



UNIVERSITY  
OF TAMPERE

**MASTER PROGRAMME OF PUBLIC POLICY AND  
FINANCIAL MANAGEMENT**

**MASTER'S THESIS**  
**THE ROLE OF THE TRADE UNION IN SOCIAL DIALOGUE**  
**IN VIETNAMESE ENTERPRISES**

**Programme in Public Policy and Financial  
Management**

**April 2019**

**Supervisor: Matti Lammonen**

**Bui Thi Thanh Ha**



## ACKNOWLEDGEMENT

The two-year Master Programme of Public Policy and Financial Management organized by the University of Tampere has enriched my knowledge in financial management and public policy management. I would like to express my deepest thanks to all the Professors, Doctors, teachers and staff members of the University of Tampere who have enthusiastically instructed and guided me during the programme and helped me to tackle arisen problems during my study at the University of Tampere in Finland.

I would like to express my deepest gratitude to **Dr. Harri Laihonen**, my supervisor, for his tireless support and instructions of my thesis work. Thanks to his invaluable advices, I have completed the thesis successfully. Furthermore, I am very thankful to my close friends, Nguyen Thi Hong and Pham Thuy Giang, for their support and positive encouragement throughout this thesis project.

I would like to express my thanks to all the interviewees and my colleagues working for industrial zones and local trade unions who provided extremely valuable resources for my thesis.

I would like to send my warmest thanks to the staff of the National Administration Public Academy and the 165 Project Office who have provided me with a good condition for the study.

## Contents

ABSTRACT .....	7
CHAPTER 1: INTRODUCTION .....	8
1.1 Background of the study.....	8
1.1.1. General social, political and economic contexts of the development of social dialogues and the role of the trade union .....	8
1.1.2. Social dialogue and the role of the trade union in Vietnam based on political policy and legal framework.....	11
1.3. Objectives of the study .....	14
1.4. Organization of the research .....	15
CHAPTER2: LITERATURE REVIEW .....	16
2.1. <i>Social dialogue</i> .....	16
2.2. The role of trade union in social dialogue .....	20
2.3. Dialogue principles and forms of organizing dialogues in the workplace .....	23
2.4. Experience on social dialogue in the enterprise.....	27
CHAPTER 3: RESEARCH METHODOLOGY .....	32
3.1. Research method .....	32
3.2. Sample design .....	33
3.3. Research procedure .....	35
CHAPTER 4: THE STATUS OF SOCIAL DIALOGUE IN THE VIETNAMESE ENTERPRISES .....	39
4.1. Overview of business environment in Vietnam.....	39
4.2. The status of social dialogue in Vietnamese enterprises.....	43
4.2.1. Laws and policies related to workers .....	43
4.2.2. The status of social dialogue in the Vietnamese enterprise .....	45
4.2.3. The negotiating capacity of the dialogue parties.....	47
4.2.4. The problems of social dialogue Vietnamese enterprises.....	50
4.2.5. The status of forms of social dialogue in Vietnam.....	54
4.3. The trade union's role in social dialogue.....	57
4.4. The trend and requirements of dialogue in the enterprise .....	59
4. 5. Strengths and weaknesses of social dialogue in Vietnamese enterprises.....	63
CHAPTER5: SOLUTIONS FOR PROMOTING DIALOGUES IN THE ENTERPRISE AND STRENGTHENING THE ROLE OF THE TRADE UNION .....	66
5.1. Promoting communication and dialogue in the enterprise .....	66

5.2. Diversification of social dialogue in the enterprise.....	67
5.3. Establishing an interaction mechanism and capacity building for the dialogue parties in the enterprise.....	68
5.4. Promoting the role of the trade union in dialogue in the enterprise.....	70
CHAPTER 6: CONCLUSION AND RECOMMENDATIONS FOR PROMOTING SOCIAL DIALOGUE IN VIETNAMESE ENTERPRISES .....	75
6.1. Conclusions.....	75
6.2. Lessons of experience for social dialogue.....	76
6.3. Recommendations for the state and the trade union .....	77
APPENDIX 1: INTERVIEW QUESTIONNAIRE .....	85
APPENDIX 2: SURVEY QUESTIONNAIRE .....	87

## LIST OF TABLES

<i>Table 1: The shifting trend of enterprises, classified in form terms, 2010 – 2014.....</i>	<i>41</i>
<i>Table 2: The number of strikes, 1995 – 2012 (Analysis of the causes of collective labour disputes).....</i>	<i>42</i>
<i>Table 3 :Workers’ information on enterprises holding dialogues.....</i>	<i>45</i>
<i>Table 4 :Frequency of dialogues in enterprises .....</i>	<i>46</i>
<i>Table 5: Workers’ qualifications and skills.....</i>	<i>49</i>
<i>Table 6: Realizing workers’ regimes and regulations .....</i>	<i>51</i>
<i>Table 7:Implementation of redundancy and unemployment benefits .....</i>	<i>51</i>
<i>Table 8:Enterprise realization of social, health, and unemployment insurances .....</i>	<i>52</i>
<i>Table 9: Development and amendment of enterprise regulations .....</i>	<i>53</i>
<i>Table 10:Untimely settlement of disputes of interest in enterprises .....</i>	<i>56</i>
<i>Table 11:The participation of the trade union in dialogues in the workplace.....</i>	<i>59</i>

## LIST OF FIGURES

<i>Figure 1: Realization of collective labour agreements in enterprises</i>	54
<i>Figure 2: Dialogue results in enterprises</i>	57
<i>Figure 3. Suggested process for organizing social dialogue in enterprises</i>	79

## **ABSTRACT**

University of Tampere: Faculty of Management

Author :	BUI THI THANH HA
Title of Thesis	The role of the Trade Union in Social Dialogue in Vietnamese enterprises
Master's Thesis	91 pages including cover page and appendixes in Thesis
Time	April 2018
Keywords	Social dialogue, enterprise, trade union

---

Businesses in Vietnam are witnessing a structural shift from being state-owned to equalized, private or foreign-invested ones, so the labour relationships are also changing. Consequently, increasingly popular labour disputes are negatively influencing the society and the economy, threatening business stability of enterprises, while social dialogues in the workplace are quite new. Therefore, this thesis studies the role of the trade union in social dialogues and maps the status of social dialogue in Vietnamese enterprises.

This study applies qualitative methods. The primary data were collected through interviews (n=21) and a survey (n=850). The secondary data consists of documents and statistics made available by the central actors in Vietnam such as Vietnam General Confederation of Labour (VGCL), Ministry of Labour-Invalids and Social Affairs (MOLISA). Findings of the research reassure the important role of social dialogue for Vietnam's industrialization and integration into the international business world. Moreover, findings of the research indicate that arising issues and disputes in labour relations could be better tackled by social dialogue. The results highlight the central role of trade union in overcoming the weaknesses of social dialogues at the workplace. The research contributes to practice of social dialogue in Vietnamese enterprises and suggests solutions to enhance dialogues by clarifying the role of trade unions in workplace in order to develop harmonious, stable and progressive labor relations in Vietnam.

## **CHAPTER 1: INTRODUCTION**

### ***1.1 Background of the study***

#### **1.1.1. General social, political and economic contexts of the development of social dialogues and the role of the trade union**

Social dialogue plays an important role in labour relations by addressing issues related to the legitimate rights and interests of workers at the workplace. Social dialogue refers to various means of resolving labour disputes and maintains stability of enterprises. Social dialogue includes all forms of negotiation, consultation and simple exchange of information between representatives of employers and employees in order to share information, to enhance shared understanding on issues of common interest, and to ensure the implementation of democracy at workplace. Although social dialogue is still quite new approach in Vietnam, it is considered as one of the most effective mechanism to improve work conditions and social justice.

Social dialogue is affected by the level of economic, political and social development of the nation. Social dialogue has a long history in the developed countries but according to Ozaki (2000) most of the developing countries are still lacking a systematic method of social dialogue and therefore it has not delivered any significant results despite several attempts. Therefore, this study aims to deepen the understanding of social dialogue by mapping the status of its practices in Vietnamese enterprises and analyzing the role of trade unions in such dialogues.

There is an increasing need to develop social dialogue in Vietnam because since 2001 the Communist Party of Vietnam (CPV) and Vietnamese people have been officially pursuing the development of a socialism-oriented market economy, which has resulted in vibrant economic growth, a stable socio-political situation, improved living standard, and a strengthened belief in the CPV leadership. Indeed, Vietnam has improved its status regionally and internationally. The country has diplomatic ties with a variety of nations, especially in economic terms. These ties are based on equality and mutual benefit. As a member of the World Trade Organization (WTO), Vietnam has asserted its status through its accelerated industrialization and modernization, furthering its socialism-oriented market economy, and developing a civilized, justise and democratic society.



Under the CPV guidelines and people's response and support, the national economy has gained strong development of various economic sectors and enterprises state-owned, privately-owned, joint-stock companies, joint-ventures, and foreign-owned companies. Numerous industrial zones and export processing zones have been established in different provinces to exploit every potential of the country. As a result, vast amount of goods have been produced to meet the demand and the requirements of national development. Such development of various forms of enterprises and ownership structures have been leading to increasingly diverse and complicated labour relations, some of which facilitate while others obstructs corporate developments. At the same time, to improve their profitability, many enterprises have ignored their commitments, violated their workers' rights and benefits, or even conducted serious violations of the law. This has resulted in workers' strong reactions, either individually or collectively, against the employer in the form of labour disputes or even strikes that increasingly worsen the labour relations in those enterprises.

Labour disputes and strikes damage both the worker and the employer and, on a larger scale, the society. To limit and reduce such damages, the Secretariat of the CPV Central Committee issued Instruction No. 22-CT/TW in June 2008 *to enhance the leadership and provide direction for the development of harmonious, stable and progressive labor relations within enterprises*. In addition, the Vietnam General Confederation of Labour (VGCL, 2011) issued Plan No. 1233/KH-TLĐ *to support the deployment of Instruction No. 22-CT/TW*. These are expected to facilitate better labour relations and better harmony of interests through an agreement between the employer and the worker on their respective rights and duties.

The trade union, the organization that represents and protects worker's legitimate rights and interests, has made various contributions to the development of harmonious, stable and progressive labor relations within enterprises. These are pursued through participation in management and cooperation with the employers in the development of corporate management regulations. The trade union is also helping to find solutions to prevailing difficulties and by improving enterprises' capacity to solve the issues. In addition, the trade union participates in timely settlement of labour disputes to ensure employment, improved income and better living standard for the worker while reaching harmony of interests for both parties in the enterprise.

Development of Labour Relations, Promotion of Social Responsibility–The Role of Vietnam's Trade Union, issued in 2011 by VGCL and the German Trade Union Confederation (DGB), gives a clear definition of the role of social dialogue and the methods

for successful dialogue. It is pointed out that social dialogue is a standard for economies moving towards industrialization and modernization. It is also acknowledged that successful social dialogue requires a relevant legal framework that enables enterprises' compliance with the law and perfection of its internal labour policies. On the other hand, tripartism in labour relations at the sectoral and local levels is being promoted to effectively support negotiation and signing of *collective labour agreements* (CAOs), which are considered among the important factors that ensure the enterprise's sustainable development.

Moreover, the Trade Union and Labour Relations in Vietnam's Market Economy, written by VGCL and the International Labour Organization (ILO) and published by the *Lao Dong* (Labour) Publishing House in 2011, reconfirms that the trade union, as the organization representing the worker yet not being a part of the government, has to influence the government's policy-making. So does the employer's representative. As a result, the tripartite dialogue mechanism must be developed at all levels so that this representing organization can share information and give advice on related issues. Through this dialogue process, the trade union must develop effective institutions on labour relations, labour market, and social development on the basis of tripartite agreements on protection of the worker's rights and improvement of the working condition.

In addition, the Handbook on Enterprises' Social Responsibility, issued by the UN Global Compact, argues that enterprises are playing an increasingly important role in promoting Vietnam's economic growth, but the challenges facing them, which include the relationship between the employer and the worker, are sizable. As a framework for their development of sustainable long-term business strategy through principles on the worker's rights and labour standards, social dialogue can be considered as a key for enterprises' implementation of their strategy. Even before the Labour Code and the Trade Union Law were passed by the National Assembly in June 2012, the above-mentioned documents on social dialogue and social dialogue had gradually asserted the importance of this content in the country's socio-economic development.

Despite the importance of labour relations has been acknowledged in Vietnam and some solutions for development of harmonious labour relations have been suggested. There seems to prevail a research gap concerning the actual status of social dialogue in Vietnam and the specific role of trade unions in social dialogues.

### 1.1.2. Social dialogue and the role of the trade union in Vietnam based on political policy and legal framework

This section gives an overview of the political and legal foundations for the development of social dialogue in Vietnam. As above confirmation, social dialogue has been considered to some degree in Vietnam by the PVC, the State, and the socio-politic organization of the trade union.

In Vietnam, the CPV plays a leading role in the state and society (Article.4.Constitution, 2013). The Party leads the State and society through many ways, in which there is the Party policy (Article 40, the Party Constitution). Based on the Party policy, the State, firstly the National Assembly will promulgate the Constitution or will enact the law to regulate significant issues in society. Additionally, specialist state agencies or granted politic-socio organizations (such as the Trade Union) will have detailed legal regulations or legal guidance to clearly explain or to implement the law. Politically, in the aspect of labour disputes, the CPV Central Committee Secretariat issued Instruction No. 22/CT-TW dated 5 June 2008 on development of harmonious, stable and progressive labor relations within enterprises. This instruction requires dialogues and negotiations between the workers and the employer within enterprises. Accordingly, The Party viewpoint clearly indicates that dialogues are among effective tools for settlement of common disputes in labour relations. The CPV has directed the State to provide detailed regulations and instructions related to resolving labour disputes in reality. Based on the Party instruction, the State, through its different state agencies, has enacted the law and legal guidance to create legal foundation for the operation of the Trade Union, to recognize the grassroots democracy at work, so as to promote workers' rights and thus stabilize the relationship between employees and employers. The State, particular the National Assembly, the highest representative body of Vietnamese people, the only state body has the right to enact the law in Vietnam (Article69.Constitution, 2013), has acknowledged that dialogue in the enterprise is very important to its stability and development. The National Assembly confirms that both the worker and the employer must be instructed on dialogues, collective bargaining, and the development of harmonious, stable and progressive labor relations. Particularly, the NA asserts that the worker has the right to“ask and participate in dialogues with the employer, in implementation of the grassroots democracy regulations, and consultation in the workplace in order to protect her legitimate rights and interests; and participates in management as regulated by the employer” (Chapter 5 Labour Law, 2012). In a mutual relationship, the employer has the right to request the

workers to collectively engage in dialogue, negotiation and to sign a collective labour agreement, to take part in the process of determination of labour disputes and strikes; to collaborate with trade union on issues referring to labour relations, to improve the living standard of employees (Article 63. Labour Law, 2012).

Regarding dialogue principles, Article 7 of the Labour Code 2012 stipulates that the labour relations between the employers and employees are established and developed by dialogue, negotiation and agreement in accordance with the principles of voluntary commitment, good faith, equality, co-operation, and mutual respect of each other's lawful rights and interests.

To specify the activity of dialogue, Chapter V of the Labour Code has one section on dialogues in the workplace, In Article 63, the Labour Code confirms the purpose and form of dialogues in the workplace as following points: exchanging information and strengthening mutual understanding for the development of labour relations in the workplace; conducting the dialogue by direct communication between employees or trade unions and employers in order to protect the democracy regulations in the workplace, and to practice the grassroots democracy regulation in the workplace in line with the government regulations. The Labour Code also indicates some issues of dialogue in the workplace. They include business and production situation of the employer; the implementation of the employment contract, collective bargaining agreement, other commitments, agreements, and regulations in the workplace; the working conditions, requirements of employees and worker's collective to the employer, and vice versa; and other issues between two parties (Labour Code, 2012).

Regarding the time and way of organizing a dialogue in the workplace, Article 65 of the Labour Code 2012 provides that "Dialogue in the workplace is conducted once every 3 months or at the request of either party and the employer is responsible for arranging the venue and other material conditions for dialogue in the workplace." Furthermore, the Labour Code 2012 also assigns the job of integrating employers and employees for the VGCL. The VGCL is a socio-political organization of the working class and toiling people. It has been well realizing its functions, of which the most important is to take care of and to protect the lawful and legitimate rights and interests of the workers. Article 188 of the Labour Code 2012 confirms that the grassroots-level trade union represents and protects the lawful and legitimate rights and interests of trade union members and workers. It represents the employees in negotiation, conclusion and supervision of collective labour agreement, wage scales and wage tables, work norms, wage payment and bonus regulations, internal work regulations and democracy regulations in the workplace, agency or organization, This

organization also participates in resolving labour disputes and conducting social dialogue and cooperation with employers to build harmonious, stable and progressive labour relations in the enterprise, bureau or organization.

The trade union is responsible for “talking with the employer to settle problems related to the workers; rights and obligations” (Trade Union Law, 2012). The enterprise, agency or organizations are made responsible for “coordinating with the trade union in organization of dialogues, negotiation, signing, and conducting the collective labor agreement and the grassroots democracy regulation” (Articles 10&22, the Trade Union Law, 2012). It can be seen from the Vietnamese laws that the National Assembly recognizes that dialogues are important to any enterprise to resolve all issues relevant to the rights and interests of the employers and employees in labour relations. Representative the voice of employees, the trade union has significant role in enhancing dialogues between employees and employers. Through dialogue process, the trade union increases mutual understanding and benefits between employees and employer. Not only recognized by the law, practically, the role of trade union is acknowledged by all parties taking parting labour relations. To perform its function as the highest representative body of the workers, VGCL also provides instructions for improving dialogues in the workplace. The VGCL guideline (Instruction No. 22/CT-TW in 2008) on dialogues in the workplace asserts that “tripartite dialogues are organized between the trade union, the workers and the employer to settle issues related to the rights and obligations of the trade union members and other workers, so as to reach a harmony of interest between the enterprise, the state, and the worker” (VGCL, The 11th Vietnam Trade Union Congress Document, 2013).

Instruction No. 22/CT-TW in 2008 of the 11<sup>th</sup> Vietnam Trade Union Congress also clarified the duties of unions of all levels, especially workplace trade unions and their immediate upper-levelones in social dialogues. Following that, these organizations have to ‘have a good grasp of the workers’ situation; to actively work with the relevant agency, organization, or individual in settlement of labour disputes and strikes through dialogue, mediation, or settlement by the court; and to organize and lead strikes in line with the law’.

Realizing the importance of dialogues in the workplace, which is also the basis for further promoting implementation of the grassroots democracy regulation, the VGCL issued Plan No. 1233/KH-TLĐ, dated 17 July 2008 to consider and emphasize the workers’ legal and legitimate rights and interests and where labour disputes can easily arise. The plan had been seriously deployed to all trade unions, especially workplace ones. The VGCL then issued

Instruction No.1755/HD-TLĐ dated 20 November 2013 guiding trade unions in participation in development and implementation of the grassroots democracy regulation, which regulates that the workplace trade union must coordinate with the employer in organization of dialogues in the workplace. The abovementioned guidelines have oriented dialogues in the enterprise, ensuring the development of harmonious, stable and progressive labor relations; promoting production; and improving the workers' life.

In conclusion, it can be seen that social dialogues has been considered by the CPV, the State and the VGCL. The CPV has its policy to give orientation for the State to control social dialogues by legal regulations. The National Assembly enacts laws to regulate social dialogues in the enterprises and the role of the trade union in these dialogues. Additional to that, the VGCL, a social-political organization, the highest representative body of the workers also has its guidance for the operation of social dialogues, particularly giving instructions for the role of trade union in the social dialogues. Above documents recognize the existence of different issues in labour relations related to the benefits and interest of all parties, employees and employers; therefore, they promote the role of the trade union and enhance social dialogues in the workplace. However, there is a gap between the law, the document and practice. From the law on the paper to the practice is a long distance, which requires more studies to understand the practice of social dialogues between employees and employers in the enterprises and the role of trade union in these dialogues to give resolutions to tackle genuine problems existing in social dialogues between employers and employees with the involvement of trade union.

### ***1.3. Objectives of the study***

The study will review the literature related to social dialogue and dialogues in the workplace. It will also describe the specific context and nature of social dialogue in Vietnam and especially the CPV viewpoints, the government regulations and the VGCL guidelines on dialogues in the workplace. Then it will map the status of social dialogues in the workplace in Vietnam, the trade union's activities in such dialogues, and, the achievements and limitations of such dialogues. The analysis of the current situation will be creating a basis for developing solutions to the existing challenges. Thus, the study will suggest some solutions for promoting dialogues and clarifying the trade union's role in dialogues within Vietnamese enterprises.

This study will focus on social dialogues in the workplace of non-state and foreign-owned enterprises across Vietnam. Empirical data will be gathered through a survey and interviews conducted in big cities of various industrial zones such as Hanoi, Ho Chi Minh City, Dong Nai, Binh Duong, Vinh Phuc and Hai Duong. The research aims to answer the following research questions:

1. What is the role of the trade union in social dialogue in enterprises?
2. What is the status of social dialogue in Vietnamese enterprises?
3. How to promote social dialogue and clarify the role of the trade union in social dialogue in Vietnam?

By answering these questions, the research will provide new insights to the social dialogue In Vietnam, and in this way, it supports systematization of the practice of social dialogues in the workplace according to VGCL guidelines and policies. This helps to improve the effectiveness of dialogues in the workplace. The research results will form a necessary referential source for enterprises' application of social dialogues in order to develop harmonious, stable and progressive labor relations.

#### ***1.4. Organization of the research***

There are five chapters in the research. The first chapter introduces the background, target and structure of the thesis. It also describes the guidelines of social dialogue in Vietnam seen in the viewpoints of CPV, the Government policies and the VGCL. The second chapter presents a literature review on social dialogue and the role of trade union in social dialogue. In addition, principles and forms of organizing social dialogues in the workplace are introduced. Finally, experience of social dialogue in both enterprises from Russia and enterprises in the industrial zones in Vietnam will be presented. The third chapter will demonstrate the research methodology including sample design, research procedure, data collecting methods and data analysis. The fourth chapter will present the status of social dialogue in Vietnamese enterprises, including an overview of the Vietnamese business environment, especially from the viewpoint of social dialogue and trade union's role in social dialogue. In addition, policy measures for promoting dialogues in the enterprises and strengthening the role of the trade union will be presented. The chapter five will evaluate the strengths and weaknesses of social dialogue in Vietnamese enterprises. The last chapter will provide conclusions and recommendations to improve social dialogue.

## CHAPTER2: LITERATURE REVIEW

### 2.1. *Social dialogue*

Dundon, Wilkinson\*, Marchington, and Ackers (2004) and Wilkinson and Fay (2011) provide a definition of employee voice from different perspectives of human resource management-organizational behavior viewpoint to collective forms of union and non-union. According to Dundon et al. (2004, p. 7), employee voice can be approached in four ways. First, from an individual dissatisfaction standpoint, the purpose is to resolve ‘a specific problem with management, finding expression in a grievance procedure or speak up program’. Second, from a collective organization viewpoint, employee voice ‘provides a countervailing source of power to management, through unionization and collective bargaining in particular’. Third, from ‘contribution to management decision-making’ view, employee voice is ‘concerned with improvements in work organization and efficiency more generally, perhaps through quality circles or team working’. Fourth, from a ‘mutuality’ viewpoint, ‘voice can be seen as a form of mutuality, with partnership seen as delivering long-term viability for the organization and its employees’.

Wilkinson and Fay (2011) look at different approaches to employee voice based on literatures of human resource, political science, industrial relations, and organizational behavior. According to authors, “the term ‘voice’ refers to how employees are able to have a say regarding work activities and decision-making issues within the organization in which they work” (Wilkinson & Fay, 2011, p. 65). The authors then provide four themes of literature of understanding employee voice. Human resource management literature emphasizes the performance and participation of employees, which brings input from employee into ‘work and business decisions’ (*ibid.*, p. 66). The literature of political science approaches employee voice in terms of rights of employees. The literature of industrial relation looks at ‘voice as representative (and largely union voice)’ (Wilkinson & Fay, 2011, p. 67) which refers to the study of Freeman and Medoff (1984) about the role of workers’ union. The literature of organization behavior concerns the autonomy of work groups’. Dundon et al. (2004, p. 7) argue that the second standpoint relates with Freeman and Medoff (1984) about the role of workers’ union. Freeman and Medoff (1984) provided two facets of unions. For the undesirable facet or monopoly lens, unions can bring harm to society when they can raise wages or salaries above the appropriate or competitive level. However, the desirable facet is significant when it helps unions to provide a channel for workers to improve their workplace



condition, wages and salaries. However, these positive benefits are reached when both unions and employers have a constructive approach towards collective bargaining.

In the report, an examination of social dialogue research was conducted in five different Caribbean nations: Trinidad and Tobago, Jamaica, Guyana, Grenada and Barbados in 1990, to examine labor relations practice, the challenges of globalization and trade liberalization, the reactions of unions, employers and governments, and lessons learned. These countries were chosen because of the efforts of social partners to bring meaning to social dialogue in their struggle to cope with the many economic challenges they have to face in this active globalization economy. The countries selected in the study have used social dialogue to tackle economic challenges with their social partners (Evelyn, 2000). Ermida, (2000) a labour relations specialist, explained a theory of the social dialogue, including a wide range of forms of interaction among actors that are different from remarkable conflicts such as information, consultation, collective bargaining, dialogue partners of industry, etc. (Serna and Ermida, 1994; Ermida, 1995; Rosenbaum, 2000b).

Ozaki (2000) argues that despite the widespread popularity, there is still no widely accepted definition for social dialogue. Some people understand that there are normally two or three parties in a dialogue, negotiation or consultation on social issues, which takes place at any level of society, nation, industry or firms and even the government, the employers' organizations and the trade unions. Some others think social dialogue mainly as a process, taking place at a relatively high level of the society, such as the national, regional or sectoral level, excluding the enterprise and work place levels. However, there are limits of applying social dialogue in building a cooperative relationship among the parties and conflictive relationships still exist. In countries where clear collective bargaining procedures are instituted by law, social dialogue may relate to flexible forms of negotiation that may happen outside the official mechanism to sign formal collective agreement (Ozaki, 2000)

According to Ishikawa (2003) different models of social dialogue are dependent on a particular labour relations regime of a nation. Social dialogue is not a new phenomenon, but it is always based on traditional social and labour relations. That is to say, it is set in the cultural, historical, economic and political context of a nation. Social dialogue can take many forms, from official and binding bargaining agreements to unofficial suggestions or consultation and information exchanging. Social dialogue is an active method and institutions are built up in a dialogue (Ishikawa, 2003).

More generally, dialogue is a focused, purposeful engagement with the goal of growing understanding, solving issues, and questioning of thought and action. Unlike ordinary, everyday conversation, dialogue has a focus and a purpose. Thus, dialogue is different from argument or discussion and involves relationship between participants because a certain topic or subject being inspected. Finally, dialogue assumes openness to change deeply held beliefs (Romney, 2005). Isaacs supposes dialogue is a living experience within and between people. The author finds that the crucial elements of any conversation are things that both sides could not imagine before beginning. Through dialogue, we learn and improve our awareness and sensitivity. Dialogue requires us to be responsible for our thought, not just for our reactions, raising us into aware state (Isaacs, 1999). Like Isaacs, Yankelovich (1999) considers dialogue as a practical tool and not as a device of decision-making that relates consideration of power and interest issues which obstruct with dialogue. Dialogue is not a negotiating instrument to seek consensus leading to action. Actually, the result of a dialogue is not always harmony. In dialogue, listening and responding with an authenticity should be done by both sides. Each party joins in the others' point of view to increase mutual understanding. Dialogue is a process of successful relationship building. (Yankelovich, 1999)

The recent literature on public administration discusses also about performance dialogue, which is considered a possible approach to cooperative performance management (Busi and Bititci, 2006; Verdecho et al., 2009; Laihonen and Mäntylä, 2017). Performance dialogue is complementing other means of control and accountability. Performance dialogue is a method that brings new meaning to performance data, extends the opinions and achieves new ideas. Thus, it is a participatory process that facilitates employee involvement, motivation and performance (Laihonen and Mäntylä, 2017). The formalization of a dialogue depends on many factors but empirical study of Laihonen, and Mäntylä supports the findings of Wouters and Wilder (2008), who argue that these forms are practical knowledge based, admit experimentation and apply professionalism. Laihonen and Mäntylä argue that the complexity of public management requires performance dialogue, so that consider is crucial to understand and establish organizational structures and the abilities to encourage this dialogue. Moreover, in order to make the dialogue successful, and to influence the use or non-use of performance information, it is important to concentrate on the actual relevance of the dialogue. If dialogue cannot help managers make better decisions or does not help them implement their management mission, they will not engage to the dialogue. According to Laihonen and Mäntylä (2017), this seems to be a main shortage. Same relevance aspect may

arise also in social dialogue that is in the focus of this study. Performance dialogue provides a stage for collaborative meaning creating and comprehensive understanding of performance and assists managers to better comprehend the complex phenomena and processes they are responsible for (Laihonen and Mäntylä , 2017) Same goes naturally also for social dialogue which may also benefit from the use of performance information to justify arguments.

Although there is variety of the definitions of social dialogue around the world, there are some basic points that most of the literature agrees with social dialogue definition by the ILO. Social dialogue involves in all types of negotiation, consultation or information exchanging between, or among dialogue parties. They are representatives of governments, managers and employees on affairs of common interest. Therefore, social dialogue is a wider scope that covers more participants, including the government (ILO, 2013). Social dialogue shall be carried out in a tripartite process including government as an official party or it shall be implemented in a bipartite process between employees and employers (or between trade union and employers' organizations), with or without indirectly government involved. The process may be either formal or informal, and it is usually both. As a result, social dialogue is the most popular method covering every participant and even the government (ILO, 2016).

The Great Vietnamese Dictionary (Nguyen, 1998) defines dialogue to be a discussion or negotiation between two or more disputing parties. A dialogue is therefore organized, only upon arisen disputes, in form of a discussion or negotiation with the sense of mutual respect and equality to settle disputes related to the organizational parties. This concept covers a wide scope of fields of social life. Social dialogue in the enterprise occurs within the scope of the enterprise and is the direct form of dialogue in the workplace, where the production and business activities of the worker and the employer occur, and, where the labour relations are formed and developed.

To regulate labour relations positively, the Vietnamese Government requires that the social dialogue must be implemented between employers and employees, or between trade unions and the enterprise management to ensure implementation of the grassroots democracy regulation in the workplace (Government's Decree No. 60/2013/NĐ-CP, 2013). Accordingly, a dialogue in the workplace involves a specific place, specific participants and the objective of comprehensive and strict implementation of the grassroots democracy regulation in the workplace. Good implementation of the grassroots democracy regulation provides the basis for promotion of workers' democracy at work, so as to ensure the stakeholders' rights and

benefits and improve their respective responsibility for following the CPV guidelines, the government policies, and the enterprise regulations.

## **2.2. The role of trade union in social dialogue**

In this thesis, I use the definition of voice that is based on the literature of industrial relations defined by Wilkinson and Fay (2011) or from the 'collective organization' viewpoint of Dundon et al. (2004) that emphasizes the role of workers' union or trade union in improving positive benefits for employees.

In analyzing the role of trade union, Baker (2000) points out that trade unions play a crucial role in social changes and sustainable development of a nation under the government management. Take South Africa as a good example - the trade unions there joined hands to stop the Apartheid. Another example of the importance of trade union is Solidarnosc (Solidarity) in Poland that brought down a corrupt Polish government. Although trade unions appeared in many aggressively political events, they are also the key of emerging democracy. In addition, trade unions have a superior power which no group or party is able to defeat. (Monyatsi, 2013; Trappmann, 2012). Furthermore, Baker (2000) argues that trade unions have a dual role of both being a representative for social organizations of negotiations and the human side of industry. In a meeting about the Compact work, the UN Secretary-General understood the importance of trade unions and argued that "Labour unions can mobilize the workforce for; after all, companies are not composed only of their executives." It is a fact that trade unions are every aspect of our lives because they greatly contribute to industrial and political democracy and to economic development (Baker, 2000). Linard (2000) reported that trade unions manage the Western European economy and industrial relations. They bring benefits to the unemployed, and they negotiate collective agreements. Internationally, trade unions are not separable from the ILO, where they discuss directly with employers and governments on different aspects of labour (Linard, 2000).

The power of Trade Union plays a crucial role for a nation. Labour force is one of the pivotal elements of the economy. Adding that, protected and good work is a prerequisite for the successful economic development of a nation. Trade Unions also make the performance of government policy easier. If an organization for employees involves in shaping macroeconomic policy, it will be more effective. (Muskhelishvili, 2011). Also, trade unions have different methods and abilities in taking care of workers, especially collective agreement and labor laws. Keeping labor relations harmonized and controlling workers in

strikes are also a trade union's responsibility. Trade unions play a critical role in resolving conflicts and guard of long-term labour relationships (Hassan, 2013).

Trade union is a membership-based organization. Trade unions are given authority to represent members, protect their rights and interests, and supply services from the educational field to social security. Trade unions are based on the power of the collective and the solidarity whose influence of engagements scope from workplace to the industry and to the society. It is the representative of the workers and the coordinator of the integration. Also, as a social partner in the broad framework of industry relations, trade unions are considered as the counterpart of employers and the State. It represents workers to take part in collective bargaining unit and a partner in different topics and processes of dialogue. (Añonuevo)

In Vietnam, the trade union's role in the enterprise is expressed through its activities to realize its functions of representing and protecting the worker's legitimate rights and interests; giving advice on good corporate management to the employer; and, organizing activities of communication and education among the workers. Under the current socialism-oriented market economy, the trade union must express its role more clearly than ever in the enterprise's existence and development in particular and in the country's development in general.

The trade union is responsible for instructing and advising employees on their rights and obligations based on their labour contract. Trade union also represents employees in negotiation, conclusion and supervision of collective labor agreement and cooperates with the management in building the wage scales and payroll systems, labor norms and labor regulation. Furthermore, trade union deals with arisen issues in the workplace together with the employer and is one of the parties to resolve labor disputes. Moreover, trade union leads and organizes strikes in the workplace (Trade Union Law, 2012).

Accordingly, protection of the worker's rights is both a focal function and duty of the trade union. The Trade Union Law, the Labour Code, and their respective instructions provide that the trade union's representative role is expressed in such aspects as organization of workers' activities; dialogues and negotiations; proposals; participation in discussion and decision-making; monitoring and supervision; organization of strikes; complaints, denunciations or following legal procedures at the court.

There is extensive scholarship on social dialogue and the role of trade union. Scholars (Dundon et al., 2004; Freeman & Medoff, 1984; Mailand & Due, 2004; Wilkinson & Fay,

2011) recognize the significant roles of the worker or trade union that represents employee voice. A study of Mailand and Due (2004, p.7) looks at social dialogue in some post-communist nations such as Poland, the Czech Republic, Hungary, and the three Baltic states. Their study confirms that social dialogue in these countries was ineffective and failed to prevent the serious decrease in salary and work opportunities. It also provides ideas to promote the social dialogue. There is a study that focuses on union experience of social dialogue and collective participation in India (Badigannavar, 2016) and in Bangladesh (Granath, 2016).

There are some significant studies written in English related to the Vietnamese case. Recent studies focus on the labour strikes in relation to the Labor Code that shapes labor resistance in Vietnam (Nguyen, 2017a, 2017b), relation between labor and the state in the country (Nguyen, 2014), the role of trade union in strikes and requirement of reforming the trade union (Chi & Broek, 2013), and work culture, gender and class issues in Vietnamese enterprises with reference to the role of trade union (Nghiem, 2006). Tran (2012) pays her attention to the development of textile and garment manufacturing in the Vietnamese developing context and its impact on the trade union and workers in Vietnam. Do (2011) examines the relationship between employee and management with the involvement of trade union in Vietnam. Another study by Torm (2012) on the role of trade union in Vietnam, examines the difference of union wage among small and medium enterprises in Vietnam using appropriate labour survey data from 2007 to 2009 (Torm, 2012).

There has been so far no detailed research about the role of trade union in social dialogue in Vietnamese enterprises, but only those about its general role such as the Trade Union's role in protection of workers' rights in FDI enterprises in Vietnam (Tuan, 2012) and the role of the Trade union in promoting enterprise implementation of social responsibility (VGCL, 2009).

The Enterprise Law asserts that an enterprise is an economic organization that has its own name, properties, office and operates in line with the Constitution of the Social Republic of Vietnam. Article 6 of the Enterprise Law provides that "Political organizations and socio-political organizations in enterprises shall operate within the framework of the Constitution, the laws and the regulations of respective organizations which are consistent with the law. An enterprise shall be obliged to respect and facilitate its employees to establish and participate in activities of organizations stipulated in clause 1 of this article."

The law provides that an *enterprise* is an economic organization operating for a clear purpose. Its organization includes not only the relationship between the employer and the workers, but also that with other organizations such as political organizations and socio-political ones as provided by the law. The trade union is defined by the Constitution and other legal documents as a socio-political organization of the working class and toiling people, which represents and protects workers' legitimate rights and interests in the working organization, and which participates in organization and management of production and business activities that contribute to development and stabilization of the enterprise. Therefore, the enterprise has to ensure and facilitate political organizations and socio-political organizations in general and the trade union in particular in fulfilling their respective duties and functions.

Dialogue is a measure or tool for the trade union to exercise its monitoring, supervision and protection of the worker's legitimate rights and interests. Dialogue is an open, direct form of discussion to settle disputes either among the workers or between the workers and the employer, providing mutual understandings of the workers' rights and obligations. Social dialogue in the workplace is communication between the stakeholders for exchange of information, consultation or negotiation within the enterprise. Therefore, dialogue in the enterprise is social dialogue in the workplace, because this activity aims to settle the stakeholders' issues of common interest through direct negotiation within the enterprise.

### **2.3. Dialogue principles and forms of organizing dialogues in the workplace**

Social dialogue can be implemented in various forms. According to (Linard, 2000) mechanisms for consultations among employers, workers and governments are designated by the means of social dialogue. There is a variety of forms or mechanisms depending on the international or national level. Some are formed by restricted levels in sectors or companies. In some nations, there are delegates (e.g. social conciliators) who direct and facilitate the collective bargaining between management and employees. Social dialogue may take many forms, including bipartite and tripartite (or a combination of both), and may take place at industry and sectoral levels. The model of dialogues in each country reflects the differences of countries' history and political and economic status. (Carley, 2012) According to the ILO and the EPSU, social dialogue includes the form of negotiation, consultation or exchange and sharing of information, bipartite negotiation agreements, tripartite negotiation agreements and collective bargaining (ILO, 2008; EPSU, 2008)

In Vietnam, the forms and principles of dialogue are based on the country's history, culture, economic and political status. According to (Article 63. Labour Law, 2012; Decree No. 60/2013/NĐ-CP ), and Instruction No. 1755/HD-TLD date 20 November 2013 issued by VGCL, to be democratic, equal, and effective, principles, forms and stipulates issues dialogues must follow the law. The guiding principles of social dialogue are:

- Principle 1: Organization of dialogues relevant to the form of the enterprise: Each form of enterprise (e.g. Public, private, foreign-owned, joint-stock, etc.) has its own requirements and method of organizing dialogues that are relevant to the enterprise's specific conditions; there must be different ways of dialogue relevant to the size of the enterprise (i.e. big, small, medium); issues and solutions relevant to each sector (i.e. production, business, service) must be mentioned; and, organization of dialogue must be relevant to the form of production or business of the enterprise (i.e. whether it is a line or individual production).
- Principle 2: Dialogues must be suitable with the Vietnamese culture and way of thinking; suitable with the local customs of the place where the enterprise is located; and, suitable with the workers' way of thinking (i.e. Emotional or rational). Foreign-owned enterprises must pay special attention to this principle.
- Principle 3: Dialogues must be relevant to the parties' cognition and ability. There is no fixed model but one selected on the basis of the two parties' cognition and ability. Readiness and mutual faith are the preconditions of a dialogue. The issues and form of dialogue must be selected to enable the two parties' expression of their ideas in the way that the other party can understand and support.
- Principle 4: Dialogues must comply with the national law. The issues and form of dialogue must be in line with the law and the internal code of conduct; suitable with the enterprise's culture in relation to those of the same industry, location, industrial zone, or export processing zone. Dialogues on the two parties' rights and interests must respect the national rights and interests and the law.
- Principle 5: Dialogues must approach international standards and conventions. Certain standards and requirements are regional or from international economic integration. Labour issues are of concern to not only the enterprise but the nation or the international community. There should be specific principles in a specific situation, but those principles must be selectively suitable with the law.



Furthermore, the employer must respect the worker's democratic rights at work, which are exercised through the enterprise's democracy regulation in line with the law. The enterprise must provide and implement the grassroots democracy regulation openly and transparently at work to respect legitimate rights and interests of the worker, the management and the state.

Concerning the organization of dialogues there are many practices. One way to organize dialogues is to arrange workers' annual congress, where the employer is obliged to report production/business results and the implementation of regimes related to the workers' rights and interests such as salary and income, social and health insurances, profit distribution; rearrangement of labour, recruitment, training and retraining; and, open formulation, use and management of funds. The employer also has to answer the workers' questions and petitions, which might be raised by the trade union. The parties can discuss for signing or amendment of the collective labour agreement.

Also, there could be a periodical meeting between representatives of the employer, the trade union and the workers. Meeting between the management and the trade union can be weekly, monthly, or once every two or three months to reflect the workers' ideas, aspirations and initiatives. The representatives of the management and the workplace trade union meet the workers every week or month to directly answer their questions, visit their residence and workplace, and encourage their initiatives, etc. Another way organize the dialogue is through negotiation and signing of a collective labour agreement through which the parties' representatives raise issues to be discussed for agreement.

In addition, a direct meeting between the management and the workers is a way to exchange information and to get informed of the workers' needs and aspirations; or, this can be done through picnics, exchanges, dialogues in a production or larger group at work, etc. Finally, the other forms include comment letter boxes, bulletin boards, internal information systems, conferences, workshops, and training courses.

In Vietnam, the Labour Code stipulates six issues for dialogues in the workplace (Labour Code , 2012).

**Business and production situation of the employer:** Both the employer and the workers must pay attention to dialogue on this issue because it is directly related to the enterprise's existence and development. In a market economy, there are many difficulties facing the enterprise that require the workers' support in settlement such as implementation of production and business plans, reduction of production costs or prices, increased profitability,

improvement of product designs, sale of products, etc. Dialogue provides thus a good opportunity to discuss planning and plan implementation; it is a forum to consider issues related to conditions of production and business, product quality, customers' demands, and the domestic and foreign competitiveness.

**Implementation of the employment contract, collective bargaining agreement, other commitments and agreements, as well as other regulations in the workplace.** Because documents involved in this issue for dialogue are provided in line with the law, every of their contents or regulations is compulsory and highly legal; for example, regulations on wages and rewards, working conditions, social and health insurances, unemployment insurance, labour safety and hygiene, working hours, rewards and disciplines. During a dialogue on those contents, the workers and the employer have to reach a common agreement about their implementation because those contents are thoroughly discussed, highly agreed, and committed for implementation. Because certain contents are satisfactorily implemented to the parties' demands while others face difficulties, dialogue must be held to find solutions and reach a better mutual understanding between the workers and the employer.

**Working conditions:** Apart from wages and other incomes to support themselves and their family, the workers are also much interested in the working conditions, which are the material facilities such as the workshop, tools, equipment, machines, and the work environment in hope of a good safe work environment that will enable them to promote their strengths for increasing productivity and better product quality, which in turn will, as both the workers and the employer wish to, increase sales.

**Request of employees and worker's collective to the employer.** Individual or collective requests by the workers tend to be closely tied with their rights and interests such as realization of the employment contract and regimes and policies for workers, recruitment and use of labour, redundancy pay, unemployment benefits, training and retraining, skill improvement, wages and rewards, open implementation of the corporate regulations, implementation of the collective labour agreement, implementation of the workers' congress resolution, formation and use of reward and welfare funds or those contributed to by the workers, payment of social, health and unemployment insurances, and implementation of emulation, reward, and discipline.

**Request of employer to the employees and worker's collective.** This includes management issues related to the workers such as their conformity to the enterprise's regulations and

production procedures, their implementation of commitments in the signed labour contract, their sense of conformity to the labour discipline, their responsibility for contributing to development of management regulations, their sense of asset protection and saving in production, etc.

**Other issues of concern to the two parties.** These include implementation of enterprise regulations, implementation of the Trade Union Law, formulation of the trade union, facilitation of the workers' participation in trade union activities, provision of facilities for and financial support to trade union operation, expenses for coordinating activities between the trade union and the management, development and implementation of regulations on the grassroots democracy and culture, social activities and charity, cultural and sports events, holidays, etc.

**Specific results of social dialogue in the enterprise.** It is a fact that dialogue not only contributes to settlement of disputes and improves the mutual understanding between the workers and the employers, but also brings about specific harmonious settlement of the parties' interests at work and thus promotes production through minimization of waste of supplies and labour; improvement of productivity and income; improvement of workers' skills; open scheme of wages and rewards; revision and signing of labour contracts with every worker; making the workplace greener, cleaner and more beautiful; provision of sufficient uniform and tools for workers; investment of new equipment and technology; renovation of workshops; satisfaction of hygiene and work environment standards; reduction of the job-resigning percentage and unnecessary or illegal strikes; strict observance of the social and health insurance laws, and household business loans to workers; mobilizing workers to work extra hours when necessary; and, provision of specialized allowances and benefits against high prices. Good knowledge of both advantages and disadvantages of dialogue in the enterprise is required to result in effective dialogue that satisfies the parties' demands.

#### **2.4. Experience on social dialogue in the enterprise**

The Russia today has gone through fundamental economic, political and social changes that cover every of its social relations, of which the processes undergoing labour relations are the most significant. With the guideline of development of harmonious and stable people-centered labour relations since the 1990s, the Government has appreciated the trade union's role in regulation of labour relations. Social partnership is the major scope of labour relations

in the country. It is a special form to regulate labour relations under a market economy so as to reach consensus through tripartite dialogue or negotiation of interests. Dialogue is both an inevitable process and the main instrument for development of harmonious labour relations. Dialogue in the workplace means the parties' communication to exchange information, conduct consultation and practice collective bargaining within the enterprise.

The trade union and the development of a regulatory mechanism for harmonious and stable labour relations have become one important component of strategic prevention of social conflicts through the expansion of the trade union's scope and inclusion of workers into the social partnership system. Dialogue in the enterprise means discussion of such specific issues as legal regulations on dialogue in the enterprise; the representation of the parties; the employer's managerial structure for corporate stability; and, the role, functions and competence of the trade union in the enterprise.

Legal regulations on social dialogue are specified in the Labour Code, ranging from the central to grassroots level to include central, regional, sectoral and enterprise dialogues.<sup>1</sup> Of the legal documents as the basis for dialogue in the enterprise, workplace trade union leaders place the top priority to the federal code of collective labour agreements, which is always available together with the workplace collective labour agreement on their desk. Russian enterprises are successful in maintaining their stability, and Russian trade unions usually cooperate with them to the extent that, before a dialogue, the enterprise manager and the trade union leader work to provide the dialogue procedure, the specific time for dialogue and collection of the workers' ideas of the dialogue parties and their respective responsibilities, etc.

A good experience is that the related laws and regulations, especially those on issues for dialogue in the enterprise, should be regularly amended to fit practical demands. The grassroots dialogue parties should be made aware as much as possible of their respective responsibilities during a dialogue. The number of legal documents is of course not the only one factor determining dialogue effectiveness and enterprise stability -the other important criteria include, for instance, careful preparation for a dialogue and the parties' ability on the basis of equality and mutual respect of the other parties' ideas. The quality of legal documents also has important influences over such a dialogue.

Highly effective dialogue in the enterprise requires both the enterprise owner and the trade union leader to analyze and forecast with a thorough knowledge of the partnerships in the

---

<sup>1</sup>Russian Labour Code (amended in 2013)

enterprise, the most important of which is the knowledge of collective labour agreements. Such an agreement is a form of dialogue in the enterprise and a legal document that regulates the labour relations between the employer and the workers. It is the most effective tool to pacifically regulate labour relations and disputes of interests. Thanks to its good use of collective labour agreement, the trade union has gained clearly better position, especially in its relationship with governments. The motto “No collective labour agreement means no trade union executive committee” has become a call for development of trade unions.

Through dialogues, the parties have gained experience of the activity. Not only should issues and methods of negotiation of each and every stage be well-prepared but document contents and changes should also be analyzed to fit previous agreements. The general experience for workers’ discussion is as follows: Discussions at workshop meetings, during work, and within production teams; Use of letter boxes to collect workers’ comments; Provision of hot lines to the enterprise manager and the trade union leader; Information provided in the enterprise bulletin; and, Survey questionnaires.

Added to that, there are the following activities for organization of dialogue: Summon workshop and team leaders as direct collectors of workers’ ideas to prepare a draft collective labour agreement; and, discuss the draft agreement at work. This form of communication is conducted within the enterprise management with issues related to production. Discussion of a collective labour agreement must be conducted through the traditional form of a trade union congress or a workers’ congress.

Dialogue, negotiation and signing of workshop-level collective labour agreement have been seen in some places. Unlike an enterprise-level one, a workshop-level collective labour agreement is related to production. Every January, a consulting team composed of the workshop manager, the trade union leader, and experienced workers is established to prepare a workshop-level collective labour agreement from workers’ contributions, which will be discussed at workshop congress.

Issues out of the workshop’s authority will be considered at the enterprise level (i.e. put into the enterprise-level agreement). In summary, the workshop-level agreement provides dialogue about issues in the very workshop and, at the same time, formulates dialogue skills and basis for the enterprise-level dialogue.

The causes of the trade union’s decreasing role in the enterprise include its undetermined viewpoints and lack of courage to protect workers’ rights. It is a fact that trade union leaders’

time is spent mostly for their professional activities and that its executive committee has been bureaucratic and stagnant not having had relevant methods to collect information of corporate operation and finance. The trade union should be well-informed of corporate operation and situation by professionals. Importantly, the trade union leader must have relevant knowledge of professional, financial, economic and other issues so that s/he can get informed during meetings with the enterprise management.

Effective dialogue in the enterprise requires united strengths of both the workers and the employer, and the government's guarantee of democracy in dialogue in order to develop harmonious and stable labour relations in the enterprise, which really needs a stable environment for sustainable profitability.

Another source of dialogue experience of the trade union can be found from industrial zones in Hanoi. The trade union of the Hanoi Industrial and Export Processing Zones (HIZA) is the immediate upper level of 215 workplace trade unions, whose members total 99,690 out of the 107,793 workers. To the end of a year, the HIZA trade union and the HIZA authority provides a joint instruction on enterprise-level organization of workers' congresses and dialogues in the workplace, assigning the Deputy Chairman of the HIZA Trade Union to directly cover this activity. Specific programmes, contents, and instructions are also provided, and the HIZA enterprises are regularly urged to implement and report to the HIZA trade union.

Pilot dialogues and workers' congresses are organized at eight industrial zones for experience-drawing as the basis for quality and effective dialogues and collective bargaining in the rest of the workplace trade unions. The HIZA trade union has provided training courses on the Labour Code, the Trade Union Law 2012, related government decrees and instructions, and, especially, skills for collective bargaining and dialogues in the workplace for leaders of the workplace trade unions. It organized a workshop on "Improving the Quality of Collective Bargaining and Dialogues in the Workplace" of industrial and export processing zones for 135 participants from 12 northern provinces and cities, so as to share experience of implementation and to propose to the VGCL and northern provincial trade unions measures for better dialogues in the workplace, collective bargaining and collective labour agreement.

The HIZA dialogue forms and time are as follows: Dialogue between the city leaders and workers, trade union cadres, employers and personnel officers is organized once a year; Dialogue between the employer and the executive committee of the workplace trade union is

organized once a month or upon request; Dialogue between the employer and the workers is organized once every quarter; and, Worker's congress is organized once a year.

The issues of dialogue focus on the production and business situation, advantages and difficulties, objectives and solutions; policies such as wages, rewards, labour contract, work hours, social welfare, health and social insurances, work safety; other issues related to the employer's management activity; and, workers' personal issues related to realization of policies and regimes in specific contexts.

Some specific dialogue results achieved by the HIZA-based Nippon Paint Vietnam Co, Ltd. are as follows: The worker may have annual leave immediately after their probation period; the company covers every expense of its "Family Day" event; expenses for a holiday (3 days and 2 nights) are covered by the company; those having worked for the company for 10 years are rewarded 500 USD each; the entry salary is 2.75 million VND; and, the benefits of learning foreign languages, attendance, travelling, and accommodation total more than one million VND.

The dialogue results achieved by Hanoi Trade Corporation (Hapro) are as follows: The employees are made aware of and ready to share the corporate advantages and difficulties; The Hapro management is informed of the employees' aspirations; The leaders of the corporation and its member companies and units pay more attention to the employees' work and life, so more than 90% of the employees are loyal to the corporation and its member companies; 92% of the employees, in its 31 workplace trade unions, have labour contracts and insurances, and female workers enjoy their maternal leave; and, 95% of the member companies and units have signed collective labour agreements in line with the law and with more favour for the workers; The trade union in collaboration with the professional management regularly cares for the workers' material and spiritual life through holding cultural events, sports and physical education; And there have been, for many years, no long-lasting complaints or those made to higher authorities, nor labour disputes brought to the court, and harmonious and progressive labour relations have been established within the corporation.

## **CHAPTER 3: RESEARCH METHODOLOGY**

### **3.1. Research method**

This thesis applies a combination of qualitative and quantitative methods based on a survey with 850 respondents who are workers of enterprises in industrial zones and 21 in-depth interviews with open-ended questions for a smaller group of respondents, which include a specialist of social dialogues of Ministry of Labour-Invalids and Social Affairs, some VGCL leaders, a Vice-Director of Labour relationship Department; the leader of Institution of Workers and Union; a former Director of the Trade Union University; some representatives of the employers; and, some work-place representatives of the workers.

According to (Scott W. VanderStoep, 2009), while quantitative research use big data from assessment of the drawn sample to reflect precisely the phenomena in the entire population, qualitative research provide narrative or textual explanation of the phenomena. Furthermore, qualitative research aims to answer “how”, “who” and “why” questions and provide descriptive knowledge of a real-life phenomenon and in that way contribute to theory building (Yin R. , 1994). Because this study aims to describe a phenomenon in its context, qualitative methods have been used to gain deeper insight of social dialogues practiced in enterprises in Vietnam. The qualitative methods include consulting documents and the semi-structured in-depth interviews with open questions as the best way to collect data on personal information, viewpoints, and experience (Mack et al, 2005)

Quantitative research based on the measurement of quantity or amount to explain the phenomena in the population; whereas qualitative research concentrates on quality of the phenomena (C.R.Kothari, 2004). For qualitative research, the questions shall be repeated for all interviewees and their responses shall be recorded (Neuman, 2014). The interviewees shall be chosen randomly and transparency must be followed in the study (Scott W. VanderStoep, 2009). This study focuses on the status of social dialogues in industrial zones of the six following provinces and cities in Vietnam that are home to a multitude of big state-owned, non-state and FDI businesses. With 850 samples, the questionnaire copies of this thesis have been distributed as follows:

No	Cities and provinces	Type of enterprise	Number of questionnaire copies	Respondents
01	Hanoi City	FDI	150	
		Non-state	100	
02	Ho Chi Minh City	FDI	100	



		Non-state	100	<b>employees</b>
03	Dong Nai Province	FDI	50	
		Non-state	50	
04	Vinh Phuc Province	FDI	50	
		Non-state	50	
05	Binh Duong Province	FDI	50	
		Non-state	50	
06	Hai Duong Province	FDI	50	
		Non-state	50	
<b>Total</b>			<b>850</b>	

This thesis selects and analyses the social dialogues implemented by enterprises because of many reasons: The stakeholders of enterprises in Vietnam all see a need to change for promotion of sustainable industries and economic growth. Moreover, social dialogue is chosen for this study because of the fact that the ILO considers it the most effective mechanism to improve work condition and social justice (the ILO Office, 2016). The enterprises have been selected due to their socio-economic influences over Vietnam's economy. In addition, social dialogues in the enterprise are aimed to improve the labour relationships. The selection of cases is therefore very suitable for the purpose of this study.

The main sources of data to be analyzed by this thesis come from VGCL documents, the survey data and the interviews. The collected documents include topical reports on labour relations, policies for the employee, semi-annual and annual reports of VGCL between 2010 and 2014, and study reports by the Institute for Workers and Trade Unions.

### **3.2. Sample design**

Qualitative studies let us make statements for the relevant groups in the population at work sector. We never collect information by questioning a small set of cases and use the results for the entire population. In quantitative sampling, select cases/units are selected (Neuman, 2014). Survey sampling is used in this thesis because a survey is a method of collecting information for a social scientific research. In a survey, respondents shall be asked questions about their own or other individuals' attitudes, behaviors, beliefs, perceptions, and values. The survey method is popular to collect data; however, the accuracy of the method should be considered based on the relevant situations. The surveys are recommended when researchers need new data and participants are willing to share their attitudes and responses. First, use a survey to collect new data (Stephen M. Croucher and Daniel Cronn-Mills, 2015).

*This study uses a paper-based survey.* The objects of the survey were workers. The survey was conducted through following steps. First, I created the survey questionnaire based on the current situation of social dialogue in Vietnamese enterprises, Vietnamese Government's Decree No.60 about social dialogue and other laws. It is designed with 20 multiple-choice questions for the respondents' choice in line with their thoughts and the practice taking place at their workplace. Each question in my survey is encoded for all of the respondents so that it is convenient for data processing. Then, I made a schedule to conduct the survey in a province or city. Next, I contacted my collaborators who work in local federations of trade union and were related to labour relations. During my survey, I kept contact with them directly by telephone and emails so as to confirm the survey schedule, sample questionnaire, and to instruct them how to hand out and collect all the questionnaire copies.

I made the plan, working schedule, starting time and survey locations myself and assigned duties to each collaborator immediately when I received the commitments from them. The final working schedule was emailed from my email to clarify the detail of my research. My three collaborators working in local trade unions and I conducted the survey in Southern Industrial Zones in Ho Chi Minh City, Binh Duong and Dong Nai. Before conducting the research, I had a meeting to assign duties for each group and each member in a group. Each group had two members that I chose based on the strength of each person. The first group would conduct the survey in non-state companies while the second group including me would conduct the survey in FDI companies. The survey lasted three days in massive industrial zones in Ho Chi Minh City; whereas it lasted only one day in industrial zones in Dong Nai and Binh Duong. I chose 14 surveyed companies in Southern Vietnam and the research started in October 2014. When the survey finished, the questionnaire copies we recollected and delivered immediately to me. In order to implement the survey successfully and precisely, I myself contacted the grassroots trade unions as well as the management of each company selected for my research to ensure that they would support me, my collaborators and the respondents during my survey. The same survey procedure was applied in other locations of the research. The other locations where I carried out the survey were in Northern Vietnam including Hanoi, Hai Duong and Vinh Phuc. The survey started in November 2014 with 18 companies.

Finally, the survey was implemented with active support from the collaborators. The questionnaire copies were handed directly to 850 respondents who answered in the presence

of the researcher and/or the collaborators. All the collected copies were then sent to the researcher for processing.

This study also conducted interviews of selected respondents. In order to achieve knowledge, interviewing is designed to collect appropriate answers from participants in the research based on intended sampling (Stephen M. Croucher and Daniel Cronn-Mills, 2015). To implement the interview effectively and efficiently, I had carried out a pilot interview to some of my colleagues in the VGCL which lasted from one tone and half an hour.

After completing the pilot interviews, I chose the interviewees based on their careers. They are VGCL leaders, social dialogue experts from MOLISA, and workplace representatives of employees and employers. After choosing the relevant interviewees, I myself sent them an email or made a phone call to introduce myself, the background, the importance and target of my research. As soon as they agreed to be interviewed, I set a time and location for the interview. For VGCL leaders and social dialogue experts from MOLISA, I met each of them directly in order to make an appointment for the interview. In 2015, I completed 21 interviews myself. I had ten interviews with the chairpersons of grassroots trade unions and the employers while I was conducting the survey in six different industrial zones in Northern and Southern Vietnam in October and November 2014. During these interviews, I asked them about the labour policy, the current situation of social dialogue in their workplaces and the role of trade union in the social dialogue. At the VGCL, I had six in-depth interviews with the leaders, the Director of Labour Relationship Department of VGCL, and the Director of the Institute for Workers-Trade Unions. At MOLISA, I had one interview with a social dialogue expert and five interviews with the chairpersons of the upper-immediate level trade unions when they were attending the annual meeting of 2014, which was held in January 2015 by the VGCL. During the two days of the meeting, I used the valuable time to interview the chairpersons and the Director of the Trade Union University. To protect their identities, I did not record the interviews but noted down the information of the interviews.

### **3.3. Research procedure**

The research has been conducted in the following procedure. First, information of enterprises in the selected industrial zones was collected to identify the problems of dialogues in the workplace so as to measure the efficiency of the research topic. Secondly, a research question was formed. After roughly consulting the documents, the problems were fine-tuned to become the research questions. Thirdly, the research was designed, as presented in Section

3.1. After the design, documents were consulted to collect theories of the role of the trade union in dialogues in the enterprise, those of social dialogues and research results of social dialogues.

Next, the qualitative and survey data were collected. The details of this data collection are presented in Sections 3.1 and 3.2. The first source of data comes from the reports by the federations of trade unions of the six provinces and cities examining the regimes and policies for workers of the industrial zones, the topical reports by the Department of Labour Relations, and the semi-annual and annual reports by the VGCL between 2010 and 2014. The second source of data comes from the 850 questionnaire copies collected from the survey and the 21 in-depth interviews of social dialogue experts and the VGCL leaders. After the data collection, a qualitative analysis was done to the collected documents, interview data, and the questionnaire copies before the results were interpreted. The research results were then presented in Chapter 4. The final step is discussion and conclusion with proposal of solutions to promote the social dialogue activity and to clarify the trade union's role in promoting social dialogues in every enterprise.

Thanks to the active participation of the collaborators, the experts and the workers, both the survey results from the questionnaire and the data collected from the in-depth interviews are fairly detailed, comprehensive, practical, and of high research value. Because this research is both qualitative and quantitative, the methods of document collection, in-depth interviews and survey questionnaire have been used to collect data that reflect an insight of the status of social dialogues in the enterprises between 2010 and 2014, especially to see whether the dialogue-holding enterprises have gained any results and what was the ability of the direct participants of those social dialogues. Moreover, the interviews sought to collect the researchers and experts' knowledge of the role of the trade union, the labour relationships and social dialogues in enterprises in Vietnam. The survey and interviews were conducted to investigate the status of dialogues in enterprises and to collect the viewpoints of the dialogue experts, the trade-union representatives, and the employers' representatives on how to improve the role of the trade union in social dialogues in enterprises.

The data of this study were collected from the documents of the VGCL and the Institute for Workers and Trade Unions, which include semi-annual and annual reports between 2010 and 2014, the document of the 11<sup>th</sup> VGCL Conference, the annual study reports by the Institute for Workers and Trade Unions, and the data collected from the interviews and the survey questionnaire. In addition, this study also consulted the Trade Union Law (2012) and the

Labour Code (2012) for the role, function, and duties of the trade union and the regulations on social dialogues in enterprises. In addition, the questions of the interview and the questionnaire were based on the objectives of this study. Finally, the tools for data collection are documents and instructions on in-depth interviews, interview scenarios, and instructions on designing survey questions. More information on the survey questionnaire is available in Appendix 1 of this study.

In order to describe and explain relationships, objectives of data analysis are different from experiences and they shall be described distinctively in the qualitative researcher (Mack et al, 2005). The survey and interview questions of this study are based on the selected theoretical framework to classify the results. To organize the data collected for this case study, a general analytical strategy was determined as a tool to treat evidence objectively when drawing analytical conclusions and ruling out other interpretations (Yin, 2013).

First, I summarized the collected data and presented the results in a way that conveys the most important characteristics. I analyzed the data of social dialogues from 2010 to 2014 in the enterprises through collecting the semi-annual and annual reports by the VGCL and the six provincial federations of labour. After that, the survey was made through the questionnaire to collect information on the implementation of social dialogues in enterprises and the role of the trade union in such activity. The data collected from the survey were put into Microsoft Excel for analysis. In addition, the in-depth interviews were conducted to collect viewpoints of the dialogue experts, the VGCL leaders and trade-union researchers. The collected data were described and the data analysis interpreted. Specifically, the data collected from the interviews were classified. The notes and contents were analyzed after the list of the data categories had been identified. Finally, the solutions were proposed, on the basis of the analytical results, to enhance social dialogues and the role of the trade union in such dialogues.

### **3.4. Limitation**

Each method has its own strengths and weaknesses, so it is logical to combine different methods to support one another, promote their advantages and reduce their disadvantages. The limitation of the quantitative research is that the respondents' answers may not reflect precisely their attitudes as the number of participants is too big. (Scott W. VanderStoep, 2009). As described in the research, the survey questionnaire was selected as a tool to collect the data. Moreover, the interview results may not reflect the fact but the interviewees'

knowledge. However, the interviewees and survey respondents' knowledge of the reality is what this study seeks. In addition, the method is considered suitable to understand this phenomenon while it can be irrelevant when the phenomenon is researched in a larger, more dynamic environment.

## CHAPTER 4: THE STATUS OF SOCIAL DIALOGUE IN THE VIETNAMESE ENTERPRISES

### 4.1. Overview of business environment in Vietnam

Over the past years, Vietnam has had a strong development of enterprises. In the period 2010-2014, the number of enterprises increased from nearly 28 thousands in 2010 to some 402.3 thousand ones by 31<sup>st</sup> December 2014 (Statistical Yearbook, General Statistics Office of Vietnam), or a double increase from those in 2010, at an average annual growth rate of 7.8%. The annual number of registering enterprises also tends to increase, except in 2011 and 2012 due to difficulties facing the domestic and the world economy.

Besides, the labour force of enterprises has kept increasing in number, shifting in structure, and improving in quality, with much direct great contribution to the country's development. The labour-aged population (from 15 to 60 years of age) working in different economic sectors is more than 54.4 million people; those enjoying wages or salaries total some 15 million, of which more than 3.5 million are working for foreign-owned enterprises (Statistical Yearbook, General Statistics Office of Vietnam). Nearly 60,000 people are working under termed labour contracts abroad. More than one million people join the labour-aged population per year. The labour structure has shifted towards more personnel in education, health, services, industries, construction and the non-state economic sector, in contrast to fewer personnel in agriculture, forestry, and the state economic sector.

The development of enterprises in number has provided much employment; the number of workers in enterprises has increased by more than 1.2 times between 2010 and 2014, from 9.8 to 12.1 million people, at the annual growth rate of about 10%. Yet the fact that the average growth rate of workers is lower than that of enterprises shows that newly-established enterprises will be increasingly small in size.

Added to that, the total capital of enterprises nearly doubled, from 10.8 million billion VND in 2010 to 19.7 million billion VND in 2014, at an average annual growth rate of some 30%. The fact that the growth rate of capital is always higher than that of the number of enterprises indicates that the capital size of enterprises and the whole economy has been increasing. Looking at the statistics from a different angle though, the fact that the growth rate of capital is higher than that of workers shows that the development of enterprises are based more on capital growth than on labour force growth, which is seemingly a paradox because Vietnam

always considers itself having an advantage of the labour force while this so-called advantage was somewhat skipped during the period 2010-2014.

Apart from this, the total enterprise turnover increased by some 1.8 times, from 7.4 million billion VND in 2010 to 13.5 million billion VND in 2014. The average annual turnover growth rate (27.4%) is therefore higher than those of workers and number of enterprises, yet it is lower than that of the total capital. As the above analysis shows that the development of enterprises between 2010 and 2014 seems to be based more on capital growth than on workforce growth, the quick capital growth prevented enterprises from improving their capital efficiency, which can be seen through the fact that the turnover growth rate was lower than that of capital.

The shifting trend of enterprises into limited and joint-stock companies accounts for an increasing percentage. While only 58.7% of the total enterprises in Vietnam were limited ones in 2010, the percentage increased to 63.37% in 2014. Similarly, the percentage of joint-stock companies increased from 20.32% in 2010 to 20.8% in 2014. In contrast, private and state-owned enterprises (SOEs) decreased in percentage in the same period. Under the Government's policy of streamlining and equalization, the number of SOEs, which were defined by the General Statistics Office of Vietnam (GSO) to be more than 50% owned by the state, continuously decreased from 3,281 enterprises in 2010 to 3,048 ones in 2014. Though increasing by 0.2%, from nearly 48 thousand enterprises in 2010 to 49.2 thousand ones in 2014, private enterprises underwent a strong decrease in percentage, from 17.8% in 2010 to a mere 12.23% in 2014. This clearly shows the change in the model of enterprises in Vietnam between 2010 and 2014, with a favour of modern corporate governance in form of limited and joint-stock companies in a gradual replacement of the traditional corporate governance in form of private enterprises (Table1).

The development of enterprises as limited, joint-stock and foreign-owned companies has led to the increasing labour and capital percentages of these forms of enterprises. The labour percentage of joint-stock companies increased from 17.89% in 2010 to 20.53% in 2014; and, that of foreign-owned enterprises, from 19.35% in 2010 to 26.07% in 2014. The capital percentage of foreign-owned enterprises went up from 9.69% in 2010 to 14.94% in 2014.



**Table 1: The shifting trend of enterprises, classified in form terms, 2010-2014**

Form	Percentage of enterprises (%)		Percentage of labour (%)		Percentage of capital (%)	
	2010	2014	2010	2014	2010	2014
State-owned	1.18	0.75	17.20	12.67	34.13	31.77
Private	17.18	12.23	6.42	3.98	2.99	1.61
Partnership	0.03	0.06	0.01	0.03	0.01	0.01
Limited	58.70	63.37	31.41	31.02	19.23	18.33
Joint-stock	20.32	20.77	23.03	23.87	28.07	28.99
Foreign-owned	2.14	2.33	19.35	26.07	9.69	14.94
Joint-venture	0.45	0.42	2.58	2.35	5.88	4.44
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

*Source: Data processing from the annual survey of enterprises by GSO*

The number of labour disputes, collective strikes and spontaneous strikes (the latter neither being in line with the law on collective labour dispute nor being led by trade union leaders) has been becoming increasingly bigger in number, complicated in nature, and serious in size and scale. This is a burning issue in labour relations in Vietnam.

An analysis of the statistics of 2011, the year of the most strikes ever since, shows that there were 734 strikes, or 74.82%, occurred in foreign-owned enterprises, 244 strikes, or 24.87%, took place in private enterprises and 3 strikes, or 0.31%, occurred in public enterprises.

It is noteworthy that the number of demands related to wages, allowances, and other benefits has been increasing in strikes taking place in many enterprises, or even in the whole industrial zone, at the same time. A direct basic cause is the rising inflation rate making workers' life more difficult, and a traditional cause is employers' violation of the law and even their commitments and agreements with workers.

*Table 2: The number of strikes, 1995-2012 (Analysis of the causes of collective labour disputes)*

Year	Number of strikes	SOEs		Foreign-owned enterprises		Private enterprises	
		cases	%	cases	%	cases	%
1995	60	11	18.3	28	46.7	21	35
1996	59	6	10.2	39	66.1	14	23.7
1997	59	10	16.9	35	59.4	14	23.7
1998	62	11	17.7	30	48.4	21	33.8
1999	67	4	6.0	42	62.7	21	31.3
2000	71	15	21.1	39	54.9	17	23.9
2001	89	9	10.1	54	60.7	26	29.2
2002	100	5	5.0	66	66.0	29	29.0
2003	139	3	2.2	101	72.7	35	25.1
2004	125	2	1.6	93	74.4	30	24.0
2005	147	8	5.5	100	68.0	39	26.5
2006	387	4	1.0	287	74.2	96	24.8
2007	541	1	0.2	405	74.9	135	24.9
2008	762	0	0	592	79.20	170	21.80
2009	310	4	1.24	239	77.1	67	21.61
2010	424	1	0.24	339	79.95	84	19.81
2011	981	3	0.31	734	74.82	244	24.87
2012	539	0	0	421	78.11	118	21.89
<b>Total</b>	<b>4,922</b>	<b>100</b>	<b>2.03</b>	<b>3,526</b>	<b>71.64</b>	<b>1,296</b>	<b>26.33</b>

In addition to being caused by issues related to wages, strikes are also triggered by disputes of rights that are popular in enterprises (i.e. illegal redundancy or discipline, avoidance of signing labour contracts or payment of health and social insurances, annual leaves less than required by the law or illegal extra hours).

Still another cause of strikes triggered by collective disputes of rights is the request of establishing the workplace trade union. For example, a collective strike happened at Taiwan-

owned Ecosoft garment company, the AMATA Industrial Zone, Dong Nai Province, between 23<sup>rd</sup> and 26<sup>th</sup> February 2010, when 240 out of its 280 workers participated in a collective reaction demanding an increase of the basic wage, payment of toxic allowance, and establishment of the workplace trade union. Another example was the strike by 45 out of the 58 workers of South Korea-owned automobile equipment manufacturing DJS Limited, My Phuoc III Industrial Zone, Binh Duong Province, from 19 to 24 May 2010, demanding improved quality of in-shift meals and establishment of the workplace trade union. And employers' aggressive or insulting behaviors also form a cause of the strikes.

## **4.2. The status of social dialogue in Vietnamese enterprises**

### **4.2.1. Laws and policies related to workers**

*The employment policies:* Employment is one of the sensitive social, political and economic issues and one important factor that affect the working class in Vietnam. We cannot talk about a strong working class as the pioneer in the country's renovation when a very big part of the labour-aged population remains unemployed or half-employed. Of the 53 million people in the labour-aged population, only some 15 million are working in the national economy; 10 million unemployed; and the rest half-employed. As a result, the labour-aged people in the countryside, either unemployed or half-employed, still account for a big percentage and really want to join the working class, but it is really difficult for many, partly because of their disqualification and importantly because of yet inadequate macro-level employment policies.

*The wage policies:* Over the past nearly 20 years, Vietnam has had two wage reforms, one in 1993 and the other in 2004. It can be said that wages of workers in production and business have been somewhat improved as seen in the following aspects: The general minimum wage has somewhat functioned as a safety net for wage-earning workers and as the basis for development of wage systems in different sectors and for different types of jobs, which contributes to promotion of competitiveness in the labour market and redistribution of social labour. Adding that, the system of pay scale and payroll is sector-based, and a pay is based on both the complicatedness of work and the work conditions; at the same time, it is based on the coefficient of the minimum wage, which facilitates calculation of pays upon adjustments of the minimum wage without upsetting the existing wage relation. Also, the state mechanism of wage management has provided an initial legal framework for the enterprise's calculation and payment to workers on the principle of association between pays and productivity and

production/business efficiency while maintaining a proper relation between pays, rewards and benefits. Because the minimum wage remains lower than the minimum standard of living after many adjustments, the payment to social insurance also remains so low that future pensioners will suffer. Payrolls developed by enterprises remain much inappropriate, mainly to cope with workers and the authorities because the pay rates in a pay scale are very close. One scale may have even 30 to 40 rates, a 10 to 15 thousand VND from one to the next rate, so workers' income remains little improved though their wages are raised.

***The vocational training policies:*** Along with the development of education and training over the past years, vocational training has received attentive investment from the Government. There is now a nation-wide vocational system of more than 100 junior colleges, 232 high schools, more than 700 vocational and employment service centers run by different governments and organizations, as well as thousands of vocational courses provided by enterprises. In addition, vocational courses are also provided by professional high schools and universities or colleges. The vocational teaching staff has been improved both qualitatively and quantitatively; vocational training policies have been gradually completed. As a result, approximately 1.6 million workers have been annually trained over the recent years. It can be concluded that the vocational training system has contributed to development of a contingent of technical workers as the pivotal force of the working class.

***Accommodation for workers:*** Accommodation is the primary condition for reproduction of labour power and one factor determining the quality of the working class. Accommodation is also the place where their children are brought up to form an important labour force in the future working class. Accommodation policy is therefore one important policy for development of the working class. The reality of workers' accommodation at industrial zones can be outlined as follows: By the end of 2012, more than 213 industrial zones had been established and put into operation in almost all the provinces. The industrial and export processing zones have produced many socio-economic benefits, made an important contribution to the shift in national economic structure and the national economic growth, and contributed greatly to employment, attracting more than 1.8 million direct workers and some two million indirect workers who provide them with products and services.

According to the survey statistics, immigrant workers corner more than 50% of the labour force at the industrial zones. In some provinces such as Dong Nai, Binh Duong, and Ho Chi Minh City, immigrant workers account for up to 70% of the total labour force at the industrial zones. Accommodation, kindergartens, and schools are thus increasingly problematic in those regions.

**Working conditions, work accidents, and occupational diseases:** Generally, the working conditions of direct workers have been slowly improved, especially in small and medium-sized enterprises (SMEs) and individual business establishments (IBEs). Outdated technology and equipment, hazardous and exhausting manual labour are very popular while safety working equipment and clothing remain insufficient and of low quality. Workers still have to work in dangerous and populated environments that fail to meet the labour safety and hygiene standards.<sup>2</sup>

One incomprehensive report by the trade unions indicates that there are on average more than 5,000 cases of labour accidents a year, with nearly 6,000 people injured, including more than 500 fatal cases with nearly 600 people killed. To provide good working conditions and environments for workers, a Law on Labour Safety and Hygiene should be issued in an early date, and hard punishing institutions against violations of labour safety, labour hygiene, care and protection of workers should be provided.

#### 4.2.2. The status of social dialogue in the Vietnamese enterprise

Dialogue takes place not only within the enterprise but also within a sector, a locality or at the national level. As a result, the number of dialogues keeps increasing qualitatively and quantitatively. Vietnam cannot stay out of the current trend of international integration and globalization of labour relations. Table 3 indicates that up to 78.6% of the informants working for non-state companies confirmed that their enterprises did hold social dialogues while 81.4% working for FDI enterprises did so.

Table 3: *Workers' information on enterprises holding social dialogues*

			Type of enterprise	
			Non-state	FDI
1 – Yes	Frequency	275	407	
	Percentage	78.60%	81.40%	
2 – No	Frequency	50	51	
	Percentage	14.30%	10.20%	
3 Don't know	Frequency	25	42	
	Percentage	7.10%	8.40%	
Total	Frequency	350	500	
	Percentage	100.00%	100.00%	

<sup>2</sup>66% of SMEs suffer from different kinds of pollution; 30% suffer from noise pollution (as reported at the VGCL Workshop on *Solutions for Improving SMEs Working Environments and Conditions in Vietnam*, held on 19/10/2012 in Hanoi.

The results show that not only employers but also employees realize the importance of dialogue in the enterprise, although the surveyed enterprises are of different types. It is thus obvious that social dialogue in the enterprise is very important in regulating labour relations when the parties work together to settle issues related to both their rights and the enterprise's existence and development. My direct interviews of a number of trade union chairpersons show that social dialogue is very important to enterprises. The trade union chairperson of Dumex, a Taiwan-owned garment company with 1,400 employees in Linh Trung Industrial Zone, Ho Chi Minh City, revealed that the trade union often gets informed of the corporate production situation through its channels to have timely discussions with the manager, either to have immediate solutions or to request the manager to study and answer during a dialogue. Arisen issues are related to monthly payments, inappropriate production-related pays despite extra hours or inflation, request of company buses for those living far from their workplace. Through dialogue, those issues have been attentively and properly settled by the manager, based on the actual conditions of the enterprise, so that both the employer and the employees have reached a better mutual understanding, harmonizing their interests and overcoming difficulties in production. The chairperson added that the employer tends to settle raised issues internally through dialogue other than with the upper-level trade union.

The frequency of dialogues in the enterprise is another important type of data. Although most informants confirmed that their enterprises held dialogues, the frequency of such dialogues differ notably among the different types of enterprises. Table 4 indicates considerable differences: merely 8.0% of the informants working for non-state enterprises said that their enterprises held daily dialogues, while 9.2% from FDI enterprises said so. The percentage of both weekly and monthly dialogues is quite similar in both types of enterprise: 34.6% of the informants from the non-state and 33.8% of the FDI enterprises confirmed that their company held weekly dialogues while 56.0% of the former and 54.4% of the latter said their company held monthly ones.

The data from Table 4 indicates that most of the dialogue-holding enterprises organize weekly and monthly dialogues while few of them provide yearly ones – merely 1.40% if the informants from the non-state and 2.60% from the FDI enterprises ticked the yearly option. Their choice confirms the above-mentioned judgment duly reflects the situation of dialogue in the enterprises under recent survey.

*Table 4: Frequency of dialogues in enterprises*

		Type of enterprise	
		non-state	FDI
Daily	<i>Frequency</i>	28	46
	<i>Percentage</i>	8.00%	9.20%
Weekly	<i>Frequency</i>	121	169
	<i>Percentage</i>	34.60%	33.80%
Monthly	<i>Frequency</i>	196	272
	<i>Percentage</i>	56.00%	54.40%
Yearly	<i>Frequency</i>	5	13
	<i>Percentage</i>	1.40%	2.60%
Total	<i>Frequency</i>	350	500
	<i>Percentage</i>	100.00%	100.00%

*(Source: Thesis survey results)*

The data from Table 4 also shows that most of the surveyed enterprises take dialogue as one instrument to maintain their labour relations. Both of the non-state and FDI enterprises want to maintain a stable environment and development through dialogues, which is expected by both the employers and employees. Added to this, the percentages and frequencies of dialogue also reflect the reality of the on-going dialogues: dialogues are mostly conducted weekly or monthly while daily and yearly ones account for merely minor percentages, which shows a fact that disputes of interest in labour relations may arise at any time and that regular dialogues will provide timely settlement and limit labour disputes and strikes in the enterprise.

#### **4.2.3. The negotiating capacity of the dialogue parties**

Some interviewee argued that the capacity of dialogue parties have enormous effect on dialogue results. Some dialogues arrive at expected results while others take more time to provide proper contents through investigation. Dialogue results reflect the dialogue parties' capacity of negotiating issues of their rights and interests. The dialogue parties' capacity is undeniably one key factor in dialogue in the enterprise. Whether a dialogue goes smoothly or not depends largely on the knowledge, attitude and behaviour of the employer, the employees and the trade union leaders. The study has focused on such criteria as education, qualification, knowledge of labour-related laws and trade union activities, dialogue skills of

workers and trade union leaders. Most of the surveyed employers hold a university or higher degree, which is one important criterion for their assignment.

### ***The workers' qualifications and skills***

It is reported by the GSO that the labour structure in qualification terms has changed remarkably since 2008. The workforce holding a graduate or postgraduate degree has increased from 11.1% in 2008 to 17.9% in 2013, and 0.57% and 4.1%, respectively. The fact that more graduate or postgraduate degree-holders work for services than for the production sector is most clearly seen in the field of public administration and public services with 61% being graduate-degree holders and 22.8% being postgraduate degree-holders, a strong increase compared to 31% and 2.5% respectively in 2008, most of whom work in the fields of professionalism, science and technology, administration and support, CPV, socio-political organizations, education and training, arts and recreation etc. In the corporate sector, graduate or postgraduate degree-holders work in the fields of information and communication, finance, banking, insurance, real estates, science and technology. Yet the processing and manufacturing industries, which need a highly qualified labour force, have only 9.7% of its workforce as graduate or higher degree-holders while up to 72.2% of its personnel lack training or certified training.

Workers' qualifications and skills are important in dialogues in the enterprise. The technical structure of FDI enterprises determines their workers' qualifications and skills. Merely 11.6% of the workforces of garment companies have basic command of foreign languages while 70.9% of the workforces of the FDI service enterprises do.

The data in table 5 reveals that college/university degree-holders corner nearly one third of the workforce of both the non-state and FDI enterprises (29.4% and 28%, respectively)

The survey shows that enterprise workers come from diverse sources. The sources and targets of the enterprise workers are not much different. Most notable are the high-school leavers accounting for 20.9% and 21.2% of the workforce in non-state and FDI enterprises, respectively; and the college/university degree-holders, 19.4% and 16.6% respectively. Most workers of these two groups have been trained or retrained at their enterprises. However, few workers of non-state and FDI enterprises came from public administration/ public service agencies.



*Table 5: Workers' qualifications and skills*

		Type of enterprise	
		Non-state	FDI
Untrained	<i>Frequency</i>	40	34
	<i>Percentage</i>	11.40%	6.80%
Trained at enterprise	<i>Frequency</i>	136	201
	<i>Percentage</i>	38.90%	40.20%
Technician	<i>Frequency</i>	22	40
	<i>Percentage</i>	6.30%	8.00%
High school degree	<i>Frequency</i>	39	69
	<i>Percentage</i>	11.10%	13.80%
College/university degree	<i>Frequency</i>	103	140
	<i>Percentage</i>	29.40%	28.00%
Others	<i>Frequency</i>	10	16
	<i>Percentage</i>	2.90%	3.20%
<b>Total</b>	<i>Frequency</i>	350	500
	<i>Percentage</i>	100.00%	100.00%

*(Source: Thesis survey results)*

*The qualifications of trade union cadres.* Along with the increasing in number of trade union members and establishment of workplace trade unions over the past five years (2010-2014), the number of trade union cadres has been increased, but their qualification and capacity needs further improving. Regarding their qualifications, the data provided by the Institute for Workers and Trade Unions in November 2013 on full-time trade union cadres in 14 provincial-level and sectoral trade unions reveals that:

*Regarding education,* 1.4% of the total number are lower-secondary school leavers and 98.6% upper-secondary school leavers. The former tend to cover odd jobs at provincial-level trade unions (1.1%) and immediate-upper trade unions (2.2%).

*In qualification terms,* 85.8% of the total number are graduate degree-holders; 8.1% high-school/junior college degree-holders; 0.9% technicians; and, 5.2% graduate degree-holders. The graduate degree-holders working for provincial-level and sectoral trade unions account for 3.8%;those for immediate-upper trade unions,5.2%;and, those for workplace trade unions, 13.3%because they hold more than one post or are enterprise managers at the same time.

*Regarding trade union qualifications,* 60.2% of the total number has acquired training of trade union theories and practice. The 39.8% indicates that these untrained cadres need

training in the field. The table also shows that 67.2% of the cadres of immediate-upper trade unions, 59.3% of those working for provincial-level and sectoral trade unions, and nearly 50% of those working for workplace trade unions have got training of trade union theories and practice.

*In terms of the competence of trade union cadres:* Their competence is composed of such factors as the general knowledge, their professional competence, the political reasoning qualification, the leading ability, the ability to mobilize and organize people, and good health. However, a third of the interviewees said that the competence of the trade union cadres, especially those of workplace trade unions and the non-state sector, has not met the requirements of the workers' movement and the current trade union activities. Even among the fulltime trade union cadres, only 17.9% can meet the requirements; 67% needs further training of trade union theories; and, 15% further training of trade union practice.

The reality of the competence of fulltime trade union cadres in general and those at different levels indicates that training of trade union theories and practice is an urgent task for both the VGCL and the trade union personnel activity. Moreover, regarding training of fulltime trade union cadres, training and retraining plans should be provided with different training forms to fit different types of enterprises and levels of trade union, so as to improve the general capacity and the competence in dialogue in the enterprise.

#### **4.2.4. The problems of social dialogue Vietnamese enterprises**

Problems of social dialogue are always a concern of workers, employers and trade union cadres. Knowing the importance of dialogue problems, many enterprises have provided the social dialogue parties with focal social dialogue problems for preparation, in order to make social dialogue a success.

Although most of the informants are satisfied with their pays but not every labour-related policy has been realized. Table 6 shows that 90% of the non-state workforce and 88.2% of the FDI workforce complain about their enterprises' not fully realizing labour-related regimes. As a result, workers' satisfaction of their pays is different from their satisfaction of their work conditions and standards. 23.2% of the non-state and 29.2% of the FDI enterprises have not implemented or implemented ineffectively legal provisions of labour safety clothing, operational procedures of equipment and machinery, labour safety and hygiene, and fire prevention.

*Table 6: Realizing workers' regimes and regulations*

			Type of enterprise		Total
			Non-state	FDI	
Implementation of workers' regimes and regulations	Yes	Frequency	35	59	94
		Percentage	10.00%	11.80%	11.10%
	No	Frequency	315	441	756
		Percentage	90.00%	88.20%	88.90%
<b>Total</b>		Frequency	350	500	850
		Percentage	100.00%	100.00%	100.00%

(Source: Thesis survey results)

Regarding regulations on labour recruitment and use, a big majority of the workers from non-state and FDI enterprises (44% and 31.8% respectively) do not know or have never been involved in consultation of labour use in their enterprises. 44% of the workforce of non-state enterprises and 47.6% of that of FDI ones are satisfied with the current training and retraining policies of their enterprises. Table7 indicates that most enterprises have strictly followed regulations on redundancy and unemployment benefits. 46% of the workers in non-state and 39.4% of those in FDI enterprises are satisfied with the implementation of their enterprise.

*Table 7: Implementation of redundancy and unemployment benefits*

			Type of enterprise		Total	
			Non-state	FDI		
	Very good	Frequency	42	48	90	
		Percentage	12.00%	9.60%	10.60%	
	Good	Frequency	161	197	358	
		Percentage	46.00%	39.40%	42.10%	
	Normal	Frequency	119	208	327	
		Percentage	34.00%	41.60%	38.50%	
	Not good	Frequency	11	18	29	
		Percentage	3.10%	3.60%	3.40%	
	Not implemented	Frequency	4	8	12	
		Percentage	1.10%	1.60%	1.40%	
	No idea	Frequency	13	21	34	
		Percentage	3.70%	4.20%	4.00%	
	<b>Total</b>		Frequency	350	500	850
			Percentage	100.00%	100.00%	100.00%

Realization of other rights and benefits of workers such as social, health, and unemployment insurances also varies from one type of enterprise to another. The Table 8 shows that 53.7% of the informants from non-state and 52% of those from FDI enterprises agree that their employers have strictly followed the policies on social, health, and unemployment insurances.

**Table 8: Enterprise realization of social, health, and unemployment insurances**

		Type of enterprise		Total	
		Non-state	FDI		
Realization of social, health, and unemployment insurances	Very good	<i>Frequency</i>	46	80	126
		<i>Percentage</i>	13.10%	16.00%	14.80%
	Good	<i>Frequency</i>	188	260	448
		<i>Percentage</i>	53.70%	52.00%	52.70%
	Normal	<i>Frequency</i>	97	148	245
		<i>Percentage</i>	27.70%	29.60%	28.80%
	Not good	<i>Frequency</i>	14	1	15
		<i>Percentage</i>	4.00%	0.20%	1.80%
	Not implemented	<i>Frequency</i>	0	3	3
		<i>Percentage</i>	0.00%	0.60%	0.40%
	No idea	<i>Frequency</i>	5	8	13
		<i>Percentage</i>	1.40%	1.60%	1.50%
	<b>Total</b>	<i>Frequency</i>	350	500	850
		<i>Percentage</i>	100.00%	100.00%	100.00%

(Source: Thesis survey results)

The survey also indicates that realization of collective labour agreements have not been as expected by workers: only 50.6 % of non-state and 48.6% of FDI enterprises have strictly followed their committed contents. The group discussions show that although the workers are consulted during development of collective labour agreements, the fact that their role has not been really appreciated by their enterprises is among the causes of disputes between employers and employees. Many workers are either completely or insufficiently aware of the realization of policies and regimes for workers, collective labour agreements, labour safety regimes, use of enterprise funds, etc. because they have not participated or fully participated in the development and implementation of enterprise regulations. As a result, it is very difficult for them to conduct monitoring and supervision of realization of those regulations. Besides, enterprises do not always consult their workers in development and amendment of their regulations.

It is a fact that employer’s inappropriate realization of workers’ rights and benefits has led to reactions that directly influence the labour relations within the enterprise. Such violation of the law and the enterprise regulations is quite popular in both non-state and FDI enterprises. The survey shows that up to 87% of the informants from the FDI and 76.6% of those from the non-state enterprises agree that their employers have not fully realized related legal regulations.

The survey indicates that merely 23.7% of the non-state and 24.4% of the FDI enterprises consult workers before development or amendment of their regulations, or, in other words, merely about one-fourth of the enterprise workforce can raise their voice upon development of work regulations that are closely associated with them. Consequently, workers largely depend on preset values from enterprise owners

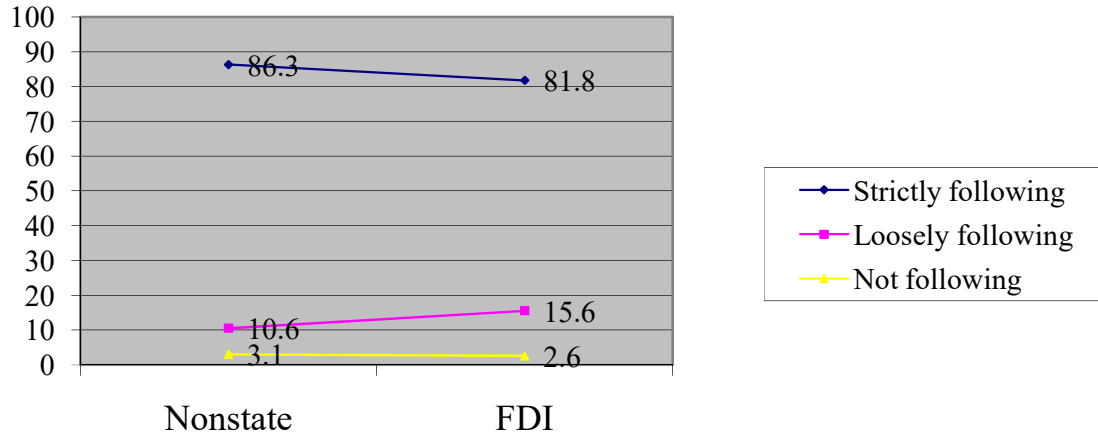
**Table 9: Development and amendment of enterprise regulations**

			Type of enterprise		Total
			Non-state	FDI	
Open	Frequency	83	122	205	
		23.70%	24.40%	24.10%	
Not open	Frequency	267	378	645	
		76.30%	75.60%	75.90%	
Total	Frequency	350	500	850	
		100.00%	100.00%	100.00%	

*(Source: Thesis survey results)*

Added to that, the survey reveals that the enterprises having developed their collective labour agreement do not always strictly follow that agreement.

**Figure 1: Realization of collective labour agreements in enterprises**



#### 4.2.5. The status of forms of social dialogue in Vietnam

Periodical dialogues in the workplace are held once every three months and presided by the employer in collaboration with the organization representing the workers' collective, in order to discuss such issues as the employer's production/business situation; realization of labour contracts, collective labour agreement, regulations, commitments and other agreements at work; request of employees and worker's collective to the employer; and, request of employer to the employees and worker's collective. Apart from this, the next dialogue will be held in no more than 90 days. In case the time of a periodical dialogue coincides with that of the workers' congress, the enterprise does not have to hold such a dialogue. Added to that, each dialogue party will decide the number of their representative members at the dialogue, which will be at least three persons. Apart these two forms of implementation of grassroots democracy, Government's Decree No. 60/2013/NĐ-CP dated 19 June 2013 also provide other forms such as provision and exchange of information at meetings of key leaders; at meetings of a team, a group or the whole enterprise; technical meetings of different teams and divisions within the enterprise; direct consultation of workers organized by employers, political organizations or socio-political organizations in the enterprise; and, the comment letter box.

In-depth interviews of some enterprises show that most employers and trade union cadres argue that dialogue in the workplace is among the best method to develop harmonious, stable and progressive labour relations within an enterprise. Dialogues will make both employers and employees understand each other more clearly, sympathize and share information to together fulfill their set production and business tasks.

In fact, many enterprises have regularly and voluntarily organized dialogues in the workplace, even before this legal regulation took effect, because both employers and employees realized practical benefits from those dialogues. Dialogues in the workplace make them both feel closer, more friendly and trustful with each other. After getting informed of the workers' aspirations, the employer will seek satisfying solutions, make timely correction of possible shortcomings in management, and meet the workers' legitimate demands. The employer also fully communicates with the employees to make the latter understand more clearly about the production/business situation of the enterprise, the possibility of sale of their products, their wages and rewards. Once satisfied with the information they need, the workers will eagerly work and endlessly improve productivity to create more income for themselves and more turnover for the enterprise.

Some interviewees supposed that there were many causes of strikes happening at some enterprises, the deepest one is a lack of information between the parties of the labour relation. When unsatisfied of the issues they are eligible to and thus easily influenced by wrong information, workers may lead illegal strikes that damage the interest of both the enterprise and themselves. Without a good grasp of legitimate demands and aspirations of the workers' collective, enterprise managers will definitely make uninformed decisions. As a result, only through regular dialogue in the enterprise can the employer make relevant decisions that are highly supported by the workers' collective, creating a strong motivation for workers' enthusiastic work for the benefits of themselves and the enterprise.

Other interviewees provided the forms of dialogue already conducted by some enterprises vary. The manager may have a direct meeting with the workers in the workshop for some 30 minutes on the first day of the month to exchange information, settle demands from the workers' collective, or assign tasks to the workers. The manager may allow the workers to send him mobile phone messages of issues that need timely solutions. Some managers spend one hour at the end of the week meeting and exchanging information with their workers. Such meetings are very good for the enterprise management because the workers feel happy

with thorough settlement of their problems, enjoying their weekends with their family and going back to work with higher productivity.

Most of interviewees agreed that to conduct good labour management, managers must first be able to have good communication with their workers. Only through regular contacts with the worker can they have a good grasp of their thinking and aspirations, based on which to give timely settlement of disputes arisen among the parties of the labour relation. In those enterprises having good dialogues in the workplace, the gap between the employer and the employees have been narrowed, so the parties of labour relations have become more friendly, and they hardly have any disputes that lead to labour slowdowns or strikes.

Through conducting good dialogues in the workplace, enterprises not only strictly follow the labour-related laws but also bring about practical benefits for both employers and employees during their participation in labour relations. Only good dialogues in the workplace can really develop harmonious, stable and progressive labour relations in every enterprise. Trade unions should therefore have full preparation of both content and form, and have good grasp of the law to participate in regular dialogues in the workplace between the employer and the workers' collective, considering this participation a significant activity of trade unions, especially those in the workplace, to effectively protect workers' rights.

**Table 10: *Untimely settlement of disputes of interest in enterprises***

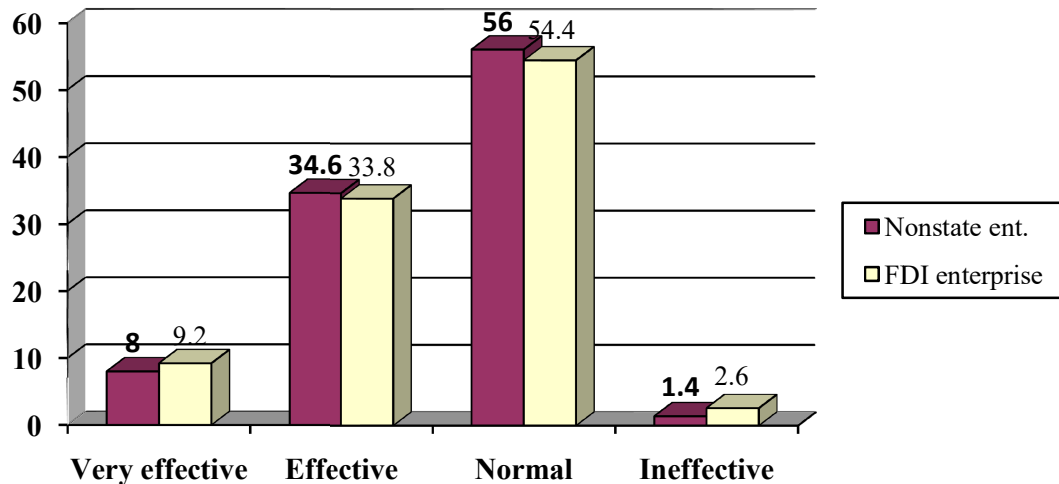
			Type of enterprise		Total
			Non-state	FDI	
Other ideas	Frequency		130	207	337
	Percentage		37.10%	41.40%	39.60%
Yes	Frequency		220	293	513
	Percentage		62.90%	58.60%	60.40%
<b>Total</b>		Frequency	350	500	850
		Percentage	100.00%	100.00%	100.00%



The survey reveals that only 34.6% and 33.8% of the informants from the non-state and FDI enterprises respectively agree that dialogues have been effectively organized in their enterprise. What are then the causes that make dialogues less successful than expected?

Although dialogue in the enterprise is expected, the results remain somewhat unsatisfactory.

*Figure 2: Dialogue results in enterprises*



*(Source: Thesis survey results)*

Dialogue results can be easily seen through the employer’s changes in relation with the employees after a dialogue. Because the dialogues remain weak and ineffective, issues of dialogue have not resulted in many rights for workers.

#### **4.3. The trade union’s role in social dialogue**

Because Vietnam is now a market economy, the nature of labour relations is so different from those under its previous command economy that it has direct influences over the trade union’s activity. Under the previous command economy, the labour relation was formed by the state and the workers, taking common interests as the starting points. In contrast, the current labour relation is formed by the employer and the employees on the basis of mutual support and mutual benefits. Due to the change in nature, disputes in labour relations have been increasingly more popular for the recent years. The new labour relations require the trade union to consider the field of labour as its basic scope of activity, and the regulation and stabilization of labour relations as its basic social task. Under the current socialism-oriented market economy, the trade union plays the role of regulating and stabilizing the social labour relation, which cannot be done by any other organization because the trade union is the

representative of one party in the labour relation, or the labour relation will otherwise be incomplete. It is the regulation of labour relation that requires the trade union's participation because the labour relation without the trade union's participation will not operate normally when its two parties are regulated only by the market mechanism.

Some interviewees said that over the past years, the trade unions at all levels have been gradually adjusting to the change in the labour relation, but they have not met the increasingly complicated adjustments of the labour relations during the development of the socialism-oriented market economy.

To play a better role of one integral party of the labour relation, the trade unions should be proactive in regulation of the labour relation. There are three levels of the trade union's role in the labour relations stipulated by Article 188 of the Labour Code No. 10/2012/QH13 dated 18<sup>th</sup> June 2012. At grassroots level, the trade union represents and protect the legal and legitimate rights and interests of trade union members and workers; take part in negotiation, signing, and supervising the implementation of collective bargaining agreements, wage scales and wage tables, work standard, wage payment regulations and bonus regulations, internal work regulations and regulations on democracy at the workplaces, agencies or organizations; to be one part of dealing with labour disputes; start social dialogue and combination with employers to create harmonious, stable and progressive labour relations in enterprises, agencies or organizations. At the immediate upper-level, the trade union shall be in charge to support the grassroot unions to execute its functions and missions based on the law; and to advocate, educate and raise the workers' awareness of labour law and trade union law. In workplaces where the grassroots trade union has not been established, the immediate upper-level trade union shall represent and protect the lawful and legitimate rights and interests of trade union members and workers. Trade unions at unestablished level, grassroots level and immediate upper-level, the employers and state management authority at the relevant level shall cooperate to solve arisen problems related to labour affairs.

Like in many other countries, the trade union in Vietnam is acknowledged and protected, but the big difference lies in the fact that the trade union in Vietnam is not only a normal social-occupational organization but a socio-political one, having an important social status representing not only itself and its members but also protecting workers' rights and interests and representing them in participation in social and economic management. Article 10 of the Constitution of Social Republic of Vietnam (2013) continues to acknowledge and confirm the legal status and role of the trade union organization and activity in Vietnam.

Since the effect of the Labour Code, many collective strikes have occurred in enterprises to demand workers' rights and interests. Though those strikes achieved all or part of the workers' demands, they damaged both the employers and the workers. There is no other choice to settle strikes but representatives of the trade union and the employer conduct dialogues to find out a common voice or solutions. Many disputes are so minor that regular dialogues can result in more timely and better solutions that build up a comfortable atmosphere of mutual trust which in turn promote the enterprise's business and production and improve the workers' rights and benefits.

The question is what the role of the trade union is during a dialogue. The survey and in-depth-interviews of this thesis has revealed that up to 58.6% of the workers in the non-state and 48% of those in the FDI enterprises argue that the trade union plays an important role in organization and implementation of dialogues in the enterprise. The trade union is therefore an integral party of every dialogue to protect workers' legitimate rights and interests.

*Table 11: The participation of the trade union in dialogues in the workplace*

			Type of enterprise		Total
			Non-state	FDI	
Very necessary	<i>Frequency</i>		104	168	272
	<i>Percentage</i>		29.70%	33.60%	32.00%
Necessary	<i>Frequency</i>		205	240	445
	<i>Percentage</i>		58.60%	48.00%	52.40%
Normal	<i>Frequency</i>		41	92	133
	<i>Percentage</i>		11.70%	18.40%	15.60%
<b>Total</b>	<i>Frequency</i>		350	500	850
	<i>Percentage</i>		100.00%	100.00%	100.00%

To make dialogue in the enterprise effective in contribution to development of harmonious, stable and progressive labor relations within enterprises, the trade union should keep playing its roles, specifically in dialogues in the workplace.

#### **4.4. The trend and requirements of dialogue in the enterprise**

As mentioned above, dialogue in the enterprise (or dialogue in the workplace) is the direct exchange between the employer and the employees or the workers' collective. This is an open, positive communication process to exchange information and promote understanding,

consensus, and cooperation in labour relations to develop harmonious, stable, and progressive labour relations. Effective dialogues in the workplace come from respect of the law by all the parties and require their active provision of timely settlement of disputes in labour relations. The Labour Code (2012), effective on 1 May 2013, regulates and specifies organization of dialogues in the workplace (Articles 63 and 65). Accordingly, dialogue in the workplace shall be conducted once every three months or upon a party's request; the employer shall arrange the place and other material conditions for dialogues in the workplace.

Two-thirds of the interviewees agreed that to realize its function in organization of dialogues in the workplace well, the trade union must participate in the development of the dialogue regulation that must be strictly based on the Government's Decree 60/NĐ-CP and suitable with the specific type of enterprise and its practice. The dialogue regulation must specify the principles, contents of periodical and unplanned dialogues, the number of each party's members as participants. It must also provide that the workers may propose issues for dialogue. With those in mind, the trend of dialogues in the workplace should take the following into consideration:

Apart from such dialogue issues as production and business plans, wages and rewards, collective labour agreement, labour contracts, social/health insurances, labour safety/hygiene/management, etc. dialogues should be closely connected with communication of the CPV guidelines, the law, especially the amended Constitution (2013), the Trade Union Law (2012), the Labour Code (2012), and their instructions of implementation so that the trade union members and workers can improve their awareness of their status, role, and contribution and those of the trade union. The dialogue objectives, directions, and tasks must be specified to improve the dialogue participants' qualifications and skills that make dialogues highly effective and protect the legitimate rights and interests of both the employer and the employees.

Adding that, dialogue in the enterprise is one specification of the trade union's role in protecting the workers' rights, so dialogue means improving the quality and effectiveness of the trade union cadres. New grassroots trade union cadres from non-state and FDI enterprises must be attentively trained and retrained while the capacity of new cadres after trade union congresses or those of immediate upper-level trade union must be improved through training. Accordingly, the capacity of the trade union training institutions must be built to meet those tasks and expand joint-training domestically and externally.

Furthermore, to have effective dialogues means to strengthen the development and implementation of the law and policies directly related to workers; to promote participation in the monitoring and protection of trade union members and workers' legitimate rights and interests; and, to improve the quality of negotiation, agreement, and effective implementation of collective labour agreements. In addition, the trade union must further implement its plan of negotiation and development of collective labour agreements in groups of enterprises, local services, and central services in some focal provinces and cities. It must proactively coordinate with the authorities to study and perfect the law and policies, and to inspect, monitor and supervise realization of worker-related policies at agencies, units and enterprises.

The trade union must, through dialogues, promote development of its members, establish grassroots trade unions, improve their operational quality, pay more attention to the organization and personnel at all of its levels, and improve the quality and effectiveness of dialogues in the workplace in line with the Government's Decree No. 60/NĐ-CP.

Most of the social dialogue specialists and VGCL leaders affirmed that for successful and effective dialogues that satisfy all the parties, dialogue organization must meet the following requirements. There must be a comprehensive, relevant, and progressive system of laws. Labour-related laws are important in social life and strongly affect the labour relations. Through the laws, the state guides both workers and employers in development of harmonious and stable labour relations, working together for the enterprise's development. The laws also provide the rights and obligations of workers and employers, labour standards, principles of labour use and management that contribute to promote business and production. This requirement is the most important factor to ensure smooth and successful dialogues. On the other hand, perfection of the institutions of the socialism-oriented market economy, and positive changes in state management of investment and labour will enable the labour market to develop healthily and gain a balance of labour demand and supply among the sectors, regions, rural and urban areas, and qualification structure.

In addition, there must be institutions that guarantee and support the dialogue parties (including the state institutions and those of bipartism and tripartism). Under the market mechanism, the operation of the labour relations is mainly through bipartism at the enterprise and the sectoral levels, and tripartism at the national level. Bipartism is the interaction between two parties (i.e. workers or their representatives and employers or their representatives), which works at the enterprise and the sectoral levels to harmonize the two parties' interests. Bipartism is mainly conducted through dialogue and negotiation on the

basis that each party shall exercise its rights and obligations in line with the law and their commitments. Effective bipartism depends on the good will and capacity of the parties in negotiation as well as their sense of conformity to the law and their commitments.

What's more, there must be strong trade unions (representing workers) and strong employers' representative organization that can fully exercise their functions correctly. In addition, there must be a mechanism for good interaction and coordination. Employers and employees are the two main subjects of a dialogue who determine the dialogue quality.

To express their good will and aspiration to develop harmonious and stable labour relations through dialogue, *employers* shall send their representatives to negotiation and signing of enterprise- or sector-based collective labour agreements. They must cooperate with the trade union in discussing issues of labour relations, improvement of workers' material and spiritual life, implementation of labour contracts, collective labour agreements, and other commitments with the workers. In addition, they must respect the workers' honor and dignities and behave correctly.

About 80 percent of the interviewees confirmed that effective and successful dialogue organization depends largely on the employer's qualification of organization and management, and his sense of cooperation with the trade union to have good settlement of the dialogue parties' interests. The employer (either the owner or his representative) always wants his enterprise to have stable development and high profitability. Workers' income is an extremely sensitive dialogue issue because a raise in their income can improve productivity and product quality for higher profitability.

Employees' participation in dialogues enables the observance of their labour contracts and agreements in line with the law about their productivity, quality, efficiency, pay of extra hours, etc. It also means that they will be given proper labour protection to work with sufficient labour safety and hygiene, to take paid leaves and to have social insurance in line with the law. Employees may establish, join, or exercise trade union activities in line with the Trade Union Law to protect their legitimate rights and interests, to enjoy collective welfare, and to participate in enterprise management in line with the law and the enterprise's regulation.

There should be a strong trade union because the trade union represents and protects workers' legitimate rights and interests, and participate in development of production, employment, and improvement of workers' material and spiritual life. In addition, the trade union monitors

the conformity to the law on labour contracts, recruitment, redundancy, wages, rewards, labour protection, social insurance and other policies on workers' rights, obligations, and interests.

The law does not provide every rights or obligation of the parties in a labour relation but regulates minimum labour standards and the legal framework for the parties' identification of their respective rights and obligations mainly through consultation, negotiation and dialogue. Therefore, to maintain a healthy labour relation that harmonizes the parties' interests, the main instrument is a dialogue mechanism that guarantees "true partners, true issues, true negotiation, and true implementation". The "true partners" here are the dialogue parties (i.e. the trade union, the employees, and the employer). The grassroots trade union must successfully express its role in negotiation and signing of collective labour agreements.

The following major dialogue principles must be maintained and well implemented:

The principle of mutual respect refers to the behaviour of the dialogue parties on the basis of listening to each other; being willing to accept proper proposals of the other party; committing to realize commitments correctly, etc

The principle of cooperation refers to the willingness to cooperate with and facilitate each other; the sharing and good will during negotiation to settle together arisen issues, especially labour disputes, for the common interests, etc.

The principle of negotiation, the most typical principle of dialogue, requires every dialogue issue must be agreed through negotiation between the parties on the basis of voluntary commitment, equality and openness to reach a consensus.

The principle of self-determination means that though the three dialogue parties have interactions but they are independent subjects. They themselves must determine and take responsibility for every successfully negotiated dialogue issue independently, without imposition or interference from any other parties.

#### **4. 5. Strengths and weaknesses of social dialogue in Vietnamese enterprises**

This study aims to evaluate the strengths and weaknesses of the role of the trade union in implementation of social dialogues in the enterprise, and provide recommendations and solutions to improve that role in order to protect laborers' legitimate rights and interests, in an effort to achieve harmonious interests for both the employee and the employer.

### *Achievements*

The survey data indicates that the three parties have initially had close cooperation in dialogues in the enterprise through specific forms in order to contribute to the stability and development of the enterprises, the workers' movement, and the trade unions' activity. The dialogue results are seen in the following aspects: both the employers and the employees realize that dialogue in the enterprise is the form to settle disputes in labour relations upon their arising so that the two parties can easily understand each other and regulate disputes. Active employers and grassroots trade union cadres even meet their workers at work every day to get informed of the workers' aspirations and explain to the workers immediately after a dispute arises. They can exchange with the workshop foremen for consistent solutions. Some enterprise directors even visit every workshop or team having mid-shift meals with their workers to get informed of the latter's actual situation and their aspirations. In so doing, even minor disputes are considered and settled immediately.

In addition, the role of grassroots trade unions has been increasingly promoted. Because their cadres have properly applied legal regulations to the enterprise's actual conditions in holding dialogues, the number of social dialogues has been increased considerably. Directions from the immediate upper-level trade unions also support and provide various solutions for enhancing dialogues and communication at big-sized enterprises. On the other hand, the upper-level trade union also has coordinated well with related authorities in surveying and getting well-informed of the number of enterprises in its locality having periodical dialogues, considering this to be one of its compulsory activities. A lot of enterprises have gradually enhanced and improved the organization, contents and forms of dialogue to attract participation of the workers and employers, promoting a harmonious and stable work environment.

The dialogues in the enterprise have been increasingly effective and greatly contributing to stabilization of the labour relation in the enterprise. It is a regulation that dialogue in the enterprise is held once every three months or upon one party's request. In this form of dialogue, both the trade union and the employer have been well prepared of the issues requested by the workers. For disputes that require immediate settlement, after discussing and agreeing, based on timely information through different channels, the trade union and the employer have provided flexible dialogues that fit the actual condition of production and business. Therefore, the dialogue results are very effective. Labour disputes in some enterprises have been decreasing because their employers have fully realized the legal and



internal regulations and respected the workers' rights as provided in the labour contract between the individual worker and the employer, or in the collective labour agreement made between the trade union representing the workers' collective and the employer. As a result, strikes in those enterprises, especially FDI ones, have been decreasing over the time.

### ***Limitations***

Beside the achievements, social dialogues in Vietnamese enterprises still have certain limitations. Specifically, although dialogue is provided by the law and regulatory documents, it has been underestimated by many enterprises and thus is not quite popularly implemented. While some enterprises in collaboration with the trade union have organized dialogues in line with the law, others do not want to in fear that such dialogues will affect their existing management; some employers, in belief that dialogue is the responsibility of the workplace trade unions, do not cooperate in organizing dialogues. In addition, though made available, certain dialogues in the workplace remain limited and ineffective. Dialogues in some enterprises are merely formal or inadequately prepared, and the dialogue mechanism has been neither clearly identified nor promoting the parties' role in dialogue. Moreover, workplace trade unions in certain enterprises have not fully played their role. Although their duties and functions have been provided, their activity has not fully reflected the function of representing and protecting the worker's legitimate rights and interests. What's more, despite the regulatory documents on workers' rights and interests, violations are still found in some enterprises, especially in non-state and FDI ones. The fact that labour disputes and strikes keep taking place unexpectedly indicates that the labour relations in those enterprises have not been improved yet through the useful instrument of dialogue.

## CHAPTER5: SOLUTIONS FOR PROMOTING DIALOGUES IN THE ENTERPRISE AND STRENGTHENING THE ROLE OF THE TRADE UNION

To overcome the weaknesses of organizing dialogues in the workplace and to improve the social dialogue quality in the enterprise, some solutions to enhance dialogue in the enterprise, the role of the trade union and the dialogue organizing process are proposed as follows.

### **5.1. Promoting communication and dialogue in the enterprise**

Communication with employees is one important function of the trade union in Vietnam. Not only communicating about the CPV guidelines, the laws and government policies, the trade union also encourages employees to actively study to improve their qualifications to meet new requirements of production and business, the development of socialism-oriented market economy, promotion of national industrialization and modernization, and, further development of the working class and the trade union. The trade union has well communicated the law in line with the Prime Minister's Decision No. 31/2009/QĐ-TTg, with a special attention paid to non-state and FDI enterprises, so that the perception and knowledge of the trade union members and workers have been improved. Promoting communication about dialogue in the enterprise should focus on the following activities:

Conduct wide and deep communication with workers about the importance of dialogue in the enterprise. Communication is one of the three basic functions of the trade union. It is used to awake, collect and mobilize employees creating a consistency in perception, idea and action; aiming to realize set objectives and contribute to building a strong working class and trade union. Therefore, trade unions, especially grassroots ones, consider communication their first regular task integral into their activities to propagate knowledge, spiritual values and ideas to their members and workers and to make them become perceptions, beliefs, and feelings that encourage workers act towards the objectives and ideas of the working class and the trade union. Communication is more necessary nowadays when disputes in labour relations tend to become increasingly complicated, but dispute settlement involves not only legal documents and regulations but also flexible methods, of which dialogues in the workplace are considered an effective tool.

Besides, communication of CPV guidelines, the law and government policies should be strengthened to help employees and employers understand and correctly follow the law in protection of themselves. In addition, the trade union should make timely communication of regimes and policies on the legitimate rights and interests of employers and employees; it

should get informed of their aspirations and questions about the policies and regimes so that it can provide proper explanation and settlement that help employees and employers understand and thus keep focusing on their work.

Also, the trade union should communicate to improve workers' education and qualifications. It should coordinate with the government to mobilize workers to training courses so that workers can increasingly promote their competence, role and tasks in the new situation. Their improved education and qualifications also mean that workers have better knowledge of the labour-related laws and more objective, scientific consideration and judgment, which are the favourable conditions for effective dialogues because the dialogue parties will have better mutual understanding and share difficulties facing the enterprise.

Moreover, the trade union should communicate to improve the perception of everyone in the enterprise about the dialogue mechanism so that they will support and promote effective dialogues. Under a market economy, the dialogue mechanism in the production and business sector is one of the most important mechanisms to provide a stable work environment and increase both employees' mastery and employers' interests. The fact that people's knowledge of the dialogue mechanism in this sector, especially in non-state and FDI enterprises, remains much limited however requires clearer and more comprehensive perception.

The last, the trade union should communicate about employees' and employers' respect and strict implementation of their signed collective labour agreement. The results of collective negotiation and agreement between the employer and the employees or their representative form the basis for signing a collective labour agreement. What matters is that collective labour agreement must really reflect the employees' needs and the employer's ability; it must be strictly implemented by the parties under supervision by state authorities, especially local ones; and, that agreement must be regularly revised to fit changes in practice.

## **5.2. Diversification of social dialogue in the enterprise**

Social dialogue in the enterprise is being the inevitable trend to settle disputes in labour relations in enterprises. On the other hand, it is also one form of exchanging ideas and consulting the parties of the labour relation for settlement of difficulties and promotion of enterprise development.

It is provided by the law that social dialogue in the enterprise is organized once every three months or upon one party's request. The grassroots trade union should have a good grasp of the procedure and issues of dialogue. To make a dialogue successful, dialogue issues, one

focal thing, requires attention and thorough preparation. Because those issues are developed on the basis of ideas and information collected from the workers, forms of idea collection should be varied from comment letter boxes, idea collection by trade union leaders, the labour relations division, to the trade union network covering every production team or workshop.

Added to that, unplanned dialogue is organized to settle urgent issues so as to stabilize production and business and avoid labour disputes or strikes in the enterprise. It can be requested by the workers' collective or by the employers. If the request is made by the workers' collective, trade union cadres should, upon discovery of urgent issues related to workers' rights, make timely report to the executive committee of the workplace trade union to come to an agreement of the dialogue issues that will be sent to the employer in writing for organization of an unplanned dialogue.

Apart from these two forms of dialogue, the executive committee of the workplace trade union may, depending on the specific situation of the enterprise, propose inclusion of the following forms into the enterprise's regulation on dialogue as: Direct dialogue between workshop forepersons/team leaders and their workers to settle complaints and demands about work hours, labour discipline, work conditions, work environment, relationship between managers and workers. This form can be organized on the first day of a week. And direct dialogue between the employer (the management) and the representative of the workers' collective (the executive committee of the workplace trade union) to exchange information related to the production and management processes of the enterprise. The committee will provide information collected from the trade union's channels while the employer will inform the former of the production/business situation, the implementation of regimes and policies related to workers, or issues of production/business that require participation of the trade union. This form of dialogue can be organized during the first week of a month.

### **5.3. Establishing an interaction mechanism and capacity building for the dialogue parties in the enterprise**

A dialogue mechanism for the parties in the enterprise must be established. Under a market economy, dialogue on labour relations is one effective tool to improve the interaction between the parties of a labour relation, harmonize their interests, and minimize disputes of labour and interest. Dialogue is a mechanism that involves the parties of a labour relation (mainly the representatives of the government, the employer, and the employees) and other social partners

(i.e. social, socio-occupational, and nongovernmental organizations) when necessary, to exchange information, consult, negotiate and agree about issues arisen in the labour relation, especially those of wages, social insurances, work hours and other work conditions.

Additionally, a mechanism for negotiation and agreement between the parties must be established. Negotiation and agreement between the parties in an enterprise form a type of dialogue to achieve an agreement or commitment in the labour relation that is connected with the parties' practical interests. The results will lead to specific negotiation for signing a collective labour agreement at the enterprise- or sectoral level, so negotiation and agreement is among the most basic mechanisms for interaction between the subjects of a market economy, and it is an important measure to prevent and limit labour disputes and strikes.

Bipartism must be developed in the enterprise. Not only should the interaction be developed through bipartism in the enterprise to harmonize the parties' interests, and the regulation on a dialogue mechanism and agreement of labour relation contents, including the parties' rights and obligations as mentioned in the collective labour agreement, should be furthered, but a dialogue mechanism should also be developed and maintained. The parties' rights and obligations should be annually negotiated and agreed when making the production and business plan for the following year, with consideration of possible growth and the labour demand and supply. Added to that, information on work, working conditions, wages, and rewards should be made open and transparent to provide the basis for the two parties' agreement in recruitment and signing of labour contracts. Furthermore, trade union cadres (representing workers) should be facilitated in development of policies for workers to develop a stable and healthy labour relation in the enterprise. And the capacity of the grassroots trade union and the government's inspection and examination should be improved to promote negotiation and agreement of wages in collective labour agreements.

The capacity of the dialogue parties in the enterprise include that of every participant representing them in a dialogue to settle issues and disputes in labour relations related to their rights and interests. Under Vietnam's current development of socialism-oriented market economy, tripartism has just been established and operated at the macro level. It includes the representatives of the Government, the VGCL representing the workers' rights, the VCCI and VCA representing the employers' rights. At the enterprise level, bipartism involves the employer and the grassroots trade union representing the employees. However, special attention should be paid to the relation between the employees and the employer, especially in FDI enterprises, because disputes of interest always arise between them. In the current

labour relations, individual employees tend to have more disadvantages than employers, especially because there is more supply and demand of labour, so employees tend to accept more disadvantageous conditions in negotiation and agreement with employers.

Capacity building for the dialogue parties is therefore very necessary because it can make dialogues successful. It should focus on the following contents: The parties' perception and application of legal documents should be improved. Legal documents, for example the Labour Code, the Enterprise Law, the Social Insurance Law, the Health Insurance Law, are compulsory regulations to every organization and individual in the society. They tend to be the frameworks for internal regulations of organizations and agencies. In addition, the parties' skills of negotiation and bargaining should be improved because they are important skills for every participant to finally reach harmonization of dialogue issues. Moreover, the parties' organization of dialogue should be improved. A dialogue regulation must be developed to include such stipulations as dialogue issues, dialogue principles, and the participants' rights during a dialogue. A regulation on periodical dialogue must be developed and issued by the employer in collaboration with the trade union representing the workers. What's more, the parties' skill for collecting information should be improved. Information can have enormous effect on dialogue results. It can be collected through various channels such as idea collection from workers, using survey questionnaires or comment letter boxes, or workers' direct reflection to their trade union leader who can have timely reception of workers' ideas and disputes because he is close to them every day.

#### **5.4. Promoting the role of the trade union in dialogue in the enterprise**

Strengthening participation in development, monitoring and supervision of implementation of the law and policies related to workers, especially implementation of labour contracts, collective labour agreements, and internal regulations is an urgent task of the trade union in order to improve its performance in the socialism-oriented market economy and during international economic integration, in contribution to realization of trade union functions, with a special appreciation of its function of representing and protecting workers' legitimate rights and interests.

The VGCL and its member trade unions have successfully participated in development of regulatory documents of the Government, ministries, central agencies and local governments. The trade unions have contributed many ideas to the perfection of legal regulations, especially those in the fields of labour and trade union. In addition, the trade unions have

regularly monitored and co-monitored implementation of the laws on labour and trade union; the activity is useful in many fields. Although much successful in those activities, the trade unions are still facing some limitations.

The quality of the trade union's participation in development of regulations remains modest, and even passive and late in some cases not collecting ideas of the majority of workers and trade union cadres. Some enterprises have reflected mere basic legal stipulations in their regulations and collective labour agreements without fully letting workers to have more benefits. It is because the trade union cadres in those enterprises hold many posts at the same time or depend on their employment, wages and incomes. On the other hand, they may not be well aware of their enterprise's plans of production and business, labour use, capital use, establishment of enterprise funds, etc. Besides, a majority of workers in non-state sector know neither their own rights and obligations and their employer nor have wide and deep knowledge of the trade unions as the organizations representing and protecting worker's legitimate rights and interests. Apart from this, the trade unions, even those at the provincial level or of a central service, have not really improved their activity of legal advice. Their representation and protection of worker's legitimate rights and interests before state authorities have been conducted in only some localities, sectors, and enterprises but quite ineffectively. What's more, the trade unions' monitoring, co-monitoring and supervision of implementation of the law on workers remain much limited, especially in proposing and supervising punishment of violations. Consequently, violations are repeated in many enterprises. Finally, the trade unions' participation in settlement of many labour disputes and strikes have not followed the procedure and thus experienced much confusion and passiveness. Their measures for prevention and limiting of labour disputes and illegal strikes are quite ineffective. In enterprises experiencing strikes, most of their grassroots trade unions have not realized their role and responsibility in line with the law.

### **The causes of the limitations and shortcomings**

Some trade unions still have inadequate perception of their activity of legal advice. Lacking understanding of the importance of this activity, they have paid insufficient attention to their work condition, organization and personnel, and their contents and methods remain unchanged. Adding that, the trade union's organizational machinery for their activity of legal advice remains unsystematic and nonstrategic. The staff arranged for this activity is limited in number, qualifications and skills. The trade unions should provide training and retraining plans for these cadres. Also, the trade unions' cooperation with related agencies about this

activity remains quite passive, loose and ineffective. Moreover, the limitations result from the limited knowledge and a low sense of conformity to the law of certain workers and employers; in addition, there are still many overlaps, limitations, conflicts and shortcomings because Vietnam's legal system on market economy is being perfected.

Based on the reality and the causes of the situation mentioned above, the trade unions' participation in development, monitoring and supervision of implementation of the law and policies related to workers should carry out the solutions. Specifically, the trade unions should further improve their perception and viewpoint of the status, role, and importance, and need to promote their activity of legal advice in the new context. They should develop and perfect the system of organization and operation of the trade unions' activity of legal advice.

The trade unions should actively study to improve the quality of their participation in development of regulatory documents, policies, and internal documents directly related to the rights and interests of workers and the trade unions. During this participation, the trade unions should have various suitable measures to collect ideas of workers and trade union cadres. They should, in various forms and approaches, promote communication and guide of practical contents of law implementation among workers with a focus on those in non-state and FDI enterprises and younger employees.

In addition, the trade unions should further promote its activity of legal advice and support; develop and provide flexible forms of advice suitable with different fields and groups of workers; and, focus on provision of legal advice to the grassroots level. They should improve the effectiveness of protecting workers' legitimate rights and interests during legal procedures or before state authorities. Furthermore, the trade unions should proactively develop and implement preventive measures for labour disputes and illegal strikes in enterprises. They should play the role of organizing and leading strikes in line with the law; coordinate in quick, effective and timely settlement of labour disputes and strikes to stabilize production and business; and, guarantee the legitimate rights and interests of the parties of labour relations and those of the state. Last but not least, the trade unions should strengthen its activities of monitoring and supervision together with communication of implementation of the laws on labour and trade union, as well as regimes and policies related to workers and the trade union. They should propose to the state and relevant authorities to amend and perfect the law and policies, and they themselves should firmly propose strict punishment of violations of the law, contributing to maintenance of the order and discipline in the fields of labour and trade union.



As the representative of Vietnamese workers, the role of the trade union, especially the grassroots ones, in dialogue in the enterprise is clearly stipulated by the law. The objective of dialogues in the workplace is to exchange information of production/business plans and results, to get informed of workers' demands and aspirations, and to communicate about new laws and policies. Because such dialogues improve the parties' information, the relationship between the workers, the trade union, and the employer is strengthened, and the parties can find solutions to issues of common interest. Dialogues in the workplace are based on the principle of respecting differences. Different viewpoints of the participants who have different positions in the enterprise are all heard before making best choices for the development of the enterprise and harmonious, stable, progressive labour relations. This principle allows the parties to share and receive each other's views and work together for new concepts and understanding. This encourages every participant to accept things new to their perception and understanding. Therefore, dialogues in the workplace not only seek communication among the parties but development of the enterprise in every aspect (e.g. product quality, productivity, reduction of dispute, reduction of job-resigning) because these dialogues provide the enterprise management and the trade union an opportunity to investigate, discuss and settle issues arisen out of the collective labour agreement or labour contracts.

Periodical dialogues in the workplace harmonize aspirations of both employees and employers, and, at the same time, create transparency that minimizes misunderstanding and develops mutual trust between the two parties. Effective dialogues also motivate employees to contribute more to the enterprise through increased productivity and higher efficiency; they make employees feel secure at work and more attached to the enterprise knowing that the employer always takes care of their life.

Effective dialogues in the workplace require proper knowledge of both parties for achieving common objectives: the development and high profitability of the enterprise, and the increasing rights and benefits of the employees. They should avoid the tendency of denial, disregard, and fear of waste of time, inferior complex or defying that result in unnecessary disputes. The parties should, on the other hand, follow the law on dialogue and have good preparation of the dialogue issues, participants, and agenda. During organization of dialogue in the enterprise, the grassroots trade union should attentively coordinate with the employer. If necessary, they may "meet the employer for exchange and bargaining of issues of labour and labour use" (Clause 1, Article 191, the Labour Code 2012).

To promote its role in dialogue in the enterprise, the grassroots trade union should focus on the major contents. Specifically, the grassroots trade union should proactively propose and organize dialogues, discuss and exchange issues with the employer before disputes; request an unplanned dialogue, when necessary, with the immediate upper-level trade union and authorities. Not only must every official dialogue be fully recorded, and collective bargaining must be made with (written) minutes. Experience should be drawn from every dialogue but dialogue messages also must be made simple and clear, summarizing the most common issues raised by the workers, and the workers should be facilitated to meet the employer and the trade union cadres more frequently. Further, individuals' issues should not be raised during a collective dialogue. The participants should be calm and confident, not blaming each other when facing difficulties during a dialogue. They should not be too ambitious about settling every raised issue at once. The VGCL is the representative of Vietnamese workers, so the trade union represents the workers to protect their legitimate rights and interests during dialogue with the employer.

## CHAPTER 6: CONCLUSION AND RECOMMENDATIONS FOR PROMOTING SOCIAL DIALOGUE IN VIETNAMESE ENTERPRISES

### 6.1. Conclusions

In conclusion, the findings of the research from consulting documents, analyzing the survey and interviews show the problems of social dialogue in Vietnamese enterprises. The findings indicate that social dialogue in the enterprise is an inevitable objective need of Vietnam's industrialization and integration into the world. Dialogue in the enterprise covers phenomena and processes both in and out of the workplace and is related to formulation and regulation of the labour relations in the enterprise. Furthermore, the status of dialogue indicates that issues arisen in a labour relation can be settled immediately so that enterprises can avoid disputes between employees and employers. They can reach a mutual understanding and sympathy by exchanging information through dialogue. However, current dialogues remain somewhat limited, as seen in the vaguely-defined dialogue mechanism, unsatisfactory sanctions provided by some legal documents that ease employers' violation of workers' legitimate rights and interests, especially with the inadequate function of some workplace trade unions. Accordingly, the dialogue quality and results are limited, too. Finally, to overcome the weaknesses of organizing dialogues in the workplace, the interview has shown that 62 percent of the respondents have mentioned the trends and requirements for enterprises in organizing dialogues, which include a perfect, suitable and progressive legal system; institutions that guarantee and support the dialogue parties; a strong trade union that fully and correctly realize its functions; and, a mechanism for good interaction and coordination between the dialogue parties. Based on the status of social dialogues and in order to improve the dialogue quality in the enterprise, some solutions to enhance dialogue in the enterprise and the role of the trade union have been suggested in chapter 5 of this thesis.

As Vietnam is developing its socialism-oriented market economy, the employment and labour relations in the country have been fundamentally regulated by the market principles. The institutionalization (including such laws as the Trade Union Law, the Labour Code, the Enterprise Law, and the Investment Law) and issuance of various policies on development of the private sector, reform of SOEs, economic development in rural areas, etc. have really changed the characteristics of the labour market, created more employment, and improved the human resource quality.

The amended Labour Code and the Trade Union Law have directly established the legal framework for formulation and development of labour relations. Vietnam's ratification of the ILO's 18 conventions and related UN conventions also have contributed to further development of its labour relations in line with international labour standards. In summary, important improvements of the legal framework have promoted formulation of the new labour relations between employees and employers, facilitating collective bargaining and dialogues in the workplace.

## **6.2. Lessons of experience for social dialogue**

The social partnership system must be built and strengthened, and the tripartite mechanism must be enhanced. Under Vietnam's current socialism-oriented market economy, which replaces its previous planned economy, the newly established tripartite mechanism involves the Government, the VGCL representing the workers' rights, the Vietnam Chamber of Commerce and Industry (VCCI) and Vietnam Cooperative Alliance (VCA) representing the employers' rights. Under its previous planned economy, Vietnam had only two types of ownership with the two economic sectors (i.e. state and collective one), so every member of the society had the same benefits with the state representing the general benefits of the whole society; workers both earning salary and being owners of their enterprises; and, there being few conflicts of interest in labour relations. Because there are many economic sectors and different types of ownership under the current socialism-oriented market economy, members of the society have different benefits or even disputes of benefits; workers' status have varied a lot: they are either employers or employees, or both. Strengthening the tripartite mechanism is therefore very necessary in the current economy because tripartism not only provides an environment for development of harmonious, stable and progressive labour relations in the enterprise but also contributes to formulation of social and labour policies.

*Moreover*, the dialogue members' capacity must be improved because they all represent the parties' interests and tend to protect their own rights. Capacity building for dialogue practice (e.g. skills for negotiation, analysis, forecast, and correct interpretation of legal documents, especially enterprise regulations, problem-solving in labour relations related to the parties' rights) therefore has very big influence over dialogue results.

Also, legal documents must be perfected. Being highly compulsory, legal documents (e.g. the Labour Code, the Enterprise Law, the Trade Union Law, the Social Insurance Law, and the Law on Health Insurance) regulate the behaviour of members of an organization or, to a

larger scale, members of a society. Their contents must be amended to fit each development stage of the country; for example, regulations on the labour contract, the collective labour agreement, and the national and regional minimum wage must be adjusted to specific situations. Because the law provides only a legal framework that orients implementation, enterprises must study and apply to their own situations through provision of such workplace regulations as those on wages, rewards, recruitment, emulation, democracy, collective labour agreement, etc. Those documents must be regularly or periodically revised and amended to fit the country's development and the condition of enterprises.

### **6.3. Recommendations for the state and the trade union**

In order to implement the proposed solutions effectively, the author give proposal to the State and Trade Union as following.

*Recommendations for the State.* The State should promote implementation of the current laws and policies such as those on employment, wages, and accommodation for workers so that workers can benefit from those laws and policies. Regarding employment, the State should attentively prioritize development of labour attracting industries and fields. Its policies should encourage and facilitate investment in development of production and business. Regarding wages, the State should issue some general systems of payroll and allowances that both state-owned and non-state enterprises can apply to their specific size and production. The State should provide a general system of labour norms instead of leaving it to enterprises. Regarding the accommodation policy, the State should attentively improve accommodation for workers, especially those working in industrial zones. The policy should receive due attention of the CPV, the State, enterprise owners, workers and the whole society. It should clearly identify the responsibility of the State, enterprise owners, and workers in arrangement of accommodation; and their coordination with the governments to settle difficulties of land, planning, capital, procedures while facilitating participation of real estate organizations in accommodation development projects. The accommodation policy should also provide support to accommodation acquisition by workers in urban areas, especially those working in industrial zones so that the rent or price is reasonable.

Specifically, the State should strengthen its inspection of implementation of policies for workers, which is one of its functions that helps enhance the effect of the legal documents. The inspection must be strengthened from the central to the local level, especially in enterprises, both to enhance implementation of the law and policies and to reduce violations

of the rights and interests of the parties in labour relations. As a result, the inspection must be conducted regularly in collaboration with the trade union and every worker.

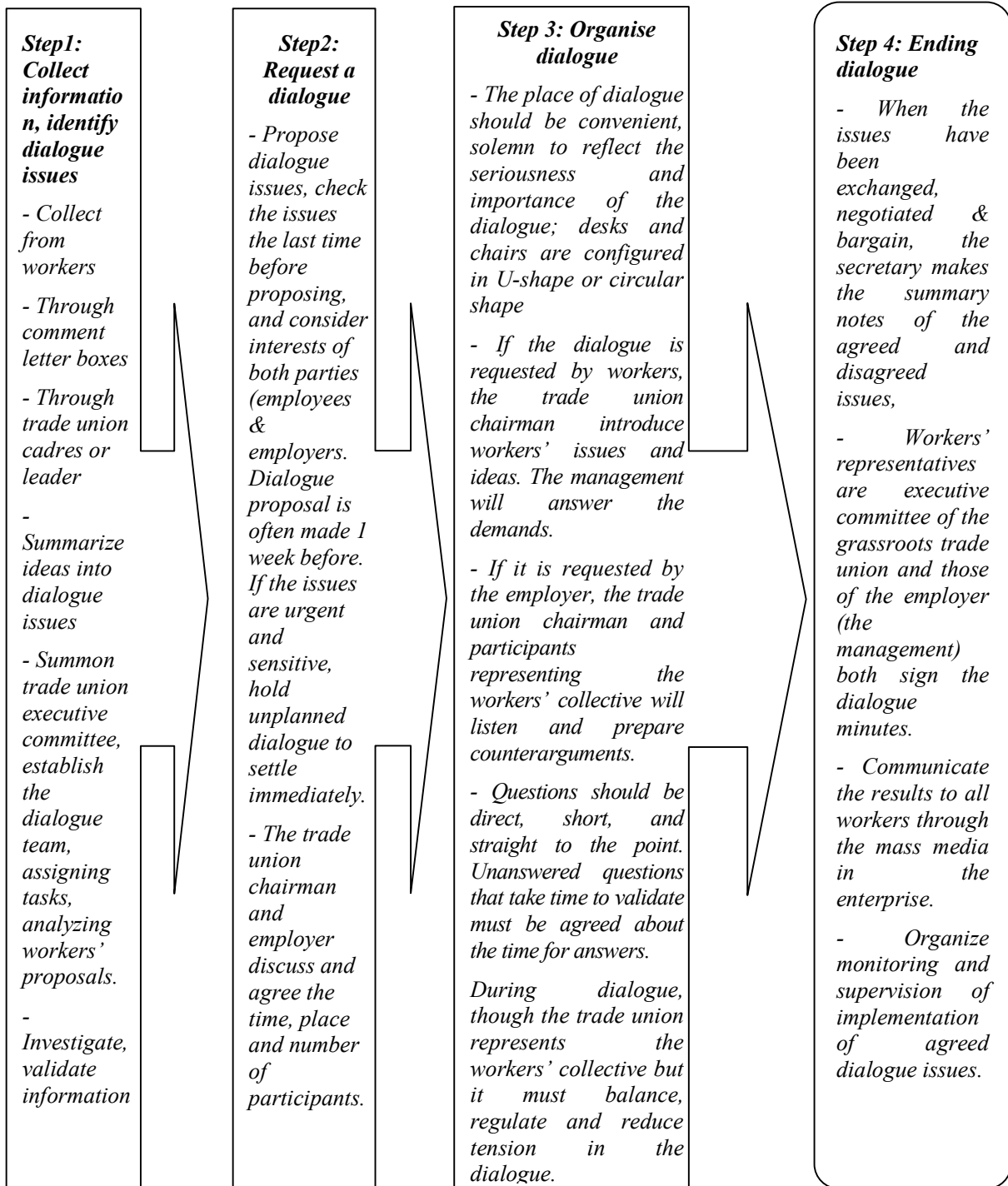
The State should promote development and implementation of the grassroots democracy regulation, including this regulation into the criteria for annual emulation assessment. Implementation of the regulation in enterprises is a legal basis for both employers and the employees to exercise their rights and obligations more fully in line with the requirements of the market mechanism; to improve their knowledge of the law, their rights and obligations; and, their conformity to the enterprise regulations. Therefore, organizations in general and enterprises in particular should coordinate in development of the grassroots democracy regulation in line with their respective conditions. Development and implementation of the grassroots democracy regulation must be made one of the criteria for emulation and reward assessment.

***Recommendations for the trade union.*** The trade union should have effective direction over development of its membership, establishment of grassroots trade unions, and development of strong grassroots trade union. Because the trade union is an organization of workers, it should be established immediately upon sufficient conditions to guarantee workers' rights and interests. An effective grassroots trade union will motivate workers to work with productivity, quality and efficiency. That trade union can communicate the law to workers and encourage them to improve their skills and conform to the labour regulations and discipline of the enterprise.

Moreover, the trade union should improve the role of grassroots trade union. Because grassroots trade unions are considered the foundation of the trade union, the whole system can be made strong only when the grassroots ones are. A strong grassroots trade union is one that well performs the role of Vietnam's trade union in its enterprise, which is clearly seen in its activities. Dialogue in the enterprise is contributing to stabilization of labour relations and unity throughout the enterprise, so grassroots trade unions should further promote their role to meet the requirements of the workers' movement and trade union operation.

The study suggests that the process of organizing a dialogue should be as follows Figure 3:

Figure 3. Suggested process for organizing social dialogue in enterprises



## REFERENCES

- (GSO), G. S. (2013). *Results of GSO Survey on Enterprises in 2013*. Statistics Publishing House.
- (MoET), M. o. (2005). *Some Issues about Labour Relations in Non-state and FDI Sectors*.
- (MPI), M. o. (2012). *Some Issues of Labour Relations in Non-state and FDI Sectors*.
- (VCCI), V. C. (2010). *about Relations in Enterprises: Employers' Must-knows*.
- Amante, M. S. (2010). *The ASEAN Framework and the Capacity of Social Dialogue in Regional Integration*.
- Añonuevo, T. Q. (n.d.). *The Role of the Trade Union Movement in Migration and Development*. Retrieved from [https://www.iom.int/jahia/webdav/shared/shared/mainsite/microsites/IDM/workshops/global\\_labour\\_mobility\\_0809102007/presentations/notes\\_anonuevo.pdf](https://www.iom.int/jahia/webdav/shared/shared/mainsite/microsites/IDM/workshops/global_labour_mobility_0809102007/presentations/notes_anonuevo.pdf)
- Article 40, the Party Constitution*. The Committee Party of Vietnam.
- Article.4.Constitution. (2013). *Constitution*. National Assembly of the Socialist Republic of Vietnam.
- Article63.Labour\_Law. (2012). *Labour Code*. National Assembly of the Socialist Republic of Vietnam.
- Article69.Constitution. (2013). *Constitution*. National Assembly of the Socialist Republic of Vietnam.
- Articles 10&22, Trade Union Law*. (2012).
- Badigannavar, V. (2016). *Union Experience of Social Dialogue and Collective Participation in India Employee Voice in Emerging Economies (pp. 45-71)*. Badigannavar, V. (2016). *Union Experience of Social Dialogue and Collective Participation in India Employee Voice in Emerging Economies (pp. 45-71)*: Emerald Group Publishing Limited.
- Burgess, D. T. (2001). *Guide to the design of Questionnaires: A general introduction to the design of questionnaires for survey research*. 70. Dr Thomas F Burgess. (2001). *Guide to the design of Quest University of Leeds*.
- C.R.Kothari. (2004). *Research methodology: Method and techniques*. New Age International.
- Carley, M. (2012). *Social Dialogue*. Publications Office of the European Union,.
- Chapter 5 Labour Law*. (2012). National Assembly of the Socialist Republic of Vietnam.
- Chi, D. Q., & Broek, D. v. d. (2013). *Wildcat strikes: A catalyst for union reform in Vietnam?* . *Journal of Industrial Relations*, 55(5), 783-799.



Chung Hee Lee, ILO Bangkok, & Simon Clarke, Warwick University (UK). 28. *Chung Hee Lee, ILO Bangkok, & Simon Clarke, Warwick University (UK). Strikes and Labour Relations in Vietnam.*

*Decree No. 60/2013/NĐ-CP*. (n.d.). Retrieved June 9, 2013, from Socialist Republic of Vietnam Government Portal:

portal/page/portal/chinhphu/hethongvanban?class\_id=1&mode=detail&document\_id=168202

Dinh, T. T. (2006). *Vietnam's Private Sector after Two Decades of Renovation: Reality and Issues*. Vietnam's Private Sector after Two Decades of Renovation: Reality and Issues.

Do, C. Q. (2011). *Understanding Industrial Relations Transformation in Vietnam: A multi-dimensional approach*.

(2006). *Document of the National Workshop on Wages, Productivity and Labour Relations, ASEAN-Japan Cooperative Programme on Labour Relations. 2006.*

Duc, H. (2013). *Questions and Answers about the Labour Code 2013*.

Dundon et al 2004 The meaning and purpose of employee voice *The international Journal of Human resource Management* 7

Dundon, T., Wilkinson\*, A., Marchington, M., & Ackers, P. (2004). *The meanings and purpose of employee voice*. 50. Dundon, T., Wilkinson\*, A., Marchington, M., & Ackers, P. (2004). The meanings *The International Journal of Human Resource Management*, 15(6), 1149-1170.

EPSU, t. E. (2008). *Trade union, Collective bargaining and social dialogue in local and regional government in the EU member states, EEA and candidate countries*.

Ermida, O. (2000). *Social dialogue: Theory and practice*.

Evelyn, G. (2000). *Social dialogue in selected countries in the Caribbean: An overview*. 33.

Freeman, R. B., & Medoff, J. L. (1984). *What do unions do?*. New York: Basic Books.

*Government's Decree No. 60/2013/NĐ-CP*. (2013). The Government.

Govorova, N. V. (2005). *Nh Experience of Social Dialogue in the Russian Federation*. *the Europe Today Journal*, 15. Nh. V. Govorova. 2005. *Experience of Social Dialogue in the Russian Federation in the Europe Today Journal*,

Granath, S. (2016). *The Practice of Social Dialogue in the Readymade Garment factories in Bangladesh—H&M case study*.

GSO. (2011,2012,2013). *Survey on Labour, Employment, Wage, and Income in Enterprises*.

GSO. (2010-2015). *Vietnam's Socio-economic Move and Reality*.

Ha, L. T. (2008). *Labour Relations in International Economic Integration*. Labour Publishing House.

Hancock, B. (1998). *Hancock, B. (1998). Trent Focus For Research And Development In Primary Health Care: An Introduction To Qualitative Research*. Retrieved from.

Hassan, Z. (2013). *Trade Unionism and Workers Protection in Finland*.

Hethy, L. (2000). *social dialogue within and outside of the framework of tripartism*.

Hyman, R. (2010). *Social Dialogue in Western Union: The State of the Art*.

ILO. (2004). *Some ILO Conventions and Recommendations*. Labour Publishing House.

ILO. (2008).

ILO2013 *Governance and Tripartism Dept*

(2008). *Institute of Labour and Social Sciences. 2008. Ministerial-level Research on Forecast of Influences of Growth and Integration on Labour, Wages, and Society*. Institute of Labour and Social Sciences.

*Instruction No. 22/CT-TW in 2008*. The Secretariat of CPV Central Committee.

Isaacs, W. (1999). *Dialogue and the Art of Thinking Together*.

Ishikawa, J. (2003). *Key Features of National Social Dialogue: a Social Dialogue Resource Book*. International Labour Organization 2003.

*Labour Code* . (2012).

*Labour Law*. 2012.

Laihonen and Mäntylä . (2017). Principles of performance dialogue in public administration. *International Journal of Pulic Sector Managerment* .

Law, T. e. (n.d.). Retrieved 2013, from [http://www.moj.gov.vn/vbpq/lists/vn%20bn%20php%20lut/view\\_detail.aspx?itemid=30314#](http://www.moj.gov.vn/vbpq/lists/vn%20bn%20php%20lut/view_detail.aspx?itemid=30314#)

Le, H. T. (2004). *Social Justice and Equality in Our Country Nowadays*.

Linard, A. (2000). *Engaging in dialogue without selling one's soul*.

Mack et al. (2005). 61. Mack, N., Woodsong, C., *MacqQualitative Research Methods: A Data Collector's Field Guide Available from*.

Mailand, M., & Due, J. (2004). *Social dialogue in Central and Eastern Europe: present state and future development*. 53. Mailand, M., & Due, J. (2004). Social dialogue in Central and Ea European Journal of Industrial Relations, 10(2), 179-197.

MOLISA. (2011,2012,2013). *Annual Survey of Labour, Wages, and Social Insurance in Enterprises*.

MOLISA. (2008). *Distributional Relations in Socialism-oriented Market Economy*.

MOLISA. *Policy on Labour and War Invalids under the Renovation*. 2005.

Monyatsi, G. (2013). *The role and challenges of Trade Unions in Post-Apartheid South Africa: the case of the National Education Health and Allied Workers Union*.

- Muskhelishvili, M. (2011). *Social dialogue in Georgia*. European Union and Friedrich-Ebert-Stiftung.
- Nam, N. V. (2006). *The Quality of Vietnam's Economic Growth*. National Economic University Press. National Economic University Press.
- Neuman, W. L. (2014). *Social Research Methods: Qualitative and Quantitative Approaches*. Pearson Education Limited.
- Nghiem, L. H. (2006). *Work culture, gender and class in Vietnam: Ethnographies of three garment workshops in Hanoi*.
- Nguyen, N. Y. (1998). *Great Vietnamese Dictionary*. Culture & Information Publishing House.
- Nguyen, T. P. (2014). *Rethinking State-Labour Relations in Vietnam: New Dynamics in Resolving Labour Disputes*.
- Nguyen, T. P. (2017a). Workers' Strikes in Vietnam from a Regulatory Perspective. *Asian Studies Review* , 41(2), 263-280.
- Nguyen, T. P. (2017b). *Workplace (in) justice, law and labour resistance in Vietnam*.
- Nguyen, V. N. (2010). *The Quality of Vietnam's Economic Growth*. National Economic University Press.
- Ozaki, M. (2000). *Social dialogue: An international overview*.
- Perera, G. (2010). *Sectoral Social Dialogue in Europe*. Hanoi Publish House.
- Polyacova, N. ( 26 December 2002 ). Social Dialogue in Practice in Russian Regionson . 14.
- Nhina Polyacova. Social Dialogue in Phhttp://www.ng.ru/regions/2002-12-26/4\_tula.html?id\_user=Y.
- Robson, C. *Real World Research*. John Wiley & Sons Ltd.
- Romney, P. (2005). *Patricia Romney The Art of Dialogue*.
- Scott W. VanderStoep. (2009). *Research methods for everyday life : blending qualitative and quantitative approaches*. John Wiley & Sons, Inc. All rights reserved.
- Social Partnership in the Russian Federation*. (2008). Daixki Russian.
- Stephen M. Croucher and Daniel Cronn-Mills. (2015). *Understanding communication research methods: A theoretical and practical approach*. UnderstThe Talor and Francis Group.
- Stephen M. Croucher and Daniel Cronn-Mills. (2015). *Understanding communication research methods: A theoretical and practical approach*. UnderstThe Talor and Francis Group.

- Thai, N. Q. (2007). *Sustainable Development in Vietnam – Achievements, Opportunities, Challenges and Prospects*. Labour and Social Publisher.
- The enterprise Law*. (n.d.). Retrieved 2014, from [http://www.moj.gov.vn/vbpq/lists/vn%20bn%20php%20lut/view\\_detail.aspx?itemid=30314#](http://www.moj.gov.vn/vbpq/lists/vn%20bn%20php%20lut/view_detail.aspx?itemid=30314#)
- Torm, N. (2012). The role of trade unions in Vietnam: A case study of small and medium enterprises. *Journal of International Development* .
- Trade union and social dialogue: The global dimension 2000 11
- Trade Union Law*. (2012).
- Trade Union Law, 2012*.
- Tran, A. (2012). *Vietnamese Textile and Garment Industry in the Global Supply Chain: State Strategies and Workers' Responses*. *Institutions and Economies*, 4(3). .
- Tran, D. C. (2009). *Social Responsibility of Enterprises: Some Theoretical Issues and Requirements of Reform in State Management*.
- Trappmann, V. (2012). *Trade Unions in Poland Current Situation, Organisation and Challenges*.
- Tuan, N. A. (2012). *The Trade Union's role in protection of workers' rights in FDI enterprises in Vietnam*.
- VGCL. (2011). *Development of Labour Relations, Promotion of Social Responsibility-The Role of Vietnam's Trade Union*. Labour Publishing House.
- VGCL et al. (2011). *The Trade Union and Labour Relations in Vietnam's Market Economy*.
- VGCL. (2013). *The 11th Vietnam Trade Union Congress Document*.
- VGCL. (2009). *the role of the Trade union to promote enterprise implementation of social responsibility*.
- VGCL. (2009). *The Role of the Trade Union to Promote Enterprise Implementation of Social Responsibility*. Labour Publishing House.
- Vietnam and WTO: Commitments on Farmers, Rural Areas and Enterprises*. (2007). National Politics Publishing House.
- Walliman, N. (2006). *Social Research Methods* . SAGE Publications.
- Wilkinson, A., & Fay, C. (2011). *New times for employee voice?* *Human Resource Management*, 50(1), 65-74.
- Yankelovich, D. (1999). *The magic of dialogue transforming conflict into cooperation*.
- Yin. (2013). *Case Study Research: Design and Methods (Vol. 5)*. London: SAGE Publications.
- Yin, R. (1994). . *Case Study Research - Design and Methods (Vol. 2)*.

## APPENDIX 1: INTERVIEW QUESTIONNAIRE

### I. Interview introduction

Hello. I am Bui Thi Thanh Ha and I am participating the master course in University of Tampere. During my implementation of my thesis, I am undertaking a study on the role of trade unions in social dialogue in Vietnamese enterprises, with the aims of finding solutions to enhance dialogue activities, promoting the role of trade unions in each enterprise performance and contributing to building stable, harmonious and progressive labor relations I would like send my warmest thanks to all participants for agreeing to be in this research. Shortly, I will ask you a series of questions about the social dialogue and the role of unions in your experience, but first I would like to ask you a few questions about yourself.

Company: \_\_\_\_\_

Date: \_\_\_\_\_

Starting time: \_\_\_\_\_

Finishing time: \_\_\_\_\_

Interviewee Information:

Name: \_\_\_\_\_

Contact: \_\_\_\_\_

Sex: \_\_\_\_\_ Male \_\_\_\_\_ Female

Position: \_\_\_\_\_

Number of year in this position: \_\_\_\_\_

### II. Interview questionnaire

1. What do you mean by dialogue at your workplace?
2. Who usually chairs the dialogue at your workplace?
3. What are the principles of social dialogues at your workplace?
4. Could you inform the taboos during social dialogues at work?
5. To what extent of clarity must employers ensure during social dialogues at the workplace?
6. What can employees contribute to social dialogues at the workplace?
7. What can employees supervise during social dialogues at the workplace?
8. Who is responsible for issuing the regulation on workplace communication?

9. Which factors decide the number, composition and criteria for members to participate in dialogue at the workplace?
10. What are the procedure for regular dialogue at the workplace and the role of trade unions?
11. What are the regulations when one party requests social dialogues?
12. Do you know the minimum number of employees to convene workers conference?
13. Who is responsible for setting up the rules for organizing workers' conferences, what is the role of trade unions?
14. Who are the participants in the workers' conference?
15. What are you discussing at the workers' conference?
16. In which ways are the dissemination, deployment and monitoring of the workers' conference resolutions implemented?
17. Could you specify how the forms of implementation of social dialogues are regulated?
18. What are the purposes and form of dialogue at work?
19. What is the content of dialogue at work?
20. What are the purpose and content of negotiation and CBA at work?
21. What are the responsibilities of the trade union in negotiation?
22. What are the requirements for signing a contract of employment at the enterprise and the role of the local union?
23. Which factors defines the representative for collective negotiation?
24. What is the role of the trade union in social dialogue in enterprises?
25. How do you evaluate the effectiveness of trade unions in social dialogue?

## APPENDIX 2: SURVEY QUESTIONNAIRE

### I. Interview introduction

Hello, my name is Bui Thi Thanh Ha. I working for Vietnam General Confederation of Labour and I am attending a master course in University of Tampere. As a part of my thesis, I am undertaking a study about the role of trade unions in social dialogue in Vietnamese enterprises and what trade unions need to do in order to improve their role and reality of social dialogues in enterprises in Vietnam. I would like to survey the workers' opinions and attitude about this issue. I would be very grateful if you spend your time answering the questions below:

### II. Survey questionnaire

Your name: \_\_\_\_\_

Your company \_\_\_\_\_

Age: \_\_\_\_\_

Sex: \_\_\_\_\_ Male \_\_\_\_\_ Female

Position: \_\_\_\_\_

1. What qualifications did you gain before joining in this enterprise?

Untrained	<input type="checkbox"/>
Trained at enterprise	<input type="checkbox"/>
Technician	<input type="checkbox"/>
High school degree	<input type="checkbox"/>
College/University	<input type="checkbox"/>
Others	<input type="checkbox"/>

2. What did you do before this job?

High school degree holder	<input type="checkbox"/>
College/University degree-holder	<input type="checkbox"/>
Farmer	<input type="checkbox"/>
Soldier	<input type="checkbox"/>
Others	<input type="checkbox"/>

3. Has your enterprise ever hold a social dialogue?

Yes

No

Don't know


4. How often does your enterprise hold a social dialogue?

Daily

Weekly

Monthly

Yearly


5. Who is responsible for the implement of social dialogue in your enterprise?

The employer

The trade union

Others


6. What is the responsibility of the employer in social dialogue? (multiple choice)

Give information about time, place

Prepare facilities

Hold the term social dialogue at work

Select the representative of employer


7. How does your enterprise implement social dialogue?

Very effective

Effective

Normal




Ineffective

8. Does your employer ensure your benefit when you are working in the enterprises?

Yes

No

9. How does your enterprise implement the policies of redundancy and unemployment?

Very good

Good

Normal

Not good

Not implemented

No idea

10. How does your enterprise implement the social, health and unemployment insurances?

Very good

Good

Normal

Not good

Not implemented

No idea

11. Are the development and amendment of enterprise regulations open for discussion or not?

Open

Not open

12. Have you ever taken part in that work?

Yes

No

13. Does your enterprise announce production/ business plan of the enterprise?

Yes

No

14. Are the minutes of the social dialogue publicly posted at your workplace?

Yes

No

15. What kind of format is the minute posted?

Broadcasting system

Internal bulletin

The website of the business

16. How does trade union play the role in social dialogue?

Very necessary

Necessary

Normal

17. Do you think trade union work effectively in your enterprise?

Agree

Others

18. What are the responsibilities of the trade union at work in social dialogue?

Give opinion about social dialogue regulation according to employer's requirement.

Cooperate with the employer in holding social dialogue at work.

Organise a vote for the representative of the employees to attend social dialogue.

19. Does the trade union take part in the development and amendment of the enterprise regulations?

Yes

No

20. What should unionists do to develop their role effectively?

Gain more knowledge

Be equipped with legal knowledge related

Participate in training

***Thank you for your support!***