



**REPORT OF THE
9th AUSTRALIAN POLITICAL EXCHANGE COUNCIL
DELEGATION TO VIETNAM**

14-22 April 2005

Acknowledgement

Members of the Delegation are extremely grateful to the Vietnamese and Australian government for the opportunity for personal and professional growth provided by this trip.

We all have a far greater understanding of the Vietnamese people and the importance of that nation's relationship with Australia as a result of our participation. We believe furthermore, that the opportunity to view Australia and Australian policy through more distant eyes has given us new and valuable insights which will assist our roles in the domestic political process. We are strongly supportive of the work of the Australian Political Exchange Council.

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DELEGATION

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ITINERARY

Date	Activities
14 April (Thu)	
1235	Arrive Hanoi international airport
1500	Hanoi city tour (including History Museum, Ngoc Son Temple and Restored Sword Lake)
1800	Dinner hosted by Editor-in-Chief, Sin Vien Vietnam Newspaper
15 April (Fri)	
0900	Meet with leaders of the Ho Chi Minh Communist Youth Union
1045	Meet the National Assembly's Committee on Culture, Education, Youth and Children
1200	Lunch hosted by Editor-in-Chief, Children Newspaper
1400	Meet with Vietnam Chamber of Commerce and Industry
1530	Meet with Ministry of Labor, Invalids and Social Affairs
1800	Dinner hosted by leaders of the Ho Chi Minh Communist Youth Union
16 April (Sat)	
0845	Visit Ho Chi Minh Mausoleum and house on stilts and Thanh Xuan Peace Village for Children
1145	Lunch
1300	Depart for Quang Ninh province
1700	Meet with Quang Ninh Provincial Youth Union
1830	Dinner hosted by Quang Ninh Provincial Youth Union
17 April (Sun)	
0800	Visit Ha Long Bay
1300	Return to Hanoi
2115	Thang Long Water Puppets Theatre
18 April (Mon)	
0900	Meet with People's Aid Coordinating Committee
1015	Meet with Ministry of Justice
1400	Meet with Ministry of Health
1600	Courtesy call on the Vice President
1800	Dinner with Australian Embassy officials

19 April (Tue)	
1130	Depart for Ho Chi Minh City
1600	Courtesy call on city leaders
1800	Dinner hosted by Hanoi Officials of the Ho Chi Minh Communist Youth Union
20 April (Wed)	
0830	Visit Reunification Palace
1015	Visit RMIT International University
1130	Visit Pacific Cold Storage
1500	Visit Tan Tao Industrial Park
1800	Dinner hosted by Officials of the Ho Chi Minh City Branch of the Ho Chi Minh Communist Youth Union
21 April (Thu)	
0900	Visit Cu Chi Tunnels
1500	Visit War Remnants Museum
1615	Visit Benthanh market
22 April (Fri)	
0900	Visit Tuoi Tre Youth Newspaper
1715	Depart Ho Chi Minh City international airport



INTRODUCTION

Economy

Vietnam's economy has taken off. Currently it is at a crossroads of reform and development which is contributing to the country's massive growth. Consequently, general living standards have increased dramatically.

Vietnam's Current Business and Investment Climate

Area:	330 thousand sq km
Population:	82 million
GDP growth rate:	7.7% (2 nd in Asia after China)
GDP per capita:	\$US 530
Inflation rate:	8%
Unemployment rate:	6.1%
Foreign investment (2004):	\$US2.08 Billion (679 projects)
Exports (2004):	\$US26 Billion (29%)
Imports (2004):	\$US31.5 Billion (25%)

Source: Vietnam Chamber of Commerce and Industry 2005

If investment is anything to go by, the nominally Communist-run Vietnam has made their peace with capitalism. So far, its economy has proved unstoppable. The Asian economic crisis and outbreak of SARS and bird 'flu have all failed to make their mark on Vietnam's booming economy. Nevertheless, the country is still developing ways of dealing with corruption and red tape which is rife in the business sector.

Since the 1986 renovation policy, Vietnam has made some of the most comprehensive economic reforms in modern history. The shift from a centrally planned regime to a mass multi sector market economy has allowed the country to flourish. The business sector has enjoyed activities to enable domestic and foreign investments to soar. As a result, international economic relations have prospered.

Vietnam has become the world's second largest exporter of rice. However, its additional export commodities such as textiles, handicrafts, coffee, tea, rubber and oil are helping to expand Vietnam's export industry.

The Vietnamese Government realises that it cannot maintain the country's economic boom on its own. Foreign direct investment and backing is needed and encouraged to help it advance further in today's society. The Vietnamese continue to encourage a wide range of economic sectors to do business and compete according to the law.

While China stands as a huge barrier to Vietnam's economic plan and desire of producing cheaper goods for export overseas, its involvement in ASEAN has assisted in maintaining a gradual process despite their differing interests. Vietnam's current goal is to be accepted into the World Trade Organisation and its leaders have been lobbying many countries for support in their bid. However, there is a need for massive law and regulation amendments before this can become a reality.

With continued economic and social reforms, the country is well on its way to becoming part of the global economic system which will allow its people to prosper. However, there are vast differences between the living standards of the city and rural Vietnam. Poverty is rarely recognised, homelessness in the city streets is barely noticed compared to levels in other Asian countries, yet the rich/poor divide is ever so prevalent between city and rural areas and likewise between north and south.

Renovation Period

Since the 1986 economic renovation period, *Doi Moi*, which stimulated the economy, Vietnam has gone through vast infrastructure, social and cultural upgrades.

Development requires the commitment towards establishing peace, stability and cooperation with neighbouring countries. Vietnam's progress and serenity is proof that the renovation period has successfully allowed its people to experience independence, sovereignty, and prosperous development.

Today Vietnam has managed to establish strong relationships with all major world powers and a further 170 other countries. It has trade agreements with numerous countries and is working towards increasing these bilateral relations with many more.

The Vietnamese Government is eager to improve relations with international organisations so that it can have a voice in the world arena. The country's strengths are allowing it to maintain strong and positive contributions to organisations like ASEAN, APEC, UN and the EU.

The renovation process promotes an obligation to abide by the constitution and laws as well as promoting democracy and facilitation of people's participation in social management and decision of major issues.

HO CHI MINH COMMUNIST YOUTH UNION

Vietnam is divided administratively into five major cities and 64 provinces. We visited two of these cities – Hanoi (the capital) and Ho Chi Minh City (formerly Saigon).

The delegation's first formal meeting was in Hanoi with the leaders of our host organisation, the Ho Chi Minh Communist Youth Union (HCM CYU). Like each of our meetings, the format for the meeting comprised a brief introduction by each participant, an opening statement by the Vietnamese then questions from our delegation.

The meeting was attended by:

- Mr Doan Van Thai - Secretary for International Affairs, Central Committee of the Ho Chi Minh Communist Youth Union
- Mr Nguyen Phong Doanh – Editor in Chief of the Youth newspaper
- other representatives of the Youth Union and mass media.

While Australia has an ageing population, Vietnam has quite the opposite. Vietnam has 28 million people aged between 15 and 36. People under 16 years of age account for 34 per cent of the population. Young people account for 55 per cent of their labour force.

The Vietnamese Government pays a lot of attention to youth and youth activities. Its two main objectives for youth are:

1. education programs and vocational training to assist them to find employment
2. mobilising large numbers of volunteers – eg to promote economic development and infrastructure projects in rural areas; distribute medicine to the poor; assist with traffic control in the cities.

The CYU is the biggest mass political organisation for young people in Vietnam. It has just celebrated its 74th anniversary. It owns and runs newspapers (www.thanhniennews.com), magazines, television and radio stations and two publishing houses. It has more than 5 million members and relations with more than 100 international youth organisations.

The CYU is part of the Vietnam Youth Federation. The Vietnam Youth Federation has a tight structure and 5.6 million members.

Other youth organisations include:

- The Vietnam Association of Students which has more than 600,000 members.
- The Vietnam Association of Young Entrepreneurs which has over 3,000 members representing different enterprises in Vietnam.

The majority of key members of both the Communist Party and the Government are, or were, members of the CYU.

The National Committee on Youth is a Government body which gives advice on counselling and youth-related activities. The First Secretary of the Youth Union is also chairman of the National Committee on Youth.

The National Assembly has a Committee on Culture, Education, Youth and Children which also advises the Government on policies affecting young people.

CULTURE, EDUCATION, YOUTH AND CHILDREN COMMITTEE

Ms Truong was one of only 2 women Ministers in Vietnam. She was clearly an extremely capable Minister and the delegation found the visit an interesting insight into the legislative process in Vietnam.

Ms Truong took some time to explain the unique nature of Vietnam's National Assembly. Members are elected to the National Assembly which meets for one month twice a year, generally in May and December. Ms Truong explained how the state, the party, and 'mass organisations' can be initiators of legislation. This legislation is then prepared in a lengthy process of consultation with the various committees and organizations that have responsibility in the particular area.

Once prepared, the piece of legislation is put to the National Assembly at its first sitting in May where it is discussed and potentially amended. It is then passed at the December sitting.

Ms Truong explained how there are eight Committees of the National Assembly of which the Culture, Education, Youth and Children Committee is one.

She described her Committee's first duty as being "to study and assist the National Assembly in adopting and issuing law in different areas." Their second duty is to supervise the execution of the law.

The Committee, in conjunction with the Youth Union, had almost completed a massive work, the new 'Youth Law.' Ms Truong and her Committee were intending to submit this 'Youth Law' to the National Assembly in May. The Act is an attempt to modify and systematise all laws that affect youth in Vietnam, be it marriage law, family law or labour law. Ms Truong spoke of the long and complicated process that had occurred in the drafting of this legislation.

Ms Truong spoke strongly of a duties and responsibilities concept of law. Although she spoke of the state's duty to provide education, she also spoke of children's duty to 'devote themselves' to their education.

Ms Truong recognized there was need for improvement, especially in rural areas. There are problems with rural families not being able to afford to send their children to school. At the other end, of the one million Vietnamese students who apply to attend university each year, only 200,000 gain the scant places in the state's universities. For this reason, the Vietnamese government strongly encourages foreign owned universities to establish campuses in Vietnam. The delegation witnessed just this when we visited the RMIT campus in Hoi Chi Minh City.

VIETNAM CHAMBER OF COMMERCE AND INDUSTRY

Since the economic reform period, it is clear that Vietnam has experienced rapid urbanisation, infrastructure and business growth that is widely supported by its people.

To assist in the massive growth of the country and to guide business and enterprise through the logistics of commercial trade and negotiations, the Vietnam Chamber of Commerce and Industry (VCCI) has maintained its strong support for booming industries. The VCCI's First Vice President, Mr Hoang Van Dung, welcomed our delegation with a glowing outline of Vietnam's prosperous economy.

There is one chamber of commerce in Vietnam with an ever increasing membership base of more than 6,000 people. With over 200 trade associations and numerous dealings with foreign business associations, the Chamber offers 1,000 full time staff in seven offices to support its members in a variety of areas.

The Chamber works closely with the Government business development sector to ensure maximum growth in all industries. Currently there are around 1,000 trade missions from overseas delegations to Vietnam each year.

In 2004, Vietnam welcomed 35,000 new companies, creating 2 million jobs. Currently there are over 160,000 companies operating in Vietnam with 90 per cent being private small to medium sized businesses manufacturing handicrafts, textiles, footwear and furniture. However, the Chamber is encouraging involvement in new emerging industries such as ship building.

Problems facing Vietnamese businesses are the massive hurdles surrounding red tape, banking systems and a lack of infrastructure able to sustain growing industries. The maze which is their legal system is currently holding foreign investment back. There are 253 different permits and licences for businesses currently that the Government is committed to reforming to ensure Vietnam's acceptance into the WTO.

The VCCI is increasingly involved in Government decision making. Its primary purpose is to lobby the Government for business and all laws and regulations made by the Government must have some input from the VCCI.

However, the President of the Chamber is a member of the Vietnamese Parliament and it was evident that there were no barriers between the Chamber and the Government.

The barrier facing Vietnamese business with foreign countries as noted by the Vice President was the lack of information flow between the countries. Discussing the Australian/Vietnam relationship in this instance, Mr Hoang said that we need to increase the flow of information so that relationships can grow. Free trade for Vietnam is also very important as it encourages more free movement of people.

MINISTRY OF LABOUR, INVALIDS AND SOCIAL AFFAIRS

Over the past five years, since adopting real economic reform in areas such as trade liberalism, state sector intervention, monetary/ fiscal policy and private sector engagement, Vietnam has made significant inroads with regard to social development. This has, to a considerable extent, improved the lives of its citizens.

This period has seen many drastic actions concerning social development, with the Vietnamese Ministry of Labour, Invalids and Social Affairs setting many goals including the achievement of a variety of progressive objectives.

The government has identified rural social and economic development as a top priority. For people living in these communities the Government's priorities have resulted in the facilitation of low interest rate loans for particularly disadvantaged sections of the community and the provision of free medical care for the children of poor families. The government has also ensured that free education is provided to the children of poor urban families.

People living in particularly remote areas, with severely limited access to health and social services as well as very few opportunities for economic development, primarily the countries ethnic minority's, are provided with assistance in order to allow them to relocate their families to areas offering greater prospects for economic and social development. Presently conditions are such in these remote areas that Vietnams 54 ethnic groups are among the countries poorest citizens.

Some of the most successful policy strategies have been in the areas of hunger and poverty reduction, with poverty rates having decreased from 17% in 2001 to 7% in 2005.

Although perhaps the single most important outcome has been an overall increase in the living standards of the community, of which the most notable beneficiaries has been the regions farmers.

In addition to investing in social development the Government is also contributing considerable amounts of capital towards the construction of infrastructure, particularly for road networks and electricity supply to rural

areas. These moves are expected to help and improve the living standards of people in these communities as their ability to trade, access and utilize goods and services from other regions is increased.

It is expected that these infrastructure projects will facilitate the deployment of agricultural experts to rural communities with the purpose of establishing more efficient agricultural practices in the areas of crop growing and animal husbandry, this will not only allow local communities to meet their own dietary needs but will also allow them to export additional produce to markets throughout Vietnam and to markets throughout the world.

HO CHI MINH MAUSOLEUM

The day the delegation visited the Mausoleum of Ho Chi Minh was also the day that many veterans of the American War were paying their respects. It was a profoundly moving experience watching the veterans of the war shuffle past the body of their beloved 'Uncle Ho.'

It is very interesting for foreign visitors to encounter the strength of feeling most Vietnamese people have for Ho Chi Minh (1890 – 1969). The Vietnamese see Ho Chi Minh as a nationalist leader who united the Vietnamese people against firstly French colonialists and then the Americans. The huge queues of people winding their way past his body demonstrate this affection.

The Mausoleum is also interesting as the compound encompasses the house Ho Chi Minh lived in as President. Our hosts were proud to tell the story of how Ho Chi Minh refused to live in the Palace built by the French, and instead built himself a simple wooden house, where top Communist party officials would meet.

THANH XUAN PEACE VILLAGE FOR CHILDREN

We met Ms Nguyen Thi Phuong, Director of the Thanh Xuan District Peace Village, and also the Village's Deputy Director and head of the functional recovery department.

A special banner had been made to welcome us to the Village and convey their peace message to the Australian people.

Ms Phuong said peace is the passion of the Vietnamese people and they want to recover from their long history of terrible wars.

The Village is a combined school and hospital which was established in 1991 with the assistance of the German people. Its main purpose is to comprehensively treat and educate disabled children, particularly those with

birth defects related to Agent Orange and other dioxins used during the American war.

The Americans sprayed 75-100 million litres of Agent Orange during the war. Over 4 million Vietnamese people have been affected by Agent Orange, including 1 million children. Families affected by Agent Orange are physically, economically and culturally disadvantaged. They are still suffering the consequences of the war today, and will do so for the next 30-40 years. In some families, every child and/or three generations are affected. City dwellers are aware of the genetic problem but in rural areas the people are less educated and continue to have children with birth defects.

The Peace Village currently cares for 115 children aged between 2 and 20 who come from the northern and central provinces of Vietnam. 85 per cent of the children have disabilities related to Agent Orange. Less than 10 of the 115 children are orphans. The Village does not charge a fee for children who are affected by Agent Orange.

The Village is primarily funded by charity from both organisations and individuals from Vietnam and overseas, most notably Japan. It only receives a small subsidy from the Government.

There are 12 peace villages in Vietnam that care specifically for children with disabilities related to Agent Orange.

The primary objectives of the Village are:

1. functional recovery for disabled children by physical measures
2. basic educational programmes
3. simple vocational training
4. nutrition.

The Village has successfully carried out humanitarian and charitable activities, such as:

- teaching the children to read and write
- prosthetic limbs
- sending their doctors to other villages to treat disabled children
- providing a working model for other villages in both Vietnam and elsewhere.

The Village would like to expand and improve its facilities to help more children.

The boys and girls seemed delighted with the gifts we gave each of them.

QUANG NINH PROVINCIAL YOUTH UNION

The delegation very much enjoyed its visit to the Quanh Ninh Provincial Youth Union and the Ha Long Bay area.

The conference with the Youth Union took place in a meeting room on Ha Long Bay with the strains of Bony M's 'Ra Ra Rasputin' booming from a karaoke bar behind the meeting room. We met a group of very dedicated young Youth Union members who explained that much of their Youth Union work was charity based and focused on alleviating the suffering of Vietnam's rural poor.

The Quanh Ninh Province covers 6000 square kilometers of north-east Vietnam. They share a 132 kilometre border with their northern neighbour, China. Because of this there is a significant amount of Chinese tourism in Ha Long Bay. This is the reason, one Youth Union member explained, for the new high-rise tourist accommodation being built all along the coastline.

The Province is divided into 14 administrative groups, 1,310 districts and even smaller 'living units'. The total population is 1.1 million. 22% of the population is part of Vietnam's ethnic minorities.

Ha Long Bay has been listed as a UNESCO World Heritage item. This stunningly beautiful part of Vietnam, famous for its long coastline and deep water hamlets, is also the largest coal reserve in the country. The pressures for development of this resource are therefore intense. The Youth Union representatives spoke openly about the need to develop industry, trade and tourism in the region. Economic growth has been at 10-12% over the past few years, a figure the Youth Union members want to continue to grow.

The Youth Union members described their activities as mainly altruistic and ideological in nature. They listed their duties as:

1. Educating young people about the tradition and history of Vietnam and giving them 'lifestyle education';
2. Mobilising young people to take part in social and economic development;
3. Strengthening the Youth Union;
4. Taking care of children under 5.

They also have a voluntary movement and will 'defend the country if needed'. In summer there is a large voluntary movement run by the Youth Union which, among other activities, travels to remote islands to help the poorer rural villages. In their own words the volunteers help 'poor families to renovate their class structure.' In the past they have helped nearly 4000 families adapt and renovate their houses. They also mobilise young intellectual teachers to send to rural areas to help teach rural children.

The next day the delegation was taken to see the wonders of Ha Long Bay. As the coal barges made their way slowly across the World Heritage listed bay, questions were placed in the delegations' minds about how the competing goals of economic growth and the maintenance of a world heritage listed environmental wonder will be dealt with in the coming years.

PEOPLE'S AID COORDINATING COMMITTEE

We met Mr Nguyen Van Kien, Director and Head of the Asia-Pacific desk of the People's Aid Coordinating Committee (PACCOM), which falls under the auspices of the Vietnam Union of Friendship Organisations. PACCOM was established in 1989 to liaise with the Non Government Organisations (NGOs) that operate in all 64 provinces and cities in Vietnam. Some NGOs recently celebrated their 50th anniversary in Vietnam but most were established after 1975.

Last year saw the biggest increase in the number of foreign NGOs in Vietnam - currently about 600 - and they contributed over \$US140 million. Australian NGOs play a very important role in Vietnam and operate in almost all areas.

Even though Vietnam has high economic growth (7 per cent last year and second only to China) it still needs a lot of support from NGOs for poverty alleviation, education, health and the environment. Last year the average Vietnamese person received only \$US5 from NGOs. Cambodia, Laos and Thailand received comparatively more than this on a per capita basis.

PACCOM's role is to liaise with NGOs and focus on poverty alleviation; work in remote, rural and mountainous areas; health care; education and training (eg farming incentive programmes and cow bank); enterprise development; social issues (eg AIDS and unemployment); assisting people with disabilities caused by Agent Orange and land mines; cyclone-affected areas.

As little as \$US200 can alleviate a Vietnamese family from poverty for up to two years.

NGOs are also an important tool to promote peace, knowledge and sustainability as well as immediate financial assistance. The aid goes directly to the local people and the focus is at the grass roots level.

PACCOM's role includes:

- ensuring NGOs operate on a non political, non religious and non profit basis
- encouraging NGOs to work in the remote and poorer areas
- introducing NGOs to their relevant Vietnamese Government counterpart and existing NGOs.

Projects of less than \$US500,000 can be approved at the local level but bigger projects must be approved by the Prime Minister. Proposed projects should complement the national programme. The Government tries to minimise overhead costs and encourages NGOs to use local consultants.

It is hard to compare NGO aid with government aid. The best way to make an evaluation is to assess the positive and practical impact on the recipients over time.

MINISTRY OF JUSTICE

The Vietnamese Ministry of Justice is responsible for organising legal dissemination. The Ministry is divided into three departments specialising in public law or criminal law, private law and international law. Each department drafts laws for each area and submits them to the Government for approval. The function of law drafting is to draft legislation, participate in drafting of all legislation committees and to scrutinise all draft bills for the Government.

The Ministry also conducts research into the enforcement of civil justice. It maintains civil registrations of birth, deaths and marriages and conducts a wide range of enforcements for the countries lawyers which include:

1. maintaining adequate representation in each province
2. ensuring representation for professional organisations
3. conducting training, examinations and licence approval
4. ensuring all lawyers receive a certificate and join the bar association.

The Ministry also prepares documents to submit to the President to grant or remove citizenship which is an area that is increasing every year. Legal Aid is also run by the Ministry but there was a lack of information as to how this works in rural and remote areas of Vietnam.

There seemed to be some contradiction in the independence of judges. On one hand judges are bound to comply with the law and will be dismissed if they are deemed to have failed in this. Yet the salary of judges is determined by Parliament.

Once area which was not up for discussion was the topic of political prisoners and political dissent. It is deemed inappropriate if someone's actions have serious consequences for society but there was no distinction between political crimes and ordinary crimes. For example, for one to 'infringe the solidarity of the nation' would incur a very serious punishment, which was also not stipulated in the discussion.

Some attempt was made to discuss international law involving trade and contractual arrangements. There appears to be a complaints system for foreign companies but the costs are considered too large. Evidently, the Government has been sued by foreign partners many times.

The Ministry declined to answer questions about the number of gaols and both foreign, domestic and female prisoners - simply stating that it was administered by another ministry.

Child smuggling and adoption were also discussed. By law, child smuggling is forbidden with severe punishment. However, the Ministry admitted that there was some hidden child smuggling and that recently there have been numerous cases but there was no evidence of the Government's attempts to stamp it out.

The Government had set in place many measures dealing with adoption. There are bilateral agreements with other countries, with agencies being the only medium a person can go through. Children must only come from orphanages but children with disabilities can be adopted from families. We were told that the law is very strict on adoption but that there were many shortcomings yet these were not outlined.

MINISTRY OF HEALTH

The Vietnamese Ministry of Health is currently coordinating with around one hundred countries, including non- government organizations in an attempt to improve the health of Vietnam's people.

Included in this effort are non- government and government organizations from Australia, for example Outreach which has been working in Vietnam attempting to deal with the issue of Aids.

The Vietnamese Health system has been build up over the last 40 years and investment in this system is seen by the government as an investment in the economy. However after being the sole investor and provider of health services the Vietnamese government is now making moves towards privatization with regard to sections of the system. It is believed that this will allow for a diversification of the system and is an acknowledgement of Vietnam's move towards a market economy under a socialist governmental framework.

An important aspect of the Vietnamese health system is the 'Ho Chi Minh principle'- *that prevention is better than cure*. In this, the government actively promotes physical exercise, including health exercises, to a certain extent these activities has become a tradition of Asian communities, including Vietnam.

The health system currently includes nine 'learning' hospitals as well as three nursing training hospitals, although practitioners trained abroad- including in Australia are still important to the Vietnamese health system. While in development, not all overseas trained Vietnamese nationals return once they are qualified medical practitioners. This is currently being addressed.

The two key issues of concern for the government are:

- HIV/ Infectious disease and;
- Traffic injuries/ fatalities.

HIV is largely being spread through prostitution and increasing drug usage throughout the country. It is estimated that seventy per cent of these drugs arrive in Vietnam from Cambodia. The government fears that attempting to address the spread of HIV and infectious diseases via a needle exchange program would be perceived by the population as an endorsement of the activity.

Traffic injuries and fatalities, despite 20- 30 years of public education with regard to road safety remain very high, this is largely attributed to significant levels of public disinterest in these campaigns. However despite this the government continues to identify traffic safety issues to the public in an attempt to redress the current situation.

Generally, medical illnesses in the country are moving from diseases traditionally associated with the tropics and poverty such as Malaria to diseases generally associated with affluence such as obesity, heart disease, diabetes and mental illness.

The priority of the government is the health of the young generation; it is seen as the role of the older generations to support and actively contribute towards the establishment of a healthy and prosperous people to develop the country in future. This is of particular importance for the county given that the birth rate is expected to increase this year with the average reproductive age of Vietnamese women being between 24- 28 years of age. Despite relatively high birth rates compared to Australia the government in 2000 outlined its intention to introduce IVF, to take effect in the year 2010. It is also the intention of the government to establish additional systems, such a private insurance regime in order to enhance Vietnam's health system by 2010/ 2020

The government is actively attempting to combat smoking which is becoming a problem with the nation's youth

Subsequent goals of the Vietnamese government have increased the average life expectancy throughout the country to 71 years of age from its current 68. Vietnam is building a health system that supports equity and efficiency, addressing the containment and control of HIV infection and reducing the level of fatal and serious traffic accidents throughout the nation.

VICE PRESIDENT

Our delegation was honoured with a visit to the nation's Vice President at the French designed former palace adjoining Ho Chi Minh's house in Hanoi.

The Vice President was a gracious and stately woman who had risen from an active role as a war-time guerrilla to her current position as one of the nation's most influential women.

The Vice President's role was clearly largely ceremonial such that we engaged in formal discussions regarding a range of topics from Vietnamese folklore to Vietnam's bid for admission to the WTO and the role of women in Australian and Vietnamese politics.

The visit was televised on state run TV news and widely reported in Vietnamese newspapers to such an extent that when the delegation travelled to Ho Chi Minh City following the visit, we met members of the public who knew our names and purpose having seen us meet with the Vice President on TV.

HO CHI MINH CITY COMMUNIST PEOPLE'S COMMITTEE

We met Mr Nguyen Thanh Tai, Vice Chairman of Ho Chi Minh City's People Committee.

Mr Tai told us a series of events in conjunction with the 30th anniversary of reunification were scheduled to take place shortly after our departure from Ho Chi Minh City. The celebrations are to thank international supporters for their efforts during the American war and to enhance relationships by promoting mutual understanding between nations.

Ho Chi Minh City is one of Vietnam's 64 provinces. Being the powerhouse of the Vietnamese economy and the nation's technological gateway distinguishes it from other provinces.

The City's official population is about 6 million but the figure is closer to 8 million taking migrants into account. Its industrial output contributes 30-35 per cent of the national economy, 45 per cent of export revenue and about one third of the national budget. It is one of the few provinces that have a positive growth rate.

They are trying to reduce the substantial gap between the rich and the poor, and to raise the average family income from 4 million to 6 million dong pa to equate with the international poverty line. Wages and conditions are regulated to minimise exploitation and encourage vocational training.

They are carrying out a number of activities to improve educational standards, especially vocational training, and to address poverty reduction and the "social evils". Other priorities are health and administrative reform.

The four levels of government in Vietnam regularly consult the people about administrative mechanisms. They try to develop young officers but also value the experience of older officers. Dealing with conflicting progressive and conservative elements within the Party is a thorny issue. There is debate but

not division. They try to learn from the failure of other Communist regimes such as Russia.

Vietnam cannot dismiss change and close the door on the rest of the world. They do not view change in the world as Communist or otherwise. They prefer to view change in terms of beneficial or otherwise.

There are many capitalist principals that are positive. A centralised mechanism and State subsidy is inappropriate post war. Economic development relies on both the State and the private sector. They have adopted a market mechanism with a socialist perspective.

The Vietnamese will always remember the devastation of the American war. They cannot change the past but they do not let it hinder development. They are trying to develop positive relations with other countries to prevent a future war.

Non Party members can express their views at the ward level or through other social and political organisations such as the Youth Union, agencies at the grass roots levels which can receive petitions and the People's Council.

Membership of the People's Council comprises mostly scientists, intellectuals, managers and religious followers. Meetings of the People's Council are broadcast live and the majority rules.

RMIT INTERNATIONAL UNIVERSITY

While many Australian universities educate Vietnamese students at their Australian campuses, RMIT is the first Australian University to establish a university in Vietnam. The RMIT Ho Chi Minh City campus is already the biggest foreign owned university in Vietnam, and was well advanced with plans for a new purpose built campus on a greenfilled innercity site.

RMIT offers a range of full fee paying business and english courses to its Vietnamese students, and teaches three semesters per year, allowing students to complete their degree in an accelerated timeframe.

With a strong demand for professionals in the growing Vietnamese economy, RMIT boasted successful employment outcomes among its graduates.

PACIFIC COLD STORAGE

The delegation visited Pacific Cold Storage, a subsidiary of an English multinational firm. The Australian manager of the business showed us the plant which had modern cold storage facilities for the export of Vietnamese seafood and fruit. The meeting gave us an interesting Western perspective on doing business in Vietnam. The perspective presented to us was that

Vietnam offered enormous commercial opportunities, but that doing business in the country is hampered by poor infrastructure, difficulties in recruiting and retaining skilled staff, and a legal system which is inadequate when it comes to exporting contractual obligations.

TAN TAO INDUSTRIAL PARK CORPORATION

The delegation visited the Tan Tao Industrial Park and met with Mr Nguyen Tu Minh, Director of Business Division.

Only ten years ago Vietnam was an undeveloped and economically deficient country with a very limited production capacity for tradeable goods that severely restricted the opportunity for the Vietnamese people to advance their economic position.

In 1996 an Industrial Park Concept was established as a progressive and structured institution with the objective of facilitating economic growth via the creation and establishment of local businesses by the identification of Vietnam as a suitable and desirable place for multinational corporations to locate. At present this institution comprises of one hundred and thirty- eight companies and is in the process of building thirty more.

At the core of the Industrial Park's economic development program for the regions of Vietnam is the creation of Industrial Zones based on the successful model developed in Ho Chi Minh City. This zone was based around the cities large inland port that facilitated the efficient transfer of goods to and from Vietnamese companies and business. In order to enhance the productivity and status of the zone as a centre for trade and economic development the government undertook infrastructure projects such as medical and sport facilities as well as cultural activities for the regions workers. These zones were funded collaboratively by government and business.

As intended, there are currently plans to expand this Industrial Park model to other areas. For example, at another province an Industrial Park of 150 acres is expected to produce similar results. With the park having already begun to establish the living quarters for the workers it is expected that this industrial zone with its living areas, parks and public spaces will be completed in five years.

In addition of the provision of Industrial zones, Industrial Park's also assist local companies in accessing global markets via the use of the latest communication technologies and equipment.

Although this concept did encounter problems associated with the economic recessions in some South East Asian economies as well as that of the Japanese it proved successful with 70% of investment in the program coming from local business. Industrial Park are part of Vietnams strengths with regard to attracting foreign investors.

As a result of its efforts in promoting economic development throughout Vietnam it is intended and expected that society as well as the country will benefit through the provision of economic opportunity to the poor and disadvantaged.

CU CHI TUNNELS

The Cu Chi tunnels are located 70km northwest of Ho Chi Minh City. The tunnels were built by the people of Cu Chi during the American war. They were a 200 km underground cobweb-like construction which served to both safeguard the Vietnamese and combat the Americans. It was a fascinating insight into the hardship of war and the tenacity and ingenuity of the Vietnamese people.

TUOI TRE YOUTH NEWSPAPER

We met Mr Huynh Son Phuoc, Deputy Editor in Chief, and representative journalists, of Tuoi Tre (Youth) newspaper. The meeting took place in their new premises which cost \$US6 million and was officially opened the week before our visit. Their biggest challenge in the new building is IT networking because the Vietnamese are not as experienced as they would like to be in this area and the newspaper has to disseminate a large amount of information in a very short period of time.

The newspaper was formally established in 1975 after the reunification although it did operate in leaflet form during the American war. Today's bannerhead is very similar to that of the leaflet that was produced during the war.

It was the first newspaper not to rely on Government subsidies and it has funded itself since 1983. Advertising contributes to 55 per cent of generated income.

Tuoi Tre was also one of the first newspapers to actively support a market economy. Its circulation has increased proportionately with reformist sentiment. It used to be a weekly but now it produces four publications:

1. daily newspaper – circulation 350,000
2. weekly magazine – circulation 70,000
3. fortnightly comic – circulation 160,000. Vietnam's first and only comics magazine.

4. Tuoi Tre Online – one of the top three most popular online newspapers. Unlike its two online competitors, Tuoi Tre is the only newspaper to produce other publications.

The newspaper employs over 90 journalists around Vietnam and in other countries such as USA and Australia where there are significant Vietnamese communities. There are only a few more male than female journalists. They all work full time.

The newspaper is a proponent of the public's right to know, economic reform, education and culture, business, social welfare, health, environmental issues, unemployment, urban development and lifestyle.

If content does not comply with Government regulations, the editor-in-chief is prosecuted in the civil tribunal.

The newspaper also owns its printing and distribution operations.

MISCELLANEOUS OBSERVATIONS

- Despite its emergence as a market economy, there is still a pervasive sense of communism. The Communist flag flies proudly from houses, shops and government buildings everywhere. The media is tightly controlled by the Government. The word “control” is frequently used – eg signs bearing “luggage control” and “security control”. Our delegation leader was given preferential treatment. The Vietnamese are far more receptive to economic reform than political reform.
- The women appear to be more industrious than the men. Most women bear children when they are aged between 24 and 28. Women in both the government and private sectors are entitled to four months' paid maternity leave. Party members are not permitted to have more than two children. Government workers are encouraged not to have more than two children and will jeopardise their career prospects if they deviate from this. Vietnam has one of the highest rates of infant mortality in the world.
- De facto relationships aren't very common. Most couples other than artists, actors and singers still tend to marry.
- Unlike private sector employees, government employees do not pay tax.
- There is little “brain drain”.
- They are very keen to gain access to the World Trade Organisation.
- There are a few high rise buildings other than the occasional western hotel. The tallest building in Ho Chi Minh City is 36 storeys.

- The Vietnamese counterpart of a typical Australian house is a narrow, multi storey dwelling which accommodates several generations of the one family.
- Vietnamese drive motor cycles rather than cars. The minimum age to obtain a drivers licence is 20. The traffic is prolific. The speed limit is 40 km in the cities and 60 km in rural areas.
- The accepted currency is either the Dong or \$US. Vietnamese drive on the same side of the road as Americans and their bathroom fittings are branded "American Standard".
- Use of mobile phones is widespread and the network is accessible but they haven't adopted our sense of mobile telephone etiquette.
- Airport administration is inefficient given the numerous employees processing check-in, immigration and baggage.
- More bombs were dropped in Vietnam alone during the American war than were dropped in all of Europe during World War II. The Vietnamese don't appear to bear Australians any resentment for having participated in the American war.
- The cities have significant lake and parkland areas. Graves are scattered throughout rural areas. City dwellers often exhume graves after five years then cremate the remains.

CONCLUSION

The Vietnamese are clearly a remarkably hard-working, energetic and resilient people with a patriotism and national confidence founded in one thousand years of uninterrupted national history.

Vietnamese people from a range of backgrounds were eager to educate our delegation about the nation's history and particularly the point that it had ultimately overthrown colonists and invaders from China, France, Japan and, most recently, the United States.

Our hosts displayed a quiet confidence in themselves and their nation. As Australians whose earliest understanding of Vietnam had been through the spectrum of the War, we were struck by the people's Vietnamese people's apparent forgiveness of our nation and by its clearly rapid economic growth.

The Vietnamese people's diplomacy was clearly also far greater than ours and as delegates we struggled to come to get clear responses on questions regarding the nation's tentative steps to democracy including the fundamental building blocks of freedom of speech and association and the independent rule of law.

The political and economic challenges faced by Vietnam are, in many ways, diametrically opposed to those of Australia. In contrast to our ageing and relatively affluent population, Vietnam is faced with the massive infrastructure and economic expansion necessary to draw its youthful population from a background of poverty.

In contrast to Australia, Vietnam's institutions are weak. The tax base is limited, the social safety net has gaping holes and corruption remains a hindrance to domestic commerce and international investment.

Nonetheless it is clear that the economic renovation has been vastly successful in lifting a huge and growing population from poverty and there is a clearly emerging consumerist middle class.

While our circumstances and cultures are different, our delegation had a very positive view of the Vietnamese people and experience. We strongly urge the Australian government and people to maintain and build upon its strong relationship with Vietnam. In particular, we make the following observations –

1. Economics

Vietnam is a nation which, like China, is rapidly growing and economically interdependent with the West. Unlike China, however, Vietnam does not have military aspirations in the region.

There is a clear capacity for a closer relationship between Australia and Vietnam to benefit both countries' economies with Vietnam providing oil, primary products and manufactured goods to Australia and Australia providing technological expertise, education and investment to Vietnam.

Vietnam is clearly becoming a bigger economic player and with the Vietnamese people and government clearly so well disposed towards Australia, our nation should not miss the opportunity to build a warm, ethical, interdependent relationship now.

2. International Relations

With its important strategic location, eventful history and long-held independence, Vietnam has a range of complex bilateral relationships which are quite unlike Australia's. Vietnam neighbours China, trades with Japan, has historic ties with its former communist counterparts in Russia, has a post-colonial relationship with France and is building strong economic ties with the United States.

This is a powerful mixed bag of friends and relatives.

Australia could learn from the Vietnamese experience of building strong bilateral relationships with such a diverse group of nations.

3. National Identity

There are clearly no pressing questions of identity in Vietnam. The Vietnamese people have a self assurance that clearly comes from a long, difficult national history and, while rapid growth and Westernisation are creating change, they do not appear to be creating marked social tension.

While Australia can't just buy 800 years of modern history, we could learn from the Vietnamese people's clearly high level of awareness of their own history and their strong sense of national identity.

4. Democracy

It is highly likely that as in the former USSR, democracy will follow economic liberalisation in Vietnam. The questions are when and with how much pain.

Democracy is by far the superior system of government and the protection of human rights and the Australian government should actively urge Vietnam's communist leadership to move their country down a genuinely democratic path.