



LEAVE NO ONE BEHIND

POLICY RECOMMENDATION

on

Social assistance for informal workers, migrant workers and workers without a labour contract,

COVID-19 has become a global pandemic. In Vietnam, as of 8am April 6th 2020, there were 241 confirmed cases with no deaths reported.

At the very beginning of the COVID-19 pandemic, the Party, the Government and Vietnamese people have unified to drastically and effectively implement the undertakings of the Party and follow the direction of the Government, to prevent the pandemic spread, to protect people's health and ensure social security for those who are impacted. Prime Minister Nguyen Xuan Phuc emphasised the urgency for social security measures in this context. In the Government meeting on April 1st, the Prime Minister assigned the Ministry of Investment and Planning to work with relevant agencies to finalise the draft proposal on social assistance for the most vulnerable groups affected by COVID-19. For all the proactive efforts and commitments in fighting against COVID-19 so far, the Vietnamese Government has gained high credibility internationally.

The Network of Action for Migrant Workers (Mnet) and Oxfam in Vietnam highly appreciate the proposed recommendations for a relief package which include six groups of beneficiaries, those are people who have served the revolution, people on social welfare, poor and near-poor households, workers subject to labor contract suspension and unpaid leave at enterprises, individual household businesses with declared taxable income below VND 100,000,000 per year who have to suspend their business activities, workers who have lost their jobs.

To contribute to the government's call for leaving no one behind, Mnet and Oxfam in Vietnam have conducted a rapid assessment among the most vulnerable groups affected by COVID-19 and found that besides the six

groups mentioned in the draft social assistance proposal, labourers without a labour contract and migrant workers in the informal sector are in acute situation of imminent destitution with significant decrease or loss of income. This group has not been targeted in the draft proposal for social assistance.

The rapid assessment was conducted by Mnet and Oxfam in Vietnam in the second half of March 2020 among 2000 migrant workers in the informal sector in Ha Noi and Ho Chi Minh City and showed that COVID-19 is severely affecting their jobs and income. This group of labourers without a contract and migrant workers includes waste collectors, domestic workers, street vendors, unlicensed small businesses, motobike taxi and taxi drivers, porters at wholesale markets, and workers in the service sector.

Even under normal conditions, income of most migrant and informal workers does not meet the minimum living standards¹. Workers in the informal sector, especially migrant workers, do not have access to social protection policies, since most of them do not have a labour contract; they do not have social insurance, therefore, their employment opportunities and income are often seriously affected by shocks.

The rapid assessment shows that most of these workers groups are now suffering from reduced working hours or job loss, substantial drop in income or even total income loss.

The domestic workers mostly work on an hourly basis and do not have labour contracts, so they do not have any long-term job commitments and do not receive any compensations when they lose their job.

The group of street vendors who sell goods that are not considered essential are not allowed to continue their businesses when the policy of "social distancing" is being implemented. Ms. T. a member in a self-help group in Phuc Xa ward, Ba Dinh, Ha Noi shared *"Since the pandemic started, my selling things on street shrank and now stopped to prevent the virus spread. I know it's necessary to do that. But my family's income totally relied on it. We are not selling anything now and no one hires us to do anything for money. We are living hardship day by day on very little"*.

¹ Oxfam, "Legal and Practice Barriers for Migrant Workers in their Access to Social Protection", 2016, p. 20)

A large number of motorbike taxi and taxi drivers who borrowed money to buy vehicles are losing their jobs together with their ability to pay debts, and the risk of falling back into poverty.

Waste collectors still have to work every day, being exposed to the high risk of Corona virus infection, while they do not have instructions and appropriate equipment to protect themselves.

A number of migrant workers who lost their jobs were able to return to their hometown, but about 50% of them are still living in Hanoi without jobs and income. Meanwhile, most of them still have to pay monthly expenses such as housing, electricity and water, without any financial support from their family in the countryside. They are facing a shortage of food and utilities.

Our recommendations:

1. The Government ensures that workers without a labour contract and migrant workers in the informal sector, including (1) domestic workers, (2) street vendors, (3) waste collectors (4) porters at wholesale markets, (5) motorbike taxi drivers, (6) taxi drivers, and (7) workers in the service sector are eligible beneficiaries in the Government's social assistance policy for people affected by COVID 19.
2. Formulate preferential credit policies for these groups with favourable interest rates, reschedule debts and reduce interest rates for current commercial loans.
3. Provide information, and guidance on how to self-protect from infection risks based on the specific working environment of workers in informal sector, provide waste collectors with personal protective equipment
4. The budget support for migrant workers affected by the COVID 19 epidemic should be calculated and funded from the local budget where the migrant workers are currently working (the destination).
5. Officials from Ministry of Labor, Invalids and Social Affairs and local authorities where the migrant workers work and reside should proactively determine a set of basic criteria to identify the rightful beneficiaries of the policy. The identification of criteria and beneficiaries, and the implementation of the support package should be consulted and coordinated with social organizations. This will mobilise effective participation and contribution from knowledgeable organisations that are actively involved with the most vulnerable groups, and thus ensure that those most affected receive the support.

6. Some criteria to consider when identifying the workers most in need for the support package: (1) no labor contract, or had their contracts terminated due to the pandemic; (2) currently earning less than the minimum income as regulated; (3) currently renting accommodation in the locality (for migrant workers); (4) currently having reduced working hours or are unemployed due to the pandemic; (5) having a bank loan for small business; (6) with family member suffering from a critical illness; (7) working under high risk of infection; and (8) basing on the real number of people living in the area, not on the number of people with residential registration.

The Network of Action for Migrant Workers (Mnet) comprises 6 member organisations: the Institute for Development & Community Health (LIGHT), the Research Centre for Gender, Family and Community Development (GFCD), the Center for Development and Integration (CDI), the Social Work & Community Development Research & Consultancy (SDRC), Vietnam Judicial Support Association for the Poor (VIJUSAP), and the Research Center for Family Support and Community Development (CFSCD). The Network has made numerous efforts to protect the legal rights and benefits of migrant workers for years.

Oxfam is a confederation of 20 organizations working together in more than 90 countries. We are part of a global movement for change, empowering people to create a future that is secure, just, and free from poverty.

Oxfam in Vietnam is working to seek transformative changes in policies, practices and beliefs in ways that will fundamentally improve the lives of poor and marginalized women and men, and ensure that all citizens have the same opportunity to enjoy their rights. Our activities in Vietnam focus on rural development, disaster risk reduction and humanitarian response, civil society development, ethnic minorities, and women's empowerment.

Mnet and Oxfam commit to make a positive contribution to the Government's efforts in leaving no one behind.

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