

Women and work participation in India

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The participation of women in the labour force kinds significantly crossways developing countries and rising economies, far additional than in the glasses case of men. In the centre East, North Africa and South Asia, less than one-third of women of working-age participate, while the section reach around two-thirds in East Asia and sub-Saharan Africa. This difference is ambitious by a wide multiplicity of economic and social factors including economic increase, increasing educational attainment, falling fertility rates and social norms. Besides labour market gender gaps are additional pronounced in developing countries, and discrepancy is highest in South Asian countries.

The labour force participation rate of women in India has been deteriorating for over three decades (except for a rise in the first half of the naughtiest). This fall has continued despite India's fastest ever economic growth since independence. The challenges of increase and enclosure are interlinked, with one needed for the other (Mehrotra and Parida, forthcoming). While growth is necessary to give women the opportunities that they need, women's participation in the labour market is also a part of the escalation equation.

Recent studies by the International Monetary Fund (IMF) and Goldman Sachs estimation that gender equality in labour participation charge would have a strong positive impact on GDP growth (WEF 2015; IMF 2013; Goldman 2013). Income per capita would rise by 14 per cent by 2020, and by 20 percent by 2030, if women's paid employment charge were raise to the same level as men's in 15 main developing economies. Aguirre et al (2012) estimate that the GDP of the United States would increase by five percent, of Japan by nine percent, of the United Arab Emirates by 12 percent and of Egypt by 34 percent if women have paid employment rate at par with males in those countries. OECD calculation (OECD 2015) demonstrate that in India raise the participation of women in the labour marketplace with a package of pro-growth and pro-women policies can lead to enlargement rate rising by about 2 percentage points over time. Women's rising economic participation also entail increasing household savings rates, rising consumption and variety in spending, thus boost the business glasses case. In India, the economy grow at an

unparalleled rate between 2003-04 and 2011-12; the country emerge quickly from the slowdown cause by the global financial crisis of 2007-09, with GDP increase at factor cost averaging 8.4% per annum between 2003-4 and 2011-12. but, employment elasticity in India decline from 0.44 during 2000-2005 to 0.01 during 2005-2010 though rising to 0.2 during 2010-2012 (Mehrotra et al. 2014).

There are a lot of reason for the deteriorating employment agility (discussed in Mehrotra et al 2014). however it is crucial that job increase will need to become a higher policy main concern than up till now, partially since in the last five years (2011-12 to 2016-17) the GDP raise rate is lower than between 2003-4 and 2011-12, but also since a big number of educated young people will join the labour force than has been the case because 2004-5. Organism better educated, these young people will look for non-agricultural work, which pose a enormous challenge to policy-makers, as without in advance job raise than in the latest five years, the demographic dividend could danger becoming a demographic disaster However, there are various factors that work simultaneously in driving women's participation in the labour market. We have found that the fall is explain by a number of factors: improved participation of girls in the educational institutions, particularly in secondary education (post RTE Act); deteriorating child labour, getting better household income levels, structural shift from agriculture sector post 2005. Further, decline in animal husbandry in rural areas, fall in international demand for products of labour-intensive industries, changing domestic responsibilities have also contributed to the decline (Mehrotra and Sinha 2017).

It primarily focuses on the rural, less educated, un/semiskilled female workforce, primarily those who are in the informal sector. Section 1 examines the nature and trends of female employment and analyzes the structural change, to identify where women work and so on. Section 2 then recommends a set of policies base on this analysis and a short examination of the fundamental reason behind such trend.

Wages and sex discrimination in the Indian workplace

One more issue about female LFPR in India stem from the fact that women receive considerably lower wages than men. This "discrimination", it is hypothesize, can lead to the lower participation rates. However, according to NSS data for paid work, the unadjusted wage ratio (average women wages to men wages) has increased from a low of 45 percent in 1983 to about 58 percent

in 2007/8. In developed economies, such a “raw” ratio is closer to 75 percent; on this unadjusted basis, the data are suggestive of sex-discrimination in wages, and discrimination of a honestly large magnitude male wages near double that of female wages in the last decade. The data are for daily wages based on weekly employment and weekly wages.

Two possible reasons for this discrepancy in wages are discrimination, and work-related choice by women into lower paying job. example clerical versus production. In mainly of the comparator countries, female education is approximately the same as men, and often is higher. In India, but, gender discrimination occur even before a woman enters into the labour force. It happens at birth when sex-selection technology is employed to ensure fewer female births. This discrimination then continues into the education space girls get hold of less years of schooling than boys, and/or lower quality education. And since education is an important determinant of wages, women obtain less income than men, a third factor. So unlike a comparator country, the sex wage gap in India is caused at least in part by less education of women. How much is a matter of empirical determination. Finally, there is a fourth factor at work women typically have less work experience than men and therefore obtain lower wages.

That women likely have less work experience than men was extensively documented by O’Neill (2002). She showed that if one accounted for the loss of experience due to child rearing, then, given their human capital background, women obtained a similar wage as men in the US – that is no evidence of wage-based sex discrimination. This section applies a similar test to Indian data. A traditional Becker-Mincer wage equation has the following three human capital variables: education, proxied by years of schooling, work experience (proxied by age minus the years of schooling minus six years) and the square of experience. It is the experience definition which makes the estimation less than precise. Household surveys typically do not go into the life history of an individual so one does not know how many years of work each individual has. With men, the approximation of taking the age and then deducing the work experience involves little error; for a woman who never marries, or does not have any children, the same approximation works. But for women with children, there is an error introduced with the assumption that for the same age and education, women have less work experience than comparable men. Women withdraw from the labour force for child-bearing; the expected

withdrawal is 2 years per child. If an average woman had three children, then for the same age (say 40), she would have six years minus experience than her male complement of the same age and level of education.

Trends in women's employment: According to Lewis (1954), the transfer of women's work from household to industrial service is one of the most notable character of economic development. However, this is one phase in which India's record has been radically miserable. A low female worker force involvement rate is indeed the factor that keeps India's overall labour force participation rate low. As stated in the ILO's Global Employment Trends 2013 report, out of 131 countries with available data, India ranks 11th from the base in female labour force participation (ILO, 2013).

From the time when the 1980s, there has been a near reliable decline in the workforce involvement rate (WPR) (also known as the employment–population ratio) of women. Despite this trend, the release of the 66th NSS Round of the Employment and Unemployment Survey (EUS) (2009–10) resulted in considerable surprise and dispute surrounding the trends that emerge from the data. Most remarkably, these figures exposed lethargic growth in employment and a sharp fall in female labour force participation between 2004–05 and 2009–10. The freshly released results of the 68th Round of the EUS (2011–12) indicate a return to stronger employment growth but a persistence in the decline of women working in rural areas. On the whole, the unemployment rate has remained comparatively stable. The transformation of the labour market, nevertheless, progresses with a fall in the share of workers in farming and a rise in the share of workers in regular/salaried employment. In this situation, understanding the gender scope of employment trends in India is critical.

In spite of strong growth in the 2000s, labour force participation of women, therefore, remains low in India, while there is considerable difference between urban and rural areas. Besides, wide gender difference in contribution rate also persists (see maps 1 and 2 in the appendix). Longer-term trends imply that female labour force involvement declined from approximately 40 per cent in the 1990s to 29.4 per cent in 2004–05. Evidence from the 68th Round indicates no overall reversal in the female labour force participation rate, which is approximate to be 22.5 per cent (for all ages), a further slump from the 23.3 per cent reported in 2009–10.

Work opportunity for women are limited to few sectors; policies are needed to support access to employment across the scale of sectors and occupations, investments in diversify sectors and upgrade to high-end activities, particularly in rural and semi-urban areas along with infrastructural support like transport, housing, hygiene facilities, lights and so on. Agriculture which is still the largest employer of female labour, and can be utilize as a source of economic growth and job making if women are ensure ownership rights and control over lands, shift to high value-added crops, supported by other policy measures. The girls are now progressively more better educated. Skills for them provided near their homes, specially if skill centres emerge where industrialized clusters are located, can enlarge employment after skilling. This requires a complete strategy for group development.

Encouraging female entrepreneurship can support a broader vibrant economy, elevate the economic role of women, and therefore allocate the profit of growth more impartially. But be short of credit facilities in the absence of collateral, and complex formalities thus restricting female entrepreneurship. Self Help Groups for the older less educated women (especially those falling out of agricultural work) can be utilized to get better access to finance, link with formal financial institutions, entrepreneurial training, access to market, and so on. The groups need to be organized both vertically and horizontally to make stronger rural peoples' (as was done successfully in Andhra Pradesh and Kerala), particularly women's participation. In terms of employment generation and enterprise development, federation or peak bodies are likely to have a much larger impact than individual SHGs. SHG federations provide the chance to manipulate policies and to represent effective pressure groups at the district and state level. Sectors like health and education, where women prevail need more budgetary support, to progress - first, the outcomes and second, employment opportunities.

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