FACILITATING LABOR EMIGRATION FOR SECURITY AND PROSPERITY: THE CASE OF VIETNAM

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Labor emigration has changed substantially: emigration to Eastern European countries in 1980s has been replaced by emigration to Asian countries and middle-East since 1990s under new regional and country contexts.

There have been mixed stories from the news: labor emigration brought prosperities for some families thanks to remittances and debts for some others.

While labor emigration is increasing, concerns to social security and protection for Vietnamese emigrant workers also increase.
Objectives

- to provide an overview of labor emigration;
- to review emerging issues associating with labor emigration and the system, with Government and non-government actors, providing social support to emigrant workers; and
- to provide discussions and recommendations for facilitation of labor emigration for security and prosperity.
Overview of Labor Migration

Number of annual emigrant workers: 1992-2014

- > 500,000 registered Vietnamese contract emigrant workers in 40 countries and territories
- Clear increasing trend of labor emigration; 2014: 106,840 people joined the emigrant labor force
- Feminization of emigration is clearly evidenced
Overview of Labor Migration

Number of annual emigrant workers by host countries: 1992-2014

- South Korea
- Japan
- Taiwan
- Malaysia
- Others

Labor emigration flows are unstable
‘Labor export’ has been a socioeconomic development and poverty reduction strategy (e.g. 61 poor districts) and promoted by the GOV since the 1990s.

Legal framework for labor emigration has been significantly strengthened since the early 2000s; Law on Vietnamese Labor Working Oversea was passed in 2006: specify rights and responsibilities of migrant workers and recruiting agencies, establishment and use of the fund to support labor export, etc.

Department of Overseas Labor (DOLAB) under MOLISA takes the lead in managing ‘labor export’ activities.
Emerging issues relating to labor emigration for security and prosperity
The positive side

Remittances 2001-2010 (unit: million USD)

- 11 million USD in 2013
- ~2 times higher than the total ODA; accounting for 8% of the country’s GDP.
- Remittance from emigrant workers was estimated at 2-2.2 million USD.
- Provided opportunities to poor people living in 61 poor districts

Source: World Bank Indicators.
The concerning side

- At management level
  - Labor emigration flows are unstable
  - Proportion of low-skill emigrant workers increased
- At individual level before the emigration
  - High brokerage or recruitment fee would lead to significant debts and impoverishment of the labor sending families
    - A study found that pre-departure cost was between 2,000 to 5,600 USD; consequently, most families borrows money from banks or relatives
  - Fraud behaviors of the recruitment agencies
    - Charged very high fee
    - Asked migrants to sign contract in foreign language or soon before boarding the flight
    - Provided fault information on salary, working and living conditions,
    - Provided tourist instead of working visa
    - Simply disappeared.
The concerning side

- At individual level after the emigration
  - Abuse: verbal abuse, abusive working and living conditions; confiscated passport, threats of being fired, departed, having salary reduced.
  - Significant difference between the received information vs. reality; most commonly are working overtime, working hours, under payment, duration of contract, and housing conditions.
  - Limited information and negotiation skills due to language and cultural barriers
  - Limited rights and access: legal rights, rights to access social services
  - ‘Runaway’ and overstaying: common in all countries of destination and more common than workers from other countries; e.g. almost 50% in South Korea in 2013; consequently, South Korea refrained from renewing the special MOU with MOLISA
  - After the return: A third returned before the end of the contract involuntarily; three quarter of those who stayed for less than 12 months could not pay off the pre-departure debts; one third found emigration experience as a failure.
In general, migrant civil society has great potentials to support migrant workers as seen in other countries but its role is still very limited in VN.

Type of migrant civil society

Vietnam

- Private labor exporting centers/agencies
- Local NGOs in Vietnam

Both

- International organizations, e.g. ILO and IOM

Country of destination

- Local NGOs at country of destination
- Social networks of emigrant workers
Migrant civil society’ support

- **Private labor exporting agencies**
  - 209 active agencies: recruit, train, and promote labor export
  - Vietnam Association of Manpower Supply (VAMAS) established in 2003 but mostly to protect the rights of the agencies
  - Private agencies and operate for profit, not social enterprises
  - The use of this as a channel to abuse migrant workers was reported; DOLAB suspended license or ceased all labor export activities of some agencies.

- **Local migrant NGOs**
  - There are a few and not so active as found in the Philippines or Bangladesh
  - ISDS and PHAD involved in research and policy advocacy activities in small-scale and project-basic; Light provided reproductive health education to internal migrants
  - Civil society (law association) participated in the Task Force on ASEAN Migrant Workers (TF-AMW)
Migrant civil society’ support

- International NGOs
  - ILO
    - Supported the Vietnam General Confederation of Labor and the Malaysian Trade Union Congress to sign a MOA for bilateral cooperation to protect the rights of migrant workers, and to address their occupational safety and health in 2015.
    - 2012 ASEAN TIANGLE project: reduce exploitation of migrant workers in ASEAN through increased legal and safe migration and improved labor protection
    - 2011 ‘Promoting Decent Work Across Borders: A Project for Migrant Health Professionals and Skilled Workers” project: seek a ‘win-win-win’ approach to benefit migrant workers, countries of origin & destination
  - IOM
    - Promotion of development-friendly migration policies project: encourage evidence-based dialogue on emerging migration challenges and migration’s development benefits.
    - Supported DOLAB to establish the MRC in 2012.
    - Humanitarian return assistance for emigrant workers: brought back safely 17,000 Vietnamese from Iraq in 1990, 77,000 people from Lebanon in 2006, and most recently more than 10,000 people from Libya in 2011.
Migrant civil society’ support

- Local NGOs at countries of destination
  - Diverse organizations, e.g. Japan with at least 6 types of migrant NGOs assisting overstayed migrant workers: Christian NGOs, community workers’ union, women’ support groups, medical NGOs, lawyers’s NGOs, and concerned citizens’ groups
  - Large network, e.g. South Korea has 150 civil, religious or labor organizations assisting immigrant workers
  - Taiwan: faith-based organizations assist runaway labor immigrants

- Social network of emigrant workers
  - Have great potentials as suggested by the social capital theory in general and the social network hypothesis in particular.
  - A study found that social network is ‘priceless’ to immigrant workers and they could relied on that to learn about overtime work, salary, working hours, asking about direction, places to eat, places to live, and jobs.
  - Evidence remains limited.
Vietnamese labor emigration, especially female labor emigration, noticeably increased overtime.

- Gender should be included and carefully considered

The share of low-skill labor increased.

- Contradict to GoV’s expectation of improving competitiveness of Vietnamese migrant workers and promotion of skilled labor, but this would fit well to poverty reduction strategy.

The country and regional context of labor emigration has changed rapidly over the past two to three decades; emigration flows changed and more dependable or unstable.

- Need updated and inclusive data of labor emigration (e.g. beyond the contracted and registered labor to DOLAB) for M&E and EBPM
Labor emigration comes with benefits, e.g. a significant revenue from remittance, and it’s promoted by GoV.

- Labor emigration will continue to increase quickly in the future while the GoV and legal systems cannot be changed that fast; consequently, assistance from non-Government sector would become crucial.

GoV has strengthened legal framework and State management of labor emigration but its negative consequences keep emerged.

- Again, assistance from non-Government sector would be necessary.

Noticeably, most emigrant workers have a pre-departure debts and three-quarter of those who stay for less than 12 months could not pay it off.
Migrant civil society in Vietnam: 1) Private labor recruiting agencies: accepted in 1991 to assist DOLAB promoting ‘labor export’ and protecting migrant workers but they are profit-based and some people used this to abuse rather than to support emigrant workers; 2) Local NGOs in Vietnam: very limited; 3) International NGOs: dominant by ILO and IOM’s initiatives but they are project-based and have limited scope; 4) Local NGOs at countries of destination: provided great supports in some countries; 5) Social network of migrant workers: little is known regardless of its great potentials.

- It’s important to strengthen State management of labor recruiting agencies.
- Given its great potential, promoting migrant civil society would strengthen the ‘labor export’ program and protection of migrant workers.
Thank you!