

Trends of women employment in India

Zaki Ahmad

Assistant Prof. Mithila B, Ed. College, Shankarpur, Kanshi, Lalshahpur, Darbhanga, Bihar, India

Abstract

Composition of female workforce for the women who work, it is relevant to consider their employment type. In rural areas, around 40 percent of working women are unpaid helpers in household enterprises, and another 30 percent are casual labourers, engaged in non-public work. In comparison, only 3 percent of the female workforce is engaged in public works such as those sanctioned by MGNREGA, indicating the largely precarious nature of casual work women perform in rural areas. The composition of the female workforce is different in urban areas, where more than half of the working women are regular or salaried workers. The number of self-employed women in the country has decreased from 7.2 crore in 2011-12 to 5.54 crore in 2017-18. Women casual labourers have decreased from 3.97 crore in 2011-12 to 2.86 crore, while the share of women employers has remained constant at 0.6 per cent over the years. The decline of women in the rural workforce has been attributed, among other things, to the decline in subsidiary activities, from 25 per cent in 2004-5 to 5.7 per cent in 2017-18.

Keywords: women, labourers, self-employed, decreased and working

1. Introduction

In spite of high economic growth, decline in fertility, and rise in schooling of girls, the Female Labour Force Participation Rate (FLFPR) has declined in rural areas and stagnated in urban areas since the late 1980s. Unlike in India, the global experience has been one of a substantial increase in the FLFPR as a result of similar factors. The recently released Periodic Labour Force Survey (PLFS) 2017-18 confirms the declining trend. The conventional definition of labour force participation excludes unpaid domestic work and the free collection of goods such as firewood and water, mostly done by women. These activities produce essential goods and services that are used by the household members, and should, therefore, be recognised in the definition of work.

The FLFPR declined between 2011-12 and 2017-18 in almost all states, except Madhya Pradesh and Goa. Most states fall in the upper-right and lower-left quadrants, i.e. high FLFPR and increase/low decline; and low FLFPR and high decline. This suggests that the states that were doing well on FLFPR improved further or at least stemmed the decline, and those that were doing worse, in fact registered a higher decline. In other words, in states like Uttar Pradesh, Jharkhand, Punjab and Odisha, the chances of women in the labour force became even more slim by 2017-18.

Composition of female workforce for the women who work, it is relevant to consider their employment type. In rural areas, around 40 percent of working women are unpaid helpers in household enterprises, and another 30 percent are casual labourers, engaged in non-public work. In comparison, only 3 percent of the female workforce is engaged in public works such as those sanctioned by MGNREGA, indicating the largely precarious nature of casual work women perform in rural areas. The composition of the female workforce is different in urban areas, where more than half of the working women are regular or salaried workers.

In fact, the share of regular employment for women has

increased in both rural and urban areas after 2011-12, with many rural and urban women entering community level service jobs as education, health or social workers, or as domestic workers in other households. But this does not necessarily bear good news for three reasons. First, despite the increase, men continue to hold almost 80 percent of regular, salaried jobs. Second, the female male earnings gap continues to remain substantial, with female regular workers only earning about half of male regular workers' earnings, more so in rural areas. Finally, the increase in regular work for women has mostly occurred in the informal sector, with women entering jobs with no written contracts or paid leaves and other social security benefits. This trend of informalisation differs from the trend faced by daily wagers. In other words, women earn at regular intervals, but their contracts are bereft of any other benefits which would improve the quality of the work undertaken.

Earnings gap

The female-male earnings gap is particularly stark for those who are self-employed. Self-employed women earn only about 30 to 40 percent of the income earned by self-employed men, as compared to a gap of 52 to 67 percent among regular workers. The median earnings of self-employed women workers are even lower than that of casual women workers. This is not the case for men. At the median, selfemployed men in rural areas earn just as much as regular workers in urban areas. A more disaggregated analysis of the PLFS data suggests that in rural areas, self-employed ventures started by women are usually in the domain of agriculture. In comparison, urban women tend to start their own micro-enterprise in manufacturing, trade, food and hospitality, and other services. If the gap in earnings in these domains are as substantial, a detailed analysis is required on why women are not able to scale their activities and earn as much as self-employed men. In terms of a geographical disaggregation, southern states have a relatively higher FLFPR, on average. The higher male-

female earnings gap in these states have been associated, historically, with their higher FLFPR. Nevertheless, the southern states of Kerala and Tamil Nadu also have higher share of educated women. These educated women may prefer “white-collar” and “pink-collar” jobs that employ persons with higher average educational levels and offer higher average wages than “blue-collar” jobs. This could be an explanation for the higher earnings gap in these states, and could be explored in future work.

Policy implications

In recent years, policy priority to skilling programmes has strengthened. However, the PLFS data suggests that less than 2 percent of women (and of the total population) received formal vocational or technical training in 2017-18. Of the women who received formal training, less than half were in the labour force, as compared to 84 percent of formally trained men. Skilling programmes, therefore, need to be assessed through a gender lens.

Self-help groups under the National Rural Livelihoods Mission (NRLM), and those guided by organisations such as the Self Employed Women’s Association (SEWA) and government programmes such as Kudumbashree have been successful in building capacities of women through collective action (Hariharan, 2019). These models could be extended to promote economic self-reliance of women and to encourage them to set up their own enterprises. More than half of the urban work force are regular workers, but their earnings are less than 70 percent of that of male regular workers.

2. Review of Literature

Review of related literature provides an opportunity of gaining insight into the method, measures, subject and approaches employed by the other researchers. A careful review of research, journals, books, dissertations, thesis and other sources of information about the problem to be investigated is one of the important steps in the planning of any research studied.

Bose and Das, (2014a) ^[1] on the supply side, Indian households often require that women prioritize housework and may even explicitly constrain work by married women.

Gupta, (2014) ^[2] on the demand side, women face legal, normative, and economic constraints to work. Indian women are still subject to laws governing when (i.e. which shifts) and in which industries they can work. These rules can disproportionately affect women even as the economy grows: for example, female participation in export-oriented manufacturing jobs fell despite increased trade and reduced trade barriers during the 1990s, likely due to legal constraints on women’s working hours through the factory laws.

Chatterjee, (2015) ^[3] though these laws may change soon, employers may be less apt to hire a woman over an equally qualified man. As long as there exist norms against women’s market engagement, we expect to see gender-based discrimination in hiring, legal or otherwise, and gender wage gaps that cannot be explained by common sources of observable variation in wages persist. The lack of jobs that can absorb women transitioning out of agriculture further depress demand for potential female labor.

The World Bank, (2015). Over the past four decades, India has experienced rapid population and economic growth, urbanization, and demographic change. Between 1990 and

2013, GDP growth averaged 6.4% (Figure 1); the share of agriculture in GDP roughly halved (from 33 to 18%), while that of services increased from 24 to 31%. Urbanization has also increased, from 26% to 32%.

Fletcher *et al.*, (2017). The discourse on women’s unpaid work is exclusively pertinent in the Indian context because women’s labor force participation rate is very low and has seen a declining trend over the last decade probably because majority of them are moving into the domain of ‘domestic duties’.

3. Methods

The method used in this paper is descriptive-evaluative method. The study is mainly review based. It is purely supported by secondary source of data, i.e. books, journals, papers and articles and internet.

4. Results and Discussions

While the number of women employed in salaried jobs in the country has increased by 8 per cent (from 13 per cent in 2011-12 to 21 per cent in 2017- 18) with the addition of 0.71 crore new jobs for female workers, the overall participation of women in India’s workforce in on the decline, revealed the Economic Survey. According to NSO-EUS and PLFS estimates, female labour force participation rate for productive age-group 15- 59 years shows a declining trend in the country. The female labour force participation declined by 7.8 percentage points from 33.1 per cent in 2011-12 to 25.3 per cent in 2017-18.

Though female labour force participation rate is higher in rural areas than in urban ones, the rate of decline has also been sharper in rural areas compared to urban areas, resulting in increased gender disparity in India’s labour market. In urban areas, female labour force participation more or less remained constant. According to the PLFS, female workforce population ratio for productive age group (15-59 ages) stood at 23.8 per cent (25.5 per cent in rural areas and 19.8 per cent in urban areas) in 2017-18 as compared to 32.3 percent in 2011-12. The number of self-employed women in the country has decreased from 7.2 crore in 2011-12 to 5.54 crore in 2017-18. Women casual labourers have decreased from 3.97 crore in 2011-12 to 2.86 crore, while the share of women employers has remained constant at 0.6 per cent over the years. The decline of women in the rural workforce has been attributed, among other things, to the decline in subsidiary activities, from 25 per cent in 2004-5 to 5.7 per cent in 2017-18.

Indian women have been dropping out of the formal workforce for years, despite rapid economic growth. But economists are only just beginning to fully understand the reasons for the trend. A culture that stigmatises women who work, slowing growth in the number of new skilled jobs and agricultural automation are among the main factors. Only 27 percent of adult Indian women had a job, or were actively looking for one, something economists call the labour force participation rate. That compared to 79 percent of men. The percentage of women working in India had dropped to 24 percent of the workforce by 2015-16.

The female labour force participation in India has fallen to 26% in 2018 from 36.7% in 2005, amid lack of access to quality education and underlying social, economic barriers limiting the opportunities for women. Empowering Women & Girls in India’ for the Fourth Industrial Revolution, 95% or 195 million women are employed in the unorganised

sector or are in unpaid work. The education ecosystem needs to go through a set of system strengthening initiatives, including the introduction of digital and STEM (science, technology, engineering and mathematics) education in schools, which in turn will introduce girls to various career choices. Specifically in the India context, the female labour force participation has had a decadal fall from 36.7 per cent in 2005 to 26 per cent in 2018, with 95% (195 million) women employed in the unorganised sector or in unpaid work. The range of challenges for women and girls echoes across Asia and India - lack of education, access to quality education, digital divide, which limits them from gaining employable skill sets and entering the workforce or establishing an enterprise.

The decline may be attributed to increased attendance and higher participation of women in education. Insufficient formal wages and poor job opportunities are other reasons for the decline. The government is taking several initiatives to improve women's employability. These include the enactment of the Maternity Benefit (Amendment) Act, 2017 — which provides for enhanced paid maternity leave from 12 weeks to 26 weeks — making crèches mandatory in establishments with more than 50 employees and issuing an advisory to states under the Factories Act, 1948, to ensure there are adequate safety measures for women workers in night shifts. Many training and skilling programmes have also been launched to enhance women workers' employability.

A large number of women are either not joining the workforce or are dropping off at a faster clip. While social norms and family commitments are important issues, factors such as terms of employment, working conditions, mobility limitations and hiring practices also make things difficult. We need robust policies around recruitment, maternity leave, day care, etc, to support women's work aspirations. Most women drop out at the mid management level when they face challenges related to raising a family or looking after aging parents. Policies like flexible work timings, short sabbaticals or part-time work options can help. Strong sponsorship from the top, often by male leaders, is crucial to bring these women back into the fold. We need to fight social barriers, build supportive infrastructure and invest in relevant skilling to ensure long-term career plan. Finally, we must provide enabling environment to support women entrepreneurship.

5. Conclusions

Women's workforce participation is declining in rural India and is low and stagnant in urban India, primarily due to the shrinking of the agriculture sector. There is a decline in self-employed women in farms, while alternative jobs in the manufacturing sector are missing. Improvements in educational attainment also suggest aspirations for better paying jobs, which are scarce. Growth of the manufacturing sector, as opportunities in agriculture decline, is imperative for large-scale job opportunities. Also, ensuring decent work conditions with fair wages in the formal sector is important. There is a huge demand for home-based or close to-home work. As women withdraw from farms, public programmes like MNREGA can fill the gap. Finally, changing the perception that women alone are responsible for household chores is important. The need to empower women in India through quality education and re-skilling. With regards to the fourth industrial revolution, "a definite concern arises

from the advent of technology, digitisation and automation that women who are largely employed in low skills and low paying jobs will lose their place in the workforce. In addition, mentoring adolescent girls on vocational training and apprenticeship avenues can build a strong linkage towards considering technology linked training and employment options.

6. References

1. Bose N, Das S. Women Reservation and India, National Rural Employment Guarantee Scheme. Oxford Bulletin of Economics and Statistics, 2014a, 5-9,
2. Gupta A. Effect of Trade Liberalization on Gender Inequality: The Case of India. Working Paper, Center for International Development, Harvard University, 2014.
3. Chatterjee Urmila, Murgai RRMG. Job opportunities along the rural-urban gradation and female labor force participation in india. Technical Report 7412, World Bank, Washington, DC. Policy Research Working Paper, 2015.
4. The World Bank. Urban population % of total), 2015.
5. Hirway I. Unpaid work and the economy: linkages and their implications. Indian J Labor Econ. 2015; 58(1):1-21
6. Fletcher E, Pande R, Moore CM. Women and work in india: descriptive evidence and a review of potential policies. HKS working paper no. RWP18-004. Center for International Development Harvard University, Cambridge, 2017, 213-215.