

# **Declining Female Labour Force Participation**

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(This editorial is based on the article '<u>Declining Female Labour Force Participation</u>' which appeared in 'The Economic and Political Weekly' on 20th April, 2019. The article talks about the importance of women in the labor force and the various challenges associated with it.)

Recently, contractors in Beed district of Maharashtra stopped hiring women cane cutters because, in their imagination, women who menstruate are likely to take breaks from work and this may adversely affect productivity.

In fact, irrespective of gender, any breaks taken by contracted labor results in the contractors incurring heavy financial penalties. As a result of this about half of the women in some villages of Beed district have undergone hysterectomies (i.e the surgical removal of the uterus).

India is trying very hard to become a superpower and to realize its dreams every stakeholder needs to be held accountable and every resource needs to be used. Gender equality in every field is a given requisite for this which therefore warrants a closer look at the labor force participation in India.

# The case in point

• It is well known that in the informal sector in India, most occupations dominated by women are undervalued and underpaid.

The case of the cane cutters in Beed only goes to illustrate that women are forced to lose an organ to even qualify as productive, let alone be considered equal or skilled labor.

- The devaluation of women's labor is also accompanied by casteist and patriarchal notions of purity and pollution where women are prohibited from certain jobs, especially in the food processing, sericulture, and garment industries.
- The employers' or contractors' rationality, in most cases, is based on the principle of "optimum use" of labor power. Anything that counters this principle or prevents the

maximization of profits is either excluded or manipulated.

#### **Trends**

- According to the International Labour Organization's (ILO) Report, 2019:
  - 1.3 billion Women were in work in 2018 as compared to 2 billion men a less than 2% improvement in last 27 years.
  - The report highlighted that women are paid 20% lower than men, as a global average.
  - Women remain underrepresented at the top, a situation that has changed very little in the last 30 years. Less than one-third of managers are women.
- The female labor force participation rate (FLFPR) in India has been one of the lowest among the emerging economies and has been falling over time. This has resulted in a decrease in the ratio of working females to the population of females in the working age group.
- The FLFPR in India fell from 31.2% in 2011–12 to 23.3% in 2017–18. Further, the FLFPR for rural areas has declined by more than 11 percentage points in 2017–18.
- Data from the National Sample Survey Office (NSSO) and the India Human
   Development Survey (IHDS) show that education and employment have a U-shaped
   relationship (a rise and subsequent decline in employment with the rise in education
   levels). It also shows that illiterate women are most likely to participate in the
   workforce.
- Work participation drops sharply for women with primary and secondary education and rises only with college-level education. Factors like income of other members of the household, social background and place of residence also add to the lack of women's participation in the workforce.
- Further, the non-availability of white collar jobs, disproportionate long hours and lesser job security narrow downs the job opportunities for educated women in India.
- In rural areas, not only are women withdrawing from the labor force, they are also being outcompeted by men in the existing jobs. This situation necessitates a deeper understanding of issues that hinder female labor force participation.

# What hinders female participation in the workforce?

- Low participation of women in the labor force in India is attributed to the lack of employment opportunities, rising education levels and household incomes, and problems in measurement, such as **under-reporting of women's work.**
- However, it is the rural distress in recent times that has affected women the most as income-generating opportunities have disappeared. The problem of 'labor demand constraints' or the lack of suitable job opportunities is acute for women in rural India, with a fall in the availability of farm jobs and the lack of economic opportunities in

- non-farm employment. **Mechanization of farm and non-farm activities has also reduced opportunities for work.**
- A 2018 study has found that the "care economy burden," that is, time spent on unpaid economic activities performed at the household and community levels by women is one of the important determinants of the FLFPR. So, the time spent on unpaid work, especially on unpaid care and domestic chores has hindered women's participation in the labor force.
- Moreover, rural societies are segregated rigidly on gender basis dictated by patriarchal norms that are further perpetuated by religious taboos and cultural biases.
- What is interesting to notice is that, of late, with a reduction in family sizes and
  distress migration of rural males, the burden of unpaid work on women has
  been increasing disproportionately. The burden of domestic work and unpaid care
  inhibits women's ability to acquire skills for better jobs, leading to a vicious cycle of
  women being kept out of the labor force.

#### Government Policies

- The Maternity Benefit (Amendment) Bill, 2016 entitles a woman working in the organized sector to 26 weeks of paid maternity leave. With regard to childcare, the Maternity Benefit (Amendment) Act, 2017, has created a provision to provide for crèche facilities in every establishment having 50 or more workers.
- The Protection of Women against Sexual Harassment at Workplace Act, 2013 defines sexual harassment at the workplace and creates a mechanism for redressal of complaints. It also provides safeguards against false or malicious charges.
- There are many other laws such as the Equal Remuneration Act, 1976; Factories (Amendment) Act, 1948 which seeks to provide equality and fairness in women working condition.

#### Problems in Government Policies

Many government policies are targeted towards organized women workers whereas the unorganized sector which houses the largest number of females has little to no penetration of such schemes. Wherever such options exist, they are limited to only documentation and are not enforced in reality in the unorganized and rural sector.

For example, severe cuts in expenditure related to the centrally sponsored National Crèche Scheme had led to the closure of crèches across the country.

## Steps to address the hardship

• Provision of amenities and basic infrastructure, as well as childcare facilities and care

- homes for the elderly, should be provided so that the entry of women in the labor force is facilitated.
- Higher expenditures on the existing policies, such as the MGNREGA and the Integrated Child Development Services, as well as providing vocational training to suit the rapidly changing production process would give a boost to the FLFPR.
- Targeted policies by the state, such as providing job quotas and credit to women, will increase female participation in the labor market.

# Way forward

- The factors hindering the FLFPR in rural India, therefore, call for the addressing of the constraints related to labor demand as well as formulating appropriate gender-responsive employment policies that would reduce the burden on women with regard to unpaid care and work.
- Women not only suffer from demand-side constraints and inadequate state-level interventions but also women's low work participation and disproportionate burden of unpaid care work results in structural rigidities that reinforce prevalent sociocultural practices.

In the absence of a structural change in workplaces and stringent labor regulations, discrimination and atrocities against female labor are likely to continue to rise unless this problem is addressed on a war footing!