

The Contribution of Female Labor Supply to Urban Economic Growth - A Perspective from Ho Chi Minh City (Vietnam)

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ABSTRACT: Women's labor plays a crucial role in a locality's socioeconomic landscape and can be understood through three key characteristics: quantity, quality, and structure. Ho Chi Minh City is a primary international gateway that receives advanced scientific and technological achievements from developed countries. Therefore, women's labor—particularly female human resources—contributes significantly to the city's production, business, and service activities. In recent years, the rapid development of the Industry 4.0 technological revolution has directly affected women workers, necessitating adjustments to keep pace with ongoing changes. Research on the structure and quality of women's labor helps scholars better understand this group in the historical development of the Saigon–Ho Chi Minh City region.

KEYWORDS: structure; quality; women's labor; Ho Chi Minh City...

1. INTRODUCTION

Women's labor constitutes a significant component of local human resources and can be examined through three basic dimensions: quantity, quality, and structure. Existing studies on women's labor—both domestic and international—have examined the topic from various angles; however, they largely converge on the view that women's labor plays a crucial role in economic development, social stability, and social welfare. As a prominent locality, Ho Chi Minh City (HCMC) has played a key role in stabilizing and coordinating economic activity in the southern region.

A notable strength of HCMC is its ability to attract foreign-invested enterprises and adopt advanced technological models from developed countries for application across multiple fields, particularly in production-related work, where women's labor also makes a significant contribution. Over the past 50 years, the city's female workforce has expanded in size, improved in quality, and gradually strengthened its presence across various economic sectors. In addition, HCMC is one of Vietnam's most important financial, political, cultural, and educational centers. During the 2011–2020 period of intensive development, the city's average annual economic growth reached 6.86%. In 2023, it continued to lead the country in attracting foreign direct investment (FDI) with USD 5.85 billion (Ho Chi Minh City Statistics Department, 2020).

In the twenty-first century, the Fourth Industrial Revolution and globalization have become major forces shaping human development. These forces exert substantial and far-reaching impacts on countries across economic, political, cultural, and social dimensions. Meanwhile, the growing integration of science and technology into products and services creates both new opportunities and new challenges for maintaining competitiveness. In this context, Resolution No. 31 outlines the vision and objectives for building a civilized and modern HCMC, including the goal of becoming, by 2030, a dynamic and creative city and a national hub for the economy, finance, trade, culture, education, and science and technology, with deep international integration and a prominent position in Southeast Asia. The city also continues to restructure its economy and renew its growth model based on the knowledge economy, science and technology, innovation, and high labor productivity, while pursuing orientations toward high-tech development, the digital economy, green growth, and the circular economy models.

Based on recent achievements and the recovery following the COVID-19 period, the city's economy has shown significant improvement; women workers have gradually returned to support the city's economy in subsequent years. Therefore, focusing on research and development of women's labor in HCMC is considered meaningful for advancing the city's long-term development orientation toward 2030 and vision to 2045.

This study employs two primary approaches: quantitative and qualitative methods. Quantitative analysis draws on data from the Ho Chi Minh City Statistical Office to clarify the structure of women's labor relative to men's labor and the city's population. In contrast, qualitative analysis (including presentation, analysis, comparison, and descriptive statistics) provides a deeper understanding of observed patterns. On that basis, the study proposes practical solutions to develop women's labor in HCMC within the ongoing trajectory of the Fourth Industrial Revolution.

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2. RESEARCH CONTENT

2.1. Historical factors and the impact of the 4.0 technological revolution.

According to the United Nations Development Agency (UNDP), “Human resources encompass all the knowledge, skills, experience, abilities, and creativity of individuals that are relevant to the development of each individual and the country” (Amanda E. Green, 2010). Human resources should be understood as the quantity (population) and quality of people, including their physical and mental health, intelligence, capabilities, qualities, and ethics (Pham Minh Hac, 2001). Human resources are the aggregate of the labor potential of an organization, a locality, or a nation, forming an organically unified system of social capacity (physical strength, intellectual capacity, personality). Thanks to this unity, human resources are transformed into human capital to meet development requirements (Doan Van Khai, 2005). On this basis, the workforce makes a significant contribution to the socio-economic development of the locality.

In the 21st century, the Fourth Industrial Revolution and globalization have become inevitable trends in humanity's development. These factors are having a profound impact on countries around the world across economic, political, cultural, and social dimensions. The growing scientific and technological content across all products and services presents new opportunities and challenges for all countries seeking to maintain their competitive advantage.

Ho Chi Minh City is one of the most critical economic, political, cultural, and educational centers in Vietnam. It is a centrally governed city, classified as a special urban area of Vietnam, along with Hanoi. During the period of intensive economic development (2011-2020), the city's economic growth averaged 6.86% per year, exceeding the national average growth rate (5.96%) and the Southern key economic region (6.31%). In 2020, the city's economic scale increased 2.7 times, and per capita income increased 2.39 times compared with 2010. The city's economy continued to innovate its model, enhancing the quality of economic growth through the application of science and technology. The economic structure continued to shift in the right direction, with a focus on high-tech industries, services, and agriculture. In 2023, Ho Chi Minh City's economy remained the country's top destination for foreign direct investment (FDI), attracting US\$5.85 billion, a nearly 50% increase from 2022. (Nhan Dan Newspaper, 2024).

With the motto "Ho Chi Minh City for the whole country, the whole country for Ho Chi Minh City," Resolution No. 31 clearly outlines the vision and goals for developing Ho Chi Minh City into a civilized, modern city. Specific goals have also been set, including: by 2030, Ho Chi Minh City will become a civilized, contemporary, compassionate, dynamic, and creative city, the country's economic, financial, commercial, cultural, educational, and scientific-technological center, deeply integrated internationally, and holding a prominent position in Southeast Asia. The city is continuing to restructure its overall economy while innovating its growth model based on a knowledge-based economy, applying science and technology, and fostering high labor productivity. Planning and transforming models for high-tech zones, industrial parks, and export processing zones to promote the development of high technology, innovation, a digital economy, a green economy, and a circular economy; selecting high-value-added products and processes to participate in regional and global value chains.

Despite the impact of the COVID-19 pandemic, Ho Chi Minh City's economy has made significant progress. It appears that female labor has gradually recovered and will resume contributing to the city's economy in the years to come. They continue to uphold the traditional qualities of women from Ho Chi Minh City, from the past to the present. Therefore, to achieve economic development goals by 2030 and to envision 2045, with a vision of becoming an economic and financial center of Asia with a distinctive culture and high quality, requires a synchronized and strategic mindset. In particular, focusing on research and development of female labor in the city is crucial to affirming this goal.

2.2 . Structure and quality of the female workforce

Workforce Structure

In 2019, Ho Chi Minh City had a labor force of nearly 4.6 million people aged 15 and over, accounting for 8.6% of the national labor force. This comprised approximately 4,443,000 employed individuals and around 136,000 unemployed individuals. In the city's total labor force, women accounted for a lower proportion than men (46.0% compared to 54.0%). Over the past decade, the gender ratio has remained relatively unchanged (2009 Population and Housing Census: men, 53.6%; women, 46.4%). Nationwide, the proportion of men is consistently higher than that of women in the city, the Southeast region, and the country as a whole, by 8.0, 8.4, and 5.4 percentage points, respectively (Figure 1). This is due to the higher proportion of women not participating in economic activities compared with men, primarily among homemakers, who are almost exclusively women. Furthermore, because women tend to retire earlier than men, participate less in economic activities after retirement, and have a longer life expectancy, the proportion of women in the elderly age group is higher than that of men.

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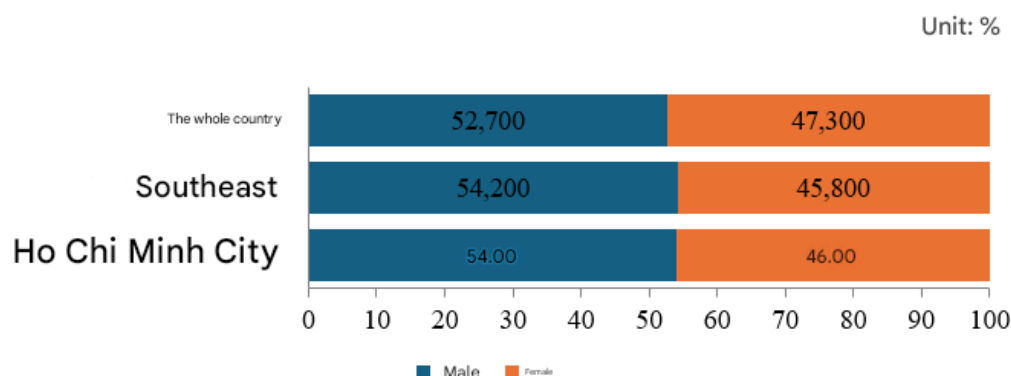


Figure 1. Labor force structure by gender in 2019
Source: (Ho Chi Minh City Statistics Department, 2020)

In 2020, our study of the public-sector workforce found 136,185 female workers, representing 65.7% of the total workforce. Specifically, female workers accounted for 70.4% of the workforce in education units and 66.3% in healthcare units. Women have made progress toward workplace equality, with the share in leadership positions reaching 48.5%, surpassing the 2016 level (45.4% women) and the 2011 level (42.8% women). Among these, women in leadership positions were highest in the education sector at 60.8%, followed by the culture and sports sector at 23.4%, the information and communication sector at 18.9%, other sectors at 16.2%, and the healthcare sector at 4.2%. (Ho Chi Minh City Statistics Office, 2022, page 56).

The gender structure is becoming increasingly skewed, with the share of male workers rising in recent years, albeit not significantly. As of 2021, the share of female workers was 47.25%, and that of male workers was 52.75%. Furthermore, the imbalance in the female workforce structure is evident in the disparity between urban and rural areas. Rural areas account for two-thirds of the country's workforce. However, it is also important to emphasize that this structure exhibits a disproportionate and irrational allocation of labor resources, as the majority of female workers in rural areas are untrained and have lower quality and productivity than their counterparts in the region and worldwide. Women workers in rural areas are also heavily affected by seasonal work, which negatively affects their labor efficiency and value in Vietnam as a whole.

By 2023, Ho Chi Minh City's population had reached 9.46 million, a 0.7% increase from the previous year. Of this, the urban population accounted for 77.7% (7.34 million people), a rise of 0.6% from 2022; the rural population accounted for 22.3% (2.11 million people), an increase of 1.0%; the male population accounted for 48.5% (4.58 million people), a rise of 0.2%; and the female population accounted for 51.5% (4.87 million people), an increase of 1.2%. The city's gender distribution is relatively balanced. More specifically, female labor accounted for between 50.41% and 52.78% of the workforce during the period from 2011 to 2021. Across the entire workforce, the proportion of female workers in all age groups was consistently higher than that of male workers. In 2011, the proportion of female workers was 52.9%; in 2012, it decreased slightly to 52.5%. By 2013, the decline continued, reaching around 52% before stabilizing at 51.8% in 2014. During this period, the proportion of female workers increased from 51.8% to 52.1% in 2015 and 2016. The female labor force participation rate then increased to 52.8% in 2017. The female labor force participation rate is higher than the male rate among those aged 15-39 because the city is home to labor-intensive industries, such as garment and footwear manufacturing, which require meticulous work and are suitable for female workers (Ho Chi Minh City Statistics Office, 2020, page 86).

In 2023, the city's labor force aged 15 and over totaled 4.84 million people. Of this, 77.3% were in urban areas and 22.7% in rural areas, comprising 53.5% male and 46.5% female workers. 4.67 million people aged 15 and over were employed in the city's economy, accounting for 96.4% of the total labor force aged 15 and over. Of the total workforce, 8.0% was in the state sector, 83.5% in the private sector, and 8.5% in the foreign-invested sector. (Ho Chi Minh City Statistics Office, 2024, page 50).

The workforce in Ho Chi Minh City comprises over 4 million people, accounting for 72.89% of the city's total labor force. From 2010 to 2021, the proportion of female workers in the town was roughly balanced with that of male workers (48%-52%). The majority of female workers are concentrated in the textile, footwear, and small-scale handicraft industries, and according to a 2019 report by the Ho Chi Minh City Center for Human Resource Demand Forecasting and Labor Market Information, these industries accounted for approximately 46% of the city's total female workforce. These workers are primarily engaged in manual labor and require only basic levels of scientific or technological expertise. The second largest group of female workers in the city is employed in agriculture, forestry, and fisheries, accounting for 34.7%. Over 80% of female workers in the town typically hold jobs that require low levels of knowledge and technological skills, primarily involving manual labor. Female workers from other provinces account for over 70% of the workforce. This will consequently have significant consequences for the value chain generated by these workers. According to the General Statistics Office (2021) and the World Bank (2017), the labor force in Ho Chi Minh City, in particular,

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and in Vietnam in general, is abundant. Still, it has the lowest labor-derived value chain among ASEAN countries.

Labor force structure by age group

In 2019, the workforce aged 25-49 accounted for the majority, representing 71.2% of the city's total labor force, with 70.9% in urban areas and 72.3% in rural areas. The proportion of the labor force by gender in this age group was relatively high and balanced (70.8% for men, 71.6% for women).

Table 1. Labor force structure by age group, region, and gender, 2019

Unit: %

	Total	Regions		Gender	
		Urban	Countryside	Male	Female
Ho Chi Minh City	100,0	100,0	100,0	100,0	100,0
15-19	2,6	2,5	3,0	2,6	2,6
20-24	10,5	11,0	8,9	9,8	11,3
25-29	17,4	18,0	15,2	16,5	18,4
30-34	16,3	16,1	17,1	15,9	16,8
35-39	15,2	14,8	16,4	15,1	15,2
40-44	11,9	11,6	13,1	12,1	11,7
45-49	10,4	10,4	10,5	11,2	9,5
50-54	7,2	7,2	7,2	7,9	6,5
55-59	4,8	4,8	4,6	5,2	4,3
60+	3,7	3,6	4,0	3,7	3,7

Source: (Ho Chi Minh City Statistics Department, 2020)

Urban areas have a higher proportion of the workforce in the 20-29 age group than rural areas. Conversely, the proportion of the workforce in the under-20 and 30-49 age groups is higher in rural areas than in urban areas. For those aged 50 and above, there is no significant difference between the two regions. There is a difference in the age distribution of the workforce between men and women; women's participation in the workforce is higher than men's in the 15-39 age group because cities are home to labor-intensive industries such as garment and footwear manufacturing, which require meticulous work, making them suitable for female workers. The difference in workforce age distribution across regions is that the percentages in the younger (20-29) and older (55-59) age groups are lower in urban areas than in rural areas. Conversely, within the primary working-age group (20-54), the labor force participation rate is higher in urban areas than in rural areas. This indicates that urban workers enter the labor force later and leave it earlier compared to rural workers. The main explanation is that younger people in urban areas have a more extended schooling period, and older adults in urban areas retire earlier than in rural areas (primarily because urban retirees generally do not need to continue working).

Technical and professional qualifications of the workforce

In 2019, the proportion of trained workers in the city's workforce was 36.1%, compared with 40.7% in urban areas and 20.7% in rural areas, a significant difference. Ten years after the 2009 Population and Housing Census, the overall proportion of trained workers in the labor force increased by 10.5 percentage points, with urban areas rising by 12.7 percentage points and rural regions by 6.1 percentage points. The data shows that the trend of trained workers in urban areas is increasing faster than in rural areas because urban areas have a concentration of training schools and industrial zones/export processing zones that require skilled workers.

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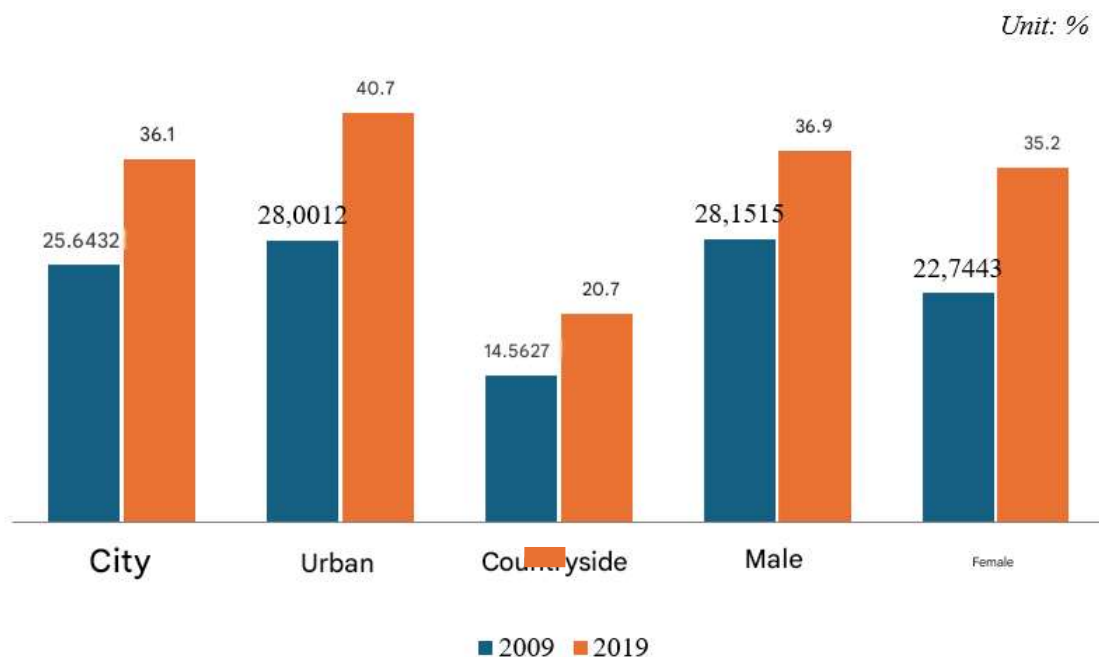


Figure 2. Proportion of trained workforce (at primary level or higher) by gender and region, 2009-2019

Source: Ho Chi Minh City Statistics Department, 2020

Over the past 10 years, the proportion of trained workers has increased significantly in both urban and rural areas, and across genders. However, in 2019, 63.9% of the workforce still lacked vocational training at the elementary level or higher. This figure poses a significant challenge to efforts to enhance the quality of vocational training and boost labor productivity.

The vocational training level is an essential indicator of workforce quality and the primary basis for enhancing workers' capacity and skills. The results of the 2019 General Census show that the proportion of employed workers with the highest level of training (e.g., elementary level or higher) in the city is higher than the national average and the Southeast region, but lower than in Hanoi. The percentage of workers with primary or higher education in the city is 36.0%, compared to 23.1% nationwide, 27.5% in the Southeast region, and 44.7% in Hanoi.

Furthermore, the percentage of workers with university degrees or higher in the city is significantly higher than the national average (22.0% of the town, compared to 10.6% nationwide); similarly, the percentage of workers with primary and college-level education is also higher than the national average (5.3% for primary education, 5.1% for college-level education, compared to 4.6% nationwide). However, the percentage of workers with intermediate-level education in the city is lower than the national average at 3.6% compared to 4.0%.

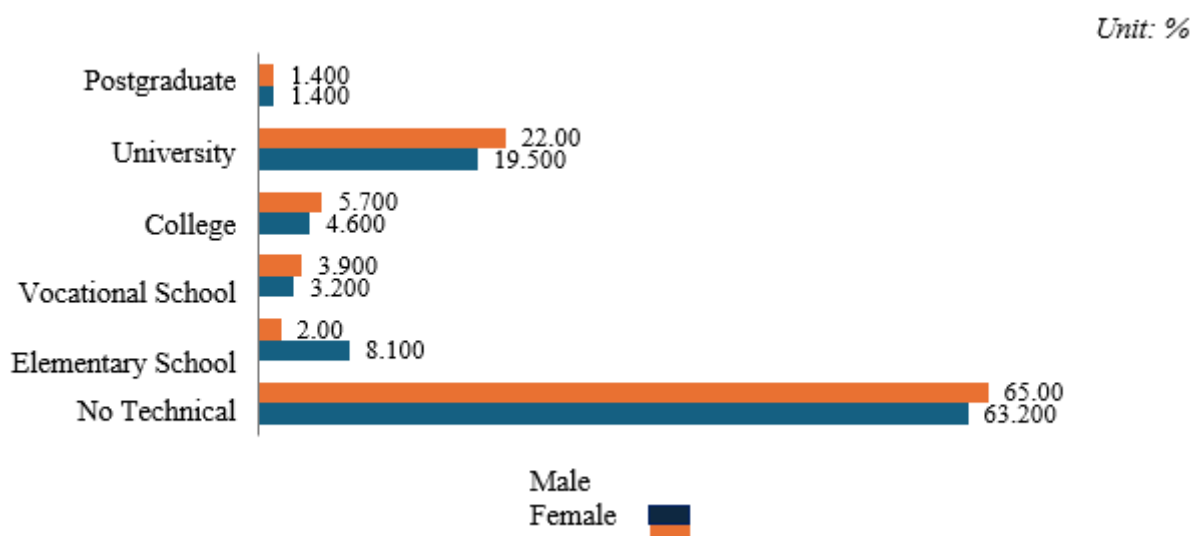


Figure 3. Employment rate by highest level of education achieved and gender, 2019

Source: Ho Chi Minh City Statistics Department, 2020

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The quality of the female workforce in Ho Chi Minh City, in particular, and Vietnam in general is a matter of concern for management agencies and educational institutions, underscoring the urgent need to improve the quality of the female workforce in the city. According to the World Bank (WB), "the quality of the Vietnamese female workforce currently stands at 3.39/10 points, and the competitiveness of the Vietnamese economy ranks 73rd out of 133 ranked countries." Therefore, Vietnam's labor productivity is nearly 17 times lower than Singapore's, 11 times lower than Japan's, 10 times lower than South Korea's, only one-fifth of Malaysia's, and two-fifths of Thailand's. Vietnam's competitiveness remains weak, and the risk of the country's economy falling behind is quite clear.

The proportion of trained personnel, especially in technical and technological fields, remains low. Highly skilled labor and skilled workers, especially in key sectors such as mechanics, electronics, and electrical engineering—fields that significantly contribute to high and sustainable growth in the context of international economic integration—are still in short supply. The percentage of the workforce holding a university degree increased from 5.7% in 2010 to 10.6% in 2019, while the rate of workers with other qualifications, such as vocational training, remained relatively stable or even decreased.

Solutions to Promote Female Labor in Ho Chi Minh City

In the context of international integration and the Fourth Industrial Revolution, Ho Chi Minh City (HCMC) identifies the development of female labor as a crucial task, contributing to sustainable growth and building an equal society. The city has implemented numerous policies and initiatives to enhance the quality, skills, and representation of women in the economy.

First, promoting gender equality and career opportunities for women.

Ensuring gender equality in recruitment and promotion: Encouraging businesses to implement recruitment and compensation policies that are fair to both men and women. Promoting women's participation in management and leadership positions in the public and private sectors. Supporting women in new professions and entrepreneurship: Encouraging women to participate in information technology, engineering, and entrepreneurial business sectors. Providing financial support and advice for women-led startup projects.

Two, Enhancing the Skills and Qualifications of Female Workers.

Developing professional training programs: Organizing vocational training courses, improving soft skills, and digital skills for women. Promoting career guidance education so that women can access high-demand industries in the new era. Strengthening lifelong learning and education: Creating conditions for women to continue learning and improving their qualifications, especially in the fields of the digital economy and high technology. Developing scholarship programs and tuition support for women in difficult circumstances.

Three, Policies Supporting Life and Work-Family Balance

Supporting childcare and social welfare services: Encouraging businesses to build nurseries and childcare services for female workers. Expanding social welfare programs, health insurance, and maternity benefits for women. Promoting a family-friendly work culture: Encouraging the adoption of flexible working models and supporting women in balancing work and family life. Create part-time and remote work opportunities for female workers with young children or dependents.

Fourth, support female workers in adapting to digital transformation and the Fourth Industrial Revolution.

Training in digital skills and new technologies: Develop courses on information technology, data, and digital skills for women. Encourage women to participate in innovation and digital entrepreneurship programs. Ensure women are not left behind in the digital transformation: enhance retraining and upskilling opportunities for women in traditional occupations at risk of automation.

Fifth, strengthen international cooperation and implement policies that promote gender equality.

Participate in international programs to develop female workers: Facilitate women's access to internship and study opportunities abroad. Collaborate with global organizations to promote gender equality and empower women. Building policies based on national and international commitments: Strictly implementing the gender equality goals in the United Nations Sustainable Development Programme and adopting advanced initiatives and models on gender equality from developed countries.

3. CONCLUSION

Ho Chi Minh City has long been the driving force of the southern economy. The city's achievements are due to the presence and contributions of female workers across business and production sectors, from labor-intensive industries to those requiring high intellectual capacity. Female workers have consistently maintained their position in the city's overall economic landscape. They have gradually become a driving force for innovation, thought, and creativity, harnessing their inherent potential. In the context of the 4.0 revolution, the city has focused on developing key industries, which also present opportunities and challenges for the qualifications and capabilities of female workers. However, to maximize the potential of female workers, it is necessary to continue improving the working environment, promote gender equality, enhance professional qualifications and skills, and support women in balancing work and family life. Public policies and corporate support will be key factors in helping female workers overcome

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current challenges. Step by step, this will contribute to the goal of making Ho Chi Minh City a major economic center in Vietnam and beyond, extending its influence across the Asia-Pacific region.

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