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Women's Unemployment in India: Comparative Analysis of Indian States Having Low and High Female Labour Force Participation

Anesha Atul Shende

Abstract—When we are aiming at high goals for economic development such as sustainable growth and development of economy, poverty reduction, and reduction in inequality etc., we must not forget to include each and everyone in the society in process of achieving these goals. This study particularly talks about women's participation in economic activities with the special focus on the analysis of female labour force participation rate in the states of India. It makes comparison between the states having low female labour force participation with the states that have comparatively high female labour population. The study began with review of data on the current state of gender biases in employment. It has been found that the male workforce is dominant all across India. Further, the study highlights the major reasons for low women participation in economic activities in some of the backward Indian states like Bihar, etc. Reasons for low female participation are related to economic, cultural and social factors that are responsible for women's unemployment. Afterwards, it analyses the reasons behind comparatively higher female participation in some of the other states in India. The case of the north-eastern region and state of Telangana and Tamil Nadu have been analysed in brief. These states show improvements in female labour force participation over a few decades. This is due to the government policies that have been adopted, women-friendly workplaces, availability of quality jobs for women etc. UN women has recognized the social and economic benefits of having an active female labour force in a country; if female unemployment declines, it will improve the growth rate of the nation as well as the welfare of the society. The study discusses the reasons why an economy must try to increase female workforce participation. It further provides suggestions to improve the conditions in backward states in India where the unemployment rate for women is high. The policy interventions and government schemes are some of the ways to recognise poor women workforce participation issues and work on it. The condition will improve when the changes would take place from regional level with social and moral support to the women.

Keywords—Women unemployment, labour force participation, women empowerment, economic growth and development, gender disparity.

I. INTRODUCTION

IN India, unemployment is the biggest challenge experienced by the local economy. According to time series data of the Centre for Monitoring Indian Economy, in February 2022, the unemployment rate was 8.10% which fell to 7.6% in March. In May 2021, the unemployment rate in India stood at 11.84% [1], [6]. These figures represent the overall unemployment rate. Here, the greater disparity is revealed at the individual level having compared data with respect to gender, region, literacy

rate etc. This study analyses the socio-economic impacts of female unemployment on women. It shows how financial dependence can impact women in the society and how financial independence can help them, as well as the nation as a whole. The study is based on comparative analysis of female labour force participation among different states in India [2]. In January-March 2021, the female unemployment rate was 11.8% and in the same year for July-September it fell back to 11.6% [5]. Still, it is much higher than the male unemployment rate in the same period. The female unemployment rate differs region by region which adversely affects a women's livelihood. Women's participation in the labour force is lower throughout India. This is because women get less employment opportunities, poor wages, poor quality jobs, higher social and personal burden, responsibility of household and care work, social and personal barriers to participate in economic activities, etc. We can see a huge gender disparity having analysed surveys on Labour Force Participation Rate which shows that more than half of the labour force consists of male employees [3]-[5], [7]. Most of the jobs offered to women are of low payment, low productivity, unskilled profile, discriminative, least secure work etc. Unemployment causes women to face different socio-economic problems, cultural issues, and political inequality. The study focuses on different states having high female unemployment rate and the reasons for this high rate when analysed against those states that have comparatively lower unemployment rates. It highlights the socio-economic impacts on unemployed women of backward regions and make comparative analysis with social and economic life of employed women.

According to Periodic Labour Force Surveys, Female (rural and urban) Labour Force Participation Rate (LFPR) [3]-[5], [7] of the workforce above 15 years of age, in the states of Bihar, Rajasthan, Uttar Pradesh, Haryana, Madhya Pradesh and Jharkhand are comparatively less than other states in India. The data from last 5 years have been analysed to balance pre-pandemic and post pandemic differences in female workforce participation rate. In Bihar, the LFPR in the year 2017-18 was 4.1% followed by 4.3% in 2018-19. In 2019-20, it has increased to 9.5% of the female population [3], [4]. During the pandemic, it has further declined to 6.5% in January-March, 2021 [5]. In contrast, male LFPR is around 70%. Bihar has the lowest female LFPR among all the states in India. Another state having

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lower female LFPR is Uttar Pradesh. In 2017-18, it had 13.5% of female labour participation whereas in 2018-19 and 2019-20 it slightly increased to 13.6% and 17.7% respectively [3], [4], [7]. Still, Uttar Pradesh has the lowest female LFPR among other states in India. During the pandemic, it again came down to 11.7% in October-December of 2020 [5]. Following Bihar and Uttar Pradesh, Rajasthan, Jharkhand and Haryana have a lower rate of female labour participation. Before the pandemic, Rajasthan had a female LFPR around 30-35% which drastically declined during the last two years. In October-December 2020, female LFPR was 11% whereas in the January-March quarter it had increased by small fraction of a percent to the rate 13% [5]. Jharkhand has comparatively lower female workforce participation all the time compared to Rajasthan. Female LFPR of Jharkhand for 2017-18 was 20.7% whereas it increased in 2018-19 to almost 25% [3], [4], [7]. During pandemic, it has dramatically fell to 14.5% in January-March, 2021 [5]. Haryana also has lower female workforce participation. However, states like Chhattisgarh, Himachal Pradesh, Meghalaya, Sikkim, Tamil Nadu, Telangana, Andhra Pradesh, Arunachal Pradesh, Assam, Maharashtra show improved female LFPR. All these states have LFPR between 40-70% of female population [3]-[5]. However, in India, more than 50% of women are not a part of the labour force. They are vulnerable compared to their male counterparts. Before the pandemic, the female participation rate was showing higher numbers than now; still, the workforce participation rate of women is poor if comparison is made demographically and regionally [9], [10].

According to recent data [6], Haryana has the highest women unemployment rate of around 26.7% followed by Rajasthan and Jammu Kashmir which have unemployment rates for women of around 25% and in Jharkhand the female unemployment rate is 15%. In general, according to data from CMIE [6], since 2016 highest female unemployment is still prevailing in the states of Jammu and Kashmir, Haryana, and Uttar Pradesh.

II. REASONS BEHIND LOW FEMALE LABOUR FORCE PARTICIPATION

Having analysed data, we have seen that states like Bihar, Rajasthan, Uttar Pradesh, Jharkhand, Haryana, Madhya Pradesh have low women participation in workforce. However, few states in India show slight improvement in the women workforce participation rate. The study tries to analyse reasons behind regional differences between female labour force participation with reference to few recognised studies and authentic data sites.

Bihar [11], [12] is one of the backward states in India and shows extremely poor performance on women's involvement in the workforce. There are many economic and social reasons behind it such as social norms that restrict women to go out to work and confines them within family limitations. Other major reasons are domesticity, engagement in unpaid care giving and domestic activities, under recognition of work done by females, lack of employment opportunities, etc. Due to lack of job opportunities, we find many female workers engaged in work in the agricultural sector in informal and underpaid activities. Family restrictions and domestic responsibilities prevent them

from seeking employment opportunities. Most of their time they have to perform unpaid care giving work at home. In Bihar, almost 81% of women are involved in unpaid labour.

For Rajasthan, [13] reasons for lower female participation are more or less the same as Bihar. Social and cultural norms restrict women to go out and work. Rajasthan has low female literacy rate when compared to the literacy rate among males. They also have limited educational opportunities due to stereotype mindsets and social backgrounds. Large number of young members in the household is another reason that forces women to stay at home to take care of them. Societal patterns would affect this rate even further. There are fewer job opportunities in the State other than jobs available in household industry and agriculture. However, rural female workers are experiencing no appropriate working conditions and are getting lower payments in the agriculture sector. In Rajasthan, there is a lack of friendly working environments for female workers, and they do not get social security and job protection under the law. Females in Rajasthan also have lower bargaining power due to a dominant male class within the state.

In other states (Jharkhand, Uttar Pradesh, Haryana etc.) [14], [15], the reasons for non-participation of women in economic activities are more or less same as other states having low LFPR. These are the backward states of India having a comparatively poor growth rate, fewer employment opportunities, and high gender disparities due to social and cultural backgrounds.

In general, to summarise, the following are the common reasons found for low female labour force participation in underdeveloped and backward states [8], [16].

- Social norms: restrictions to women to go out, male dominance, undervalued contribution, castes, religion, etc.
- Low literacy among female citizens or less educational attainment
- Limited opportunities to be educated and other trainings
- Gender disparity in education and work place
- Sole responsibility of taking care of family and domestic chores
- Regional societal patterns restrictive for women
- Fewer employment opportunities in the formal sector, lack of privileged jobs or bigger industries etc.
- Non-appropriate and unfriendly environment for women in society and other work places
- Potentially high income of husband
- Limited access to banking facilities and training programs
- Over dominance of males in social, political and ideological spheres.

Despite of these general causes, considerable differences in workforce participation have been found when rural females are compared with the urban females. It varies with the economic and social backwardness of the states. Literacy rate among the urban women is higher than that of the rural women due to lack of access to education and social restrictions in the rural areas. Having compared rural and urban employed females, urban women are found to get better salaried jobs and work in the formal sector. Most of the rural female are engaged in the agricultural sector where there is wage disparity among

genders. Rural women workers seem to have high involvement in the informal domestic sector and household industries where they get less or no payment for their work. We can see the regional disparities in job opportunities. Urban women have comparatively much better job opportunities than rural females. Most of the industries are situated in urban areas or metro cities hence, rural women find it difficult to step outside the home due to family restrictions which do not permit women to leave their place to get to work in other places (cities, states, etc.). Rural India is capable of supplying large number of women labours. But, due to their limited skills and high demand for quality workforce in the market, women remain ignored and forced to accept their stereotype livings.

III. ANALYSIS OF INDIAN STATES HAVING COMPARATIVELY HIGHER FEMALE LABOUR FORCE PARTICIPATION

As we have discussed earlier, some Indian states have comparatively higher female labour force participation. Most of them are north-eastern states including Himachal Pradesh, Meghalaya, Sikkim, Arunachal Pradesh, Assam, etc. Chhattisgarh, Tamil Nadu, Telangana also have higher women workforce participation rate. Let us first discuss reasons for north-eastern states that have high women involvement in economic activities.

North-eastern states recognise the female workforce more equally compared to the other states [17]. Main occupation in these states are agriculture and tourism where we found active involvement of women in both sectors. In some regions, female workforce dominates males and adds significant share to the growth rate of states. Male dominance in all the spheres is less due to large recognition to the female labour force which has taken place because of social-cultural and political-legal changes in the past a decade or two. Positive changes have been made in this region to the education system, vocational training programs, and so on, by the state governments [18]. Women are participating in almost all the spheres of the economy and social fields including doctors, nurses, lawyers, engineers, clerks, politicians, social work etc. Despite all the difficulties, women in the north-east region of India are participating in education. The female literacy rate has been showing an increasing trend in north-eastern states. Increasing female participation in economic activities has a positive impact on political, social and ideological spheres. However, in some part of this region, it has been found that socio-economic development is not gender neutral but more or less discriminative [Error! Reference source not found.], [Error! Reference source not found.]. It also has been seen that the educational improvement is not the only reason for higher female participation in the labour force. However, it has significant role to play to minimise gender disparities in educational and employment opportunities. It has significant impacts on late marriage, less fertility, less mortality, awareness, moral values etc.

Apart from these north-eastern states of India, southern states like Telangana, Tamil Nadu, Andhra Pradesh have comparatively higher female labour force participation. We will broadly be discussing the reasons for higher rates in Telangana and Tamil Nadu.

Telangana has highest female participation in employment, especially rural women. They are mostly engaged in organised and well-managed sectors [19]. It is important to note here that women manage both employment (jobs) and domestic unpaid care work simultaneously. Men spend less time engaged in domestic responsibilities. Women in Telangana are employed in corporate, government sector, non-profit institutions, etc. According to the National Family Health Survey, Telangana has the highest percentage of working women. Moreover, it is important to note that the majority of women work in non-agricultural professions; these include the IT sector, construction, industry, textiles, etc. [20].

The government of Telangana attributes successful female participation in economic activities to women-friendly government schemes and law and order. Various organisations take care of the security of female employees e.g., they have provision of pick-up and drop for female employees and workers. Industrial policy support is strong and extended for female employees and entrepreneurs. Even if the women are engaged in agricultural and allied sectors, their work is well recognised and well-paid. It shows key indicators for female empowerment within the states.

Tamil Nadu also has one of the highest female workforce participation rates when compared to the other states in India [21], [22]. The reason we found is women benefited from economic structures, better education system, social development and gender equality initiatives of government, etc. However, it has been seen that though the women are highly employed, they are bound to exploitative contracts. It means that employers can hire and fire them anytime without prior notice or may cut the payment. Despite these limitations, women show progress in the job market. Many rural women are employed in the agricultural and allied sectors, still women participation in the non-agricultural sector is significant for Tamil Nadu economy. Majority of women are working in construction, manufacturing, and the tertiary sector which includes all other services like trade, hotels, restaurants, transport, communication etc. It is also observed that despite having a high percentage of working women, working conditions provided to them are not so ideal and informal activities are dominating. More than 80% of women do not hold a payment contract which puts them at risk of job and income loss [21]. They do not get paid leave, and have no social security benefits, etc. Despite some of these controversies, Tamil Nadu is recognised as a leading state in India with respect to female participation in economic activities. The share of women from rural Tamil Nadu which are engaged in Mahatma Gandhi National Rural Employment Guarantee Schemes (MGNREGS) is significant. Tamil Nadu is ranked third in terms of share of women person days in total jobs generated by schemes.

Tamil Nadu displays greater entrepreneurship among women especially in handicraft and handloom workers. This is because the government of Tamil Nadu is encouraging and facilitating the establishment of businesses by women. Cultural aspirations and self-help groups are also helping women to grow in economic terms through the establishment of independent business. In the self-employed working class, the majority of

women either have their own enterprise or they are working as employers at their workplace. Women-owned enterprises or establishments are further contributing to the employment of men and women in the state. Institutional support including market linkages, market access and skills training are contributing to female empowerment despite all the barriers that women face.

Tamil Nadu government is planning to implement employment policy for women which aims at providing jobs to about 10000 women who left work due to family responsibilities and also offer them vocational training for skill improvement.

Female Employment for the Development of States and Nation Altogether

For any economy, one of the goals for growth and development is gender equality. We can easily find differences in the economic growth and development of the country or the states or the localities having maximum gender equality and lower gender equality. Women being always dominated by the male class in social and economic activities, economic growth and social development lag behind particularly, if women get poorly recognised. Any state or the nation that recognises women's ability to participate in the economy, equal work and working conditions, equal access to natural resources is said to be well developed or developing country.

UN Women recognises many benefits of female empowerment which should be at top of development goals of any nation [23]. It has been experienced that the more the women will work, the more will be the economic growth. Low female participation in the labour force, high gender gap in production and wages would certainly affect aggregate growth of an economy (say GDP). The importance of upskilling and education of women or girls for their own well-being as well as nation building has also been recognized by UN Women. It is practical to think that maximum education attainment and upgrading skills of women will help them finding better job opportunities and equal participation in the formal labour force. The bitter truth is that improved rate of education attainment in some economies has not added to an increased female participation in actual economic activities. This is because of a lack of employment and income opportunities for women and biased social views of the supply side of the labour. Significant increase in participation of women in corporate sector is helping many businesses to grow exceptionally good. There is sure economic growth when entrepreneurship of women gets recognised and encouraged by local government and other organisations.

In general, it has been seen that, female employment improves their well-being as well as economic status of the country. The development will showcase at the aggregate level. Even when we see it from individual level of female class, there are differences in the lives of the employed female and unemployed female class. Employed women are highly recognised and respected in society, they have their own voice and can take decisions on their own. Employed women can access financial facilities easily and manage their own way of

spending. They get access to social protection. Employed class of the women is also responsible for handling family and domestic responsibilities, but it has been seen that they can balance it much efficiently and give future generation an access to better opportunities from the beginning. Unemployment among women affects their standard of living and makes them most vulnerable class in society. They also have lower bargaining power. Due to less bargaining power and existing social pressure, benefits from measures taken by the government lag behind and that is why it is difficult to implement any policy and legal framework for women in the economy.

Recommendations for Encouragement and Facilitation to Women to Participate in Labour Force Participation

As we have analysed differences in female labour force participation in different states in India, we sought to provide the recommendations to improve the situation in states that are having lower female workforce participation in comparison to states having highest rates of working women. Following are some of the measures that should be implemented to allow women to participate in economic activities, in the new world adopting various changes and challenges that an economy is facing since last few years.

- Education opportunities for women should be grown within the states (especially backward states) depending on the sectoral and structural requirements of the states.
- Special incentives such as after marriage scholarship to be provided to married women so that they can continue their education and get an employment opportunity in the same.
- Vocational training centres and skill development programs should be established at the district or at the regional level depending on the job availability in that particular district or region. Locality based training centres would make it easier for women to learn and earn at the same place and would eliminate fear of social and family restrictions of going out for education and work.
- Entrepreneurship quality and skills among women should be developed from the village level to urban localities by incentivising and developing households as well as small industries. Once the market gets widened, networking and employment opportunities will increase among women. It will help them to develop leadership and management qualities. Women entrepreneurs are to be provided adequate access to credit and other financial facilities along with the required human capital.
- Personality development courses for women are to be facilitated especially in rural area to motivate and help women to enter into the job market with self-confidence. Moral and social support should be given to women who are willing to participate in economic activities.
- Involvement of women workforce in all kinds of economic activities such as production as well as on field jobs should be encouraged by the state and central government.
- Welfare-schemes for rural area should be introduced which will incentivise the families having at least a woman working in recognised sectors.

- In the new age, remote working is to be given to women (especially in the tertiary sector) where they can work from the place of living and can balance home-care activities as well as working responsibilities or continue to do so during maternity leave days. The main fear among employers regarding hiring women is paid or unpaid maternity leave and other leave for informal or personal reasons. Flexibility in work will give both the employee and employers faith in work stability.
- States should expand their economic and public activities in such a way that it will create employment opportunities for the class of women in different spheres and recognise the ability of women in power. For this, backward states should make sectoral and structural changes in the economy within available resources.
- Industries within the states should divide their production and distribution activities in such a way to involve more and more women in supply chain management and allow them to be given an opportunity to be a part of main spheres of economic activities. Organisations that provide equal access to work and equal payment conditions irrespective of any kind of gender biases should be given incentives to expand their production and managerial activities across the globe.
- No gender discrimination should be allowed in any sector, firm, organisation with respect to social security provisions.

IV. CONCLUSION

As discussed so far, the reasons behind female unemployment can be bifurcated as conditional and voluntary. External factors such as lack of employment opportunity, social or cultural barriers etc. are found to be responsible for female unemployment. On the other hand, we can see female unemployment due to overburden of household responsibilities and lack of self-confidence which otherwise would have been helped them to get into the workforce. The above suggestions reflect on ways to encourage and increase female participation in economic activities of the nation and lower the female unemployment rate in some of the states in India, the implementation and mapping of such plans are predominantly dependent on the attitudes and moral values women consider for themselves, and attitudes of family members and society etc. We forcefully cannot change their moral values or stereotype mindsets. Despite these limitations in suggestions, a concrete framework and policy intervention is expected from responsible organisations such as government or self-help groups for women.

So far, we have discussed the issue of female unemployment with special focus on Indian states having lower and higher female labour force participation. Major reasons contributing to these regional disparities are education, growth rate of states, social and cultural beliefs of citizens, attitude of employer and dominance of male class, etc. Though female employment is low in India, a few States are far better than those having poor performance. States having a high female labour force participation are positively helping women's empowerment in

all the spheres of life by bringing sectoral and structural changes in the state economy, improving social-cultural and political views about the female existence in the society, providing female-friendly job opportunities, etc. There are significant differences in the women who are financially independent and women who are financially dependent. The overall standard of living picture cannot be improved unless women of working age are encouraged to participate in the formal sector in an economy. Female workforce participation is highly required and should be appreciated for economic growth and development with maximum gender equality in all the spheres of an economy. Central and state governments have few schemes to improve female participation but in backward states the implementation and mapping processes are poorly followed. It is difficult to change social beliefs of people that may favour gender biased mindsets. However, education and strong policy intervention can help to some extent bring changes within the economy. Even in female unemployment, minimising the rural and urban gap is one of the major concerns that needs equal attention by policy makers and state rulers.

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