

# International labor migration in Vietnam and the impact of receiving countries' policies

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**Abstract**

Labor export has been part of Vietnam's socio-economic development strategy since the beginning of the *doi moi* era. Recent years, Vietnam has sent about 80,000 workers abroad per year. Vietnam has become a major source country of unskilled foreign workers for high-income East Asian countries.

However, in these receiving countries, the desertion rate among Vietnamese workers is quite high, compared with that for workers from other countries. This paper examines the impact of Korean and Japanese policies for receiving foreign workers applied to and implemented in Vietnam, as well as the impact of Vietnamese labor sending system, on the problem of runaway workers.

**Keywords:** International Labor Migration, Vietnam, South Korea, Japan

**JEL classification:**

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# International Labor Migration in Vietnam and the Impact of Receiving Countries' Policies

Futaba Ishizuka

## 1. Introduction

“Labor export” has been part of Vietnam’s socio-economic development strategy since the beginning of the *doi moi* era. Recently, Vietnam has sent about 80,000 workers abroad per year. Major destinations for Vietnamese workers include Taiwan, Malaysia, Korea, and Japan. Especially for high-income East Asian economies (i.e., Taiwan, Korea, and Japan), Vietnam has become a major source country of unskilled foreign workers.

Receiving countries<sup>1</sup> share a common problem associated with Vietnamese workers—a high desertion rate compared with that for workers from other countries. Taiwan stopped receiving Vietnamese household workers and caregivers in 2005 due to the high desertion rate among these workers. For similar reasons, the Korean Ministry of Employment and Labor (MOEL) has refrained from renewing the Memorandum of Understanding (MOU) for sending workers with the Vietnamese Ministry of Labor, Invalids and Social Affairs (MOLISA), which expired in August 2012. In Japan, where the total number of foreign workers (accepted as trainees or technical interns) is kept relatively low, and the problem of runaway foreign workers relatively minor, the desertion rate among Vietnamese workers is also quite high compared with that for workers of other nationalities.

Why, then, do Vietnamese migrant workers continually desert their contracts in the receiving countries? Have the concerned governments found an effective measure for containing this trend? This question is worth exploring not just because the runaway workers pose a threat to the law and order of the receiving countries (which, in turn, could lead to these governments rejecting Vietnamese workers). The problem of the high desertion rate reflects the various difficulties Vietnamese workers face throughout the labor migration process.

The purpose of this paper is to examine the impact of major receiving

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<sup>1</sup> In this paper, Taiwan is referred to as a country.

countries' policies for receiving foreign workers applied to and implemented in Vietnam, as well as the impact of the Vietnamese labor sending system, on the problem of runaway workers. Among the major receiving countries, Korea and Japan are the focus. For Vietnamese migrant workers, these countries are generally associated with the highest level of income and security in terms of work environment and legal protection. However, workers must meet certain technical skill or language requirements to be recruited in these countries, and the total number received is not as large as in Taiwan or Malaysia; thus, worker selection is competitive. Korea and Japan began recruiting Vietnamese workers in the early 1990s under similar "trainee" programs.<sup>2</sup> Since the Employment Permit System (EPS) was adopted in Korea, however, the two countries have taken different paths in terms of policies for receiving foreign workers, which are quite distinct from each other.

The remainder of this paper is organized as follows. Section 2 briefly reviews Vietnamese policies and institutions related to sending workers abroad and statistics on Vietnamese international labor migration in the past 20 years. Section 3 focuses on the problem of runaway Vietnamese workers in major receiving countries and domestic factors generally assumed to contribute to the high desertion rate among Vietnamese workers; and Korean and Japanese government foreign worker programs, how they attempt to deal with the problem of runaway workers, and program implementation in Vietnam. Section 4 summarizes the findings and considers the implications of the two countries' experiences.

## **2. Overview of international labor migration in Vietnam**

### **2.1. Labor export policy and legislation**

Vietnam started sending unskilled workers abroad via licensed agencies in November 1991, when the government issued Decree 370 on the regulation to send Vietnamese workers abroad to work for a fixed period. The decree established the mechanism by which licensed economic organizations (enterprises) play a central role in sending Vietnamese workers abroad, from exploring overseas "markets" for workers and securing contracts with foreign

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<sup>2</sup> Under these programs, "trainees" are officially treated differently from "workers." For the discussions in this paper, however, sending trainees to Korea or Japan under these programs is regarded as a form of sending workers abroad.

employers to recruiting, training, and dispatching workers, in exchange for regulated fees paid by the workers.

In the 1980s, Vietnam sent hundreds of thousands unskilled workers mainly to several socialist nations and the Middle East. However, the mechanism then was primarily government-led: the Department for International Labor Cooperation (DILACO) under the Ministry of Labor negotiated labor cooperation agreements with foreign governments and was responsible for implementing the agreements. This system ended when the socialist bloc disintegrated at the turn of the decade.

Labor export has been an important socio-economic development policy of the Party and the government in *doi moi*-era Vietnam. Promoting labor export has repeatedly been mentioned in the policy documents adopted by the Party Congresses every five years since 1991. In 1998, the Politburo issued Directive 41-CT/TW on labor export. The document regards labor export as an “important and long-term strategy,” which contributes to developing the workforce needed for nation building in the age of industrialization and modernization. Expanding labor export, diversifying its forms and markets, increasing the share of high-quality workers of the total number of workers sent abroad, and protecting the rights of Vietnamese migrant workers are among the major labor export policies provided in Directive 41.

The corresponding legal framework governing labor export has been developed. Decree 370 was renewed three times by 2003 (Decree 07 in 1995, Decree 152 in 1999, and Decree 81 in 2003), and in 2006, the Law on Vietnamese migrant workers was passed by the National Assembly. The Law consists of 80 articles in eight chapters. Compared with the preceding Decree 81, which had 37 articles in seven chapters, a new chapter on “Teaching of Jobs and Foreign Languages and Provision of Necessary Knowledge” (Chapter IV) was added, and provisions on the organization and activities of enterprises sending migrant workers abroad (hereinafter, sending agencies), contracts and related fees, guarantees for migrant workers, and policies regarding workers after they returned home were expanded or newly added. Overall, if properly implemented, the new Law is expected to contribute to better protection of the rights of Vietnamese migrant workers.

Related legal documents are aimed specially to enable the poor to participate in labor export. The State Bank Governor’s Decision 365 in 2004

allows the Vietnam Bank for Social Policies to extend preferential loans to migrant workers from poor households. Commercial banks are also authorized to lend up to 20 million dong without collateral to migrant workers from rural areas. The Prime Minister's Decision 71 in 2009 approved "the project supporting poor districts in promoting labor export for sustainable poverty reduction in the period 2009-2020." The project aims to send abroad nearly 120,000 workers from 61 poor districts nationwide between 2009 and 2020. Poor or ethnic minority workers from those poor districts will be fully funded by the state budget for the costs associated with becoming migrant workers, including fees for training, accommodation and traveling, and completing necessary procedures.<sup>3</sup>

## **2.2. Major actors involved in labor export**

### **2.2.1. The Department of Overseas Labor (DOLAB) and other institutions under MOLISA**

MOLISA is in charge of the state management of labor export. Within MOLISA, DOLAB, the successor to DILACO in the 1980s, conducts assessments for granting or withdrawing labor export licenses, audits and inspects labor export activities, and deals with violations of related provisions, as well as conducts research and advises the Ministry on strategies, plans, and legislation involving labor export.

In addition, MOLISA has established the Overseas Worker Center (OWC), a public service unit attached to the Ministry primarily in charge of sending Vietnamese workers to Korea under the EPS. In 2012, DOLAB opened the Migration Resource Center (MRC) in Hanoi, a pilot initiative supported by the International Organization for Migration (IOM). The MRC provides accurate information and support services to prospective and returning Vietnamese migrant workers.

MOLISA also has two state-owned enterprises (SOEs) licensed to conduct labor export business under its management.

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<sup>3</sup> According to a recent newspaper article, implementation of this project is facing serious problems ("Ho tro huyen ngheo xuat khau lao dong (Supporting poor districts to export labor)", *Tuoi Tre*, 4 March 2013). Nearly 7,500 workers from 56 poor districts were sent to Malaysia or the Middle East under the project in the 3 years since 2009. Many of these migrant workers returned or were deported prematurely, and thus were left owing bank loans they had borrowed to pay pre-departure costs.

### 2.2.2. Sending agencies

According to the current provisions, a sending agency must be a 100% Vietnamese enterprise with legal capital of at least 5 billion dong (about US\$250,000). Previously, labor export services were monopolized by enterprises owned by the state or certain mass organizations, but the Law on Vietnamese migrant workers and the implementation decree expanded the range of eligible enterprises to include domestic private firms.

To be granted a license, an enterprise must have a program for sending workers abroad, a specialized section that provides pre-departure training to workers, and an administrative leader who has a university or higher degree and has at least three years of experience in labor export or international cooperation, and must have paid a deposit of 1 billion dong (about US\$50,000). A licensed sending agency may have its license revoked in cases such as failing to meet any of these conditions, failing to send workers abroad within 12 months after being licensed,<sup>4</sup> or violating provisions on prohibited acts listed in the Law (such as sending workers to dangerous areas or making workers engage in hazardous activities).

According to a Supervisory Report of the Standing Committee of the National Assembly, as of the end of June 2010, there were 167 sending agencies in Vietnam (UBTVQH [2010]). Of the 167 sending agencies, 30 are 100% private enterprises, 39 are joint-stock companies in which the state owns up to 50%, and 98 are SOEs (including 100% state-owned enterprises and joint-stock companies in which the state holds the majority share). In 1992, 37 enterprises were initially licensed under Decree 370. By 1998, the number had increased to 59. After Politburo Directive 41 was issued, the number of licensed enterprises increased rapidly, and there were 168 sending agencies as of May 2001. Since then, throughout the 2000s, there have been no large fluctuations in the number of sending agencies.

Many of the sending agencies operate on a relatively small scale. According to the Supervisory Report of the Standing Committee of the National Assembly (UBTVQH [2010]), only 17 of the 167 enterprises send 1,000 or more workers abroad per year, and up to 52 enterprises send fewer than 100 workers abroad per year. This may be related, at least partly, to the fact that the majority of sending agencies provide labor export services as a sideline. According to the same report, only 18 out of 167 enterprises

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<sup>4</sup> In practice, however, this provision has never been applied.



specialize in sending workers abroad. The report points out that those multi-sector enterprises tend to pay insufficient attention to their labor export section, which may lead to problems such as relying on illegal brokers or failing to comply with the requirements related to labor supply contracts.

### **2.2.3. Branches of sending agencies, brokers, and local governments**

According to the Law on Vietnamese migrant workers, sending agencies must recruit workers directly without collecting recruitment fees. To facilitate services, sending agencies may assign up to three branches in three provinces part of the agency's labor export services. More specifically, branches are not allowed to sign labor supply contracts or migrant worker contracts, or collect service or brokerage fees<sup>5</sup> and deposits from workers without the enterprise's authorization. In practice, however, the process of recruiting migrant workers is generally highly complex and multi-layered, involving various organizations and individuals.

Sending agencies may have up to three branches, but these branches also set up "centers." Some sending agencies even do not explore foreign partners, check labor supply contracts, and recruit workers themselves, but allow their branches and centers to perform all substantive work without much supervision. Brokers are also widely involved. According to the Supervisory Report of the National Assembly Standing Committee, in some of the communes visited by the Supervision Mission, 70-80% of the workers had been recruited via brokers, and not recruited directly by sending agencies. Sending agencies that have partners in high-income countries in particular rarely come to local communities to recruit workers (UBTVQH [2010, 9]).

According to the Law on Vietnamese migrant workers, sending agencies are required to notify the provincial Departments of Labor, Invalids and Social Affairs (DOLISAs) when recruiting workers in the respective localities, and regularly report to the departments recruitment results and the number of workers sent abroad. However, in practice, local governments are often involved in the recruitment process more directly. A sending agency often requests local governments, especially district authorities, and/or their

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<sup>5</sup> A service fee is an amount paid by a worker to a sending agency for its services related to a migrant worker contract. A brokerage fee is an amount a sending agency pays a mediator (if any) to secure a labor supply contract, which the sending agency can get refunded by a worker.

employment introduction centers, to collect applications and conduct the initial screening. Once a certain number of workers are registered, the sending agency sends its staff to make the final selection (Wang and Belanger [2011, 320], Odaka [2000, 66-67]). Against this backdrop, there have been reports of alleged corruption involving local government officials or employment introduction centers in relation to labor export.<sup>6</sup>

#### **2.2.4. Vietnam Association of Manpower Supply (VAMAS)**

VAMAS is an association of sending agencies established by a decision of the Minister of Internal Affairs in 2003. Although membership is voluntary, VAMAS boasts 136 members including all major players. Currently, the chairman of VAMAS is a former vice minister of MOLISA.

According to the association's statute, the purpose of VAMAS is to coordinate and liaise between sending agencies and concerned offices, organizations, and individuals and to support member enterprises in improving knowledge, conducting research, proposing measures for dealing with labor export problems, and effectively helping each other, so that all members can develop equally and the rights and interests of the members are protected. VAMAS activities include promoting information dissemination and exchange through issuing newsletters, supporting member enterprises' employee training, and advising on conflicts arising in labor export.

In 2010, VAMAS cooperated with ILO to formulate a Code of Conduct (CoC) for sending agencies based on Vietnamese laws and international labor standards. A scheme for evaluating sending agencies' compliance with the CoC was also promulgated in 2012. The evaluation is based on information collected from various parties, including the media, workers and their families, other sending agencies, local government agencies, and concerned organizations in receiving countries. This scheme is applied to 20 enterprises on a trial basis for the first year and then will be expanded to cover all member enterprises.

### **2.3. International labor migration trends in Vietnam**

#### **2.3.1. General profile**

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<sup>6</sup> "Nghị van tu Trung tam gioi thieu viec lam Nam Dinh (Suspicion from Nam Dinh Employment Introduction Center)", Dec 08 2011, VOV online, for instance.

Vietnam sent only about 1,000 workers abroad per year at the beginning of the 1990s, but the number of Vietnamese migrant workers subsequently steadily increased (Table 1). The increase in the number of migrant workers was most significant from the end of the 1990s to the first half of the 2000s. Between 1991 and 2000, Vietnam sent more than 120,000 workers abroad; between 2001 and 2010, the number exceeded 700,000. In 2012 alone, the country sent more than 80,000 workers abroad.<sup>7</sup>

Table 1. Number of migrant workers by major destination, 1992-2010

(Unit: Person)

	Korea	Japan	Taiwan	Malaysia	Africa and the Middle East	Other	Total
1992	56	210	0	0	-	-	816
1993	1,352	285	0	0	-	-	3,976
1994	4,378	257	37	0	-	-	9,234
1995	5,674	723	87	0	-	-	10,050
1996	6,275	1,343	122	0	-	-	12,661
1997	4,880	2,250	191	0	-	-	18,469
1998	1,322	1,926	196	7	-	-	12,197
1999	6,029	2,530	3,969	1	-	-	21,810
2000	7,316	1,497	8,099	239	34	14,315	31,500
2001	3,910	3,249	7,782	23	1,094	20,110	36,168
2002	1,190	2,202	13,191	19,965	408	9,166	46,122
2003	4,336	2,256	29,069	38,227	750	362	75,000
2004	4,779	2,752	37,144	14,567	938	7,267	67,447
2005	12,102	2,955	22,784	24,605	1,276	6,872	70,594
2006	10,577	5,360	14,127	37,941	5,246	5,604	78,855
2007	12,187	5,517	23,640	26,704	6,184	10,788	85,020
2008	18,141	6,142	31,631	7,810	11,113	12,153	86,990
2009	7,578	5,456	21,677	2,792	16,083	19,442	73,028
2010	8,628	4,913	28,499	11,741	10,888	20,877	85,546
Total	120,710	51,823	242,245	184,622	-	-	825,483

Source: Consular Department, MOFA [2012, 16], Ishizuka [2002], Choi[2010]

The ratio of the number of jobs created through labor export to the number of jobs created in-country also increased from 2.4% in 2000 to 5.4% in 2008 (Luu Van Hung [2011, 138]). The remittances sent by Vietnamese migrant workers are estimated to total about US\$2 billion per year in recent

<sup>7</sup> These figures represent “official” flows of international labor migration. It is estimated that there is substantial “unofficial” labor migration to neighboring countries such as Cambodia, Laos, Thailand, and (to a lesser extent) the Yunnan province of China, but no reliable data on such flows are available (Nguyen Thi Kim Dung and Cu Chi Loi [2012], Nguyen Thi My Van [2010]).

years and about US\$1.7 billion on average between 2003 and 2009.<sup>8</sup>

Regarding the destination of Vietnamese migrant workers, 75% of the workers sent abroad between 2000 and 2010 went to the four east and southeast Asian countries: Taiwan, Malaysia, Korea, and Japan. In terms of the field of work, between 1996 and 2007, nearly 60% of Vietnamese migrant workers were employed in manufacturing, followed by services (including domestic workers and caregivers: 21%), construction (10%), and fishery (5%) (Luu Van Hung [2011, 144]). Female workers made up about 30% of Vietnamese migrant workers between 1992 and 2009. The share of female workers is relatively high in Taiwan and Malaysia. In the following, features of each major destination country are provided.

### **2.3.2. Features of major destination countries**

#### **a. Japan**

Japan has been receiving Vietnamese workers since 1992, mainly under the Japanese Industrial Training Program (ITP) and the Technical Internship Program (TIP). The total number of Vietnamese workers sent to Japan between 1992 and 2010 was relatively small (about 52,000), but the annual intake has increased to about 5,000 or more in recent years. Regarding trainees/technical interns (hereinafter, trainees) supported by the Japan International Training Cooperation Organization (JITCO),<sup>9</sup> the number of Vietnamese trainees in the 1990s was fewer than Chinese, Indonesian, Philippine, and Thai trainees; in recent years, the number of Vietnamese trainees is only second to Chinese (although the Vietnamese share of the total JITCO-supported trainees is only 8.5%, much smaller than that of Chinese who account for about 80% of the total).

According to a survey conducted by the Institute of Labor Sciences and Social Affairs (ILSSA), a research institute under MOLISA, Vietnamese

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<sup>8</sup> UBTVQH [2010, 5], “Lao dong lam viec o nuoc ngoai moi nam gui ve nuoc 1,7 ti USD (Migrant workers send home US\$ 1.7 billion every year)”, *An Ninh Thu Do*, 01 February 2010.

<sup>9</sup> JITCO mainly supports trainees accepted by small and medium enterprises through enterprise associations (“primary accepting organizations” or “supervising organizations”) such as business cooperatives or chambers of commerce. There are other types of foreign trainees such as the ones accepted by government agencies like JICA, or accepted directly by enterprises that have subsidiaries or counterparts in foreign countries. JITCO-supported trainees made up 58% of the total number of foreign trainees who entered Japan in 2010.

workers who returned from Japan between 2004 and 2011 could, on average, save US\$14,800 after three years' work, the highest among the four major destination countries.<sup>10</sup> However, to be selected to become a trainee in Japan, workers are generally required to meet relatively high technical standards. MOLISA statistics show that up to 80% of workers sent to Japan between 1996 and 2006 had high-level technical skills (“high-level technical skills (lanh nghe, trinh do cao)” is not clearly defined, however) (Luu Van Hung [2011, 141]).

In Japan, Vietnamese trainees are mainly employed in the manufacturing (machinery/metals, textiles/garments, food, etc.), construction, agriculture, and fishery sectors.

#### **b. Korea**

Korea normalized relations with Vietnam in 1992, and started receiving Vietnamese workers. In the beginning, Vietnamese workers were received mainly through the “Industrial Trainee” Program (started in 1993), which was similar to the Japanese ITP/TIP. Korea accepted nearly 30,000 Vietnamese workers in the 1990s, and thus during that period was the largest receiving country. After the EPS was implemented in 2005, the number of Vietnamese workers sent to Korea per year increased further: the annual average of the number of Vietnamese workers entering Korea has reached 10,000. Of the 15 sending countries designated under the EPS, Vietnam has sent the largest number of workers to Korea under the scheme (about 63,000 by mid-2011). Korea accepted a total of about 120,000 Vietnamese workers between 1992 and 2010.

According to the ILSSA report, Vietnamese workers returning from Korea between 2004 and 2011 could, on average, save US\$11,500 after three years' work. Under the EPS, a foreign worker may legally stay and work in Korea for up to four years and 10 months and, under certain conditions, may be recruited for a second term (which means a worker may work in Korea for up to nearly 10 years at the longest). In that sense, a worker may expect higher total remuneration by working in Korea than working in Japan, where the maximum duration is three years without a second chance.

To work in Korea, a Vietnamese worker must pass the Test of Proficiency in Korean (EPS-TOPIK) administered by the Human Resources

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<sup>10</sup> “Labour exports not plain sailing”, *Vietnam Investment Review*, 20 July 2012.

Development Service of Korea (HRD Korea) and the OWC. In Korea, nearly 90% of Vietnamese migrant workers are employed in factories, and the remainder work in the agriculture, construction, and fishery sectors (Consular Department, MOFA [2012, 23]).

### **c. Taiwan**

Taiwan officially started receiving Vietnamese workers in late 1999. Right after that, the number of Vietnamese workers sent to Taiwan increased rapidly. More than 240,000 Vietnamese workers were sent to Taiwan between 1992 and 2010, the largest among the four major receiving countries.

As of October 2012, there are about 100,000 Vietnamese migrant workers in Taiwan; they account for 22% of the total foreign workforce. Thus, Vietnam ranks second (after Indonesia) among the six sending countries in terms of the number of workers sent to Taiwan. About 80% of Vietnamese migrant workers are employed in the manufacturing sector (metals, machinery/equipment, plastic, electronics, textiles, food, etc.), and about 20% are employed in domestic and care work. Up to 43% of Vietnamese migrant workers in Taiwan are female.

According to the ILSSA survey, a Vietnamese migrant worker who returned from Taiwan between 2004 and 2011 could, on average, save US\$6,900 after three years' work. In addition to the generally lower wages in the manufacturing sector compared with those in Korea or Japan, the relatively low average income of migrant workers in Taiwan is likely because the minimum wage is not applied to domestic workers and caregivers. However, the technical or educational standards migrant workers are required to meet are not as high.

The industrial accident rate among Vietnamese migrant workers is high in Taiwan (Table 2), which suggests that working conditions for many migrant workers are poor. In addition, the actual duration of work for Vietnamese migrant workers in Taiwan is rather short, compared with those in Korea or Japan. The ILSSA survey showed that 13% and 14% of Vietnamese workers in Korea and Japan, respectively, were employed for only 35 months or less, whereas in Taiwan, the figure was 37%. Belanger et al. [2010, 45] observed similar patterns among their sample and noted that the most frequently cited reason for early return from Taiwan was "poor

working conditions.”

**Table 2. Number of industrial accidents and deaths of Vietnamese migrant workers by major destination, 2006–2008**

(Unit: Person)

	Industrial accidents				Deaths			
	2006	2007	2008	Total	2006	2007	2008	Total
Japan	2	1	0	3	0	0	0	0
Korea	0	12	3	15	10	11	2	23
Taiwan	215	296	0	511	20	9	4	33
Malaysia	231	274	95	600	97	111	49	257
Africa	0	0	0	0	0	0	0	0
The Middle East	0	0	0	0	0	3	1	4
Total	448	583	98	1129	127	134	56	317

Source: Luu Van Hung [2011, 313]

Note: The figure for 2008 is based on data from January through August 2008.

#### **d. Malaysia**

Malaysia officially began accepting Vietnamese workers after the governments of the two countries signed a bilateral agreement on labor cooperation in late 2003. Although the level of annual intake of Vietnamese workers has fluctuated, depending on policy changes or economic fluctuations, in terms of the total number of Vietnamese migrant workers between 1992 and 2010, Malaysia ranks second among the four major receiving countries, by accepting more than 180,000 Vietnamese workers.

As of 2008, about 103,000 Vietnamese migrant workers were employed in Malaysia. Vietnam is the sixth largest provider of registered foreign workers to Malaysia (after Indonesia, Bangladesh, Nepal, India, and Myanmar). Up to 92% of these Vietnamese migrant workers are employed in the manufacturing sector, and the remainder work in such sectors as construction (4%) and services (3%) (Abella and Ducanes [2011, 29]).

The ILSSA survey showed that a Vietnamese worker who returned from Malaysia between 2004 and 2011 could, on average, save US\$2,400 after three years' work. Although the income level is low, a worker does not need to be highly skilled to work in Malaysia. In addition, the regulated fees and charges workers must pay to sending agencies are also low, which facilitates the poor's participation in labor export.

In Malaysia, as in Taiwan, the industrial accident rate among Vietnamese workers is high, and the death rate in particular is noticeably

high (Table 2). The proportion of early returns (38%) is also high, as in the case of Taiwan, whereas the major reason for early return from Malaysia is “salary-related problems” such as insufficient salary. However, the desertion rate among Vietnamese workers in Malaysia is not high compared with those in other major receiving countries (Table 3).

In recent years, the number of Vietnamese workers sent to Malaysia has been declining, reportedly because fewer workers prefer to work in the country due to the low level of income or risks such as abuse or job termination.<sup>11</sup>

### 3. Problem of runaway workers and Korea’s and Japan’s response

#### 3.1. Problem of runaway workers and the domestic factors

Table 3 shows the number of runaway Vietnamese workers and the desertion rates in the major receiving countries between 1996 and 2007, based on MOLISA figures (cited in Luu Van Hung [2011, 314]).<sup>12</sup>

Table 3. Number of Vietnamese runaway workers by major destination, 1996-2007

	(Unit: Person)						
	Korea	Japan	Taiwan	Malaysia	Africa	The Middle East	Total
Number of runaway workers	15,761	546	29,995	576	0	0	31,117
Desertion rate	21.0%	1.6%	18.7%	0.4%	-	-	-

Source: Prepared by the author based on Luu Van Hung [2011, 314]

Note: The desertion rate is calculated by dividing the number of runaway workers by the number of migrant workers (1996-2007) in Table 1.

Information on more recent conditions in the major receiving countries except Malaysia is provided below.

Taiwan stopped accepting Vietnamese domestic workers in January 2005, as reportedly up to 45% of these workers had deserted their contracts. However, recent media reports suggest the problem is continuing and even getting worse. According to a newspaper article published in April 2012, the number of Vietnamese runaway workers has increased since 2003 and

<sup>11</sup> “Nguoi lao dong quay lung voi thi truong Malaysia (Workers turn their back on Malaysian market)”, *Tuoi Tre*, 10 April 2012.

<sup>12</sup> In this paper, “desertion rate” (or runaway rate) is calculated by dividing the number of entries by the number of desertions in a year or a period. When figures from reports or newspaper articles are used, however, this definition may not apply.



reached 6,600 persons per year.<sup>13</sup> To deal with this situation, DOLAB issued the Official Letter 341 of 15 February 2012, which sets the maximum pre-departure cost for Vietnamese workers sent to Taiwan, among other things.

The situation in Korea is no less serious. According to a newspaper report published in October 2012, nearly 23,000 Vietnamese are working illegally in Korea, of whom more than 11,000 entered the country under the EPS.<sup>14</sup> In 2012, the rate of Vietnamese workers overstaying their contracts in Korea reached about 50%, which was much higher than the average rate of overstay among all EPS workers (21%).<sup>15</sup> The Korean government had expressed concerns over the high runaway rate among Vietnamese workers, but the situation got worse instead of better. Accordingly, the Korean government has withheld renewal of the MOU with the Vietnamese government, which expired at the end of August 2012.

In Japan, the number of JITCO-supported Vietnamese trainees who ran away was 241 in 2010, and 936 in the period 2007-2010, which seems relatively small compared with the figures in Taiwan and Korea. However, the annual average of the desertion rate of Vietnamese trainees in 2007-2010 was 7.6%, which is much higher than the desertion rate of the total JITCO-supported trainees (2.4%) and the highest among the major sending countries.

The problem of runaway workers is a challenge for the Vietnamese government that may impede efforts to promote labor export. On the other hand, the high rate of desertion can also be seen, at least partly, as a result of difficulties that Vietnamese migrant workers often face at home and abroad.

One major domestic factor contributing to the high desertion rate among Vietnamese migrant workers is the high pre-departure cost. According to Belanger et al. [2010], the average pre-departure costs for

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<sup>13</sup> “Nguy co Dai Loan han che tiep nhan lao dong VN (Taiwan threatens to limit the acceptance of Vietnamese workers)”, *Tuoi Tre*, 7 April 2012.

<sup>14</sup> “Han quoc ngung tiep nhan lao dong Viet Nam (Korea suspends the acceptance of Vietnamese workers)”, *Tuoi Tre*, 5 October 2012.

<sup>15</sup> “Bo truong Pham Thi Hai Chuyen tra loi viec Han Quoc thong bao tam ngung tuyen lao dong Viet Nam (Response of Minister Pham Thi Hai Chuyen on the issue of Korea’s announcement on temporary suspension of recruitment of Vietnamese workers)”, downloaded from MOLISA website (<http://www.molisa.gov.vn/news/detail/tabid/75/newsid/55964/seo/Bo-truong-Pham-Thi-Hai-Chuyen-tra-loi-viec-Han-Quoc-thong-bao-tam-ngung-tuyen-lao-dong-Viet-Nam/language/vi-VN/Default.aspx>), on 10 December 2012

workers sent to Japan, Korea, Taiwan, and Malaysia between 2006 and 2008 were as high as some 15 times as much as the average income of these workers in the respective countries.<sup>16</sup> The survey also found that nearly all respondents had to borrow money to pay the pre-departure costs. Overall, the workers had to borrow the equivalent of nearly the full amount of the costs. Thus, the high pre-departure costs and resulting heavy debts owed by the workers are seen as a major factor driving migrant workers to abandon their contracts to take up better-paid illegal employment and/or overstay in the receiving countries.

Second, many migrant workers are unemployed when they return home. The ILSSA survey shows that up to 76% of migrant workers could not find a job after returning to Vietnam. Belanger et al. [2010] also found approximately 20% of the returnees had a job after their return, while the majority of the rest could not find a job (the remainder did not work for other reasons). The Law on Vietnamese migrant workers has provisions for employment support for returning workers. However, in practice, local governments generally do not have policies supporting returnees or do not even know the number of returnees. This situation is also thought to drive more migrant workers to choose to overstay their contracts illegally.

In other cases, sending agencies do not function properly, which results in gaps between workers' expectations and reality. Sending agencies do not always provide workers with correct and adequate information on labor supply contracts, either intentionally or unintentionally. For instance, Belanger et al. [2010, 22] found that about 7% of respondents had signed more than one contract, and some even did not sign a contract.

These major factors are generally seen as affecting the high desertion rate of Vietnamese migrant workers.<sup>17</sup> In the following, we look more closely at the mechanisms for sending Vietnamese workers to Korea and Japan, and examine how official and actual sending/receiving mechanisms between Vietnam and these countries have affected the problem of runaway workers,

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<sup>16</sup> Income figures are the average of the period 2000-2009.

<sup>17</sup> Besides, it is sometimes pointed out that Vietnamese workers' lack of labor discipline and low legal consciousness are also to be blamed. For instance, see "Giải pháp ngăn chặn tình trạng lao động xuất khẩu bỏ trốn (Solutions to prevent migrant workers from running away)",

<http://www.molisa.gov.vn/news/detail2/tabid/371/newsid/53866/seo/Giai-phap-ngan-cha-n-tinh-trang-lao-dong-xuat-khau-bo-tron/language/vi-VN/Default.aspx>, downloaded from the MOLISA website on 10 December 2012.

and vice versa.

## **3.2. The case of Korea**

### **3.2.1. Korea's foreign worker policy**

Korea has changed from a labor-exporting country to a labor-importing country within a rather short period, due to rapid economic growth since the 1960s. Facing the problem of a labor shortage especially in manufacturing, the Korean government introduced the Industrial Trainee Program in 1993, which enabled small and medium enterprises to employ foreigners for manual labor. However, the Industrial Trainee Program led to the emergence of a large number of illegal foreign workers in Korea. At the root of the problem was the “trainee” status of industrial trainees, which made them ineligible for legal labor rights, including the minimum wage. The low wage and the lack of legal protection, together with the high brokerage fees resulting from slack management of the recruitment process, were blamed for making illegal work more attractive for trainees. After trying many remedial measures to deal with system deficiencies, the government fundamentally changed its foreign worker policy and adopted the EPS. The EPS was first implemented in 2004: In the beginning, the EPS coexisted with the Industrial Trainee Program, but the latter was integrated in the former in 2007.

As can be seen from the background of the EPS, protecting the rights of foreign workers is one of the main objectives of the EPS. Under the EPS, a migrant worker is treated the same as a local worker, and any unreasonable discrimination based on his or her nationality is clearly prohibited. Workers and employers are required to subscribe to various types of insurance, including insurance that covers casualties and unpaid wages. If a migrant worker is unable to continue working at his or her original workplace for unforeseen reasons (such as the enterprise going out of business), the worker can change workplaces up to three times within three years, in principle.

The EPS is also characterized by adopting simple and transparent procedures for recruiting migrant workers, to prevent bad business practices during the recruitment process. The Korean government signs an MOU with the sending country's government, in which the principles and standards for recruiting workers are specified. The MOU is renewed based on the assessment of MOU implementation. Only the governments and public

organizations are involved in recruiting and placing migrant workers on the sending and receiving sides, and private agencies are officially excluded from the procedures. The primary criterion for selecting workers is the EPS-TOPIK score. Only workers who pass this examination are put on the job-seekers' roster and can sign a labor contract with employers that have obtained the workers' profiles through the Employment Stability Center. The total costs incurred by migrant workers during the recruitment process are also made public.

Under the EPS, the Korean government also provides support to returning workers so they can find employment at home smoothly. A "happy return program" enables workers close to the end of their contract in Korea to take free-of-charge training courses on skills useful for finding employment or starting a business back home. The Korean government also matches returnees and Korean businesses in the workers' home countries.

### **3.2.2. EPS implementation in Vietnam**

The EPS is generally seen as successful in addressing major problems of the Industrial Trainee Program, such as the high pre-departure costs for migrant workers and the high desertion rate, at least to some degree. The system has a good reputation in the international community. In 2011, the EPS was awarded first place in the United Nations Public Service Awards (UNPSA) in the "preventing and combating corruption in the public service" category.

However, the EPS seems least effective in preventing Vietnamese workers from becoming illegal. What, then, are the reasons for such ineffectiveness?

The Korean MOEL signed the first MOU with MOLISA in 2004. MOLISA started to organize worker recruitment somewhat similarly to the practice under the labor cooperation agreements with advanced socialist countries in the 1980s. MOLISA allocated part of the "quota" for recruiting workers to vocational training institutions under the central ministries and the rest to localities (provinces). In addition, in worker selection, priority was given to workers from poor families and families of those who had rendered great service to the revolution, or those disabled during the war.

After the EPS-TOPIK was implemented in Vietnam in 2006, a pre-test at the local level was introduced to limit the number of applicants in

each round of the EPS-TOPIK conducted at the center. The OWC explained that too many applicants would overwhelm test management at the central level, and the failure of a large number of applicants would cause great dissatisfaction (Choi [2010, 249]).

Under this system, unofficial brokerage continued to exist in different forms. A worker who wants to work in Korea should register at the local labor office and learn Korean at the provincial foreign language center (or a designated private foreign language center). After obtaining a certificate for completing a three-month program, the worker should take the pre-test in Korean. If the worker passes the pre-test, he or she is qualified to take the EPS-TOPIK. If the worker passes the EPS-TOPIK, then he or she receives a Korean language proficiency certificate and waits to be recruited by a Korean employer within two years (the certificate is valid for two years). Brokers help applicants through each stage until they arrive in Korea. Applicants pay brokers unofficial brokerage fees ranging from US\$5,000 to \$14,000, which is divided among “clues,” key agents and people involved in each stage of the recruitment process, including local People’s Committees, local labor offices, Korean language institutions, and central institutions such as MOLISA and OWC (Choi [2010, 258]).

Preferential treatment for a certain group of workers such as the poor was abolished in 2008, as was the local-level pre-test in 2010, apparently in an effort to ensure transparency in the sending process. The Korea-Vietnam MOU was renewed in 2008 and 2010, and these policy changes likely were realized as a result of requests from the Korean side during the MOU renewal negotiations. The effect of the abolishment of the pre-test in 2010 is visible in a sharp increase in the ratio of the number of applicants to the number of qualifiers in the EPS-TOPIK (Table 4). In the 5<sup>th</sup> EPS-TOPIK, the ratio was about 1.06; from the 6<sup>th</sup> to the 9<sup>th</sup>, the ratio increased to 2.88 on average.

**Table 4. Number of applicants and qualifiers in the EPS-TOPIK**

	(Unit: Person)								
	1st	2nd	3 <sup>rd</sup>	4th	5th	6th	7th	8th	9th
	(2006)	(2006)	(2007)	(2007)	(2008)	(2010)	(2010)	(2010)	(2011)
Applicants	9,424	8,127	8,189	8,221	14,661	30,571	27,567	8,056	66,773
Qualifiers	6,489	5,121	7,924	8,082	13,878	10,678	15,395	3,387	14,937

Source: Hanoi EPS Center, HRD Korea

Although the recruitment process seems to have become more competitive since the pre-test was abolished, the runaway worker problem has not been solved. In August 2012, MOLISA and the Korean Embassy in Vietnam co-organized a conference on Korea-Vietnam labor cooperation. A major topic of the conference was how to tackle Vietnamese worker desertion. At the conference, measures such as suspending migrant worker recruiting in localities with a high rate of illegal workers in Korea, and strengthening the responsibilities of workers and their families were discussed. However, the Korean government is reportedly asking for concrete results in terms of a reduction in the desertion rate of Vietnamese workers in Korea. As of March 2013, the Korea-Vietnam MOU, which expired in August 2012, had not been renewed.

### **3.3. The case of Japan**

#### **3.3.1. From the ITP/TIP to the new Technical Intern Training Program (TITP)**

Japan started the ITP (supervising organization type) in 1990 and the TIP in 1993. These programs officially aim at developing human resources that contribute to industrial development in developing countries through transferring Japanese industrial and professional knowledge, skills, and technical expertise. However, criticisms similar to the ones raised about the Korean Industrial Trainee Program have been applied to these programs. In reality, “trainees” were often treated simply as low-skilled laborers, who were nevertheless not entitled to legal labor rights, including the minimum wage. Even in the case of technical interns who were officially entitled to legal labor rights, violations of labor and human rights such as underpayment and confiscation of passports or bankbooks abounded.

The 2009 amendment to the Immigration Control and Refugee Recognition Act replaced the ITP/TIP with the TITP, which took effect on July 1, 2010. Under the TITP, provisions of labor-related laws and regulations are to be applied to foreign workers (technical intern trainees: TITs) from the first year of their stay in Japan. In addition, the TITP prohibits sending organizations from collecting deposits from TITs or their families and relatives. Deposits are generally collected to prevent workers from breaking contracts. However, in practice, the deposits tend to increase the economic burden on workers, and, thus, make it difficult for workers to

assert their rights out of fear of losing the deposits, or, somewhat paradoxically, add to the incentive for workers to engage in illegal work. The prohibition of deposits is thus (in part) aimed at dealing with the problem of TIT desertions.

As in the case of Korea, the Japanese ITP/TIP was revised to improve the protection of foreign workers' rights, but the scope of the revision was limited. Above all, although TITs are treated as workers in terms of basic labor rights, the workers are not regarded as foreign workers as such. In addition, there are questions about whether implementation of the revised provisions will be effectively enforced. Whether a worker pays a deposit is verified by checking the contract at the immigration inspection; if a sending agency is found to have violated the ban, the agency will be suspended from sending TITs to Japan for a certain period. However, a deposit may not be the only item responsible for inflating pre-departure costs, and preventing sending agencies from levying deposits in other disguised forms would be difficult.

In any case, the new TITP has not been implemented long enough to assess the impact of the system revision. In this paper, therefore, the TITP is basically treated as an extension of the ITP/TIP (the TITP and ITP/TIP are called "trainee programs" for short).

### **3.3.2. Sending and receiving Vietnamese trainees and the problem of runaway workers**

JITCO signed the first Record of Discussion (R/D) with MOLISA in 1992; the R/D was revised in 2010 to reflect the changes in the TIP/ITP. JITCO holds annual meetings with MOLISA to exchange information and views on outstanding issues related to implementation of the trainee program and seek solutions to problems. In these meetings, JITCO repeatedly called MOLISA's attention to the problem of worker desertion and requested the latter take effective measures to deal with the problem (especially providing support to returning workers in finding jobs).

JITCO conducted a survey on the background of the desertion problem of Vietnamese trainees at the end of the 1990s (Asami [2000]). At that time, the desertion rate of Vietnamese trainees was about 7%, which was much higher than that of trainees from other countries. The survey found that high pre-departure costs and the prevalent unemployment among

returning trainees were possible main factors affecting the high desertion rate.

One of the requirements for a trainee is that he or she should be scheduled for employment that requires the technical skills acquired in Japan after he or she returns to his or her home country. In other words, the trainee program assumes that trainees are selected from incumbent workers of enterprises (“sending enterprises”), and after completing training in Japan, the workers return to their original workplace. However, these assumptions do not always match reality.

When interviewed about trainee recruitment, sending agencies may say that they first identify enterprises likely to have employees suited to the conditions set by Japanese employers and then ask these enterprises to recommend suitable candidates. This is in line with the JITCO guideline for sending agencies. However, in reality, sending agencies may ask vocational training schools or employment introduction centers to recommend candidates, or enterprises may recommend candidates who are not employees.

Asami presumed that it would be rational for sending agencies to select candidates from unemployed or poorly paid workers rather than employees of established enterprises who are relatively well-paid, provided that the sending agencies want to maximize kickbacks from the workers. Furthermore, a special feature of the Vietnamese economic structure makes it difficult for sending agencies to follow JITCO guidelines. In Vietnam, where the domestic private sector is not yet fully developed, potential sending enterprises are limited to inefficient state-owned enterprises suffering from surplus labor or small private enterprises whose employees are mainly short-term contract workers with frequent turnover. In either case, it would be difficult to expect these enterprises to re-employ the returnees and use their acquired skills. Asami proposed as one possible solution that the Japanese government create a framework to enable returned trainees to use their skills on the assumption that they would not return to their original workplace (Asami [2000, 20]).

At the government level, no substantive measures for specifically dealing with the problem of Vietnamese runaway workers in Japan have been taken on either side, however. The JITCO guidelines for trainee recruitment are actually flexible, and sending agencies are given discretion



to adapt their recruitment methods to countries' situations. On the Vietnamese side, according to MOLISA figures, the Vietnamese trainees' desertion rate in Japan is about 2%,<sup>18</sup> which may explain why MOLISA has not taken any specific measures to address the problem.

It is noted, however, a group of new-type sending agencies have emerged and have been growing in recent years, which provides a model of good practice in sending workers. Take Company E (established in 2005), for example. The company has unique characteristics: It emphasizes pre-departure training in Japanese and other subjects such as Japanese corporate culture and career planning. The agency makes it a rule to directly involve the Japanese receiving company and supervising organization in selecting trainees from candidates who completed the basic training. The company's finances do not depend on fees from potential migrant workers. The company also introduces returned trainees to Japanese enterprises in Vietnam. The number of Vietnamese workers trained at the company's Japanese language school and sent to Japan exceeded 2,000 by May 2012. According to the company's management, the desertion rate is low among trainees trained at the school.<sup>19</sup>

Although the emergence of sending agencies such as Company E is certainly a positive development, it has not affected the overall runaway trainee situation. The desertion rate for Vietnamese trainees recently stood at about the same or a slightly higher level than in the late 1990s. Asked about the employment situation after returning to Vietnam, about 80% (51 persons) of the 65 Vietnamese respondents to the JITCO follow-up survey of trainees who had returned to their home countries in 2008 answered that they were unemployed and looking for a job (compared with 22% of former Chinese trainees and 45% of former Indonesian trainees).

### **3.4. Supplementary information**

In Korea and Japan, worker recruitment was not conducted in line with the intention of the receiving countries' policies, which seems to have

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<sup>18</sup> The gap between the Vietnamese and Japanese figures may be explained by the fact that Japanese data is limited to JITCO-supported trainees.

<sup>19</sup> Company E is supported by the Japan International Cooperation Agency (JICA) in constructing the school building and expanding the company, as the company's activities are recognized as contributing to developing industrial human resources in Vietnam and to enhancing economic cooperation between Vietnam and Japan.

become a cause of the high worker desertion rate. In the case of Korea, which has adopted a “government-to-government” system in sending/receiving migrant workers, the government has got Vietnamese implementation mechanisms modified through bilateral negotiations. In the case of Japan, where sending and receiving migrant workers are primarily done by private actors, although no explicit measures were taken by the Japanese or Vietnamese governments, a new type of sending agencies emerged by a kind of “market force,” and their services are more in line with the intention of the program.

Although these developments are positive, their impact is not yet visible in terms of the desertion rate. Then the question is: Is there any chance that the Vietnamese worker desertion situation will improve in the future? We investigate whether a qualitative impact has been observed.

A newspaper article in October 2012 reported the story of a former local government official who stopped acting as a broker sending workers to Korea when the pre-test at the local level was abolished. This former local government official then set up a company and acted as a broker sending workers to Japan. According to him, Japanese enterprises generally use three methods to select trainees: direct selection, online selection, and selection by delegation to sending agencies. Brokers can most easily influence the selection process in the third case, but even in the case of direct selection, a broker may influence the selection process such as bribing the interpreter.<sup>20</sup>

Another article in February 2013 revealed that recently a Vietnamese sending agency offered to pay a higher brokerage fee than the level set by Vietnamese regulations to a Japanese supervising organization receiving Vietnamese trainees if the Japanese organization received trainees through the agency. The article also quoted the president of a major sending agency as saying that he was asked by some of his company’s Japanese partners to raise the brokerage fee as other sending agencies did.<sup>21</sup>

Labor migration to Korea does not seem to be free from illegal brokerage, either. In May 2010, the Hanoi police arrested the chief accountant of the OWC and revealed organized acts of fraud such as

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<sup>20</sup> “Labor export brokerage: relentless ‘octopus tentacles’”, *Tuoi Tre News*, 24 October 2012.

<sup>21</sup> “Bat nhao phi moi gioi xuất khẩu lao động (Confusion over labor export brokerage fee)”, *Tuoi Tre*, 19 February 2013.

providing some applicants with answers in the EPS-TOPIK. At the end of 2011, an allegation was reported that an official of the employment introduction center of Nam Dinh province received US\$6,000 from the family of a worker who had hoped to go to Korea to work. This case was made public because the worker failed to go to Korea despite paying the unofficial “brokerage fee.”

Undoubtedly, various individuals and organizations continue to engage in brokerage services and charge high commissions to workers involved in labor migration to Japan and Korea. In Japan’s case, whether trainee recruitment is conducted legally depends largely on the choice by receiving company and supervising organization of sending agencies and the mode of recruitment. However, anecdotal evidence suggests this “market” may not necessarily lead to driving out bad companies. On the other hand, although cases (or allegations) of fraud involved in recruiting workers to work in Korea have been reported, the fact that these cases came to the surface can be seen as a sign of the increasing difficulty brokers have dealing with labor migration to Korea.

Recently, DOLAB has emphasized through the mass media that the process for sending workers to Korea is so strict that no individual or organization can intervene, and has warned workers to be alert for swindlers pretending to be brokers. If or when such a notion prevails, the room for illegal brokerage services could narrow further. In addition, disseminating more information and simplifying the procedures related to labor export would help reduce the advantages brokers tend to have over rural workers.

#### **4. Concluding remarks**

Labor export in Vietnam has developed steadily in the last 20 years. However, recent surveys and newspaper reports have revealed that the workers themselves are not getting as much benefit from labor export as expected. Due to the high pre-departure costs, combined with the frequent occurrence of early returns in some receiving countries in particular, not a small portion of migrant workers reportedly cannot finish repaying the debts before returning to Vietnam.<sup>22</sup> In some parts of the country, communities called “Korea village” or “Taiwan village” or something similar have popped

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<sup>22</sup> According to Belanger et al. [2010, 54], up to one in three workers had not finished paying back their debt before returning home.

up, which have ties with these countries through labor migration flows. In such villages, many new houses are built, and various shops set up, thus demonstrating prosperity in the middle of poor rural areas. However, in reality, returnees are often unemployed, only hoping for another chance to go abroad to work. The high desertion rate among Vietnamese workers reflects this situation.

Although in practice the background of desertion is highly complex, involving individual, environmental, and institutional factors in the sending and receiving countries, this paper mainly concentrated on issues of illegal brokerage and high pre-departure costs and unemployment of returnees. From the Korean and Japanese cases we have examined, we see getting rid of illegal brokerage in the labor sending process is difficult. However, systematic efforts to remove such acts may not be completely ineffective. Indeed, the implementation of the Korean EPS is showing some signs of change in the practice of sending workers. Whether it can actually lead to reducing the problem of Vietnamese runaway workers by combining measures such as ensuring a high level of transparency in the worker recruitment process, disseminating accurate information, and supporting returnees in securing employment, we will need to see.

In the case of Japan, although the desertion level is relatively low, the current rather “flexible” approach that leaves much to the decision of concerned enterprises would not guarantee a change in the right direction. More sustained and systematic efforts are needed to detect the specific background of the problem and deal with it.

The Vietnamese government, for its part, has much to do to improve the complex and obscure labor export system, in cooperation with receiving country governments. For instance, although there are organizations such as DOLAB, OWC, and MRC, it is not easy just to get a list of licensed sending agencies from websites of these organizations. We also need to see whether evaluating sending agencies based on the CoC developed by VAMAS would help in shaping up the “labor export industry” and provide guidance for selecting good sending agencies. Trying to solve the problem of desertion primarily by imposing more burdens on workers and their families would be neither effective nor justifiable.

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