This factsheet provides key information on migrant labourers in Viet Nam, including characteristics of migrant labourers, employment status, and income and contribution of migrant labourers to their families in their places of origin, based on the data analysis from the 2015 National Internal Migration Survey. The factsheet also presents recommendations for development policies in Viet Nam to take full advantage of the benefits produced by the migration process and especially by migrant labourers, for national economic growth.

Like many other countries that have undergone a rapid socio-economic development process in the last 30 years, Viet Nam has witnessed a remarkable increase in the flow of internal migration. International studies and research in Viet Nam show a dialectical relationship between migration and development. Migration both plays a motivated role and acts as a result of the socio-economic development of a nation. Particularly, migration makes contributions to address issues of redundant labourers in the place of origin and to meet the needs of the labour force in destination areas. Migration also brings cultural diversity to places of destination. In many areas across the country, migrants not only do jobs that local people do not want, but also fill jobs that require high skills and techniques which local people cannot satisfy. Especially for many households in rural areas, migration is considered an important part of a strategy for socio-economic condition improvement of households.
MAJOR FINDINGS

1. Most migrants are of working age and their migration purpose is mainly related to employment

The 2015 National Internal Migration Survey shows that across the country around 30 per cent of the total 4,969 interviewed migrants reported that they migrated due to “having found a job in the new place of destination”; 11.5 per cent of migrants moved for “better working conditions”, 11.9 per cent responded to “job convenience” and 12.6 per cent moved for “life improvement”.

There are regional differentials regarding the reason, “having found a job in the new place of destination”. The Red River Delta, the Northern Midlands and Mountain areas and the Southeast area have seen the highest rate of migrants who moved to due to this reason with migrants moving at the rates of 41.8 per cent; 40.5 per cent and 37.6 per cent, respectively. Whereas, the rate of migration for the same reason in the North Central area and the Central Coastal area is the lowest, at only 14 per cent.

2. A majority of migrants are employed

The share of employed migrant labourers accounts for 74.2 per cent of total migrants. This percentage for men is nearly nine points higher than for women (79.1 per cent versus 70.2 per cent). The Southeast area has the highest share of employed migrants (89.5 per cent) because it is the main location for large industrial zones in the country, particularly Binh Duong and Ba Ria-Vung Tau Provinces. The lowest percentage of employed migrants is observed in the Mekong River Delta (59.7 per cent).

3. Migrant labourers are young people and a majority of them are female and unmarried

In comparison to non-migrant labourers, migrant labourers are quite young, and between the ages of 15 to 34, account for 72.9 per cent of employed migrants, nearly two times higher than the percentage of non-migrants in this age group (39.7 per cent) (Figure 1). The percentage for the female labourers aged 15-34 is higher than that of male labourers (76.8 per cent versus 69.1 per cent). These findings are similar to the results of the 2009 Population and Housing Census and quarterly Labour Force Survey showing that migrant labourers are of a young age and have a trend towards “feminization of migration”. The 32 per cent of migrants, in the age group 15-59, are working and never married while the figure for non-migrants is only 15.9 per cent. The percentage of male migrant labourers that are never married is higher than that of female migrants (34.4 per cent versus 29.6 per cent).

4. A higher percentage of migrants compared to non-migrants have professional and technical qualifications

"After graduating from the college, I will not think about returning home or staying in Dong Hoi City (current place). I will move to any place providing me with a nice job. I can go to Saigon [Ho Chi Minh City]. There are more job opportunities there. I would work for a small business or for a manufacturing business".

(Male in-migrant, urban, Quang Binh province)
The percentage of migrants who are working and have professional and technical qualifications is 37.4 per cent—nine percentage points higher than the same proportion for non-migrants (28.3 per cent). There is virtually no difference between male and female migrants having professional and technical qualifications (37.6 per cent and 37.3 per cent, respectively).

5. Migrants work in economic sectors, ownership forms, and occupation groups which are relatively different from non-migrants

Migrants are more likely to be employed in the industry and construction sector, accounting for 40.2 per cent, which is nearly two times higher than the share of non-migrants, whereas non-migrants are employed at a higher rate in the service sector (57.8 per cent) than migrants (49.5 per cent).

The contrast is even greater if we look at the type of the businesses where migrants and non-migrants are employed. Migrants are most likely to work in foreign investment companies (FDI) and non-state enterprises, whereas non-migrants are most likely to work as owned-account workers or in household business establishments (sole proprietorship (30.7 per cent) and household business establishment (29.8 per cent)). In comparison with non-migrants, the proportion of migrants who work in the public sector is lower (18.5 per cent over 15.9 per cent) (Figure 2). These results suggest that there is a segmented labour market in Viet Nam, based on migration status.

Migrants are most likely to engage in occupation groups including, “Service and sales staff” (22 per cent), “Manual workers and other related occupations” (11.7 per cent) and “Unskilled workers” (17.6 per cent), despite accounting for lower percentages as compared with non-migrants. In some occupations, migrants are overrepresented compared to non-migrants. For example, the percentage of migrants working in the “skilled workers who assemble and operate machinery and equipment” sector (15.8 per cent), is approximately four times higher than that of non-migrants; and migrants working as “medium skilled professionals” account for 13.2 per cent, over two times higher than non-migrants (Figure 3). Growing industrial development in Viet Nam is one factor motivating the needs of and attracting migrants to occupations in this field.

Figure 2: Structure of economic ownership forms employing migrants and non-migrants (%)
6. Migrants have greater employment vulnerability compared to non-migrant

The percentage of migrants who have long-term labour contracts (indefinite time) is two thirds higher for non-migrants (30.9 per cent over 54.4 per cent). At the same time, the percentage of migrants who have labour contracts under three months, no labour contract or only have verbal agreements with their employers is 32.2 per cent, higher than that of non-migrants (27.2 per cent). This proportion for female migrants is lower than that for male migrants (24 per cent over 37.5 per cent). This suggests that migrant workers have unstable jobs or higher risk jobs than non-migrants.

7. In general, the majority of migrant workers are satisfied with their employment and income in their current places of residence

Approximately 54 per cent of migrants feel that they have better or much better employment at their destination compared to what they had before migration, while around 10 per cent feel their employment situation is worse. There is no difference in these percentages between male and female migrants.

In term of income, approximately 60 per cent of migrant workers self-assess that they have better or much better income than before migration. This proportion for female migrants is 62 per cent, whereas only 55 per cent of male migrants feel the same. However, the average monthly income of migrants still stands at a lower level than that of non-migrants (VND five million as compared to VND 5.4 million). The average monthly income of male migrants is one million per month higher than female migrants and this difference is observed in all socio-economic regions in the country.
Remittances are part of the income migrants earn in their current place of destination which they send back to family, mainly in rural areas, in order to improve their living conditions. Remittances have a direct impact that heavily motivates migration and labour transition. The data shows that around 36.6 per cent of migrants sent earnings back to their family within the 12 months prior to the survey. Female migrants were slightly more likely to remit than were male migrants (38.3 per cent versus 34.6 per cent). On average, each migrant worker sent VND 9.4 million per year. Male migrants sent more money back home than female migrants (equivalent to VND 10.3 million and VND 8.7 million per year).

Remittances are used for different purposes. In general, for migrants who frequently send money home, remittances are used to improve the daily living conditions of the family (78 per cent), rather than production development investment (6.7 per cent). Money spent for education and health care accounts for 25 per cent. This trend is similar in both rural and urban areas.

“I send money to my parents who live in Tay Ninh, where my eldest child studies. Whenever I am back, I give them some money for food, study, and clothes. I can save only some million VND a month but I still send it all to my parents. I give them the money when I am back, or I have a bank remit it”.

(Female in-migrant, rural, Ba Ria - Vung Tau province)

“My support is to partially reduce the poverty in my family, offsetting the expenses on food, clothes and other daily expenses”.

(Male in-migrant, urban, Ca Mau province)

“I work to have extra money for the children to go to school. Otherwise, my family has to sell rice, but it is still not enough to cover my children’s tuition. Now, in the countryside, at the beginning of academic year, the minimum amount of total fees for my three children is VND 7 to 8 million. If I can’t earn money, my family has to sell a ton of paddy”.

(Male in-migrant, rural, Thai Nguyen province)

POLICY RECOMMENDATIONS

1. The needs and significance of internal migration should be fully recognized

Internal migration plays an important role in addressing employment, increasing income for workers, so administrative measures to restrict migration should
be avoided. In contrast, economic policies should be applied as leverage to encourage migration in conformity with socio-economic development strategy for each region and locality. Internal migration should also be integrated into poverty-elimination strategies and socio-economic development plans.

2 Administrative procedures need to be improved to support migrants

- Migrants suffer from more disadvantages than non-migrants in terms of decent jobs and social security (such as social insurance and health insurance). Consequently, social security policies should pay greater attention to migrant labourers.
- It is necessary to strengthen information provision in the places of departure and destination about job opportunities, access to health care and social services, as well as guidance for migrants to be aware of and knowledgeable about how to implement their rights and obligations.
- It is also necessary to establish job services and information centers that are managed by administrative units in cities to enable migrants to more easily access employment. The role of employment agencies and job information centers needs to be strengthened to effectively support migrants in the migration process and help them to overcome the initial difficulties that many face at the places of destination. Specific regulations should be enacted to require employers to have formal contracts with migrants and non-migrants to ensure that the basic rights of workers, such as social and health insurance, are met.

3 Policies for youth development need to pay attention to young migrant labourers

A large number of migrant labourers are young, mainly from rural areas and have low technical qualifications, therefore educational policies are required to improve migrants technical qualifications so that they can meet the needs of labour markets in the destination, thus increasing labour productivity. It is also necessary to provide information and services on reproductive and sexual health care for young migrant groups that enable them to have equal access to reproductive health care and consultation services in destination areas.

REFERENCE


Note:
In this survey migrants are defined as people who have moved from one district to another district in the five years prior to the survey and who meet one of the following three conditions:

a. Have resided in their current place of residence one month or more;
b. Have resided in their current place of residence for less than one month but intend to stay for one month or more;
c. Have resided in the current place for less than one month but within the past one year have moved from their usual place of residence to another district with the accumulated period of time of one month or more to earn a living.

The survey focuses on migrants and non-migrants aged 15-59