



Economic Section

International Labor Standards -- Critical To Successful Economic Development

Workers' Rights and Labor Standards

Since the early 1990's, Vietnam has improved its system to protect worker rights, working closely with the International Labor Organization (ILO) and the United Nations Development Program (UNDP). In 1994, the government adopted a progressive Labor Code that meets a number of international standards, particularly with respect to conditions of work, and continues to improve both the law and its implementation. In 2002 the National Assembly approved amendments to the Labor Code which will improve collective bargaining, strike and dispute settlement procedures, expand scope of the labor law and augment social safety nets. In addition, the government is gradually ratifying core ILO conventions. In 2000, Vietnam ratified Convention 182 on the Worst Forms of Child Labor. It is considering ratification of Convention 138 on Child Labor and those on forced labor.

In recent years, the government and the Vietnam General Confederation of Labor (VGCL) have engaged in an increasingly active dialogue with the U.S. government, Congress and trade unions. The Minister of Labor, Invalids and Social Affairs (MOLISA) and the President of VGCL have both visited the U.S. In 2002, the Principal Vice Minister went to the U.S. to meet with US government officials, members of Congress and labor and business representatives. MOLISA and VGCL officials have met with AFL-CIO officials and continue to express interest in working with U.S. labor unions on issues of mutual interest.

In November 2000, the two countries signed a Memorandum of Understanding establishing a program of labor cooperation and dialogue. The Department of Labor is providing approximately \$6 mn in technical assistance to Vietnam, in collaboration with the ILO, in areas including: industrial relations and labor law reform; training and employment services; social safety nets; employment of the disabled; child labor; and HIV/AIDS workplace-based programs.

Despite the strides Vietnam has made on the labor front, the country's worker rights protections continue to fall short of international standards in important areas. Unions are subject to control by the communist party and have only limited independence, and workers are generally not free to join or form unions of their choosing. While the right to strike exists, in practice, the required procedures make it almost impossible to declare an 'official' strike. That said, wildcat strikes are common, and international labor experts have identified no cases in which the government took action against the strikers. In fact, in some cases, VGCL and local government officials have supported the strikers, and assisted them in bargaining with their employers. Collective bargaining exists in many private and state owned enterprises, but it is in a nascent form. Finally, while Vietnam has laws that establish conditions of work at or above international standards and prohibit child and forced labor, the government is struggling to enforce these laws effectively.