

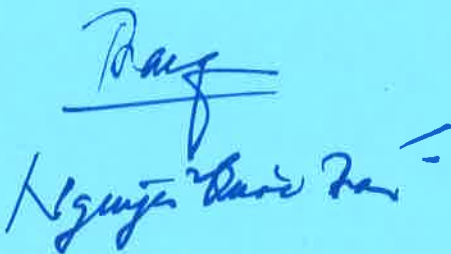
**HO CHI MINH NATIONAL ACADEMY OF POLITICS**

**BUI DUC LINH**

**STATE ADMINISTRATION OF LABOUR  
IN INDUSTRIAL ZONES  
IN THAI NGUYEN PROVINCE**

**DISSERTATION SUMMARY  
MAJOR: ECONOMIC MANAGEMENT**

**Code: 9340410**

  
Bui Duc Linh

**HA NOI - 2022**

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**The thesis is completed at the  
Ho Chi Minh National Academy of Politics**

***Supervisor: Assoc. Prof. Dr. Nguyen Quoc Thai***

***Reviewer 1: .....***

***Reviewer 2: .....***

***Reviewer 3: .....***

**The thesis will be defended in front of the Thesis Committee at  
Academy level, at the Ho Chi Minh National Academy of Politics**

***At..... hour..... date..... month..... year.....***

**The thesis can be found at the National Library and  
the Library of Ho Chi Minh National Academy of Politics**

## INTRODUCTION

### 1. Rationale of the Research

A major concern for social stability and economic growth is state labour administration. A number of documents have been released in recent years by the Party, Government, and Vietnam General Confederation of labour with the goal of achieving effective state management of labour, including the labour Code, Government's Decree 135/2020/ND-CP in 2020 regulating the retirement age, the Government's Decree 145/2020/ND-CP in 2020 providing specific implementation instructions for a number of labour Law articles on working conditions and labour relations, and Circular 10/2020/TT-BLDTBXH of the Ministry of labour, Invalids and Social Affairs in 2020 guiding the implementation of a number of articles of the labour Code on the content of labour contracts, the Collective and Occupational Negotiation Council, jobs that adversely affect the child bearing and rearing. More specifically, in the context of globalization, Vietnam has very deep economic integration. With the implementation of new generation free trade agreements like CPTPP and EVFTA, workers in Vietnam have the right to either establish or join organizations - which may not be the Vietnam General Confederation of labour - to protect their own rights. The biggest problem Vietnam has to face when joining these organizations is the adaptation and awareness raising to protect workers' rights.

Vietnam is now experiencing a surplus of human resources. With the benefit of generating a large number of jobs for workers, particularly unskilled workers, as well as the chance to change the economic structure, develop infrastructure, and access and acquire novel technologies, to contribute to the rapid development of the local economy and surrounding areas, leading to the formation of industrial zones in many localities. A large number of jobs have been attracted to and produced by these industrial zones. Yet, employees in industrial areas are frequently exposed. This calls into question both general labour management and, specifically, state management of labour in industrial zones.

In recent years, Thai Nguyen has ranked among the top places in the nation for drawing labourers to work in industrial zones. More than 80,000 individuals are currently employed in Thai Nguyen province's industrial areas. The government, as well as productive industries and businesses, have worked diligently over the years to improve the lives of workers and labourers, which gradually aids industrial zones in operating more efficiently and better adhering

to regulations regarding social insurance, health insurance, housing conditions, harm support, food safety, and other areas.

Many local employees in the zones and surrounding communities have been drawn to and given jobs as a result of the establishment of industrial zones in Thai Nguyen. Attracting a sizeable workforce will place a tremendous burden on the state's ability to manage labour, as conflicts between employers, over-exploitation of workers, and failure to carry out required insurance will result in the eventual loss of benefits, income, health, belief, employment, and worker safety.

The reality demonstrates that there are still numerous restrictions in the state's current management of labour in Thai Nguyen's industrial zones for a variety of reasons. It's still the case that businesses in industrial zones hire workers in the occasion of a big, uncontrollable scenario, that there is a poor working relationship between employees and management, and that Vietnamese labourers are undervalued or mistreated. Inspection and monitoring of the operations of businesses inside the industrial zones, are still ongoing processes that overlap. Also, the Provincial labour Federation's survey figures revealed that the direct income of productive workers is not particularly large (approximately 4.5 million VND/month). Many of workers still have to pay for their own housing, and the hostels they are living in often lack safety and have sub-par living circumstances. Most of industrial zones still lack kindergartens, medical facilities, community centres, sports fields, stadiums, and other leisure facilities. Many businesses disregard the regulations governing health insurance, social insurance, unemployment insurance, and union fees...

Furthermore, there have been numerous instances of businesses abruptly firing employees above the age of 35 without giving them any notice. It's also quite challenging for the workers to assert their rights. Even in circumstances when the employer is ordered by the court to reuse the workers and pay damages, the business may nevertheless postpone execution or make the experience unpleasant for the workers. This shows that the state's labour administration is limited and lack of commitments, rendering it impossible for the government to compel enterprises to obey the law's requirements and workers' rights. Since then, it has also had an impact on the socio-economic growth in the area.

More and more workers will visit industrial zones in Thai Nguyen to look for work as a result of the strong expansion of industrial zones and the return to

the new normal after COVID-19. Therefore, conducting researches either to identify the shortcomings, limitations and to find solutions to improve the state management of labour in Thai Nguyen province's industrial zones, or to contribute to the promotion of social order and protection of workers' rights, or to ensure that the use of dynamic labour by the enterprises in the industrial zones must comply with the law has become a necessary and essential requirement.

Many studies on labour management, employee management, state management of labour, management of industrial zones have been conducted by both domestic and foreign writers. However, a thorough and systematic study on the state's management of labour in industrial zones has not yet been done, especially for the area of Thai Nguyen Province.

Given the aforementioned factors, the subject of *"State Administration of labour in the Industrial Zones in Thai Nguyen Province"* would have significant theoretical and practical implications.

## **2. Aims of the Research**

### ***Aims of the Research***

In theory, the dissertation is to systematize the theoretical basis of state management of labour in industrial zones.

In practice, the dissertation is to clarify the current status of labour state management in industrial zones, thereby proposing solutions to improve this state of affairs in industrial zones in Thai Nguyen province, partly to ensure the proper and effective management and utilization of labour, and to help protect the interests of employees working in the industrial zones in the province.

### ***Research Planning***

To achieve the above aims and objectives, the dissertation has to finish the following missions:

- Review all the previous researches related to the state management of labour in industrial zones.
- Construct a theoretical framework for state management of labour in the industrial zones at the provincial government.
- Analyse and evaluate the state management of labour in Thai Nguyen province's industrial zone in the past time, highlighting the positive aspects as well as the limitations and the main causes.
- Explain the direction and solution to enhance the state management of labour in the industrial zones of Thai Nguyen province in the upcoming years.

### **3. Subject & Scope of the Research**

#### ***Subject of the Research***

The subject of the study is the provincial-level state management of labour working in industrial zones.

#### ***Scope of the Research***

❖ *Scope of management subject:* The subject of state management of labour in industrial zones is the government of Thai Nguyen province, including the People's Committee and the Provincial People's Council. Department of labour - Invalids and Social Affairs is a specialized agency of the People's Committee, helping the People's Committee manage the labour. In addition, the People's Committees of districts and towns where industrial zones are located are also responsible for state management of labour. However, the Provincial People's Committee, Department of labour - Invalids and Social Affairs and People's Committees of districts and townships where industrial zones are located have authorized the Management Board of industrial zones in Thai Nguyen province, so the dissertation focuses on studying the state management activities of labour performed by the Management Board of Thai Nguyen industrial zones, including authorized tasks.

❖ *Scope of space:* The dissertation studies state management of labour in the area of industrial zones located in Thai Nguyen province.

❖ *Scope of content:* State management of labour is a very wide and diverse topic. However, the dissertation only focuses on the following contents:

- Management of work permits, legal support, and job introduction and consultation;
- State management of labour contracts, working regulations, collective agreements;
- State management of salary, insurance;
- State management of occupational safety and health.

❖ *Scope of time:* The real status of the state management of labour presented in the dissertation had been conducted over 5 years, from 2015 to 2020. The solutions has been proposed for the period from 2022 to 2030.

### **4. Theoretical Background and Methodology of the Research**

#### ***Theoretical Background of the Research***

The dissertation is based on management theory, state management theory, state management theory on labour, and state management theory on labour in

industrial zones. In addition, the dissertation is also based on the theory of labour and employment.

### ***Methodology of the Research***

On the basis of dialectical and historical materialistic methodology, the dissertation's methodology is a syndissertation of many research methodologies.

The author compiles practical activities through the analysis, syndissertation, and evaluation of prior research projects, documents, and materials, as well as the analysis of statistical data and reports by the Ministries, Central Sectors, Provincial People's Committee, Management Board of Industrial Zones in Thai Nguyen Province, and even reports of offices in Thai Nguyen. This is done in order to determine the actual status of the state management labour in the industrial zones in Thai Nguyen province.

Together with that, the authors also conducted in-person interviews with individuals to gather primary data in order to understand the practical application of state management on labour.

The research methodology is as below:

- ❖ *Sampling*
- ❖ *Analysing method*
- ❖ *Synthesizing method*
- ❖ *Comparative method*

## **5. Major Theoretical and Practical Contribution of the Research**

### ***Major Theoretical Contribution of the Research:***

The dissertation has contributed to clarify and enrich theoretical theories on state management of labourers in industrial zones, to help build the concept of state management of labour in industrial zones, and to scaffolding a set of criteria and, more importantly, an analytical framework for state management of labour in industrial zones.

The dissertation directly addresses the issues that workers in industrial zones are facing, such as work permits, legal support, labour contracts, labour regulations, collective agreements, wages, insurance, sanitation, and labour safety, in contrast to previous research's approaches, which are typically focusing on labour, labour market, leasing, and labour disputes. This is done in order to provide workers with the best working conditions possible.

Regarding research methods, the researcher uses the mixed method - a combination of analysis, syndissertation and comparison - to highlight the actual



problems that are happening in the field of state management of labour in industrial zones.

Not only that, the dissertation also systematizes the theories of state management directly related to workers in industrial zones.

***Major Practical Contribution of the Research:***

The results of the dissertation show that the state management of labour in Thai Nguyen industrial zones needs to be further improved.

The dissertation's discussion of state management of labour in industrial zones will give provincial, local, and associated departments greater information on which to base comparisons of their performance with real results. It will help improve the state's management of labour in industrial zones when paired with the dissertation's suggested solutions.

The research results of the dissertation can be used as the reference for localities with industrial zones like Thai Nguyen in their management.

The dissertation analyses and evaluates the actual state management of labour in industrial zones in Thai Nguyen province. From there, the research outputs solutions to complete this work. With a new approach, with a combination of research methods and systematizing the theoretical system, the dissertation makes new proposals in state management of labour such as focusing making master plan on organizing the implementation of the law, coordinating entities in organizing the implementation of the law on labour, creating a favourable environment, and increasing the number of inspectors working in the Department of labour - Invalids and Social Affairs, promoting the tripartite mechanism,...

The dissertation can be used as an important source of information for study or instruction at the tertiary level in economic management and other related subjects, such as development economics, civil management.

The dissertation can serve as a guide for organizing and managing the operations of professional management staff, employees, and labour organizations.

The dissertation's empirical and scientific arguments can be used as a reference when the labour Law and Union Law are amended.

**6. Conclusion of the dissertation**

In addition to the Introduction, Conclusion, List of published by authors related to the thesis topic, List of references and Appendix, the main content of the dissertation is organized into 4 chapters, 13 sections.

## **Chapter 1**

### **LITERATURE REVIEW**

#### **1.1. LABOUR**

There have been studies on labour situation, job creation and human resources in Vietnam; commercial efficiency and labour market; the protection of labourers' rights; Vietnam's young labour market; trends of jobs in the world; Labour Law, working contract. Research projects can be mentioned: "Labor, employment and human resources in Vietnam after 15 years of reform", Nowel Heraff - Yean Yves Martin (2001); "Major findings and open questions", Urrini, Alessandro New York, Geneva: United Nations, 2002; "Active labour market policies around the world: Coping with the consequences of globalization", Auer, Peter Geneva: ILO, 2005; "Workers rights as human's rights", James A. Gross (USA); "World employment social outlook trends 2019", ILO, 2019; v.v.

There have been a number of theses related to industrial zones, labour force, state management of labour; working regulations and working discipline; termination of the labour contract; or implementing collective agreement.

#### **1.2. STATE MANAGEMENT OF LABOUR**

Studies on strikes and labour conflicts in Vietnam, the Vietnamese legal system regarding labour, the involvement of organizations in labour, policies for the sustainable creation of jobs, labour protection against the effects of globalization, and intense competition are some of the earlier studies in this section.

There have been researches on the state's role in managing labour, improving the effectiveness of state management of labour, managing foreigners' entry, existence, stay, and employment in Vietnam, and managing labour safety issues and workers' rights.

#### **1.3. STATE MANAGEMENT OF LABOUR IN INDUSTRIAL ZONES**

Some researcher have conducted such researches on immigrating labour to develop industrial zones or the influence of industrial zone development on local residents' livelihood.

#### **1.4. COMMENTS ON THE PREVIOUS STUDIES' RESULTS**

##### **1.4.1. Issues that have been clarified**

Overview of Vietnam's dynamics.

Trade efficiency and labor market, the growth of world trade, trade integration and labor market opportunity, trade liberalization, redistribution of labor from the import industry. export to export in developing countries.

Requests from the International Working Group on Politics is dynamic.

Typical features of the conflict and stagnation in Vietnam.

The activity of sub-leasing mobile labor in order to define and enforce policies and laws on sub-leasing activities in Vietnam.

Theory of state management, state management of labor and proposed solutions to improve state management of labor in the profession.

#### **1.4.2. Issues that need to be researched**

The system of state management documents (from the central to local levels) on labor in the industrial zone.

The group and activities of the state management apparatus on labor in the industrial zone of Thai Nguyen province.

State support for workers and professionals in the industrial zone of Thai Nguyen province.

Collaborator is responsible for implementing legislation on labor in industrial zones in Thai Nguyen province.

Investigate, inspect, monitor and handle violations of the law on labor in industrial zone.

Resolve conflicts, disputes, conflicts arising in the industrial zone in Thai Nguyen province.

The management of labor contracts, wages, insurance, hygiene and safety for employees.

#### **1.4.3. Selected issues for further research and analytical framework**

– The first issue is the management of work permits, legal support, and job introduction and consultation;

– The second is the state management of labour contracts, working regulations, collective agreements;

– The third is the state management of salary, insurance;

– The fourth is the state management of occupational safety and health; and

– The fifth is to propose solutions to improve the state management of labour in many industrial zones in Thai Nguyen province.

## **Chapter 2**

### **THEORETICAL AND PRACTICAL BACKGROUNDS OF PROVINCIAL-LEVEL STATE MANAGEMENT OF LABOUR IN INDUSTRIAL ZONES**

#### **2.1. AN OVERVIEW OF PROVINCIAL-LEVEL STATE MANAGEMENT OF LABOUR IN INDUSTRIAL ZONES**

##### **2.1.1. General problems of labour in industrial zones**

Definitions of labour in industrial zones.

Characteristics of labour in industrial zones.

##### **2.1.2. Definitions, Objectives and Principles of provincial-level state management of labour in industrial zones**

Definitions of provincial-level state management of labour in industrial zones.

Objectives of provincial-level state management of labour in industrial zones.

Principles of provincial-level state management of labour in industrial zones.

#### **2.2. CONTENTS, ASSESSMENT CRITERIA, AND FACTORS AFFECTING THE PROVINCIAL-LEVEL STATE MANAGEMENT ON LABOUR**

##### **2.2.1. Contents of the provincial-level state management on labour**

State management of work permits, legal support, and job introduction & consultation.

State management of labour contracts, working regulations, collective agreements.

State management of salary, insurance.

State management of occupational safety and health.

##### **2.2.2. Assessment criteria of the provincial-level state management on labour**

Criteria for assessing the suitability of state management of labor in industrial zones.

Criteria for evaluating the effectiveness of state management of labor in industrial zones.

Criteria for evaluating the effectiveness of state management of labor in industrial zones.

Criteria for assessing the equality of state management of labor in industrial zones.

### **2.2.3. Factors affecting the provincial-level state management on labour**

Factors from the province's government .

Factors not from the province's government .

## **2.3. EXPERIENCES IN STATE MANAGEMENT OF LABOUR IN INDUSTRIAL ZONES IN SOME PLACES AND LESSONS FOR THAI NGUYEN PROVINCE**

### **2.3.1. Experiences in state management of labour in industrial zones in some countries around the world**

State management of labour in industrial zones in Guangzhou, China.

State management of labour in industrial zones in Tokyo, Japan.

### **2.3.2. Experiences in state management of labour in industrial zones around Vietnam**

State management of labour in industrial zones in Vinh Phuc province.

State management of labour in industrial zones in Hung Yen province.

State management of labour in industrial zones in Bac Ninh province.

### **2.3.3. Lessons for state management of labour in industrial zones in Thai Nguyen Province**

For state management of work permits, legal support, and job introduction & consultation.

For state management of labour contracts, working regulations, collective agreements.

For state management of salary, insurance.

For state management of occupational safety and health.

## **Chapter 3**

### **REAL STATUS OF STATE MANAGEMENT OF LABOUR IN INDUSTRIAL ZONES IN THAI NGUYEN PROVINCE**

#### **3.1. AN OVERVIEW OF INDUSTRIAL ZONES AND LABOUR WORKING THERE IN THAI NGUYEN PROVINCE**

##### **3.1.1. An overview of industrial zones and Management Board of industrial zones in Thai Nguyen province**

Thai Nguyen Province only had Song Cong I as an industrial zone at the beginning of 2000. After ten years, Thai Nguyen introduced a whole new project that assisted the province in planning the construction of industrial zones inside the province, vision to 2020, which was approved by the Prime Minister. The project identified six industrial zones with a total area of 1,420 ha, including Song Cong I, Song Cong II, Nam Pho Yen, Yen Binh, Diem Thuy, and

Quyet Thang. Every zone had been planned with a 1/500 rate as the foundation for the deployment of investments.

On November 20, 2000, the Prime Minister issued Decision No. 130/2000/QĐ-TTg creating the Management Board for all industrial zones in Thai Nguyen. The Management Board of Thai Nguyen industrial zones has consistently and actively pushed, bringing both domestic and foreign investment capital to the province ever since it was founded. As a result, Thai Nguyen's industrial zones have secured the province's top spot so far, significantly aiding in the transformation of Thai Nguyen into a contemporary industrial province of the country.

### **3.1.2. An overview of labour in industrial zones in Thai Nguyen province**

The labour force in the industrial zones has its own characteristics, which are:

First, the number of workers in industrial zones is often very large. If there is a small change in policy, many people will be affected.

Second, the level of training and expertise of the labour is not particularly high. The majority of employees in industrial zones are unskilled labourers with little to no formal education from colleges and universities or vocational institutions. As a result, there are also restrictions on their capacity for learning new things and for self-study.

Third, the majority of the industrial zones' employees are young and single. As a result, there are some slight differences between the physiological and mental traits of youngsters and those of the middle-aged. Due to their youth, the labourers are prepared to quit from their jobs and switch to fresh ones.

Fourth, the vast majority of workers in industrial zones are not residents of the region; instead, they come from different localities. As a result, they have varied cultural backgrounds and may not be planning to live and work permanently in the neighbourhood of the industrial zones.

## **3.2. AN ANALYSIS OF THE REAL STATUS OF STATE MANAGEMENT OF LABOUR IN THAI NGUYEN PROVINCE, PERIOD 2010 - 2020**

### **3.2.1. State management of work permits, legal support, and job introduction & consultation**

In general, in the period 2016-2020, the Management Board of Thai Nguyen industrial zones has implemented a large group of organizations to propagate the law.

Nine conferences were held in both 2017 and 2018 to promote the law and legal aid. Since 2019, the COVID-19 pandemic has complicated circumstances that had made it difficult to establish on-site conferences to ensure anti-pandemic actions. As a result, the legal propaganda has encountered some challenges. In the hopes of disseminating the law, the Management Board of the Thai Nguyen Industrial Zones had conducted 8 conferences in 2019 and 5 conferences in 2020. The reduced number of conferences organized also partially affected the propaganda of the law on labour in many industrial zones. It was more challenging for the staff to raise their voices due to the lack of direct communication, making it harder for the board to respond to the questions. The Management Board of industrial zones, therefore, should be more proactive in choosing the format of the propaganda conferences in the zones, assuring the effectiveness of the propaganda as well as the prevention of the spread of infectious diseases, like the COVID-19.

Although every year, the Management Board of industrial zones also organizes law dissemination conferences, but through actual interviews with workers, there are still many who said that they have not been able to participate in these conferences.

Specifically, of the 398 employees surveyed, 260 claimed to have had the opportunity to attend legal support conferences, while 138 (or 34,7%) claimed they had been unable to do so.

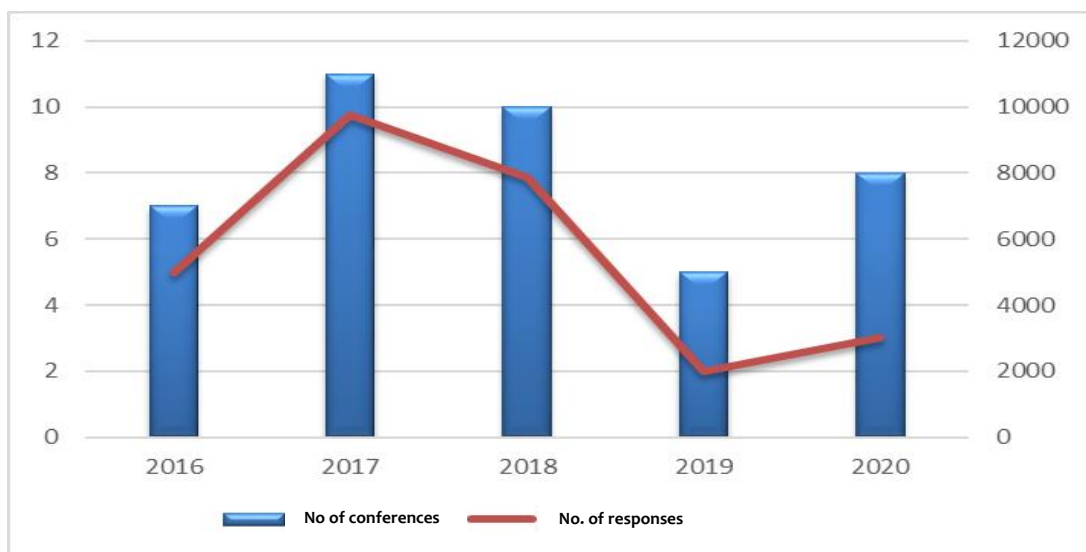
According to the aforementioned survey results, not all employees were able to participate in the work of law dissemination and legal support conferences, despite the fact that they are held annually. In order to defend workers' rights and benefits, it will therefore be important to have a suitable method by which to ensure that the coverage rate for employees who can participate in legal support conferences enhanced.

In addition, while the majority of participants in legal aid conferences were satisfied, there was still a small proportion of persons who were dissatisfied with the legal support, according to interviews conducted with 398 industrial zone employees.

78.7% of those who were interviewed said they were satisfied or extremely satisfied with legal aid sessions. But many respondents (representing

6.2% of the sample) nevertheless expressed dissatisfaction or extreme dissatisfaction with those legal ones. These employees were too embarrassed to ask questions when the information given in the conferences was not what they needed, resulting in the fact that they did not feel satisfied with them.

There were some workers who complained that their employer did not hold consulting sessions. Instead, they were instructed to contact the union if they had any difficulties, and the union would then meet with the company's management. The response would take several weeks or months. More conferences and seminars with topics relevant to employees, according to some employees, would help them reduce anxiety and stress.



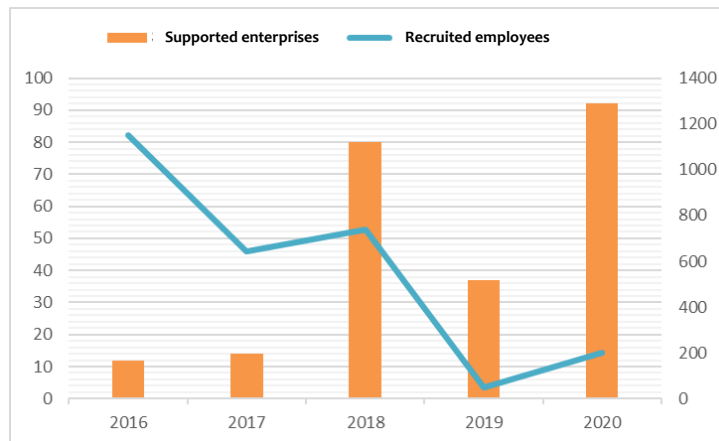
**Chart 3.7. Job introduction & consultation conferences**

*Source: Thai Nguyen Management Board of Industrial Zones*

The data shows that the number of consulting and job support conferences in all industrial zones in Thai Nguyen was consistent in 2016, 2017, and 2018, with a peak of 11 ones in 2017. 9,742 workers, or nearly twice as many as in 2016, received consulting and support for work in 2017, a significant increase (5,000 workers). The COVID-19 epidemic, however, had prevented the organization of job-support and counselling conferences by 2019 and 2020, resulting in the low data as in the chart. As a result, far fewer persons would receive counselling and job support in 2019 and 2020 than in 2016, 2017, or 2018, at only 2,000 and 3,000, respectively. Therefore, the corporation will use more adaptable means of propaganda to assist and counsel workers, such as



banner, posts on designated accounts on social networks, or online conferences or webinars.



**Chart 3.8. Support enterprises in recruitment**

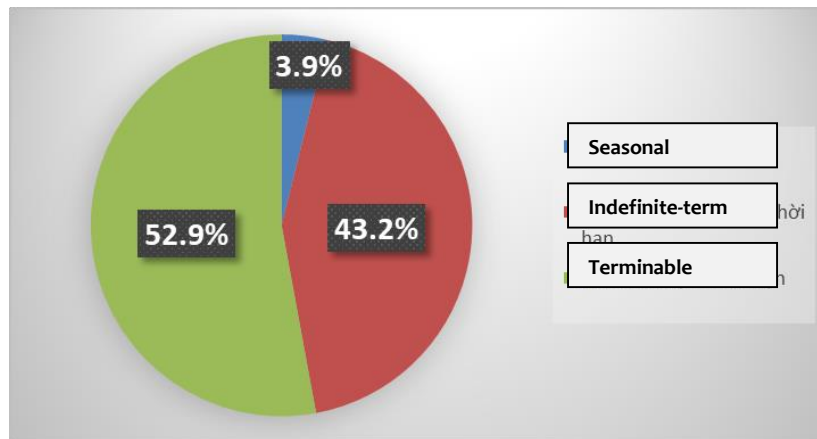
*Source: Thai Nguyen Management Board of Industrial Zones*

The graph demonstrates that even though fewer enterprises were supported for recruitment in 2016 and 2017, there were still significantly greater number of people hired at that time. The main cause was that Samsung Thai Nguyen aimed at producing 300 million products in those years, which led to a strong demand for labour from satellite companies who contracted to produce specific products for Samsung Thai Nguyen. The increase in the number of recruited workers centred in only these companies. Even though there were more supported businesses in the period of 2018-2020, the number of hired employees tended to decline. In 2018, 738 workers were hired, however by 2019, the number of workers hired was only 50 as a result of COVID-19. Due to the fact that most workers from other provinces returned home in 2020 to stabilize their lives and assure disease control, 200 workers were hired.

Though there had been job introduction and consultation conferences every year, only 299 (75.1%) of the 398 interviewees indicated that they had been consulted before selecting a position. Up to 99 workers (24.9%) reported that they had not been asked consulted by anyone before choosing a job at businesses. It might also result in the workers not having enough information to make an informed decision about a job or not knowing about other options that would better suit their skills and requirements. As a result, the state administration of labour needed to increase its consulting efforts to inform employees and aid them in finding the finest jobs.

### 3.2.2. State management of labour contracts, working regulations, collective agreements

By the end of 2019, 88/88 businesses had created, modified, or supplemented to the registration of working regulations, 60/88 (equal to 68.2%) had signed and re-signed collective agreements, and 38/88 (43.2%) had delivered the salary scale and salary table to the employees. As depicted in the following graph, as of December 31, 2019, 3,918 out of the 100,456 workers in all industrial zones in Thai Nguyen Province had signed a seasonal contract, 53,141 had signed a terminable work contract, and 43,397 had signed an indefinite-term contract.



**Chart 3.10. Types of working contracts in TN's industrial zones in 2019**

*Source: Thai Nguyen Management Board of Industrial Zones*

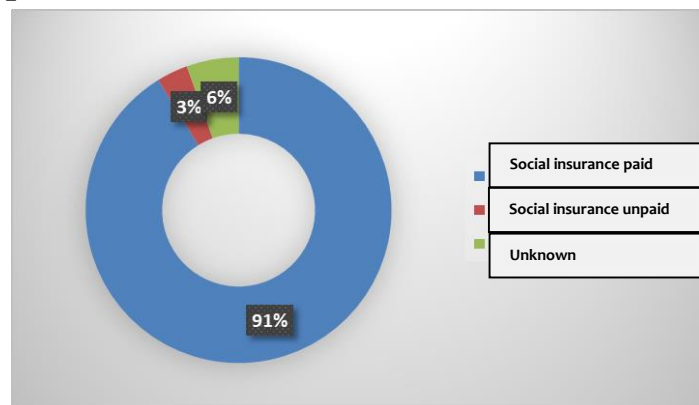
It was discovered through the interview with survey respondents that many workers were worried about losing their jobs at the age of 35. Particularly, 106 persons (26.6%) out of 398 interviewed said they worried losing their work at that age. The remaining 292 individuals (73.4%) claimed to be unconcerned at all. Workers were worried for a variety of reasons, with getting fired by the company being one of the most common. However, during the interview process, some workers stated that they, particularly female workers, had their own plans at the age of 35, such as changing their current jobs for something less demanding and more stable for their family. As a result, the provincial administration has to take additional steps to ensure that workers feel more secure in their jobs and are no longer concerned about losing their jobs at the age of 35.

### 3.2.3. State management of salary, insurance

According to the interview results of 398 survey samples, 375/398 (94.2%) of employees reported that their companies organized overtime work, meanwhile, 23/398 (5.8%) respondents said that their companies did not.

When asked how many working hours the company uses, 117/398 (29.4%) of interviewees stated their company uses the 40-44 working hours/week regime, while 152/398 (38.2%) claimed their companies use the 48 working hours/week regime. The remaining 52/398 (13.1%) employees stated that they did not know what working regime the companies used, while the remaining 77/398 (19.3%) employees stated that the companies used several working modes. Hence, a significant number of employees, accounting for 13.1% of the interviewed workers, did not know which working regime their firms were employing, making it impossible for them to determine whether the company employed the overtime working mode or not. As a result, more actions are needed to help employees comprehend the working regime in their companies so that their legitimate rights can be protected.

In terms of social insurance and health insurance, there were employees who confirmed that they had paid neither. Specifically, 363/398 (91.2%) of the interviewed workers stated they received their social insurance payments, but up to 13/398 (3.3%) said they did not, and 22/398 (5.5%) did not know whether they received or not. Furthermore, many employees were unclear about the social insurance benefits they received. As a result, claiming legitimate rights for themselves was difficult. More measures in propaganda should be implemented to help employees be aware and comprehend the supporting policies that the state has established to protect them.

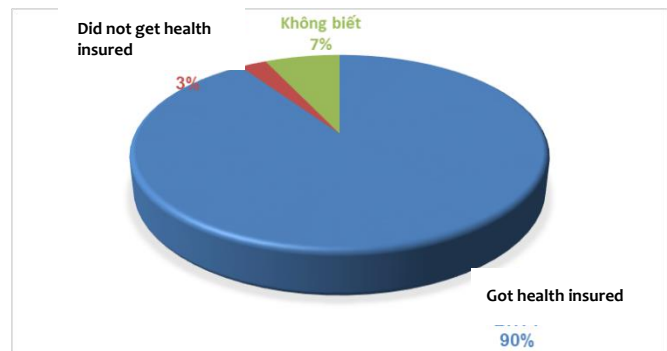


**Chart 3.14. Employees' awareness of social insurance**

*Source: From survey results*

Unknown

Employees were not only confused about social insurance, but they were also confused about health insurance. According to interviews, 360/398 (90.5%) employees were offered health insurance by the companies. However, 10/398 (2.5%) employees stated that they were not, and even 28/398 (7.0%) employees did not know whether they got their health insured or not. As a result, if these employees got sick, they would have no idea what benefits they would be entitled to.

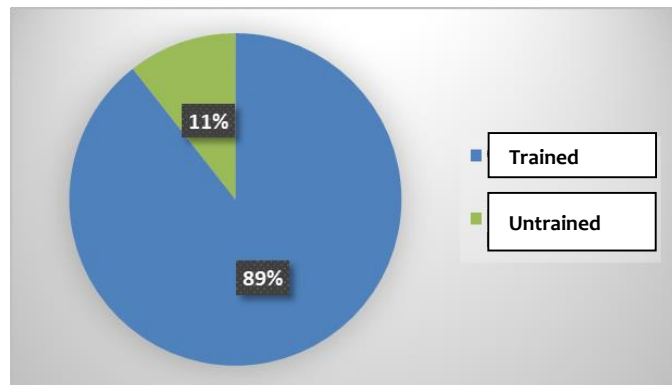


**Chart 3.15. Employees' awareness of health insurance**

*Source: From survey results*

### 3.2.4. State management of occupational safety and health

Through interviewing 398 workers working in industrial zones, 356/398 (89.4%) respondents confirmed they received annual training in occupational safety and health. However, there were still 42/398 of the interviewed workers (accounting for 10.6%) said that they did not receive any training. The reasons might be that they were recruited after the annual training session, or they missed the session because of illness or business.



**Chart 3.17. Workers with occupational safety and health training session**

*Source: From survey results*

## **Chapter 4**

# **DIRECTIONS AND SOLUTIONS TO IMPROVE THE STATE MANAGEMENT OF LABOUR IN INDUSTRIAL ZONES IN THAI NGUYEN PROVINCE**

## **4.1. NEW CONTEXT AND DIRECTIONS TO IMPROVE THE STATE MANAGEMENT OF LABOUR IN INDUSTRIAL ZONES IN THAI NGUYEN IN THE PERIOD 2022 - 2025, VISION TO 2030**

### **4.1.1. New context affecting the state management of labour in industrial zones in Thai Nguyen in the period 2022 - 2025, vision 2030**

The biggest challenge from 2020 to 2022 was supply chain disruption, freight transportation, staff shortages, and factory capacity reduction due to COVID-19. For example, with freight transportation, when the products could not be sent to a foreign partner by sea, the company would be penalised for failing to fulfill the contract, forcing the businesses to switch to airline cargo with higher cost. During the epidemic, the firms' goals were to peg the market and decrease losses as much as possible, rather than to hold the market and earn a profit.

From the late of 2021 till now, businesses have established a dual goal: to continue production to discover opportunities to recover after the pandemic, and to share and accompany both the State and workers, thereby contributing to the economy's stability. Working people may have to accept a pay cut, a reduction in bonuses at the end of the year, and resume production, understand and share the enterprises' circumstances. The government also accompanies, supports, and creates the best conditions for the development of the business community and their employees.

### **4.1.2. Directions to improve the state management of labour in industrial zones in Thai Nguyen in the period 2022 - 2025, vision 2030**

First, there should be a focus on improving the management of work permits, legal support, and job introduction and consultation.

Second, there should be a focus on improving state administration of labour contracts, working regulations, and collective agreements, as well as state management of salaries, insurance, and occupational safety and health.

## **4.2. SOLUTIONS TO IMPROVE THE STATE MANAGEMENT OF LABOUR IN INDUSTRIAL ZONES IN THAI NGUYEN IN THE PERIOD 2022 - 2025, VISION TO 2030**

### **4.2.1. Enhance the state management of work permits and legal support**

A number of measures should be taken to generate effective and efficient statistics reports to ensure thorough and timely monitoring of workers who have work permits issued, renewed, or terminated. A software which outlines the procedure of registering a work permit and alerts the registers/users to things to do, such as when a certain stage in the procedure must be completed, especially when there are only 5 days left before extending it. This will assist both employers and their businesses in actively implementing administrative procedures. The Industrial Zone Management Board can collaborate with the Institute of Artificial Intelligence to develop this software for better administration.

### **4.2.2. Enhance the method of supporting, consulting and introducing jobs**

It would be ideal if employees could have access to a link where they could find all updated and accessible information on jobs, such as positions, requirements, and compensation, from both local and international businesses, using just one Facebook account. This forum should also be a forum for employees to acquire answers for job-related issues, recommendations for preparing documentation for unemployment benefits, and advice on job transitions and vocational training. As a result, both companies and individuals save a significant amount of time and money while searching for positions and recruiting staff.

### **4.2.3. Enhance the inspection methods of implementing labour contracts, salaries, insurance, and occupational safety and health**

Despite the large number of industrial zones and enterprises, the number of inspectors is restricted, their workload is massive, and they seem to be unable to complete their duties. As a result, there should be measures in place to help strengthen the effectiveness and efficacy of inspections and ensure the state management of labour.

In the future, inspection tasks must be renewed in terms of organization and operation, as well as quality improvement among inspectors. To improve staff effectiveness, to check and address violations, funding and personnel are

required. The inspection in the industrial zones should be completed with the assistance of staff from the Management Board, the Department of Labour, Invalids, and Social Affairs, and other provincial organizations.

Our goal is to develop a large team of inspectors to inspect everything from working policies to occupational safety and health; to increase the frequency of inspections while decreasing the annoyance to the businesses. Theme-based inspections, on the other hand, should be adopted gradually to assist businesses in correcting infractions that could lead to accidents. Improving the inspecting knowledge and skills of inspectors on the Thai Nguyen Industrial Zone Management Board is also important.

#### **4.2.4. Distinguish the state management of labour, salary, and employment with the state management of businesses**

It is critical to separate state administration of labour, salary, and employment from enterprise management, and to establish agencies or administrative entities whose primary duty is to manage labour, salary, and employment at all levels, from central to provincial, and then district. To establish and create the basis and conditions for the tripartite mechanism, we must first have a policy and regulations that encourage the extensive and proper formation of employer representative organisations, employee representative organisations (such as Labour Union), and a labour resolution organisation system (for mediation, arbitration, or even labour court...).

Together with strengthening the state labour management, a legal route must be established to strengthen the role and responsibility of employer representative organisations, labour unions, and employees themselves in companies. Since labour unions and workers are aware of all the violations committed by employers, they lack the legal basis to complete their function as state managers of labour in industrial zones.

#### **4.2.5. Increase the cooperation among the agencies in state management of labour in industrial zones**

The Management Board of industrial zones should be active in contacting relevant industries in order to improve state management of labour, particularly foreign labour. Furthermore, the management board should collaborate with the provincial Labour Union or the Department of Publicity and Education to develop more strategies to broadcast propaganda to the workers, which helps

strengthen their thinking. This is also the foundation for increased productivity and the link between working and maintaining social security.

Labour management should be carried out in tandem with the management of registering a declaration of temporary or permanent residence. Foreign workers in Vietnam must register for a declaration of temporary residence and adhere to all social security principles in the areas where they are residing. Inspection and treatment of violations in industrial zones are required in addition to propaganda activities.

Agencies and organisations of state labour management in industrial zones should work closely together, not only to improve management efficiency, but also to avoid overlap in directing and operating, which causes serious disruption to enterprise production. Parallel to labour management, conferences and seminars that assist companies in becoming aware of all State policies and laws, or in completing all administrative procedures for their labour, should be held more frequently. Annual or routine inspections are meant to provide sets of metrics that aid improve management efficiency. The inspections also provide management with a foundation for rewarding or penalising businesses and individuals.

In the coming years, improving labour management effectiveness in industrial zones will become increasingly important in fostering the rapid and sustainable growth of these zones in Thai Nguyen.

#### **4.2.6. Operate “tripartite mechanism”, develop the role of labour unions in state management of labour in industrial zones**

In tripartite mechanism, the State, employers and employees (through their representatives) are equivalent and independent in trying finding solutions for the common problems.

State agencies must both undertake the role of state labour management (which includes three major components: union protection, negotiation, and strike) and function as a mediator during labour relations (starting from the call for the strike, the negotiation, and during the strike). The provincial state management agency, as the Management Board of the industrial zones, will serve as a referee and supporter of the two parties' negotiations. When the situation is resolved, there will be fewer spontaneous and unlawful strikes than there are now.

### **4.3. RECOMMENDATIONS**

#### **4.3.1. To the National Assembly**

It is required to increase supervision of the application of policies and legislation on labour in industrial zones. Through supervision, positive results in



the application of state legislation on labour management in industrial zones would be encouraged, and inconveniences would be eliminated across the country, including industrial zones in Thai Nguyen province. At the same time, this contributes to the creation of a realistic foundation for the reform of the relevant legal and policy framework.

#### **4.3.2. To the Government**

It is vital to construct a synchronous system of governmental labour management policies. In the near future, a synchronous policy framework from the central to the local should be a must for good state labour management. To carry out the state management function on labour, the government has proposed that guidelines be developed to specify laws, decrees, and circulars so that they are appropriate to the actual circumstances in Thai Nguyen province.

#### **4.3.3. To the Ministry of Labour - Invalids and Social Affairs**

The Ministry is to create a set of documents outlining the process of implementing administrative procedures in the field of state labour management in industrial zones, with clear standards and criteria; ensuring transparency on the official ministry's website, at the "one-stop" department, or in the offices of local agencies. In particular, the time to accept and process administrative operations in the state administration of labour in industrial zones must be explicitly defined.

The ministry must also direct the provinces to perform well in the function of anticipating labour demand and recruitment, as well as to create favourable conditions for job seekers or talented employees to develop themselves with deserving material and spiritual rewards. The ministry is also responsible for directing and guiding the Provincial People's Committee in the formulation of an industrial zone development project that provides human resource planning in both quantity and quality, meeting the national objective.

The Ministry of Labour - Invalids and Social Affairs cooperates with the Ministry of Foreign Affairs to remove difficulties enterprises are facing in the process of registering work permits or declaration of temporary residence for foreign workers.

The ministry must enhance international integration efforts in state labour management while also ensuring the inheritance and preservation of Vietnamese unique characteristics. The government may offer Thai Nguyen province appropriate recommendations of the administration of labour in the industrial zones. International experiences in labour management provide important lessons

for Vietnam in general, and Thai Nguyen in particular. Higher education training should be fostered to serve the province's economic development, as well as the development of the country and Thai Nguyen exclusively.

#### **4.3.4. To the Ministry of Industry and Trade**

When carrying out the functions of state management of labour, promoting propaganda, and guiding firms in industrial zones in Thai Nguyen to fully grasp and correctly apply the labour legislation, the ministry must work closely with the Ministry of Labour - Invalids and Social Affairs. All of these activities contribute to the protection of labour's rights and interests, such as educating workers about their own rights and obligations in a labour relationship, or minimising labour conflicts or strikes...

### **CONCLUSION**

Strengthening the state management of labour in industrial zones in Thai Nguyen province is very crucial in order to contribute to the construction of the most favourable conditions for enterprise operations in industrial zones. This helps to safeguard the rights and interests of businesses and workers. The harmonious relationship between the State, enterprises, and employees is developed and maintained, positively contributing to the socio-economic development of the community.

The dissertation has systematised and clarified a number of theoretical aspects of state management of labour at the provincial government in the current conditions, including: concepts, objectives, principles, and main contents of state management of labour in industrial zones (management of working permits, legal support, job introduction; state management of labour contracts, working rules, collective agreements; state management of salary and insurance; state management of occupational safety and health). The dissertation also includes a set of criteria for assessing state labour management in industrial zones in provinces across the country, as well as elements influencing provincial labour management in industrial zones.

State management of labour in the industrial zone is a difficult task that demands the participation and cooperation of multiple parties. Because each industrial zone is unique and has its own peculiarities, it is critical for Thai Nguyen to learn from the experiences of state management of labour in other locations. The author has summarised, analysed, and highlighted some lessons

from the experiences of state labour management in industrial zones in many provinces and cities across the world and in Vietnam, including Guangzhou (Guangdong, China), Tokyo (Japan), Vinh Phuc, Hung Yen, and Bac Ninh, Improve coordination between departments and branches when performing the task of state management of labour; Expand and diversify propaganda activities in various forms; Establish legal documents under its authorization based on specific conditions and situations in the locality; Extensively perform the task of forecasting labour demand; Learn from international experiences in state management of labour; and Increase the inspection of labour law enforcement...

Starting from the new context that affects the state management of labour in Thai Nguyen industrial zones in the period of 2022 - 2025, vision to 2030, through analysis and assessment of the current situation, the dissertation has proposed direction and major solution to improve the state management of labour in the industrial zones of Thai Nguyen province in this period, including: Strictly manage the work permits and increase legal support; Innovate the methods of job introduction and consultation; Enhance the inspection of the performance of labour contracts, salary, insurance, and occupational safety and health; Distinguish the function of state management of labour, salary and employment with the function of state management of enterprises; Enhance the cooperation between the parties in managing labour in industrial zones; Implement the "tripartite mechanism", promote the role of the labour union in the state management of labour in the industrial zones. In addition, the dissertation has produced several recommendations to the National Assembly, the Government, the Ministry of Labour - Invalids and Social Affairs, and the Ministry of Industry and Trade in order to improve the state management of labour in industrial zones in Thai Nguyen province.

Aside from the obtained results, the dissertation contains the following limitations: The examination of the state management of labour in Thai Nguyen province's industrial zones is not particularly insightful or explicit, especially in light of the COVID-19 and other intricate geopolitical problems.

To overcome the dissertation's shortcomings, additional study on the state management of labour related with flexible adaptation, safety, excellent management, and proactive guarantee of labour force for industrial zones in the context of abnormally fluctuating business environment is required.

**PUBLISHED SCIENTIFIC RESEARCHES OF THE AUTHOR  
RELATED TO THE DISSERTATION TOPIC**

1. Bui Duc Linh (2021), “Measures to accomplish the implementation of Labour Law in industrial zones in Thai Nguyen province”, *Industry and Trade Magazine*, ISSN: 0866-7756, (28).
2. Bui Duc Linh (2020), “State management of labour in industrial zones and lessons for Thai Nguyen province”, *Industry and Trade Magazine*, ISSN: 0866-7756, (16).
3. Bui Duc Linh (2016), “The effects of direct foreign investment on occupations”, *Political Theory*, ISSN 0868-2771, (7).
4. Bui Duc Linh (2016), “Vocational training for labour in rural areas - a measure for sustainable development in Thai Nguyen province”, *Political Theory*, ISSN 0868-2771, (6).