
EMPOWERING ECONOMIES – ANALYZING FEMALE LABOR FORCE PARTICIPATION FROM 2017- 23



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NITI AYO

NITI AYO , SANSAD MARG NEW DELHI

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INTRODUCTION

Female employment in India has an intrinsic relationship with female empowerment. Female employment and empowerment have been considerable over the years. The National household survey, Periodic Labour Force Survey conducted by the National Statistics Office(NSO) Ministry of Statistics and Programme Implementation(MoSPI), reveals the Female employment status in India.

The Female Labour Force Participation Rate refers to the percentage of women who are either employed or actively seeking employment within the total female population of working age. The FLFPR In India is below the global average rate of 47% for several years. But the commendable fact is that women's empowerment over the years has taken female employment to the rising steps.

This report delves into the dynamics of Female Labour Force Participation(FLFP) and its impact on economic growth, with a specific focus on the periods before, during and after the COVID-19 pandemic. The report is organized into three comprehensive chapters, each focusing on different time periods relative to the COVID-19 Pandemic.

Chapter one: Pre-COVID Era (2017-19)

In this chapter, we examine the trends in FLFP during the years 2017 to 2019. This pre-COVID period provides a baseline understanding of FLFP, Shedding light on the economic conditions, policies, and societal factors that influenced Women's employment before the Pandemic disrupted global economies.

Chapter Two: During COVID-19 (2019-21)

The second chapter investigates the effects of covid-19 pandemic on FLPR. we analyze how the pandemic impacted women's employment status, considering factors such as job losses, shifts to remote work, and increased caregiving responsibilities. this section aims to highlight the immediate disruptions and adaptations within the labour market during this unprecedented global health crises

Chapter Three: post covid recovery (2021-23)

The third chapter explores the recovery period following the peak of the COVID-19 pandemic. We study the trends in FLFP during this phase focusing on how the labour market has rebounded, the effectiveness of policy interventions, and the ongoing challenges and opportunities for Women's employment. This section seeks to provide insights into the long-term implications of the pandemic on FLFP and economic growth.

Through this structured analysis, the report aims to provide a comprehensive overview of the fluctuations in female labor force participation and their broader economic implications across different phases of the COVID-19 pandemic.

1. OBJECTIVES OF THE REPORT

The primary objective of this report is to analyze the impact of female labor force participation (FLFP) on economic growth in India focusing on three distinct periods: pre covid, during covid and post covid. we aim to gather and analyze data from household surveys, policy articles, and other relevant sources to identify trends and patterns in FLFP during these times. This report will evaluate the effects of changes in FLFP on key economic indicators such as GDP growth employment rates and productivity. Additionally, we will explore the socio-economic cultural, and policy-related factors influencing these trends and provide policy recommendations to enhance FLFP, thereby contributing to sustainable economic growth.

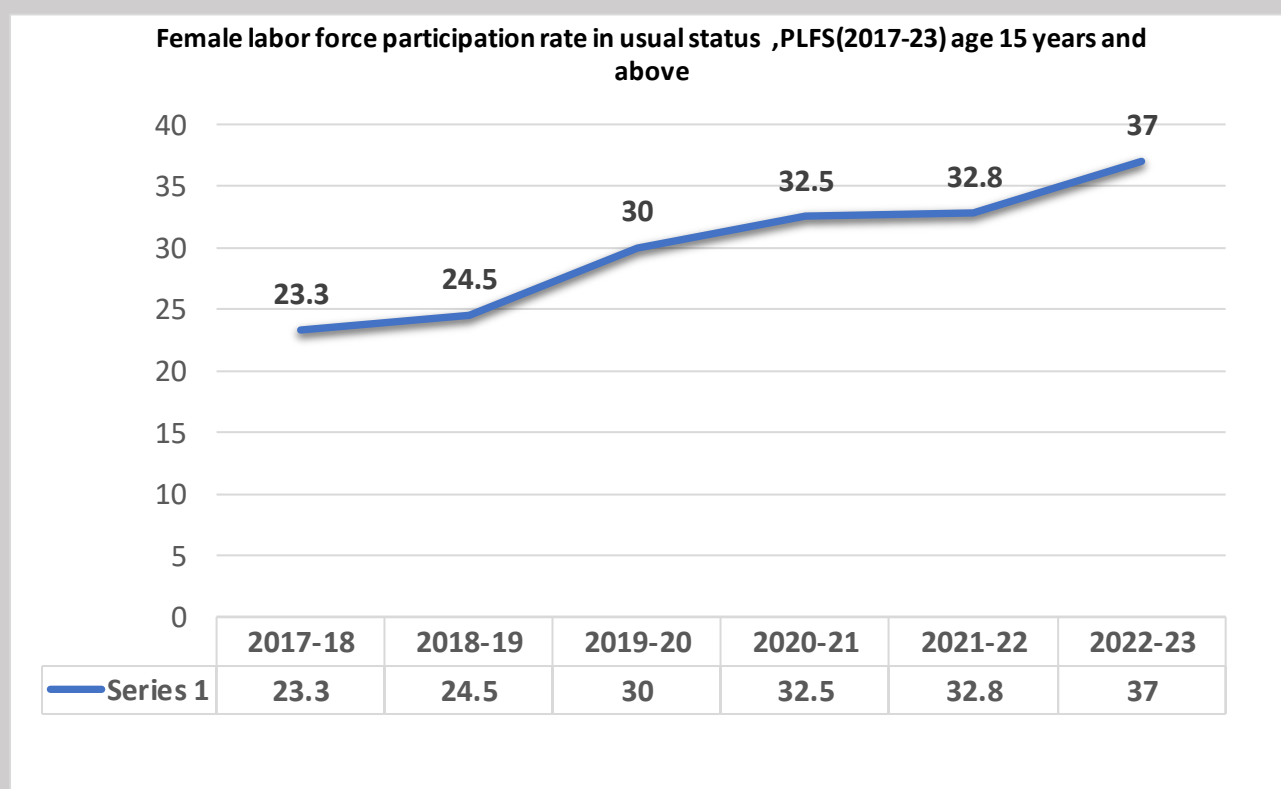
2. EXPLAINING THE FEMALE PARTICIPATION IN THE LABOUR FORCE

Female labour force participation rate refers to the percentage of women who are either employed Or actively seeking employment it is a crucial indicator of gender equality in the workforce and economic development. High FLFP is often associated with improved economic performance, reduced poverty, and enhanced social well-being. several factors influence FLFP including education, cultural norms, access to child care, labor market policies, and economic conditions

Female Labor Force Participation in India (2017-2023)

Data Overview:

Here is the FLFP data for India from 2017 to 2023, focusing on the impact of COVID-19:



Source: Press Information Bureau

Let's discuss all these trends in detail, we are starting from the pre covid era starting from 2017-19.

3. FACTORS AFFECTING FEMALE LABOUR FORCE PARTICIPATION RATE

The participation of women in the labor market is primarily driven by factors such as :

- 1) **Economic development:** Economic development increases female labor force participation by creating more job opportunities and improving access to education and skills training for women. It also promotes gender equality through supportive policies and infrastructure.
- 2) **Education level:** Higher education levels significantly boost female labor force participation by enhancing employability and access to better job opportunities. Educated women are more likely to enter and remain in the workforce, contributing to economic growth and gender equality
- 3) **Fertility rate:** Lower fertility rates tend to increase female labor force participation by reducing the time women spend on childcare and allowing them more opportunities to work. Conversely, higher fertility rates can limit women's availability for employment due to increased household responsibilities. Balancing work and family becomes more feasible with access to family planning and childcare support.
- 4) **Acess to child care and other supportive services:** Access to affordable childcare and support services enables more women to join and remain in the workforce by easing the burden of balancing work and family responsibilities. These services provide essential support, allowing women to pursue employment opportunities without sacrificing childcare quality.
- 5) **Society and social norms:** society and social norms influence female labor force participation by dictating gender roles and expectations. In traditional societies, women may face barriers to employment due to expectations to focus on household duties. Conversely, progressive norms that support gender equality encourage higher participation by promoting women's education and career opportunities.
- 6) **Household income:** Higher household income can reduce female labor force participation as financial necessity diminishes, allowing some women to opt out of the workforce. Conversely, lower household income often necessitates dual earners, increasing female participation to support household finances.
- 7) **Average household size:** Larger household sizes often decrease female labor force participation, as more time and effort are needed for domestic responsibilities and childcare. Smaller household sizes typically allow more flexibility and time for women to engage in the workforce, increasing their participation rate.
- 8) **Dependency ratio:** A high dependency ratio, with more dependents per working adult, can reduce female labor force participation as women may need to focus on caregiving responsibilities. Conversely, a lower dependency ratio eases these responsibilities, allowing more women to participate in the workforce.
- 9) **Sex ratio:** A balanced or higher sex ratio (more females) can enhance female labor force participation by increasing the potential pool of female workers. Conversely, a skewed sex ratio (fewer females) may limit female participation due to societal pressures on women to marry and focus on domestic roles.

4. WHAT ARE THE EFFECTS OF LOW FEMALE LABOUR FORCE PARTICIPATION RATE ON INDIAN ECONOMY

Low female labor force participation in India significantly hampers economic growth by limiting the labor force and reducing overall GDP. With a lower female participation rate, valuable skills and talents remain untapped, leading to underutilization of human capital. Additionally, much of the work performed by women, such as unpaid domestic labor, is not accounted for in GDP measurements, which skews the true economic contribution of women. This situation results in reduced household incomes and consumption, further stifling economic demand. Increasing female labor force participation could boost GDP, enhance economic efficiency, and improve household incomes, ultimately fostering a more robust and inclusive economy.

Chapter 1: Pre covid era (2017-19)

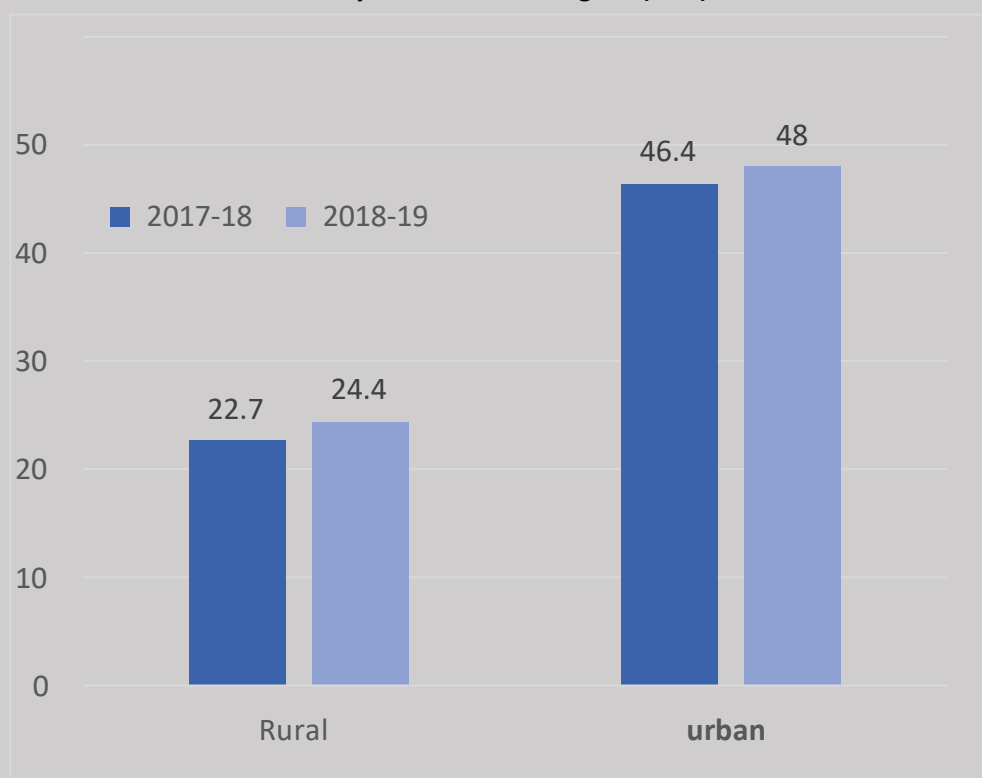
Female Labor Force Participation in India (2017-2019): Trends and Implications

In the pre-COVID era, specifically from 2017 to 2019, India's female labor force participation (FLFP) exhibited a modest yet notable upward trend. According to available data, the FLFP rate was 23.3% in 2017-18, which increased to 24.5% in 2018-19. This increment of approximately one percentage point, although seemingly small, indicated a positive shift in female engagement in the labour market. This chapter aims to explore the underlying factors contributing to this gradual increase, setting the stage for a deeper analysis of female labor force participation and its broader economic implications.

Comparison between Rural and Urban Female Enrollment in Higher Education

The Periodic Labour Force Survey (PLFS) highlights the percentage distribution of females aged 15 years and above with secondary education and higher from 2017-18 to 2018-19. For rural females, the proportion increased from 22.7% in 2017-18 to 24.4% in 2018-19, showing an almost 2% rise. Similarly, urban females with secondary education and above increased from 46.4% in 2017-18 to 48.0% in 2018-19, also reflecting an almost 2% increase. However, a significant disparity exists between rural and urban females, with urban females consistently more educated by approximately 20 percentage points in both years. The unemployment rate among females with secondary and above education was 18.5% in 2017-18 and slightly decreased to 17.1% in 2018-19. Despite this reduction, the high unemployment rate remains disappointing and highlights a significant issue. It is concerning that educated females continue to face substantial unemployment, indicating the need for targeted interventions to improve job opportunities for this demographic.

Distribution of females aged 15 years and above with secondary education and higher (in %).



Source: Annual report PLFS 2018-19

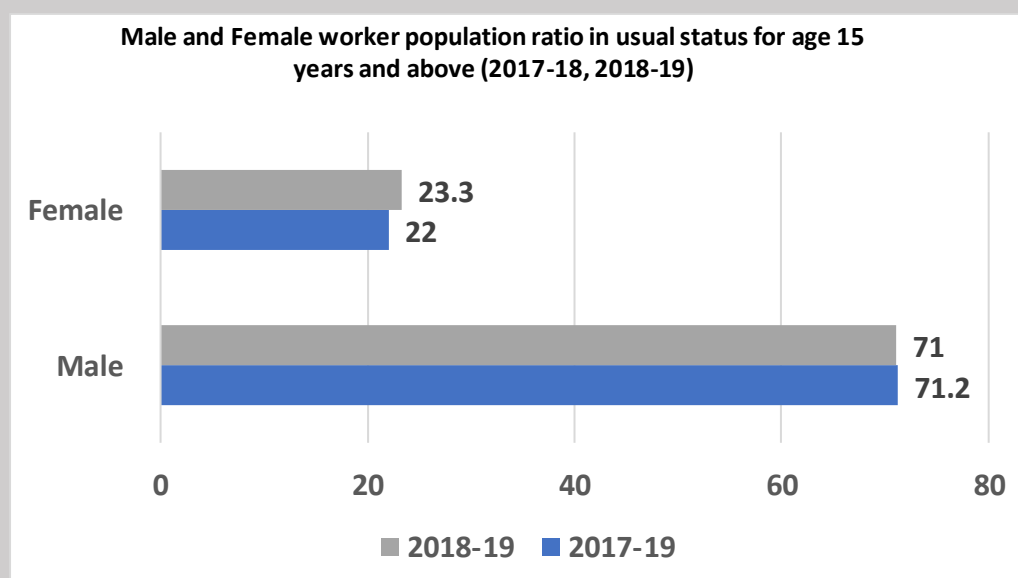
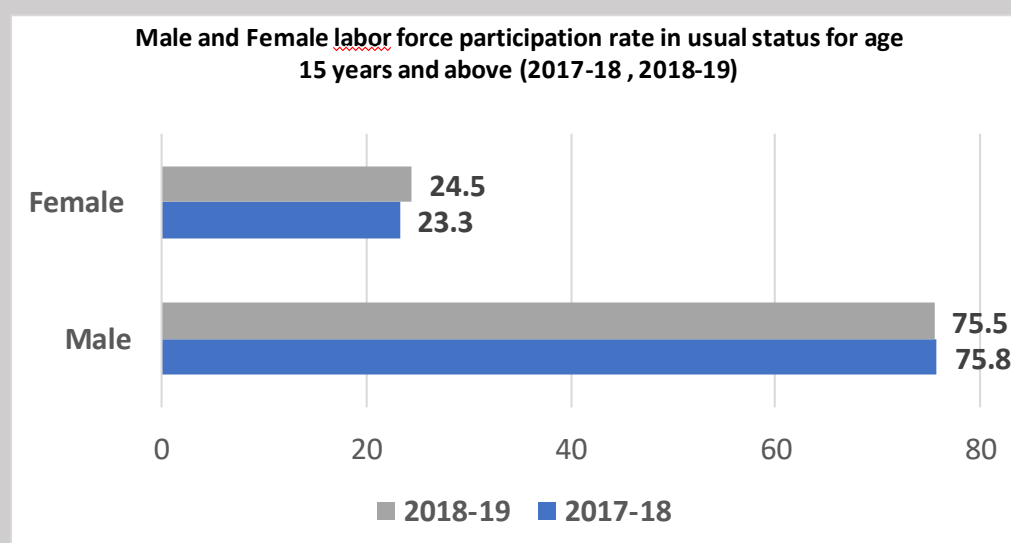
Technical Education Disparities

The PLFS data reveals a stark disparity in technical education among females, with only 0.1% of rural females possessing diplomas, certificates, or higher technical qualifications compared to 0.8% in urban areas, and an overall percentage of just 0.3%. This significant gap underscores a critical issue: the lack of technical education among females, which limits their employment opportunities. The low percentage of women with technical qualifications highlights the need for enhanced access to technical education to improve job prospects and address employment disparities.

Differences in FLFPR and MLFPR

According to the usual status data, the female labor force participation rate exhibited a modest increase from 23.3% in 2017-18 to 24.5% in 2018-19. Despite this upward trend, the disparity when compared to male labor force participation rates remains pronounced. For males, the participation rate was 75.8% in 2017-18 and slightly decreased to 75.5% in

2018-19. This significant gap underscores the reality that males are far more active in the labor force compared to females. The low participation rate of females in the labor market is a critical point of concern, suggesting underlying socio-economic and cultural barriers that limit their economic involvement. Addressing this issue is essential for achieving gender parity and harnessing the full potential of the female workforce in driving economic growth. According to the usual status data, the female worker population ratio saw a slight increase from 22% in 2017-18 to 23.3% in 2018-19. The male worker population ratio saw a slight decrease from 71.2% in 2017-18 to 71% in 2018-19. Despite these incremental gains, a significant disparity persists between the male and female worker population ratios. This indicates a gradual improvement in the proportion of females engaged in the workforce over the period.



Source: Annual report PLFS 2018-19

Employment Patterns of Females

The Periodic Labor Force Survey (PLFS) data from 2017-18 to 2018-19 reveals notable trends in the employment status of females.

Regular Wage or Salaried Jobs:

Increased slightly from 21.0% in 2017-18 to 21.9% in 2018-19.

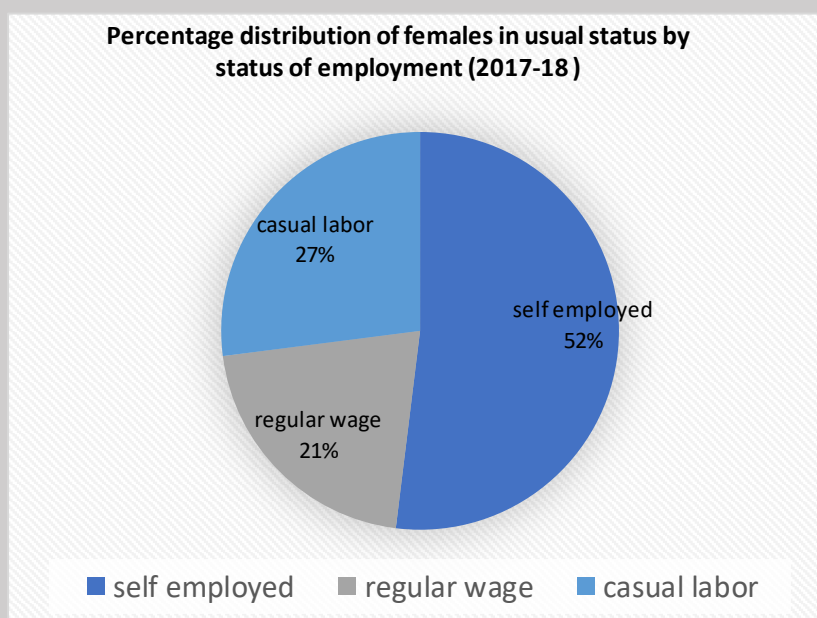
Self-Employed:

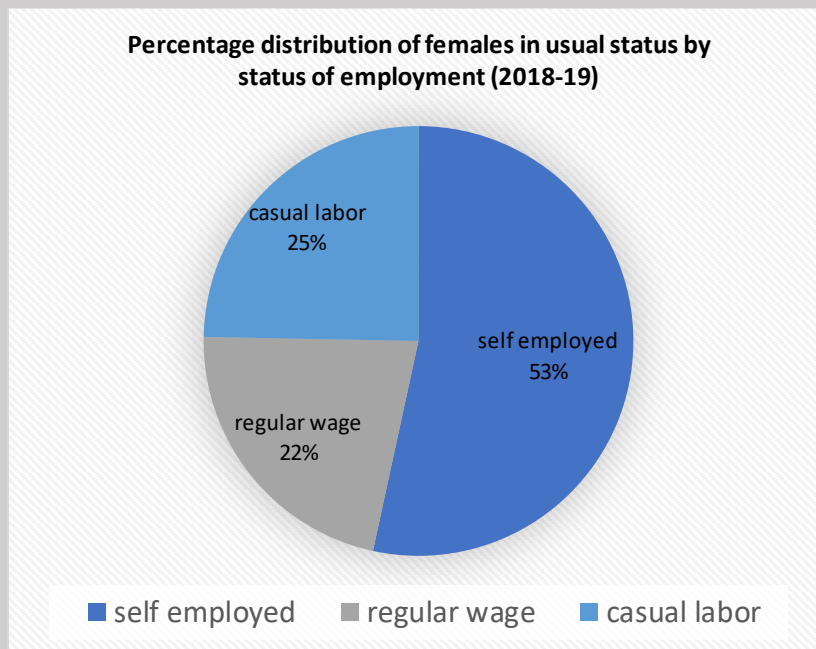
Rose from 51.9% in 2017-18 to 53.4% in 2018-19.

Casual Labor:

Fell from about 27% in 2017-18 to 24.7% in 2018-19 during the same period.

During this period, female employment patterns showed a noticeable increasing trend in both regular salaried positions and self-employment. However, casual labor experienced a declining trend between 2017-18 and 2018-19.





Source: Annual report PLFS 2018-19

Sectoral Employment Distribution

The Periodic Labour Force Survey (PLFS) data for 2017-18 and 2018-19 reveal key insights into the distribution of workers by industry and rural-urban differentiation. For females,

Agriculture

During the 2017-2018 period, the agricultural sector experienced a decline. The percentage of females working in agriculture decreased from 57% in 2017-18 to 55.3% in 2018-19.

Manufacturing

while the manufacturing sector saw an increase from 12.5 % in 2017-18 to 12.8 % in 2018-19.

Construction

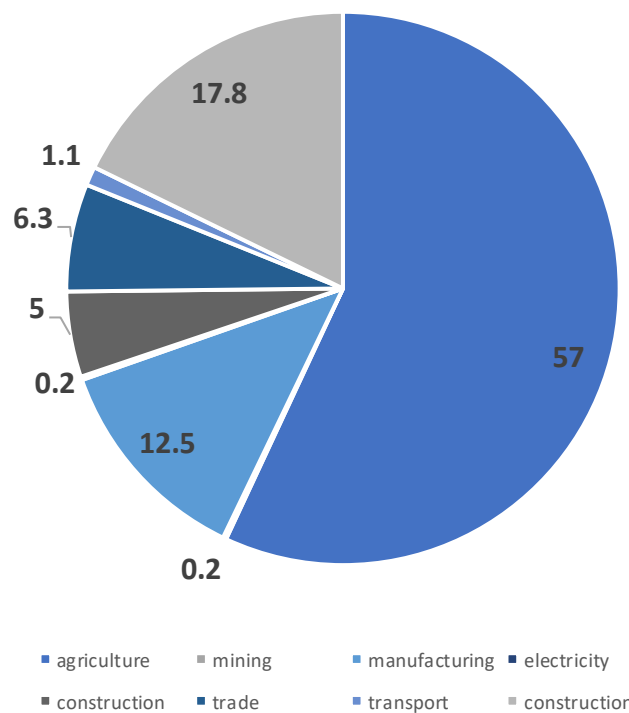
While construction sector saw an increase from 5 % in 2017-18 to 5.5 % in 2018-19

Other services

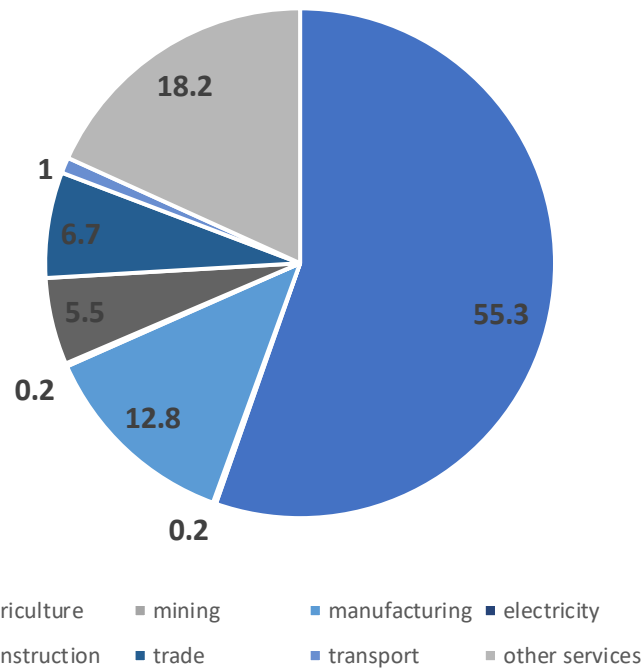
This sector saw an increase from 17.8% in 2017-18 to 18.2 % in 2018-19

During this period, things were progressing smoothly. Although the agricultural sector, which harbors a significant amount of disguised unemployment, saw a decline, the manufacturing, construction, and other service sectors experienced an increase in female labor force participation. Overall, this period was marked by positive developments and stability.

Percentage distribution of workers according to broad industry division
(2017-18)



Percentage distribution of workers according to broad industry division (2018-19)



Source: Annual report PLFS 2018-19

Issues Regarding Job Security

According to the PLFS data from 2017-18 to 2018-19, the percentage of regular wage or salaried female employees without a written job contract was 66.8% in 2017-18 and slightly decreased to 66.5% in 2018-19. Although there is a minor decrease, the high percentage remains a significant concern. This data highlights that a substantial number of women are working without formal job contracts, which raises issues regarding job security and labor rights for female workers.

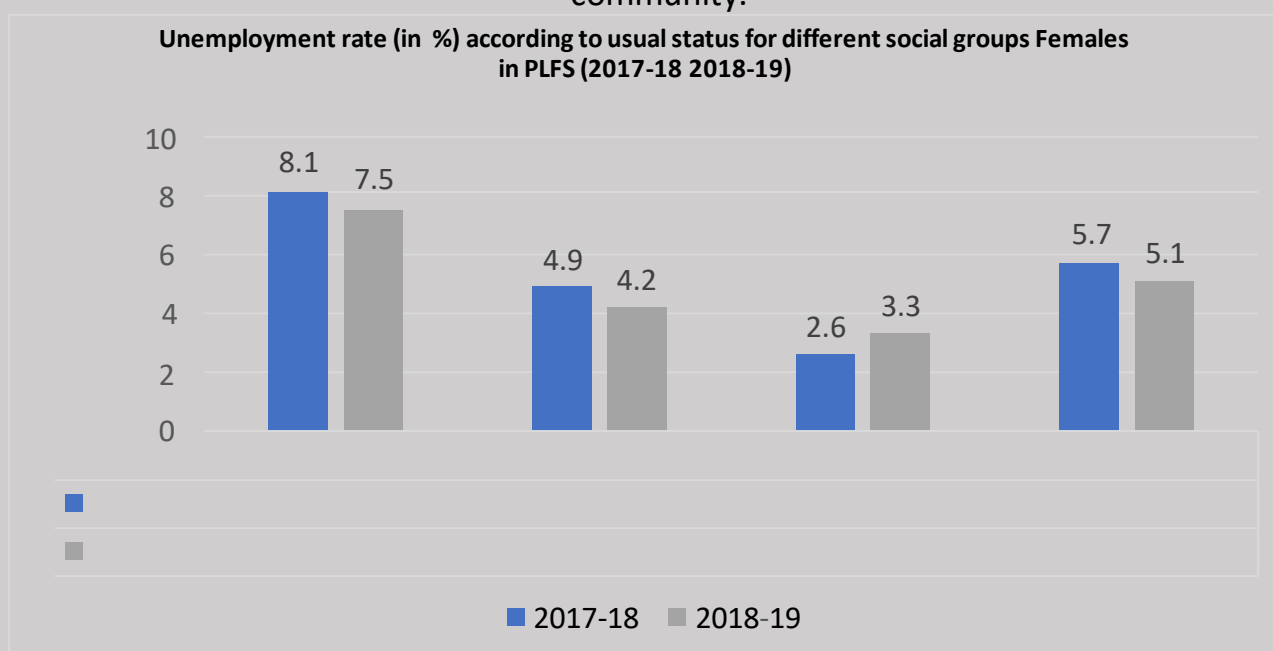
FLFPR Across Various Social Groups

According to the PLFS data for 2017-18 and 2018-19, Scheduled Tribes (STs) exhibit the highest female labor force participation rates across social groups. In 2017-18, the labor force participation rate for ST women was 26.6%, which increased to 27.6% in 2018-19. This trend is observed across both rural and urban areas, with ST women consistently leading in participation rates. Overall, ST women have the highest labor force participation compared to other social groups, highlighting their significant economic engagement.

Unemployment rate among various social groups

The unemployment rate among females in the general category is notably high compared to other social groups. In 2017-18, the unemployment rate for general category females was 8.1%, which decreased slightly to 7.5% in 2018-19. Despite this decrease, the general category still experiences the highest unemployment rates among social groups, indicating a significant challenge in employment opportunities for females in this category relative to others.

Female Christians have the highest unemployment rate among religious groups. In 2018-19, the unemployment rate for Christian women was 8.5%, a decrease from 11.4% in 2017-18. Despite the decline, Christian women continue to face the highest unemployment rates compared to other religious groups in India, highlighting a significant challenge within this minority community.



Source: Annual report PLFS 2018-19

Conclusion

In examining the data on female labor force participation and employment trends, several critical observations emerge. Despite increasing educational attainment among females, with many attaining secondary and higher education, their employment rates remain disproportionately low. This disparity is influenced by various factors, including entrenched social norms and cultural expectations that restrict women's participation in the workforce. Even when women are allowed to pursue education, they often face barriers to working outside the home due to societal expectations and family responsibilities, such as child care and relocation after marriage. The data reveals a stark contrast in labor force participation between males and females, with male participation rates significantly higher. Job security for women is also a concern, as many women work without written contracts, reflecting their precarious employment status. This instability is partly due to the expectation that women may leave their jobs due to family obligations. Further analysis shows that Scheduled Tribe (ST) women exhibit higher labor force participation rates compared to other social groups, while women from the general category face the highest unemployment rates. Additionally, Christian women have the highest unemployment rates among religious groups.

chapter 2: During the COVID-19 Era(2019-21)

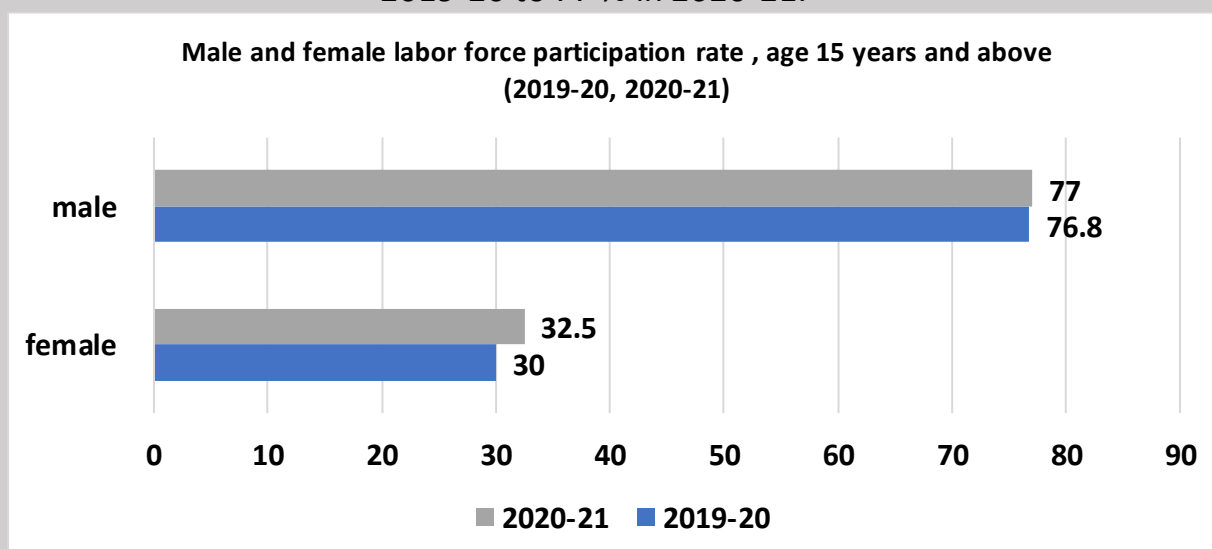
Introduction

This chapter explores the substantial increase in female labor force participation during the COVID-19 pandemic. The participation rate rose from 24.5% in 2019-20 to 32.5% in 2020-21, reflecting an 8% increase. We analyze this growth in the context of the pandemic's economic impact and influencing factors. Despite challenges in data collection, we have utilized available data from the Periodic Labour Force Survey (PLFS) annual reports to understand the trends in female labor force participation during this period.

Labor Force Participation Rate

The female labor force participation rate saw a significant increase during the pandemic. From 2019-20 to 2020-21, the rate grew from 24.5% to 30%, marking a 6% rise. The following year saw an additional increase to 32.5%, representing a further 2.5% rise. This change signifies a notable shift in female employment patterns driven by the pandemic.

Where as the male labor force participation rate saw a increase from 76.8 % in 2019-20 to 77 % in 2020-21.



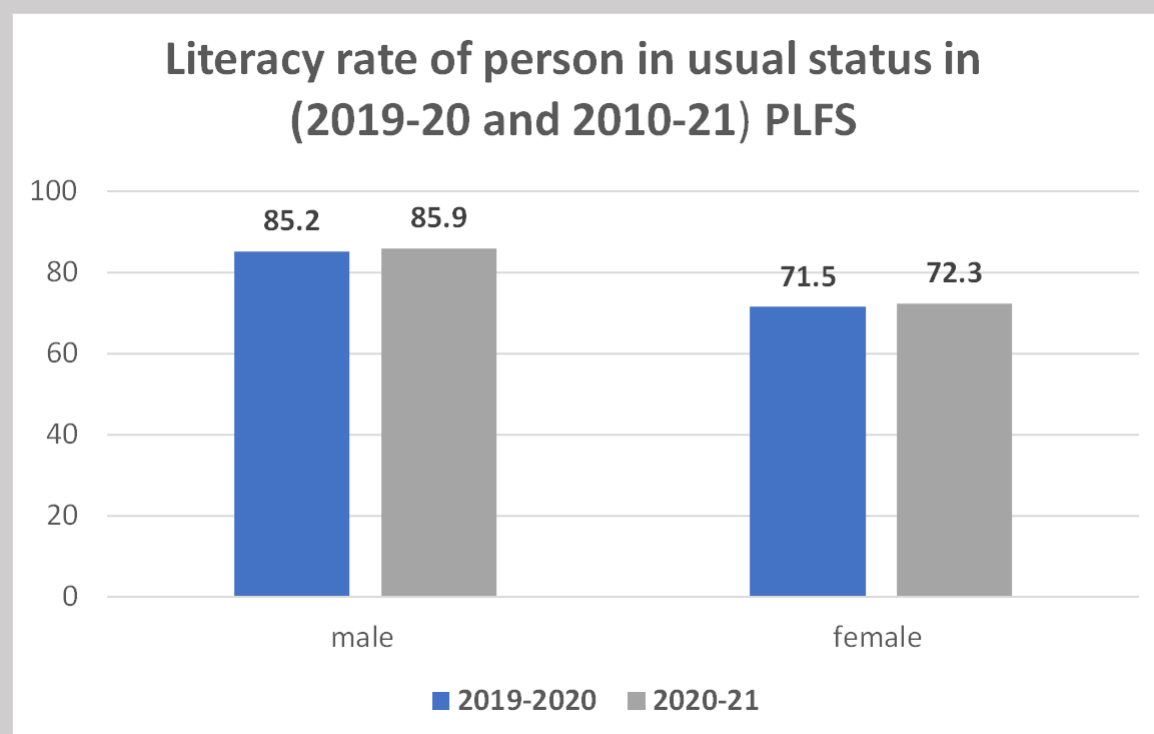
Source: annual PLFS report 2021-22

During the COVID-19 period, both male and female labor force participation rates grew. However, the female labor force participation rate increased more significantly. This rise was primarily due to widespread layoffs, leading to a large-scale migration from urban areas to rural areas. In rural areas, agriculture is often the primary source of income, prompting many individuals, particularly women, to engage in agricultural work.

Literacy Rates

Despite the pandemic's challenges, the literacy rate among females aged 7 years and above showed a positive trend. It increased from 70.9% in 2019-20 to 71.5% by the end of that year and further rose to 72.3% in 2020-21. This steady improvement in female literacy highlights the resilience of educational progress during the pandemic.

Even during the COVID pandemic, we observed a slight increase in the literacy rates for both females and males. This was largely because the online education system became more accessible to those who could not afford traditional schooling. Consequently, the literacy rate increased during this period. However, it is important to note that the literacy rate of females remained lower compared to that of males.



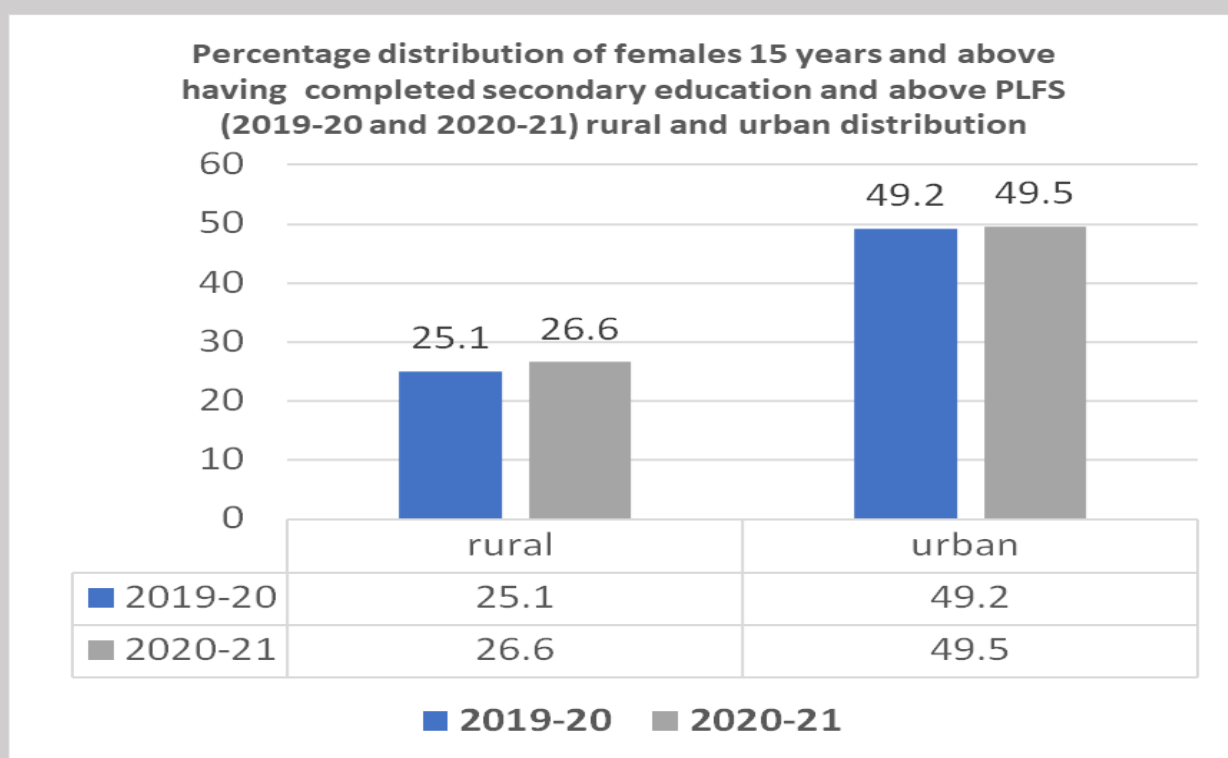
Source: annual PLFS report 2021-22

Education Levels

The percentage of females aged 15 years and above who completed secondary education and beyond also changed. For rural females, this percentage rose from 25.1% in 2019-20 to 26.6% in 2020-21, reflecting an almost 1% increase.

Urban females saw a modest increase from 49.2% to 49.5% over the same period.

There was a significant difference in education levels between rural and urban females. However, both rural and urban females experienced an upward trend in education levels, even during the COVID-19 period.



Source: Annual Report PLFS 2020-21

Employment Types

Self-Employment

The proportion of self-employed females increased notably during the pandemic. Overall, it rose from 56.3% in 2019-20 to 59.4% in 2020-21. In rural areas, the proportion increased from 58.4% to 60.0%, while in urban areas, it rose from 38.7% to 39.0%.

Regular Wage or Salary Workers

Conversely, there was a significant decline in the proportion of regular wage or salary workers. Among rural females, this decreased from 20% in 2019-20 to 17.4% in 2020-21. In urban areas, the proportion dropped from 54.2% to 50.1%.

Casual Labor

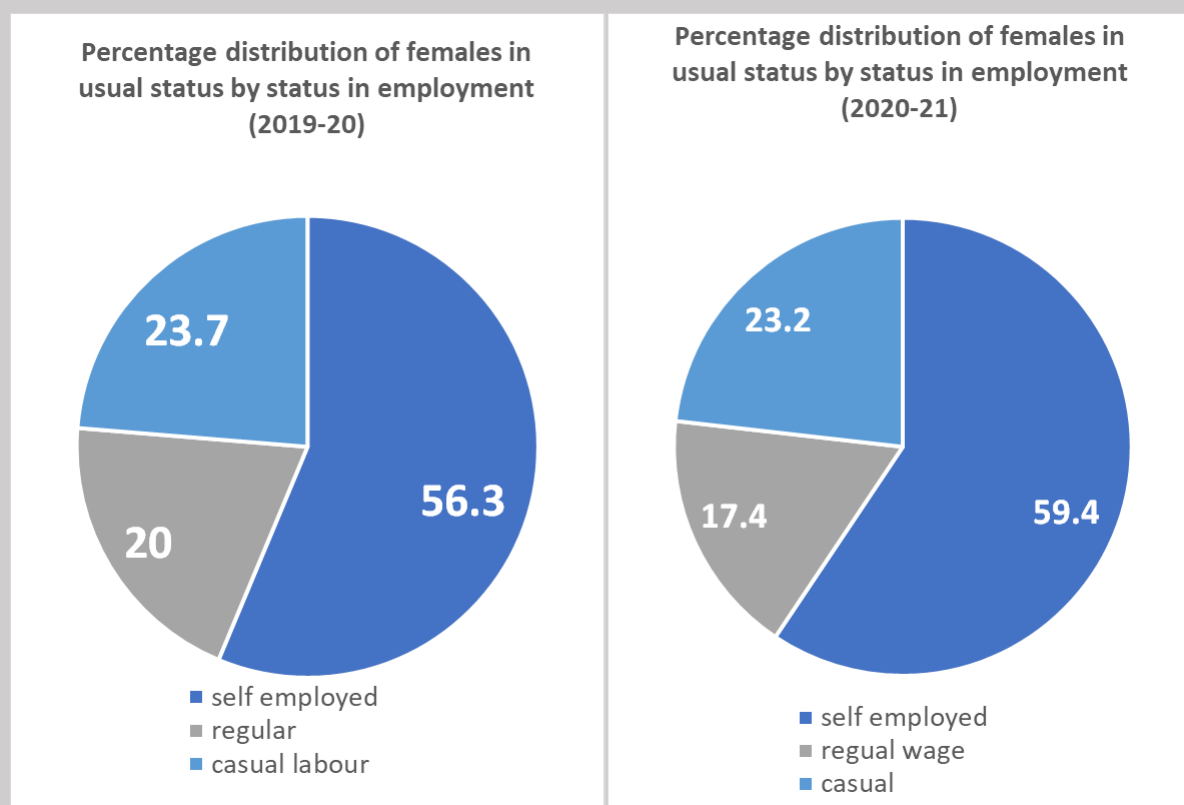
The proportion of female casual workers experienced a slight decline. It decreased from 23.7% in 2019-20 to 23.2% in 2020-21.

According to this data, we can clearly see that the number of self-employed females increased during the COVID-19 period. This rise in self-employment among women could be attributed to various factors, such as the need for flexible working conditions and the closure of many formal workplaces.

During this period, the rate of self-employment among females rose significantly, from 56.3% to 59.4%. This increase was largely driven by the need for a source of income in rural areas, where employment opportunities were limited. Consequently, many women turned to self-employment to support themselves and their families.

In contrast, the number of females working as regular wage earners or casual laborers showed a decreasing trend during the same period. The decline in these types of employment can be linked to widespread job losses, economic instability, and the shutdown of numerous businesses due to the pandemic.

This shift highlights the resilience and adaptability of women in the face of challenging economic conditions.



Source: Annual Report PLFS 2020-21

Sectoral Employment Distribution

Agriculture

Employment in agriculture saw a significant increase. Overall, it rose from 55.3% in 2018-19 to 59.9% in 2019-20, and further to 62.2% in 2020-21. Among rural females, the proportion slightly decreased from 75.7% in 2019-20 to 75.4% in 2020-21.

Manufacturing

The share of female employment in the manufacturing sector declined, from 10.9% in 2019-20 to 10.6% in 2020-21.

Other services

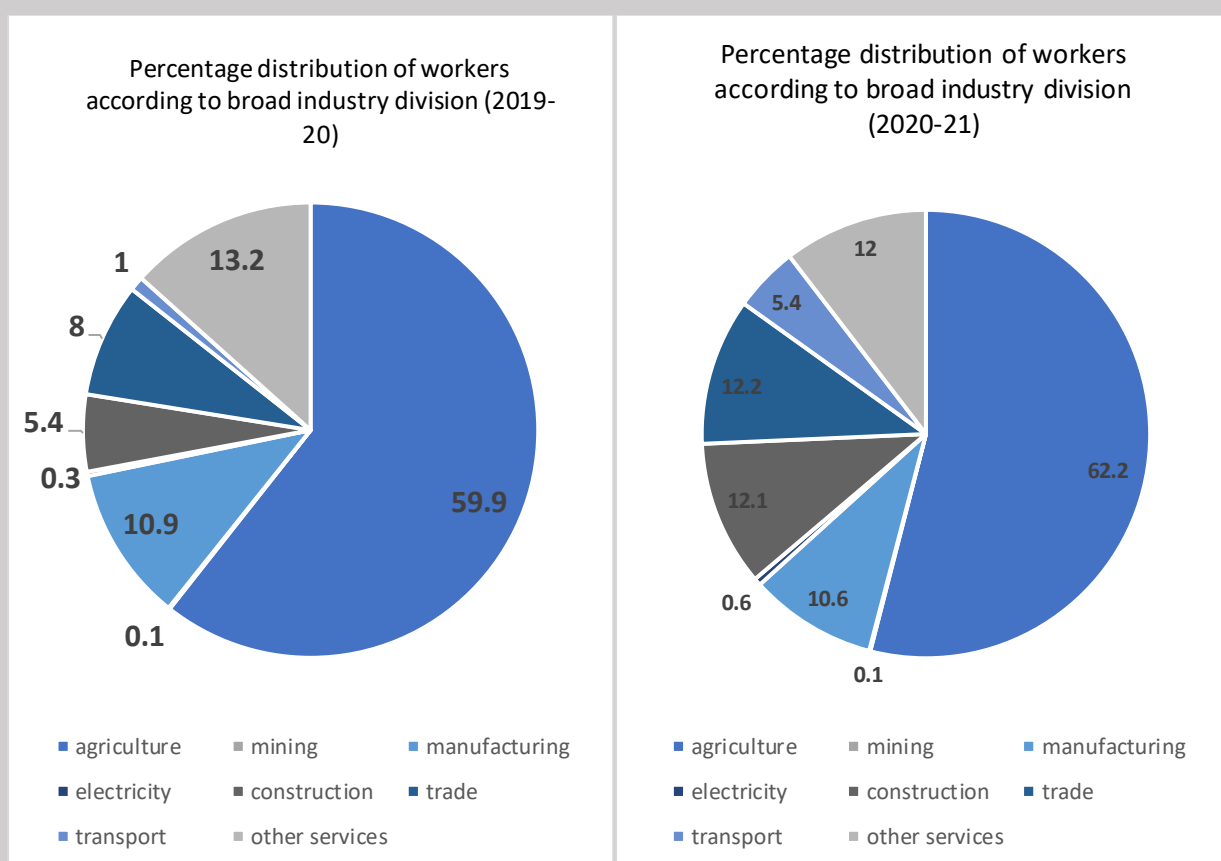
The share of female employment in other services remained constant in both the years

Construction

The share of female employment in other services increased from 5.4 % in 2019-20

to 5.6 % in 2020-21 .

From the data, we can observe that the share of female employment in agriculture has significantly increased. However, this sector is already experiencing disguised unemployment, meaning it does not require so many workers. Increasing female employment in agriculture may not benefit the economy, as it does not address the underlying issues of surplus labor and productivity in the sector.



Source: Annual Report PLFS 2020-21

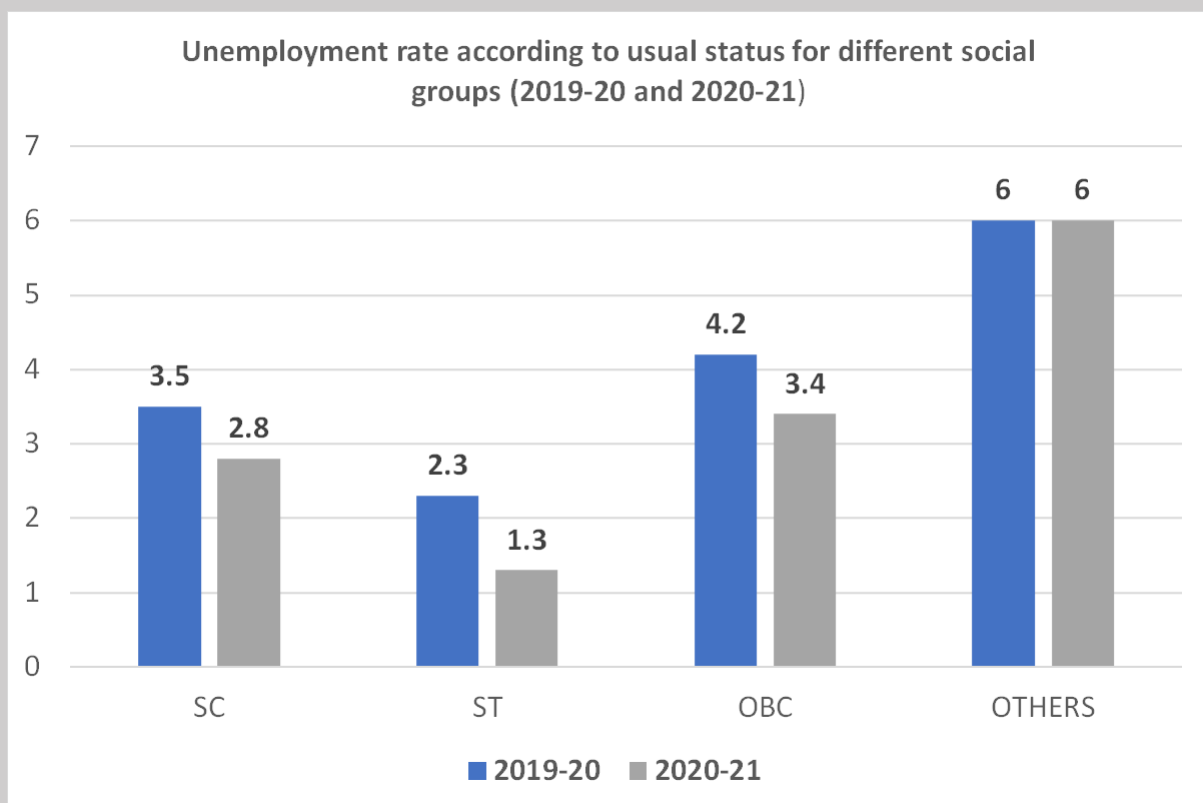
Unemployment Rates

The unemployment rate for females with secondary education and above decreased from 14.6% in 2019-20 to 12.5% in 2020-21. Specifically, for rural females, the unemployment rate fell from 12.2% to 10% over the same period.

Unemployment Rates by Social Groups

Unemployment rates decreased for most social groups. For Scheduled Tribes (ST), it fell from 2.3% in 2019-20 to 1.3% in 2020-21. Scheduled Castes (SC) saw a drop from 3.5% to 2.8%, and Other Backward Classes (OBC) decreased from 4.2% to 3.4%. The unemployment rate for Others (General Category) remained at 6%.

According to the data, the unemployment rate among Scheduled Caste (SC) females has decreased during the COVID-19 period. This trend is also observed in the overall Scheduled Caste category and the Other Backward Classes (OBC) category, where there has been a decline in unemployment rates. However, for females in the 'Other' category, the unemployment rate has remained constant throughout the COVID-19 period.



Source: Annual Report PLFS 2020-21

Conclusion

This chapter provides a comprehensive analysis of female labor force participation during the COVID-19 pandemic. The data indicates significant shifts in employment patterns, including a rise in self-employment and an improvement in literacy rates. The increase in self-employment, particularly in rural areas, is attributed to the migration of urban workers to rural settings due to widespread job losses. Many women transitioned to agriculture, which became a key income source during the pandemic. However, this shift also highlighted the issue of disguised unemployment in agriculture, where labor exceeds productive capacity.

Despite declines in casual and regular wage employment, improvements in self-employment and literacy are notable. The persistently high unemployment rate among females in the general category remains a concern. Overall, the pandemic brought notable changes to female education and employment patterns, particularly in self-employment within agriculture, but addressing disguised unemployment and high unemployment rates in specific groups remains crucial for more inclusive economic growth.

Chapter 3: Post-COVID-19, Recovery (2021-23)

Introduction

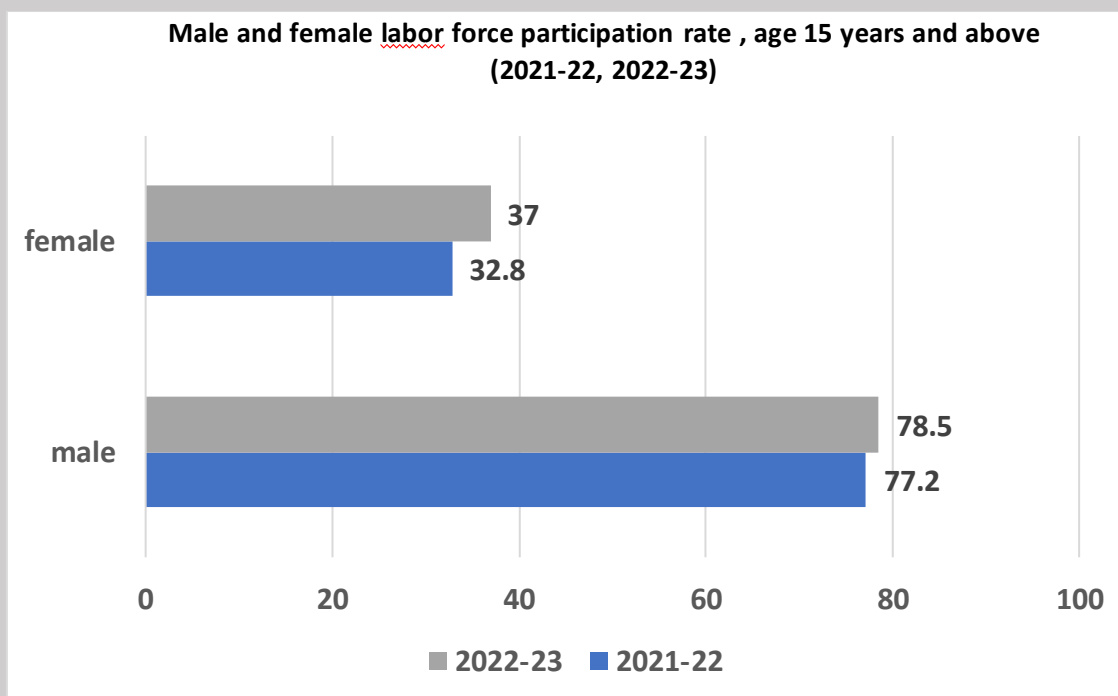
This chapter examines the changes and trends in female labor force participation following the COVID-19 pandemic, focusing on the periods from 2020-21 to 2022 and from 2022 to 2023. We utilize data from the Periodic Labour Force Survey (PLFS) to understand how the pandemic has impacted women's labor market dynamics and the subsequent recovery.

Overview of Female Labor Force Participation Rates , worker population ratio

The **female labor force participation rate** demonstrated a rising trend following the pandemic, though the pace of increase gradually slowed. Specifically, the participation rate rose from 32.8% in 2020-21 to 37% in 2022-23, with a notable increase between these periods but a deceleration in the growth rate over time. In contrast, male labor force participation rates exhibited a slight decline before showing a modest increase. The rate for males was 77.2% in 2021-22 and increased to 78.5% in 2022-23. This contrasting trend underscores a period of recovery and adjustment in the labor market, with women's participation growing steadily while men's rates experienced a smaller upward shift.

After the COVID-19 period, the female labor force participation rate improved, rising from approximately 24.8% to 27.8%. In contrast, the male labor force participation rate decreased during the same period.

In terms of usual status, the **worker population rate for females** aged 15 years and above increased from 31.7% in 2021-22 to 35.9% in 2022-23, indicating a notable rise in female workforce participation. Conversely, the worker population ratio for males experienced an increase , from 73.8% in 2021-22 to 76 % in 2022-23. This data highlights a growing engagement of women in the labor force while showing a modest decrease in the employment rate among men during the same period.

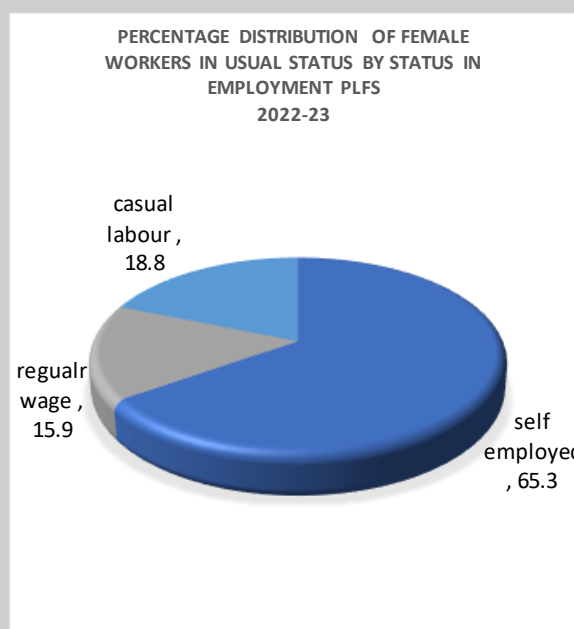
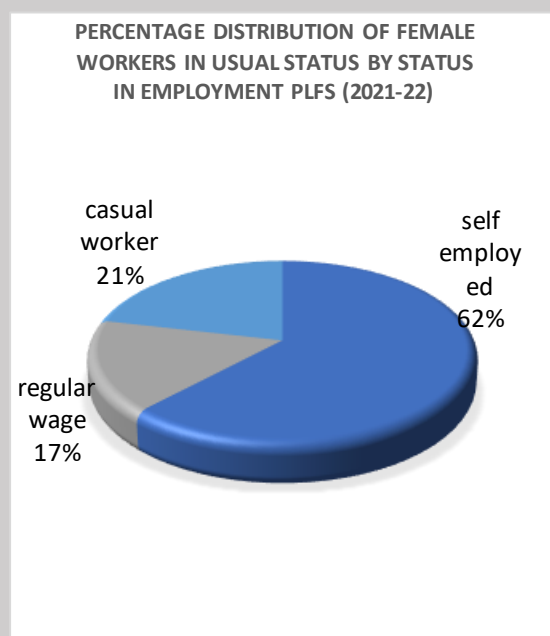


Source : PLFS annual report 2022-23

Employment Type Distribution

The distribution of female workers by employment type reveals a shift towards self-employment. The proportion of women in self-employment increased significantly from 62.1% in 2021-22 to 65.3% in 2022-23, indicating a growing trend in this sector. In contrast, regular wage and salaried employment experienced a slight decrease, dropping from 16.5% to 15.9% over the same

period. Similarly, casual labor saw a reduction, with its share declining from 21.4% to 18.8%. This distribution highlights a notable shift in employment patterns, with more women moving towards self-employment while traditional wage and casual labor roles have diminished.



The data shows that the proportion of self-employed female workers increased from 62% to 65.3%. Self-employment has continued to rise even after the COVID-19 period. However, the number of casual workers and regular wage workers has been declining since the COVID-19 period.

Industry-Specific Employment Trends

Industry-specific trends show:

Agriculture Sector: Female employment increased from 62.9% in 2021-22 to 64.3% in 2022-23, with rural females seeing an increase from 75.9% to 76.2%.

Manufacturing Sector: Female employment experienced a slight decrease from 11.2% in 2021-22 to 11.1% in 2022-23, but this was an improvement from 11.1 % in 2021-22 to 11.2% in 2022-23.

Construction

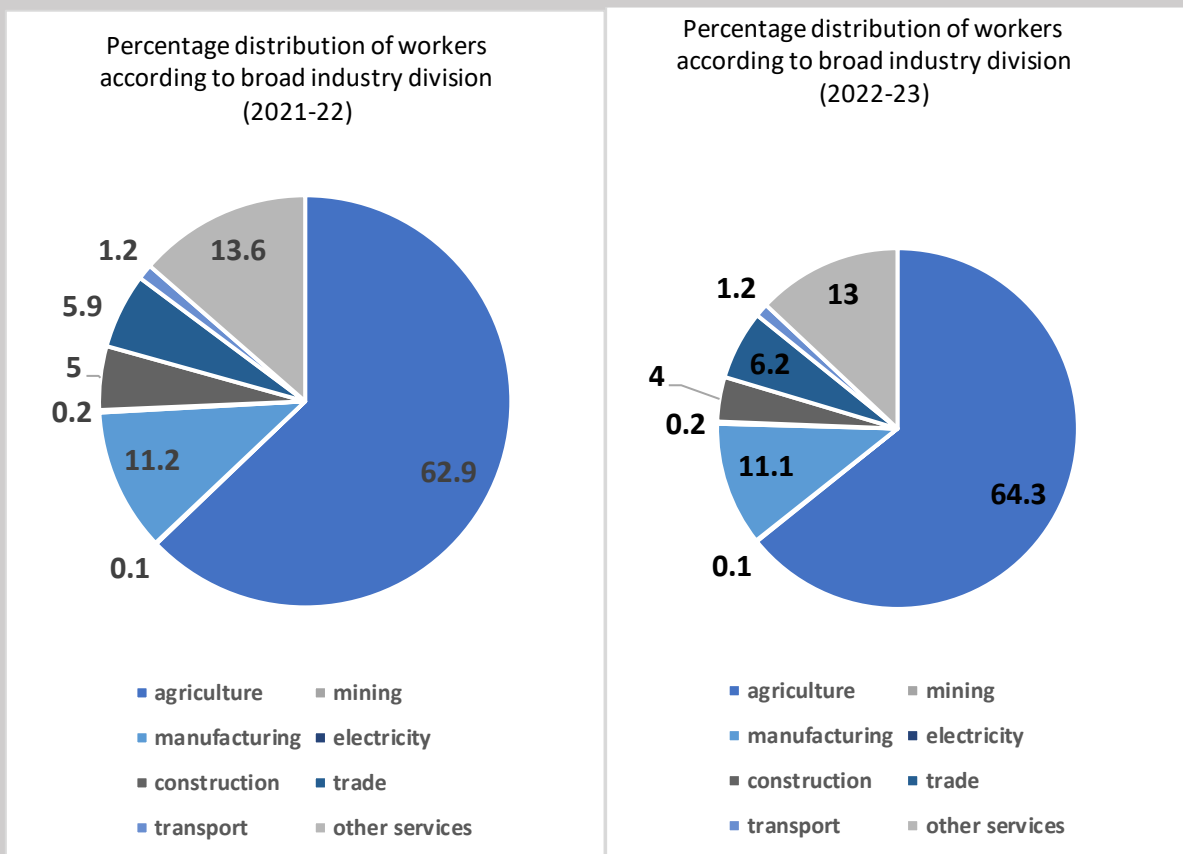
Construction sector saw a decline from 5 % in 2021-22 to 4 % in 2022-23 .

Other services

Other services saw a decline from 13.6 % in 2021-22 to 13 % in 2022-23.

According to the data, the agricultural sector has shown an increase in employment even after the COVID-19 period, but this increase is occurring at a decreasing rate. In the construction sector, female employment has declined, while in the transport sector, female employment has remained constant. In the manufacturing sector, employment is also decreasing, but only marginally.

Additionally, female employment in other services has shown a decline of 0.6%.

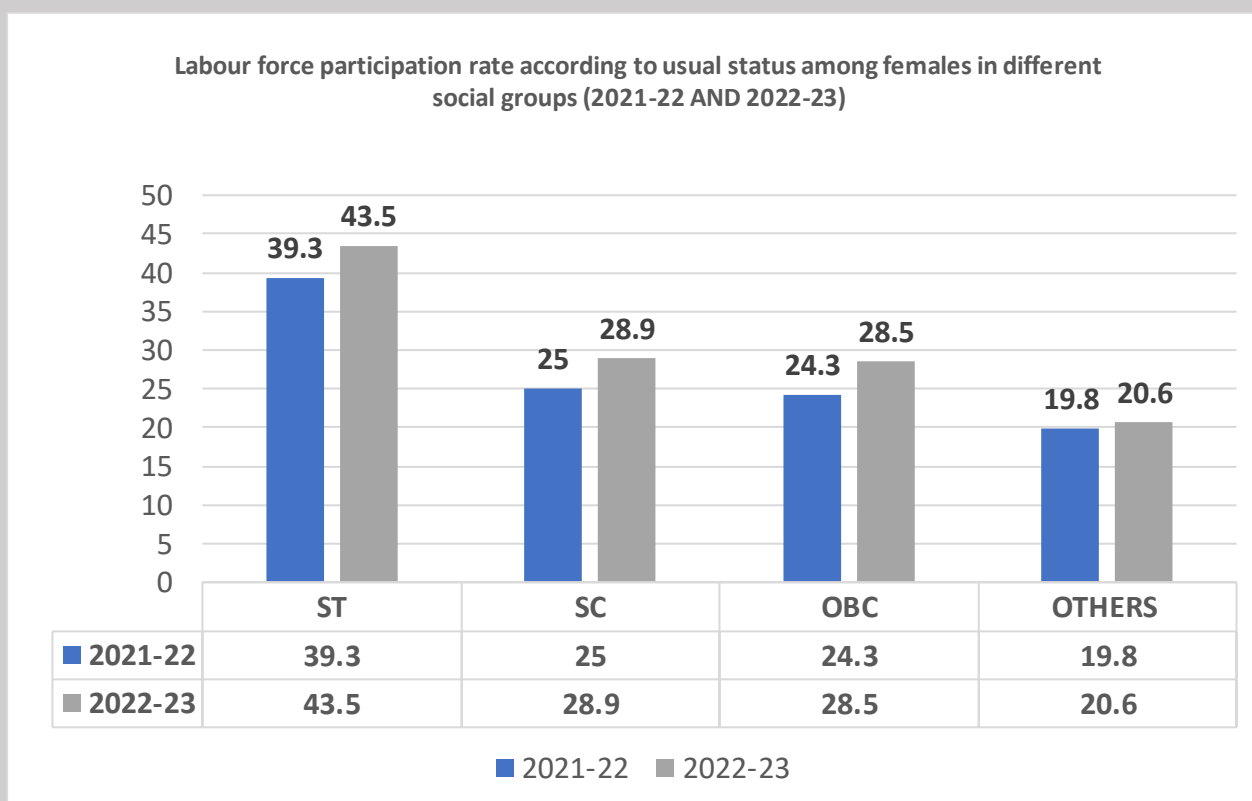


In conclusion agriculture sector saw an increase but other sectors were majorly declining or remained constant

Labor Force Participation by Social Groups

Labor force participation rates by social groups reveal notable increases

following the COVID-19 period. Scheduled Tribe (ST) females saw the most significant rise, with their participation rate climbing from 39.3% in 2021-22 to 43.5% in 2022-23. Similarly, Scheduled Caste (SC) females experienced an increase from 25.25% to 28.9%, while Other Backward Class (OBC) females saw their participation rate grow from 24.3% to 28.5%. Even the "Others" category showed an improvement, with the rate rising from 19.8% to 20.6%. Among these groups, ST and OBC females demonstrated the most substantial growth, each recording a 4.2% increase during the recovery period. This data underscores a broader trend of increased female labor force engagement across different social groups, reflecting positive shifts in the labor market as it recovers and highlights the resilience and evolving dynamics of women's participation in the workforce.



Source: PLFS annual report 2022-23

Unemployment Trends

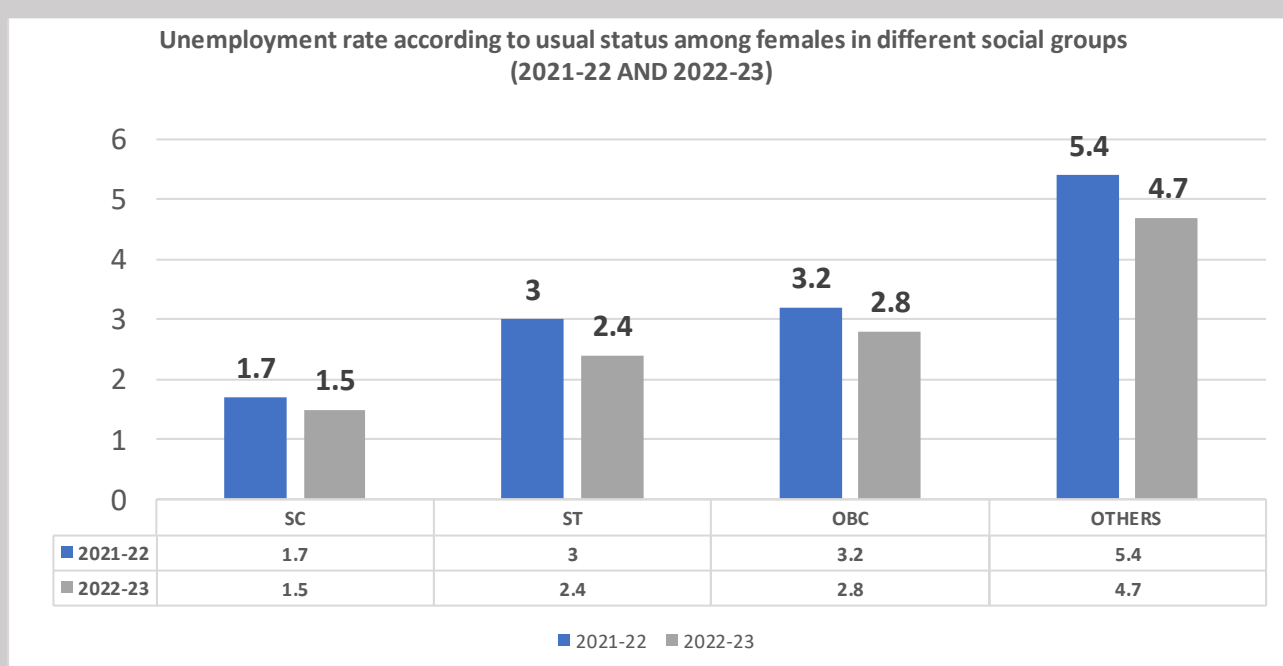
Unemployment rates showed improvements:

- Females: Decreased from 3.3% in 2021-22 to 2.9% in 2022-23.
- Males: Decreased from 4.4% in 2021-22 to 3.3% in 2022-23.

Unemployment Rates by Social Group

Unemployment rates across various social groups exhibited positive trends between 2021-22 and 2022-23. For Scheduled Tribe females, the unemployment rate decreased from 1.7% to 1.5%. Similarly, Scheduled Caste females experienced a reduction from 3% to 2.4%. The unemployment rate for Other Backward Class (OBC) females also saw a decline, dropping from 3.2% to 2.8%. Additionally, the unemployment rate for individuals classified as "Others" fell from 5.4% to 4.7%. These changes reflect a general improvement in employment conditions among these groups over the specified period.

After the COVID-19 period, the unemployment rate among various social groups has decreased according to the usual status. During the COVID-19 period, females from other categories did not show a decline in the unemployment rate. However, after the COVID-19 period ended and during the recovery phase, the unemployment rate for these females began to steadily decline.



Source : PLFS annual report 2022-23

Conclusion

In conclusion to this chapter, we observe that after the COVID-19 period, significant improvements began to emerge as lockdowns ended and activities resumed. Many sectors started recovering and reopening, leading to noticeable positive changes. While challenges and adverse conditions persisted, the rate of deterioration slowed significantly compared to the rapid decline experienced during the peak of the pandemic.

During the COVID-19 period, negative impacts on the economy and labor force participation were severe and escalated quickly. However, post-pandemic, we witnessed a gradual recovery as industries adapted and economic activities picked up. Although the recovery was not without difficulties, the overall trend was positive, indicating that things were moving in the right direction, albeit slowly. This period marked a transition from crisis to recovery, highlighting resilience and adaptability in the face of unprecedented challenges. In conclusion to this chapter, we observe that after the COVID-19 period, significant improvements began to emerge as lockdowns ended and activities resumed. Many sectors started recovering and reopening, leading to noticeable positive changes. While challenges and adverse conditions persisted, the rate of deterioration slowed significantly compared to the rapid decline experienced during the peak of the pandemic.

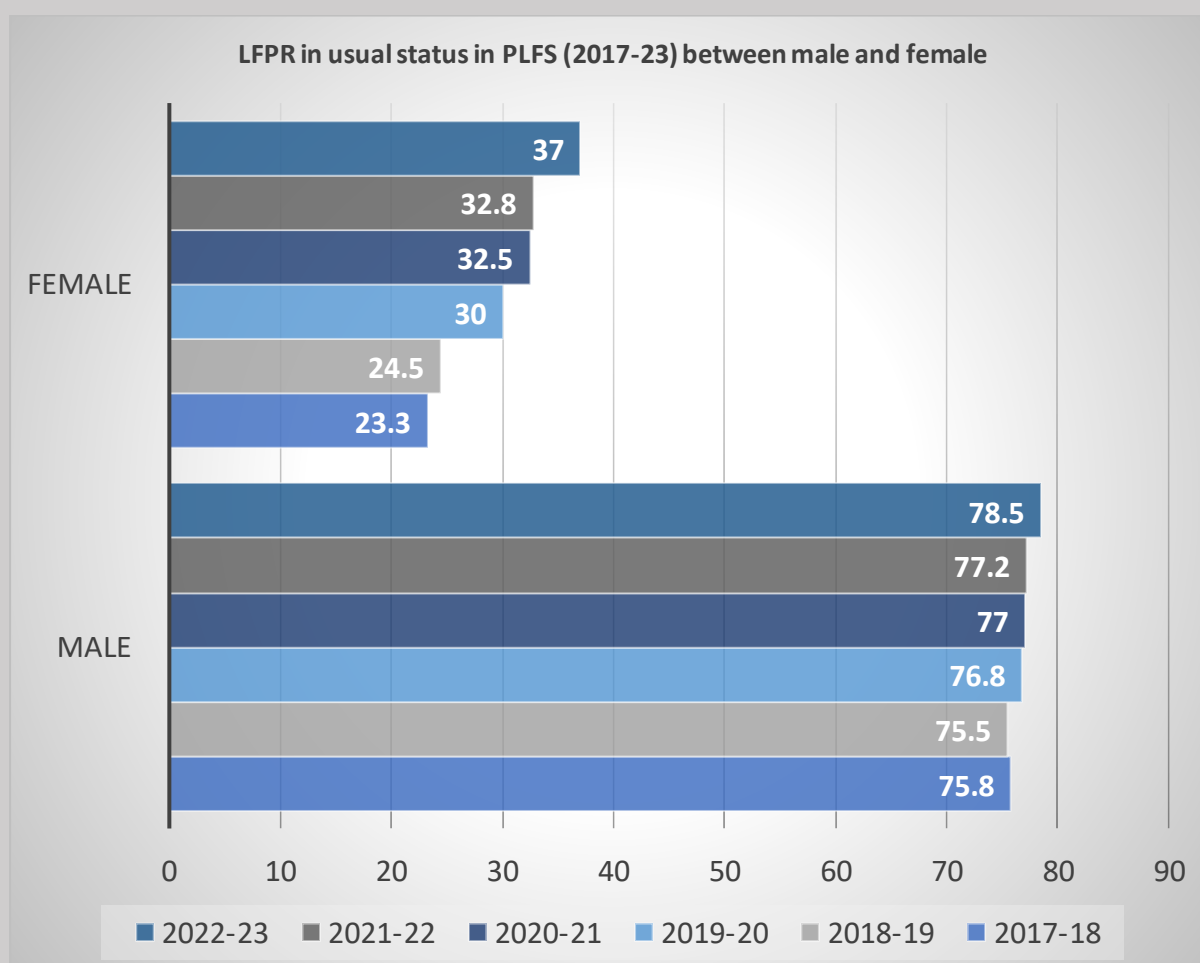
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Chapter 4: A Comprehensive Analysis Pre, During, and Post COVID-19 (2017-23)

In this chapter, we will provide a comprehensive analysis of female labor force participation in India, examining the trends and factors influencing it from 2017 to 2023. We will explore how female labor force participation compares with male labor force participation during this period, including a detailed analysis of rural and urban areas. Additionally, we will examine literacy rates among males and females, as well as unemployment rates, to provide a holistic understanding of the labor market dynamics.

We will categorize the periods as follows: 2017 to 2019 as the pre-COVID period, 2019 to 2021 as the during-COVID period, and 2021 to 2023 as the post-COVID period. In our analysis, we will examine the trends within these periods and provide explanations for the observed changes.

Male and female labour force participation rate



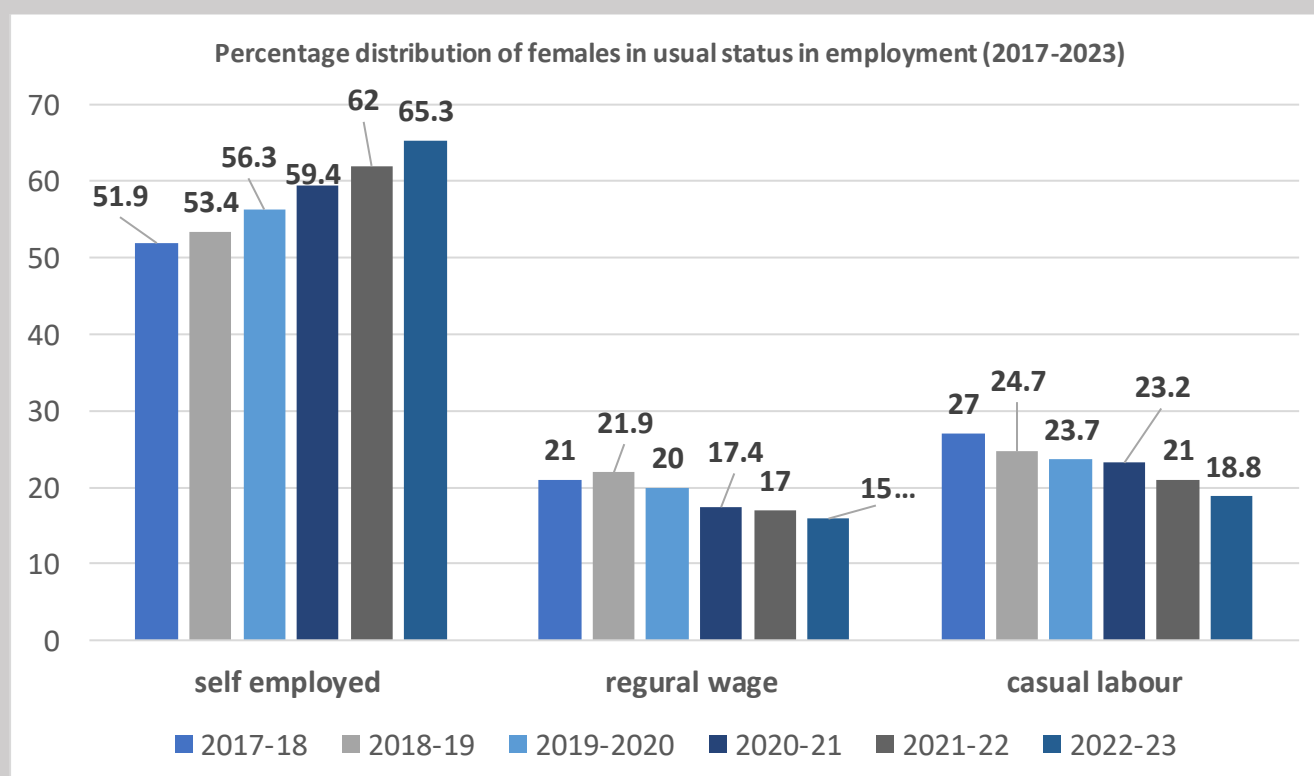
There is a significant disparity between male and female labor force participation rates. While the male labor force participation rate consistently remains in the 70% range, the female labor force participation rate hovers in

the 20s and 30s, rarely approaching the male figures.

Examining the trends across different periods, we observe that the female labor force participation rate showed a modest increase during the pre-COVID period. However, during the COVID-19 period, particularly following the lockdown in March 2020, there was a notable surge of nearly 8% in female labor force participation. This increase was largely due to the large-scale migration from urban to rural areas and widespread layoffs, which left many people without traditional job opportunities. As a result, agriculture, the primary occupation in rural areas, became a crucial source of income. Many women turned to self-employment in agriculture, leading to a significant rise in female labor force participation during this time.

In the post-COVID period, while the female labor force participation rate continued to increase, the rate of growth slowed considerably compared to the COVID period. During 2021-22 and 2022-23, there was an approximate 4% rise in female labor force participation, reflecting the ongoing recovery phase. This period marked a transition from the rapid changes seen during the pandemic to a more gradual and steady improvement.

Employment of females as self employed , regular wage and casual labor (2017-23)



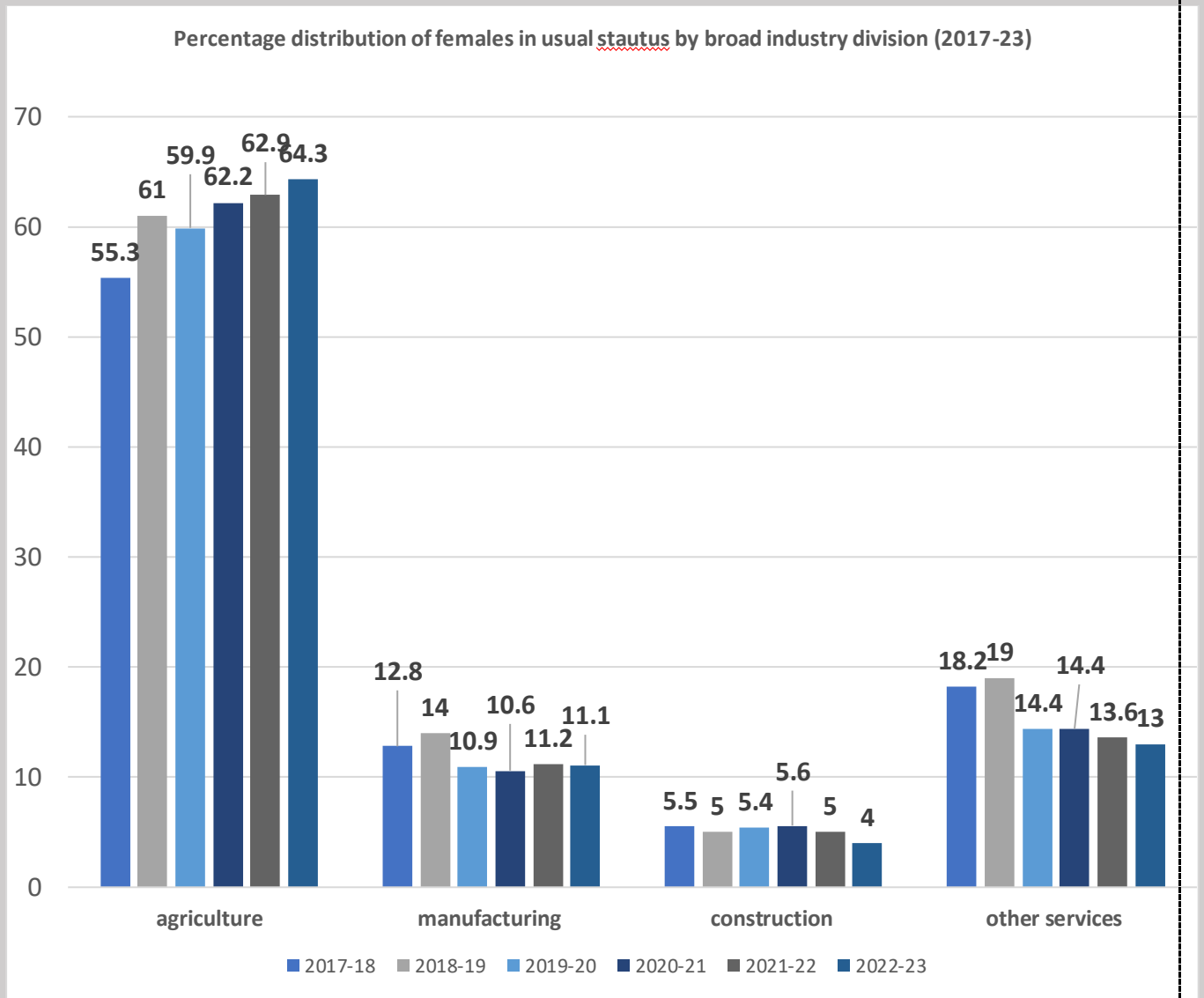
When examining the percentage distribution of females in various employment patterns, it is evident that a significant proportion of females are self-employed compared to those in regular or casual labor. Female self-employment consistently falls in the 50% range, while regular wage and casual labor typically remain in the 20% range.

Pre-COVID, female self-employment increased from 51.9% to 53%, demonstrating a steady upward trend. During the COVID-19 period, this increase was more pronounced, with female self-employment rising by almost 4%. This indicates a strong and consistent trend of growth in self-employment among females.

In contrast, the percentage of females employed in regular wage positions exhibited a different trend. Before COVID, there was a slight increase of 0.9% in female regular wage employment from 2017-18 to 2018-19. However, the onset of the pandemic and subsequent lockdowns led to widespread layoffs, causing a decline in this category. By the early lockdown period, the proportion of females in regular wage employment dropped to 20%, down from 21% pre-COVID, and this trend has continued to decline. This decline in regular wage employment among females is concerning and warrants further investigation.

Similarly, female employment in casual labor has shown a consistent downward trend both pre- and post-COVID. This persistent decrease in casual labor employment is also a point of concern, highlighting the need for strategies to increase female participation in both casual and regular wage employment.

Female employment on basis of broad industry division



The diagram clearly shows that a significant majority of females are employed in the agriculture sector. This is evident from the substantial difference when comparing agricultural employment to that in manufacturing, construction, and other services. While female employment in agriculture ranges from the 50s to 60s percent, employment in other sectors is considerably lower. The disparity highlights the dominance of agriculture in female employment compared to other industries.

Agriculture

Examining female employment across broad industry divisions reveals notable

trends in the agriculture sector from 2017 to 2023.

During the pre-COVID period, female employment in agriculture showed a consistent increase of approximately 6%. However, during the COVID-19 lockdown, this trend reversed, with female employment in agriculture declining from about 61% to 59.9%.

Following this period, there was a resurgence in agricultural employment as females, facing significant uncertainty due to the lockdown, had limited options and turned to agriculture as a primary source of income. As a result, female employment in the agricultural sector began to rise again, continuing an upward trend that has persisted since then.

Manufacturing

In the pre-COVID era, female employment in the manufacturing sector was on the rise. However, during the COVID-19 pandemic and the subsequent lockdowns, the situation deteriorated significantly. Factories shut down, and firms, including those in the manufacturing sector, were forced to lay off workers, with females being particularly affected. Consequently, female employment in manufacturing fell to its lowest point during the COVID-19 period, dropping to 10.9% from 12.8% pre-COVID.

As the lockdowns ended and factories began reopening, the manufacturing sector started to recover, with female employment beginning to rise again. Despite this recovery, the current employment levels have not yet reached pre-COVID figures, which were around 14% in 2018-19. However, the positive trend suggests that the sector is on the path to recovery, and there is hope that employment levels will return to or exceed pre-COVID rates in the future.

Construction

During the COVID-19 period, female employment in the construction sector experienced a noticeable increase. This rise can be attributed to the sector's informal nature and the high demand for work during the pandemic.

Before COVID-19, female employment in construction was around 5.5%, which fell to 5% in the subsequent year. However, with the onset of the pandemic and the associated lockdowns, this figure increased to 5.4% and then to 5.6%.

Following the end of the lockdown, employment levels in construction returned to pre-COVID figures. Yet, there was a subsequent decline in the post-COVID period.

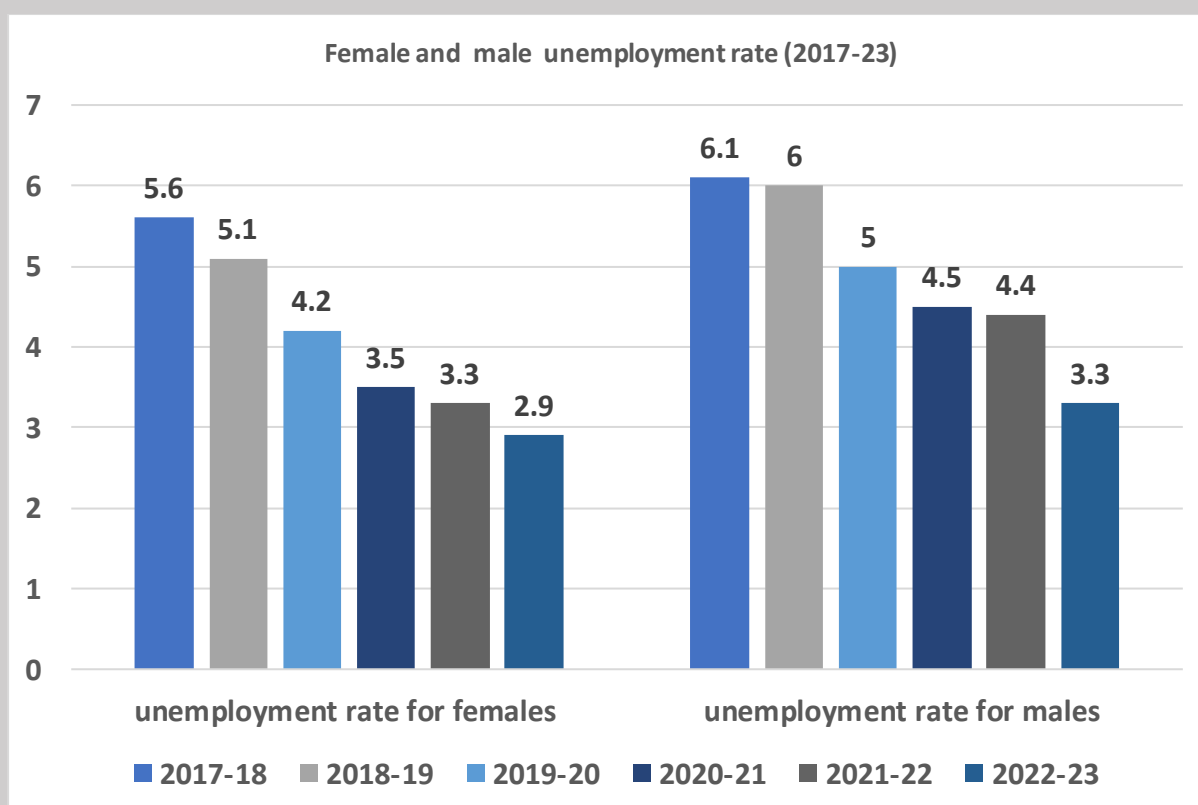
This increase in the construction sector during the pandemic can be linked to factors such as migration and government policies aimed at improving infrastructure. The emphasis on construction and the informal nature of the sector contributed to the rise in female employment during this time.

Other services

Female employment in the other services sector mirrored the trend observed in the manufacturing sector. In the pre-COVID era, female employment in this sector increased from 18.2% to 19%. However, during the COVID-19 period, there was a significant decline, dropping from 19% to 14.4%. This rate remained stable at around 14.4% throughout the pandemic.

Following the end of the lockdown, employment in other services saw a further decrease, making it challenging to return to pre-COVID levels. The sector's employment trends reflect a substantial downturn, highlighting difficulties in recovery compared to the pre-pandemic period.

Unemployment rate



We can observe that the unemployment rate for females is significantly lower compared to that of males. This lower rate is primarily due to the fact that female labor force participation is much lower than that of males. Since a large proportion of females are not actively participating in the labor force, their unemployment rate appears lower. This disparity in labor force participation is a key factor contributing to the lower unemployment rate among females.

Next, we will analyze and discuss the trends and patterns in unemployment rates over the period from 2017 to 2023.

Examining the unemployment rates reveals a consistent decline for females throughout the period, including during the COVID-19 era. This decline is largely attributed to the significant employment of females in the agricultural sector, which provided stability during the pandemic.

In contrast, the unemployment rate for males initially stood at 6%. During the COVID period, it decreased by 1% and continued to decline afterward.

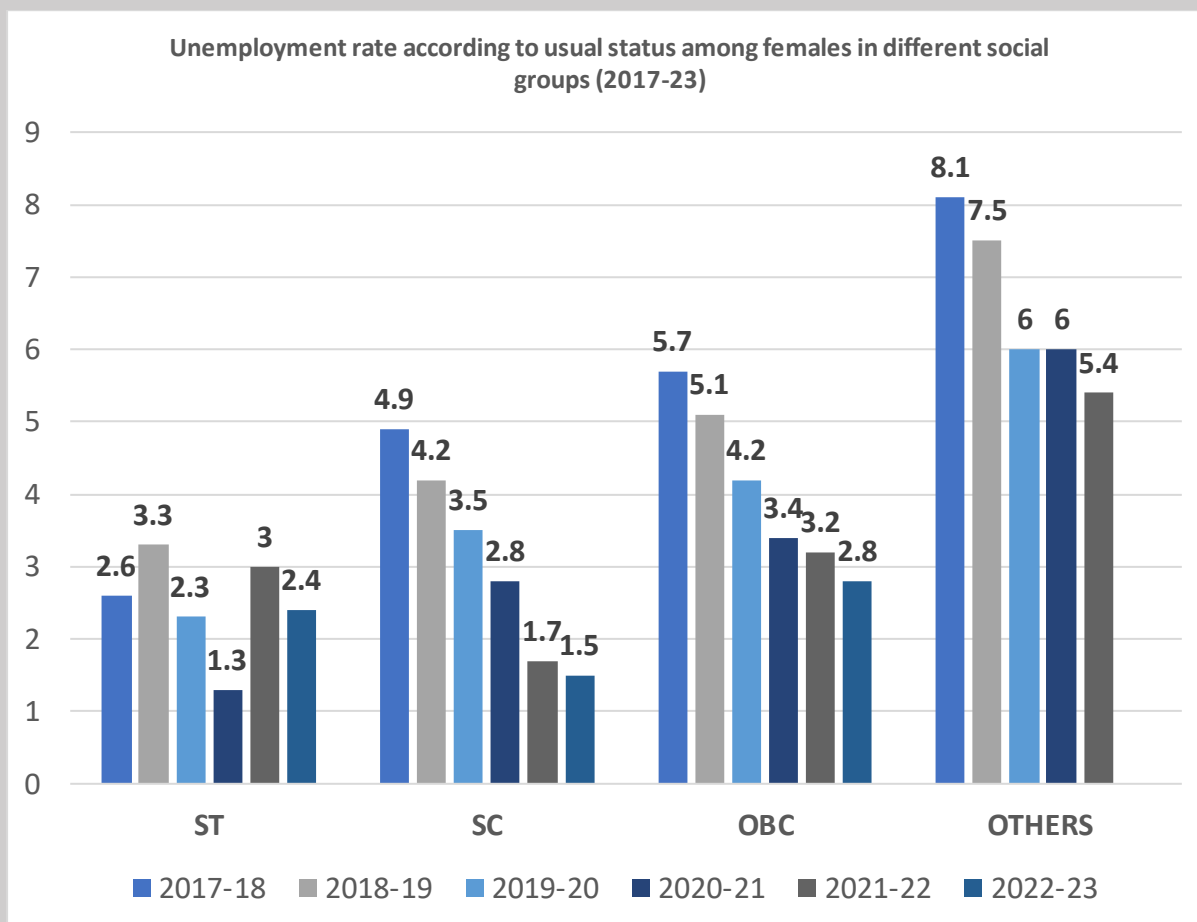
However, between 2020-21 and 2021-22, the male unemployment rate remained relatively stable, with a minimal decrease of 0.1%. Following this period, the rate resumed its downward trend.

Overall, both male and female unemployment rates have shown a decline, which is a positive trend to note.

Unemployment rate among females in different social groups

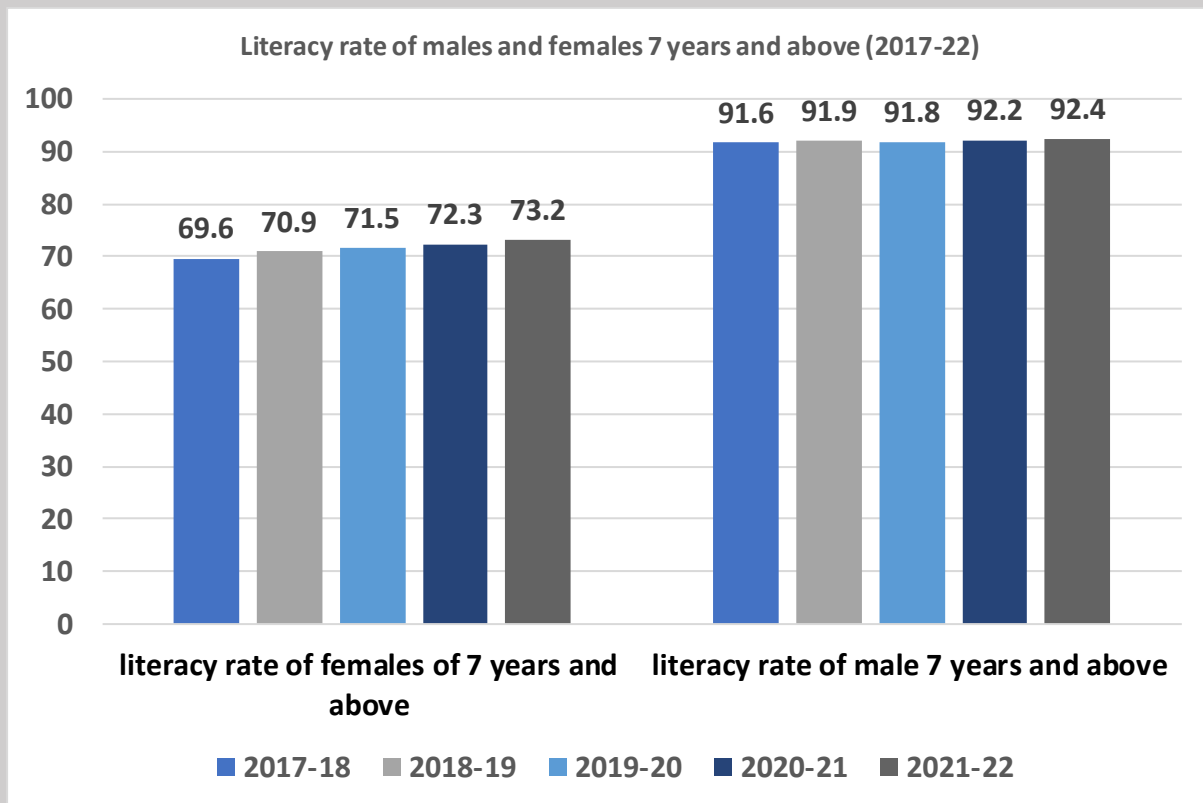
Examining the diagram below, it is evident that the unemployment rate among females in the "Others" category is higher compared to females in the SC (Scheduled Caste), ST (Scheduled Tribe), and OBC (Other Backward Classes) categories. This disparity may be attributed to the fact that reservations and benefits are often allocated to SC, ST, and OBC categories, while females in the "Others" category do not receive similar advantages.

Although this observation may not be the primary focus of our report, it is important to note that the unemployment rate among females in the "Others" category is the highest compared to other categories. This highlights a significant issue that warrants attention.



The unemployment rate among Scheduled Caste (SC) females saw an upward trend before the COVID-19 pandemic but experienced a notable decline during the pandemic. In 2021, the unemployment rate for SC females reached its lowest point before rising again post-pandemic. This decline during the COVID-19 period could be attributed to government initiatives targeting reservation categories. For Scheduled Caste females, the unemployment rate has generally been decreasing over time. In contrast, the unemployment rate for Other Backward Classes (OBC) females has shown a continuous decline. However, for females in other categories, the rate fell overall but remained steady at 6% during the COVID-19 period.

Literacy rates



When comparing literacy rates between males and females, it's evident that male literacy is significantly higher. Many women do not even get the opportunity to study, resulting in a much lower literacy rate for females compared to males.

Over the years we can see a rising percentage of female literacy rate, while literacy rate of male is also increasing but increasing rate of male literacy rate is much less as compared to females.

Even during covid-19 we could see a rising percentage of female literacy rates.

Why Female LFPR is still low as compared to men?

So far, we have observed an upward trend in the female labor force participation rate, with a gradual return to normalcy following the COVID-19 pandemic. Indicators such as the unemployment rate are declining, literacy rates are improving, and gender disparities are narrowing. Female employment is also increasing in various sectors; for instance, there is a rise in female participation in agriculture, manufacturing, and other services. Despite this progress, a significant gap remains between male and female labor force participation. As detailed in previous chapters, female labor force participation rates are generally in the 20s to 30s percentile range, whereas male participation rates are in the 70s percentile range. This disparity highlights the continued differences in labor force engagement between genders. The following sections will delve into the various factors contributing to this gap.

Household Income

According to the trends and analysis, female labor force participation remains lower compared to males, with rural female labor force participation being higher than that of their urban counterparts. One significant factor influencing this disparity is household income. In urban areas, where economic development is more advanced, household incomes are generally higher compared to rural areas. Consequently, when a family's income is sufficient to meet their needs, women in urban areas may be expected to focus on household responsibilities rather than working outside the home. Conversely, in rural areas where household incomes are lower, women are often required to work to contribute to the family's financial needs. This dynamic illustrates the crucial role that household income plays in determining female labor force participation, as higher incomes can reduce the necessity for women to seek employment outside the home.

Societal Norms

Another major factor affecting female labor force participation is societal norms. Many women face expectations to remain at home, care for family members, and manage household responsibilities, including child-rearing. Social norms often dictate that women should leave their jobs after giving birth to focus on childcare and child development. This societal pressure can lead to women discontinuing their employment to fulfill these traditional roles. Consequently, women are expected to handle household chores such as cooking and cleaning, often without any financial compensation. These entrenched norms and expectations significantly influence women's participation in the labor force, as societal attitudes frequently prioritize domestic responsibilities over professional work for women.

Dependency Ratio

The dependency ratio is another critical factor contributing to the low female labor force participation rate. Many women are financially or emotionally dependent on males throughout their lives. Before marriage, they often rely on their fathers for financial support, and after marriage, they depend on their spouses. This dependency limits their financial independence and autonomy, affecting their ability to make personal decisions, leave the household, and pursue employment opportunities. Consequently, the high dependency ratio plays a significant role in reducing female labor force participation, as these women may lack the independence needed to enter or remain in the workforce.

Sex Ratio

The sex ratio, which reflects the number of females relative to males in a population, can impact female labor force participation. In regions with a skewed sex ratio, where there are fewer women compared to men, there may be fewer opportunities for women in the workforce. Societal biases and traditional gender roles can further discourage female employment, leading to lower participation rates. This imbalance can reinforce gender disparities and limit women's involvement in economic activities.

Conclusion

This chapter has provided a comprehensive analysis of female labor force participation in India from 2017 to 2023, examining trends before, during, and after the COVID-19 pandemic. Despite some progress, such as a notable increase in female labor force participation during the pandemic due to shifts in employment patterns and a rise in self-employment, significant disparities remain between male and female participation rates. While female participation showed modest improvements post-pandemic, it continues to lag behind male participation, which consistently remains in the 70% range.

The analysis highlights that women are predominantly employed in the agriculture sector, with a notable decline in manufacturing and other service sectors during the pandemic. Employment trends reflect a complex interplay of factors including household income, societal norms, dependency ratios, and sex ratios, all contributing to the persistent gender gap in labor force participation.

Overall, while there have been positive trends in female employment and literacy rates, addressing the structural and societal barriers that limit female participation is crucial. Ensuring equitable opportunities and supporting women's entry and retention in the workforce will be essential for narrowing the gender gap and fostering a more inclusive labor market in the future.

REPORT CONCLUSION

In conclusion, this report underscores the complex and multifaceted challenges that women face in the labor market, despite significant advancements in education and gradual improvements in female labor force participation. The persistent gender disparity in employment rates highlights the enduring influence of social norms, cultural expectations, and structural barriers that limit women's participation in the workforce. The analysis reveals that women are often confined to precarious and informal employment, particularly in sectors like agriculture, with limited opportunities in more secure and formal sectors. The contrast in labor force participation between different social and religious groups further emphasizes the need for targeted interventions to address these disparities.

The impact of the COVID-19 pandemic was profound, exacerbating existing challenges but also catalyzing some positive shifts, such as an increase in self-employment among women. However, the post-pandemic recovery, while promising, has been uneven, with female labor force participation still trailing behind that of men. The report highlights the critical need for continued efforts to break down the barriers that prevent women from fully participating in the labor market. Addressing these challenges is essential for creating a more equitable and inclusive economy that harnesses the full potential of the female workforce. Moving forward, policies and initiatives that support women's entry, retention, and progression in the workforce, along with societal shifts towards more equitable gender norms, will be key to closing the gender gap in labor force participation.

The Government of India has implemented a myriad of initiatives aimed at enhancing Female Labor Force Participation Rate (FLFPR) by addressing educational, economic, and societal barriers. Some of the notable programs and policies include:

- 1. Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA)**
-Enacted in 2005, MGNREGA guarantees 100 days of wage employment in a financial year to rural households. Importantly, it mandates that at least one-third of the beneficiaries should be women. This provision has significantly contributed to increasing women's participation in the rural workforce by providing them with accessible employment opportunities.

2. National Rural Livelihoods Mission (NRLM): Launched in 2011, NRLM aims to alleviate rural poverty and create sustainable livelihood opportunities through the formation and promotion of self-help groups (SHGs) predominantly comprising women. By fostering entrepreneurship and providing access to credit, NRLM empowers women to engage in income-generating activities.

3. Skill India Mission: Initiated in 2015, this mission encompasses various programs like the Pradhan Mantri Kaushal Vikas Yojana (PMKVY) that offer skill development training across diverse sectors. Special emphasis is placed on enrolling women, thereby enhancing their employability and facilitating their entry into the formal workforce.

4. Stand-Up India Scheme: Launched in 2016, this scheme facilitates bank loans ranging from ₹10 lakh to ₹1 crore to at least one Scheduled Caste (SC) or Scheduled Tribe (ST) borrower and at least one woman borrower per bank branch for setting up greenfield enterprises. By promoting entrepreneurship among women, the scheme aims to increase their participation in the economic landscape.

5. Maternity Benefit (Amendment) Act, 2017: This amendment extended the maternity leave duration from 12 weeks to 26 weeks for working women. Additionally, it introduced provisions for crèche facilities and flexible working conditions, making it more feasible for women to balance work and family responsibilities, thereby encouraging their continued participation in the workforce.

6. Pradhan Mantri Mudra Yojana (PMMY): Launched in 2015, PMMY provides collateral-free loans up to ₹10 lakh to non-corporate, non-farm small/micro enterprises. A significant proportion of these loans have been availed by women entrepreneurs, enabling them to start or expand their businesses.

7. Support to Training and Employment Program for Women (STEP): This program aims to provide skills that give employability to women and to provide competencies and skills that enable women to become self-employed/entrepreneurs. It covers sectors like agriculture, horticulture, food processing, handlooms, tailoring, and more.

8. Working Women Hostel Scheme: To ensure the safety and security of working women, especially those migrating for employment, this scheme

provides affordable accommodation with daycare facilities for their children. By addressing one of the major barriers to women's employment—safe housing and childcare—it facilitates greater participation of women in the labor force.

These initiatives, among others, reflect the government's multifaceted approach to enhancing FLFPR in India. By addressing issues ranging from skill development and entrepreneurship to safety, health, and work-life balance, these programs collectively strive to create an enabling environment for women to actively participate and thrive in the workforce.

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GLOSSARY

- 1) Labor Force -It includes people who are willing to work but may not be employed
- 2) Work Force – It includes people who are actually working
- 3) Labor Force Participation Rate- The labor force participation rate is the percentage of the working-age population that is either employed or actively seeking employment
- 4) FLFPR – Female Labor Force Participation Rate
- 5) MLFPR- Male Labor Force Participation Rate
- 6) FWFPR- Female Work Force Participation Rate
- 7) MWFPR – Male Work Force Participation Rate
- 8) Unemployment Rate- The unemployment rate is the percentage of the labor force that is unemployed and actively seeking employment. It reflects the proportion of people who are available for work but cannot find a job.
- 9) Literacy Rate- The total percentage of the population of an area at a particular time aged seven years or above who can read and write with understanding