Vietnam’s Future Jobs: the Gender Dimension

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Context

VIETNAM’S FUTURE JOBS
LEVERAGING MEGA TRENDS
FOR GREATER PROSPERITY
MAIN REPORT

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AUSTRALIA-WORLD BANK GROUP STRATEGIC PARTNERSHIP IN VIETNAM
Gender Theme

VIETNAM’S FUTURE JOBS
THE GENDER DIMENSION
Vietnam excels in gender equality in the labor market in some ways...
Women have high labor force participation rates

79% of Vietnamese women are working

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An even higher share of prime aged women are working

Source: author’s calculations based on WDI (extracted June 2017)

Source: author’s calculations based on VLFS 2016
Women’s jobs have improved in recent years

The gender wage gap is closing

**Conditional Gender wage gap 2011-2014**

<table>
<thead>
<tr>
<th>Year</th>
<th>% change in hourly wages relative to reference group</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>-15.4%</td>
</tr>
<tr>
<td>2012</td>
<td>-14.3%</td>
</tr>
<tr>
<td>2013</td>
<td>-14.2%</td>
</tr>
<tr>
<td>2014</td>
<td>-12.6%</td>
</tr>
</tbody>
</table>

Source: Demombynes and Testaverde, 2018

Note: Estimate accounts for differential male and female demographic, gender, and occupational distributions

Women hold a large share of modern jobs in exporting and/or foreign-owned firms

- By 2015, 68% of workers in foreign-owned companies operating in Vietnam were women, equivalent to nearly 1.5 million workers.

Source: Hallward-Dreimeier & Aterido (2018)
... but gender equality in job lags in other ways
Gender Wage Gaps persist

10% gender wage gap; 12% if comparing those with same education level

Women earn less than men within occupation (except clerks)

% less earned by a woman than a man

Source: author’s calculations based on VLFS 2016

Mean Monthly Wage Earnings by Occupation, 2015 dong and female to male earnings ratio

Source: author’s calculations based on GSO 2016, date from 2015
What underlies the wage gaps?
Occupational segregation

Women are numerous & over-represented in low-paid occupations and traditional forms of work

- almost 52 percent of farm workers were women while approximately 48 percent were men.
- About 55 percent of self-employed non-farm workers were also women compared to 45 percent of men.

Share of each occupation that is female

- Managers
- Professionals
- Clerks
- Service/sales
- Skilled ag
- Craft workers
- Machinists/assembly
- Elementary occupations

Source: adapted from GSO (2016)
What underlies the wage gaps?
Gender roles in the household

Homecare crowds out market work

<table>
<thead>
<tr>
<th>Weekly hours of homecare</th>
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</thead>
<tbody>
<tr>
<td>0</td>
</tr>
<tr>
<td>20</td>
</tr>
<tr>
<td>40</td>
</tr>
<tr>
<td>60</td>
</tr>
<tr>
<td>80</td>
</tr>
</tbody>
</table>

- women
- women (no formal education)
- men

Source: ActionAid (2016)

- Among the self-employed 25% of women state that they selected this type of work to balance work and family, as compared to 6% of men (Pasquier et al. 2017)

Rising dependency ratios may exacerbate the time demands on women

Share of Working Age Population

- Child Dependency
- Old Dependency

Source: ActionAid (2016)
What underlies the wage gaps?
Social norms

<table>
<thead>
<tr>
<th>Gender discrimination in various forms</th>
<th>Gender norms perpetuated across generations</th>
</tr>
</thead>
<tbody>
<tr>
<td>By <strong>employers</strong>: 65% of advertisements for top managers specified a gender requirement (ILO 2016)</td>
<td>Parents select fields of study and jobs for their boy &amp; girl children differently:</td>
</tr>
<tr>
<td>By <strong>legal system</strong>: Law 160 provides a list of occupations that not suitable for women in their roles as mothers</td>
<td></td>
</tr>
<tr>
<td>By <strong>self</strong>: 86% of respondents state that a woman needs a child to fulfill her role (Dalton and Ong 2001)</td>
<td></td>
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</tbody>
</table>

Source: Weimann-Sandig, 2019
Policy to Address Vietnam’s Gender Gaps

- Trade & foreign investment strategies to foster gender-neutral and female-friendly industry
- Expand job opportunities for women in traditionally male-dominated fields and sectors
- Revise the labor code to guarantee equality of LM opportunities between women and men
- Use labor law and workplace norms to encourage a shift in gender norms in the workplace
- Long-term care system to alleviate homecare constraints on women