## Reintegrating into Domestic Job Market of Returning Migrant Workers (A Case Study of Nghe An Province)<sup>1</sup>

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**Abstract:** In the context of today's strong globalization and Vietnam's 'gold' population structure, labor export is one of the practical policies to create employment and contribute to the country's development. However, ensuring jobs for returning migrant workers has not been paid due attention. In fact, those workers face various difficulties in the process of reintegrating into the local job market. The paper focuses on job seeking activities of returning migrant workers, analyzing the difficulties and determinants of their search for employment.

Keywords: Employment, Laborers, Returning Migrant Workers, Overseas Workers, Migrant Workers, Nghe An Province, Vietnam

#### 1. Introduction

Labor migration, an emerging trend in today's globalization, has brought about opportunities for improved employment and income in both developed and developing countries, including Vietnam. According to the Ministry of Labor, Invalids and Social Affairs (MOLISA), Vietnam's labor export in recent years has been growing steadily. It was estimated in 2018 that more than 140,000 Vietnamese workers were employed overseas (MOLISA, 2018).

Nghe An is one among Vietnam's leading provinces in terms of labor export. It topped the country in 2017-2019 with a total number of more than 13,500 workers sent to 15 countries and territories around the world. Nghe An also has the highest number of spontaneous/unorganized migrant workers. In 2016 alone, nearly 11,400 laborers from Nghe An migrating to Laos, Thailand, the United Kingdom (UK), Russia, Australia, Germany, etc. were registered as travelers, visitors to relatives/ friends, or partners of (false) marriages (Nghe An's DOLISA, 2019).

Many studies in Vietnam when discussing labor export weighed more on raising awareness and needs and benefits of

<sup>&</sup>lt;sup>1</sup> Data for the article were sourced from the author's doctoral dissertation titled "Social participation of returning migrant workers from overseas" (aided by case studies in several wards and communes in Nghe An province).

workers, both before and during their employment abroad. Less attention has been paid to providing orientation and support for returning migrant workers in reintegrating into the local economic and social life (MOFA's Consular Department, 2011; Pham Nguyen Cuong, 2013; DOLAB, 2012; IOM, ILO and UN Women, 2014).

The article provides a clarification of how returning migrant workers reintegrate into the labor market through a case study of Nghe An province, contributing further to the understanding of domestic employment of this particular group of laborers. The data had been collected in 2019 through field surveys in Vinh city, Yen Thanh and Nghi Loc districts, and in Cua Lo town in Nghe An province. The surveys were aid with questionnaires to 326 returning migrant workers (195 males (59.8%) and 131 females (40.2%)<sup>1</sup> and key informant interviews (KIIs) with 18 workers and three local officials.

Returning migrant workers adopted in the article refer to those who went abroad to work, whether organized or spontaneous, and already returned home to work and live.

# 2. Employment of returning migrant workers

The survey results confirm the two popular forms of labor export involve either term contract employment or spontaneous employment. While the occupations of surveyed migrant workers were diverse, the majority of them had been working in industrial environment (58%). A significant number of them (19.3%) earned income through unplanned employment and others had been hired in services (6.1%), agriculture and fishing (5.5%), and for domestic help (4.6%). Noticeably, there were cases where contracted migrant workers, after their arrival in the destination countries, solely broke contract and went for freelance jobs. Such incidents have brought discredit to Vietnamese workers and affected the image of Vietnamese people and the country as well.

Almost returning migrant workers were being employed at the time of the surveys (298 people, or 91.4% of the total respondents). Only 28 participants of the surveys (8.6%) were out of work. There is a close association between the employment status of returning workers and the period of time since their homecoming: Most workers found unemployed during their first one or two years after their return (during 2017-2019) (Chi-square tested with p < 0.001). KIIs with returning migrant workers revealed the reasons as follows:

<sup>&</sup>lt;sup>1</sup> Two groups of subjects are targeted in this study: contracted/organized migrant workers and spontaneous/unorganized migrant workers. In fact, the database for the migrant workers of these two groups in 2010-2019 are not complete and inaccurate. Thus, the statistics were mainly collected from separate reports on contracted labor export and annual labor recruitments for export. The data regarding people working abroad and already going back home (either contracted or spontaneous) had not been fully and comprehensively updated, which hindered the determination of sample size. To be able to reach the target groups, the author had met with local officials to seek information on the general situation and asked them to introduce individuals of the migrant workers who had returned home during the period from 2010 up to January 2019. The snowball/chain-referral sampling had been applied in the surveys: First, asking local officials for their referrals to the target workers; and second, asking contacted target workers for their referrals to other contacts of the target groups.

*Firstly*, the one/two-year period is a short time for returnees to bring themselves up to date with the local labor market. They do not have enough job information, neither professional qualifications required by domestic employers.

*Secondly*, returning workers tend to take the first one year for a break after their long time working hard abroad.

*Thirdly*, some people choose to be "actively unemployed" after their return because of their disappointment with the level of payment at home for the same types of work they did overseas. Low wages reduce their motivation to re-enter the local job market.

Meanwhile, returnees obtaining jobs at home are mostly uncontracted workers (43.3%), business runners (38%), or others (10.1%) such as language teachers, administrative staff, or industrial workers at local enterprises. It is notable that a significant proportion of migrant workers returning home take on spontaneous employment or unstable jobs and face obstacles to reintegrate into the domestic labor market.

There are two groups of job seekers among returning migrant workers of the surveys: those who are able to find jobs themselves and those who rely on social relations for searching employment. The former seems more prepared and active for their reintegration into the local economic life. They study the local job market to build up a strategy and get ready both mentally and financially well ahead their homecoming. For those who are able to adapt and develop careers at home, their return is seen as a "success". The latter, which makes up most of returning migrant workers, have to seek help from their contacts at home, such as parents and siblings (34.7%), friends (26.6%), family relatives (20.8%), and social groups like the community of fellow countrymen for migrant workers (5.8%), villagers (5.2%), social media sites (2.9%), local labor export consultancy companies (2.3%), and coworkers or roommates (1.7%). In this case, informal social groups play an effective role in providing returnees with job information. Our study also shows insignificant support from formal institutions like employment centers or local mass organizations to the returnees in their job seeking.

The average income for an employed returning worker is VND 11,864,094 per month. The highest and lowest monthly earnings are respectively VND 100 million and VND 3 million, which demonstrates big gaps in income among employed returnees. There is no significant income difference, however, between uncontracted returning workers and returning workers of other occupations (like business staff, industrial workers, teachers, etc.).

# **3.** Difficulties of returning migrant workers in job seeking

We adopt the five-point Likert scale for the opinion of returning migrant workers on the given levels of difficulty in their search for jobs (with 1 corresponding to totally disagree and 5 for totally agree). The scores are calculated on a mean scale with the results as follows: Returning migrant workers in the surveys found it most difficult to "find an education-matched job" (a mean score of 3.9 points), then "reintegrate into the labor market" (3.67 points), "search for employment information" (3.65 points), and "find an experience-and-skill matched job" (3.6 points). Male workers seemed to face more difficulties than their female

counterparts in accessing information and searching for jobs that fit their experiences and skills earned abroad. It is not easy either for them to reintegrate into the labor market. On the contrary, female returnees struggled more than male returnees to find their education-matched jobs at home.

Currently, there is not enough information regarding the domestic labor markets and resources to assist returning migrant workers in their job search in both Nghe An province and the country as a whole. Several studies in Vietnam on the economic activities of returning workers have confirmed also their difficulties in accessing information on local job opportunities. Most localities and businesses "lack programs and solutions" for laborers to change their work. Thus, a large number of returning workers still do the same jobs as they had done before their migration (DOLAB, 2012).

### 4. Determinants of the search for employment of returning migrant workers *Time spent abroad*

Our research results indicate the time spent living and working abroad is one of the factors affecting the reintegration of returning migrant workers into the local labor market. The longer time the time span, the more difficulties faced by the returnees in job seeking. There is an association between "time spent abroad" and "difficulties in reintegrating into the local job market" as the correlation coefficient (r) was 0.647 at the significance level p = 0.000(p < 0.001). Assessing the fit of regression model, the adjusted R-square was 0.417 at the significance level p = 0.000 (p < 0.001). In addition, testing the overall significance of the regression model and extracting the F-statistic value form the analysis of variance (ANOVA) table, F-statistic value was 233.272 at the significance level p = 0.000 (p < 0.001). Besides, the beta risk coefficient for the variable "time spent abroad" equaled to 0.184, which means for every 1-unit increase in the "time spent abroad", the "difficulties in reintegrating into the local job market" will increase 0.184 unit. The significance level p = 0.000 (p < 0.001) indicates the effect of the independent variable "time spent abroad" on the dependent variable "difficulties in reintegrating into the local job market" is statistically significant.

Several structuralists have verified the length of time working abroad is an important indicator for the reintegration of returning migrant workers. Migrants who spend a long time overseas may encounter difficulties adapting to the changing socioeconomic conditions at home (Dumon, 1986: 122).

### The role of local authorities

From the structuralist point of view, there is a close relation between the issues of returning migrant workers and the social context. The practical conditions in home countries can also be a determinant of the success or failure of returnees (Cassarino, 2004: 4). Furthermore, research shows an association between the return of migrant workers and the development of their hometowns: Returning workers with skills and financial resources earned abroad would accelerate the development at home as long as their reintegration process is facilitated (Cassarino, 2004: 5).

No particular regulations and guidelines have been promulgated so far regarding the provision of support to returning migrant workers in their social reintegration. The job

creation for female workers in particular has not given due attention. Better regulations are needed to support adequately the social reintegration of returnees (DOLAB, 2012). Nghe An province also experiences the same situation as its current policies on migrant workers just incline towards promoting labor export, raising awareness of local people about the benefits and potential jobs abroad, and organization of training courses for workers through the cooperation between local authorities and enterprises. Until the end of 2019, there was no specific policy documents dealing with returning migrant workers. The province's support programs of employment promotion target the general labor force and specific geographical areas only.

A prominent issue in many localities is the absence of the statistics and systematic contracted/organized reviews of and uncontracted/spontaneous migrant workers. The support from local authorities to returning migrant workers in their job seeking remains limited. "No specific documents by the Department [DOLISA] target the subjects [returning migrant workers]. There is just a guideline focusing on the propaganda to encourage the employees to return on time for being referred to Vietnamese companies with foreign investment, or encourage them to go back for working abroad. Other guiding documents are mainly for raising awareness of people about high-income job opportunities abroad, not yet for returning workers" (Female, 28, government official at Nghi Loc district).

A majority of Nghe An's migrant workers are in their 'gold' age. Since most of the labor exporters in the province recruit people of 18-30 years old, when returning

home after their contract termination they are still at a young working age. This raises a not-so-easy question of solving their employment at home.

More attention should be given to returning migrant workers because of difficulties they encounter in reintegrating into the local economic activities. Returning workers possess practical working experiences, financial capability, and professional working style. Therefore, it is necessary to have policies or mechanisms dealing particularly with employment creation for them. It could help bring into play their financial and social capital accumulated abroad while providing them with support in building their sustainable career at home.

### 5. Conclusion

Vietnam has achieved remarkable results in sending people abroad for work. Besides, our study shows the government and state agencies focus more on raising selfawareness on the needs and benefits of laborers before and during their employment abroad. It is undeniable that the economic benefits from labor export, specifically workers' remittances, have contributed to the country's development. The support and orientation for migrant workers after their home return, however, has not been cared of enough. The returnees still face difficulties in their process of reintegrating into the local socioeconomic life. They receive limited opportunities to be reemployed at home and to utilize best their working experience as well as their social and financial capital accumulated abroad. It requires suitable policies and programs to be tailored for promoting the efficient use of this human resource and creating sustainable jobs for returning employees 🗆

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