

TRENDS IN FEMALE LABOUR FORCE PARTICIPATION IN INDIA

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ABSTRACT

This paper examines the trends in labor force participation of females in India. The study used NSSO data at various rounds and Periodic Labor force participation data for 2017–18 for the analysis. The labor force participation of female in India is very low compared to other countries. The labor force participation rate of female in India is 20.5 percent as per ILO estimates in 2019. Female labor force participation as per PLFS survey is 18.2 percent in rural and 15.9 percent in urban area in 2017-18. The LFPR of male is 54.9 and 57 percent respectively in this year. Social status wise laborforce participation of women also shows that it is below 20 percent among ST, SC and OBC categories. In urban area, the participation of women in regular jobs is higher compared to rural area. Majority of women are employed in self-employment category. Both in the rural and urban area, there exists disparity in the provision of wages/salaries among females and males even in the regular jobs. The study concludes that the labor force participation of female remains very low in India and exists greater disparity among males and females in the rural and urban area, among various social groups, among different categories of employment and in the distribution of wage. The state wise analysis shows that all states in India have low female participation rate compared to male.

KEYWORDS: *Labor Force Participation Rate, Female Employment, Usual Status Employment*

INTRODUCTION

Female labour force participation is an indicator of growth potential of a country as it is one of the driving force of economic growth. The labour force participation is one of the important factors that contributes towards the empowerment of women. Empowerment of women begin with her participation in different spheres of life. Empowered women will be aware of her rights, social status, injustice etc. Women as part of work force has the advantages like financial independence, enables them to handle social issues, higher quality of life and at the macro level can contribute in improving the gross domestic product of an economy and thereby paves the process of economic progress. The McKinsey Global Institute report 2016 estimates that improved gender diversity can add \$12 trillion to the world GDP by 2025. By increasing gender parity, India can add \$700 billion to the global GDP. But in the labor market, women workers are the most disadvantaged section. They are mainly engaged in the low paid, low skilled, low productivity informal sector. This insecure job market offers her low wages, insecurity, temporary jobs etc. According to ILO report in 2016, only 50 per cent of the working age women, compared to 76 per cent of men, were participating in the global labor market. In India, the gender gap in labour force participation rate is more than 50 percentage point which in turn adversely affects the growth potential. Therefore, government has introduced various schemes and legislative measures to improve the participation of women in economic activity. All most all women are working but her contribution is not measured in terms of money in

most of the case. Majority of women are engaged in the domestic unpaid work and among the organized sector most are in the private sector. Though most of the women are earning income, the number of women receiving regular salary is very few in India.

Data Source

This paper examines the trends, pattern and magnitude of labor force participation of women in India. The study mainly used the NSSO and Periodic Labor Force Participation data to examine the various aspects of women employment in India. Periodic laborforce participation survey by Government of India, Ministry of statics and program me implementation gives a detailed report on various aspects of labor markets in India. It was published in 2019 for the period 2017–18. This report gives the data for employment in India for the period 2017–18 in comparison with the earlier employment survey reports especially by NSSO. The earlier available data source from NSSO was up to the period 2011–12. Therefore, it gives an updated detail on employment sector in India.

Population Profile of India

Out of the total population of 121.02 corers as per 2011 census 58.65 corers are females in India. This comprises of nearly 48 per cent of the total population. Out of this, 69 per cent of females live in rural area and 31 per cent in urban area. The sex ratio, the ratio of women to that of men as per 2011 census is 943. The population profile of India as per 2001 and 2011 censuses are given in Table.1

Table 1: Population Profile of India (in Corers)

Total	2001	102.86
	2011	121.02
Male	2001	53.22
	2011	62.37
Female	2001	49.65
	2011	58.65
Rural	2001	74.25
	2011	83.31
Urban	2001	28.61
	2011	37.71
Rural Female	2001	36.09
	2011	40.52
Urban Female	2001	13.56
	2011	18.13
Rural Male	2001	38.16
	2011	42.79
Urban Male	2001	15.06
	2011	19.58
Sex Ratio	2001	933
	2011	943
Sex Ratio at Birth	2012–14	906
	2013–15	900
Male Life Expectancy at Birth	2011–15	66.9
Female Life Expectancy at Birth	2011–15	70

Structure of Employment in India

The structure of employment in India is given in the following chart. As per this chart, 47.7 percent are engaged in the wage employment and 52.3 percent are in the self employed category as per PLFS survey for 2017–18. Trends about

employment in India are given in the Table 2. From the table it is clear that 53.6 per cent were in the self employment category in 1993-94. In 2017-18 as per PLFS survey report, the percentage of worker in this category is 52.2 per cent. The regular and salaried person increased to 22.8 per cent in 2017-18 from 13.8 per cent in 1993-97. The percentage of casual labor showed a decline in 2017-18. It was 32.6 per cent in 1993-94 but declined to 30.2 per cent in 2017-18. Out of the total wage employment, 52 per cent are in casual labor force in 2017-18.

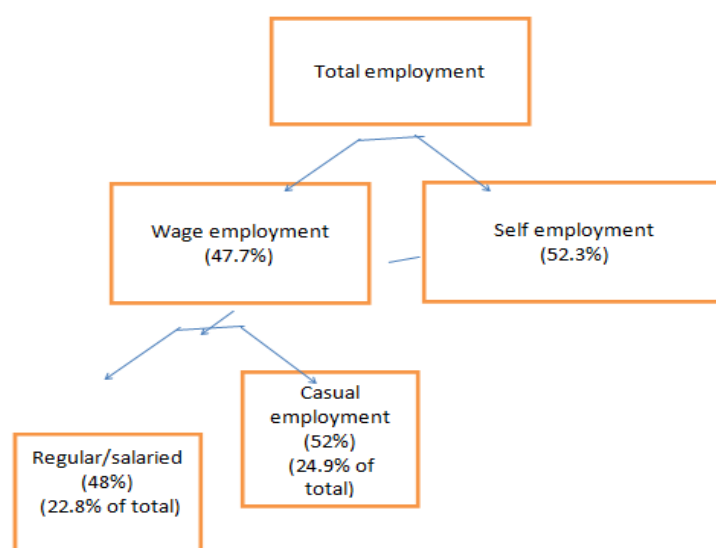


Figure 1: Structure of Employment in India 2017-18.

Source: Compiled from PLFS 2019

Table 2: Trends in the Employment Structure 1993-94 To 2017-18 (%)

	Category	1993-94	2004-05	2011-12	2017-18
Total employment	Selfemployment	53.6	55.9	51.4	52.2
	Regular/salad	13.8	14.8	18.5	22.8
	Casualemploy	32.6	29.3	30.2	24.9
Wage employment	Regular/salary	29.8	33.5	37.9	48
	Casualemploy	70.2	66.5	62.1	52

Source: PLFS, 2019

Labor Force Participation Rate (LFPR)

LFPR is defined as the number of persons/ person-days in the labor force (which includes both the employed and unemployed) per 1000 persons /person-days. Labor force participation at the world level and for India is given below. The labor force participation shows a decline in the recent years. In 2000, it was 64.7 per cent and in 2019, it is 60.3 at the world level. The participation of female is low compared to male. In India, labor force participation was 57.5 per cent in 2000 and in 2019 it decreased to 49.3. The labour force participation of women in India is low and nearly 20 percent of the women are only in the labour force in 2019.

Table 3: 15+ Labor Force Participation ILO Estimate

	world			India		
	Total	Male	Female	Total	Male	Female
2000	64.7	78.5	51.0	57.5	83.0	30.4
2001	64.4	78.2	50.8	57.6	82.9	30.7
2002	64.2	77.9	50.6	57.8	82.9	30.9
2003	64.0	77.6	50.5	57.9	82.9	31.2
2004	63.9	77.5	50.4	58.0	82.9	31.5
2005	63.8	77.3	50.3	58.2	82.9	31.8
2006	63.5	77.0	50.0	57.3	82.4	30.5
2007	63.3	76.9	49.8	56.4	81.9	29.2
2008	63.1	76.7	49.5	55.6	81.4	28.0
2009	62.8	76.4	49.2	54.8	81.0	26.8
2010	62.5	76.1	48.8	54.0	80.5	25.7
2011	62.2	76.0	48.5	53.1	80.0	24.3
2012	62.0	75.8	48.3	52.2	79.5	22.9
2013	61.8	75.5	48.0	51.7	79.0	22.5
2014	61.5	75.3	47.8	51.3	78.5	22.1
2015	61.4	75.0	47.7	50.8	77.9	21.7
2016	61.2	74.8	47.6	50.3	77.4	21.4
2017	61.0	74.6	47.5	49.9	76.8	21.0
2018	60.9	74.4	47.4	49.4	76.2	20.7
2019	60.7	74.2	47.2	49.3	76.1	20.5
2020	60.5	74.0	47.0	49.2	76.0	20.3
2021	60.3	73.8	46.8	49.0	75.9	20.1
2022	60.1	73.6	46.5	48.9	75.9	20.0

Source: Ilo Reports

Female LFPR in Urban and Rural Area

It has been observed that LFPR is the lowest for urban females (15.5) compared to rural female (25.3) in 2011–12 as per 68th round of NSSO report. As per PLFS survey 2017–18, 36.9 per cent of people are in labor force in India. The female labor force participation is 18.2 per cent and 15.9 per cent in rural and urban area respectively as per PLFS report, which is very low, compared to the total female population in India. Male labor force participation is 54.9 and 55.5 per cent respectively in rural and urban area

Table 4: Labor Force Participation Rate According to Usual Status (%) in India

	Rural			Urban			Total		
	Male	Female	Person	Male	Female	Person	Male	Female	Person
2004–05 (61 st)	55.5	33.3	44.6	57	17.8	38.2	55.9	29.4	43
2009–10(66 th)	55.6	26.5	41.4	55.9	14.6	36.3	55.7	23.3	40
2011–12 (68 th)	55.3	25.3	40.6	56.3	15.5	36.7	55.6	22.5	39.5
2017–18(PLFS)	54.9	18.2	37	57	15.9	36.8	55.5	17.5	36.9

Source: PLFS, 2019

The age wise labor force participation is given in Table 5 as per PLFS survey. 76.4 per cent of male in rural area are in labor force whereas only 24.6 percent of the females are in labor force in rural area in 2017–18 in the age group 15 and above. In urban area, it is 74.5 per cent and 20.4 percent respectively male and female in 2017–18. In 2011–12, 79.8 percent of male and 31.2 percent of female are in labor force above 15 years and above. As per 2004–05 NSSO report, 84 percent of male and 42.7 percent of the females were in labor force in the age group 15 and above.

Table 5: Age Wise Labor Force Participation of Females

	Rural			Urban			Total		
	Male	Female	Person	Male	Female	Person	Male	Female	Person
			PLFS	2017-18					
15-29	58.9	15.9	38.1	58.5	17.5	38.5	58.8	16.4	38.2
15 years and above	76.4	24.6	50.7	74.5	20.4	47.6	75.8	23.3	49.8
All age	54.9	18.2	37.0	57.0	15.9	36.8	55.5	17.5	36.9
				2011-12					
15-29	64.9	27.1	46.4	60.7	18.1	40.5	63.6	24.4	44.6
15 years and above	81.3	33.8	58.7	76.4	20.4	49.3	79.8	31.2	51.9
All age	55.3	25.3	40.6	56.3	15.5	36.7	55.6	22.5	39.5
				2009-10					
15-29	68	30.2	49.6	61.0	16.8	40.1	65.9	26.3	46.8
15 years and above	82.5	37.8	60.4	76.2	19.4	48.8	80.6	32.6	57.1
All age	55.6	26.5	41.4	55.9	14.6	36.2	55.7	23.3	40.0
				2004-05					
15-29	77.2	42.8	60.2	68.3	21.7	46.6	74.6	37.1	56.4
15 years and above	85.9	49.4	67.7	79.2	24.4	53.0	84.0	42.7	63.7
All age	55.5	33.3	44.6	57.0	17.8	38.2	55.9	29.4	43.0

Source: PLFS, 2019

Social Status and LFPR of Female

Labor force participation according to social status shows that Female labor force participation in both rural and urban area is low among different social group as given in Table.6. Among the male, it is high both in rural and urban area. Among the OBC and other categories the participation of male is low in urban area.

Table 6: Labor Force Participation According to Social Status 2017-18

	Female		Male		Total	
	Rural	Urban	Rural	Urban	Male	Female
ST	27.6	18.4	56.6	53.6	56.3	26.6
SC	18	19.2	55.9	57.3	56.2	18.2
OBC	17.4	16.1	53.6	36	54.6	17.1
Others	15.4	14.2	55.6	35.9	56.2	14.7

Source: PLFS, 2019

In urban area, 52.1 per cent of females are regular salaried employees. 13.1 per cent are casual laborers and 34.7 percent are self employed. The percentage of regular employed women is higher in urban area than the male. The NSSO 38th round showed that only 23.8 per cent of female were regular employees and it increased to 52.1 per cent in 2017-18 as per PLFS survey. The self employed female workers in 1983 were 45.8 per cent in urban area whereas the percentage of self employed female in urban area in 2017-18 was 34.7 per cent. The percentage of casual female laborers in rural area was 35.3 per cent as per 38th round of NSSO report of 1983 and it showed a decline to 31.8 per cent as per 2017-18 PLFS report of 2017-18. In the urban area, there is a significant decline in the female casual laborers since 1983. The female workers in the regular salaried employment are very low both in the rural and urban area compared to the male employees.

Table 7: Workers in Usual Status According to Status of Employment in India (%)

Survey Period	Male			Female		
	Self-Employed	Regular Wage/Salaried Employees	Casual Labor	Self-employed	Regular Wage/Salaried Employees	Casual Labor
	Rural					
PLFS (2017-18)	57.8	14.0	28.2	37.7	10.5	31.8
68th (2011-12)	54.5	10.0	35.5	59.3	5.6	35.1
66th (2009-10)	53.5	8.5	38.0	55.7	4.4	39.9
61st (2004-05)	58.1	9.0	32.9	63.7	3.7	32.6
55th (1999-00)	55.0	8.8	36.2	57.3	3.1	39.6
50th (1993-94)	57.7	8.5	33.8	58.6	2.7	38.7
43st (1987-88)	58.6	10.0	31.4	60.8	3.7	35.5
38 th (1983)	60.5	10.3	29.2	61.9	2.8	35.3
	Urban					
PLFS (2017-18)	39.2	45.7	15.1	34.7	52.1	13.1
68 th (2011-12)	41.7	43.4	14.9	42.8	42.8	14.3
66 th (2009-10)	41.1	41.9	17.0	41.1	39.3	19.6
61 st (2004-05)	44.8	40.6	14.6	47.7	35.6	16.7
55 th (1999-00)	41.5	41.7	16.8	45.3	33.3	21.4
50 th (1993-94)	41.7	42.0	16.3	41.8	28.4	25.8
43 st (1987-88)	41.7	43.7	14.6	47.1	27.5	21.4
38 th (1983)	40.9	43.7	15.4	45.8	23.8	28.4

Source: PLFS, 2019

Average wage / salary received by regular salaried male employees in rural area increased to Rs.481.5 in 2017-18 from Rs. 322.28 in 2011-12 as given in Table.8. Regular female employees received Rs.201.56 in 2011-12 and it increased to Rs.284.95 in rural area. Both in rural and urban area, there exists gender wage disparity.in India even among the regular employees

Table 8: Average Wage/Salary Received by Regular Wage/Salaried Employees (RS)

	2011-12		2017-18	
	Female	Male	Female	Male
Rural	201.56	322.28	284.96	481.5
Urban	366.15	469.87	492.63	609.23

Source: PLFS, 2019

State Wise Female Labor Force Participation

State wise labor force participation is given in the Table. 9. The table is compiled using PLFS data 2019. The all India labor force participation rate for male and female are 55.5 and 17.5 respectively. The table is categorized in accordance with these ranges. The lowest level of LFPR for male is 45.4 and highest 71.4. This range for female is 2.8 to 39.7. The categorization is made in accordance with this range. States having LFPR for females below the all India level are 17 and 19 states have higher rate than the all India level. Male laborforce participation shows that all states have higher rate than the all India female labor force participation. About 14 states are below the all India level male LFPR and 22 states are above the rate. This table clearly shows the gender disparity that exists in the LFPR in India.

Table 9: State wise Labor Force Participation Rate According to Usual Status in India 2017-18

	Male Range- (45.4-71.4)	Female Range (2.8-39.7)
0-17.5		Bihar, Uttar Pradesh, Assam, Tripura, Arunachal Pradesh, Haryana, Jharkhand, Delhi, Punjab, Nagaland, Uttar Pradesh, Pondicherry, Lakshadweep, Odessa, Gujarat, West Bengal, (17)
18-40		Manipur, Chandigarh, Rajasthan, Daman & Diu, Karnataka, Kerala, Jammu & Kashmir, Madhya Pradesh, Mizoram, Maharashtra, Goa, A&N, Telangana, Dadra Nagar, Tamil Nadu, Sikkim, Andhra Pradesh, Meghalaya, Chhattisgarh, Himachal Pradesh (19)
41-55.5	Bihar, Meghalaya, Jharkhand, Arunachal Pradesh, Uttar Pradesh, Rajasthan, Nagaland, Uttarakhand, Lakshadweep, Pondicherry, Haryana, Manipur, Kerala (14)	
56-75	Mizoram, Chhattisgarh, Delhi, Goa, Jammu & Kashmir, Maharashtra, Odessa, Telangana, Himachal Pradesh, Gujarat, Madhya Pradesh, Punjab, Assam, Chandigarh, Karnataka, Tripura, Andhra Pradesh, Tamilnadu, West Bengal, Dadra Nagar, Sikkim, A&N, Daman & Diu (22)	

Source: PLFS, 2019

CONCLUSIONS

The trends in female employment and labor force participation shows an increasing trend in India, whereas the labor force participation of female in India is very low compared to other countries. The labor force participation rate of female is 20.5 percent in 2019 as per ILO estimates. Female labor force participation as per PLFS survey is 18.2 percent in rural and 15.9 percent in urban area in 2017-18. The LFPR of male is 54.9 and 57 percent respectively in this year. Female labor force participation is above the age of 15 shows that only 24.6 and 20.4 percent in rural and urban area respectively are in labor force participation in 2017-18. Male labor force participation in this age group is 76.4 and 74.5 percent respectively in rural and urban areas in the year 2017-18. Social status wise labor force participation of women also shows that it is below 20 percent among ST, SC and OBC. Occupation status wise employment participation shows that in 1983 as per 38th round of NSSO report male employed in regular employment was 10.3 and it increased to 14 percent only in 2017-18 period. In 1983, only 2.8 percent of female was in regular employment. In 2017-18, it increased to 10.5 percent only in rural area. In urban area, the participation of women in regular jobs is higher compared to rural area. Majority of women are employed in self-employment category both in the rural and urban area there exists visible disparity in the provision of wages/salaries among females and males in the regular jobs also. The labor force participation of female remains very low in India. There exists greater disparity among males and females in the rural and urban area, among various social groups, among different categories of employment and among states. The disparity exists in the provision of wage also even in the regular employed category.

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