

Making the return of migrant workers work for Viet Nam: an issue in brief



Introduction

The process of return and reintegration must be managed effectively to enhance the positive impacts of migration on development, and to protect the rights and interests of migrants who experienced negative outcomes. This policy brief outlines specific policies and programmes to effectively manage the return and reintegration of Vietnamese migrant workers.

This brief is organized around main issue areas and recommendations, and is based on good practices, recommendations from the 4th ASEAN Forum on Migrant Labour in 2011,¹ and key findings from research on returning migrant workers conducted by ILO, IOM, and UN Women.²

- 1 Participants from government, workers' and employers' organizations, and civil society organizations developed a set of recommendations that fall under two key goals: (a) Promotion of positive image, rights and dignity of migrant workers; and (b) Promotion of strategies for effective return and reintegration, as well as sustainable alternatives for migrant workers.
- 2 For key research on return and reintegration see: DOLAB-IOM. 2014. Vietnamese Returning Migrant Workers: Policy and Practice; ILO. Pending publication. The Role of Social Enterprise and Migrant Workers in the Social Solidarity Economy of Viet Nam; ILO. Pending publication. Factors behind overstay of

Although interventions in this brief are discussed in broad terms regarding returning migrant workers, all policy and programme development must consider the distinct needs of individuals. A priority focus should be responding to the needs of vulnerable groups including irregular migrants, people living with a disability or other serious injury as a result of migration, people living with HIV/AIDS, victims of trafficking or other forms of exploitation, and people who experienced negative migration outcomes who are from poor Vietnamese districts (targeted by the Prime Minister's Decision 71), or experience involuntary early return. The distinct needs of men and women, such as the needs of returning women migrants (over represented in low skilled jobs) to develop higher level skills that will help them find better jobs in the formal sector. There is a need to address negative community attitudes towards women migrants returning home, tend to be under-emphasized in programming despite the growing number of female migrants. Thirty per cent of contract-based workers who left Viet Nam between 2007 and 2010 were women, compared to only 10-15 per cent in the early 1990s.³

Vietnamese migrant workers to Korea; ILO. Pending publication. Report on the consultation for post 2015 agenda

- 3 MOLISA. 2010.

Background

Legal context

The core law governing international migration in Viet Nam is the 2006 Law on Sending Vietnamese Contract-Based Workers Abroad. It is complemented by development policies like the 2009 Prime Minister’s Decision 71 that aims to facilitate migration from poor and ethnic minority districts. One policy area that is still inadequately addressed in the core laws is the management and welfare of returning migrant workers. Although the Law contains certain provisions on supporting returning workers, in practice, “local governments generally do not have policies supporting returnees or do not even know the number of returnees.”⁴ There have been significant gaps in overall implementation of the 2006 Law, and no single agency has assumed responsibility for managing and supporting returning migrant workers, although MOLISA is responsible for the management of overseas employment according to the law.

Socio-economic context

An increasing number of Vietnamese women and men have found employment outside the country over the past several decades. Under the right conditions, returning migrants can greatly contribute to socio-economic development in Viet Nam through remittances, enhanced skills, and diversified workplace and cultural knowledge, among other benefits. However, there are gaps in the ways in which return and reintegration are managed by both individuals and government. This has limited the potential positive

impact of migration, not least because of the significant numbers of international migrant workers from Viet Nam, which exceeded 560,000 at the end of 2012.⁵

In addition to this missed opportunity, migrants can face significant risks to their health and safety, and they can be forced to pay high brokerage fees or lose their deposits or wages, notably if return is spontaneous, irregular, or happens before the end of the contract period. Upon return, migrants could face unemployment, underemployment, debt, social alienation, family conflict, and poor health related to migration including stress-related health effects and physical injury. The majority of Vietnamese migrants return to low-skilled work, in jobs that are similar to jobs they held before migration, and unrelated to the knowledge or skills gained overseas.⁶ This is because returned migrants were unable to translate the skills and workplace attitudes they learned overseas into skills suitable to the Vietnamese labour market or for starting their own businesses⁷. Notably, the majority of returned migrants are from rural communities in Viet Nam, and would therefore need to learn about business models that could work in rural areas and how to address the constraints rural businesses face.

Knowledge of poor return conditions influence the decision of migrants to continue working in the host country, including irregularly.⁸ Sometimes migrants do this by overstaying the contract period, or by multiple migrations. Circular migration can be highly beneficial, but there is the potential that financial resources will be diverted to finance remigration where they would otherwise be invested in Viet Nam upon return. One negative consequence of overstaying migrants has been the implementation of a temporary ban on Vietnamese migrants, like that imposed by South Korea. Although the ban has recently been lifted, it would be detrimental to migrants and the Vietnamese economy if similar bans were to be re-imposed in the future.

Before migration

The period before migrants leave Viet Nam is a critical period for policy makers to influence positive



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4 Ishizuka. 2013.

5 DOLAB-IOM. 2014. Vietnamese Returning Migrant Workers: Policy and Practice.
6 MOLISA and World Bank. 2012.
7 ILO. Pending Publication. The Role of Social Enterprise and Migrant Workers in the Social Solidarity Economy of Viet Nam
8 DOLAB-IOM. 2014. Vietnamese Returning Migrant Workers: Policy and Practice; ILO. Pending Publication. The Role of Social Enterprise and Migrant Workers in the Social Solidarity Economy of Viet Nam.



migration outcomes. Particularly important are informational interventions. When migrants are well-informed prior to migration, they can better prevent or respond to exploitative situations, and better plan for their future. This planning for the future can help to increase the likelihood of workers saving or investing their earnings, identifying alternative livelihood options, and thus returning on time.

Return

The process of return differs depending on individual migration outcomes in the host country and individual migration status. There are many forms of return, including voluntary or involuntary, assisted or spontaneous, regular or irregular, and scheduled or early/late. Each type carries distinct policy implications. **What is an optimal process of return?** An optimal process of return is affordable and secure. These outcomes are more likely to occur if return is assisted, voluntary, and regular. While it is also preferred that return occurs at the end of the contract period, the benefit of returning on time rather than early or late depends on the specific migration situation. For example, it may be better overall for migrants to leave early if they are in a bad working environment, despite the loss of potential earnings or indebtedness; alternately, many migrants consider a late return (overstaying) appealing because of the higher wages, despite the risks of an irregular migration status.

It may be tempting to reward certain types of return by, for example, offering incentives to migrants who complete their full contract period. However, the potential risk in this case is two-fold: first, that

migrants will be reluctant to leave a bad working environment, and second, that those who do leave early for justified reasons, such as personal security, will be at a disadvantage. Ideally, return support would be based on diverse and individual needs, and would only be structured on rewards if policy makers could ensure no indirect harm to vulnerable migrants. Overall, policy must respond to migrants who fall under all categories of return.

Reintegration

Reintegration involves the re-inclusion of a person in Viet Nam, a process with psychological, social, health, and economic dimensions. What is successful reintegration? In economic terms, the ideal should be an improved financial situation for individuals and their households after migration. At a minimum, their financial situation should not worsen because of the migration. The same ideal and minimum can be applied to the psychological and social wellbeing of migrants and their households. These results should not be short-term, which means successful reintegration is also sustainable.

In developing reintegration initiatives, the needs and desires of returned migrant workers ought to be considered. According to an ILO report, “The Role of Social Enterprise and Migrant Workers in the Social Solidarity Economy of Viet Nam” when asking what services would be helpful to them, a third of returned migrant workers favoured job fairs while another third preferred job placement. Information on business opportunities, support for business startup, and counseling services were also identified as potential points for intervention. Furthermore, a quarter of returned migrant workers expressed their willingness to contribute to the development of their communities⁹.

Both women and men returning from working overseas face a variety of challenges in their relationships with their spouses and family members and their reintegration into the community. The cultural gender roles and stereotypes that operate in Viet Nam regarding responsibility for the well-being of children and standards of morality differentiate women’s experiences from men’s. More returning women than men appear to encounter family disharmony due to the spouse’s poor behaviour or infidelity, or have to contend with rumours among

9 ILO. Pending Publication. The Role of Social Enterprise and Migrant Workers in the Social Solidarity Economy of Viet Nam



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neighbours that their husband has been ‘badly behaved’¹⁰.

Findings and recommendations

1. Standardized curriculum for pre-departure training

Although labour-sending companies in Viet Nam are required by law to provide pre-departure training, the quality is highly varied. Studies consistently find the curricula is not sufficiently tailored to the needs of migrants, and in general focuses more on cultural information than on specialized information like host country immigration laws and workplace rights.¹¹ Another key, missing knowledge area is return and reintegration, notably the psychosocial challenges of reintegration, and financial literacy and management (i.e., advice on developing a savings plan, investing for the long-term, etc.).¹² **Return and reintegration should be mandatory topics in an enhanced, standardized curriculum.**

2. Dedicated consular services for return and reintegration

Awareness of their return and reintegration support options is a problem for Vietnamese migrants while they are outside the country. The Government has significantly improved the online accessibility of migration-related information, but it is uncertain

10 UN Women and DOLAB. 2012. Women in International Labour Migration from Viet Nam: A Situation Analysis.

11 Belanger et al. 2010; World Bank. 2012.

12 See the financial literacy training package “Budget Smart” piloted by the Governments of Cambodia and Indonesia with the ILO.

that migrants will have web access in the host country. The consular offices of Viet Nam remain a key point of contact for international migrants. There is currently no consular service available that is designed to support all groups of migrant workers in their return and reintegration process. **Consular staff and labour attachés should receive training and be responsible for providing return and reintegration information and support services.**

3. Information points

While access to information before migration is essential, pre-departure orientations are insufficient to fully support migrants with their return and reintegration. Even well-laid and thoroughly thought-out plans can go wrong, and unexpected issues and challenges might arise. **Information points should be established to target migrants and address their needs while they are abroad and upon their return.** One example of a host-country information point is in the work place. Outreach sessions could be hosted in the workplace by labour attachés who would be responsible for coordinating with management to reach migrants at convenient locations and times. A second, additional location is the international airports in Viet Nam, which would reach migrants who are more isolated in the workplace, notably domestic workers. These could be help desks equipped to inform migrants about reintegration resources (i.e. contract liquidation, banking services, medical services, etc.).

4. Timely departure and right to return

One strategy to encourage scheduled return and limit overstaying is to collaborate with foreign employers to link timely departure to the right to return to the host country. This approach acknowledges the importance of circular migration. The Government of Canada uses this strategy for Mexican workers in its seasonal worker program. The policy relies on participation from employers’ and workers’ groups, and is successful because it is personalized: migrants return after the contract period because of their good faith relationship with the employer, and the non-contractual agreement that they will be rehired during the next working season. Regionally, the South Korean government established an Employment Permit System (EPS) which, in addition to providing migrant workers the same labour rights as Korean workers, allows migrants who return to Viet Nam on time the opportunity to re-migrate¹³

13 Despite its success, a recent development aimed at decreasing the number of overstays now requires

5. Database and returning migrant profiles

It is a challenge for policy makers to create targeted policies and programmes that respond to the needs of migrants without comprehensive and sex-disaggregated data on international migration. **A robust data collection system that captures all types of migration and return is needed.** Presently, only the more easily documented forms on contract-based migration or assisted returns are collected. Based on enhanced data, returning migrant profiles can be developed to create programmes that respond to the needs of larger groups based on variables like mode of return (voluntary or involuntary), sectors of work (domestic workers or other), or intended duration of return (temporary or permanent).

6. Enhanced social security

Vietnamese migrants have inadequate access to social security, which contributes to negative outcomes upon return, especially for those who experience extreme hardship such as workplace injury during migration.¹⁴ A major problem is the complex procedures to access compensation for unpaid wages or injury, where the burden of proof is on the migrants. **An alternative could be to require labour attachés, employers or recruitment agencies to provide appropriate documentation and support to enable workers to access workers' compensation funds in the host country.** Payouts should also be accessible for a wider range of social security needs than is currently available.

Enhanced social security support for returning migrants need not be a new fiscal burden on the Government. Instead, **the Government should explore agreements with host country governments to mandate that employers of Vietnamese migrants pay into state-sponsored benefit programs such as a pension, health or unemployment insurance.** The social value of these agreements will be maximized if they are negotiated in the interest of migrants. They should therefore include features like the ability to export benefits to the home country, as well as totalization of benefits, which adds membership periods in the host country and in Viet Nam to

Vietnamese migrants to make a deposit prior to their departure. Many take out loans to cover this cost and there is a risk that, in some circumstances, migrants might be unable to repay the loan, adding to their financial burden.

14 DOLAB-IOM. 2014. Vietnamese Returning Migrant Workers: Policy and Practice.



determine qualification for benefits.¹⁵ The Overseas Workers Welfare Administration of the Philippines includes these features.

A unique form of support through the fund could include direct legal assistance to individual migrants with claims against intermediaries or employers, for example to seek refunds of airfares or placement fees, and to claim unpaid wages. A similar model is used by the Philippines, however, the primary beneficiaries are displaced workers outside the Philippines, not those who have already returned.

7. Grants, subsidized loans, and other benefits

When migrant workers meet their financial objective, such as achieving a defined amount of savings or using remitted capital for the purchase of specific assets or investment in education, they are likely to be in a better position to successfully reintegrate. But many migrants return indebted, and many more only break even.¹⁶ Those who do return with savings are more likely to spend on immediate needs rather than to make longer-term investments.¹⁷ These initiatives accelerate economic reintegration, which can save Government social spending in the long run, and stimulate growth through a more active workforce.

It is necessary for migrant workers to know how to budget for migration so that they can analyse the cost and benefits of migration and set goals, make plans, and budget for them. They need access to affordable

15 Portability of social security benefits is in line with ILO Convention No. 157 and Recommendation No. 167.

16 Belanger et al. 2010.

17 DOLAB-IOM. 2014. Vietnamese Returning Migrant Workers: Policy and Practice.

and sustainable financial services including credit, savings, insurance and money transfer to help them achieve their goals. Importantly, they need to know how to use these financial services and to be able to make informed choices about financing migration costs, about saving and increasing saving capacity, about protecting themselves and their families against risks and abuse, about sending their remittances home and using them for productive investment. The training package “Budget smart – Financial education for migrant workers and their families” developed by ILO and Micro Finance Opportunities could be adapted and used to train migrant workers in Viet Nam.

A priority for the Government in recent years has been lowering incidences of contract desertion and overstaying of contract periods. Both behaviours result in increased vulnerability to migrants, and are a social and economic concern for the host country government. As discussed above, policy makers need to use caution in using a system of rewards and, especially, punishments. **A claim-on-return programme of financial assistance in the form of grants, loans and other benefits could incentivize return at the end of the contract period without punishing those who leave early.**

There is also the challenge of reaching returning migrants who, when they return to Viet Nam, commonly return directly to their home commune to find work. Early intervention and support is critical in order to reach migrants while they have unallocated savings and can be proactive about healthy social and familial reintegration.

A state-sponsored loan or grant programme could be tied to entrepreneurship and business expansion, or skills training and other human development. Other models include the suspension of certain obligatory payments, debt forgiveness, and targeted tax relief. Financial institutions are important actors here, and could be mandated to offer affordable banking services, including advisory services, and credit. There is the opportunity to link the aforementioned initiatives to governmental development priorities, for example incentivizing skills development in target industries. Decentralized initiatives could enhance commune-level development. One model for this approach is in the Indian state of Kerala, one of the country’s largest source areas for migrants, where the government offers loan packages to help returnees from Gulf countries start small businesses.

8. Skills development programmes

When migrants return to Viet Nam, they commonly face the options of working in a job similar to the one they held before migration, or pursuing another contract abroad. There is evidence that many returning migrants would stay in Viet Nam under the right conditions.¹⁸ Circular migration should not be discouraged, but staying in Viet Nam should be a viable option. It is in the country’s interest to retain the talent of international migrant workers, and skills development programmes can be the catalyst to adapt skills learnt abroad for a new career path in Viet Nam.

There are important benefits to having access to skills training before return to Viet Nam. These include the psychosocial benefits of self-improvement and a sense of agency over one’s future, and greater likelihood of participation. Migrants may be more likely to participate while they are abroad and have more personal time, which may not be the case in Viet Nam when they are faced with the immediate needs of finding new employment and supporting their household. One example of training in the host country is the Tulay Project, a public-private partnership between Microsoft and the Government of Philippines, which provides skills training for Filipino migrants in information technology while they are still working abroad. The industry standard technology training is a good example of a relevant, highly transferable skill set that has multiple benefits, like enhancing migrants’ employability at home and improving their ability to communicate with their family while they are abroad. A second example, from the Government of South Korea, is an initiative called the “Happy Return Programme” which offers skills training and job-matching with Korean companies in Viet Nam, among other benefits. Host countries have shown interest in such initiatives in part because they are a means to reduce overstay.

Helping returned migrants utilize new skills in the job market is also important. There is currently no reintegration programme that helps returned migrants apply their newly acquired skills and experience to the context of the Vietnamese workplace. Additionally, Vietnamese employers don’t seem to recognize the value which returned migrants can bring to the Vietnamese labour market. Training curriculum should be created to help migrants utilise new skills and market them to potential employers. On the policy side, the

18 Ishizuka. 2013.

Vietnamese government should offer employers incentives to hire returned migrants. Advocacy is needed to fight discrimination against returned migrants and older employees. Given current trends in the Vietnamese economy and the need to focus on the productivity of labour as a means for Viet Nam to continue to grow economically, skills which returned migrant workers learned abroad – such as customer services, operational efficiency, work ethic, process management, using higher technology equipment, etc. – can play a role in increasing labour productivity and helping Viet Nam to remain competitive¹⁹.



Access to a skills development programme in Viet Nam can make scheduled return more attractive to migrants, and is an important gesture of support by the Government, as well as a good human resources investment. Programmes should be inclusive of all migrants, meaning they should target those who frequently experience economic exclusion. Vietnamese women in particular need targeted programming, since they are underrepresented in skilled and well-paid overseas positions²⁰. The Government of Nepal and UN Women designed a programme specifically for women focused on developing entrepreneurial skills.²¹

19 ILO. Pending Publication. The Role of Social Enterprise and Migrant Workers in the Social Solidarity Economy of Viet Nam.

20 DOLAB-IOM. 2014. Vietnamese Returning Migrant Workers: Policy and Practice.

21 UNIFEM-UN Women. 2010. Evaluation Report: Economic Security of Women Migrant Workers.

9. Recognition of international qualifications

Labour market reintegration is difficult for returning migrants, in part because the skills and competencies they acquired abroad do not always translate to the Vietnamese workplace, or acquisition of certifiable skill sets are simply not being certified. **An innovative certification system could be established that recognizes traditional ‘hard skills’, like a specialized ability in IT or manufacturing, as well as ‘soft skills’ like languages.** Other non-traditionally recognized skills include services like domestic care, and general workplace processes that migrants receive training for in their overseas workplace. This initiative would require working with employers in Viet Nam to raise awareness about new certifications, and to promote the employability of returning migrants.

10. Individualized job counseling and placement

The crux of the problem is the fact that returned migrants are too often unemployed, underemployed, or forced to take jobs far from home when they return to Viet Nam. There is a real need to focus on opportunities in rural areas where most Vietnamese migrants come from. Currently, Employment Service Centers (ESCs) have a key function in job-matching, however building capacity for ESCs to ensure effective job-matching programmes is necessary²².

Returning migrants have limited access to job counseling services and, for many, a typical job bank or database is not responsive to their needs, since they will have acquired skills and competencies that can be difficult to translate to the Vietnamese context. **Accessible, individualized job counseling and placement are needed to address this challenge.** The placement of returning migrant workers can be carried out in cooperation with employers’ and workers’ organizations. Options for relevant job opportunities abroad should also be available.

11. Psychosocial counseling

There is a need for psychosocial counseling for returning migrants and their families. The separation period during migration is stressful to migrants and to family members, since migrants are often parents and/or the primary source of income for dependents. Current efforts to improve social work and care nationally should address the needs of migrants and their families. **Community-based counseling and support for familial reintegration, as well as**

22 ILO. Pending Publication. The Role of Social Enterprise and Migrant Workers in the Social Solidarity Economy of Viet Nam.

peer support groups should be available. Other forms of psychosocial counseling, particularly for migrants who have experienced extreme hardship, also need to be more decentralized to be more accessible to returning migrants living outside cities. Family members may also benefit from psychosocial counseling offered at the commune level during all stages of migration. Gender sensitive and non discriminatory family support, such as developing women’s peer support groups to support social re-integration of returning women migrants, and provide assistance in seeking redress in cases of rights violations whilst they were overseas, should be taken into account in planning social support services for migrant workers and their families.²³

12. Participatory community development

An important element of reintegration is the ability of returning migrants to re-connect and have a stake in the health and vitality of their community. Their wellbeing is dependent on the degree of their social reintegration. However, many migrants report feelings of social isolation upon return, after experiencing a new culture and way of living that is difficult for them and others to relate to. The Government of Mexico introduced a participatory programme that matches the monetary contributions migrants make through their remittances to community development projects like upgrading infrastructure. **An expanded programme similar to this model that gives contributing migrants oversight or consultative status would deepen participation in specific projects and in overall community-level engagement.**

13. Positive messages about the contribution of migrants

Public communication about migration should be clear and cautionary about risks, while avoiding a negative portrayal of migrants. Although individual migrants may be responsible for negative outcomes in certain circumstances, for instance, if an individual knowingly breaks the law, it is essential that migrants as a group are not vilified as a result. When negative messages about migrants are disseminated, even indirectly, the risk of stigmatization increases. Additionally, the positive contributions made by migrants are not always recognized in Vietnamese society and women, in particular, may face stigma

when they engage in labour migration. **Positive messages about the contributions of migrants should be included in all public communication on both the risks and benefits of migration.**



14. Dedicated government unit responsible for management of return and reintegration

In order to support the creation and development and the ongoing management of policies and programmes that benefit returning migrants, **the Government should consider establishing a dedicated policy unit responsible for managing return and reintegration.** To maximize policy coherence, facilitate complementary policies with host countries, and capitalize on the existing expertise of government officials, the unit should fall under the mandate of Department of Overseas Labour. The Government of the Philippines has created a separate unit responsible for managing the return and reintegration of migrants, the National Reintegration Centre for Overseas Filipino Workers (NRCO). The unit implements the National Reintegration Programme, which provides skills training, counseling on entrepreneurship and business options, assistance to obtain business loans and credit, legal assistance, and emergency support like repatriation and medical assistance, among other components.

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23 UN Women and DOLAB. 2012. Women in International Labour Migration from Viet Nam: A Situation Analysis.