



Viet Tan Update

With a network of members inside Vietnam and around the world, the Vietnam Reform Party (Viet Tan) aims to establish democracy and reform the country through peaceful means.

Widespread Labor Strikes across Vietnam



Vietnam Labor Facts

- Number of government-sanctioned labor unions: **one**
- Minimum monthly wage at domestic firms: **approx. \$22**
- Minimum monthly wage at foreign-invested firms: **\$35-45**
- Total number of strikes since December 2005: **over 60**
- Striking workers detained since December 2005: **over 100**

Sources: International Herald Tribune, Nguoi Viet Daily News, IPS

Worker Rights Essential for Sustainable Development and Civic Participation

Last December, 18,000 Vietnamese workers at a Taiwanese-owned shoe company in Saigon went on strike to demand higher wages and humane working conditions. Within a few weeks, tens of thousands of workers at other foreign-owned factories throughout southern Vietnam walked out. By February, the labor unrest had spread north with 5,000 workers on strike at a locally-owned firm in Haiphong.

Vietnamese workers typically earn less than US\$2 a day and face harsh conditions. They are frequently subject to overtime without compensation, insults, and physical punishments (including sexual abuse) by factory managers. Some striking workers reported that they were allowed only one bathroom break per shift.

The underlying reason for the worker unrest is government neglect and coercion with factory owners, and the lack of labor

rights. Communist officials claim that the Vietnamese General Confederation of Labor (VGCL) represents the interests of workers. In reality, the VGCL is an arm of the Vietnamese Communist Party.

According to Vo Van Nhat, an official from the VGCL: "The workers have the right to strike. This is in our labor code."

However, strikes are only deemed legal when sanctioned by the VGCL. That is the fundamental problem. Vietnamese workers do not have

the right to form independent trade unions to truly defend their interests.

Authorities responded to the mass strikes by harassing and detaining organizers. According to an article in the International Herald Tribune, police detained some 100 striking workers at two Taiwanese companies in Binh Duong Province. Their whereabouts are unknown.

To limit the turmoil, prime minister Phan Van Khai issued a decree in early January increasing the monthly minimum wage at foreign invested firms by 40% effective February 2006. The introduction of this vaguely worded decree, which seemed to exempt enterprises with foreign capital run by the communist party, was subsequently postponed to April causing further labor protests.

The American and European Chambers of Commerce in Vietnam both expressed shock at this sudden change in government wage policy and the widespread labor action. Perhaps American

and European business will see that the veneer of political stability in Vietnam causes greater social and economic instability.

There is ultimately more transparency and predictability when owners and workers freely negotiate contracts than when an authoritarian government decrees by fiat the wages of workers. The same VGCL and government officials that collude with owners one day to suppress workers can turn around the next to instigate worker protests as a bargaining tool against owners. In fact, some of the “legal” strikes in Vietnam over the last decade have been orchestrated by local authorities to gain concessions from foreign investors.

Thus, it is essential that labor rights, especially the right to form independent trade unions, are respected to ensure that Vietnam’s economic transition is sustainable and benefits all Vietnamese. When Vietnamese workers have the right to collective bargaining, the “dumping” of goods into overseas markets because of unfair wages

will no longer be an issue. Foreign investors will also find a less arbitrary economic environment—and happier workers.

Ultimately, the unprecedented labor action is a sign of ordinary Vietnamese taking a more active role in shaping their lives. These early buds of civil society activity will flourish as more Vietnamese become aware of their basic rights and engage in civic issues.

You can help promote labor rights in Vietnam by:

- traveling to Vietnam to investigate first-hand the status of worker rights.
- raising with the Hanoi authorities specific cases of worker repression and reminding multinational companies of their corporate social responsibility to workers.
- providing moral, technical and financial support to individuals and groups inside Vietnam seeking to organize independent trade unions.

Key Events During the Mass Strikes



December 28, 2005: unprecedented walk out

All 18,000 employees at Freetrend Shoe Company, which makes shoes for Nike and Adidas,

joined a walk-out to demand higher wages. In November, the Company promised that it would increase wages by 30% for all employees beginning January 1, 2006. It later went back on the pledge.

January 3, 2006: strikes spread quickly

Eleven thousand employees from six factories located in the Linh Xuat Manufacturing area in Thu Duc Province walked out.

These strikes quickly spread to Hai Vinh and Chutex the next day.

Meanwhile, five thousand employees at Kollan & Hugo Company struck to demand an increase in the minimum wage to 710,000 dong/month (US\$44) as the company had promised its employees on December 29, 2005. CEO Lee Xiu Feng responded that raising pay must have consent from the government. Any employee stop-

ping work for more than five days would be terminated.

At Latex Company, all 2,340 employees walked out in support of the strike at Kollan and demanded a 30% raise in the minimum wage. These employees then moved to Danu Vina Company calling for the employees there to join the strike.



January 4, 2006: protesting inhumane working conditions

Workers at Plantation Grown Timbers Limited (Binh Duong Province, near Saigon) walked out in protest of the sudden reduction of wages without any notice or reason. One worker said that her monthly pay of 800,000 dong/month (US\$50) was reduced to 560,000 dong/month (US\$35).

Workers also protested the harsh conditions. The company imposed a policy that employees using bathroom facilities more than once a day would be fined 50,000 dong (US\$3).

Many of the employees who participated in this strike had been injured by the management. One manager reportedly used a walkie talkie to hit a female employee on the head. This employee was knocked unconscious and hospitalized. She was three months pregnant.

January 9, 2006: government repression

Four new strikes in the vicinity of Saigon took place with the participation of thousands of workers.

Five hundred workers at Lien Phuong Sewing went on strike for higher wages, a better meal program, and transparency in benefits and sick leave. Most workers were exhausted and overworked because management forced workers into longer shifts to boost production.

About 3,000 workers at the Lissie company also went on strike because of meager wages.

In the previous week, Hanoi Prime Minister Phan Van Khai signed a decree ordering an increase in wages to 870,000 dong/month (US\$54) for workers at foreign owned companies. Wages of workers at state-owned enterprises remained at 350,000 dong/month (US\$22). By comparison, the minimum monthly wage in neighboring Cambodia is US\$45.

In addition, authorities sent in members of the Youth Association and Communist Pioneers; public security personnel of Ho Chi Minh City and Binh Duong Province; and officials from the Vietnam General Confederation of Labor to detect and prevent more strikes from happening.



February 14, 2006: democracy activists support strikers

Two prominent democracy activists, professor Nguyen Chinh Ket and writer Do Nam Hai, met with workers on strike to assess the situation. Among their findings: workers at the age of 15, poor sanitation, companies failing to care for or compensate workers injured at work.



Do Nam Hai, left, with worker

February 17, 2006: strikes spread north

Five thousand workers at Sao Vang Company located in Hai-phong went on strike to demand fair wages. Workers asked management to answer why workers at companies on the same street were paid almost twice as much.

Local labor officials answered that Sao Vang was a locally owned company and therefore had a different pay scale than foreign-invested companies.

March 1, 2006: official apology

Hanoi president Tran Duc Luong apologized to Japanese businesses about the strikes. He acknowledged that the central government failed to anticipate that the strikes would spread widely.

March 3, 2006: strikes continue

Thousands of workers in the Bien Hoa Industrial Zone II and

Amita continue to strike to demand higher wages. The strike had started on February 24 and spread to ten nearby companies.

Workers were met with hostility from the management who attacked the workers with leather belts, bare hands and sticks. One young female worker was slapped

in the face by a manager who subsequently ordered her locked up in an office.

Workers Threatened and Fired for Circulating Demands



Nguyen Tan Hoanh, one of eleven workers who circulated an 8-point petition to the Vietnamese communist government,

said that he and the other individuals were threatened with imprisonment.

Hoanh said in an interview with overseas Vietnamese-language media that all eleven authors of the petition were fired from their jobs after the public security met with each one of the eleven and threatened that “they would be put in prison if they continued to strike.”

The irony is that it was the local “labor union” that brought the public security to Hoanh’s residence.

“We were robbed in daylight. We are not making enough to survive, yet were bullied by the [government-run] labor union, that’s why we organized the strike in December of 2005,” Hoanh said in the interview.

“Other authors of the petition were summoned by the labor union, and they had to write a note promising that they would not continue participating in the

strike. If not, they would be met with a prison term.”

But Hoanh’s conviction to fight for justice does not fade.

“Wherever there is injustice, there will be a struggle for our rights. We will organize more strikes, each time larger and more prepared.”

The 8-point petition:

1. Fair wages. Workers must be paid according to the contract.
2. Wages must be commensurate to other countries in the region such as Singapore, Thailand, Indonesia.
3. Eliminate the labor union founded and managed by the Communist Party.
4. Forbid recruitment for the Communist Party among workers and using these workers as a tool to oppress other workers.
5. Demand the right to establish labor contracts without the labor union whose interest is to protect the Communist Party, not the benefit and livelihood of workers.
6. Be free from the obligation to pay into funds established by the labor union such as the Poverty Elimination Fund.

7. Coverage for health insurance, injury compensation, and a pension.
8. Demand the rights to form associations, to organize strikes to protect the rights of workers.

contact@viettan.org
www.viettan.org

MAIN OFFICE

2530 Berryessa Rd. #234
San Jose, CA 95132 - USA
(408) 437-8830 phone
(408) 347-8730 fax

ASIA

P.O. Box 223
Shiba, Tokyo 105-91 - JAPAN
(81) 3-3765 5317 phone / fax

EUROPE

BP 130
92185 Antony Cedex - FRANCE
(33) 1.46.86.85.22 phone / fax

AUSTRALIA

P.O. Box 791
Bankstown, NSW 2200
(61) 2 9757-3072 phone / fax