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Abstract

A continuous and sharp decline in the already depressed female labour force participation rate in India post 2005, particularly in the face of its rapid economic growth raises questions about the inclusiveness of the growth process. The paper recommends a set of policies based on the analysis of the nature and trends of female work participation and a brief analysis of the underlying reasons behind such trends. Women are moving out of the low productivity agricultural sector, which necessitates an increase in employment opportunities in the non-agricultural sector, particularly in rural and in semi-urban locations. Improving skills for employability, especially in manufacturing clusters (which is where the jobs are) located close to young girls' rural homes, would help the females to join the labour force if non-agricultural jobs are growing. To release women from unpaid work in the household to join the paid labour force, it is essential to improve child care facilities and other basic service facilities, which again calls for raising the share of public expenditure in some sectors and specific facilities. For instance, increasing single working women's housing, making public transport safer, and modifying public programmes to cater to women's needs can pave the way for more women to engage and remain in the labour force, become active participants in the growth process, and thus achieve greater economic empowerment.

1. Introduction

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

Recent studies by the International Monetary Fund (IMF) and Goldman Sachs estimate that gender equality in labour participation rates 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 per cent by 2030, if women's paid employment rates were raised to the same level as men's in 15 major developing economies. Aguirre et al (2012) estimates 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 calculations (OECD 2015) show that in India raising the participation of women in the labour market with a package of pro-growth and pro-women policies can lead to growth rate increasing by about 2 percentage points over time. Women's increasing economic participation also entails rising household savings rates, increasing consumption and diversity in spending, thus boosting the business case. In India, the economy grew at an unprecedented rate between 2003-04 and 2011-12; the country emerged rapidly from the slowdown caused by the global financial crisis of 2007-09, with GDP growth at factor cost averaging 8.4% per annum between 2003-4 and 2011-12. However, employment elasticity in India declined 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 many reasons for the falling employment elasticity (discussed in Mehrotra et al 2014). But it is critical that job growth will need to become a higher policy priority than hitherto, partly because in the last five years (2011-12 to 2016-17) the GDP growth rate is lower than between 2003-4 and 2011-12, but also because a larger number of educated young people will join the labour force than has been the case since 2004-5. Being better educated, these young people will look for non-agricultural work, which poses a huge challenge to policy-makers, as

without faster job growth than in the recent five years, the demographic dividend could risk becoming a demographic disaster.

Despite India being a signatory of many international commitments to support women's economic empowerment, including the Convention on the Elimination of All Forms of Discrimination against Women and International Labour Organization conventions on gender equality, gender disparity in the labour market in India is widespread. This disparity has many dimensions: low labour force participation, inequality in wages, more vulnerable employment particularly unpaid family workers among women, three-fifths of the total female workforce engaged in agriculture, occupational segregation, a high burden of unpaid care work, lower educational attainment and many other forms of discrimination. **Gender equality in the labour market is not an end in itself** but a key means to achieve wider human development goals that include poverty reduction, increased productivity and aggregate output, reduced fertility, infant mortality, and child labour; and greater decision making and bargaining power for women within households and outside (Mehrotra and Jolly, 1997).

However, there are various factors that work simultaneously in driving women's participation in the labour market. We have found that the fall is explained by a number of factors: increased participation of girls in the educational institutions, particularly in secondary education (post RTE Act); declining child labour, improving 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).

The objective of the paper is to propose policy measures that can reduce these different barriers that restrict female labour force participation. It mainly 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 based on this analysis and a brief examination of the underlying reasons behind such trends. Section 3 concludes.

1. Female employment – nature and trends

The labour force participation rate among women in India had been low historically, and the persistent and sharp decline in recent years has placed India 137th among 144 countries in the Global Gender Gap Index 2017 in ‘economic participation and opportunity’, scoring 0.376, poorer from even what it was in 2016 (0.408) (WEF 2017). It ranks 120th among 131 countries, according to the India Employment Report 2017 (World Bank), attributing primarily to the low female lfpr. Female to male ratio in labour force participation in India was 0.35. The disparity in estimated earned income was high with females earning USD 2424 compared to USD 10428 earned by their male counterparts. Further, India scores one of the lowest in terms of women’s access, control and ownership of assets and to financial services. In terms of female entrepreneurship index also, the country ranks 70 out of 77 countries, as per GEDI, 2015. A global survey by Grant Thornton (2017) reveals that only 17 percent of senior positions are held by women in India. Among senior management roles, the representation is even smaller (7 percent).

The National Sample Survey Organization surveys reveal that the rural female workforce declined by 28.4 million (taking upss) during 2005 to 2012 (Mehrotra and Sinha, 2017). In urban areas, the female workforce, though, increased only marginally (by 1.3 million) over this period, yet, the total female work participation rate witnessed a decline.

Though women’s share of non-agricultural work has increased, which is a positive development; still more than three quarters of the women are in the low productive agricultural sector.

Non-agricultural employment among women in rural areas increased in absolute terms by 5 million during 2005 to 2012, the main driver being the increased employment opportunities in the construction sector (Mehrotra and Sinha, 2017). After 2005, with various rural public initiatives like public employment (Mahatma Gandhi National Rural Employment Programme), rural roads (Pradhan Mantri Gramin Sadak Yojana), and housing for all (Pradhan Mantri Awas Yojana), Clean India (Swachh Bharat Abhiyan) gearing up, various private investments in the construction sector pouring in and the real estate boom, demand for wage workers in construction sector increased, boosting female employment in this sector.

With manufacturing and services sector together absorbing only 18 percent of the total rural female workforce, the long-run issue of lack of alternative employment opportunities still persist. In urban areas, though more than half of the women work in the services and about 28 percent in manufacturing, the quality of such employment and the very existence of gender based sectoral segregation remains a major concern.

Table 1:Female employment in manufacturing sectors, (r+u), by type of employment						
	1999-2000 (mn)	%	2004-05 (mn)	%	2011-12 (mn)	%
Own account worker	4.7	37.3	7.3	40.8	8.9	50.0
Unpaid family worker	4.5	35.7	5.8	32.4	4.2	23.6
Regular	1.6	12.7	2.2	12.3		13.5
Casual	1.6	12.7	2.4	13.4	2.3	12.9
Total	12.6	100.0	17.9	100.0	17.8	100.0

Source: Author's estimates from the NSS Unit level data, various Rounds

Table 1 which shows the different types of employment in the manufacturing sector, reveals that majority of women (13.1 million) in manufacturing, are self-employed (74 percent in 2012). Half among them are unpaid family workers. The fluctuating trend in manufacturing employment leads to and is led by entry and withdrawal of these family workers into the labour market. Our calculations drawing upon NSS unit level data reveal that 88 percent of the women in this sector work either at their own dwelling unit or in a structure attached to it or in an open area adjacent to it. Very few have a formal designated business place.

They have very limited choices for employment across sectors, be it rural or urban areas. Within manufacturing, 68 percent of the women workers are engaged in only three sub-sectors, namely tobacco, textiles and the apparel industries and others which include non-metallic mineral products, chemicals and toys (see Table 2). Post 2010, female manufacturing employment increased by 3.5 million, and the increase is mainly attributable to the rise in the major three sectors, wherein female employment rose by 2.7 million (see Table 3). However, vulnerable employment which is an important indicator of job quality, is very high in these sectors (see Table 4), which means the majority of women engaged in the manufacturing sector are less likely to have formal work arrangements, such as adequate social security.

Manufacturing sub-sectors	Rural	Urban
Tobacco	30.5	12.9
Textiles	18.6	24.8
wearing apparel	17.7	29.4
other major sub-sectors	19.0	13.4

Source: Authors' estimates from the NSS Unit level data, various Rounds

	2009-10	2011-12
Tobacco	3.3	4.1
Textiles	3.1	3.8
Apparel	2.9	4.1
Total manufacturing employment	14.3	17.8

Source: Author's estimates from the NSS Unit level data, various Rounds

	own acc workers	family workers	regular workers	casual workers	Total
Tobacco	74.9	19.1	0.3	5.7	100
Textiles	52.1	21.7	12.8	12.9	100
Apparel	70.7	18.5	5.5	4.8	100
products made of wood or cork	33.9	57.9	0.4	7.9	100

Source: Authors' estimates from the NSS Unit level data, various Rounds

Services sector employment for women, which increased by 3.5 million during 2010 to 2012 after a dip during the period 2005 to 2010, had been witnessing a remarkable increase in regular employment over the years (see Table 5). However, there remains the question of quality. The characteristics of female employment in such sectors where women are more crowded reveals informality, low pay, segregation and vulnerable employment. Based upon calculations by the authors from the unit level data of the NSSO 68th Round EUS, 55 percent of the regular female workers in services sector do not receive any social security like PF/ pension/ gratuity etc.

	1999-2000 (mn)	%	2004-05 (mn)	%	2011-12 (mn)	%
Own account	3.7	23.3	4.3	20.4	4.6	19.6

worker						
Unpaid family worker	3.2	20.1	4.2	19.9	3.3	14.0
Reg	7	44.0	10.9	51.7	14.1	60.0
Casual	1.8	11.3	1.5	7.1	1.5	6.4
Total	15.9	100.0	21.1	100.0	23.5	100.0

Source: Author's estimates from the NSS Unit level data, various Rounds

Within services as well, women are confined to very limited sub-sectors (see table 6). They are mainly engaged in education (25 percent), retail trade (16 percent), domestic workers (15 percent) and other service activities like hair dressing, laundry etc (10 percent). In rural areas, women are mostly concentrated in education sector followed by retail trade. In urban areas, apart from this education and trade, a significant share of women is domestic workers.

Services sub-sectors	Rural	Urban
retail trade	28.0	16.3
Education	31.7	24.2
Health	5.2	7.3
personal services	9.3	10.1
domestic workers	6.2	15.1
Total service employment	20.1	23.5

Source: Author's estimates from the NSS Unit level data, various Rounds

Within sub-sectors also, there is stark gender based segregation, like in education, women are concentrated mainly in primary education, whereas more men are employed in secondary and higher education. Fifty two percent of total workers in primary education were women. But when it comes to secondary and higher education, the number of men istwoand three times that of women respectively.

Domestic work, which is a major stay of women has increased from 1.15 million in 1999-2000 to 2.79 million in 2011-12; during 2010 to 2012, the number of urban female domestic workers increased by 6.5 lakhs (authors' estimates). This rise in domestic workers explains the rise in female regular employment in urban areas to a large extent. The rise¹ in such work among women is both due to increase in demand from the newly affluent middle class who can now afford domestic help a combination of both necessity as also status, and at the same time low

¹ The rate of feminization of domestic work had been rapidly increasing, especially in urban India (Ghosh 2013).

employment generation in other activities. Although they have recently been included in the Unorganised Workers' Social Security Act, 2008, there is hardly any monitoring or any effective initiative to ensure minimum wages and basic rights of work.

Large numbers of women in both rural and urban India are engaged in retail trade, nevertheless, the authors estimated that 41 percent² of these women were unpaid family workers, engaged in preparatory activities, cleaning and sorting, maintenance and other related operations. So how economically empowered are these workers? The own account workers are mere petty traders, largely street traders, often operating from encroached and open spaces; they operate on a daily basis as they lack fixed capital. They neither have investment resources and more often than not, they are in no position to expand or diversify their activities on their own; their work means only survival and not accumulation.

Since women are limited to seeking work only in few sectors, growth and value addition in these sectors is very crucial. Indeed, Mehrotra et al (2014) show that the most dynamic services sub-sectors in terms of employment growth between 1999-2000 and 2011-2012 were real estate and business, telecommunications, transport, and banking – which are all male dominated. Therefore, growth in women's employment prospects depends upon the growth in employment opportunities in such sectors where male domination survives.

Given such sectoral segregation, occupational segregation, prevalence of vulnerable employment among women, and along with it, the declining trend of the already low female work participation rate is a matter of concern. The next section sheds light on policy initiatives that can be taken to improve employment opportunities for women in India.

2. Towards improved female employment: policy imperatives

There are various issues governing women's participation in the labour market, prevalent both in and outside the labour market. Mehrotra and Sinha (2017) and Mehrotra and Parida (2017) have identified various factors that explain the falling female LFPR: increased educational participation, increase in the number of women engaged in domestic duties, mechanization in agriculture, rising household income, and fall in international demand for products (where women's labour force participation is relatively higher) that contributed to the decline in female

²based upon the calculations from the Unit level data of the EUS-NSSO

employment post 2005. They have also identified various structural factors (informalization, occupational segregation, lack of skills, lack of entrepreneurship, infrastructural bottlenecks) that have historically discouraged women to participate in the labour market. Based on this causal analysis, we discuss below the actions that can drive such positive change.

a. Reduce and redistribute unpaid work

Gendered division of unpaid work – household labour and the kinship structure – govern the entry to, and withdrawal of women from the labour force to a large extent. As per the Global Gender Gap Index, 2014 among 142 countries, India has the highest difference between women and men on the average minutes spent per day on unpaid work—a difference of 300 minutes³. The unpaid work, though not counted in the labour force, contributes to the economy in one form or another.

Among women of age 5 years and above, about 46 percent in rural areas and 52 percent in urban areas were engaged in domestic duties in 2012 (NSS, 2013), primarily due to care activities and household duties. Nevertheless, a sizeable section of women engaged in domestic duties also pursue various activities that result in economic benefits to their households. They take up agricultural production such as the maintenance of kitchen garden, work in household poultry, dairy etc., collect agricultural produce, process different primary products and so on. Since the products are not marketed and are meant mainly for household consumption, the women working on this are not accounted as workers.

Since a significant proportion of unpaid work of women in both rural and urban areas are care activities, both child care and elderly care, local and provincial investment decisions are needed to ensure women's access to services, such as preschools, childcare services, and care-centres for older adults (Mehrotra and Biggeri, 2007).

Moreover, many developed countries emphasize reconciling paid employment with family life through different measures like access to public day care to all children under seven and a generous system of family leave and allowances designed to help parents cope with their child raising duties while keeping their jobs secure. This is not possible in India since women are overwhelmingly present in informal work. Thus the next best thing is the provision of basic

³ Global Gender Gap Index, 2014

public services and infrastructure like drinking water and sanitation, energy – fuel, electricity, waste management, transportation facilities, which will free up women from much unpaid work save precious time, which they can utilize in economic activity. And as mentioned before, encouraging women’s participation in the economy has a multiplier effect that boosts growth and strengthens social cohesion and well-being.

b. To create an educated workforce

The national trends suggest that the problem of illiteracy still looms large, particularly among rural female workers. As per the NSS report 68th Round, 56 percent of the rural female workforce are illiterate, followed by 22 percent of them having education primary and below. Illiteracy among male workforce is just half of that of women. Even though the urban female workforce is more educated than their rural counterparts, still 28 percent of them are illiterate as against 11 percent of men. Recently gender parity was achieved in enrolment at the primary, upper primary and secondary level, and India is quite unusual in having gender parity in secondary level enrolment, for a country at her level of economic development. However, 70.2 percent of girls who enroll in schools across the country drop out before they finish class 10 (TISS, 2014). As they drop out, they get confined to domestic duties, sibling care or help their mothers in home based work or contribute to family work. Therefore, there is a need to focus action on girls’ school completion rates and improving the environment that makes it conducive for girls to attend schools. But there had been a drastic reduction in the first budgetary allocations of the new government towards schemes that are meant for secondary education.

c. Skill development and vocational education

To improve the quality of the human capital base, there is a dire need of backing up general education with technical one. Currently less than 5 percent of all senior secondary students join a vocational stream at higher secondary level. Until 2013, hardly any secondary schools even offered vocational education, a situation that is only just beginning to change, courtesy the National Vocational Education Qualification Framework (Mehrotra, 2016).⁴ For the proper functioning of the Framework, the National Skill Development Policy 2015 has proposed many

⁴One of the authors was a lead author of the vocational education qualifications framework, which was accepted by the Ministry of Human Resource Development and then later notified by the Government of India in December 2013 as the National Skills Qualification Framework.

features. But how gender sensitive and gender transformative is the skill development framework?

Enrolment of girls in ITIs is very low and a classification of the graduates from ITIs show that males comprise 85% and females are only 15% of the total. There are, no doubt, gendered lags in the ITIs with very few courses in services or upcoming trades, gender stereotyped courses (which practically do not have any demand in the economy), lack of girl's hostels, few female teachers. They are mainly urban-located and few women-only ITIs which discourage women to pursue technical education. Apprenticeship is also very limited among women (Mehrotra, 2014). Given the inequity in access and utilization of the skills obtained, the skill development initiatives can effectively be an agent for change for increasing physical and societal mobility from education to labour market, unpaid work to paid work and from lower end work to the higher end if it is more gender responsive.

But training programmes are not by themselves sufficient. There has to be a link between the training programmes and industry needs, and most importantly the needs of the growing number of girls who have just completed secondary school, especially in rural areas. Skills training must be provided to these girls close to where to live. If this skill training was provided at or near clusters of manufacturing activity, even employment will be available for these girls in micro, small and medium enterprises in these clusters. This requires that the 6000 or so clusters of modern and traditional manufacturing activity that exist in India should have well-funded cluster development programmes, where skills are also provided (Mehrotra, forthcoming).

d. To strengthen sectors where women predominate - health and education

Expenditure on basic services like education and health do not just impact educational and health outcomes, it has implications for employment as well, particularly for women – both rural and urban- as a considerable share of women are employed in these sectors. As these two sectors expand, employment opportunities are surely to grow, especially for women. And as education improves, health prospers; it has long term implications for the quality of the labour force. This again has more positive consequence on the female labour force as women face more discrimination.

The impact of SSA, RTE Act, Rashtriya Madhyamik Shiksha Abhiyan and other similar schemes is reflected in an increase in enrollment and retention, particularly among girls. But now

withfund sharing burden of the Union Government shifting to States for these programmes, the outcomes may become uncertain (though it is perhaps too early to tell). In health also, there is a change in the Centre-State sharing pattern of some of the most important schemes. The change in the sharing pattern follows the line recommended by the 14th Finance Commission, with more devolution towards the States. But the actual health and education expenditure will also depend on how states' decide to use the net increase in spending capacity and how they prioritise their resources.

It is true that the expansion between 2006 and 2013 of Integrated Child Development Services, and of National Health Mission, have created many employment opportunities among women, particularly in the rural areas. ICDS has also helped in providing day care and could release women to participate in the labour market. Both the Centre and the State need to complement each other and ensure that health, education, child development are strengthened as in the public sector they have provided employment opportunities to women locally in rural areas, close to their home.

e. Transforming agricultural employment - from low to high end

About half the India's workforce, of which 35.5 percent are women, are engaged in agriculture. Women tend to operate at a significant disadvantage with half of them working as unpaid family workers; performing more manual work than men. Gender differences in access to land and credit affect the relative ability of female and male farmers and entrepreneurs to invest, operate to scale, and benefit from new economic opportunities. While women in India have the legal right to own land (Hindu Succession (Amendment) Act, 2005), very few do have it in reality. For those women who do own land, ownership rarely translates into control of the land, decision making or of the assets flowing from the land. Whenever agriculture gets mechanized (as is happening rapidly in the last decade, see Mehrotra and Sinha, 2017), it is the men who replace the women. But there is no reason why a woman cannot run a tractor, or use a mechanized weeder. They need skills to run them, and they need a say on the land they cultivate. Decisions about changes in the farming contracts, experimentation, are cash crop production are mainly taken by men.

Women's employment in animal husbandry has fallen drastically after 2004-5 (Mehrotra and Sinha, 2017). Transformation of allied activities like dairy, animal husbandry, and agro based

processing along with removal of gender based labour market imperfections can help to transform agricultural employment from a low end to a high end one and thus accelerate and redistribute growth.

f. Semi-urban areas: need for development

The female workforce participation is higher in rural than in urban areas. But opportunities in villages are very limited, in agriculture or small petty manufacturing, trade, working as family helpers, or home based workers and so on. So even if they want to join the labour market in high value added industries, or take part in some skill training, there are no options available for them other than moving to urban areas, which is again not always possible given the various socio-cultural restrictions, responsibilities within the family, and community and so on. It is mainly the male members who migrate to urban areas, which is actually facilitated by women in the family. Therefore, it is crucial to enhance public investment in infrastructure for the semi-urban areas, the tier-II, tier-III cities, and even small towns, so that there are more work opportunities nearby (Mehrotra, 2016). The development has to be holistic with strong infrastructure network, roads, lights and safe transportation, and housing facilities for single women, that will ease the entry and retention in the labour market and will thus promote access to high productivity waged work or an expected market in the proximity. It is hoped that the central government's new scheme (AMRUT) to invest Rs 50 000 crores over the next five years in 500 small cities and towns will create precisely the kind of infrastructure that we are proposing here. If such infrastructure were to be focused in towns that have clusters of manufacturing activity, whether modern or traditional, that will attract further private investment to these activities, thus generating jobs in MSMEs.

g. Encourage entrepreneurship

In terms of entrepreneurship, only 8.05 million (13.7 percent of all Indian enterprises) were owned by women, 82 percent of which are micro units run as sole proprietors (6th Economic Census, 2013-14). About 6.36 million enterprises out of these 8 million, are in livestock, manufacturing and retail trade, primarily in own account enterprises (those without hired workers), which means nothing but micro business units like small manufacturing units, petty shops, fruits / vegetable vendors, food-service units, repair shops, dairy, poultry etc. Encouraging female entrepreneurship can promote a broader dynamic economy, boost economic

growth, elevate the economic role of women, and therefore distribute the benefits of growth more equitably. Though the overall average female business ownership has improved in the country, but it is mainly in the informal sectors segregated in low value added industries (Ghani, Kerr and Connell, 2012).

In manufacturing, more than 70 percent of the women are self-employed; however, more than half among them are unpaid family helpers. In the micro, small and medium enterprises (MSME) sector, only 13 percent of the enterprises in the registered MSME sector were managed by women. The gender-GEDI Index⁵ for 2014 reflects India's position in the bottom five of the 30 countries surveyed for conditions that foster 'high potential' women entrepreneurship.

Even though several policy initiatives, in terms of regulatory, promotional, credit and representational policies, had been taken by the government, even many specifically meant for women, but most of them follows a piecemeal approach rather than a comprehensive one. There are multiple barriers like marketing, access to finance, lack of productive assets, operational problems, social dependence, dual responsibility, infrastructural bottlenecks, relevant counseling or guidance that compound together restricting women to start or maintain a remunerative business.

Ownership of productive inputs

Even though majority of the women in India are self-employed, but that is largely vulnerable employment with women working as either unpaid family workers or in petty shops, or vendors. Access, ownership and control of productive resources are crucial in determining the potential of women to produce marketable products and services. The poor should be enabled to own and operate enterprises to add value to the primary products they usually produce (e.g. dairy co-operatives).

h. Modernizing and expanding the role of SHGs

While much of the analysis above has focused on the younger cohort of girls that have acquired education upto at least secondary level, there is a large cohort of older women, with no skills and very little education, who have always been engaged as family labour in agriculture.

⁵ Compiled by Washington based Global Entrepreneurship and Development Institute (GEDI)

Opportunities for such women in agriculture are declining partly because mechanization in agriculture is destroying just the very jobs that were engaged in (Mehrotra and Sinha, 2017). For such women, engaging in off-farm economic activity as members of self-help groups has proven benefits. Studies⁶ (Lakshmi and Vadivalagan, 2011, Alam and Nizamuddin, 2012,)show that in many cases women in self-help groups are better off than other women in terms of employment opportunities, income, decision making, access to finance, awareness and social status. It is true that microcredit schemes cannot by themselves lift women out of abject poverty completely as there are other social relations and structural causes of poverty, but these are some ways of bringing about social and economic change."Social mobilisation requires broader conceptualisation and may need the harnessing of the collective strength of self-help groups in a federation" (Kay, 2002).

In terms of financial services, SHGs cater to tiny enterprises. Even though 90 percent of the clients of microfinance are women, they cannot really expand their business significantly using these funds. But there are benefits also. Through SHG clusters and federations, women gain experience of relevant processes (regular meetings, taking decisions, allocating money, awareness of policies); they become more 'visible' in a village and are often synergized with local politics. SHGs have their own benefits which need to be more utilized by linking with government schemes / programmes and banks to gain further. The SHG-Bank Linkage programme initiated by NABARD in 1992 has enabled women, from hitherto unreachable poor households, to efficiently use credits and productively use their skills and collective power, connecting about 12 million SHGs with banks (Patel, 2015). There are issues of rising non-performing assets, use of loans for purposes other than income generation, etc, for which strategic and time bound interventions are needed.

The National Rural Livelihoods Mission has since 2013 been an increasingly successful programme, providing non-farm livelihood to less educated rural women. Banks can play a proactive role to help SHGs in financial discipline, group formation, awareness generation, and help in minimizing the incidence of defaults, over-borrowing and multiple borrowing. Along with that some institutional infrastructure needs to be created to help income generation adequate

⁶ Income after Joining SHG are higher than the Income before Joining SHG in both Ernakulam and Idukki districts <http://indianresearchjournals.com/pdf/IJMFSMR/2013/March/10.pdf>

to repay loan and interest and generate a surplus, for which the government and other stakeholders need to take initiative.

NABARD has started a pilot project in Jharkhand in 2015 for digitization of women's self-help groups to improve the quality of interface between SHGs and banks for hassle free delivery of banking services. Such initiatives should be expanded to foster financial inclusion. Now, with the 'Digital India' campaign, the potential for such inclusion of women in programme design could be positive.

Entrepreneurial training in skills (e.g. basic book-keeping, accounting and business planning) is required in setting up a small business. Technical training in skills is required for a particular business. The Micro-enterprise Development Programme, by NABARD and other skill development initiatives have been imparting training, thus outreaching widely.

However, training alone is not enough to ensure their economic success; it depends on markets for the services and goods produced. In marketing there are two issues: first, the marketability of the product or service provided or produced by the group, and second, market access. There are many initiatives that support SHGs and facilitate market access. However, in India, it is still not fully acceptable that women have financial dealings with traders and other non-farm enterprises, especially if this implies travelling and dealing with male middlemen; therefore, there is a need to link SHGs to markets through formal channels.

The fact that the majority of SHGs are 'affinity groups' with neighbourhood proximity, government benefits can be easily channelized to the target population through the SHGs. Linking the government programmes with the SHGs is likely to ensure more transparency, understanding ground level needs and priorities and increased accountability. SHGs undertaking different types of activities are required to cater to the needs of different types of people, depending on their specific social and economic conditions and their goals. SHGs should be developed outside the ambit of micro-crediting. Based on the 12th Plan document, the Operational Guidelines 2013 provided for creation of Cluster Facilitation Teams (CFTs) that would address gaps in MGNREGA and thereby result in creation of sustainable livelihoods. Mechanisms for smooth interface and coordination between the SHGs, CSOs, Gram Panchayats

and the MGNREGS machinery at the Block and the GP level should be established. SHGs can also function as community monitoring body.

The Pradhan Mantri Jan Dhan Yojana (PMJDY) has enabled financial inclusion to take place, with nearly all households now having a bank account. As more and more girls are getting educated, the scheme can be linked to microfinance groups, who have experience in dealing with financial services, who have a wider and accepted reach. Women can be trained to help in processing at extension counters, monitor the scheme, data management, and awareness generation.

Further, including women SHGs, especially the better educated girls, as banking correspondents of this scheme can also breakthrough the social norm that they can only take up activities related to health, education, care, and domestic duties and so on. And to accomplish this we need a coordinated, focused and targeted intervention by the government and banks. At this nascent stage of the programme, there is dearth of skilled human resources. Going to the ground level, the 'Bank Mitras' needed to execute the scheme are neither adequate nor do they possess sufficient skills. The government can take initiatives to train women, bring the SHGs on board, reskill the members, enhance the potential of women, who were till date involved in the financial sector, but restricted only to micro-credit and therefore, bring in a significant difference in this sector.

i. Access to finance

Unequal access to formal financial services is a major constraint restricting women to start or expand businesses. Inequity in ownership and control over productive assets, lack of access to networks which are largely male dominated, less financial literacy, restricts women's access to a large extent. Along with that, there are supply side barriers such as financial institutions as well as policy makers who often lack the technical know how to design products that suit the needs of women clients who might not have the right of property or not be able to meet the strict criterion selection required by banks or other financial institutions. Also, women's businesses seem to be concentrated mostly in the service sector where usually the output is considered hard to quantify in the absence of physical assets and this can represent a barrier in having access to finance.

Several measures can be taken to mainstream gender in financial policies, research and programmes with an understanding of the needs of women entrepreneurs. Financial institutions can offer suites of financial products and services specifically tailored to the financial needs of these entrepreneurs, along with associated sourcing and marketing strategies. Generating awareness about products and services, and providing tailored tools to women (such as doorstep services, communication support, simplifying approval processes to reduce the number of visits to branches, innovative delivery systems, tie-ups with non-governmental organizations, microfinance institutions, and self-help groups) can reduce transaction costs for women and help them manage risk. More female relationship managers can be hired and trained to increase accessibility to women-owned MSMEs.

j. Data

Some authors (Hirway 2012, Chen 2011) have also pointed out measurement issues in capturing and estimating female employment. Though data collection methods have improved, there remains a major obstacle to the analysis of official statistics collected through labour force and other household surveys. Time-use surveys are a better means of gathering more accurate and insightful data on the nature of women's work in and out of the household, especially in subsistence production and informal employment. Effective measures need to be taken to address the problem of poor quality of survey enumeration.

k. More participation in policy and decision making

Gender equality through maximizing women's presence and involvement in positions of power and decision making at all levels in both public and private spheres can transform the secondary status of women in the political – economic – domestic spaces. Experiences and interests of women are different from that of men and need to be represented in discussions related to policy making and implementation, leading to an enhanced democratization, fairer representation and equality in outcomes (Mehrotra, 2016). Inequity in access to land and other assets, lower economic participation, low pay, occupational segregation, lower representation in political sphere, stringent domestic responsibilities, violence, lesser access to education and employable skills, are all woven together that worsens discrimination against girls and women. Measures are needed to promote an active and visible policy of mainstreaming a gender perspective in all policies and programmes and support gender responsive budgeting. This is

necessary not just for simple justice, but to enhance the goals of growth and development (Mehrotra, 2013).

3. Conclusion

The analysis indicates that the gender gap in labour force participation in India is high and worsening over the period. The decline in female employment is primarily attributed to the sharp fall in female agricultural employment, which till date employs more than 65 percent of the total women; half of them working as unpaid family workers. Even though there is a structural change in female employment with declining agricultural employment, there is not a commensurate increase in non-agricultural activities, except for construction. Employment opportunities are very limited for women - concentrated to only a few sub-sectors, mainly in low value added activities.

Work opportunities for women are restricted to few sectors; policies are needed to promote access to employment across the spectrum of sectors and occupations, investments in diversified sectors and upgrade to high-end activities, particularly in rural and semi-urban areas along with infrastructural support like transport, housing, sanitation facilities, lights and so on. Agriculture which is still the largest employer of female labour, and can be utilized as a source of economic growth and job creation if women are ensured ownership rights and control over lands, shift to high value-added crops, supported by other policy measures.

The girls are now increasingly better educated. Skills for them provided near their homes, especially if skill centres emerge where manufacturing clusters are located, can increase employment after skilling. This requires a comprehensive strategy for cluster development.

Encouraging female entrepreneurship can promote a broader dynamic economy, elevate the economic role of women, and therefore distribute the benefits of growth more equitably. But lack of credit facilities in the absence of collateral, and complicated 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 improve 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 strengthen rural peoples' (as was done successfully in Andhra Pradesh and Kerala), particularly women's participation. In terms of employment

generation and enterprise development, federations or apex bodies are likely to have a much larger impact than individual SHGs. SHG federations provide the opportunity to influence policies and to constitute effective pressure groups at the district and state level.

Sectors like health and education, where women predominate need more budgetary support, to improve - first, the outcomes and second, employment opportunities.

The ILO Convention on Domestic Work was passed by the International Labour Congress in 2010, but the Government of India has still not ratified it. This Convention clearly outlines the basic rights of domestic workers, provides guidelines on terms and conditions of employment, wages, working hours, occupational safety and health, social security and so on. With its ratification, which would be just a beginning can pave the way for more rights and protection of domestic workers who are largely women.

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