

## RESEARCH FINDINGS<sup>1</sup>

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### **Workers in the textile and garment, and hospitality industries during the pandemic: Labor income plummeted while the gender gap rising**

The COVID-19 pandemic has heavily impacted workers in Vietnam's textile, garment, and hospitality industries. Data from the Labor Force Survey shows a substantial reduction in labor income and a widening gender income gap.

Real income decreased significantly in Quarter 2 of 2020 compared to Quarter 2 of 2019 before recovering during Quarter 3 and Quarter 4 of 2020. However, labor income in Quarter 3 of 2021, when the fourth wave of the outbreak hit, decreased significantly compared to Quarter 3 of 2020.

- **The pandemic had a heavy impact on workers in the export-oriented manufacturing industries in Quarter 3 of 2021.** Due to weak external demand, real labor income in textile and garments in Quarter 3 of 2021 declined by 18.5% quarter on quarter, compared to the average reduction of 13.8% economywide.
- **Workers in the hospitality industry were hit hardest by mobility restrictions, including widespread and lengthy lockdowns in Quarter 3 of 2021.** As a result, the income of workers in the tourism, hotel, and catering services in the third quarter of 2021 decreased sharply, with a corresponding decrease of 22.7%, 23.5%, and 21.4% quarter-on-quarter. Furthermore, these sectors persistently experienced the largest year-on-year decline compared to other industries in both employment and income in Quarter 3 of 2021 and Quarter 3 of 2020.
- **The gender income gap widened significantly during the pandemic.** Notably, during Quarter 3 of 2021, women's income was only at 68.1% of that of men, while it was higher, at 72.2% in Quarter 2 of 2020.

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<sup>1</sup> Reported by a research team from the Centre for Analysis and Forecasting (under the Vietnamese Academy of Social Sciences) working on the research project “The Impact of COVID-19 on Inclusive Development and Democratic Governance: Rapid and Post-Pandemic Assessment in the Mekong Subregion”, which is financially supported by the International Development Research Center (Canada) and coordinated by the Cambodia Development Resource Institute (Cambodia). For further information, please contact Dr. Nguyen Thi Thu Phuong, the research coordinator, at [pnguyenhanoi2019@gmail.com](mailto:pnguyenhanoi2019@gmail.com).