

Exploratory Study on Employment Opportunities for Youth and Young Workers in Vietnam During the Pandemic Recovery





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# **1. INTRODUCTION**

Since 2019, the Work: No Child's Business project (WNCB) has implemented various pathways of change to understand and tackle the root causes of child labour and its adverse impact on children and youth. By concerting multi-stakeholder efforts, WNCB aims to end child labour by 2025. This research is a collaborative activity between WNCB's implementing partners in Vietnam, with a focus on 15–17-year-old working children and their access to decent work in the garment sector in the post-Covid context.

When we started this research, the Vietnamese manufacturing industry faced a massive labour shortage due to pandemic control measures<sup>1</sup> and increased manufacturing activities.<sup>2</sup> However, within a few months, the global economic slowdown led to declining orders for Vietnam's factories<sup>3</sup> and a tighter labour market. Factories, especially those in labour-intensive sectors like garment production, had to apply retrenchment measures<sup>4</sup> and reduce their workforce. Our research explores the current employment status of under-18 working children, their perception of decent work and the access to decent jobs for youth in the garment sector.

# 1.1. The situation for young workers pre-pandemic

According to the National Survey on Child Labour 2018, 1,754,066 children, 9.1% of Vietnam's child population under 18,<sup>5</sup> participated in economic activities. Of these, 51.2% were young workers aged 15-17.

The Vietnam Labour Code grants the right to work to individuals above 15, provided that certain protection measures are in place. This is in line with international standards. However, the national survey also revealed that an estimated 53.4% of young workers are working in hazardous conditions and are therefore considered to be in child labour. The national survey also found that one-third of working youth work more than 40 hours a week, and while the largest groups work at home, 14.5% work on other people's farms or plantations, and 11.2% work in factories or workshops. When looking solely at youth in child labour, over 21% work in factories or workshops, indicating that young workers in these settings are at an even higher risk of engaging in hazardous work than in-home or agriculture settings (see Table 1).<sup>6</sup>

Young workers engage in hazardous work that ranges from working in dusty and hot environments to working at height, underwater, or offshore (refer to Table 2<sup>7</sup> and Appendix 1<sup>8</sup> for details).

<sup>4</sup> VN Express, 'Layoff wave sweeps Vietnam's manufacturing hub as export orders dwindle,'

<sup>&</sup>lt;sup>1</sup> VN Express, 'Labour shortage plagues Vietnam industries,' 2022, <<u>https://e.vnexpress.net/news/economy/labor-shortage-plagues-vietnam-industries-4491774.html</u>>, accessed 03 May 2023.

<sup>&</sup>lt;sup>2</sup> Vietnam Plus, 'Vietnam's manufacturing output continues to rise,' 2022, <<u>https://en.vietnamplus.vn/vietnams-manufacturing-output-</u> <u>continues-to-rise/235130.vnp</u>>, accessed 03 May 2023.

<sup>&</sup>lt;sup>3</sup> Vietnam Plus, 'Decline in orders kicking in for footwear, garment and textile industries,' 2022, <<u>https://en.vietnamplus.vn/decline-in-orders-kicking-in-for-footwear-garment-textile-industries/244902.vnp</u>>, accessed 03 May 2023.

<sup>&</sup>lt;<u>https://e.vnexpress.net/news/economy/layoff-wave-sweeps-vietnams-manufacturing-hub-as-export-orders-dwindle-4540019.html</u>>, accessed 03 May 2023.

<sup>&</sup>lt;sup>5</sup> In Vietnam, any person under 16 years of age is considered a child (Law on Children 2016). The Labour Code provides that a person who has reached 15 years of age but is under 18, is considered a juvenile worker. Labour Code 2019.

<sup>&</sup>lt;sup>6</sup> ILO, 'Vietnam National Child Labour Survey — Key Findings,' 2018, pp. 28-37

<sup>7</sup> Ibid.

<sup>&</sup>lt;sup>8</sup> Ibid.



		15-17 years old			15-17 years old	
Work Location	Working children by work location	Number	Percentage	Children in child labour by work location	Number	Percentage (%)
Total	1,754,066	989,293	100	1,031,944	528,355	100
At children's homes	588,992	307,670	31.1	255,236	112,540	21.3
Customers' houses	69,833	57,379	5.8	62,220	50,194	9.5
Offices	7,009	5,936	0.6	7,009	5,812	1.1
Factories/workshops	125,757	110,801	11.2	125,757	110,955	21.0
Farms/fields/gardens	235,337	143,447	14.5	124,839	67,101	12.7
Construction sites	8,636	6,925	0.7	8,636	6,869	1.3
Shops/kiosks/restaurants	69,281	54,411	5.5	49,902	36,985	7.0
Mobile workplace	118,886	49,465	5.0	82,792	30,116	5.7
Fixed workplaces on streets or markets	33,010	22,754	2.3	21,785	14,266	2.7
Rivers/lakes/lagoons	17,345	10,882	1.1	17,345	11,095	2.1
Others	20,034	13,850	1.4	13,004	10,039	1.9
Not classified	459,946	205,773	20.8	263,419	72,385	13.7

#### Table 1: Work locations, working children

### Table 2: Work locations, child labour in hazardous work

Working environment	Total	15-17 years old		
	Total	Number	Percentage	
Dust, rubbish, smoke	286,253	202,381	70.7	
Gases, flammable and explosive substances	26,069	21,872	83.9	
High level of vibration and strong movement	119,363	71,857	60.2	
Extreme temperatures	111,927	90,325	80.7	
Working underground/in caves/tunnels	3,097	2,970	95.9	
Working in high places (over 3 metres)	25,554	19,063	74.6	
Working underwater (ponds, lakes, etc.) diving and offshore fishing	33,373	25,197	75.5	
Too dark and too narrow workplaces	10,642	7,492	70.4	
Contact with chemical substances (pesticides, glue etc.)	82,860	16,572	20.0	
Addictive substances (drugs etc.)	749	656	87.6	
Working on construction sites	33,702	30,703	91.1	
Working in smithies, medical metal casting workshops	6,765	5,757	85.1	
Working in production workshops or running businesses on beverage/cigarettes	4,024	2,982	74.1	
Others	10,266	6,765	65.9	

## **1.2.** Young workers during and in the post-pandemic context

The data above shows that even before the pandemic, young people faced significant obstacles in accessing non-hazardous and formal work. According to the Asian Development Bank and ILO, young people in the Asia-Pacific region are expected to face forced disruption of education and training and encounter even greater challenges in finding employment opportunities during the pandemic than adults.<sup>9</sup>

This is partly due to the fact that the four sectors most impacted by the pandemic (wholesale and retail trade and repair, manufacturing, rental and business services, and accommodation and food services) are also the sectors where young workers are most likely to secure jobs. Moreover, the education disruptions disproportionately affected the 15-17 age group, with many dropping out of school altogether after the pandemic-related school closures were lifted. As of 2021, only 78.1% of children aged 15-17 are still enrolled in school.<sup>10</sup>

Throughout 2021, the export-oriented demand in the garments and footwear industry led to a soaring labour market, with factories struggling to find enough workers. However, this labour shortage subsided by the end of the second quarter of 2022 when the economic slowdown began to impact ordering numbers.<sup>11</sup> As a result, Vietnam's labour market transitioned from a shortage to redundancy. The Ministry of Labour reported that the decline in orders in 2022 affected 637,490 workers, with 53,000 workers losing their jobs due to massive retrenchment.<sup>12</sup>

According to the ADB assessment of the vocational training sector in 2020, a decreasing enrolment rate is observed in both colleges and vocational schools.<sup>13</sup> Meanwhile, the number of dropouts is peaking among children in Grades 8 and 12 (equivalent to 15 and 19-year-old youth).<sup>14</sup> Given such context and the lack of immediate solutions to this education crisis, creating decent job opportunities for these children with adequate protection and viable, practical vocational training is vital. In this research, our findings look into the vulnerabilities of under-18 youth workers stuck with no decent work in the informal sector. Therefore, it calls for the attention of relevant stakeholders, notably business actors, to enforce their efforts to generate decent jobs for youth in formal settings where the young workers are able to access their lawful entitlements.

<sup>&</sup>lt;sup>9</sup> ADB, 'Tackling the COVID-19 youth employment crisis in Asia and the Pacific,' 2020, pp. vii-viii.

 <sup>&</sup>lt;sup>10</sup> UNICEF, 'Survey Measuring Vietnam Sustainable Development Goal Indicators on Children and Women 2020-2021,' 2021, pp. 319-320.
<sup>11</sup> Nhip Song Kinh Doanh, 'Thị trường lao động gặp nhiều khó khăn, nhu cầu tuyển dụng giảm mạnh,' 2023,

<sup>&</sup>lt;<u>https://nhipsongkinhdoanh.vn/thi-truong-lao-dong-gap-nhieu-kho-khan-nhu-cau-tuyen-dung-giam-manh-post3105941.html</u>>, accessed 03 May 2023.

<sup>&</sup>lt;sup>12</sup> VN Economy, 'Hơn 53.000 lao động mất việc do doanh nghiệp bị cắt giảm đơn hàng,' 2023, <<u>https://vneconomy.vn/hon-53-000-lao-dong-mat-viec-do-doanh-nghiep-bi-cat-giam-don-hang.htm></u>, accessed 03 May 2023.

<sup>&</sup>lt;sup>13</sup> ADB, 'Vietnam Technical and Vocational Education and Training Sector Assessment', 2020.

<sup>&</sup>lt;sup>14</sup> UNICEF, 'Viet Nam Education Fact Sheets', 2022.

# 2. RESEARCH QUESTIONS AND METHODOLOGY

# **2.1.** Research scope and objectives

As part of the WNCB project, we aim to explore young workers' current work, their decent work and to what extent and how the garment industry can create opportunities or risks for these youth. Our research focuses on young workers aged 15-17<sup>15</sup> located in Ho Chi Minh City, Vietnam's primary production hub.<sup>16</sup>

# 2.2. Key research questions

This research objective has two main objectives, each with specific research questions:

- For youth and young workers
  - What is the employment status of young people in the post-pandemic period, and what factors influence their job-seeking behaviour? What risks do young workers face in their current or previous jobs?
  - Can young workers access decent work? What are their working conditions like? What is their intention to seek employment in factories?
- For international buyers and suppliers in the garment supply chain
  - What factors do suppliers consider when recruiting (or not recruiting) young workers, from the minimum age of employment (15) to under 18 years old?
  - To what extent and in what ways does the garment industry create opportunities or risks for young workers in the post-pandemic context, where labour demand changes rapidly?

# 2.3. Methodology, sample and informants

The research methodology of this study is qualitative and uses a multi-stakeholder approach to understand the different variables and factors that define opportunities and risks for youth in the garment and footwear manufacturing sector in Vietnam. The study involved in-depth focus group discussions with 41 youth, surveys and interviews with potential employers, and 9 in-depth interviews with key Informants (KIIs) from international buyers. Additionally, the study refers to available secondary data and includes input from other key stakeholders, such as Better Work Vietnam (BWV), Vocational Schools Management, and The Centre for Child Rights and Business (The Centre).

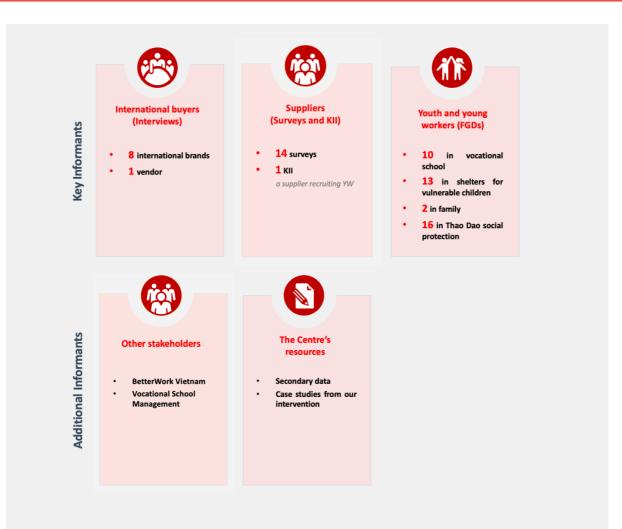
With the support of Save the Children Vietnam, we were able to reach 41 youth in this study. They have various backgrounds: 10 youth are in vocational school programs, 13 are living in a children's home, 16 are integrated in a child protection shelter, and 2 are young workers known from our outreach in the community. Among them, 26 have gained some working experience currently or in the past. And 22 are currently in part-time or full-time vocational training.

<sup>&</sup>lt;sup>15</sup> The term young workers used in this research refers to the working children aged 15 to 17 years old.

<sup>&</sup>lt;sup>16</sup> The current research scope has been enlarged, compared to the original assignment. The original research questions were anchored in labour shortage context. Acknowledging that labour shortage was a temporary effect, the research questions were modified to capture better picture of labour demand oscillations impacting on young workers.

WORK: NO CHILD'S BUSINESS

THE CENTRE



#### **Better Work Vietnam**

Created in 2009, the programme engages with workers, employers and governments to improvement working condition and boost competitiveness of the garment industry.

# The Centre for Child Rights and Business (The Centre)

With more than 10 years providing Young and Juvenile Workers Service, The Centre looks for solutions to connect out-of-school youth with decent work and offers training and support to factories enabling them to cultivate a motivated, young workforce.

# **3. KEY FINDINGS**

## 3.1. Working experience of young workers

25 boys and 16 girls, aged 15-17, who participated in this study pursued various paths of development. While 22 of the studied youth were in educational programmes, more than half of them (26) already had work experience:

- 19 were currently working, with 4 working full-time as the family's breadwinners.
- 7 used to work when they were younger.
- 4 young workers who worked full-time were out-of-school children. While two did not have an interest in education, the others yearned to have educational opportunities to upgrade their vocational skills.



### **3.1.1** Awareness of working conditions

All the work done by these youth occurred in **the informal sector**. They worked in various jobs, such as restaurants, hairdressers, and construction sites. However, none of them received an **employment contract or had access to social security schemes**. Due to the informality of their work, there was a significantly high risk that they were not provided with the **protection stipulated by laws, such as against overtime, night shifts**,<sup>17</sup> **and hazardous work**. In fact, 12 out of 19 respondents reported that their **current work was not decent**.

"Working in the kitchen is tiring for me, as I could get burned by the fire or cut by the sharp blades. Waitering also requires a lot of effort, as the tray can sometimes be too heavy and I can lose control, causing items to drop and break."

#### -A 17-year-old boy, working in a restaurant

These findings are consistent with the results of the National Child Labour Survey (2018), which found

that the majority of working children are in **informal jobs** that do **not provide them with adequate protections** that they are entitled to (see Tables 1 and 2 above). While some of the youths were aware that they were exposed to hazardous tasks, such as using sharp and dangerous tools or working long hours, others did not realise that working at night and overtime is against the law.

Youth and young workers from vocational training centres tend to have a clearer understanding of what constitutes decent work than other youths in this age range. They consider factors such as contractual arrangements and access to social schemes as essential components of their ideal jobs in the future.

<sup>&</sup>lt;sup>17</sup> Although the Labour Code allows arranging overtime work or night shifts for juvenile workers (aged 15-17) in certain occupations and work as regulated by the Ministry of Labour, Invalids and Social Affairs (Appendix V, Circular No. 09/2020/TT-BLDTBXH, The Centre strongly recommends that employers do not arrange night shifts or overtime for juvenile workers in line with ILO recommendations (R146 Minimum Age Recommendation, 1973).



#### **3.1.2 Perception about employability**

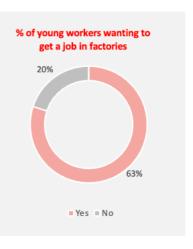
The majority of youth (approximately 80%) who participated in this study expressed their desire to work in a reputable factory once they reach the age of 18. They believe that 18 is the minimum age requirement for obtaining a formal job, and until then, they have no choice but to work in informal settings. Although young workers perceive factory jobs to be much more decent, they are aware that only individuals who are 18 years of age or older can secure these jobs.

### 3.2. Why suppliers and buyers avoid hiring young workers

While young workers believe that the minimum age for formal employment is 18, half of the surveyed enterprises in this study have written policies about hiring and managing workers above 15 years of age. However, only one enterprise among those surveyed recruited workers under 18 due to operational needs, while the others maintained their recruitment of workers above 18.

The Centre has observed that young workers are most likely to be hired **as temporary seasonal workers during peak times when additional labour resources are needed.** Operational needs are one of the few drivers for suppliers to hire young workers, and 5 out of 9 international buyers stated that their suppliers recruit young workers due to operational needs.

Although hiring young workers seems to occur only in moments of need and in the absence of other options, suppliers state multiple **reasons why they are reluctant** to recruit workers under the age of 18 as employees. These reasons include the need to implement stronger health and safety systems due to the increased level of protection that young workers require, difficulty integrating them



into operational structures due to their limited working hours, and the general feeling that it is too complicated.

One prominent challenge indicated by suppliers in recruiting and managing young workers is that "young workers do not want to work and stay with the factory" (5 out of 14). This is in direct contradiction with what we heard from young workers in our study, where nearly 80% of them want to seek decent jobs in the factories once they turn 18.



The post-pandemic context shows how these drivers and barriers affect young workers. Although 43% of suppliers experienced a labour shortage in the period after the social distancing policy was lifted, the barriers described above kept all but one from considering young workers. For one factory, the pressure was so immense that they decided to give young worker employment a try. However, once orders decreased after April 2022 (62% of buyers reported a decrease in orders), all factories strongly limited their recruitment, making it even more unlikely for young workers to be recruited by an export-oriented factory.

### **3.3.** Decent work for young workers: In need, yet scant opportunities offered

After conducting interviews with key stakeholders, four main challenges have been identified in creating decent work for youth in the garment industry.

Firstly, it is common for labour-intensive industries, such as the garment and footwear sectors, to have compliant recruitment policies that allow companies to recruit workers above the age of 15 for appropriate tasks in accordance with local laws. However, these companies often also maintain an above-18 recruitment practice as a way to evade compliance regulations. This practice limits youth opportunities to obtain factory jobs due to age restrictions, resulting in them seeking informal jobs that offer less job security.

Secondly, while manufacturers do recruit young workers as temporary workers during peak times, factories are often ill-prepared to provide the necessary protection for these young workers due to the rush to fill positions. This situation **creates risks for all parties involved**, including young workers, suppliers, and international buyers.

- Without adequate protection, young workers are likely work more than 8 hours per day and be exposed to hazardous work.
- Without proper recruitment practices, suppliers and international buyers may face child labour risks.

Thirdly, factories may subcontract production processes to other factories and workplaces to meet tight deadlines and complete large orders. As factories seek cost-efficient solutions, they often turn to more informal producers to become part of their supply chain.<sup>18</sup> However, this results in little-to-no visibility at the low-tier of suppliers, leading to severe child labour risks.

Lastly, in a fluctuating labour demand situation, such as the post-pandemic context with short but extreme labour shortage or sharp declines in labour demand in manufacturing sectors, young workers become even more vulnerable.

"In the past, factories often made it clear in job announcements that workers under 18 years of age were not eligible. However, this age indication was removed after it was deemed as age discrimination. Nevertheless, in HR perceptions, they tend to automatically reject the applications of workers under 18 years of age."

-An international buyer with more than 200 suppliers in Vietnam

<sup>&</sup>lt;sup>18</sup> SOMO, 'Hidden subcontracting in the garment industry,' 2015, <<u>https://www.somo.nl/hidden-subcontracting-in-the-garment-industry/></u>, accessed 03 May 2023.



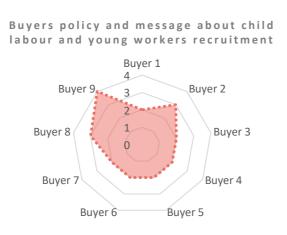
### 3.4. International buyers as an enabler in promoting and creating decent work for young workers

This research highlights the important role of buyers in supplier development and their responsibility in recruiting and managing young workers as a part of their strategy for creating inclusive and child-labour-free supply chains. By connecting various actors such as young workers, suppliers, and international buyers, valuable insights have been gained.

Previous research has shown that buyer-supplier performance is strongly influenced by supplier development. When buyers do not provide clear strategies and communication to suppliers regarding the recruitment of young workers, this can negatively impact supplier performance.

"Every out-of-school youth working in the informal sector and then given a formal and decent work position, is a child taken out of a child labour situation. As such, creating decent work opportunities for children of working age is a direct contribution towards child labour elimination."
— Ines Kaempfer, CEO of The Centre for Child Rights and Business

All participating international buyers in this research have implemented a zero-tolerance child labour policy throughout their supply chain. However, their messaging and vision regarding the integration of young workers into the supply chain varies.



1 = Clear policy and message about zero-tolerance for child labour

2 = Do not object 15-17 young workers but have no message about young workers inclusion

3 = Welcome young workers with an explicit message (through inclusion policy)

4 = Actively promote young workers' engagement in their suppliers (even in low-tier suppliers)

Due to varying perspectives on the recruitment of young workers, international buyers can be categorized as either *inhibiters, observers* or *enablers*.



International buyers' visions	Scenario 1 Inhibiters stringently control to ensure suppliers recruiting over 18 only	Scenario 2 Observers implicitly accept recruitment of youth as temporary workers	Scenario 3 Enablers actively promote young workers inclusion in supply chain	
Potential actions	Tighten up monitoring to ensure no recruitment for under 18	Maintain current practices of hiring YW as temporary workers	Actively communicate YW inclusion policy Provide implementation guidance for suppliers	
Possible outcomes	Restrict youth's rights to work Potentially age discrimination	Expose to child labour risks if suppliers do not have sufficient managerial capacity and without guidance from buyer/advisory agents	Eliminate child labour risks by supplier development, especially to the lower tier suppliers Integrate YW programme into the DNA of the company	

International buyers, when acting as enablers for their suppliers in recruiting, managing, and maintaining young workers, can provide clear guidance on red flags to avoid and best managerial practices to apply. This can effectively mitigate child labour risks for any young workers who are recruited.

Moreover, the youth development pathway in the supply chain is an essential means of creating positive social impacts for the firm. This pathway not only provides employment opportunities for young people but also helps upgrade their skills through further technical and vocational learning experiences.

# 4. CASE EXAMPLES

## 4.1. Case of Supplier A, a garment factory

Supplier A is an international group that established a factory in Vietnam in 2017 to produce garment products. Prior to the pandemic, Supplier A experienced high labour demand for operational expansion, resulting in the recruitment of 200-300 young workers after Tết 2020 (Vietnamese New Year). However, by the end of 2022, the number of young workers at Supplier A dropped to 69 due to workers turning 18 and some dropping out during the pandemic.

Initially, Supplier A had no experience in recruiting young workers and sought guidance from BetterWork advisors and referred to Vietnam's legal regulations to ensure compliance with labour laws regarding young workers. Supplier A's buyers became aware of the presence of young workers when they visited the factory and wanted to ensure that Supplier A was complying with all requirements of Vietnamese labour laws concerning young workers.

#### Preparation for young workers recruitment:

- Alignment of labour contracts and working hour arrangements:
  - Ensure that the labour contracts include the appropriate benefits and working conditions for young workers.
  - Obtain consent and agreement from the young workers and their legal guardians (parents).
- Specific Working Time Arrangement:
  - Limiting the working hours of young workers to 40 hours per week, without overtime.
  - Requiring young workers to work strictly 8 hours per day and 5 days a week, as opposed to 6 days per week for workers over 18.
- Identify suitable tasks for young workers and ensure the tasks assigned comply with laws on juvenile workers.

#### **Recruitment:**

- Set the minimum age requirement at 16 instead of 15 to reduce the probability of recruiting underaged workers, especially those with fake ID-related documents.
- Diversification of recruitment channels:
  - Internal inference through current workers to look for their relatives in the required age range (16 to under 18).
  - Announcement on social networks (Facebook, Zalo).
  - Front-gate announcements.
  - o Pamphlet distribution at the gates of local committees and to existing workers.
- Recruitment process:
  - o Enhanced verification of ID-related documents, family books and educational records.
  - $\circ$  ~ New and in-depth interview questions to accurately determine the applicants' true ages.

#### Onboarding:

- Young workers go through basic training until they reached the 2nd level of training required for their job. The training typically lasted 1 to 2 weeks.
- Young workers were informed and provided with an explanation of the policies, benefits and allowances during the recruitment process.

#### Day-to-day Management:

- Young workers are mainly assigned to the sewing and quality control departments.
- No young workers are assigned to other hazardous departments.
- Young workers are grouped together based on their work time constraints. The current 69 young workers are divided into 3-4 groups that work together.
- Previously, with a large number of young workers, they were all in one specific area of the factory. However, colour codes are now being used identification purposes.





### 4.2. Case of Supplier B, a supplier of Buyer 9

Supplier B was established in 1991 and operates three factories in the central and southern regions of Vietnam, specialising in labour-intensive sector. In contrast to Supplier B, which had to learn how to recruit and manage young workers through trial and error, Supplier B has been part of a buyer's programme that promotes the inclusion of young workers, along with nine other Vietnamese suppliers.

The buyer recognises the importance of mitigating child labour risks and promoting child rights by creating positive impact for young workers in their supply chains. To support their suppliers, the buyer provides clear messaging about young workers' support and offers various toolkits to help suppliers recruit and manage young workers in different settings.

Like many other suppliers, Supplier B had no experience in recruiting and managing young workers (above 15) at their factories. As a result, Supplier B went through a rigorous capacity-building and advisory process provided by the buyer and a third-party organisation to understand the differences between managing workers under 18 and those above 18.

#### **Preparation:**

- A **baseline assessment** was conducted by The Centre at Supplier B to understand the operational features of the facility and the needs of out-of-job youth in the community, who were explored to see how they could get decent jobs at the factory.
- **Development of responsible recruitment mechanisms** based on the buyer's toolkits, including legal fact sheets, checklists, list of suitable tasks and workstations, and young workers management guidelines.
- Capacity building for HR, compliance staff, production managers, and mentors
- Stakeholder engagement through community outreach to inform local community and link with NEET (Not in Education, Employment, or Training) youth through various channels, including Civil Society Organisations (CSOs).

#### **Recruitment:**

- Use responsible recruitment mechanisms to hire young workers (special job announcement, job descriptions, contracts, etc.)
- Collaborate with local CSOs and TVETs to identify suitable candidates and dropped-out youth in the area.
- Recruit young workers through internal channels, mainly through referrals from current employees.

#### Onboarding and integration of young workers:

- **Provide orientation training** to all newly recruited workers, including young workers.
- **Develop an internal young workers programme**, which includes onboarding, young worker protection, production line management, and skill training.
  - Mentor and buddy systems are put in place to provide young workers with on-the-job training from senior mentors and peers, which accelerates the integration process.
  - Young workers are trained to upgrade both their technical skills to be more efficient and their soft skills to work effectively in the production lines.

#### Day-to-day management:

- Utilise the full package of guiding documents to manage young workers, including:
  - o A Development Matrix to assess risks and assign suitable tasks to young workers.
  - $\circ$  A job rotation programme to provide young workers with diverse experiences and opportunities.

**Sustainability**: Despite the fluctuations in the labour market during and post-pandemic, Supplier B has been able to maintain its young worker recruitment and management system, and we have seen evidence that several of the youth hired during that period have stayed on and some have even been promoted to supervisor and line leaders in the meantime.

# 5. RECOMMENDATIONS

To address youth employment, collaboration is needed between various actors, including governments, private sector players, and young workers. The following are suggested actions for each group.

**Governments** hold a primary responsibility to combat child labour, including children from 15-17 years of age. The findings of this study indicate several measures, such as:

- (1) Ensure access to formal, full-time and quality secondary education and vocational training programmes, with the skills and knowledge needed for the job market.
- (2) In case education opportunity is not available or viable for youths, collaborate with nonformal education alternatives.
- (3) Implement effective mitigation measures during education interruption (e.g. in times of a pandemic, natural disaster, political instability etc.) to reach the poorest and most vulnerable youth.
- (4) Invest in education and vocational training programmes to provide young people with the skills and knowledge needed for the job market.
- (5) Encourage public-private partnerships to support the transition to decent ageappropriate employment job opportunities and address youth unemployment, helping young people transition to the formal labour market.

**Private actors** play important roles in respect for children's rights as a part of business sustainability programmes and activities. These actors, from the focal firms to local suppliers, can

- (1) Invest in businesses that have the potential to generate employment opportunities for young people, as a part of their due diligence processes.
- (2) Offer training and mentorship programmes to help young people develop the skills needed for the workplace.
- (3) Implement policies that promote diversity and inclusion in the workplace in all supply chain tiers.
- (4) Adjust sourcing practices of the focal firms to smooth labour demand during peak times and stabilise the manufacturer's labour demands.
- (5) Collaborate with third parties specialised in youth development to provide employment opportunities and an enabling working environment for youth.

**Young people** should claim their rights to education and rights to access decent work. In particular, the youths can:

- (1) Take advantage of educational and vocational training programmes to develop the skills needed to succeed in the job market.
- (2) Pursue internships and other work experience opportunities to gain practical experience and build networks.
- (3) Be proactive in seeking out job opportunities and networking with potential employers.
- (4) Consider entrepreneurship as a viable career option and seek resources and support to start their own businesses.

Prioritising youth employment and maximising youth productivity in the post-pandemic recovery process will improve Asia and the Pacific's prospects for inclusive and sustainable growth, demographic transition, and social stability. When young people feel empowered to earn a living through fulfilling work, their energy, creativity, and talents can contribute to a positive cycle of economic growth, investment and social justice.



# 6. APPENDIX

# 6.1. Appendix 1: Young Workers in Child Labour

	Number	Percentage of 15-17	Number of 15-17	Percentage of 15-17 working children in child labour and in hazardous work
Working children	1.754.066	56,40%	989.293	100%
Child labour	1.031.944	51,20%	528.355	53%
Children in hazardous work	519.805	70,80%	368.022	37%





# 7. END NOTES

<sup>1</sup> VN Express, 'Labour shortage plagues Vietnam industries,' 2022,

<<u>https://e.vnexpress.net/news/economy/labor-shortage-plagues-vietnam-industries-4491774.html</u>>, accessed 03 May 2023.

<sup>2</sup> Vietnam Plus, 'Vietnam's manufacturing output continues to rise,' 2022,

<<u>https://en.vietnamplus.vn/vietnams-manufacturing-output-continues-to-rise/235130.vnp</u>>, accessed 03 May 2023.

<sup>3</sup> Vietnam Plus, 'Decline in orders kicking in for footwear, garment and textile industries,' 2022,

<<u>https://en.vietnamplus.vn/decline-in-orders-kicking-in-for-footwear-garment-textile-industries/244902.vnp</u>>, accessed 03 May 2023.

<sup>4</sup> VN Express, 'Layoff wave sweeps Vietnam's manufacturing hub as export orders dwindle,'

<<u>https://e.vnexpress.net/news/economy/layoff-wave-sweeps-vietnams-manufacturing-hub-as-export-orders-</u> dwindle-4540019.html>, accessed 03 May 2023.

<sup>5</sup> In Vietnam, any person under 16 years of age is considered a child (Law on Children 2016). The Labour Code provides that a person who has reached 15 years of age but is under 18, is considered a juvenile worker. Labour Code 2019.

<sup>6</sup> ILO, 'Vietnam National Child Labour Survey — Key Findings,' 2018, pp. 28-37

<sup>7</sup> Ibid.

<sup>8</sup> Ibid.

<sup>9</sup> ADB, 'Tackling the COVID-19 youth employment crisis in Asia and the Pacific,' 2020, pp. vii-viii.
<sup>10</sup> UNICEF, 'Survey Measuring Vietnam Sustainable Development Goal Indicators on Children and Women 2020-2021,' 2021, pp. 319-320.

<sup>11</sup> Nhip Song Kinh Doanh, 'Thị trường lao động gặp nhiều khó khăn, nhu cầu tuyển dụng giảm mạnh,' 2023, <<u>https://nhipsongkinhdoanh.vn/thi-truong-lao-dong-gap-nhieu-kho-khan-nhu-cau-tuyen-dung-giam-manh-post3105941.html</u>>, accessed 03 May 2023.

<sup>12</sup> VN Economy, 'Hơn 53.000 lao động mất việc do doanh nghiệp bị cắt giảm đơn hàng,' 2023, <<u>https://vneconomy.vn/hon-53-000-lao-dong-mat-viec-do-doanh-nghiep-bi-cat-giam-don-hang.htm>,</u> accessed 03 May 2023.

<sup>13</sup> ADB, 'Vietnam Technical and Vocational Education and Training Sector Assessment', 2020.

<sup>14</sup> UNICEF, 'Viet Nam Education Fact Sheets', 2022.

<sup>15</sup> The term young workers used in this research refers to the working children aged 15 to 17 years old.

<sup>16</sup> The current research scope has been enlarged, compared to the original assignment. The original research questions were anchored in labour shortage context. Acknowledging that labour shortage was a temporary effect, the research questions were modified to capture better picture of labour demand oscillations impacting on young workers.

<sup>17</sup> Although the Labour Code allows arranging overtime work or night shifts for juvenile workers (aged 15-17) in certain occupations and work as regulated by the Ministry of Labour, Invalids and Social Affairs (Appendix V, Circular No. 09/2020/TT-BLDTBXH, The Centre strongly recommends that employers do not arrange night shifts or overtime for juvenile workers in line with ILO recommendations (R146 Minimum Age Recommendation, 1973).

<sup>18</sup> SOMO, 'Hidden subcontracting in the garment industry,' 2015, <<u>https://www.somo.nl/hidden-subcontracting-in-the-garment-industry/></u>, accessed 03 May 2023.

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The Work: No Child's Business alliance aims to ensure that children and youth are free from child labour and enjoy their rights to quality education and (future) decent work. The alliance is run by the Save the Children Netherlands, UNICEF Netherlands and the Stop Child Labour Coalition. The programme is supported by the Netherlands Ministry of Foreign Affairs.

The Centre has been the implementation partner in Vietnam to work with the private sector in the garment, textile and footwear industry.

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