

**IMPACT OF INTERNATIONAL LABOUR TREATIES AND NEW
GENERATION AGREEMENTS ON LABOUR RELATIONS IN
VIETNAM**

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ABSTRACT

As Vietnam strides forward in the path of international integration, the labour sector emerges as a crucial arena greatly influenced by international treaties, particularly the new-generation free trade agreements. This context has led to significant changes in labour relations, including the labour law system. This article undertakes a vital study on the impact of these international labour treaties and new-generation agreements on labour relations in Vietnam to assess the current state of legal implementation and propose necessary recommendations.

Keywords: Labour; Employees; Labour laws; Trade Union; Viet Nam.

1.0 INTRODUCTION

The labour sector in Vietnam is significantly impacted by international treaties, which regulate and shape labour policies while also protecting workers' rights and the domestic labour economy. As a member of various international treaties, Vietnam is subject to regulations covering crucial aspects of labour and industrial relations. New generation agreements like the EVFTA offer opportunities and challenges for labour relations in Vietnam, fostering international cooperation and enhancing Vietnam's global position. This study aims to provide an overview of the impact of international treaties and new-generation agreements on labour relations, assess the current situation, and offer recommendations for Vietnam to improve its laws. It is essential to carefully consider the terms of new-generation agreements to safeguard workers' rights and ensure the sustainable development of the country's labour economy.

2.0 THEORETICAL FRAMEWORK

2.1 International treaties and new generation agreements have an impact on labour relations

International standards can influence the attraction of foreign direct investment (FDI) in various ways. On one hand, investors may be drawn to countries with low labour conditions to take advantage of cheap labour. Countries with weak employee representative organizations will attract investors, as these organizations have minimal influence, and workers are not adequately protected, giving investors more power in labour relations. Employee representative organizations can also influence investment attraction. On the other hand, there is also the view that countries with high labour standards attract investment. Investors believe low working conditions are often associated with low productivity, small market size, limited growth, and

economic, political, social, and labour force instability. Investors choose countries with higher labour standards when comparing low labour standards and these factors. In the current trend, international labour standards, especially those related to freedom of negotiation and dialogue, are increasingly focused on because they contribute to creating more harmonious labour relations. Implementing basic international labour standards creates a mechanism to protect workers from exploitation, building stable, harmonious, and healthy labour relations. These stable, harmonious, and healthy labour relations are essential for maintaining a country's political and social stability, a prerequisite for promoting the economy and attracting FDI. Attracting FDI will create more jobs for the economy and provide workers with more protection when the demand for labour increases, resulting in increased labour value. Accordingly, wage requirements and other factors ensure that employees are compensated appropriately.

2.2 The impact of international treaties and new generation agreements on the content of labour relations

Basic international labour standards significantly impact workers' rights. These standards protect workers, especially regarding freedom of association, collective bargaining, and anti-discrimination in labour, which will affect the country's ability to export goods. In turn, it affects the quality and quantity of workers. For example, basic international labour standards require that forced or child labour be prohibited, which limits the use of forced labour or child labour. While it may seem suitable for businesses to increase the labour supply and reduce labour prices, thereby decreasing the cost of producing exports and potentially increasing export competitiveness, it is essential to note that forced labour and child labour are relatively uncommon phenomena in export processing zones and enterprises producing export goods. The use of forced labour and child labour in these areas only accounts for a small proportion of the total number of forced labour and child labour worldwide.

Additionally, children going to school will increase their future labour productivity. In other cases, discrimination against labour can cause a decline in workers' work performance. Ensuring standards for the freedom of employee representative organizations will help enhance the status of employees in the enterprise. Neglecting the responsibility to protect workers will quickly lead to a lack of competitiveness in protecting workers' rights.

3.0 LITERATURE REVIEW

Research on the impact of international labour treaties and new generation agreements can be found in popular studies such as: Friedman, J., Gerlowski, D.A. & Silberman, J. (1992) with "What Attract Foreign Multinational Cooperation"; OECD (1996) with "Trade, Employment and Labour Standards: A Study of Core Workers' Rights and International Trade"; Jai, S.M. (1997) with "Core Labour Standards and Export Performance in Developing Countries"; Cees, v.B. (1998) "Labour Standards and Trade Flows of OECD Countries"; Nicholas, B. (1999) with "The Location of Foreign Direct Investment: An Empirical Analysis"; Bachma, S.L. (2000) with "A new economics of child labour: Searching for answers behind the headlines"; Drusilla, K.B. (2000) "International Trade and Core Labour Standards: A survey of the Recent Literature"; Will, J.M. & Keith, E.M. with (2001) "Core Labour Standards and Competitiveness: Implications for Global Trade Policy"; Baban, H. (2002) with "The impact

of core labour standards on exports"; Kucera, D. (2002) with "Core Labour Standards and Foreign Direct Investment"; Matthias, B. (2002) with "Comparative Advantage, Trade and Labour Standards"; ILO (2002) with "A future without child labour"; Klasen cited by Kucera, D. (2002) with "Effects of Labour Standards on Labour Costs and FDI Flows"; Kimberly, A.E. & Richard, B.F. (2003) with "Can Labour Standards Improved under Globalization?"; Flanagan, R. J. (2003) with "Labour Standards and International Competitive Advantage"; Remi, B. (2004) with "Core labour standards and economic growth"; Werner, S. (2005) with "Globalization and Social Progress: The Role and Impact of International Labour standards"; Robert J, Fanagan (2006) with "Globalization and Labour Conditions: Working Conditions and Worker Rights in a Global Economy"; UNCTAD (2006) with "World Investment Report 2006: FDI from Developing and Transition Economies: Implications for Development"; Jan, M.W. (2008) with "Realizing Core Labour Standards: The potential and limits of voluntary codes and social clauses: A review of the literature".

4.0 RESEARCH METHOD AND RESULTS

The topic is approached by utilizing popular research methods in the legal field in Vietnam, such as analyzing the legal landscape, evaluating the legal situation, and comparing different laws.

4.1 Current Status of Impacts of International Treaties and New Generation Agreements

The international treaties and new generation agreements that Vietnam has signed or acceded to not only require Vietnam to commit, but also oblige Vietnam as a member to establish a roadmap and essential steps for implementing those commitments. Implementing commitments in international treaties and new generation agreements such as CPTPP or EVFTA means that Vietnam adheres to basic international labour standards. Fulfilling these commitments demonstrates Vietnam's willingness to expand its cooperative relationship with the world, promoting economic development rather than a closed economy. basic international labour standards. Implementing those commitments shows that Vietnam is expanding its cooperative relationship with the world. That promotes economic development rather than a closed economy.

4.2 Current status of impacts of international treaties and new generation agreements on employment

Studies show that the higher a country's basic international labour standards, the more likely it is to attract investment. Moreover, vice versa, violations of basic international labour standards (fundamental international labour standards on anti-discrimination in labour) or low basic international labour standards will lead to less attractiveness to attract investment and thereby reduce economic growth. Investment attraction will be higher in countries with higher basic international labour standards and lower in countries with basic international labour standards. Statistics from the United National Conference on Trade and Development (UNCTAD) in 2005 showed that the total amount of FDI flowing into developed countries was 542 billion USD. Similar data for developing countries is only 334 billion USD. Meanwhile, attracting investment directly affects job creation and the country's economic growth.

Current status of impacts of international treaties and new generation agreements on workers' rights

Studies have shown that many studies, such as research by Cees van Beer (1998) and by OECD (1996), found little evidence of the impact of low labour standards on trade (mainly exports). No evidence exists that countries with low labour standards gain a competitive advantage in international markets. However, OECD research also shows a positive relationship between export growth and strengthening the implementation of basic international labour standards. Violating basic international labour standards not only does not enhance a country's comparative advantage but also reduces production efficiency, increases costs, and reduces labour productivity. Moreover, implementing basic international labour standards will promote economic efficiency (including exports). Reality also shows that developed countries - where basic international labour standards are better enforced - are also the countries that dominate global trade. According to statistics, among the ten countries with the most significant export output in the world from 2007 to 2008, except for China, the remaining countries are all developed countries. By studying the impact of dynamic standards on exports of 58 non-OECD countries, Baban Hasnat found that only implementing basic international labour standards on freedom of association and collective bargaining impacts export activities.

In contrast, ratification and implementation of other basic international labour standards do not impact the country's export activities. International labour standards are essentially the fundamental rights of workers in the workplace, and these rights are closely tied to human rights that are widely recognized globally. Up to this point, studies on basic international labour standards have found no negative impact of implementing basic international labour standards on national competitiveness and the contrary. These studies demonstrate that good application, implementation, and enforcement of basic international labour standards contribute to economic and social stability and promote national competitiveness. Therefore, applying basic international labour standards must be considered one of the country's development goals.

4.3 Recommends some solutions to improve the law in the context of the impact of international labour treaties and new generation agreements on labour relations in Vietnam

Participating in international treaties and new generation agreements not only compels Vietnam to implement labour standards more effectively but also enhances workers' rights, thereby bolstering Vietnam's reputation in the export market. This positive scenario is also the reason why goods from Vietnam are well-received in the international market, leading to increased job opportunities, heightened labour demand, and a more balanced labour relations landscape. The proposed measures to enhance labour laws are designed to leverage the benefits of international labour treaties and new-generation trade agreements, fostering a sense of optimism about the potential improvements.

First and foremost, it is imperative to fortify labour rights through improved legislation. Vietnam can adopt international labour standards and regulations to champion labour rights, encompassing aspects such as minimum wages, reasonable working hours, working conditions, and occupational safety and health. The policies and regulations should also be enhanced to safeguard the rights of female and specific workers. It is crucial to ensure increased compliance

and enforcement of labour regulations, necessitating continual adaptation and updating as mandated by international treaties and new generation agreements. The principle of fair treatment and equal opportunity for all workers, irrespective of gender, ethnicity, or marital status, should be a cornerstone of these efforts, instilling a sense of justice and equity in the audience.

Second, the law should be improved to create favorable conditions for businesses and foreign investment. The government needs to continue developing the business environment and labour regulations to promote investment and sustainable development. Create mechanisms to promote clean, green, fair, and sustainable production. The government's role in this process is crucial, as it needs to [specific actions the government needs to take].

Third, there are solutions to train and improve labour capacity through the training and upgrading labour skills, especially in fields with high demand in the world economy, such as information technology, engineering, and services. For instance, [specific types of training and upgrading of labour skills] are needed.

Fourth, the legal mechanism should be improved to continue transforming the market economy's structure towards a socialist orientation. Promote economic structural transformation towards production and services with high added value, creating job opportunities for socialist-oriented workers. Ultimately, this will require substantial management to ensure that Vietnam can benefit from the positive impact of international labour treaties and new generation agreements. In conclusion, the impact of these international labour treaties and new-generation agreements on labour relations in Vietnam is profound. The proposed solutions, if implemented, will improve efficiency and perfect Vietnam's labour law system.

5.0 CONCLUSION

The impact of international conventions on labour relations in Vietnam is significant. In particular, Convention No. 87 on Freedom of Association and Protection of the Right to Organize remains unratified, which is paired with Convention No. 98. Additionally, free trade agreements (FTAs) play a key role in influencing the labour relations in Vietnam. FTAs aim to liberalize trade in certain goods or groups of goods and have implications on the socio-economic aspects of the country. Given these factors, it's evident that international conventions and FTAs have a substantial impact on labour relations in Vietnam.

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