - Phiên dịch trong các cuộc họp theo yêu cầu - Biên dịch các văn bản có liên quan đến công việc được giao - Các công việc chuyên môn theo yêu cầu - Các công việc khác theo yêu cầu của cấp trên. 	<ul style="list-style-type: none"> - Tốt nghiệp ĐH ngành tiếng Hàn, thành thạo các kỹ năng tiếng Hàn (Tương đương topik 5 trở lên) - Kinh nghiệm phiên dịch tiếng Hàn từ 1 năm trở lên đặc biệt trong các công ty sản xuất. - Thành thạo vi tính văn phòng. Có thể sử dụng các kỹ năng tiếng Anh - Có kỹ năng giao tiếp và xử lý các tình huống tốt - Ứng viên nộp hồ sơ song ngữ bằng tiếng Hàn và tiếng Việt/ tiếng Anh kèm theo
2	QA	<ul style="list-style-type: none"> - Develop quality of new part - Develop, control quality activities of Incoming/Outgoing/Supplier/Line audit (OQA/IQA/SQA/Line QC) - Control quality inspection/quality assurance activities, setup new test equipment and instruct to inspectors 	<ul style="list-style-type: none"> - Male preferable, under 27 years old - Graduated from University, major in Electronics or related - Good communication, presentation and making report skills - Fluent in English skills - Fluent in Ms. Office specially Excel and Power-point, Autocad
		- New model line up control	- Male, under 27 years old

		Instruct to inspectors	
3	R&D	<ul style="list-style-type: none"> - New model line up control - Develop new part (box, packing, label, printing...) - Cost Innovation activity. - Technical support to FA line and supplier 	<ul style="list-style-type: none"> - Male, under 27 years old - University graduated, major in Electronics/Telecommunication or related - Making report skill and presentation skill is must - Fluent in Ms. Office specially Excel and Power-point; Autocad - Fluent in English skills is required
4	Production	<ul style="list-style-type: none"> - Control, monitor daily production KPI - Control Production Capacity and control Manpower - Complete daily production plan - Other job as assigned 	<ul style="list-style-type: none"> - Male preferable, under 27 years old - University graduated, major in Electronics/Electronics-Telecommunication/Economics or related - Making report skill and presentation skill is must - Fluent in Ms. Office specially Excel and Power-point; Autocad - Fluent in English skills is required - Ability to work over-time and in shift
5	Production Planning	<ul style="list-style-type: none"> - Daily production planning - Production progress management - Responsible for planning, organizing and managing all the activities of production planning, raw materials, finished good storage and shipping. - Monitor the System and actual in the process of production planning, material planning 	<ul style="list-style-type: none"> - Male preferable, under 27 years old - Graduated from University in Economics, electronics or related - Fluent in English skills - Excellent skill in analysis, forecast, communication with other depts and partners - Excellent in computer skill (MS Office) especially Excel, power point

6	PE	<ul style="list-style-type: none"> Layout design, install machine & equipment for production line Make plan, manage, maintain machine & equipment in good condition Improve manufacturing system and process Control, order and manage Spare Part and fix assets 	<ul style="list-style-type: none"> Male, under 27 years old University degree, major in Electronic s/Telecommunication or related Making report skill and presentation skill is must AUTOCAD skill; Knowledge and experience in PLC Fluent in English skills is required
7	Mold	<ul style="list-style-type: none"> Manage, repair, control and solve problems of mold Analyze and evaluate Mold qualification/quality Knowledge about Injection machine operation & set up. Design, Research and develop molds Control mold data system and check quality of mold Control payments and make reports Other jobs as assigned 	<ul style="list-style-type: none"> Male only, under 30 years old Graduated from University in Mechanical or related major At least 2 years in management of plastic injection mold and pressing-die mold Experience in researching and developing molds Ability and experience to repair, maintain mold and solve problems of mold Ability to train about mold for others and suppliers Good in English skills Enthusiastic, responsible and ability to work with high pressure Ability to work overtime and work for long time
8	Materials	<ul style="list-style-type: none"> * Control material in – out – storage status. Material in-out-storage with right quantity, right location, follow right process. Inventory gap must be found and solve on time. Issue material for production on time with right quantity. Control claim process to suppliers. Make claim report and send to supplier if defect, shortage found due to supplier's error. Push to receive replacement soonest Manage to archive all related KPI about material management. Make report about material status daily, weekly, monthly, ... as required 	<ul style="list-style-type: none"> Male preferable, under 27 years old Graduated from University, major in accounting, electronic s/electric or related Fluent in MS Office especially Excel Fluent in English skills Good ability to calculate and manage exactly the data Skill to calculate expected future inventory and current inventory accurately. Ability to work under high pressure and over time
9	Procurement	<ul style="list-style-type: none"> Supplier management: Finding, screening & developing new supplier. Monthly manage supplier's performance to catch up company's target. Negotiate price with local and overseas suppliers; Manage delivery in system; Monthly analyze material cost by model, item; Solve issues with supplier to meet production schedule; Train new vendor & maintain relationships with vendor 	<ul style="list-style-type: none"> Male preferable, under 30 years old Graduated from University, major in Mechanical, economic, foreign trade or related Minimum 2 years of working experience in purchasing of foreign manufacturing company Fluent in English skills; Fluent in MS Office especially Excel Strong knowledge of raw material, production process, purchasing order, delivery management, cost & quality, Planning and using ERP system; Good ability to calculate and manage exactly the data Good communication, negotiation, presentation skills and making report skills Ability to work under pressure and over time
10	IT (Software)	<ul style="list-style-type: none"> Application support: Support and troubleshoot the production management systems Work with team members and other users to solve system issues Ensure the IT system and equipments in the assigned 	<ul style="list-style-type: none"> Male only, from 24 to 27 years old Graduated from University in Information Technology/Computer Science. At least 1 year of working experience in production environment is preferable Basic knowledge of network, server and database systems

		<ul style="list-style-type: none"> Manage delivery in system; Monthly analyze material cost by model, item; Solve issues with supplier to meet production schedule; Train new vendor & maintain relationships with vendor 	<ul style="list-style-type: none"> order, delivery management, cost & quality. Planning and using ERP system; Good ability to calculate and manage exactly the data Good communication, negotiation, presentation skills and making report skills Ability to work under pressure and over time
10	IT (Software developer)	<ul style="list-style-type: none"> Application support: Support and troubleshoot the production management systems Work with team members and other users to solve system issues Ensure the IT system and equipments in the assigned area to run smoothly IT Infrastructure: User support/trouble-shoot IT & office equipment Other jobs as assigned 	<ul style="list-style-type: none"> Male only, from 24 to 27 years old Graduated from University in Information Technology/Computer Science At least 1 year of working experience in production environment is preferable Basic knowledge of network, server and database systems ERP support or software development experience is a plus Fluent in English skills and MS. Office skills Good technical problem solving skills. Ability to communicate well with users, team members Abilities in self-studying/training
11	HR	<ul style="list-style-type: none"> 1, Training: Identify training and development needs within an organization Design and expand training and development program based on the needs of the organization and the individual Make training materials for in-house courses Monitor and review the progress of trainees through questionnaires and discussions with managers Train and coordinate training programs Evaluate and Report training 2, OS Management: Manage and report about OS (Out sourcing) employees Involve in recruitment activities 	<ul style="list-style-type: none"> Male only, from 24 to 27 years old Graduated from University, major in HR Management/Economy, Law or related field; At least 02 year of working experience in HR specialize in Training field in foreign manufacturing companies is preferable; Fluent in English skills and Ms. Office especially Excel and Power Point Deep knowledge on labor law and Government regulations; Ability to make good relationship and experience to work with functional departments Good presentation and negotiation skill Willingness to work for long time