

THE MIGRATION FROM VIETNAM TO UK- BACKGROUND, REASONS AND TREND

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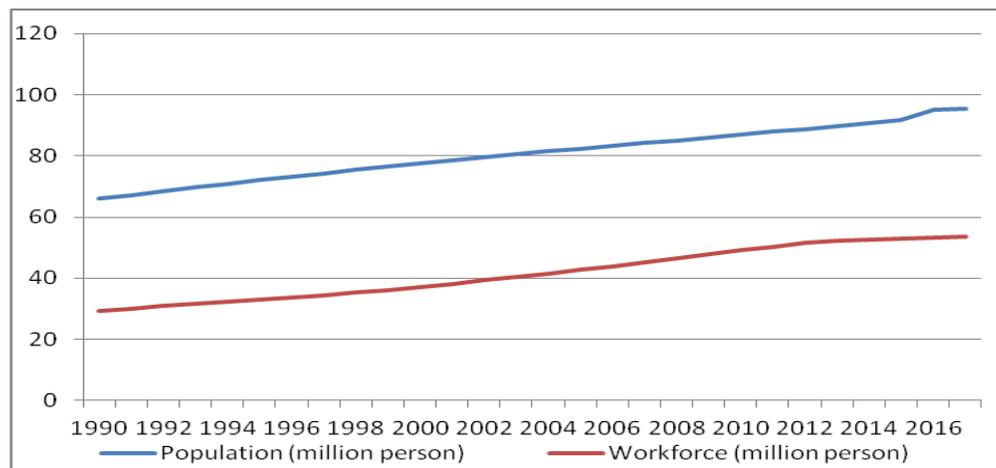
A high quantity of the human resource is considered as a positive condition for the economical development of the country. However, lack of qualified, high skill labour force and surplus of low skill workers is a real barrier for the country's development. In order to overcome this problem, Vietnam launched a complex programme since 1980s, including a huge migration within the country, labour exchange with eastern European countries, strengthening the educational/ vocational systems and exploitation of underdeveloped regions. The migration to UK is not the biggest flow of the whole migration of Vietnamese people, but it seems to increase continuously in the last years.

There are many direct and indirect reasons for the migration of Vietnamese into other countries, including the UK, but the economic reason is most important and common.

Key words: Migration, Vietnam, labour market, socio-economical development of Vietnam

In term of population, Vietnam is ranked at the place 14 with 95.4 million people (at July 1st 2017), increased at a rate of 1.32% per year between 1990- 2017. In that period, the workforce of Vietnam went up from 29.41 million to 53.7 million, equivalent to an increase rate of 2.17% per year (see figure 1).

Figure 1: Population and workforce of Vietnam in the period 1990- 2017

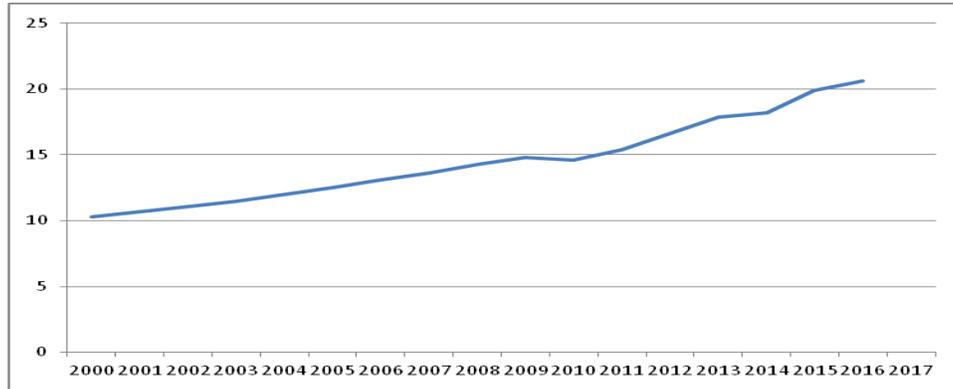


Source: General Office of Statistics Vietnam: Statistical year books.

A high quantity of the human resource is considered as an advantage of Vietnam, a positive condition for the economical development of the country. However, lack of qualified, high skill labour force and surplus of low skill workers is a real barrier for the country's development. According to reports of the General Administration for Vocational Training as well as surveys on

labour forces and income (conducted every 2 years), the rate of trained worker on total workforce of the country increased continuously, but it is lower than required by the economical development, especially the industrialization (see figure 2).

Figure 2: Percentage of trained employed workers in the working age (%)

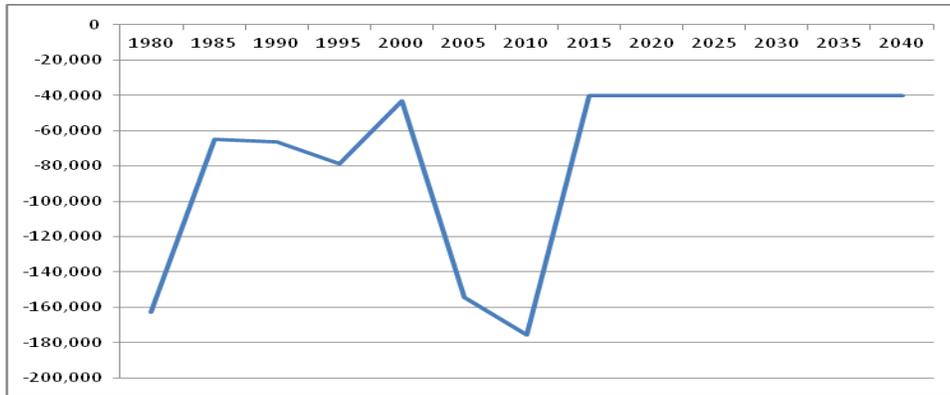


Source: Statistical yearbook of Vietnam 2010, 2015 and 2016.

In order to overcome this problem, Vietnam launched a complex programme since 1980s, including a huge migration within the country, labour exchange with eastern European countries, strengthening the educational/ vocational systems and exploitation of underdeveloped regions. Later, the scope of internal migration was strongly reduced, but continuously remained. Eastern European countries did not received Vietnamese workers any more, but instead, other countries in Middle East, South Korea and newly, Japan. In addition, there is a migration to European countries, the US and Canada, legally and illegally. In 2010, the balance between the number of exmigrants and the number of immigrants achieved the highest level (175,500 people). From 2015, the indicator is stable at the number 40,000. Experts estimated that the number of 40,000 will be remained in around 20 years (see figure 3).

Figure 3: Balanced migration of the Vietnamese labour force

Unit: Person

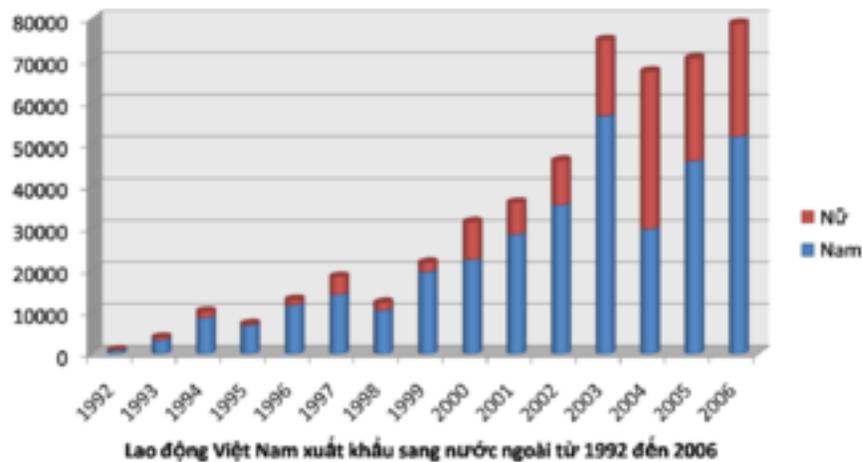


Source: *Ke hoạch Viet, 2017*

From the middle of 1980s to 1992, the main target region of the movement of Vietnamese labour were Sovietunion and Eastern European countries and then countries in the Middle East. In 2006, the quantity of Vietnamese labour working in abroad reached its highest amount of nearly 80,000 people (see figure 4).

Figure 4: Number of Vietnamese labour working abroad between 1992- 2006

Unit: People



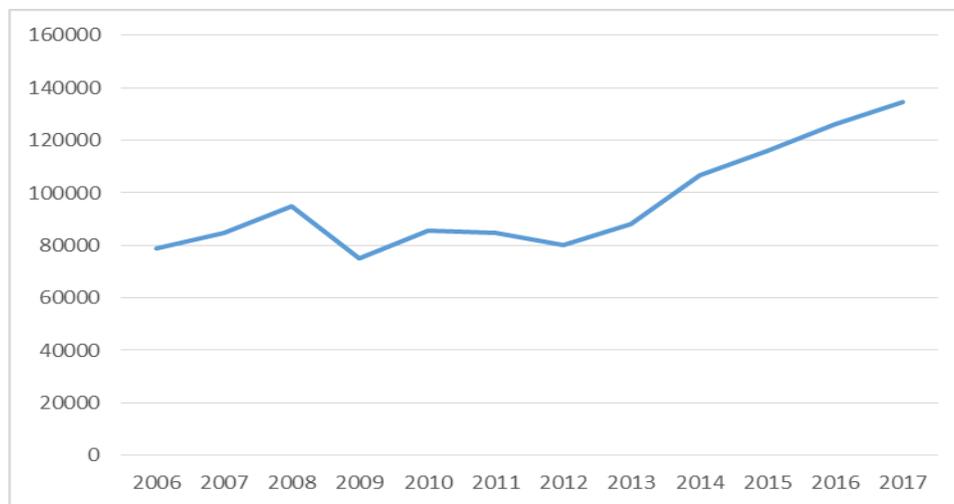
Source: *Department for overseas labour at MOLISA, 2006*

In the following period, the Government of Vietnam continued and strengthened their efforts to send Vietnamese labour in overseas. In 2006, the Law on employees working in overseas was issued, which is concretised by several decrees of the Government, including the newest one issued in 2016. Some supports to people going to work abroad are provided by either the Government of Vietnam, by banking and credit institutions or labour service centers. According to the policies of these agencies, employees could take credit with low (or even no) interest and

without security in order to cover all related costs arising in the process of completing procedures to go to their host/ employing company in oversea. They also could be provided financial support for vocational training, for learning foreign language, working rules and principles as well as some basic behaviors in the host country, etc¹. As the result of those efforts, the number of people worked in abroad increased continuously (see figure 5). In 2017, 134,751 Vietnamese workers started their jobs in overseas, including in Taiwan (66,926 people), Japan (54,504 people), South Korea (5,178 people), Middel East (4,165 people) and some other countries in South East Asia as well as in Europe (Rumania, Germany, Turkey, USA). This quantity went up 6.69% in comparison with 2017².

Figure 5: Number of Vietnamese labour worked in overseas in the period 2009- 2017

Unit: *people*



Source: *Department for overseas labour at MOLISA and Nguyen Dieu Hien*

Beside people, who go to work officially in overseas (according to the labour cooperation agreement between the Government of Vietnam and the Government of the host country as well as labour contract between individual employee and the employer), there are lots of people, who work illegally in many countries, including in countries, which signed labour cooperation agreement with Vietnam, and countries, which don't have any labour relationships with Vietnam. According to the Department for overseas labour at MOLISA, in 2005, 30- 40% of official work force from Vietnam leaved their contracted companies and worked illegally for

¹ Law on employees working in overseas (Law No. 72/2006/QH 11, dated on 29/ 11/ 2006), issued by the Parliament of Vietnam and Decree No. 126/ ND- CP dated on 01/ 8/ 2007.

² Vietnam Association of manpower supply (2018), *Overview on the market receiving Vietnamese labour in 2017*.

other employers in Japan. The percentage was 25- 30% in South Korea and 9% in Taiwan³. After lots of efforts of the host countries and the Government of Vietnam, the number of illegal Vietnamese workers in receiving countries decreased, but in 2015, the number was still high, around 50,000 people⁴. At the begin of 2017, there were around 17,000 illegal Vietnamese workers in South Korea, 26,5000 such people in Taiwan (making around 15% total number of Vietnamese working in Taiwan)⁵. Two major sources of people, who work illegally in those countries are i) workers, who break their labour contracts, leaved their receiving employers and go to work somewhere else and ii) people, who come to receiving countries through different channels and stay and work illegally for (also illegally) recruiting employers (mostly through the tourism channel).

The migration to UK is not the biggest flow of the whole migration of Vietnamese people, but it seems to increase continuously in the last years. As in other countries, such as in the US, eastern European countries, South Korea and Japan, etc., Vietnamese migrants do either legal as well as illegal jobs, which may creates seriously different social and economical problems for receiving countries. In 2005, the Government of UK had to stop receiving foreign workers for the hotel branches because of illegal foreign labour, including which ones from Vietnam, European countries as well as from other countries/ regions.

Among Vietnamese researchers, there are triple reasons for illegal Vietnamese labour in overswas: worker personal reasonns, policies and actions of Government of Vietnam as well as policies and actions of host countries.

Theoretically, there are many direct and indirect personal reasons for the migration of Vietnamese into other countries, including the UK. However, in fact, in the last years, the most important and common reason is the economic one. Concretely, the common motivation for migration of Vietnamese into UK (as well as in other countries) is to make money. In their study conducted between 2015- 2017, Tan and Nguyen described it as a “dream of better life”, which encourages not only poor, but also rich people to come to and to stay in UK⁶. That reason is valid either for people, who leave Vietnam for the purpose to work in overseas or for those people, who try to stay and work in overseas, independent on the channel leading them to any host country. On the Hanoi workshop organised by the project “New labour migrations between Vietnam and the UK: motivations, journeys and reflections” in July 2017, all of 13 presenting

³ Nhu Trang (2005), *Enterprises need a decree to hinder work force escaping*. <https://vnexpress.net/tin-tuc/thoi-su/dn-xuat-khau-lao-dong-khat-nghi-dinh-chong-tron-2028251.html>

⁴ Duy Quoc (2015), *No success against escaping workers*. <https://nld.com.vn/cong-doan/chieu-thua-lao-dong-bo-tron-20150912215134932.htm>

⁵ Khanh Chi (2017), *Solutions to hinder Vietnamese escaping and breaking local laws in overseas*. <https://baomoi.com/tim-giai-phap-ngan-lao-dong-viet-nam-bo-tron-va-pham-phap-o-nuoc-ngoai/c/22034018.epi>

⁶ Daniel Tan, Nguyen Thi Hiep (2017), *En route to the United Kingdom- A field survey of Vietnamese migrants*. <http://www.irasec.com/ouvrage.php?id=141&lang=en>

participants indicated only this as the reason for the migration of Vietnamese⁷. In the last years, annually Vietnamese workers in overseas sent to their family around USD 2.5 billion⁸. Most Vietnamese immigrants and their family members believe that they could make money much more and easily in UK. Good examples for the thought are told under interested people widely, especially in the underground, but not examples on the opposite direction⁹. The idea is often strengthened by marketing staff of labour supply service companies/ centers. The economic attraction is so much that even people in poor regions are ready willing to pay 20,000- 30,000 USD for brokers so that they could go to work in UK or other western European countries. The payment of this amount is the main power, which urges people trying to seek highly paid jobs, even if they are illegal and urges people trying to stay as long as possible in the host country. It's also lead to another fact that some of people, who have relative stable home place in UK try to attract their family relatives to go to UK¹⁰.

The basis for the economic expectation is that i) the level of underemployment in Vietnam is relative high (even the unemployment rate is, according to official statistics, low and ii) the salary in Vietnam is low. If going to the UK and with an availability of smooth money transfer system, these 2 problems are basically solved for the migrants and their family.

Another reason for people to go and stay in overseas is to improve their capacity. This is also one of main expectation of the Government of Vietnam by sending workers to work overseas, including skilled workers while the demand on this labour group could not be met on national labour market. People of this category are normally recruited/ selected by labour supply

⁷ These were experts of research institute of the Ministry of Labour, Invalids and Social Affaires and Ministry of Planning and Investment, researchers of universities in Hanoi, Hung Yen and Vinh Phuc, staff of Department of Labour, Invalids and Social Affaires of Vinh Phuc, representatives of labour supply companies in Hanoi, Vinh Phuc and Hung Yen, representatives of tourism companies in Hanoi and Vinh Phuc, representative of a vocational college in Hanoi. Their comment based mostly on their statistic, observations, interviews with returned labour or family relatives of migrants. It's also to mention that the economic power also contributes mainly to urge Vietnamese people move internally within Vietnam. According to the national internal migration survey in 2015, 13.6% of Vietnamese population were migrants. Among population in working age (from 15 to 59 years), 17.3% were migrants. See: General Office of Statistics (2015): *National internal migration survey*. Executive summary.

⁸ VTV (2018). <http://vtv.vn/trong-nuoc/moi-nam-lao-dong-lam-viec-o-nuoc-ngoai-chuyen-ve-viet-nam-25-ty-usd-20180206090824795.htm>

⁹ In fact, public media of Vietnam also introduced some cases that it is not easy for illegal workers to find a job or to make money in overseas. But they are very weak voice in comparison with which people could see that many of these workers returned very rich and could help their family to improve their life basically. On the other hand, stories about formers Vietnamese workers in overseas start and grow up their own business after their return from foreign countries are often well known and play a role as supportive examples, which encourage people tried to work in overseas.

¹⁰ Not only the migration into overseas helps to improve the life of migrants and their family. The national internal migration survey in 2015 showed that in average, the monthly income and expenses of family without migrants is lower than the same indicator of families with migrants by 28.1%.

company(ies) and have to pay for services of such company(ies). Before going to work abroad, these people have at least 3 months for vocational and language training. The preparation period is always completed with a strict “examination”, evaluated jointly by representatives of Vietnamese and receiving company(ies). It often helps to form and improve the capacity of applying labour. This capacity is continuously improved during the working process in overseas if the labour pass the examination and accepted to work in the receiving company. They would usually return to Vietnam at the end of their work contract. There is no official statistics, but observations and survey/ interviews in different regions in Vietnam showed that many of these people could apply which they learnt in overseas for starting and operating their own business or could be recruited in FDI companies in Vietnam, which enables them to get paid better than in Vietnamese enterprises. Even if they work for Vietnamese companies, they often get higher salary because of their better qualification and working attitudes. However, if they are disappointed with their expectation in overseas, many of them often leave their contracted company and work illegally in order to make money for getting back their prepaid expenses. The registered data, as mentioned above, demonstrates the scope of this category of undocumented/ illegal labour immigrated in overseas.

Of course, “escaping labour” is only one side of the situation. It becomes the reality and contribute to the increase of the immigration of Vietnamese labour in overseas if there are entities, which recruit these people. Among them, there are also Vietnamese one and it creates the “snow ball” effect.

The third group migrates because of their difficulties and problems in Vietnam (unemployment, debts and financial difficulties, being involved in legal process, etc). These migrants usually go overseas through unofficial ways. They mostly leave Vietnam as tourists to the target country or to another country as a transit country before coming finally to the target country. This people group makes surely a very small percentage of migrants in each host country, but most of them should joint the underground world in any way and at different level. According to experiences in Eastern European countries in the 1980s’ and 1990s’, many of them could play an active role in violence and crime activities in the host country.

It’s also to note that there are people, who don’t want originally to go to work illegally or stay illegally in overseas, but they are convinced by “brokers” to go or to stay. These “brokers” are often “components” in the “labour trade chain”, which exist either in Vietnam or in the target countries. It’s not quite clear that there are multinational chain of labour trade or not.

In 2015, a labour supply company conducted a survey about the reasons why legal workers leaved their contracted company and worked and lived illegally in the host countries (Japan, Korea and Taiwan). The result is described in the box 1.

Box 1: Why Vietnamese labour in overseas leaved their official job, worked illegally and become illegal/ undocumented migrants?

- Some people have a working contract to work in rural areas and feel boring, so that they move into urban area
- Unhappy with low salary, some people seek for higher paid jobs
- Having to work hard without any support, some people seek for easier job or company with better supports
- Some people seek other job and change their working place in order to live with/ near to their boy/ girl friends
- Some people like to live with “more freedom” and breaked their contract and work temporarily for any employer if they like
- Some people have contacts with illegal “job brookers” and get advices from these ones about better paid or more convinnient jobs, they leaved the originallly contracted jobs
- Some people are convinced by other illegal workers and follow them to work illegally
- Some people willl complete theri labour contract soon, but want to stay in the host contry, so that they leaved their job and seeked for other job and thought that such change will not affect negatively anybody
- Some people leaved their job for certain time and cannot return to work as contracted, so that they could work and stay in the host country illegally (with the consideration that if returning to Vietnam, they could difficultly find good job)

Source: Traum Vietnam (2015), *Reasons that Vietnamese workers leaved their jobs. True or false?* <http://traumvietnam.com/ly-do-lao-dong-xuat-khau-bo-tron>

From the Government of Vietnam’s side, researchers usually indicate 3 major groups of problems:

Firstly, it caused by an insufficient control and management over labour supply companies. At the end of 1990s’ and in the first decade of the 21st century, the GoV encouraged to send labour to work in overseas. The conditions for establishment and operation of such enterprises were lockered. The high profitability of the service was the economic power for the serial establishment of companies and labor service/ labour supply centers within Vietnam. In its turn, the higher is the number of labour service centers/ labour supply companies, the locker is the selection and recruitment of “exported workers”. From 2008, the GoV controls such entities more strictly and closed all companies (or withdrawn their business licence), which’s labour break labour contract very much or continuously. In fact, the GoV could not delegate too much of its personals for controlling and supervising Vietnamese labour working in overseas in general or in each “labour imported” country. Because of that, its decisions are often made on the basis of data/ information reported by labour supply companies or labour service centers.

Secondly, the cooperation with the host country in monitoring workers to solve the problems seems to be not effective enough. In fact, because of differencies in legal systems between Vietnam and labour receiving countries, the cooperation exists mostly only in form of

information exchange, working sessions for introducing legal regulations or working sessions for discussing on the status and possible solutions for some concrete problems. To date, only few complex and systematic programmes between Vietnam and Germany (in 1990s') and South Korea (in 2000s') are registered.

Lastly, the exploitation of "exported labour" in the "after return period" seems to be not efficient, especially the inconsistency in supporting the returnees to exploit their capacity and financial resources for starting up their own business¹¹. In fact, the issue doesn't attract attentions of related government agencies or labour supply companies as well as was not considered by employees. The question "what to do after returning home" is raised only if people returned home. That is the reason making returnees trying, after being home already, to find out ways to return to the country, which received them before and working there, either legally or (often) illegally and undocumented. In fact, the GoV is implementing several programmes supporting the business start up, which could be mobilized well for this purpose.

While different issues of the internal population movement are topics for several studies in the framework of the Government research programmes (especially in term of agri- land for immigrants, development of social- economical infrastructure, delivery of social- economical services in immigration regions, urbanization and resettlement, etc.) as well as of national and international non- government organisations, there is currently in Vietnam no complex, systematic study on the problem of migration from Vietnam to other countries, including to UK. Data and information for the topic is, therefore, not complex and systematic, some time not cross checked, so that they could, at least some time, lead to opposite hints, assessment and conclusions/ orientations.

However, based on the forecast on the socio- economical development as well as the labour market of Vietnam, the trend of the integration and, it could be foreseen that in coming period, at least 10 years, the actual influencing factors will play continuously the previous role. That is the reason for the assumption that the current trend of Vietnamese immigration will continue, even strengthened in some extents, but not very much. The conclusion could be explained by following arguments:

- The power for people to work in overseas continues to exist and even increase in some extents. With the current trend of population/ work force growth and the labour demand of the economy in Vietnam, the labour surplus will be remained in 10 coming years. Under the influence of the internalization and integration (especially the pressure of the productivity and quality improvement), employees will have to worker more intensive, thus, the underemployment should be reduced remarkably. These opposite trends may increase the work force surplus and urge people to work in overseas more and more.

¹¹ Department of overseas labour at MOLISA and IOM Hanoi (2015), *Post labour migration: Policy and practice*.

- The average salary for low income/ low skilled labour as well as social wealth fare between Vietnam and developed countries will continuously go up. A simple, but easily recognized “cost- benefit” comparison will push more people trying to work in overseas. The more open the international labour market is, the stronger is this stream.
- The labour demand in developed countries will increase and their labour defizit will go up, too. Economic growth and old aging population as well as the population reduction in many countries are the basis for that fact. In the UK, the Brexit may be an additional reason for labour immigration from underdeveloping countries like Vietnam.
- The high profit in the “labour trade business” will continuously the power for many entities in the developed/ labour receiving countries, including the UK as well as in Vietnam. They will continuously to explore every “hole” in the legal systems of Vietnam as well as other (labour receiving) countries to send labour to there. A fact, that a “illegal business” is often high risky, but also more profitable is a factor encouraging the illegal labour trade and illegal/ undocumented labour force in developed countries.

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