

# EMPLOYMENT AND INCOME OF LABOR RETURNING FROM WORKING OVERSEA AT DONG KHE COMMUNE, DONG SON DISTRICT, THANH HOA PROVINCE

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## SUMMARY

Labor export activities bring many benefits such as reducing unemployment, increasing budget revenue, increasing income for laborers and improving the quality of life. However, this is only a temporary solution, not stable for workers. The paper first shows the number of workers moving oversea to work in recent years. Then, the situation of employment and income of labourers before moving oversea, during the period of working oversea and after returning home is analysed. In addition, the paper focuses on factors affecting the ability to find job and generate income of the labour. The most important factor is the laborers themselves. Workers' demographic characteristic, working skill and willingness to find job are the factors affecting their employment situation most. On the other hand, some external factors also have impact on workers' ability to find job, which are the concern of the authorities and the development of the region. Finally, the paper suggests that people after working oversea wishing to find a suitable job should identify their willingness to work and improve their working skills. The concerned agencies at all levels should pay more attention to the job creation for laborers after returning to the country.

**Keywords:** Employment, labour export, labour income, returning laborers.

## 1. INTRODUCTION

Labor export has been a significant contributor to job creation, unemployment reduction, and poverty reduction and income generation for the state budget. However, in order for labor export to be effective in long term, employment of the returned export labourers should be considered. In fact, most of labourers came back home after their export contracts had expired becomes unemployment or has unstable job. This is a matter of concern of both the export workers themselves as well as the authorities responsible for labour export management. Dong Khe is a commune of Dong Son district, Thanh Hoa province. In the past years, along with the general trend of the whole country, working abroad is also a hot trend in this commune. Going to work overseas has brought significant income for the labour and their families. However, most of them has unstable job or is unemployed after a period of time working oversea. This creates social problems and makes other workers feel hesitate to go abroad to work. Therefore, it is essential to do a research on how to improve the employment status of exported workers when returning home from working abroad.

The main objectives of this paper are to investigate situation of labour employment and earning before, during and after going oversea to work. The paper also aims to point out key influencing factors and some solutions to improve the status of worker's employment and income.

## 2. RESEARCH METHODOLOGY

### 2.1. Research questions

- What is the current situation of employment and earning of migrant workers in Dong Khe commune after they return home?

- What are the factors affecting migrant workers' employment and earning when they return home?

- What are main recommendations to improve the status of employment and earning of the migrant workers after returning home?

### 2.2. Data sources

The data used in this paper is the result of the survey conducted in 4 villages of Dong Khe commune, Dong Son district. To ensure statistic significancy of the data, 30 respondents are chosen in each villages. Therefore, there are total of 120 people, who have finished their labour export contracts, involved in the survey. These people are

selected randomly and include both male and female.

There is some pre-existed data collected from some reports of the Dong Khe commune, including “The report on result of conducting economic and social mission of Dong Khe commune” and “The annual statistic of Dong Khe commune”.

**2.3. Analysis Techniques**

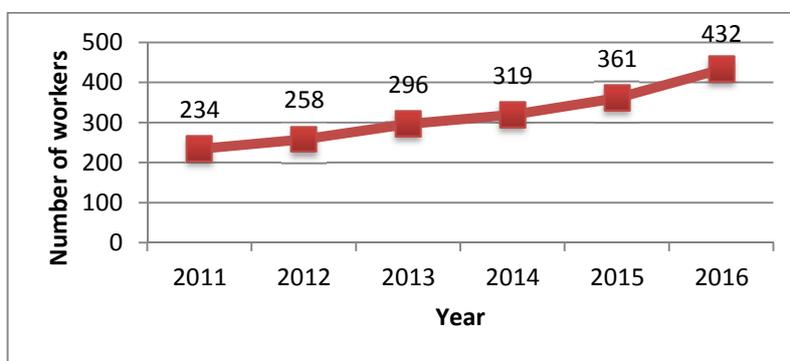
Descriptive statistics including tables and graphs are applied in this paper. The purpose of this method is to work out the characteristic of the labor returning home after finishing their labor-exporting contract.

Comparative analysis is also applied in this paper. The objective of this method is to compare the result of exporting labor among years and the employment situation of international migrant workers when they return home.

**3. RESULTS AND DISCUSSION**

**3.1. The result of labour export of Dong Khe commune in recent years**

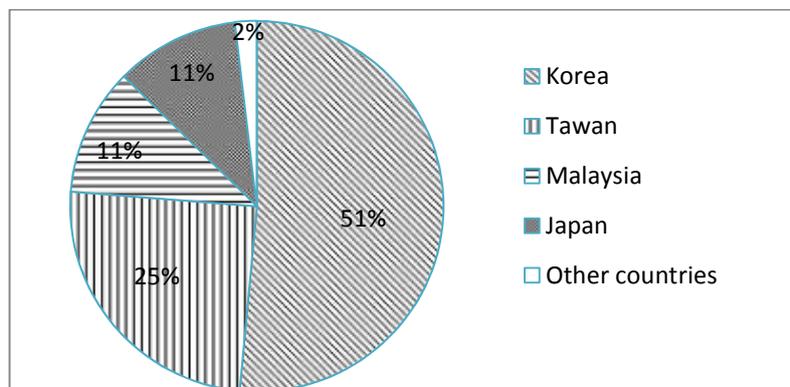
The number of international migrant workers from Dong Khe commune has increased sharply recent years. There were 432 workers going abroad to work in 2016, almost doubles this statistic in 2011.



**Figure 1. Number of international migrant workers from Dong Khe commune from 2011 - 2016**  
(Source: Statistic Unit, People’s Committee of Dong Khe)

The main destinations of migrant workers from Dong Khe commune are Korea, Taiwan, Malaysia and Japan. The main reasons are these destinations offer high salary; do not have high requirements on professional

qualifications, language fluency; have stable political environment and similar culture to Vietnam. Dong Khe workers mainly find job in electronic, mechanics, construction, garment and agricultural fields in these destinations.



**Figure 2. Structure of destinations of international migrant workers from Dong Khe commune**  
(Source: Statistic Unit, People’s Committee of Dong Khe)

Among these destinations, Korea is the most attractive labour importer, accounting for

51% of the total exporting labour. Because Korea has diversified job offers, simple and

low cost procedure and offer workers with high salary. However, professional and language qualifications of this destination are higher than others.

On the other hand, Taiwan is the second largest destination of migrant workers from Dong Khe commune. This market has high salary with averagely 13 million VND/month and do not have strict requirement on qualifications. Nevertheless, cost that workers have to pay to successfully move to Taiwan to work is high, which is over 120 million VND.

Malaysia is also an attractive labor migrant destination. Labour exporting cost to this market is not high, which is roughly from 25 to 30 million VND while exporting procedure is simple and quick. Other strengths of this market are low requirement on language and qualifications and diversified working fields.

### 3.2. Employment and income status of interviewed workers before and after migrating

#### 3.2.1. Main characteristic of interviewed labour

With respect to age, the main age group of migrant workers is from 26 to 35 years old, which accounts for 62.43%. People in this age group have normally got married and have stable life. Therefore, they want to earn more money to support their family and decide to work oversea for higher salary. There are only few people who are over 40 leave the home country to work. Especially, there are no women over 40 years old go oversea to find job. The reason is people at this age do not want to change their familiar working environment and tend to work at the places near their home. In addition, most labor export companies do not accept people over 40 years old due to requirement of labor using units at destination countries. In terms of marriage status, most export workers have got married because the most general age group is from 26 - 35 years old. There are only few women divorced or separate going oversea to work.

Table 1. Main characteristic of interviewed workers

		Male		Female		Total	
		Number of workers	%	Number of workers	%	Number of workers	%
Age groups	≤ 25	4	5.40	4	8.69	8	6.67
	26-30	30	43.48	13	31.71	43	39.10
	31-35	16	21.62	12	26.08	28	23.33
	36-40	12	17.39	10	24.39	22	20.00
	≥ 41	12	12.11	7	9.13	19	10.90
	<b>Total</b>	<b>74</b>	<b>100</b>	<b>46</b>	<b>100</b>	<b>120</b>	<b>100</b>
Marriage status	Married	63	85.13	33	71.73	96	80.00
	Single	11	14.86	4	8.69	15	12.50
	Other (Divorced, separated...)	0	0.00	9	19.58	9	7.50
	<b>Total</b>	<b>74</b>	<b>100</b>	<b>46</b>	<b>100</b>	<b>120</b>	<b>100</b>
Educational level	Primary education	0	0	0	0.00	0	0.00
	Junior secondary education	5	6.75	2	4.34	7	5.83
	Senior secondary education	45	60.81	30	65.23	75	62.50
	Intermediate education	10	13.51	8	17.40	18	15.00
	Diploma	8	10.81	4	8.69	12	10.00
	Bachelor	6	8.12	2	4.34	8	6.67
	<b>Total</b>	<b>74</b>	<b>100</b>	<b>46</b>	<b>100</b>	<b>120</b>	<b>100</b>
Vocational training	Yes	58	78.38	38	82.61	96	80.00
	No	16	21.62	8	17.39	24	20.00
	<b>Total</b>	<b>74</b>	<b>100</b>	<b>46</b>	<b>100</b>	<b>120</b>	<b>100</b>

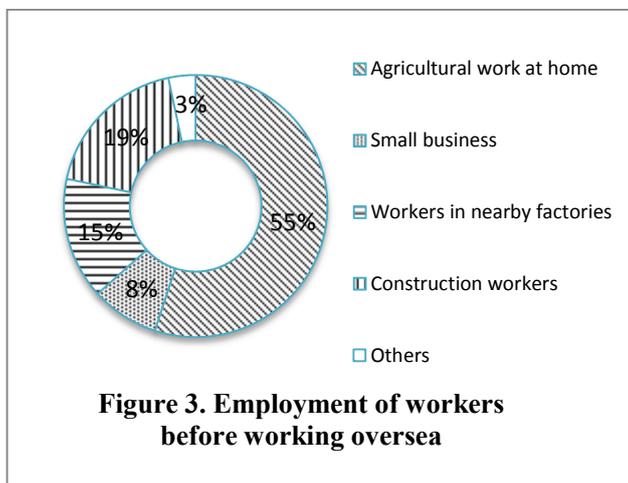
(Source: survey conducted in 2017)

Most of exported workers from Dong Khe have low education levels. Qualification of women is generally lower than that of men. However, there are 96 people (account for 80%) who have received vocational training (those who have intermediate, primary and tertiary

qualifications are also considered to have received vocational training). They are trained in mechanics, driving, electricity and nursing.

**3.2.2. Employment and income of laborers before going oversea to work**

**Employment**



**Figure 3. Employment of workers before working oversea**

Dong Khe is a purely agricultural commune with most people engaging in agriculture sector. This leads to the fact that before moving oversea to work, most workers were farmers working for themselves at home. Farming generally brought about low income and uncertain job to people. Therefore, people tried to escape from this manual job to seek for higher income and better job.

**Income**

Before going oversea to work interviewee’s income was thoroughly low and uncertain, 66.67% of workers who generally were farmers or unemployed, could earn less than 2 million dong per month. Only 6.66% of workers who were workers in nearby factories or ran their own small business could gained more than 3 million dong per month. The people with income level from 2 to 3 million dong per month normally were construction

workers and accounted for 26.67% of all workers interviewed. These low income levels could not help them to cover their living cost.

**People’s opinion about their job**

When asked about their job responding results can be grouped into three categories. First some workers reveal that they do not like their job. The people in this group normally are purely farmers or farmers having some other part time jobs. They complain that these jobs are hard and uncertain.

The second group admit that their current jobs are acceptable but they are not really satisfied with earnings from their jobs.

The remaining group say that they are not happy with working hours. People in this group are mostly workers in factories. They have to work too much, even at night.

**Reasons why laborers choose to work oversea**

**Table 2. Reasons why laborers choose to work oversea**

Reasons	Number of people	Proportion (%)
To increase income	120	100.00
To get jobs	82	68.33
Due to provincial policy	64	53.33
To earn experiences or to change working environment	40	33.33

*(Source: Survey conducted in 2017)*

## 3.2.3. Employment and income status of interviewed workers when working oversea

## Employment

Table 3. Employment of workers when working oversea by gender

Working areas	Male		Female		Aggregate	
	Number of people	Proportion (%)	Number of people	Proportion (%)	Number of people	Proportion (%)
Agriculture	8	10.81	12	26.08	20	16.67
Industry	62	83.78	32	69.56	94	78.33
Construction	4	5.41	0	0.00	4	3.33
Others	0	0.00	2	4.36	2	1.67
<i>Total</i>	<i>74</i>	<i>100.00</i>	<i>46</i>	<i>100.00</i>	<i>120</i>	<i>100.00</i>

(Source: Survey data 2017)

78.33 percent of laborers work in industry sector when going oversea to work. Workers in factories generally have higher salary and more stable job. Whereas jobs in other sectors, such as agriculture sector and construction are regarded to be unstable and be able to be

interrupted by weather condition. For example labourers in these sectors cannot go to work and get payment due to hard unfavourable weather conditions, such as too high temperature in summer or thick snow in winter.

Table 4. Employment of workers when working oversea by destinations

Working sectors	Korea		Taiwan		Malaysia		Aggregate	
	Number of workers	Proportion (%)						
Agriculture	12	23.08	4	13.33	4	10.53	20	16.67
Industry	36	69.23	26	86.67	32	84.21	94	78.33
Construction	4	7.69	0	0.00	0	0.00	4	3.33
Others	0	0.00	0	0.00	2	5.26	2	1.67
<i>Total</i>	<i>52</i>	<i>100</i>	<i>30</i>	<i>100</i>	<i>38</i>	<i>100</i>	<i>120</i>	<i>100</i>

(Source: Survey data 2017)

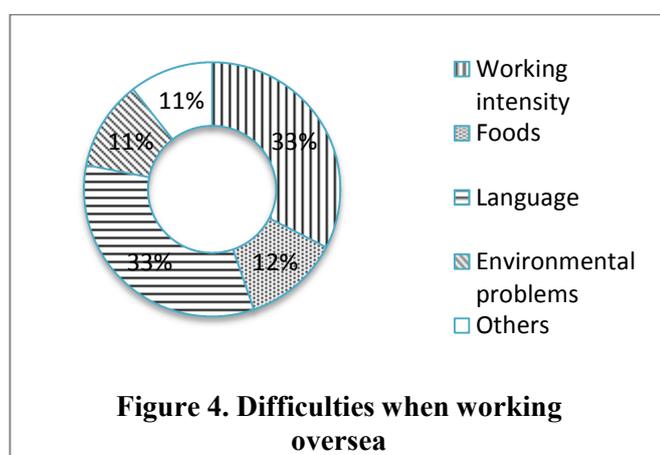


Figure 4. Difficulties when working oversea

The popular working countries of Taiwan and Malaysia. These countries have various kinds of jobs to choose, relatively high Vietnamese exported workers are Korea,

salary, good working environment and low procedure cost to go. At the same time these destinations also require low qualification skill and language level. Among these destinations, Korea accounts for the highest proportion, which is 43.33 percent of all interviewed workers because of easy and quick procedure and stable working policy. Tawan attracts least workers due to high cost of labor export procedures. Averagely, laborers have to pay around 120 million dong to complete the procedures to move to Tawan to works. This cost level is fairly high and most people in rural area of Vietnam cannot afford it.

**Difficulties when working oversea**

The most popular problems that laborers meet when working oversea are language and working intensity. They state that a 3 - 6 week language training is not enough for them. hence they are not well equipped with language before migrating. On the other hand, most of these people are used to work in agriculture sector before working oversea. Therefore, their

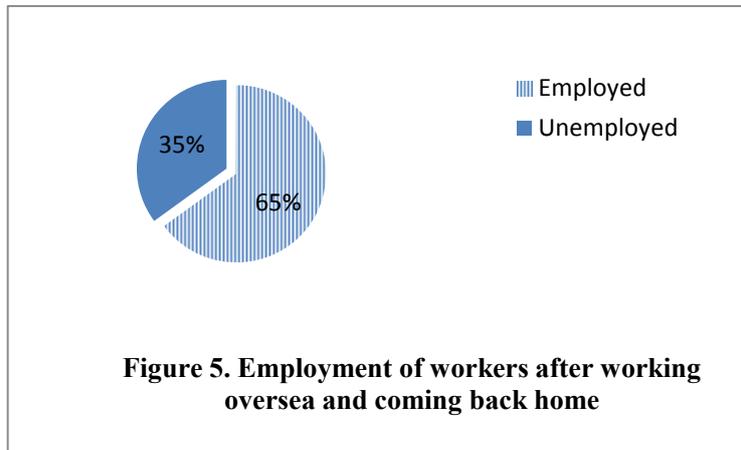
work is hard but not continuous and rigid in terms of time. They cannot get used to jobs with high intensity and strict working time in short time.

Fewer migrant laborers find that it is difficult to adapt to foods and climate of the countries where they move to work. Strange food and unfavour cilmate make their health deteriorate and they get ill regularly. Other obstacles to export laborers are harsh managers at work. unstable living accomodation and the problem of missing family.

In terms of income stability, 92 over 120 people claim that their earnings are substantial. However, 20 of these 92 people state that their jobs are too hard. On the other hand, the remaining complain that their income is unstable as they have to change their jobs frequently.

**3.2.4. Employment and income status of interviewed workers after working oversea**

**Employment**



**Figure 5. Employment of workers after working oversea and coming back home**

After coming back to home country, 78 people can find a job, accounting for 65%. Unemployed group accounts for 35%, while most of unemployed are male (34 people). There are several reasons to explain why unemployed rate is relatively high. Firstly, laborers are unprofessional. It is difficult for them to find appropriate jobs when they come back home. Second, they find it hard to reintegrate into the home labor market. In a recent survey, up to 90% of the laborers state

that after returning home, their lives were significantly improved, the reintegration into the labor market is much more difficult. It is the reason why many workers did not come back home when their labor contracts expire. They tried to stay at working countries illegally. The third reason is lack of career orientation. Education on career orientation is one of the most important steps before sending workers to work abroad but ignored by many employers. Forth, most workers decided to

work abroad for the purpose of earning money for living. Few people went to work to improve their working skills and language which can give them chance to have better job when returning home country. As the result, it is hard for them to find better job when they came back home.

Among 78 employed labourers, 36 of them come back to work in agriculture sector, which account for 45.16 percent. Other people choose to work as workers in factories, construction field or run their own small business. Therefore, career of workers returning from oversea is not really various. It need the concern from authorities to diversify career options for these group of labourers.

#### **Income status**

100 percent of the interviewees complained that their current income is lower than that when they worked oversea. They also stated that in fact now they can earn more than what they can earn before go to the labour import countries to work. However, they find that the increase in their income is mainly due to the inflation and the period of working oversea does not truly help them to improve their income.

Specificly, more than half of the group of employed people (51.28 percent) can earn less than 3 million dong per month, 38.46 percent of them is paid from 3 to 4 million dong per

month while only 10.26 percent of employed workers can get more than 4 million dong per month.

Furthermore, income of labourers returning from working oversea is also diversified in terms of gender. Generally, male can earn more than female, 45.83 percent of male can get from 3 to 4 million per month while 73.33 percent of female can earn less than 3 million dong per month and no female worker can earn more than 4 million dong per month. This can be explained by the fact that generally male has higher working ability and more working time.

#### **Living condition**

Interviewed people state that their living standard is clearly improved comparing before working oversea. The reason is their completely higher salary when they worked in labor importing countries.

Nevertheless, some people worry about their current income, which is stated to be fluctuate and become lower, may deteriorate their living condition. At the same time, other laborers complain that long period of working oversea has influenced negatively on their family relationship. Some people had to divorce when they coming back while others find that their children were most impacted when they working oversea.

#### **Box 1. Impact of working oversea on laborers' lives**

"Luckily, I had chance to go oversea to work. If I just do some farming around the rice fields I cannot afford my family and do not dare to think of building houses or let the children to go to school like now."

(Dao Thi Thinh, village number 7)

### **3.3. Factors affecting employment and income status of interviewed workers after working oversea**

#### **3.3.1. Internal factors**

The laborers' employment status first depends on their demographic information and

willingness to find job. The first factor is marital status. It is easier for single labourers to find job. Single people are generally not limited by time or place of work. On the other hand, married workers are tied with their family. Hence, they normally want to choose

job near to their house and are not willing to work overtime. It is more difficult for workers with family to find job as they normally request for higher salary for same job comparing to single workers.

Age is also a factor affecting ability to find job of workers. The people at age group of 26 – 35 years old are the people that can easily find job. Older workers returning from working oversea are not able to be employed easily. Therefore, they generally choose to stay

at home of work as an informal worker, such as doing agricultural work for themselves or running a small grocery. Their income is also lower comparing to younger workers.

Third, education level and vocational training is an important factor deciding if a worker can find job and his income after he comes back from oversea. It is clear that labourers with vocational training certificate or any other certificates are able to find job with better earning more easily.

**Table 5. Workers’ willingness to find/change job**

Answer	Willingness to find job		Willingness to change job	
	Number of workers	Proportion (%)	Number of workers	Proportion (%)
Yes	32	76.19	38	48.71
No	10	32.81	40	51.29
Total	42	100.00	78	100.00

*(Source: Survey data 2017)*

Finally, the willingness to find job of the workers themselves can affect strongly their status of employment and income.

I used to work as a trainee in Japan for 3 years in mechanics and receive over 40 million dong per month. But when returning home, I find it hard to get a job and I could find some positions that were not suitable to my skill. Therefore, I returned to farm work.  
 (Mr. Le Hoang Anh, village number 7 )

Two months after returning home, I felt disoriented as I couldnot decide what to do. After nearly 4 months of doing nothing, I decided to move to Ho Chi Minh City to find a suitable job.  
 (Mr. Nguyen Van Hien, village number 9)

When I first returned to my country, I ask for a salary of 9-10 million dong per month but was repeatedly refused. After that I was forced to accept a salary of 6-7 million dong because no company paid higher.  
 (Ms. Le Phuoc Sang, village number 5)

**3.3.2 External factors**

**Government policies on job-seeking assistance for laborers returning from oversea**

In recent years, the support for finding jobs for laborers has always been concerned by the

government. The government always determines that improving the quality and effectiveness of vocational training is essential to create jobs, increase incomes, reduce the unemployment rate and contribute to economic restructuring and development. However, there

is no specific policy on job-seeking assistance for target groups of labourers after returning from working oversea.

Dong Khe is a commune with a large number of workers moving abroad to work. Therefore, solving the problem of employment after returning home is very necessary. The People's Committee of Dong Khe Commune has coordinated with the job introduction centers and firms in the area to develop a plan to organize job exchanges, support finding jobs for laborers. The Commune People's Committee has also actively propagandized vocational training and encouraged returned laborers to learn new vocational training in accordance with their conditions.

#### **Situation of economic development of the region**

In recent years, Dong Khe economic development has been constantly developing. The commune has also changed its economic structure towards industry - construction and reduced the proportion of agriculture. The per capita income has increased sharply, which was 32.72 million in 2016, increasing by 2.49 million dong compared to 2015 and 9.19 million dong compared to 2014. In addition, the commune has many policies to encourage investment in the locality to develop the economy. At present, there are two enterprises with investment capital from Korea in the region. These enterprises will create thousands of job opportunities and contribute to creating jobs for laborers returning from labor export.

#### **4. CONCLUSION**

Labor export activities bring many benefits such as reducing unemployment, increasing budget revenue, increasing income for laborers and improving the quality of life. However, this is only a temporary solution, not stable for workers. In line with the policies of the Government on labor export promotion, in

recent years, the number of laborers moving oversea to work from Dong Khe Commune has been increasing. But the concern now is that the workers after returning home generally choose simple jobs or low-income jobs in agricultural sector which does not promote the experience collected from the period of working oversea.

The paper shows that the factors affecting the ability to find job and generate income is the laborers themselves. People after working oversea wishing to find a suitable job should identify their willingness to work and improve their working skills. The concern of the authorities also greatly affect the ability to find job of workers. Therefore, the concerned agencies at all levels should pay more attention to the job creation for laborers after returning to the country.

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## VIỆC LÀM VÀ THU NHẬP CỦA NGƯỜI LAO ĐỘNG SAU KHI ĐI XUẤT KHẨU LAO ĐỘNG Ở XÃ ĐÔNG KHÊ, HUYỆN ĐÔNG SƠN, TỈNH THANH HÓA

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### TÓM TẮT

Xuất khẩu lao động đã và đang là một hoạt động góp phần đáng kể trong công tác tạo việc làm cho lao động, giảm thất nghiệp, xóa đói giảm nghèo, tăng nguồn thu cho ngân sách Nhà nước nói chung và xã Đông Khê nói riêng. Tuy nhiên, đây mới chỉ là giải pháp mang tính tạm thời chứ chưa mang tính ổn định đối với người lao động. Bài báo trước tiên thống kê số lượng lao động đi xuất khẩu lao động nước ngoài ở xã Đông Khê trong những năm gần đây. Sau đó bài báo phân tích thực trạng công việc và thu nhập của người lao động trước khi, trong khi và sau khi đi lao động xuất khẩu trở về. Bài báo cũng tập trung đánh giá những yếu tố ảnh hưởng đến khả năng tìm việc làm của người lao động khi trở về nước. Yếu tố quan trọng nhất chính là người lao động. Những đặc điểm của người lao động, trình độ, kỹ năng làm việc và ý muốn tìm việc của họ là những yếu tố quan trọng nhất. Bên cạnh đó, một số yếu tố bên ngoài khác như sự quan tâm của các cấp chính quyền và tình hình phát triển kinh tế của địa phương cũng được phân tích. Cuối cùng, bài báo đưa ra đề xuất là người lao động cần xác định rõ ý muốn tìm việc của mình và trau dồi kỹ năng làm việc. Các cấp chính quyền cũng cần phải quan tâm hơn nữa đến việc tạo việc làm cho người lao động sau khi họ trở về nước.

**Từ khóa:** Lao động xuất khẩu trở về, thu nhập, việc làm, xuất khẩu lao động.

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