

A Decade of Progress: Improving Working Conditions in Vietnamese Apparel and Footwear Industry (2012-2022)

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Introduction and background. Labor in Vietnam's apparel and footwear industry (AFI) has become a critical driver of the nation's economic success, accounting for roughly 20% of its total exports (Australian Human Rights Commission, 2021). Data from Better Work Vietnam (BWV, 2020) positions Vietnam as the second-largest garment manufacturer in Asia and the fifth-largest globally (BWV, 2020). This position is significant in Vietnam's employment landscape, with the AFI currently employing over 2.5 million people (Do, 2017). However, despite its economic contributions, the industry has faced significant challenges in working conditions. Excessive overtime and hazardous work environments remain a concern, as documented by BWV reports (BWV, 2013; BWV, 2020). To the best of the researcher's knowledge, scholarly resources related to working conditions in AFI in Vietnam have been limited. Working conditions included several aspects such as compensation, contractual agreements, human resources, occupational safety and health (OSH), and the working time cluster (BWV, 2013). This study aimed to bridge this knowledge gap by comprehensively analyzing working conditions in Vietnam's AFI over a ten-year period since 2012. This research held significant academic value by contributing to the understanding of labor standards compliance in developing countries, particularly Vietnam's AFI. The data could be used as a benchmark for analyzing working conditions in other garment-producing countries, allowing for comparisons and identifying best practices across the industry, and promoting supply chain transparency. Furthermore, this study highlighted existing data gaps and potentially lead to the development of new methodologies for capturing a more holistic picture of working conditions within the AFI. For professional practices, the results empowered investors and advocates to hold Vietnamese AFI companies accountable for ethical labor.

Method. This study utilized published information as its primary data source, including working papers, annual reports from BWV from 2013 to 2023, other NGOs, websites, and numerous compliance reports in Vietnamese AFI studies. The study used a systematic review method and grey literature (Paez, 2017) to run a thorough and transparent procedure for finding, evaluating, selecting, and combining evidence pertinent to specific research inquiries. In addition, the researcher employed qualitative thematic analysis (Braun & Clarke, 2006) to discover findings that aligned with the compliance stance in AFI in Vietnam, which were derived by making interpretations based on themes. There were four main themes as clusters: compensation, contracts and human resources, OSH, and working time (BWV, 2013). The descriptive data was inputted into Microsoft Excel to analyze the percentage rate of clusters regarding AFI working conditions.

Results and discussions. The garment industry's compensation cluster in Vietnam was vast. The number of factories paying below-minimum wages dropped by 1% in 2022. The timely and complete payment of social insurance payments increased by 12%, indicating a growing commitment to worker well-being and social safety nets. The percentage of factories using

separate payroll record-keeping techniques dropped by 15%, showing increased transparency and reduced manipulation. Reducing non-compliance from 92% to 5% in ten years was impressive. This data showed that factories were increasingly paying workers for idleness. However, overtime compensation non-compliance increased, negating the gains. Wage theft and exploitation rose from 30% in 2012 to 45% in 2022, which is concerning. This percentage was especially concerning during high seasons when overtime was common. Minimum wage, social insurance, and payroll transparency improvements inspired optimism for future progress.

Regarding temporary workers, factory regulations for this susceptible labor were violated by 51% in 2012. This number decreased to 8% after ten years, showing a significant change in the recognition of outsourced worker rights. The previous decade saw inconsistent compliance with labor laws, agreements, and contract job requirements, producing frustration. After hitting 75% non-compliance in 2014, it dropped to 4% in 2022 before rising to 39% by the end of the decade. This discrepancy raised questions about enforcement consistency and the ability of present measures to ensure core labor rights compliance. Besides, workplace communication was challenging. Compliance in this vital arena fluctuated over the past decade but impressively remained consistent. After falling to 4% in 2020, the number rose to 39% in 2022, causing us to investigate why many factories struggle to communicate with management. These differences showed a fractured society where some advances overshadow others.

All-level OSH non-compliance decreased. The industry reduced infractions between 2012 and 2022, demonstrating its commitment to workplace safety. It alarmed that 60% of factories lacked emergency supplies in 2012. The percentage dropped to 16% by 2022. Fire drills, evacuation plans, and emergency response training increased, preparing people for unexpected scenarios. Poor healthcare facilities and first-aid skills were also problematic. However, this industry reduced breaches from 93% in 2012 to 45% in 2022. Accident and disease response improved with more medical supplies, skilled experts, and accessible healthcare. Creating a resilient workplace safety and health system was essential. From reactive to proactive, manufacturers followed OSH guidelines, conducted risk assessments, and built hazard detection programs. This proactive strategy has reduced OSH infractions in all categories. Workers need PPE and safety protocols. Infractions reduced from 80% in 2012 to 14% in 2022 due to industry advances protecting workers. Many companies enhanced ventilation, lighting, cleanliness, and noise. An excellent and welcoming workplace boosted employee happiness and productivity. Gradually, over time, infractions diminished. Factory non-compliance dropped from 93% in 2012 to 75% in 2022. This trend was significant, but 75% required prudence. Practical strategies to address the widespread practice of forced overtime were needed. In contrast, industrial leave benefits improved. In 2022, 9% of factories did not provide enough leave, down from 32% in 2012. This tremendous development reflected a rising commitment to workers' rights to rest, which was vital to their health.

Conclusions. Overall, the working conditions in Vietnamese AFI from 2012 to 2022 significantly improved in most clusters. However, overtime non-compliance routinely exceeded regulatory limitations and harmed employees' physical, emotional, and personal well-being. Significant data gaps persisted despite recent progress, including improvements in minimum wages, social security benefits, and maternity leave. The findings informed research on factors

influencing labor standards compliance in developing countries. Academia could also identify industry best practices and areas needing improvement and assess the real-world impact of regulations and initiatives on worker well-being in the AFI sector. This work informed future policy decisions and advocacy efforts. Data availability over time allowed for longitudinal studies that can track progress in compliance levels and identify trends within the Vietnamese AFI. It is crucial to employ a combination of additional sources, such as integrating grey literature with peer-reviewed studies, government statistics, and other relevant sources, to enhance the consistency of the evidence. Also, investigating other aspects of compliance, such as environmental standards and the transparency and traceability of the supply chain, is essential to guarantee the all-encompassing advancement of compliance in the AFI sector in Vietnam.

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