

Labor Migration Trends in Vietnam in The Period 2014-2018

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ABSTRACT

Information about labor migration plays an important role in planning and implementing socio-economic development policies in each region and for the whole country. This study used data from Vietnam Household Living Standards Survey 2018, 2016 and 2014 conducted by the General Statistics Office of Vietnam to analyze labor migration trends based on demographic characteristics and regional features. Statistical results show that the percentage of labor migrants tended to increase in the period 2014-2018. The results show that demographic factors such as ethnicity, age, gender, marital status, and education had a strong relationship with labor migration flows. In addition, there was a positive correlation between regional characteristics such as unemployment and underemployment and labor migration. By understanding the demographic and regional characteristics that influence specific groups of migrant workers, policymakers can establish target policies to effectively control labor migration flows.

KEYWORDS

labor migration; demographic characteristics; regional features; Vietnam

INTRODUCTION

Migration is an intrinsic part of the development process and is one of the great opportunities to promote socio-economic development of countries, especially developing countries. Migrant workers contribute to the growth and development of the countries they come to, and countries of origin also benefit greatly from the remittances they send back and the skills they acquire in during their migration process (Koshulko, O, 2020). Labor migration trends, including both internal and international migration, have been taking place strongly in Vietnam. Approximately 110,000 Vietnamese people migrate to find job abroad each year (International Labour Organization [ILO], 2022). According to the International Labour Organization (2023), there are currently about 540,000 Vietnamese workers working in more than 40 countries and territories around the world. As the Vietnam Ministry of Finance estimated, about 17.2 billion US dollars remittances were sent to Vietnam in 2020 (Vietnam Ministry of Finance, 2021). Meanwhile, according to the results of the 2019 Vietnam Population and Housing Census, the number of internal migrants was 6.4 million people, accounting for 7.3% of the nation's population (General Statistical Office of Vietnam [GSO], 2020).

Each migration group has different characteristics and undertakes different types of migration, thus affecting the migration trends of the country. Considering labor migration trends as well as demographic factors related to migration trends is essential when formulating and promulgating specific policies for migrant workers and migration policies and laws in general. Besides, several studies have been conducted to examine the

interrelationship between migration and issues of income, poverty, and unemployment, etc. (Adams JR, R.H., & Page, J, 2005; Möllers & Meyer, 2014; Nguyen, Van den Berg, & Lensink, 2011). However, these studies mainly focus on the impacts of labor migration on these issues or the pulling role of these factors at the destination place with little attention paid to the pushing role of these factors at the origin place for migration flows. This study focuses on analyzing labor migration flows and unraveling the demographic characteristics and regional features that influence specific labor migration flows in Vietnam in the period 2014-2018.

LITERATURE REVIEW

There are many factors that influence the benefits and costs of migration and thus the decisions to migrate. Economists as well as policymakers have been very interested in why individuals and households decide to migrate. Many researchers have applied Lee's theory of migration (Lee, 1966) when studying labor migration, asserting that labor migration mainly originates from differences between origin and destination in terms of job opportunities and improvement in income and living standards. There are many economic and non-economic factors behind the decision to migrate. Migrants may be "pushed" out of their place of residence due to poor economic conditions or political instability. In contrast, migrants are often "pulled" to places with good job opportunities, high wages, and good health care and education systems (Simpson, 2017). Apart from these two groups of push and pull factors, the decision to migrate highly depends on the characteristics of both migrants and their families such as age, gender, marriage status, etc.

According to Harris and Todaro (1970), young people are more likely to migrate because they have an expectation of a longer period of time to benefit from migration. Huynh (2022) also argues that the possibility to migrate increases with age. Single men are in general more likely than married men to migrate (Massey & España, 1987). A research of Huynh (2022) on labor migration in Vietnam shows that gender influences migration trends and females tend to migrate at a lower rate than males. Meanwhile, the study of Pham and Huynh (2014) has opposite results, showing that the probability of migration of male is lower than female. Education level is also a factor that positively affects the decision to migrate of individuals. Parrado and Cerrutti (2003) find that migration trends have a positive relationship with the number of years of schooling in Argentina and Paraguay. Researches by Schewel and Fransen (2018) and de Brauw (2019) also show that migration rates increase with education level, and persons with higher education are more likely to migrate. Marital status can affect the decision to migrate. Divorced people have a higher probability of labor migration than other groups. The probability of migration to find work is significantly reduced for those who are married because it is more difficult for them to decide to migrate due to family constraints (Huynh, 2022). Besides, a study by de Brauw (2019) on migration of rural youth in five developing countries including Bangladesh, Indonesia, Nigeria, Pakistan and Tanzania reveals that individual characteristics such as age, sex and educational attainment play a larger role in migration decisions than household characteristics (family size, age and gender of household head) or local characteristics (population density and land area per capita).

Migration is argued to be closely linked to poverty, income, and unemployment. People are forced to migrate when they fall into poverty, especially when their income is lower than the average level in the community in which they live (Dike, 2002). Those who own more assets are less likely to migrate. In some studies, housing condition is a factor affecting the migration decision of individuals (Pham & Huynh, 2014; Zabel, 2012). Housing area is shown to have a negative relationship with labor migration rate (Huynh, 2022). Studies in

Ethiopia (Kosec, Ghebru, Holtemeyer, Mueller, & Schmidt, 2018) and Nigeria (Ghebru, Amare, Mavrotas, & Ogunniyi, 2019) show that land inheritance and land access play an important role in the migration decisions of rural youth. The more land young people inherit or have access to, the less likely they are to migrate and work in the non-agricultural sector.

Although migration is theoretically attributed to households' efforts to maximize their absolute income, perceptions of relative wealth or deprivation can also play a role in households' decision to migrate. A research by Kafle, Benfica, and Winters (2020) in Ethiopia, Malawi, Nigeria, Tanzania and Uganda shows that households' decision to migrate is not only based on their absolute wealth but also on their relative position in the welfare distribution of the community in which they live. Relatively poor households – that is, worse off than other households in their communities – are more likely to give birth to migrants. The fact that individuals feel deprived relative to those around them is a greater incentive to migrate to increase income. However, there are studies that show different results. For example, de Brauw (2019) found that relative deprivation is not the main driver of migration.

The impacts of factors on migration decisions vary among groups. A research by Kosec et al. (2018) in Ethiopia shows that land accessibility affects the migration decision of rural young men but not that of rural young women. Meanwhile, according to the results of a study by Kosec, Song, Zhao, and Holtemeyer (2021) in Kyrgyzstan, when faced with income shocks, women are less likely to migrate and more likely to increase weekly working hours at their current residence than men.

RESEARCH METHODS

The study used the Vietnam Household Living Standards Survey (VHLSS) datasets for the years 2018, 2016 and 2014 conducted by the General Statistics Office of Vietnam. The purpose of the surveys is to systematically monitor and supervise the living standards of the Vietnamese population and to monitor and evaluate the goals of growth, poverty reduction and sustainable development of Vietnam.

The surveys were implemented at household and commune level. The surveys in 2014, 2016 and 2018 were conducted in 63 provinces and cities directly under the Central Government with a sample of 46,995 households in 3,133 communes/wards. Of the 46,995 surveyed households, 37,596 households were surveyed on income and other topics and the remaining 9,399 households were surveyed on income, expenditure and other topics. The survey scale and plan ensured the representativeness of the data for the whole country and for the urban and rural population.

In the VHLSS datasets, the separate data on labor migration of households and individuals are not available. However, the datasets contain information about the household heads and members who work away from home. Therefore, in order to assess the trend and status of labor migration and factors affecting labor migration, in this study, migrant workers are defined as household heads and members aged 15-60 who work away from home and have not lived with the household for 6 months or more. Information of migrant workers is extracted from Section 1A and Section 1B in the VHLSS datasets.

RESULTS AND DISCUSSION

The results show that the percentage of migrant workers tended to increase in the period 2014-2018 (Figure 1). The rate of labor migration increased from 5.046% in 2014 to 5.283% in 2016 and 5.938% in 2018.

Trends of labor migration by areas: The rate of labor migration in both rural and urban areas increased in the period 2014-2018. The percentage of migrant workers in rural areas was much higher than that in urban areas. In 2018, 7.193% of workers in rural areas migrated

for work, while this rate in urban areas was only 3.035%. Underemployment and labor surplus (especially seasonal) increased in rural areas, making the labor migration rate in rural areas high and increasing. In particular, the difference in living conditions, working conditions, job opportunities and other pull forces from urban areas was the cause leading to the influx of laborers from rural to urban areas. In Vietnam, people migrate from rural to the city mainly to find jobs in industrial sectors. This trend originates from the process of urbanization and the rapid development of industrial parks and export processing zones. Rural-to-urban migration plays an important role in meeting the increasing labor demand in urban areas and at the same time reducing the employment pressure in the rural areas. However, this also bring about potential problems in socio-economic development in urban areas such as housing and accesses to social security services for migrant workers or challenges of security within the cities.

It should be noted that, although the rural people migrated more than the urban people, the proportion of migrant workers in urban areas tended to increase faster than in rural areas during this period (from 2.063% in 2014 to 3.035% in 2018, as compared with from 6.341% to 7.193%).

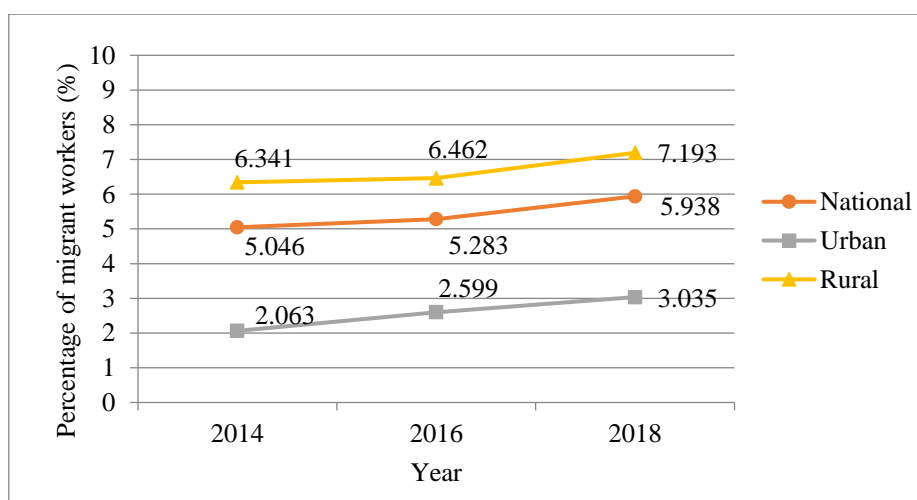


Figure 1. Labor migration trends in Vietnam by areas

In most regions of the country, number of people migrating for work tended to increase in the period 2014-2018 (Table 1). The Mekong River Delta has always been the region with the highest labor migration rate in all three years. In 2018, the labor migration rate in this region was 9.3%, of which the most notable was Hau Giang province (18.8%) and Vinh Long (16.5%). In addition, some other provinces such as Tra Vinh, An Giang, and Kien Giang all had relatively high labor migration rates (over 12%). The South East has always been the region with the lowest labor migration rate in the whole period 2014-2018. In 2014, the labor migration rate of the region was only 1.1%, then decreased to 0.9% in 2016 and increased to 1.2% in 2018. The Central Highlands was also a region with a low labor migration rate, with only 1.2% in 2014 and increased to 2.2% in 2016 and 2.8% in 2018. It is worth noting that large cities such as Hanoi, Ho Chi Minh City, and Da Nang or provinces with high economic growth such as Binh Duong or Dong Nai had extremely low labor migration rates (under 2%).

The relationship between labor migration and development is relatively complex. While migration contributes positively to the migrant workers themselves and to the development of the destination, migration also contributes to the widening of socio-economic development gaps between the destination and the origin, between cities and rural areas, and

among regions. Rural areas and regions with high labor migration such as the Mekong Delta and North Central and Central coastal areas are more disadvantaged while urban areas, especially large cities and regions where is the main destinations of migrant workers such as South East benefit from younger migrants, often those with better social capital. Therefore, regional and national development policies should include measures to ensure the best contribution of labor migration to development.

Table 1. Labor migration rates of regions (%)

Regions	2014	2016	2018
Red River Delta	4.865	5.387	5.488
Northern midlands and mountain areas	3.392	4.762	5.830
North Central and Central coastal areas	6.661	6.969	6.478
Central Highlands	1.217	2.157	2.840
South East	1.125	0.886	1.239
Mekong River Delta	8.940	7.777	9.934

When considering the relationship between the labor migration and the characteristics of the regions such as income, poverty, unemployment, population, etc. (Table 2), it can be seen that the unemployment rate and especially the underemployment rate had a tight relationship with the labor migration. Regions with a high rate of underemployment had a high rate of labor migration and vice versa. However, contrary to the results of some previous studies, the labor migration had no significant relationship with the population density and poverty rate of the regions. This result suggests that poverty is not always a factor pushing workers to migrate, but it may also imply that the poor are less likely to migrate due to resource constraints.

Table 2. Relationships between labor migration and local characteristics

	Correlation coefficient
Income per capita	-0.285
Poverty rate	0.043
Unemployment rate	0.335
Underemployment rate	0.672
Population density	-0.039

Sources: General Statistics Office of Vietnam [GSO], 2016, 2019.

Trends of labor migration by ethnicity: The results in Table 3 show that labor migration tended to increase for both Kinh and ethnic minority groups, but the Kinh migrated more than the ethnic minority group. The rate of migrant workers for the Kinh group increased from 5.4% in 2014 to 6.2% in 2018. Meanwhile, this rate for the ethnic minority group was only 3.4% in 2014 and increased to 4.8% in 2018. This difference can be attributed to the fact that, compared with the Kinh, the ethnic minorities are often disadvantaged in terms of education, skills, relationships and social status. This is a significant barrier for them to find jobs, especially the ones that require an academic degree or apprenticeship training. In addition, the ethnic minorities often live in remote areas where the transportation is not convenient, leading to difficulties migrating and finding jobs outside of their home location. Lack of proficiency in the Kinh language is also a barrier for many ethnic minority people to migrate for work in industrial sectors.

Trends of labor migration by gender: Both men and women tended to migrate more for work during this period. However, men were more likely to migrate than women and the growth rate of the labor migration rate in the period 2014-2018 was also higher for men than for women. In 2014, 6.1% of men migrated for work and this figure increased to 7.4% in

2018. Meanwhile, the percentage of female labor migration increased from 4.0% in 2014 to 4.5% in 2018. This result supports the phenomenon of "masculinization of migration", contrary to the feminization trend of migration mentioned in several previous migration surveys (United Nations Population Fund [UNFPA], 2016). A possible reason for this result might be found in the fact that women often have to play a dual role in the family. On the one hand, they have to work. On the other hand, they have to bear the main responsibility for taking care of themselves and their families. These tasks become a factor preventing women from working away from home. In addition, women are often disadvantaged as compared with men in terms of access to education and training, access to and control over economic and social resources. Besides, they also lack the access to basic services, information, and the labor market. Therefore, women often face disadvantages in various ways in finding a job and working outside of their hometown.

Trends of labor migration by age: Previous studies on labor migration in Vietnam show that the majority of migrant workers are young and unmarried. The age of the group working in informal sector is around 30. This group often migrates with their spouse and children. The results of this study show that the rate of labor migration of all age groups tended to increase, except for the 45-60 years group. The labor migration rate of this age group stayed about the same during the study period. The 15-29 years group had the highest labor migration rate, up to 13.0% in 2018, while the 45-60 years group migrated the least with the rate of migrant workers of 0.9% in 2018.

Trends of labor migration by marital status: Labor migration tended to increase for all groups. However, there was a significant difference in migration rates between the single group and the married group or the widowed/divorced group. The single group always had the highest labor migration rate, up 15.1% in 2018, while this rate for the married group was the lowest, only 2.8%. The widowed/divorced group had an average rate of labor migration (5.1%).

Trends of labor migration by education level: There was a relatively large difference in the rate of labor migration among groups of people with different levels of education. Those with an academic degree tended to migrate for work more than those who did not have a degree or had only a primary/secondary/high school diploma. College degree holders were always the group with the highest percentage of migrant workers in the period 2014-2018 (over 11%). Next was the group with a university degree or higher. The group of people without a degree had the lowest labor migration rate, only 2.4% in 2018.

Table 3. Labor migration trends by demographic characteristics

Variable	Units	2014	2016	2018
<i>Ethnicity</i>				
Labor migration rate of the Kinh	%	5.443	5.582	6.206
Labor migration rate of the ethnic minorities	%	3.388	4.090	4.847
<i>Gender</i>				
Labor migration rate of male	%	6.127	6.570	7.434
Labor migration rate of female	%	3.987	4.024	4.473
<i>Age</i>				
Labor migration rate of persons aged 15-29	%	10.982	11.136	13.008
Labor migration rate of persons aged 30-44	%	2.658	3.628	4.491
Labor migration rate of persons aged 45-60	%	0.821	0.934	0.862
<i>Marital status</i>				
Labor migration rate of single persons	%	13.324	13.062	15.115
Labor migration rate of married persons	%	2.016	2.566	2.842
Labor migration rate divorced/widowed persons	%	3.801	3.797	5.097

Education

Labor migration rate of persons without a degree/certificate	%	2.550	2.065	2.408
Labor migration rate of persons with a primary education certificate or secondary/high school diploma	%	5.081	5.289	5.906
Labor migration rate of persons with a college degree	%	14.504	11.190	11.464
Labor migration rate of persons with a bachelor/master/doctor degree	%	7.085	9.357	10.048

Note: Percentage calculated on the total number of people surveyed.

CONCLUSION

The main reason for voluntary migration is searching for economic opportunities. However, demographic factors often play an important role in population mobility. Statistical results show that labor migration had a significant positive relationship with some characteristics of the region such as unemployment and underemployment, but not with the population density and the percentage of poor households. In the period 2014-2018, labor migration in Vietnam tended to increase for groups by ethnicity, age, sex, and marital status. However, the labor migration trends of the groups were different. The Kinh people tended to migrate more than ethnic minorities, men migrated more than women, young people migrated more than old people, and single people migrated more than married people.

Labor migration plays a crucial role in the redistribution of labor and strongly influences the economic development of both the place of origin and the place of destination. Therefore, policies related to labor migration, if not thoroughly studied, can have negative consequences on economic development and social security assurance of each region as well as of the whole country. By better understanding which demographic characteristics influence specific migration flows, policymakers can establish policies that target specific groups and to effectively control labor migration flows. Before making important changes in migration policy, policymakers should ensure that they are aware of migration trends and characteristics of migrant groups so that they can achieve their goals of policy for migrant workers.

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