

Women's Employment in India

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The recently concluded survey on employment and unemployment (EUS) situation in India, 2011-12, conducted by the National Sample Survey Organisation (NSSO), has revealed reduced female engagement in paid economic activities, specifically in the rural areas. In other words, the data shows lesser number of rural women participating in the labour force thus contributing to a declining female labour force participation rate (FLPR) and declining women's employment in India. However, this phenomenon of women retreating from the labour force appeared starkly in the employment estimates of the previous round of NSSO survey conducted in 2009-10, which brought into focus the issue of deterioration in the scenario of women's work in the country.

The 2009-10 NSSO EUS figures released in 2011 showed a sharp decline in the labour force participation rates (sum of employed and unemployed as a proportion of the total population) since 2004-05; the data revealed a decline in female labour force by almost 22 million in absolute numbers. The female LFPR declined from around 30 percent to 23 percent between 2004-05 and 2009-10. Similar trends were observable for the female work participation rates (FWPR, defined as the ratio of number of employed females to total female population). The number of employed women declined from 148.6 million to 127.3 million and the FWPR reduced from 29 percent to 23 percent over the period. Moreover, the declines among employed were observed to be sharper among the working age cohorts (15-59), specifically for the rural women, where the FWPR declined from almost 49 percent to 39 percent.

Likewise, the 2011-12 figures show a further decline in the female LFPR to 22 percent and FWPR to 21.9 percent. This decline was primarily led by a decline in the economic participation of women in the rural areas. In the rural areas, the FWPR reduced by 2 percentage points since 2009-10 and by 8 percentage points since 2004-05. In absolute terms, it translated into a loss of female employment by almost 3 million compared to 2009-10 estimates and a staggering 23 million compared to 2004-05. On the other hand, the urban areas have shown marginal improvement in women's participation in economic activities but not adequate to compensate the losses in the rural areas.

In such a scenario, it is important to understand the situation of overall employment trends over the same period. While overall WPRs show a marginal decline from 42 percent to 39 percent between 2004-05 and 2009-10, the overall rate of growth of employment declined sharply from 3 percent in 1999-00/2004-05 to around a mere 0.1 percent over the period 2004-05/2009-10. There has been an observed decline of the annual average overall employment growth rates in both rural and urban areas. The decline is sharper once again among the working age cohort 15-59. When disaggregated by sex, between 2004-05 and 2009-10, male WPRs show stagnation.

Similarly, the recently concluded 2011-12 survey reveal that while overall WPRs show a marginal decline since 2009-10, male WPRs have remained almost same at around 54 percent. The overall decline is led by the loss of women's participation in paid work in rural areas. The data for urban areas have shown

marginal improvement for both male and female workers. In terms of absolute numbers, there has been an increase by almost 13.9 million jobs in the last two years.

However, such gains in absolute numbers have not translated into gains in the rate of growth of employment over the period. Also, the gains in absolute employment have been critiqued due to estimation errors in the NSSO methodology (Abhishek Shaw, *Comparing NSSO's Employment Surveys - A Methodological Note*, Economic & Political Weekly, July 27, 2013). The NSSO has been criticized for an overestimation of jobs by about 4 million based on an older version of population projection figures, which is an underestimation by itself, to arrive at the numbers. Such methods created an anomaly in its absolute estimation of the numbers, as population figures clearly show that total recorded population has been higher than the projected population. Therefore, comparisons in absolute number do not reveal the actual situation of employment-unemployment within the country.

The 2011-12 EUS was conducted by the NSSO to counter the figures of 2009-10, which was a drought year and hence provided a dismal picture of employment generation in that period. So, ideally, the 2011-12 employment figures should be compared with 2004-05 estimates in order to understand the changes in employment-unemployment situation of the country. Such comparisons, however, have revealed similar general decline in overall employment rates, specifically and substantially for rural women workers.

However, the 2009-10 EUS cannot be overlooked as certain eye-openers to rural employment problems have been highlighted in this round of the survey. The 2009-10 EUS revealed loss of female workers in absolute numbers, a pattern not experienced earlier. These estimates were recorded at the time when the economy was experiencing an average annual GDP growth rate of 8 percent per annum. In fact, in the last two years, when the data speaks of a reversal in employment situation towards the better, the GDP growth rate has plummeted downwards and is hovering somewhere at 5 percent. Such trends clearly do not establish direct correlation between growth and employment. In fact, it underlines the need for deeper analysis of the growth-employment relationship and a closer look at the structural changes taking place within the Indian economy.

Finally, it is highly puzzling to note that at a time when the largest employment generation programme, the MGNREGA, was being implemented successfully within the rural areas, which has consistently claimed high women's participation within the programme, such incongruity in women's economic participation has come into fore. Among the several conjectural explanations provided so far, an important one has been on increased education enrolment of women in the age cohort 15-24 years. Such increase in enrollment for higher education or skill development has been put forward as a plausible reason for withdrawal of women from the workforce. A second explanation has been an increased mechanization of agriculture, which has been the mainstay of women workers in rural areas, thereby pushing women out of agricultural processes due to lack of knowledge and training in handling the machines. Another ludicrous explanation put forth in this context has been in the form of rising incomes of households, which have caused women to recede voluntarily from paid work thus resulting in a declining FWPRs.

None of these explanations hold ground as suitable for the overall decline in rural FWPR. While some of the arguments do partially account for loss of women's employment, the government's own empirical evidence clearly suggest large-scale deficit of employment opportunities for women workers, especially in rural areas. Under such circumstances, an immediate step could be to accelerate the pace of targeted employment creation and skill training for women in rural areas. The starting point could be to strengthen the existing wage and self-employment programmes, namely the MGNREGA, SGSY/NRLM, strengthen the training and facilitation components for women within the MSME (Micro, Small and Medium Enterprises) and initiate training for women to adapt with altered farming practices and enter newer sectors of work.

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