



Chang-Hee Lee's most recent post was senior labour relations specialist at the Inclusive Labour Markets, Labour Relations and Working Conditions Branch of the ILO headquarters.

Joining the ILO in Geneva in 1996, he participated in several major global research programmes on industrial relations before moving to Bangkok, Thailand in 2000 to work as an industrial relations specialist.

During his time in Bangkok, he covered ten East Asian countries, including Viet Nam. He provided policy advice to the governments, trade unions and employers' organizations on a wide range of industrial relations policy issues.

In 2006, he moved to the ILO Office for China and Mongolia, then returned to the ILO headquarters in Geneva in 2012 where he worked as a senior policy analyst of the Policy Integration Department until the end of 2013. In the same period, he was also appointed by the Director-General to be a member of a task force which produced a set of recommendations for the reform of the ILO's field operation.

He has published numerous articles on industrial relations in East Asia, with a particular focus on Viet Nam and China as well as Japan and the Republic of Korea.

As a South Korean national, Chang-Hee Lee earned his PhD from Seoul National University in 1996 on the modern history of industrial relations development in Japan's steel industry. He was also a visiting professor at the Institute of Social Sciences, Tokyo University, Japan.

Welcome aboard new head of ILO Viet Nam!

New ILO Viet Nam Country Director, Chang-Hee Lee, shares some thoughts and visions upon taking office on 15 September 2015.

As a long-time friend of Viet Nam, how do you feel upon returning to the country in a new position?

I feel as if I am returning to my hometown where I grew up. It was in Viet Nam where I gained my first-hand experience with the real challenges of economic and social development, by working with Vietnamese colleagues in the Government, trade unions and business community from the year 2000.

Now I am returning to Hanoi as the new Director of ILO Office for Viet Nam. I hope that our relations based on mutual respect and trust would allow us to find the Vietnamese way of inclusive development for decent work for all women and men.

You have been part of the comprehensive reform of Viet Nam's labour laws and industrial relations system. What do you think about the changes the reform has brought about?

Since early 2000s, Viet Nam has gone through three rounds of labour law reforms (in 2002, 2006 and 2012). I had the privilege of participating in all those important processes. The reforms resulted in the improvement of the country's legal framework and also the creation of new institutions, such as the National Wage Council.

However, there remain challenges. In spite of the labour law reforms, all strikes, without a single exception, have been wildcat ones for the last 20 years. This is a clear sign of not only legal, but also institutional and organizational weaknesses. The country should be able to change the situation. The ILO will continue to support its tripartite partners – the Government,

employers' organizations – in their journey towards building sound industrial relations, guided by ILO Convention 98 (Right to Organize and Collective Bargaining) and 87 (Freedom of Association and Protection of the Right to Organize).

In your opinion, what are the key challenges for Viet Nam in the area of labour and employment in the years to come?

Viet Nam has made impressive achievements in economic growth and poverty reduction since the Doi Moi (Renewal) in 1986. The nation has achieved most of the Millennium Development Goals and acquired the lower middle income country status. It is remarkable!

However, there are still concerns about the quality and sustainability of the current model of economic growth, which relies heavily on natural resource-based commodities, low value-added manufacturing, and competitiveness based mainly on cheap and unskilled labour. Therefore, sustaining growth through enhancing the quality of human resources, decent jobs and sustainable enterprise development is a critical challenge, if Viet Nam is to build a competitive industrialized economy.

Despite progress in the fight against poverty, the pace of poverty reduction has slowed down, while income inequalities have been growing. And poverty is closely linked to vulnerable employment. How to ensure equitable and inclusive growth through social protection, including social insurance, and to address decent work needs of disadvantaged and vulnerable groups is another key issue. Making decent work for all women and men a reality ⇨



Viet Nam

developing targets to eliminate chrysotile asbestos to protect community and workers

thorities, employers, workers and the community on the dangers of asbestos and produce alternative materials.

The plan, which will be submitted to the Prime Minister in October 2015 for approval, also aims to develop a national database on asbestos and improve the diagnosis of asbestos-related diseases in 5 years' time.

Viet Nam remains one of the biggest importers in the world of the deadly chrysotile (white) asbestos. The material, which is linked to many health problems, including different types of lung cancer, is used in the country mostly in producing roofing tiles but is also present in thousands of products such as motorbike brake-pads, insulation in shipping and building. It is promoted by supplier countries because of its "low cost".

The 2013 national asbestos profile showed that Viet Nam ranks 7th among white asbestos consumers in the world with approximately 0.86kg consumed per head per year.

"Supplier countries promote the "low cost", but now safe alternatives exist at close to comparable prices and the ILO encourages the Government to strongly promote these alternatives," said Phillip Hazelton of the ILO Viet Nam. "The cost of continuing to use chrysotile asbestos should be considered not only against the healthcare and compensation costs for workers with asbestos-related diseases but also costs of healthcare for many people who are exposed to the fiber from broken and degraded toxic roofing."

"There is also the huge potential future cost of removing the asbestos building material from public buildings like schools and hospitals as the public demands in many countries, as they become fully aware of the risks of exposure," he added.

According to the ILO, an estimated 107,000 workers die every year worldwide from diseases caused by exposure to asbestos.

Viet Nam is expected to reduce the use of asbestos by 20 per cent each year until 2020 and closely monitor the ban of this toxic material when it takes effect, according to the country's draft national action plan for elimination of asbestos-related diseases.

Developed with support from the ILO and the World Health Organization (WHO), the blueprint for the period of 2016-2020 set targets to raise awareness among the au-

⇒ is the challenge, as clearly expressed in the Decent Work Country Programme (2012-2016).

What will be your top priorities of the ILO in Viet Nam?

The year 2015 marks a milestone for Viet Nam's deeper integration into global economy, with the launch of the ASEAN Economic Community, the conclusion of EU-Viet Nam Free Trade Agreement and ongoing negotiation of the Trans-Pacific Partnership.

Next year will be the first year to implement the 2030 Sustainable Development Goals (SDGs) of the global community where the ILO's decent work agenda takes a central stage. And, it will be also the 30th anniversary of the Doi Moi in Viet Nam, which gives the country a historic opportunity to lay the foundation for sustainable development through the next phase of Doi Moi – the 'institutional' innovation of its social and labour market policy foundation.

The ILO should play active roles through effective participation in One UN initiatives, engagement with the international financial institutions, and working with the Government and social partners to help Viet Nam achieve the 2030 SDGs objectives.

In addition, we have been successful in supporting the country to strengthen national laws and policies since the establishment of our office in 2002. It is time to translate the regulatory and policy achievements into real improvement for the lives of workers and their families and for the business community.

To do so, the "institutional" and "organizational" capacity of actors at decentralized levels should be improved. Viet Nam can improve labour laws, but they can only become meaningful when labour inspection services effectively guide employers and workers to full compliance. The country can improve trade union law, but it will only become meaningful when trade unions can organize and represent workers in a bottom-up manner for negotiation with employers.

The ILO should form a strategic partnership with tripartite partners at decentralized levels in an integrated manner to make such systematic and sustainable improvements, based on full support from and joint commitments of tripartite partners at the national level.

Finally, the ILO will celebrate its 100th anniversary in 2019, marking a century of commitment to social justice in the world of work. I find many common ideals and principles between the Preamble of the ILO founding Constitution and President Ho Chi Minh's letter in 1919 to the delegations of the Paris Peace Conference. In his letter, he expressed his hope about the prospect of an era of rights and justice, with his demand for the respect of the freedom of association. Building labour market institutions and practices in full respect of universal principles espoused by President Ho and embodied in the international labour standards, particularly Convention 98 and 87, is the priority of fundamental importance for Viet Nam and the global community.

Minimum wages to rise by 12.4 per cent while improvement needed for minimum living needs determination

Viet Nam's minimum wages for 2016 are proposed to increase to VND2.4 million – 3.5 million (US\$110-160) depending on regions, according to the final decision made by the National Wage Council in early September.

This represents a 12.4 per cent rise on average in comparison to this year's benchmarks.

Employers and workers' representatives, and the Government made a compromise at the third session of the National Wage Council plenary meeting to adopt the recommendations for next year's minimum wages.

The outcome arose from intense negotiations between the Viet Nam General Confederation of Labour (VGCL) and employers' organizations (Viet Nam Textile and Garment Association, Viet Nam Association of Small and Medium-sized Enterprises, Viet Nam Cooperative Association) coordinated by Viet Nam Chamber of Commerce and Industry (VCCI).

The two sides had initially put forward proposals of average increase of 16.8 per cent and 7.2 per cent, respectively.

In this year's negotiations, which was the third time that the national minimum wage increase had been proposed by the National Wage Council, the different parties demonstrated greater commitment to evidence-based and strategic approach to the negotiations.

The difference between the initial proposals from the workers' representatives and employers' representatives were narrower than in previous years. While each side made references to the similar sets of data and criteria in support of their proposals, their emphasis were different. The VCCI's proposal focused mostly on productivity improvement and capacity of employers whereas the VGCL stressed the need to raise the relative value of the minimum wage against important benchmark such as



minimum living cost and the national average wage.

“The narrowing gap between the two parties and the different emphasis they put forward showed both the improved mutual understanding of employers and workers' representatives, and sophisticated strategic approaches as they have gained more experience,” said ILO Viet Nam Director Chang-Hee Lee.

He emphasized that minimum wage fixing process should be regular, participatory and evidence-based, guided by joint consideration of a set of agreed economic and social factors. These include the costs of living, the needs of workers and their families, the ability of companies to pay the minimum wage, levels of productivity and the desirability of attaining and maintaining employment.

Workers' and employers representatives are now still negotiating on a roadmap to raise minimum wages to meet the minimum living needs of workers and their families. While VGCL requested the deadline of 2017, employers' organizations proposed one year later, in 2018.

While different estimates and calculation methods for the minimum living needs have been put forward by different organizations, the Ministry of Labour, Invalids and Social Affairs (MoLISA) has indicated that it will adopt the new method of min-

imum living needs estimation developed with technical advice from the ILO.

The ILO Viet Nam Director cautioned against high expectations about what minimum wage can do.

“In Viet Nam, minimum wage is often seen by many as the mechanism for adjusting the actual wage,” he said. “However, minimum wage is a policy tool to provide basic protection for low-skilled workers from unacceptably low wages. It is not a tool meant to fix actual wages for majority of workers. Above the minimum wages, employers and workers should fix wages through voluntary negotiations, to share the productivity gains they created together.”

In a market economy, he added, minimum wage setting and collective bargaining are two important tools that complement each other in determining wages and working conditions.

The National Wage Council was launched with ILO support in August 2013, marking a transformation of the minimum wage fixing process from the Government's unilateral decision to the tripartite decision-making, which is actively promoted by the ILO. The council is equally represented by MoLISA, workers' and employers' organizations, and chaired by MoLISA Vice Minister Pham Minh Huan.

Migrant resource centres enable workers to make informed decisions

More than 13,500 migrant workers and their family members have benefited from five migrant resource centres (MRCs) which offer counselling services, legal aids and other assistance in northern and central provinces of Viet Nam since their establishment in 2011.

Supported by the ILO through GMS TRIANGLE (Tripartite Action to Protect Migrant Workers within and from the Greater Mekong Subregion from Labour Exploitation) – a project funded by the Australian Government, this model is expected to expand from their current locations in Thanh Hoa, Quang Ngai, Bac Ninh, Phu Tho and Ha Tinh provinces. This follows a series of workshops held for provincial officials from the northern, central and southern provinces to rollout MRC services nationwide, supported by an MRC operations manual.

“It’s important to help potential migrant workers make informed decisions before going abroad to work and avoid falling into the traps of human trafficking and forced labour,” said Max Tunon, Senior Programme Officer/Project Coordinator of GMS TRIANGLE project. “The role of MRCs is increasingly significant as more and more Vietnamese workers seek jobs in other countries, many of whom do not have access to reliable information on safe and legal labour migration.”

The MRCs are currently located within the local employment service centres under the provincial Departments of Labour, Invalids and Social Affairs.

Between June 2013 and June 2014, the MRCs managed 40 legal aid cases concerning 95 people, with compensation awarded totalling approximately VND250 million (US\$12,500 at exchange rate when compensation was awarded).

Beneficiary tracing of migrant workers who visited MRCs showed that 98 per cent of them planned to make use of a licensed recruitment agency compared to only 43 per cent of potential migrants interviewed during the baseline survey for the project. Up to 87 per cent of workers interviewed also claimed that counselling at



the MRCs had influenced their decision to migrate legally and 96 per cent felt that their rights were better protected as a result.

“Thanks to the provincial migrant resource centre, my daughter returned home safely,” said Tran Thi Lam, mother of a migrant worker who sought help from the MRC in Thanh Hoa Province after losing contact with her daughter abroad. The daughter had psychological trauma as the result of rushing to leave Viet Nam for a “well

paid job” promised by an illegal agency.

“I would like to share this experience to the future migrant workers. You have to consult experts carefully before making any big decisions.”

Cross-the-border labour migration has been on the rise in Viet Nam. The country has now over 500,000 citizens working abroad. Between 2008 and 2014, about 85,000 workers left home to seek jobs outside Viet Nam every year.

Upcoming events

- Better Work Health Festival, HCM City, 25 October
- Training for SCORE enterprises in workplace cooperation and quality management in Binh Duong, Dong Nai and Binh Dinh, October
- Launching of Skills for Trade and Economic Diversification report for tourism sector, October
- Workshop reviewing two years’ implementation of the Labour Code, Hanoi, October
- Launching of Thanh Toan community – based tourism village and opening of community museum on farming tools, Thua – Thien Hue, October
- Workshops on ILO conventions 87 and 98 for trade union leaders in the north and the south, Hanoi and HCM City, October
- Consultation on challenges and advantages in implementing the Law on Occupational Safety and Health, Hanoi, October
- Training on “Family Planning” for Better Work factories, HCM City, 27 November
- Training course on employment service counselling for training institutions in Quang Nam and Thua Thien – Hue, November
- National industrial relations conference, Hanoi, November
- Training on “Occupational Diseases” for Better Work factories, HCM City, 25 December
- Training of trainers on Code of Conduct on Sexual Harassment in the Workplace, Hanoi, December

For further information, please contact:
ILO Country Office for Viet Nam
48-50 Nguyen Thai Hoc, Ha Noi

Tel: +84 4 3 734 0902
Email: hanoi@ilo.org
www.ilo.org/hanoi

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