

**ILO Asian Regional Programme on  
Governance of Labour Migration**

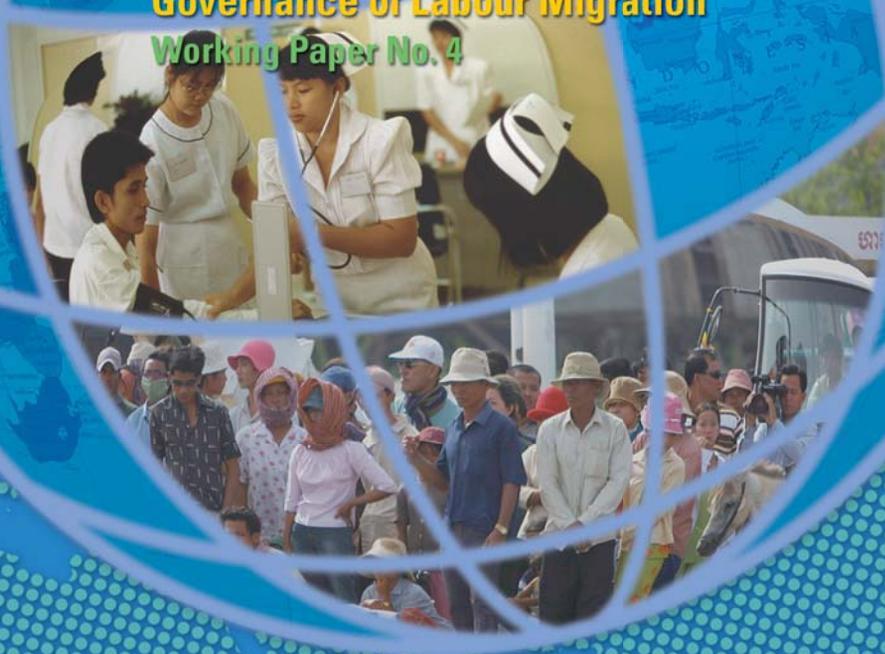
**Working Paper No. 4**



International  
Labour  
Organization



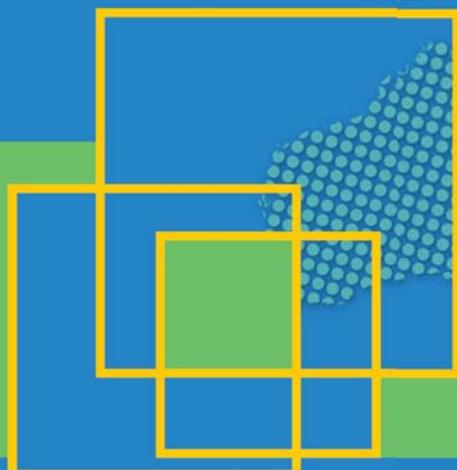
European Union



# **Labour Migration from Viet Nam: Issues of Policy and Practice**

**Dang Nguyen Anh**

**Regional Office for Asia and the Pacific  
January 2008**





**ILO Asian Regional Programme on Governance of Labour Migration  
Working Paper No.4**

# **Labour Migration from Viet Nam: Issues of Policy and Practice**

**Dang Nguyen Anh**

**January 2008**

Copyright © International Labour Organization 2008  
First published 2008

Publications of the International Labour Office enjoy copyright under Protocol 2 of the Universal Copyright Convention. Nevertheless, short excerpts from them may be reproduced without authorization, on condition that the source is indicated. For rights of reproduction or translation, application should be made to ILO Publications (Rights and Permissions), International Labour Office, CH-1211 Geneva 22, Switzerland, or by email: [pubdroit@ilo.org](mailto:pubdroit@ilo.org). The International Labour Office welcomes such applications.

Libraries, institutions and other users registered with reproduction rights organizations may make copies in accordance with the licences issued to them for this purpose. Visit [www.ifro.org](http://www.ifro.org) to find the reproduction rights organization in your country.

---

Anh, Dang Nguyen

Labour migration from Viet Nam : issues of policy and practice / Dang Nguyen Anh ; International Labour Office ; ILO Regional Office for Asia and the Pacific, Asian Regional Programme on Governance of Labour Migration. - Bangkok: ILO, 2008  
19 p. (Working paper ; no.4)

ISBN: 9789221208358; 9789221208365 (web pdf)

International Labour Office; ILO Regional Office for Asia and the Pacific; Asian Regional Programme on Governance of Labour Migration

labour migration / emigration / migrant worker / migration policy / Viet Nam

14.09.1

*ILO Cataloguing in Publication Data*

---

The designations employed in ILO publications, which are in conformity with United Nations practice, and the presentation of material therein do not imply the expression of any opinion whatsoever on the part of the International Labour Office concerning the legal status of any country, area or territory or of its authorities, or concerning the delimitation of its frontiers.

The responsibility for opinions expressed in signed articles, studies and other contributions rests solely with their authors, and publication does not constitute an endorsement by the International Labour Office of the opinions expressed in them.

Reference to names of firms and commercial products and processes does not imply their endorsement by the International Labour Office, and any failure to mention a particular firm, commercial product or process is not a sign of disapproval.

ILO publications and electronic products can be obtained through major booksellers or ILO local offices in many countries, or direct from ILO Publications, International Labour Office, CH-1211 Geneva 22, Switzerland. Catalogues or lists of new publications are available free of charge from the above address, or by email: [pubvente@ilo.org](mailto:pubvente@ilo.org)

Visit our website: [www.ilo.org/publns](http://www.ilo.org/publns)

---

Printed in Thailand

# Labour Migration from Viet Nam: Issues of Policy and Practice

## Table of Contents

	<b>Page</b>
1. Introduction	1
2. Labour Migration from Viet Nam	2
Figure 1. Vietnamese workers to major regions of destination, 1980-2003	4
Table 1. Viet Nam's workers deployed in selected countries, 2006	5
3. Problems in countries of destination	8
Table 2. Ill-treatment of migrant workers at workplace in Republic of Korea	9
4. Problems in Viet Nam	12
5. Conclusions	15
References	18



# **Labour Migration from Viet Nam: Issues of Policy and Practice**

Dang Nguyen Anh\*

## **1. Introduction**

International labour migration has been an important attribute of East Asian development since the turn of the 1980s. The differentials in income and employment opportunities among the Asian economies have led to the movement of labour from low wage to high wage countries. Rather than decreasing, international labour migration is likely to increase in the future, becoming a global phenomenon. Around the world, it is an undeniable fact that migration cannot be stopped and migrant workers have become indispensable to many economies. There is now a common understanding that migration is a complex issue and the economic, social and cultural benefits of migration must be more effectively realized. Migration may benefit all parties – source, transit and destination countries and migrant workers themselves, assuming the process of migration is well governed and the policy issues of migration could be better addressed

However, both labour sending and labour receiving countries (or both labour importing and labour exporting countries) often pursue own short-term aims. The former are concerned with obtaining a flexible, low-cost labour whereas the latter are mainly aimed at generating jobs for an underutilized and low-skilled workforce and at getting the maximum possible inflow of foreign currencies (Abella, 1995). For these reasons, many countries actively encourage labour export and actual government involvement in recruitment and deployment of workers, regulation and supervision of placement agencies. Some Asian governments have set up special departments or agencies to manage labour emigration. However, regulation and license from labour sending countries are often ineffective, as the large number of irregular migrants, exploitative employment and abuses have demonstrated.

---

\* Professor, Viet Nam Academy of Social Sciences.

## **2. Labour Migration from Viet Nam**

Labour export has been part of official government policy in Viet Nam since the 1980s, when the government started sending workers to Eastern bloc countries. However, it did not play a significant role until the 1990s. Compared with other Southeast Asian countries, Viet Nam entered the international and Asian labour markets fairly late and has not yet been a major exporter of labour in the region. When neighboring countries such as the Republic of Korea, Singapore, Thailand and Malaysia were achieving high economic growth in the 1980s, Viet Nam was suffering severe poverty, unemployment and low growth.

As a labour sending country, Viet Nam is a comparatively poor country in the midst of a relatively prosperous region of East Asia. The country has been described as a labour surplus country; its large population coupled with a history of wars creates significant pressures for labour migration. Overall, the "demand-pull" factor of income differentials and the "supply-push" factor of excess labour supply interact to induce labour migration from Viet Nam. With a large, underemployed workforce, the government has followed other Asian migration players in actively promoting labour export with the multiple aims of easing domestic under- and unemployment, and increasing the inflow of hard-currency remittances and national revenue.

International labour migration from Viet Nam is extensively shaped and directed by the government. The importance of labour export to Viet Nam's socio-economic development has been consistently mentioned in official documents and statements by high-ranking government officials. The country's labour export policy is marked by three main waves (Dang, 2000). The first and second waves were directed to Eastern Europe and the Soviet bloc, aimed at partly financing Viet Nam's mounting debts to these countries. The third wave started in 1994, with East Asia becoming the main destination for contract workers. International labour migration has increased significantly since the late 1990s with East Asia and some Middle East countries being the major destinations of Vietnamese workers. Indeed, labour migration from Viet Nam will probably scale up in the future as trade links between Viet Nam and the East and Southeast Asian nations are fully developed. Taiwan

(China), Japan, Republic of Korea, Laos and Malaysia are important ‘importers’ of Vietnamese workers. At the same time, the oil-rich Gulf countries become a promising market for Vietnamese workers.

The destinations of the workers are diversified, reflecting Viet Nam’s adoption of “open-door” policies and international reintegration. As of mid-2006, over 400,000 labour migrants were working in over 40 nations and territories (MOLISA, 2006). Nevertheless, this official figure for contract labour migrant compiled and reported by the government is an underestimate as many workers are sent by unauthorized employment agencies. The feminization of labour migration has just begun with more and more women migrants going to Malaysia and Taiwan (China) to work in response to the demand for Vietnamese female migrant workers within these economies during these years.<sup>1</sup> However, the large scale employment of migrant workers in some occupations of service and manufacturing sectors indicates that the feminization of migration is virtually an irreversible trend. Despite the increasing financial contribution of female migrant workers to the country, there have been no gender-specific policies or regulations to protect their rights and welfare.

The background and mechanism of labor export system in the 1980s were fundamentally different from those in the 1990s and 2000s (see Figure 1). In the first ten years, the government signed a “labour cooperation” agreement with the former Soviet bloc, which set the number of workers to be dispatched, areas of work, wage levels, etc. Since 1990s, labour export activities have been subject to licensing, and enterprises are responsible for recruiting and dispatching workers. Viet Nam made the transition from a labour cooperation scheme to a labour export system based on commercial activities by individual enterprises. To negotiate and implement the labour export agreements, an organization called the Department for Overseas Labour Management was established under the Ministry of Labour, War Invalid and Social Affairs (MOLISA). Since 1991, MOLISA has granted licenses to qualified labour recruitment enterprises and has supervise their

---

<sup>1</sup> In 2003, female workers accounted for 25 percent of the total number of Vietnamese labour deployed to Malaysia.

operations. These enterprises are responsible for monitoring overseas markets and securing service contracts, and recruiting, training and sending the workers. The workers are required to pay a number of service fees and a large deposit amount of money to the labour export enterprises to guarantee their fulfillment of the obligations of the labour contract).

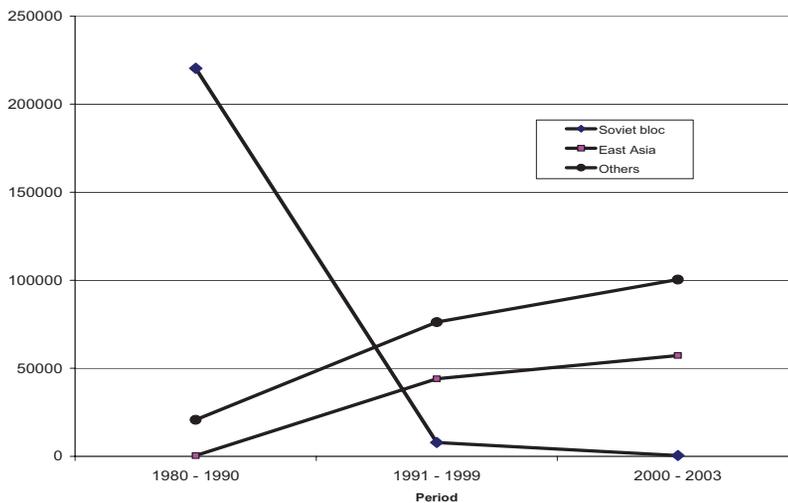


Figure 1. Vietnamese workers to major regions of destination, 1980-2003

Since the beginning when it was first called a labour export program, policy makers have sought to justify the institutionalization of the phenomenon of contractual overseas migration by citing the importance that such employment will have on the nation, its people and upon the economy. As such, Viet Nam has emphasized the promotion of labour export as a key plank in its socio-economic development strategy. Labour export is aimed at contributing to the development of human resources, technical skills, employment creation and incomes for workers, increasing foreign currency earnings, and enhancing international relations. Because labour export is an important and long-term strategy which is believed to contribute to the industrialization and modernization of the country, labour export is promoted and evaluated annually in terms of steadily increased number of labourers sent to work overseas.

No less than 70,000 Vietnamese leave the country for jobs overseas each year. In 2006, Viet Nam sent 79,000 workers and experts abroad, and planned up to around 100,000-200,000 workers in 2010. Approximately 400,000 Vietnamese labourers are now present in over 40 countries and territories worldwide. The annual inflows of remittances by labour migrant have reached about two billion US\$ in recent years, showing the economic

significance of labour export (MOLISA, 2004). The workers concentrate mainly in construction, mechanics, electronics, textiles, aquatic processing, shipping industry, health care, education, and agriculture. Data in Table 1 show the situation of Vietnam's labour migrants to selected countries up to March 2006.

Table 1. Viet Nam's workers deployed in selected countries, 2006

Destination	Total (worker)	Job types	Average income per month (US\$)
Taiwan (China)	90,000	- Production workers - Construction worker - Boat workers/sailors in shipping industry - Housekeeper - Nurse assistant	US\$ 300-500
Malaysia	>100,000	- Electronic production workers - Garment workers - Construction workers - Services	US\$ 150-200
Republic of Korea	50,000	- Production workers - Trainees - Agricultural sector workers - Workers/sailors in shipping industry	\$450-1,000
Japan	19,000	- Trainees - Electronic production workers - Workers/sailors in shipping industry	US\$ 1,000-1,500
United Kingdom	400	- Hotel chamber, house maids	US\$ 1,300 – 2,500
United States	10	- Farmers	US\$ 1,250 – 1,600
United Arab Emirates	>1,000	- Construction workers - Electronic workers - Services, restaurant, hotel staff	US\$ 400 – 1,000
Saudi Arabia	200	- Construction workers - Charwomen	US\$ 160-300 (>US\$ 1,000 for an engineer)

*Note:* Data collected up to March 2006

*Source:* MOLISA, 2006.

There have been around 90,000 laborers working in Taiwan (China) in different domains such as production workers, construction worker, boat workers/sailors in shipping industry (male workers only) and housekeepers, nurse assistants (female workers). Taiwan (China) used to accept 30,000 Vietnamese workers annually. In January 2006, Taiwan (China) suspended employing guest workers as domestic helpers, which caused the number of Vietnamese workers on the island to drop to 22,784 laborers. Currently, the monthly average income per worker in Taiwan (China) is in the range of US\$ 300-500. The occupations that Vietnamese workers are most likely to accept are the unskilled (construction workers, domestic workers, farming labour, etc) and semi-skilled (electronic workers, factory workers, etc.) job categories. Women now represent an increasing number in annual outflows involved mostly in work in garment factories and household services.

Malaysia is currently hosting more than 100,000 Vietnamese guest workers. The labour market there remains open for Vietnamese workers after temporary pauses due to fluctuating demand. Yet there are migrants who refuse to go there for various reasons, mainly low wages. Vietnamese migrants work in factories of garment, electronics, construction, etc in Malaysia and get an average income per worker per month of only US\$ 150-200. A recent regulation adopted by the Malaysian government to shift the management of guest workers from employers to mediating agencies has caused problems for labour migrants. Many labour export companies in Viet Nam have expressed their concerns about the growing number of labour disputes over the implementation of work contracts in Malaysia. This situation makes migrant workers reluctant to sign contracts and lose confidence in labour export companies to negotiate on their behalf. Despite these challenges, Malaysia is still considered a popular labour pool for Viet Nam, receiving mainly rural low-skill or unskilled labour.

Different from Malaysia, Japan and Republic of Korea are considered higher-class markets which attract skilled workers and job trainees from Viet Nam. They work in garment, electronics, food processing and shipping industries. The average income per month in Republic of Korea and Japan ranges from US\$ 450 to US\$ 1,000. Some migrants work in

fishery in the seas of Republic of Korea in harder conditions. In accordance with the agreement signed between Viet Nam and Japan, between 2,000 and 3,000 guest workers can be sent to Japan annually, in addition to a total of 20,000 trainees already there. Approximately 50,000 Vietnamese workers currently work in the Republic of Korea. Every year between 7,000 and 8,000 guest workers depart Viet Nam for this Peninsular. In 2003, the Korean government introduced the Employment Permit System (EPS). Under this program, Vietnamese labour export companies recruit and send laborers to Republic of Korea, whereas the Korean employers actually selected the workers according to their demand which often fluctuate. Given the limited access to the EPS, illicit channels to go overseas are resorted to with very high costs and many risks involved. The workers have to pass the language exams in Viet Nam among other stricter requirements about labour skills and languages. For many rural laborers, this criterion is quite difficult. So far nearly 20,000 Vietnamese workers have been deployed under EPS. Once selected, the workers cannot leave their jobs nor change their places of employment. This regulation is applied to the EPS workers even when they face poor working conditions, low or unpaid wage, or inhuman treatment. They are not allowed to make complaints to their assigned employers as they face the threat of deportation. As such, migrant workers under EPS have no choice but to follow the demand of their employers. Because migrant workers are required to renew their contracts each year with their employers, they become subordinated to the will of their employers, making the protection of labour rights impossible. However, it is said that the EPS program would help reduce the contract breaking situation and illegal work and residence in the Republic of Korea. In reality, Vietnamese workers continue to breach their labour contracts in search for higher paying jobs, and hence reside illegally. It is estimated that there have been 14,000 contract breaches by the Vietnamese workers in the Republic of Korea (VNExpress, Aug 23 2007).

In more recent years, Viet Nam has tried to expand its overseas labour market to new destinations such as Australia, Brazil, Canada, Italy, the United States, the United Kingdom, and countries in the Middle East. However, the main stumbling block has been inadequate guest-worker quotas or insufficient number of qualified workers to meet the needs of the 'difficult' labour markets. A labour contract between MOLISA and the

National Recruitment Association of Saudi Arabia was signed to deploy Vietnamese workers to the Gulf as Saudi Arabia suffers from a serious shortfall of labour. Last year, the country was ready to receive 50,000 Vietnamese workers, mainly skilled, for factory work and construction projects. So far, only 200 workers have gone to work in Saudi Arabia with an average income per month of US\$ 160-300. Higher skilled workers such as engineers can earn a monthly income of US\$ 1,000 and above in Saudi Arabia. In a similar way, Vietnamese workers first entered United Arab Emirates in 2000. Since then, there have been over 1,000 workers that have gone there. Currently in Dubai, Vietnamese hired construction workers can earn monthly salaries of DHS660 (equivalent to US\$177) and electronic workers salaries of HDS700 (equivalent to US\$ 190). Services, restaurant and hotel staffs are normally paid US\$150-\$1,500 based on their positions held and experience. In general, these new countries of destination provide a promising market for labor export from Viet Nam, though they are not open to unskilled workers.

### **3. Problems in countries of destination**

Once migrant workers have left the country of origin, the sending countries' influence on their nationals' protection is limited. There are two main types of trouble occurring in destination countries in relation to labour export from Viet Nam. One is the violation of rights of workers by employers, and the other is breach of contracts and desertion by the workers. In this section, the paper will examine these problems in detail.

#### Poor working conditions and ill-treatment by employers

Most overseas companies hire foreign labour to reduce production costs, and gain more profit. They see investing in living and working conditions for labour migrants not their responsibilities. It is often that migrant workers work longer and earn less than their native counterparts. Given their low status, low-skilled workers face vulnerability to the violation of their rights. These problems become more serious when migrants do not speak the language and are unprotected by laws of their destinations countries. In emergencies, they have very limited or no access to remedies and supportive social networks.

Table 2 shows different kinds of accidents for general migrant workers in the Republic of Korea, including Vietnamese. Migrant workers encountered different kinds of bad treatment from their employers. They are particularly vulnerable to abuse and exploitation. These incidents include verbal abuse and violent language, being attacked or punished physically, body search although they are female workers, or prohibition to leave their workplace even though the workers need to use toilets or need some break.

Table 2. Ill-treatment of migrant workers at workplace in Republic of Korea, 2003

Forms of ill treatment	Unit: Percentage		
	Yes	No	Total
Physical attack or punishment	11.6	88.4	100.0
Verbal abuse or violent language	50.0	50.0	100.0
Body search	10.2	89.8	100.0
Forbidden to leave to workplace	17.9	82.1	100.0
Sexual harassment or violence	2.3	97.7	100.0
Injury at work	28.3	71.7	100.0
Illness due to work	22.6	77.4	100.0
Seizure of passport	47.6	52.4	100.0
Breach of employment contract	44.3	55.7	100.0

*Note:* Sample size was 741 (APMRN, 2004)

*Source:* cited from Seok H, Chung K, Lee J, Lee H, and Kang S (2003)

As mentioned earlier, Malaysia is one of the labour markets for general labour workers, but Vietnamese migrant workers seem not interested in going there, partly but importantly because of the low wage. After deducting income tax and housing utilities, each worker could save merely US\$100 per month at most. Although migrants' monthly salaries were already mentioned in their labour contracts, the reality is different from what they expected or imagined before departure. As reported by the Malaysian Trade Union Council (MTUC), in 600 case files opened involving 1,200 international migrants, the top violation of labour rights during the period 2000-2005 was nonpayment of wages, followed by unfair dismissal (MTUC, 2005). Non-payment of wages is quite common but almost all migrant workers have to accept it because going home means being jobless while their families are in heavy financial debts.

Taiwan (China), a major destination for Viet Nam, witnessed a similar situation. In 2003, twenty Vietnamese laborers working in a cruiser boat named “*China Sea Discovery*” had been abandoned and their salaries were not paid for months. These laborers had to call MOLISA for financial assistance for them to return to Viet Nam (see VNExpress, Feb 2, 2004). Another study reported that Vietnamese workers in the Republic of Korea were required to work intensively, for 8-10 hours a day, five and a half days a week. Although overtime hours were recorded, it was so complicated that the workers did not know clearly how their overtime pays were calculated and converted into salaries (Pairaudeau, 1997). Language barrier is one of the major causes that deteriorate the relationship between migrant workers and their employers. The workers cannot understand the instructions or guidance from their managers or supervisors properly. They also cannot explain or defend when things are not going the right way.

Due to long working hours, burden of intensive labour, hard working conditions, lack of occupational safety equipment, migrant workers are easily prone to get sick. Living in different weathers of the East Asian countries (Japan, Republic of Korea, Taiwan, China) where “summer is too hot and winter is too cold” or even in Malaysia where the climate is warm, the workers do not do well and may suffer from headaches or cold flues. Numerous cases have been reported attesting to the many socio-psychological problems and traumas confronting migrant workers. These have been reported as loneliness, anxiety, discrimination, exploitation, and physical abuse, among others (APMRN, 2004).

#### Contract breach and runaway

The second problem in destination countries in relation to labour export is the desertion of workers. This seems most alarming in Japan, Republic of Korea and Taiwan (China). On average, the “missing” ratio of Vietnamese workers in Japan, Republic of Korea and Taiwan (China) have been reported as 27-30%, 20-25% and 9-12%, respectively of the total number of Vietnamese laborers deployed in these countries (MTUC, 2005; APMRN, 2004; VNExpress Jan 5, 2005). It should be recognized that some workers have borrowed money to pay high commissions and fee to be selected to go to these countries. They are under pressure to earn more than they can legally do to pay the debts. On the other hand,

the weak discipline of Vietnamese workers is a factor responsible for desertion of workers. Not many deserting workers have been discovered and deported. Desertion is a complex problem made up of many factors variously connected with individual workers, employers, labour export agencies, and policy in home and host countries.

The main motives for desertion and run-away are to get higher salaries outside their contracted jobs or to escape high fees they are required to pay local labour suppliers for overseas jobs. It is also reported that many workers were fired after accidents and left with a small bill of medical expenses. Bearing a heavy burden of responsibilities and a big debt waiting for them at home, these fired workers chose to work illegally with unrecognized and fewer rights, less protection and a strong fear of being deported. As most of laborers would work in private factories or small businesses without work permits or signed contracts, the probability of being exploited and cheated by employers has been increasing. The vicious circle for illegal workers is that as their rights became lesser, their protection also diminished. They are exploited and cheated and could not sue their employers due to the fear of being deported.

Hung, 35, from Ha Tay Province has just returned from Korea. In 1999 he was honored by the Korean Business Association for several initiatives bringing benefit to his employer, Busan Shipbuilding Company. He is in good health, enthusiastic, disciplined, and can speak Korean and English fluently. Hung is the fifth child in an 11-member family. His elderly brothers and sisters all have their own families, while his younger brothers farm and go to school. The VND300mil he sent from Korea now seems to be insufficient for his big family. Hung decided to keep VND50mil for himself to look for a job after he returned home; However, no enterprise or state agency have employed him, reasoning that he is only a senior high school, though Hung has acquired good experience, and language skills. After six months of unemployment, Hung decided to buy a motorbike to work as a motorbike taxi driver in Van Dinh town.

Tinh, 24, from Ky Anh, Ha Tinh Province returned to Viet Nam after three years working at a plant making packaging in Malacca, Malaysia. She has been looking for work for one year, but she has still not been able to find a job in anything. She thought of establishing a farm, breeding pigs and poultry, or opening a grocery shop, but this seem difficult. Tinh believed she could get a good job with her skills and English. However, getting a job in Viet Nam has proven very difficult as she does not have a university degree. Currently Tinh lives with relatives in Hanoi while she is trying to find a job. She is likely to return to the countryside to begin farming in several months if she cannot find a job soon. [Note: names are not real in these stories]

Source: Viet Nam Trade Catalog (2006)

After several years working abroad, tens of thousands of labour workers returned to Viet Nam from Japan, Republic of Korea, Malaysia and Taiwan (China). They are potentially valuable human resources for Viet Nam in realizing its industrialization and modernization goals. Although returnees are more likely to be successful if advised and supported, it is not often the case in practice. It has been reported that some workers have become unemployed soon after they returned (Viet Nam Trade Catalog, 2006). Though the estimated rate of unemployment among returnees is not available, it can be said that the figure is high.

From a policy perspective, there is lack of coordinated strategies to assist returning migrants with reintegration. Labor export strategy and related policies do not consider issues of return and reintegration. Most migrant workers are left to their own devices and frequently face difficulties in finding employment commensurate with the skills they have acquired abroad. Knowing the language and familiar experience with the host society, some returnees have tried to find work again in the Republic of Korea, Japan, and Taiwan (China).

#### **4. Problems in Viet Nam**

While the operation of labour exporters without a license is clearly illegal, there are also more ambiguous cases, in particular the ones involving shady activities undertaken by brokering networks. In rural poor areas, there are many individuals operating as labour export agents or brokers who visit households and spread information on work opportunities abroad. These agents claim that labour export companies have assigned quotas to them and authorized them to recruit suitable labour to work overseas. Consequently many households agreed to give money to the agents with the hope that their members will be called to dispatch abroad.

Indeed, it would be almost impossible for the workers to get an overseas job without intermediary involvement. Placement agencies let the brokers decide and make prices to labourers who have no information on the labour market demand. Many workers have to wait for a year or longer without any knowledge of when they are finally dispatched

abroad. In the meantime, the interest on their debts has already been mounting. Even if the workers want to drop out and get money back from the brokers, they cannot as they are afraid of not being able to pay back the increasing debts (because if they ask the brokers to give back the commission, the broker would only pay the amount received, not with interest).

Desperately in need of chances to improve their livelihood, the rural labourers mortgage their land and properties and borrow money from the bank or private lenders in order to pay a large amount of brokerage fee in hope of securing a place (US\$5,000-6,000 per person). To go to Japan, some workers had to borrow money and pay not less than US\$ 10,000/person to brokers. If they are lucky to work safely in Japan, they could earn enough money to pay the debt. Otherwise they will be in life-time debts and become victims of labour export activities. Some workers become deeply indebted in even pre-departure stage, as they must borrow from private money lenders in order to pay excessive fees and other associated costs. Placement agencies often lack responsibilities in informing workers about the real situation in receiving countries, assisting and compensating unwanted returnees. Labour migrants going to the Middle East, to Malaysia or Republic of Korea are not aware of the laws and cultures in these countries. As a result, they can become vulnerable to arrest and deportation. Placement companies devote very little attention to legal channels and protective mechanisms, making it very difficult for migrant workers to avoid exploitative working conditions. In their pre-departure training, workers are not informed about their employers and the rights and duty of employers. The training itself is not tailored to the needs of the migrant workers. In this regard, a reform of training contents and communication campaigns for awareness-raising would be greatly useful to those who seek overseas employment under the labour export programs.

Although illegal networks of recruitment exist and operate extensively to influence labour recruitment and export, MOLISA asserts that all fraud cases related to labour export have been due to the fact that some recruitment agencies are violating government regulations on recruitment procedures such as the principle of direct recruitment or the requirement that the agencies should have labour export contracts before recruiting workers. However

the number of illegal recruitment is unknown as they go under-reported. In the last couple of years, the government has issued a number of documents regulating labour export activities. The government is reluctant to privatize placement agencies as it would give ways for exploitative brokers and traffickers to further manipulate and take advantage of labourers who wish to work abroad.

Most recently, a state-level law for Vietnamese labour to work overseas was enacted in 2006, aiming to formalize the process of out-labour migration. The law has become effective since this year. By defining the rights, and obligations of recruiting and other sending entities, the government ministries/agencies and the labourers workers themselves, the law also enables local placement agencies to expand to better meet the needs of their foreign partners. Workers are required to take language, culture and vocational training before they are sent overseas. Reinforcement and punitive measures are employed to both unlicensed recruitment agencies and workers who violate the law. It is expected that the incidence of runaway of Vietnamese workers may be reduced and halted by imposing a harsh penalty on the workers who breached the contract overseas. The law appears to be an important element of the effort to increase Vietnamese workers' quality and competitiveness in international labour markets.

Despite the strengthened management of labour export and the development of the rights and obligations of concerned parties, policy intent is different from policy implication. Passing the law is far from enough, it is necessary to reduce the high costs of migration and remove deception and risks involved for people, especially the poor. The experience of the last couple of years seems to have indicated that the question of implementing policies remains a matter of concern. A major issue is the proper application of the law in a number of related decrees which are being developed by MOLISA. This is not a technical task, but structural change, to a large extent, of the labour export system. The operation and performance of labour export is explained less by the formal legal texts or official statement than by the nature of the labour export system that relies on profit-oriented commercialized companies, high service fees, and the mediation of broker networks. Management of the sector may not be effective if these practices remain inherent in the

system. There are a number of concerns with placement agencies and their associated brokers which often charge excessive fees to migrant workers.

Viet Nam has not yet been a signatory of the 1990 International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families. This furthers the impression that Viet Nam remains a passive partner in migration, not wishing to endanger established markets for its surplus labour. The preparing process to ratify the Convention would take time and requires the amendments and adaptation of current legal framework and domestic law instruments.<sup>2</sup> Nonetheless, the ratifying of the Convention would provide a basis from which to address the violations of rights of Vietnamese migrant workers abroad. This seems a critical need, given the large numbers of Vietnamese laborers overseas and the continuing outflows of migrants from the country.

## **5. Conclusions**

The main intent of this paper is to examine the emerging issues that will help improve the management of labour migration from Viet Nam in the context of long-standing policies. More precisely, it focuses on emerging issues of policy and practice related to labour export from Viet Nam to place its manpower and workers overseas. The present paper did not examine the problems related to all types of international labor migrants, neither has it attempted to assemble statistical data or make projection on labour migration flows from Viet Nam.

The country's increasing openness has accelerated the inflow of foreign capital, on the one hand, and opened up greater opportunities to deploy its workforce overseas, on the other. International labor migration in Viet Nam is far from being *laissez-faire*. Rather, it has been largely influenced by the government that has benefited from the process. The government actively wants to expand this trade, and like other countries in Asia, is aiming to upgrade

---

<sup>2</sup> Signature is a preliminary step to ratification for the International (UN) Convention, indicating that the Convention standards are incorporated into domestic law and the country has become a state party to the Convention. There have been so far 36 state parties to the 1990 International Convention (ILO, 2007)

the skills of migrant workers to fill new niches in the increasingly international labour market of Asia.

From the mid-1990s, labour export from Viet Nam took a prominent place in the country's development strategies. More and more labour workers left home in search of better income opportunities overseas. With the collapse of the Soviet bloc, they now go to East Asia (Japan, Republic of Korea, Taiwan-China) Malaysia, Laos, and some Middle-East countries. While the economic value of labour export is acknowledged, most migration takes place with the involvement of various intermediaries such as labour recruiters, brokers, agents and officials, making the migration process an expensive and unsafe enterprise. In this regard, it is necessary to mobilize civil society, NGOs, communities, migrant workers and their families to monitor the process and ensure the transparency and efficiency of labour export. This may require a development of a legal framework for cooperation among social partners.

As observed from the experience of other labour sending countries, the issue of labour export from Viet Nam has now become broad and complex. How effectively can the government influence migration processes through the use of legal regulations and policy measures? The answer is obviously not simple. There is an urgent need for the Vietnamese government, before it is too late, to ensure that labour export corresponds with social and economic goals to safeguard the rights of workers, to prevent exploitation by agents and brokers, and to make migration safe and beneficial for the people. Labour export should also be linked to the long-term socioeconomic national development strategy of Viet Nam. There must be coherent policies considering labour, growth and migration. For Viet Nam, labor export is a positive but not a significant force in the country's sustainable development. The Vietnamese government's task is and will always remain that of maximizing growth with equity as the means for creating decent jobs and raising the standard of living of all peoples.

What Vietnamese officials should agree on is that the country's labor export industry needs to be strengthened in quality, especially when faced with rising numbers of workers from other economies looking harder for jobs wherever they can. In view of policy and

development strategy, it is essential for Viet Nam to shift its viewpoint and move from cheap manpower to a globally competitive and skilled manpower. It is therefore important to call for education and training of migrant workers. In the ever-changing world of international labor markets, what matters today is quality and competitiveness. It is necessary to direct attention toward strengthening policies to promote skill training of migrant workers and to address issues of return and reintegration of migrant workers. This requires a close and effective collaboration between labour importing and exporting countries. The former can benefit from the active young workers they need, in return for remittances, skills transfer and returned human resources which will facilitate development in labour exporting countries. Respecting migrant rights and upholding human dignity of migrant workers are essential for ensuring and sharing benefits from migration. It is urgent to eliminate all forms of exploitation and abuse of migrant workers because this will eventually bring about mutual interests and benefits for all.

## References

Abella, M. I. 1995. "Policy and institutions for the orderly movement of labour abroad" in M. Abella, M. and K. Lonnroth (eds) *Orderly International Migration of Workers and Incentives to Stay: Options for Emigration Countries*.(Geneva: International Labour Office).

Asia Pacific Migration Research Network (APMRN). 2004. *No safety signs here. Research study on migration and HIV vulnerability from seven south and northeast Asian countries*. (Canberra: UNDP-Asia Pacific Migration Research Network).

Dang, N. A. 2000. *Emigration and Emigration Pressures in a Transitional Viet Nam*. APEC/JETRO Conference Proceedings (Chiba, Japan, Institute of Development Economies).

International Labour Organization (ILO). 2007. *Ratifications of International Instruments on Migration/Migrant Rights (as of 2 May 2007)*. (Bangkok, Thailand, ILO).

International Labour Organization (ILO). 2003. *Labour Migration in Asia: Trends, Challenges and Policy Responses in Countries of Origin*. (Geneva, IOM).

Ministry of Labour, War Invalids and Social Affairs (MOLISA). 2004. *Cumulated Data on Overseas Laborers by Countries of Destination, 1992-2003*. (Hanoi, Vietnam, Department for Administration of Overseas Employed Labour Force, MOLISA).

Malaysian Trade Union Council (MTUC). 2005. *Country report: Migrant workers situation in Malaysia: Overview and concerns*. (Kuala Lumpur, Malaysia, MTUC).

Pairaudeau, N. 1997. *Vietnamese labour migration to Republic of Korea and with Republic of Korean Companies*. 1997 EuroViet/Labour Relations and Issues (Amsterdam).

Seok, H. et al. *Workplace and life of foreign workers in Korea*. (Seoul: Jisikmadang).

Stahl, C.W. 1995. Theories of international labour migration: an overview. *Asian and Pacific Migration Journal*, Vol. 4, No. 2-3.

Viet Nam Trade Catalog. *Returned workers face difficulties in finding jobs.* Available at: <http://www.trade-catalog.com> [28 Feb, 2006].

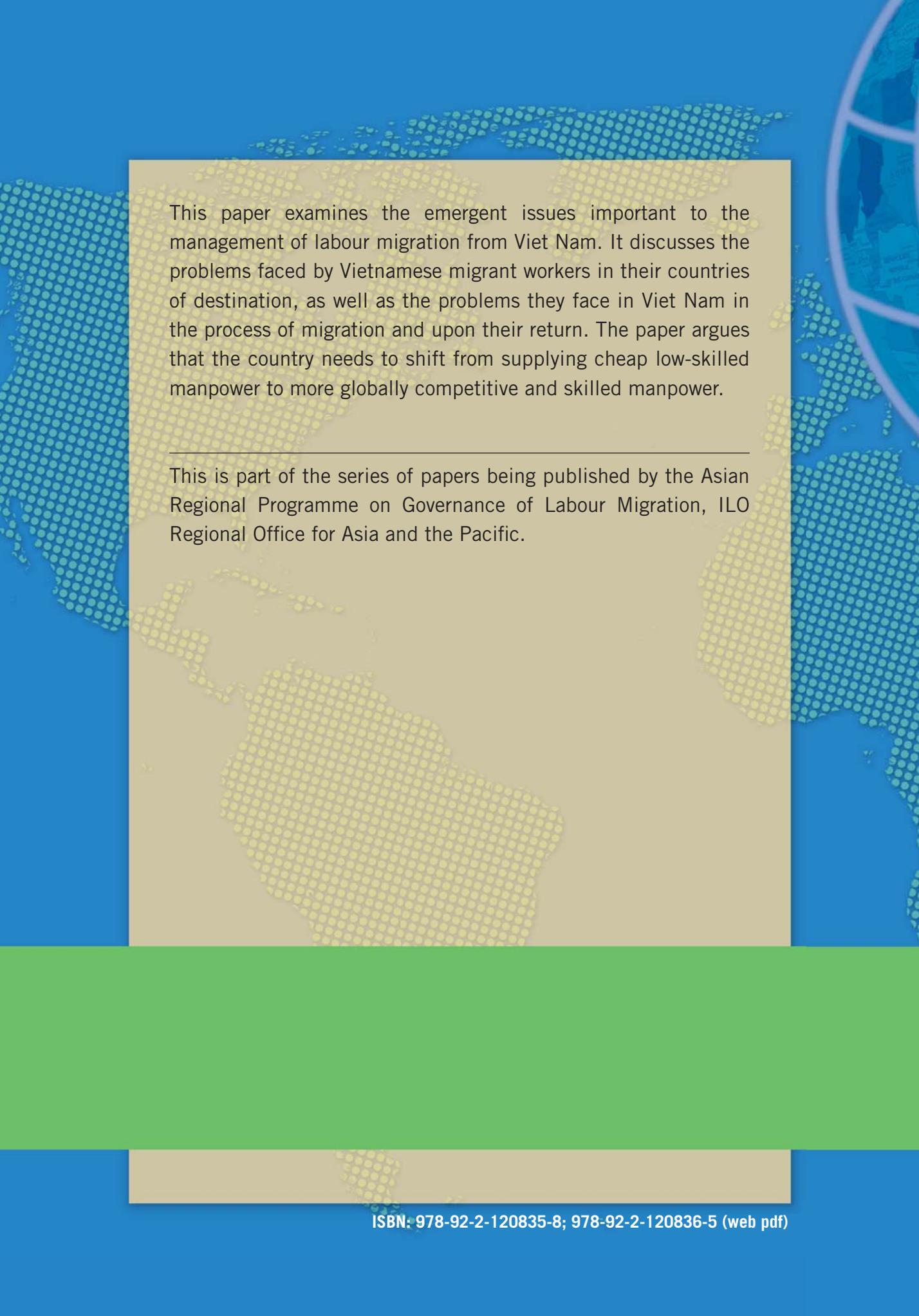
VNExpress. *Vietnamese migrant workers in Taiwan (China) call for support due to salaries abandoned.* Available at: <http://www.vnexpress.vn> [25 Feb, 2004].

VNExpress. *There were 9,500 illegal Vietnamese labourers in Republic of Korea.* Available at: <http://www.vnexpress.vn> [5 Jan, 2005].

VNExpress. *The Republic of Korea cracks and sweep out illegal labour workers.* Available at: <http://www.vnexpress.vn> [23 Aug, 2007].







This paper examines the emergent issues important to the management of labour migration from Viet Nam. It discusses the problems faced by Vietnamese migrant workers in their countries of destination, as well as the problems they face in Viet Nam in the process of migration and upon their return. The paper argues that the country needs to shift from supplying cheap low-skilled manpower to more globally competitive and skilled manpower.

---

This is part of the series of papers being published by the Asian Regional Programme on Governance of Labour Migration, ILO Regional Office for Asia and the Pacific.