



# Increase of Female Labour Force Participation Rate

## Why in News?

- Recently, the [Economic Advisory Council to the Prime Minister \(EAC-PM\)](#) reported that the [female labour force participation rate \(LFPR\)](#) increased in almost all states in India between 2017-18 and 2022-23, with rural areas experiencing larger gains than urban areas.

## Key Points

- **Key Findings on Female LFPR:**
  - **Regional Variations:**
    - **Bihar, Punjab, and Haryana** consistently reported **very low female LFPR**.
    - Despite being among the richest states, Punjab and Haryana have low female LFPR, while Bihar, the poorest state, also lags.
  - **Growth:**
    - In **Rural areas Female LFPR rose to 41.5%** from 24.6% during 2017-18 to 2022-23.
    - In **Urban areas Female LFPR increased to 25.4%** from 20.4% during the same period.
    - Overall Trend is that growth remained consistent even after excluding unpaid family workers or household helpers.
- **Other Trends:**
  - **Marital Status:**
    - Married men exhibit higher LFPR across states and age groups.
    - Marriage significantly reduces female LFPR, especially in urban areas.
  - **Age Dynamics:**
    - Female LFPR forms a bell curve, peaking at ages 30-40 and declining sharply after.
    - Male LFPR remains nearly 100% between ages 30-50 and declines gradually thereafter.
  - **State-wise Observations:**
    - **Northern States:** Punjab and Haryana recorded low female LFPR.
    - **Eastern States:** Rural Bihar had the lowest LFPR but showed improvement, particularly among married women.
    - **Northeastern States:** Rural areas showed progress, with Nagaland and Arunachal Pradesh leading.
- **Impact of Government Schemes:**
  - [Mudra Loans](#)
  - [Drone Didi Scheme](#)
  - [Deendayal Antyodaya Yojana](#)
    - These schemes **emphasize women-led development**, reflecting the government's intention to **promote female participation in the workforce**.
- The rise in female LFPR, especially in rural areas, underscores a notable shift in employment trends. Further analysis and government support will be essential to sustain and amplify this growth.

## Economic Advisory Council to the Prime Minister (EAC-PM)

- It is an **non-constitutional, non-statutory, independent body** constituted to give advice on economic and related issues to the Government of India, specifically to the Prime Minister.
- The council serves to **highlight key economic issues** to the government of India from a neutral viewpoint.
  - It advises the Prime Minister on economic issues like **inflation, microfinance, and industrial output**.
- For administrative, logistic, planning and budgeting purposes, the **NITI Aayog** serves as the **Nodal Agency for the EAC-PM**.
- **Periodic Reports:**
  - Annual Economic Outlook.
  - Review of the Economy.

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