

# Sending workers in Central Coastal localities to work abroad: Current situation and solutions<sup>1</sup>

## Luong Tinh

Ph.D, Institute of Social Sciences of the Central Region, Vietnam Academy of Social Sciences  
Email: luongtinhhoian@gmail.com

## Nguyen Thi Thanh Xuyen

Ph.D, Institute of Social Sciences of the Central Region, Vietnam Academy of Social Sciences

## Le Ngoc Phuong Tram

MA, University of Economics, University of Da Nang

Received 23 January 2024; published 15 June 2024

**Abstract:** *Sending workers to work abroad is an essential employment channel to improve the lives and income of households, and develop local socio-economic practices. The paper clarifies the situation of sending workers in Central coastal localities to work abroad, thereby proposing solutions for related agencies and workers to increase their income and contributing to socio-economic development in seaside area towards integration and sustainable development.*

**Keywords:** Workers, Coastal Locality, Work Abroad, Income

## 1. Introduction

Together with the country's continuous economic reforms, changes also occur in the labor market in the Central Coast of Vietnam. Many labor-intensive industries in the agricultural sector have gradually vanished in the process of economic restructuring towards industrialization

and modernization. This had resulted in redundant labor that exceeds the absorption capacity of some small-scale services despite their expansion. Pressure of creating more employment is on local authorities who have then pursued some socioeconomic development solutions, including exporting labor to overseas markets. Critical issues, however, arise in relation with the labor export modalities (through contracts or migration) and the compliance of workers (being committed or leaving for higher income jobs), leading to complexity and certain risks in labor protection and immigration management.

---

<sup>1</sup> The article is a deliverable of the research project "Social issues and management of social issues in the Central Coast region" in 2022-2024 led by Dr Luong Tinh and managed by Institute of Social Sciences of the Central Region. The project is a component of the five-year Ministerial-level Key Research Program for marine social sciences and humanities for Vietnam's defense and development (2020-2024).

The article explains the situation of labor export in Vietnam's Central Coast provinces through content analysis (Nvivo 8.0) backed with data collected through in-depth interviews (IDIs) and focused group discussions (FGDs) with 60 households and 30 leaders of communes and wards in the provinces of Quang Binh, Quang Nam, and Phu Yen from October until December 2022.

## 2. Current situation of labor export in the Central Coast provinces

Labor export to East Asian and European countries is a tendency of labor migration and career mobility that impacts significantly the income and life of many households in the Central Coast provinces. Labor export is very common in the Central Coast, but the level of concentration varies between the North Central Coast and South Central Coast regions. The 2020-2022 period saw an increase in the number of people working abroad in the three provinces of Quang Binh, Quang Nam, and Phu Yen. The overseas workers in Quang Binh, in particular, were twice in quantity compared to that of Quang Nam (in 2020 and 2021) and four times higher that of Phu Yen (2022) (Table 1).

**Table 1. Numbers of overseas workers in Quang Binh, Quang Nam, and Phu Yen provinces (2020-2022)**

Province	2020	2021	2022
Quang Binh	2,100	2,067	4,000
Quang Nam	1,178	1,007	929
Phu Yen	-	32	500

*Source:* Collected from annual reports of Quang Binh, Quang Nam, and Phu Yen for the years of 2020, 2021, 2022.

There is a significant difference in the number of people working abroad between the North Central and South Central regions. For example, there are 897 households in Quang Phu ward (Dong Hoi city, Quang Binh province) with at least one overseas worker each and 1,714 people (69% of the working population) in Nhan Trach commune (Bo Trach district, Quang Binh province) are currently working abroad. However, overseas workers are not popular in the coastal communes in Quang Nam and Phu Yen provinces. The key labor export markets are East Asia and Europe for the North Central while they include also Southeast Asian countries, like Thailand and Malaysia, for the South Central. Migrants also work in a diverse range of occupational sectors, from fishing, farming, and mechanics (South Korea), to clean vegetable farming (Japan), factories (Taiwan), and business (UK, Germany, Hungary).

There are two labor export modalities in the Central Coast provinces: (i) contract labor and (ii) non-contract labor, with the latter dominant in number. In Duc Trach commune (Bo Trach district, Quang Binh province), for example, half of the registered migrant workers (8-10 people) in 2022 were employed on contract. In Hai Thanh ward (Dong Hoi city, Quang Binh province), there are about 5-7 people annually registering to study foreign languages to work abroad, but the number of workers exported under contract is trivial (People's Committee of Hai Thanh Ward, 2021).

Labor export in some coastal communes in Quang Nam and Phu Yen provinces is not yet a major source of income, rather

an opportunity for income diversification. A tendency in An My commune (Tuy An district, Phu Yen province) that fourth-year students of Dong A University going to Japan and Taiwan for paid learning-by-doing jobs in tourism and nursing has taken place in the past 10 years, with a pool of 30-40 people (People's Committee of An My commune, 2021). Similarly, in Tam Hoa and Tam My Dong communes (Nui Thanh district, Quang Nam province), there are also students on work-study programs to Japan. The number of such students in Tam Hoa commune solely was nearly 20 in 2020 (People's Committee of Tam Hoa Commune, 2020). Collaboration in labor export is often between domestic companies or universities and overseas training or business institutions, targeting students who wish to improve their professional skills and income.

"In An My commune, Hoa Da village supplies most migrant workers, including as well high school and college students who join the collaboration programs and see the income earning opportunity, then stay and stop studying. They were there long time ago and the first batch all went home, for 10 years now. In the past it required Grade 9, but now Grade 12 and above" (FGD with farming households, an My commune, Tuy An district, Phu Yen province).

Japan is the desired labor export market for workers from the coastal communes in Phu Yen province. Popular fields of work in Japan include mechanics, welding, and clean vegetable farming. The Japanese market prefers laborers with good health and Japanese language skills, so migrant workers have to go through health checks

and language tests. The average income from clean vegetable farming, for example, is VND30 million per month and only those under 40 years old are accepted. Japan maintained strict regulations on contracted Vietnamese workers with a three-year working permit and mandatory repatriation before applying for extension. Since late 2019, Japan has officially widened the long-term visa scheme up to 10 years for foreign workers under the internship programs (Trang Nguyen, 2023).

Contract violations not only affect the migrant workers themselves but their family members, who might be not allowed to work in Japan. "Many people go there to work in companies for VND30 million per month, if more than VND50 million per month there must be some kind of relations involved, because if they catch you, you'll be fined for VND100 million" (IDI with Mr P, 62, An My commune, Tuy An district, Phu Yen province).

During the contract term in the East Asian countries like South Korea and Taiwan, some workers want to increase their income by working illegally part-time or overtime. Other cases where laborers with nearly expired contracts, they did not want to return to Vietnam and apply for extension because of the costly expenses. They then fled to work out of contract, hoping to earn extra income. Up to 30 out of 40 migrant workers from Duc Trach commune (Bo Trach district, Quang Binh province) had violated their labor contracts (People's Committee of Duc Trach Commune, 2022). Those cases contributed negatively to the enforcement of labor regulations under agreements between Vietnam and other countries.

Against the situation, the Ministry of Labor, Invalids and Social Affairs had to temporarily suspended their recruitments under the Employment Permit Program for Foreign Workers (ESP) with South Korea in some provinces, including Quang Binh in 2021 and 2022. The reason was many workers from the province did not return on time as required. South Korea also ceased to accept workers from Quang Binh for several industries, such as production and manufacturing, due to the high rates of contract violations. The contract compliance of laborers working on offshore fishing vessels, however, is well maintained, so seafaring continues to be South Korea's recruitment priority.

"It is said by families of the migrant workers that many of them fled to work out of contract, so they [employers] disciplined harshly, intensified management, imposed salary rules not only on contracted wages but also additional earnings of workers from their 2-3 extra working hours. Going there working hard, earning low, so the idea of working overseas becomes gradually less popular" (IDI with Mr T, 58, Dong Hoi city, Quang Binh province).

Contracted employment abroad has helped local people improve their income and quality of life and, at the same time, facilitates the labor import and labor protection in the host countries. Nevertheless, labor contract violations as above detailed have posed serious concerns in developed countries regarding accepting and governing migrant laborers from the Central Coast provinces of Vietnam. As shared by Ms L, an official in Nhan Trach commune, several workers in the commune went working abroad and

stayed after the end of their labor contracts for non-contracted work. They would continue working like that until they feel satisfied and secured financially to return to Vietnam.

In general, there are some barriers to labor export: (i) health and age requirements of the host countries, (ii) a large upfront investment due to intermediaries involved, and (iii) contract bound in terms of working time and wages.

In practice, becoming overseas workers through references of close acquaintances from the same hometowns is more common and easier than through official contracting. Workers of this modality could stay and work for a longer term and are not contract bound, so they have more flexibility in job switch for better income opportunities. "Workers still go through brokers, as following official process with employment centers would take long time and there is no way they can go. Although the tickets are cheap, the costs are low, the wait is very long and it is even difficult to go, but if relying on the relations of an outside broker, it will be faster" (IDI with Mr B, 48, Dong Hoi city, Quang Binh province). "There are some broker lines for going to European countries, and with family members going to South Korea, Japan, Taiwan. There are often different routes, if caught then to be deported" (IDI with Mr C, 45, Duc Trach commune, Bo Trach district, Quang Binh province).

For self-organized labor exporters through references of close contacts or family members, they are often employed and earn more quickly and hence continue to refer their other family members to go working abroad. This is how labor

export in Quang Phu ward (Dong Hoi city) became popular. People still prefer informal labor export through social and kinship networks despite the availability of official and safe options for contracted employment overseas.

Informal labor export is also typical of several coastal localities in the North Central region, which demonstrates the influences of family and kinship culture on overseas job search for income generation and improvement of material life at home. In Quang Phu ward (Dong Hoi city) and the communes of Nhan Trach and Duc Trach (Bo Trach district), remittances from migrant workers have enabled many families to build decent houses, set up business, and invest in other assets. The material lives of people at home are improved accordingly. The downside is, however, the potential risk of becoming more expecting and reliant on overseas help. Remittances from migrant workers are large in Nhan Trach commune, for example, with an estimated annual revenue of VND150-200 billion (People's Committee of Nhan Trach, 2021).

“Households of public servants also have other members working overseas. I myself work for the government, but my wife went, and just returned. In the commune, every family has at least one migrant worker, they even taking turn one after another. In mine, my parent's, of the four siblings three went, and I was the only one who stays. Then their two daughters-in-law also went working abroad” (IDI with Mr B, 48, Dong Hoi city, Quang Binh province).

After returning home, with the savings, migrant workers develop their livelihoods

in different ways like opening business shops, working in handicrafts, or making wooden furniture, and almost none of them return to work at sea. In some cases where workers after three or five years working abroad had saved some investment (VND500 million up to VND1 billion), they could not build their livelihoods or invest effectively then spent up the money they had earned. In addition, some family members at home only expect financial help from migrant workers and, instead of working, they just spend and gamble.

### **3. Issues and solution suggestions for labor export**

Several issues of labor export in the Central Coast provinces are identified as follows: *First*, the fact that commune officials hold concurrent accountabilities resulting in inadequate monitoring and assessment on the implementation of policies. *Second*, limited resources as policies on labor export, job creation, and poverty reduction are covered under the same budget line. In particular, loans to those who wish to become migrant workers are small in size and target only poor and near poor families, who in fact have restricted capabilities to work overseas. *Third*, workers with low soft skills but high expectation in improving income quickly often break contracts and impair their own reputation and the image of their country and hometowns. Many recruitment programs exclude the localities with high rates of contract violations and illegal residence (Duong Hung, 2023). *Fourth*, official information on labor export regulations is restricted. Unofficial sources, like businesses and individuals, cause information disturbance

that limits the access of workers to official and accurate information. Businesses, to attract workers, often direct their focus more on benefits and incomes than on responsibilities and regulations, culture, and lifestyles in host countries.

Key aspects to be considered in order to promote labor export more effectively are as follows.

*First*, the collaboration between labor export businesses and local authorities at all levels, especially in the rural and coastal areas, should be widely promoted for labor recruitment. The target labor force should include also high school and undergraduate students apart from members of poor households.

*Second*, it is important to provide skills training and concessional loans to potential migrant workers who commit to labor regulations. There should be financial support for the dissemination of labor regulations among workers and other stakeholders and for supervision and monitoring of the labor export process to ensure the compliance with regulations.

*Third*, migrant workers need assistance in raising their awareness of relevant legal documents and labor regulations in host countries; to provide them with complete information about destination labor markets and benefits of working abroad legally under a contract.

*Fourth*, migrant workers should understand fully the positive and negative aspects and long-term prospects of their overseas work. Labor authorities should help workers recognize their rights, obligations, and responsibilities when working abroad and their accountability towards the reputation of Vietnam and Vietnamese laborers. It is

necessary to publicize the lists of accredited and fraudulent businesses in labor export to inform workers better.

*Fifth*, legal documents on labor export should be complete with clearly defined regulations, sanctions, and measures to handle cases of contract violations and illegal residence abroad. Legal documents should specify the authority and responsibility of labor export authorities to increase their accountability in management and collaboration with labor export businesses.

*Sixth*, the government should promote bilateral programs for labor export with other countries for more job opportunities and more affordable costs for workers. It is necessary to regularly exchange information and increase the information access for Vietnamese workers abroad.

*Seventh*, a necessity is to develop a national database of overseas workers to accommodate the application of moder management tools and facilitate online data search. Relevant authorities should be in charged of reporting and providing information on overseas workers for purpose of state management, regular checkup, and inspection on labor recruitment activities. This would help timely detect violations and disguised labor recruitment activities and avoid providing misleading or false information to workers. Labor service businesses need to be checked upon regularly to ensure their validation to operate.

*Eighth*, promoting the networks between associations, unions, and communities is a good way to monitor and be informed of non-contract or self-organized migrant workers. Management agencies need to

coordinate with associations and unions to encourage violated and illegal workers to return to the country for their own security and the country's reputation.

#### 4. Conclusion

The Central Coast provinces are known for their abundant labor supply and labor export has been a revenue contributor to their local economies. They however face persistent challenges related to the state management of migrant workers while labor export becomes an increasingly important source of employment generation. Local governments in short term need to take full advantage of the traditional labor markets and develop long-term solutions for increasing their labor supply and searching for new and potential markets □

#### References

1. Duong Hung, "South Korea stops receiving workers from ten districts in Vietnam", *Tiền Phong* dated 30 June 2023, <https://tienphong.vn/han-quoc-tamdung-tiep-nhan-lao-dong-tu-10-quanhuyen-cua-viet-nam-post-1391918.tpo>
2. Trang Nguyen (2023), *How long a labor contract term in Japan is*, <https://dngozomi.com.vn/blogs/hieu-nghe-hieu-viec/xuat-khau-lao-dongnhat-ban-thoi-han-hop-dong-bao-lau#:~:text=%C4%90%E1%BB%91i%20v%E1%B-B%9Bi%2%C4%91%C6%A1n%20h%C3%A0ng%20%C4%91i,n%C4%83m%2C%20chia%20%20giai%20%C4%91o%E1%BA%A1n>
3. Hoang Vong Thanh (2004), "Status quo of labor export to Japan in recent years", *Japan and East Asia Studies*, No. 6 (54), pp. 71-74.
4. People's Committee of Hai Thanh Ward (2021), *Report No. 661/BC-UBND on the 2021 socioeconomic development and the 2022 socioeconomic development plan*.
5. People's Committee of Quang Phu Ward (2021), *Report No.786/BC-UBND on the 2021 socioeconomic development and the 2022 socioeconomic development plan*.
6. People's Committee of An My Commune (2021), *Report No. 1149/BC-UBND on the 2021 socioeconomic development and the 2022 socioeconomic development plan*.
7. People's Committee of Duc Trach Commune (2022), *Report No. 1107/BC-UBND on the 2022 socioeconomic development and the 2023 socioeconomic development plan*.
8. People's Committee of Nhan Trach Commune (2021), *Report No. 661/BC-UBND on the 2021 socioeconomic development and the 2022 socioeconomic development plan*.
9. People's Committee of Tam Hoa Commune (2020), *Report No. 899/BC-UBND on the 2020 socioeconomic development and the 2021 socioeconomic development plan*.