

Social protection for rural-urban migrants in Vietnam: current situation, challenges and opportunities

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This report discusses how the lack of adequate policies and institutional programmes of social protection for migrants in general, and the residence-based nature of the current social policy framework in particular, create multiple vulnerabilities and social exclusion among rural-urban migrants in Vietnam. The report also introduces some recent limited responses by the State which are intended to address the situation. It proposes that the State should firstly recognise the legal status of migrants in destination areas and secondly increase migrants' access to key social and economic resources. In most instances, a strategy based on this proposition would call for a significant departure from current approaches, practices and institutional arrangements underlying the government's social protection policies.

Kevwords

rural-urban migration, social protection, policy, ho khau (household registration system)











Over the past decade, Vietnam has rapidly become one of the fastest growing economies in Asia, with the annual growth rate remaining around 7-8 per cent.¹ Not only has the economic growth outpaced that of other low-income nations in the region, but also the country has been perceived as a successful model for poverty alleviation. Perhaps less widely recognised is the quality of growth, sustainable investment and social protection of vulnerable populations, who have lagged behind the country's robust growth.

One integral process of the overall economic development has been the steady increase in rural-urban migration. Results of the 2009 census show that 7.7 per cent of the population (6.6 million people) aged over 5 migrated before 2009, up from 6.5 per cent in the 1999 census. Moreover, many types of migration, such as short-term, temporary and circular movements, are not included in these figures. Increasing migration reflects not only economic growth but also important regional socioeconomic disparities, particularly between the cities and the countryside, and the growing labour market in large cities and the expanding industrial zones. For example, the net migration rates are highest for Ho Chi Minh City (116 per cent) and Hanoi (50 per cent), the two largest cities, and Binh Duong (341.7 per cent), Da Nang (77.9 per cent), and Dong Nai (68.4 per cent), which are the most industrialised provinces. At present, 29.6 per cent of the population live in the urban areas, compared to 23.7 per cent in the 1999 census (CSCPHC 2009). Clearly these figures do not include unregistered migrants. It is estimated that the share of urban population will rise to about 45 per cent in the next ten years (Koesveld 2001).

Various research studies in Vietnam conclude that migration is a key household and individual response to both economic difficulties and livelihood opportunities. Since the market reforms in the late 1980s, migration has taken place as a source of poverty alleviation and development of the sending communities. In the receiving areas, migration provides a sustained labour force to satisfy the labour needs in various economic sectors (Le et al 2005). But migration is also associated with the social costs of being away from family and the familiar social support networks, formal and informal, in home communities. Although migrants are adaptive to the new working and living environments, because of the absence of a formal framework of social protection, including legislation, institutionalised measures and formal institutions, migrants are exposed to multiple risks, particularly during the time of economic and social turbulences (Le and Bach, 2008). The shocks generated

by the recent world financial crisis are the latest example and have had a strong and lasting impact.

This paper presents the findings of a research project entitled Social Protection for Rural-Urban Migrants in Vietnam. The central discussion of this research is that the lack of adequate policies and institutional programmes providing social protection for migrants in general, and the residence-based nature of current social policies are largely responsible for the vulnerability and marginalisation of rural-urban migrants. Unless the gaps in this policy and legal framework are effectively addressed, migrants will continue to be socially excluded, creating a growing urban poor stratum. Policymakers should therefore focus first on the recognition of the legal status of migrants in places of destination and second on increasing migrants' access to key social and economic resources. In most instances, a strategy based on this proposition calls for a significant departure from current approaches, practices and institutional arrangements underlying the government's social protection policies. As is argued in the subsequent sections, the present situation regarding social protection for migrants in Vietnam is still at the stage where state interest in controlling population movement are influencing the policy framework. Yet, as the country's transition to a market economy is irreversibly underway, new challenges have forced policymakers to adopt new approaches. In this report we aim to describe these challenges and to discuss the way the policy framework has evolved.

¹ With the impact of the recent global crisis this rate decreased to about 6.5 percent for the year 2008.







2 Data and research methods

Although migrants can be affected by different vulnerabilities associated with different points in the migration process (at origin, in transit, at destination), for this research we focused on the situation in places of destination only. We are particularly interested in two groups of migrants. The first consists of rural-urban migrants coming to cities to work in the so-called day labour market. The second group comprises of rural migrants employed in industrial zones. These two groups are the most common types of rural-urban migrants in Vietnam today.

For the first group of migrants, we re-analysed the data previously collected in the 2008 Migration Impact Survey (hereafter named 2008 MIS). This survey by the Institute for Social Development Studies (ISDS) and funded by the Rockefeller Foundation, was carried out in two sending provinces, Thai Binh (in the North) and Tien Giang (in the South), and two major receiving destinations, Hanoi and Ho Chi Minh City. This research makes use of the data drawn from a sub-sample of 967 temporary migrants interviewed in Hanoi and Ho Chi Minh City out of an overall sample of over 5,000 migrants of all types under the 2008 MIS study.

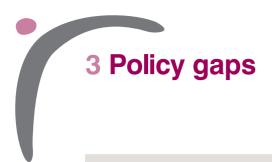
For the second group of migrants, we carried out a qualitative study to get in-depth information about forms of social protection provided by employers. Given resource limitations, we selected only enterprises in Hanoi. In total, we interviewed 100 migrant workers. At the time of the interviews in the summer of 2009, one half of them were employed, and the other half were already laid off due to the impact of the world financial crisis. In addition, we did 20 in-depth interviews on the issues of social protection for migrants with managers and trade union workers of some enterprises in the industrial parks, as well as with government officials.

Finally, we reviewed the available literature on migration and social protection. The review paid special attention to government legislation and reports regarding social protection in general and migration in particular.









Social protection policies in Vietnam

Social protection in Vietnam is provided through various social policies. For decades, social protection has largely been confined within the framework of poverty reduction policies, social assistance and social relief for people in especially difficult situations, support for disadvantaged populations, and benefits for families/persons with national merit. Essentially, social protection is designed more as a safety net for critically poor populations, and measures are primarily structured to cope with difficult situations once they have arisen. Prevention and mitigation strategies are not well embedded in the country's social protection structure. Over the last two decades, the government has also introduced social insurance and health insurance into the country's social security system.

The current legal structure, however, does not cover spontaneous migrants.² The government's overall view is to discourage this form of migration which is considered to be counterproductive to the national development. Spontaneous migration, or unorganised migration, is deemed to create pressures on the overloaded urban social services, infrastructure and employment capacity, as well as social orders. Institutionally, there is no government agency that is responsible for matters relating to spontaneous migration. The Ministry of Agriculture and Rural Development (MARD) is only responsible for organised migration; the Ministry of Public Security deals with registration; and the Ministry of Labour-Invalids and Social Affairs (MOLISA) does not have a policy tailored to the particular risks posed to these migrants.

Ho khau as an institutional barrier to social protection for spontaneous

Any discussion about migration, migrants' well-being and social protection in Vietnam should take into account the ho khau, or the household registration system. Imported from China, ho khau system was formally implemented in urban areas in 1955, and extended throughout the countryside in 1960. Under the system, each household is given a household registration booklet (so ho khau) which records the names, sex, date of birth, marital status, occupation of all household members and their relationship with the household head. In principle, no one can have his or her name listed in more than one household registration booklet. The ho khau of a person is intimately tied to their place of residence. If a person changes their place of residence, his or her ho khau should follow.

During war time and the period when the national economy was centrally planned and managed, ho khau was an effective mechanism that helped the government to mobilise people for national objectives and to assure relatively efficient distribution of resources and welfare. During this period, people had to depend on the government subsidies and rationing for their daily necessities, especially in urban areas. It was only with household registration booklets that a household or an individual could claim their rights to food provisions and other commodities, as well as access to social services, including education and health care. In other words, the ho khau was used not only as a system of identification, but also for controlling access to rights and services.

In addition, the ho khau regime, together with employment policies, played an important role in regional economic planning and for population redistribution. In particular, the government strictly directed migration into two main streams: to rural areas and to upland provinces in the North – the so-called new economic zones. This was in order to decrease population density and ease food shortages in more populated areas. This policy, based on the regulations of the household registration, made it very difficult for people from rural and mountainous areas to move to large cities and the plains (unless they were assigned employment by the state or reunited with their family) and therefore limited opportunities and livelihoods choices (Dang 2005; Le 1998; Hardy 2001).

Since the market reforms, often known as doi moi, initiated in the mid-1980s, the function of ho khau in controlling the mobility of people has gradually declined, due largely to the rapid growth of employment opportunities in the non-state sector. Yet, the ho khau of any person remains the prerequisite for his or her access to housing ownership and key public social services. As described by Hardy (2001): 'During the heyday of Vietnam's centrally planned economy, people often joked that there was no fear like the loss of your so gao, a person's individual book of food ration coupons... That fear no longer exists [with Doi moi] but there are new worries over another kind of book; the so ho khau (a household registration book) that contains rights of a citizen... To buy a house or land, to get married, to be employed, to register for a training course, to borrow from a bank, to register your child's birth, to get a motorbike license, to go abroad, or to install a phone line if you are Vietnamese, you need a so ho khau.' In the view of the government, as stated in the Decree No. 51/CP issued on 10 May 1997 and the Circular 06/TT/BNV issued in the same year by the Ministry of

²The government classifies migrants into two categories organised migrants and spontaneous migrants. Organised migrants include those affected by natural disasters who migrate with government assistance households that voluntarily go to new economic zones to promote agricultural, forestry and aqua-culture production and other trades: households that move to communes in border areas and on islands; families of the personnel of the armed forces, youth volunteers and intellectuals that are working in project areas of organised





Internal Affairs, ho khau is considered as 'a measure of administrative management of the State to determine the citizens' place of residence, ensure the existence of their rights and obligations, enhance social management, and maintain political stability, social order and safety.' Therefore spontaneous migrants who do not have ho khau in places where they live and work are exposed to multiple institutionalised vulnerabilities and risks.

It should be noted that at the highest level of legislation, the Constitution of Vietnam confirms the freedom of all citizens to move with their equal economic, social and political rights secured regardless of their whereabouts (Vietnam Constitution, 1946, 1959, 1980). Nonetheless, at the lower level, different laws, ordinances, decrees, decisions and circulars create strong barriers to spontaneous migrants accessing critical resources, services and support programmes. A shared feature of social protection policies in Vietnam is their residencebased principle, by which a person is entitled to housing ownership and various economic and social entitlements only when they are permanent residents of the locality.

Table 1 provides a map of government-defined categories of the population with their concordant rights and obligations, as stated in various laws.

As can be seen, spontaneous migrants (categorised as KT3 and particularly KT4 residents) face a number of vulnerabilities and risks. It should be noted that this table does not reflect the deprivation of some important entitlements of these migrants by institutional practices at the local level. Five critical problems severely affecting spontaneous migrants are employment, housing and living conditions, health care, education for migrants' children, and social participation in the host community. Indeed, without ho khau, some other rights of the migrants are also blocked, such as voting in the local community, registration for a marriage licence, birth certification for their newborns, and military service.3 In the following section, these five problems and their impact on the livelihood and well-being of the rural-urban migrants are discussed with evidence drawn from the empirical studies conducted under the project.

Table 1 Categorisation of citizens, their status, rights, obstacles and restrictions

Category	Status	Rights	Obstacles/Legal restrictions
KT1	Residents (including both non-migrants and migrants) with permanent household registration at place of current residence	Purchase and sell land and housing and have land/house ownership certificates access to public facilities and social services at current place of residence access to formal financial loans access to employment	Access to public social services including education and health care only within their district of residence
KT2	Intra-district migrants who have permanent household registration in the province/ city of current residence	Purchase and sell land and housing and have land/house ownership certificates access to public facilities and social services access to formal financial loans access to employment	Access to education and health care only within the district where they are registered Lack of access to financial loans/formal financial services
KT3	Migrants who do not have permanent registration at the place of current residence but have temporary registration for 6-12 months with the possibility of extension	Access to public facilities and social services	Lack of access to legal housing KT3 children can go to public schools only when they are not used to full capacity (by KT1 and KT2 children). If the schools are overcrowded, KT3 children have to go to private schools, where they have to pay higher school fees. Lack of access to financial loans/formal financial services
KT4	Migrants who do not have permanent registration at their place of current residence but have temporary registration for 1-6 months	Do not have the right to purchase land and access to public social services and financial loans	
Non- registered residents	Those who do not belong to any of the above category	Do not have the right to purchase land and access to public social services and financial loans	

3 Without a birth certificate, children are not able to register for schooling at public schools in the city, free health checks and treatment at place of residence

Source: all tables are based on data from the author's survey.







4 Impact of ho khau on well-being of migrants

Employment

Being classified as temporary residents without ho khau, migrants often face severe obstacles in obtaining employment in the formal sector in urban areas. Findings of the 2008 MIS show that nearly 70 per cent of spontaneous migrants (N=967) who approached employers in the formal sector were rejected because they did not have ho khau in the city. The interviews with the migrant workers at the industrial parks in Hanoi area also show that enterprises usually give employment priority to the local labour force. One manager at an industrial park said: 'We were instructed by the provincial government to recruit only workers who are local people [having permanent resident status]. This is because the local people should be given priority in terms of employment so that local economy and the [local] well-being can be promoted'. In fact, sometimes pressure comes from city authorities who want to address the problems of redundancy of labourers who are permanent residents. Labour recruitment of enterprises with foreign investment is often undertaken through the Department of Labour, Invalids and Social Welfare (DOLISA) which is likely to involve only local labourers.

Table 2 Employment characteristics of migrants (%)

Employed in the formal sector	6
Employed in the informal sector	94
Ever worked in 3D-jobs	70
Have written labour contract	5
Income less than 1 million dong	14
Income from 1 to less than 2 million dong	63
Income from 2 to less than 3 million dong	16
Income from 3 million dong or higher	7
Exposure to toxic substance	33
Performing 'perceived' dangerous tasks	17
 Possibility of work accident 	44
 Life-threatening 	11
- Rapid health deterioration	19
- Exposure to chemical substance	27
- Frequent contact with violence	9
Have accident insurance	9
Have health insurance	3
Have social insurance	2
Have other insurance	1

N=967

Because of the practice of many employers in the formal sector not recruiting labourers who do not have ho khau, many migrants turn to the informal sector in the cities. Data from the 2008 MIS show that the majority of migrants (94 per cent) found precarious and temporary jobs in the informal sector, particularly the so-called 3D-jobs (dirty, dangerous, and difficult – Table 2). Migrants in the informal sector are not protected by the Labour Code.

Findings of the survey also show that 95 per cent of the migrants in the sample do not have a labour contract. Their income is also low (median income is 1.5 million VND or 83USD per month). Insufficient income results in a very low level of saving. One migrant woman said, 'it's very hard and expensive to live here in this city. Prices of rent, electricity, water, all keep rising without warning. We have no saving at all.... You know, my husband sometimes has a job, sometimes he does not.... After unavoidable expenses on food and other necessities, we have nothing left. I try to save, but have nothing'. In fact, close to half of the migrants (41.5 per cent) have no savings at all; 58.2 per cent save up to 500,000 dong (31USD), and only one person out of 287 migrants interviewed have savings of 1 million dong (62.5USD). It should be noted that any savings, even small, that the migrants try to make are at the cost of their own well-being and social protection at

Migrants often work in difficult or dangerous jobs and generally have no social protection: one in three migrants (33 per cent) in the sample reported being exposed to toxic substances related to their work; close to one in five migrants considered their job to be 'dangerous' including the possibility of work accidents (one in every 20 migrants had already had an accident), life-threatening tasks, rapid deterioration of health, exposure to chemical substances and frequent contact with violent situations. Only one in ten migrants has accident insurance provided by employers. Regarding social insurance, only 2 per cent is covered (see Table 2).

For migrants working in the formal sector, the situation is better as they are under the protection of the Labour Code. Under the Code, workers in formal paid employment must be provided with labour contracts by their employers. These contracts must be written,4 with clear stipulation of working conditions and the rights and obligations of each party in the labour relationship.5 Labour contracts provide some level of protection for employees, for example, guaranteeing that labourers should receive salaries which should not be under the



⁴An oral agreement

respect of certain temporary works

employee





provisions: work to be performed, working hours and rest location of iob. duration of contract, conditions on occupational safety and hygiene; and social insurance for



minimum level defined by the government, be protected by the Trade Union, or have other entitlements such as working hours and overtime, work safety and hygiene conditions, holidays, maternity leave, social insurance, etc.

Our in-depth study of 100 migrant workers working at the industrial parks in Hanoi shows systematic violations of the Labour Code. The most critical violation relates to the labour contract. While most of the migrant workers interviewed have a labour contract, very often these documents do not clearly stipulate all the benefits that employees are entitled to.

Also, it is common that the migrant workers do not have a copy of the contract, as required by the law. In fact, some migrant workers do not know that they should keep a contract to assure their legal protection. There are two major reasons explaining this situation. First, as explained by a trade union cadre, '...contract-based employment is new in Vietnam. Previously all workers were employed by the government, and there was no need for contract, as most received life-time employment'. Second, legal 'literacy' of workers in general and migrant workers in particular is low. 'In general, workers are not trained about the legal documents that are relevant to their well-beings and their rights.... It is not introduced through the mass media.... Trade union usually do not inform workers about the labour laws' (union worker, interviewed in Hanoi).

One serious problem is the term of the contract. Many workers in the industrial parks received only short-term contracts for regular employment. This practice is in fact prohibited by the labour laws. By providing workers with only short-term contracts, employers are in the position of being able to 'dispose' of workers at will, with no commitment of providing social protection to them as required by the law. This is particularly noticeable during a period of economic down-turn, such as during the recent financial crisis. As mentioned, in the study we interviewed 50 migrant workers who were laid off because of the crisis. As reported by these respondents, workers with short-term labour contracts were among the first groups to lose their job (other groups were apprentices; those whose labour contract would soon be completed; and 'rule breakers'). In this way the employers can reduce employment while at the same time minimising the costs for their companies.

Because of the poor enforcement of the Labour Code, the low 'legal literacy' of the workers, and the dysfunction of the Trade Union, the migrant workers face multiple vulnerabilities at the workplace. These include:

- Poor working conditions: most of the migrant workers reported hazardous working conditions. Although most of them receive extra payment, called 'hazardous allowance' (tro cap doc hai), the compensation is extremely low (10 to 20 thousand dong or 0.6 to 1.2 USD per month). Working accidents occurred occasionally. However not all migrants are entitled to accident insurance and labour safety provision. In general, labour inspection rarely takes place, and when it does happen, the quality of the inspection is questionable. In our study, we found that at some places, workers are forced (by managers) to provide incorrect information about their working and living conditions, time of work, and other welfare issues.
- Low payment: the mean salary of the workers at the industrial parks is about 1 million dong a month (63 USD). In addition to salary, there are allowances for overtime work, night shifts, diligence, meals, housing and transportation subsidies. However, these allowances are nominal and not all the workers receive these payments.
- No insurance: employers are requested by law to provide social insurance and health or accident insurance for workers. In fact, our research finds that many enterprises ignore this regulation. For example, regarding social insurance, employers in some enterprises establish their own norms according to which some workers receive no insurance.
- Poor welfare: legally required welfare such as annual and sick leave are also often neglected by employers.
 Even when workers are aware of their entitlements, they are not always in the position to demand them. Also, although all employers are required to provide yearly health checks for workers, it is often not taken seriously.

During the period of the financial crisis, the social protection of the workers was further compromised. Besides massive lay-offs, employers undertook various measures to survive the crisis with detrimental effects on the well-being of the workers.

• Reduce/increase workload: workers were forced to take many days off and their salaries, bonus and allowances were substantially cut. Instead of being openly fired, workers were asked to stay home 'without pay' to be 'called up when work is available'. The workers also no longer had the opportunity to work overtime to gain additional income. But workers could also be subject to increased workloads. In some other enterprises, due to the shortage of labour (because of lay-offs), the remaining workers were forced to work











overtim. Shifts and workloads were also increased. Yet for this work, the workers did not receive any additional or higher pay as required by the laws.

- Reduce/delay payment: many workers got paid as low as half their regular income. Late payment of salary (sometimes as much as several months to a year) is also common. Low income due to working time reduction and late pay made the situation of the migrant workers particularly hard.
- Welfare deduction: to survive the crisis, many enterprises significantly reduced the welfare of workers, such as not increasing salary or reducing bonuses for holidays. The regulations concerning health care for workers, especially regular health checks, have been ignored as well. Also, insurances for workers were not maintained by the companies during the crisis. Those with short-term work contracts were more likely to work without insurance. Therefore, when losing their job, they did not receive any welfare. Also, workers no longer received various benefits such as tourism, entertainment, recreation etc., which used to be covered by the enterprises.

It should be noted that in all the enterprises where we conducted the study, the role of the trade union was quite limited. According to the respondents, the union does not protect the workers, even though they have to pay regular membership fees. 'It means the trade union does not care about working and living conditions of workers. If we have some needs, requests or demands, we do not receive sufficient care from them.... Trade union leaders are those allocated from above [not elected from the workers themselves]... Our strikes, we organised ourselves, not by them... I would say that the role of the trade union is zero' (Male worker interviewed in Bac Ninh). 'Talking with the trade union is like to talking with the enterprise [employers/manager]' (Female worker interviewed in Dai Tu).

Housing

As spontaneous migration is discouraged by the government, housing policy creates barriers to temporary migrants to purchase and possess dwellings at the place of destination. As reflected in the data collected in the 2008 MIS, almost all the migrants (93 per cent) have to rent a dwelling place.

Most migrants seek accommodation in low-quality boarding houses in poor neighborhoods with poor physical infrastructure (Table 3). Another critical problem migrants face is the much higher charges applied to temporary residents (without *ho khau*) for electricity and piped water, and other charges such as fees for community sanitation, rubbish collection, road/lane reparation, security etc.

Table 3 Housing of migrants (%)

Rented boarding house	93
Live with friends/relatives	3.5
Own place	3.5
Semi permanent or temporary house	81
House with no toilet	14
House with no pipe water	76
Health-damaging cooking energy	17

N=967

For the migrant workers in the industrial parks, the situation is not much better as only a few enterprises provide housing for workers. Because of their low income, the majority of these migrant workers whom we interviewed rented cheap dwellings in proximity to their factories. A few enterprises however provide the workers with boarding houses which are of better quality. Still, the living conditions at these boarding houses are far from comfortable. Usually they are lines of one-storey buildings, divided into separate rooms, with shared bathrooms and toilets attached. Sometimes the roof is made of metal, making the rooms hot during the summer. Meanwhile, electricity is not always available, especially in the evening, so fans cannot be used. These rooms are also cold during the winter. For other necessary utilities, namely electricity and water, the migrant workers have to pay themselves. One serious problem is that, as temporary residents, a much higher rate is charged for migrants.

Health conditions and health care utilisation

Restricted access to affordable health care services due to the absence of *ho khau* is another direct consequence for migrants of the residence-based social policies. Evidence of this policy impact on the health conditions of the migrants can be found in the research data. Obviously, poor working conditions in the informal sector also expose migrants to health problems. Close to two thirds of the migrants reported that their health was affected by working and living conditions, and very few respondents rated their health as being very good. The results of the comparison of health status before and after migration provide equally disturbing results,







with close to 40 per cent of migrants reporting that their current health was worse than their level of health before migration.

Table 4 Health conditions of migrants (%)

Very good health	
Good health	
Normal health	57
Bad health	10
Very bad health	
Better health than before migration	
Same health as before migration	
Worse health than before migration	

N=967

Table 5 Health seeking behaviors of migrants (%)

Do nothing when being ill	7
Self-treatment when being ill	81
Go to community clinic when being ill	2
Go to public hospital when being ill	9
Pay with pocket money	67
Covered by health insurance	33
Go to private hospital when being ill	1

N=967

As revealed in Table 5, the most common strategies that the migrants adopt are doing-nothing or self-treatment (7 per cent and 81 per cent respectively). Indeed, the migrants we interviewed have no social mechanism to protect their health. They face their health problems and deal with them as isolated individuals without any formal support. For a small portion (9 per cent) of those who were sick and treated at health facilities, most (67 per cent) have to pay for the costs of service and medication from their own pocket. Many of them have health insurance but cannot use it to cover the costs, as this entitlement is designated to be used at their home community. Only migrants working in the formal sector have some of their medical costs covered by insurance. A common situation experienced by the migrants is described by a respondent: 'insurance cards in general, including those of my children, are complicated to use. Like recently, I took my youngest son to examination, I decided to use paid-service to be fast. If using insurance card, I have to start from the commune clinic

[at home village], then get transferred to the district, and then to the province while I do not have time. I would rather pay to make it simple, even though it was much more expensive,' (Female migrant, interviewed in Hanoi).

It is clear that migrants are more susceptible to illness and disease as they lack access to timely and adequate health care. Given the increased use of cash-based health services, the rising cost of medication, and residence-based health insurance, poor migrants are vulnerable to health risks without being protected by the formal system of health care. Indeed, other factors also contribute to the health-related vulnerabilities of migrants. Since most rural-urban migrants are poor, they have difficulties in paying for health care services (Nguyen 2004).

Education for children

Without ho khau, migrants are not allowed to send their children to schools in the public system. They have to send their children to private schools and bear much higher costs. Many migrants cannot afford to pay, therefore access to school for many children is not possible. Data from the 2008 MIS show that 43 per cent of the children of the migrants in the sample cannot go to school. Of those children, 84 per cent cannot go because they do not have ho khau at the place of residence. For the migrants who sent their children to school, paying higher school fees (tuition and other school-related expenses) than the standard rates cut considerably into their earnings, with adverse impact on their living conditions. Migrant workers employed in the industrial parks also face a similar situation.

Social participation

As temporary residents with no ho khau, migrants' access to local community institutions and activities are severely limited. Their general social exclusion and isolation is evident in several ways: difficulties finding employment, low and unstable income, poor living arrangements, home sickness, poor health, money defraud and labour exploitation (see Table 6). Yet, when asked, half of them took no action to address these problems, and most of the rest relied on the pre-existing social network of kin and friends for some sort of support. Almost no migrants sought help from official sources, even about their safety, which was one of their key concerns (Table 7).







Table 6 Major difficulties of migrants (%)

	Reporting as a problem	Reporting as major problem
Unable to find a stable job	82.3	78.1
Low and unstable income	55.2	31.3
Labour exploitation	28.9	15.4
Poor housing	49.0	12.3
Poor conditions for health	61.0	8.7
Home sickness	33.7	15.5
Money defraud	10.4	3.4
Others	6.2	1.5

N=967

Table 7 Actions of migrants to address difficulties (%)

Doing nothing to address difficulties	48.3
Seek support from friends and relatives	49.2
Seek help from local authorities	0.7
Seek help from mass organisations	0.2
Seek help from local civil society organisations	0.1
Others	2.5
Participation in community activities	3.2
Participate in community meetings organised by local authorities	1.2
Reasons for no attendance	
 Not allowed to participate 	92.7
Do not think it is important	65.6
 Do not know about these activities 	35.8
- Others	24.7

N=967

Qualitative evidence shows that migrants consider themselves as 'outsiders', and have minimum or no contact with local residents. Among local residents, it is not uncommon that migrants are stigmatised and labelled negatively. Migrants are sometimes viewed as making the community 'dirty', 'polluted', 'noisy', 'disordered', 'over-populated', 'congested' and 'unsafe'. However the research also found that in some communities attitudes are more open and friendly; migrants are viewed as basically 'good' people, contributing to local economy through rents, purchases, and social contributions.

As 'outsiders', migrants are officially not entitled to local resources and government support. In fact, the *ho khau* based nature of social policies and many other support programmes for the poor, such as credits from hunger eradication and poverty reduction programmes, school fee reduction or exemption, free medical care booklets,

etc. explicitly exclude migrants from being qualified recipients. In addition, some policies and urban order programmes such as prohibition of cyclos and street vendors or forced repatriation of migrants further alienate them.

The studies also find a very low level of community participation among the migrants. For example, less than 5 per cent of the interviewed migrants participated in community events, such as sports and cultural activities, or local meetings to learn about government policies and programmes, as well as local programmes. In so doing, migrants effectively excluded themselves from useful information and potential support. When asked why, the majority of the migrants said they did not fit the official categories that would permit them to attend (Table 7). They are generally not invited by the local authorities. At best, they are informed about the local news and activities through their landlords, who attend the local meetings. At some surveyed communities, the landlords are requested by the local authority to 'keep an eye on tenants [migrants]'. The issue of security for the local community is often mentioned by local police in the regular meetings of residential clusters. Migrants are sometimes referred to as among those making the community 'insecure'. This reinforces the negative view of the community towards them.











5 Recent state response

New Residence Law

As already discussed, ho khau creates institutional barriers for migrants to access their social and political entitlements, services and support programmes (Locke 2008; GSO 2006; Dang et al. 2003; Hardy 2001). The migrants' unprotected legal status leads to their vulnerability and social exclusion in urban areas. A common public concern is that the ho khau system has violated the freedom of residency stipulated in the Constitution. It also creates discrimination between migrants and non-migrants as ho khau has been misused in many activities such as in real estate transactions, job applications and school registration. A report by the National Assembly estimates that there used to be over 420 legal documents on transactions that require ho khau of involved parties, of which 380 documents are presently still in effect (Lao Dong 2007).

Over the last few years, there have been some positive revisions regarding ho khau policies and the ho khau system. In order to amend and revise some impractical articles of the Government Decree No.51/CP on household registration, the Prime Minister issued the Decree No.108/2005/ND-CP on August 19 2005. In implementing this Decree, the Ministry of Public Security promulgated the Circular No.11/2005/TT-BCA-C11 on 7 October 2005, guiding the new practices of household registration in accordance with the Government Decree No.108. According to the new regulations, migrants who want to change status from temporary to permanent residents need to meet three conditions in order to be issued a registration book (so ho khau) in a city: (i) residing in a legal house; (ii) having a stable income; (iii) having continuous residence in the city at least three years. It is widely recognised in the media and society that the conditions for issuing ho khau for migrants have been relaxed. The new relaxations are as follows. First, the minimum residence duration has been reduced from five years to three years. Second, the term 'legal' house does not just mean a land-use certificate or house-ownership certificate; it can be a certification from the sub-district People's Committee about the legal status of the house or a house-renting contract. Third, in the past only spouses and children were eligible for application for permanent residence status; nowadays, application can be widened to include nieces and nephews. In general these new regulations have created a more open legal framework for migrants to have ho khau (Weibel 2008; Le 2006).

Most recently, an important step forward in the improvement of the legal situation of migrants was made

on 1st July 2007, when a new Residential Law came into effect. The new law generally covers two major issues: right of residence and the order and procedures for residential registration and control. This new law is believed to open a door for temporary migrants to apply for permanent residency status far more easily in major cities. Now, the beneficiaries, who are the KT3 migrants, are only required to provide proof of their uninterrupted employment status for at least one year, as well as a continuous legal residence for the same period of time. This is also applicable to those who do not own a house but just rent or borrow a housing unit, as long as they can show the written agreement of the owner, lender or host thereof. Previously, migrants had to reside in the cities for three consecutive years (until 2005 the requirement was as high as five years). The law also provides that a holder of permanent residence (register) is eligible to admit his/ her spouse and children to his/her current accommodation

A major remaining problem that this law has created for migrants is not related to legal residential issues, but to proving that they have had an uninterrupted stable job for one year (Weibel 2008). In most cases, migrant workers are provided with no or short-term written work contracts that rarely extend over one year. Also, the majority of migrants are working in the informal sector where having a labour contract is largely impossible. Nevertheless, this new Residential Law has resulted in better conditions for migrants to apply for permanent ho khau. For instance, the new Law allowed more than 300,000 migrants from other provinces to register as permanent residents in Ho Chi Minh City since 2007 (Vietnam News 2010).

It should also be noted that those who qualify for the new, easier conditions are mostly people belonging to the KT3 category. These regulations still deny spontaneous migrants (KT4) to cities to have permanent household registration, as long as they have not resided continuously for at least three years. Without permanent household registration, migrants continue to be barred from rights granted to them by the Constitution and other laws.

The debate about the *ho khau* system still continues. On one side, anti-*ho khau* legislators suggested either abolishing this system and using identification cards to which is added the holder's household information or combining the *ho khau* and the identification card into what they called 'a resident permit' or 'an electronic resident card' – a more modern management method. On the other side, a majority of the National Assembly







Standing Committee, as well as senior officials from the Ministry of Public Security (MPS) (the agency responsible for drafting the Residential Law and managing the ho khau system) successfully argued that it is 'very necessary' to maintain the current administrative system using ho khau for the sake of social order and security. They also recommended that the procedures for registration should be improved and simplified, rather than replaced with a new structure, such as 'a resident permit' because it would create complicated procedures for the people and because the present infrastructure, technical facilities, budget and human resources capacity are insufficient. One positive development is that many representatives suggested that the new law must provide concrete stipulations for banning the 'exploitation' of ho khau, which means ho khau must be considered as a residence certification only, but not be linked to any other economic, social and political interests of the citizens. With regard to a discussion on which government agency should take responsibility for managing the ho khau system, one deputy suggested a civil agency instead of the Ministry of Public Security.

Labour market information

The lack of job information on the local, regional and national labour market is a critical problem preventing migrants from accessing employment opportunities in the formal sector of the economy. In this research, many migrant workers told the researchers that they have no access to formal information channels. Local authorities, the People Committees at three levels (provincial, district, and commune) often do not have labour market information, especially employment opportunities in other localities. In fact, People's Committees at all levels have offices (provincial level) and officials (district and commune) that are responsible for labour issues. More relevant government bodies are the provincial Departments of Labour - Invalids and Social Affairs (DOLISA), district Bureaus of Labour - Invalids and Social Affairs, and commune labour officials (based at the commune People Committees). However, so far these state institutions do not function well in providing labour market information to the population. At the large cities, like Hanoi and Ho Chi Minh City, there are a few Centers for Employment Introduction administered by DOLISA (Trung tam gioi thieu viec lam). However, these are not at all useful for migrants as they are located in the cities and migrants have no access to the internet or other forms of information provision. Even when migrants approach these centres to get job information and purchase

services, the experience turns out to be very disappointing. 'These centres are not at all helpful. They have almost no information about various job opportunities. And the information is not always updated.... Their service attitude is also not friendly,' (Male worker, Nhu Quynh industrial park).

As yet a labour information system does not exist in Vietnam. According to our interviews with government officials of MOLISA and Hanoi DOLISA, the government plans to construct a comprehensive system in the years to come. '... The labour information system should be national, connecting national and local markets, and should include employment opportunities in both state, private and foreign invested sectors into a unified structure accessible through internet so that any labourers in need for employment to search for jobs that match his/her professional skills,' (Government official, interviewed in Hanoi). At present, MOLISA is undertaking a project with technical and financial support from the International Labour Organisation (ILO) aiming at creating such a system (EU-funded/ILO-managed Labour Market Project). It is believed that once the system is in place, it will harmonise both supply and demand ends of the national labour market. In addition, MOLISA has also worked with the US Department of Labour on various labour issues, including labour market information systems.

Meanwhile, some initiatives have already been undertaken at the community level. For example, since 2009, the Department of Labour in Ho Chi Minh City has run a centre that provides information on job opportunities and vocational training classes. Initiative can also be taken in enterprises as well. In our research, we found that some enterprises worked with commune authorities to broadcast recruitment opportunities via the commune loudspeaker system. In fact, many migrants coming to cities to find a job know about employment opportunities through this channel of information.

Housing

According to the official data, at present Hanoi has 16 industrial parks and 39 industrial complexes. Of these 8 industrial parks are already in operation. Most of the parks, however, do not have housing for workers. Nationwide, only 2 per cent of the workers can rent houses provided by employers; and 90 per cent have to live in temporary boarding houses of low quality and with poor living conditions. Most of these houses do not meet the housing standards issued by the Ministry of Construction.







Realising the housing needs of workers at the industrial parks, Hanoi Construction Department has worked with the employers and managers of these parks to make a plan of building housing complexes for workers at all the localities where the factories are located. According to statistics provided to the researchers by the city officials, by 2015, the number of workers employed in the industrial parks in Hanoi will be 465,000, of them 50 per cent will need to rent dwellings, making a demand for 28,750 apartments (8 workers/1 apartment), requiring an investment of at least 500 million USD.

At present, some developments have already been underway. For example, at Kim Chung Commune, Dong Anh District (Hanoi), five blocks of buildings housing 1,000 workers are already constructed. The plan is to build another 15 blocks, enough to house 9,000 workers working in North Thang Long industrial park. Regarding policy, on 24 April 2009 the government issued Decree 18/NQ-CP and the Decree 66/2009/QD-TTg that provide favorable conditions to build housing for workers. The goal is to build enough housing for about 50 per cent of all the workers of the industrial parks in Hanoi by the year 2015.

Clearly, up until now the planning and development of the industrial parks have been far from comprehensive and integrated into the overall master plan of urban development. Particularly, the construction of the industrial parks does not take into consideration housing, as well as other physical and social utilities for employees, especially migrants from other areas. Only recently are some localities, such as the provinces of Bac Ninh, Hai Duong (in the North) or Dong Nai, Long An and Binh Duong (in the South), designing development plans in which the construction of housing complexes for employees goes hand in hand with the construction of industrial parks themselves.

A number of solutions to the issues of housing have been discussed over the past few years in the National Assembly, conferences, and in the mass media. Suggestions include:

- Develop and pass the country's overall plan for the development of industrial parks to the year 2015 with a vision to 2020 that emphasises the comprehensiveness of industrial parks complemented with physical and social infrastructure and residential buildings, as well as other utilities
- Housing for workers should be integrated into the development of industrial parks in particular and urban development in general

- Favourable policies or enabling legal framework for the construction of housing for the poor in general and for workers in particular; encourage various sectors to participate in building housing for workers through tax exemption/reduction policies
- Minimum standards for housing for workers should be established
- Establish funds for housing for workers to support workers to rent/purchase housing; the funds should come from the local budget, with other contributions from businesses and organisations in the locality
- Establish mechanisms to oversee rent levels to avoid speculation
- Clearly defined responsibilities of local authority, industrial parks, businesses and workers themselves in the construction, management, utilisation of housing for workers











6 Conclusion

The findings of this research suggest a number of policy recommendations. Ultimately they all boil down to the current situation of the country's social security structure. Up until now, Vietnam still lacks a comprehensive framework of policies and programmes regarding social protection for the general population and for spontaneous rural-urban migrants in particular. Although the government has issued various economic and social policies that provide some social security for the rural population, ethnic minorities and other vulnerable groups, in general the social security system remains biased and fragmented. Particularly, the system lacks a comprehensive approach based on rights, entitlements, and inclusion. Social protection policies and programmes continue to be viewed by the government as a sort of charity, not as a long-term investment in human capability and development.

Clearly, future efforts to improve social protection in Vietnam should be based on a clear definition of social protection, as it will serve as a necessary framework not only for policy formulation, implementation, supervision, progress monitoring but also for building a consensus with the society. The declared socialist orientation means that the government should comply with the principle that economic growth must be linked with the promotion of social progress and equity at every stage of development.

Employing such an approach to social protection, this research identifies the major policy gaps that for decades have sustained the disadvantages of rural-urban migrants. In particular, our research focuses on the various implications of ho khau policies and ho khau based social policies on the well-being of the general population and of spontaneous migrants coming to work and live in the urban centres, and on the current social protection practices in workplaces for migrants working in the industrial parks. Evidence from quantitative and qualitative data in this research shows that spontaneous migrants have faced various risks caused by ho khau policy and ho khau based social policies and institutional practices as well as the poor enforcement of the Labour Code, while the social protection mechanisms available for them is nominal at all three micro, meso and macro levels. Findings of the research suggest that even if the residence-based principle of the current national social security system is relaxed, rural-urban migrants will continue to be excluded and marginalised from the social progress brought about by the market reforms. Policy revision should rest first on increasing migrants' access to key social and economic resources and second on recognising the legal status of the migrants themselves in the places of destination.

For the migrants employed in the formal sector, including the industrial parks and the export processing zones, their vulnerabilities are caused by the poor oversight and implementation of the labour laws. The problem is that the government does not have a strong institutional mechanism to enforce the laws for the employers, and the workers themselves do not have sufficient knowledge of the laws and their rights, while the channels to voice their concerns are severely limited. The research finds that the key problems faced by the workers of the industrial parks include, poor working conditions (including a lot of critical issues ranging from the kind of work to perform, working conditions on shop-floor, labour regulations to wages and other fringe benefits), poor living conditions (including the physical conditions of dwelling-places and other sociocultural aspects of life structured around it), lack of understanding and inadequate implementation of labour laws, and ineffective grievance mechanisms. Meanwhile, the trade unions do not function. There are many criticisms of the failure of the trade unions in protecting workers' rights and buffering labour disputes. As a consequence, workers are at the disposal of employers and have no protection during periods of economic down

Obviously, social protection for the migrant workers in the industrial parks should be addressed through better supervision of the labour laws, through effective trade unions, and also through the participation of the workers themselves. In addition, being migrants, who are temporary residents at the place of destination, they are exposed to risks and difficulties caused by residence-based social policies. As such, any efforts to improve the ho khau system will have direct positive impact on the social protection for these migrant workers.

The government of Vietnam has recently made some progress moves towards a better legal framework for improving the well-being of migrants. Yet opportunities, and challenges, remain in changing the state's overall approach towards migration in a fundamental way in which the state should make unrestricted migrants agents of development through providing socioeconomic opportunities and protecting all their constitutional rights and entitlements.









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