

Will addressing the burden of care work boost the low numbers of Indian women in the workforce?

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Representative image. | Manan Vatsyayana/AFP

Over the past few years, there has been a considerable focus on gender-sensitive growth strategies for developing countries. This is especially relevant in India, where the markedly low workforce participation rate of women warrants greater policy interventions.

The economic disruption amid the Covid-19 pandemic showed that given women workers being concentrated in precarious employment sectors, they were more likely to suffer job losses.

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A study by Ashoka University's Centre for Economic and Data Analysis published in September 2021 found that the impact on women's workforce participation has been severe.

Even before the pandemic, gender inequality has persisted in India's formal workforce too. For a while now, there has been a lower participation rate of women in the organised, growth-driving sectors of employment, such as manufacturing, services, transport and communication.

This has asymmetrically shaped the structural performance of the Indian economy. Women's contribution to organised economic activity has been below par – and underemphasised (in policy too) – for decades.

Employment figures from the Periodic Labor Force Surveys and the Centre for Monitoring Indian Economy's labour studies database from the past few quarters show that there was a marginal increase in women's formal employment numbers and in the Labour Force Participation Rate.

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But this trend has been observed before as well, only to last briefly – one or two quarters of the financial year. A key reason is that sectors such as construction, utility and services where maximum employment creation has happened over a sustained period have remained dominated male-dominated.

The unemployment rate for working women aged 15 years and above fell from 15.19% in December to 13.6% in January, said the Centre for Monitoring Indian Economy. The female employment rate increased to 8.26% in January from 8.16% in December. "Around 0.62 million additional women found employment in January 2023," the think tank said.

But this number, of 0.62 million, is lower than the decrease in the number of unemployed women, "which fell by 0.8 million in January 2023". In other words, there is a difference of 0.18 million women.

"This lower absorption into employment compared to the fall in unemployment translates into a fall in the overall female labour force and the female labour participation rate," said the economic think tank. Women who either leave the workforce, or find work in the unorganised and informal sector go unaccounted for in official data. They are also likely to earn lower salaries.

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A study by the Centre for Economic and Data Analysis of employment data until 2017-'18 showed that the wage gap between men and women has persisted. Gains, if any, have been restricted to a "small proportion of women". Post the pandemic, the situation is unlikely to have improved.

With India's economy facing structural challenges of such kind in its labor markets, the state (or government of the day) must intervene to re-imagine its key drivers of growth such that they are aligned with gender-inclusive goals.

Any policy interventions to address this situation must first understand the nature of the problem.



Women workers at a brick kiln. Credit: PTI.

Unequal deal for Indian women

At the heart of this challenge is women's unpaid domestic work and care work of looking after children and the elderly. Many analyses and studies over the years have pointed out that Indian women spend far more time on such unpaid work than men.

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Most recently in February, a study by a professor of the Indian Institute of Management, Ahmedabad, said that women between 15-60 years spend 7.2 hours on unpaid domestic work while men spend only 2.8 hours on these tasks. This adds to concerns that women taking up paid labour will only make it more difficult for them to shoulder their domestic workload.

There is a need for further discussion on how caregiving work is provided and financed. Among the models India could look to are some Western European nations and Canada, which invest in providing affordable access to care infrastructure for children and the elderly .

But the burden of unpaid domestic work is not the only factor that gets in the way of women taking up paid employment. Social factors, such as the expectation of motherhood, also prevent them from playing a more equal role in shaping the country's development.

No time to spare

Any study of the care economy and its relation to women's workforce participation should also factor in time endowment or time availability.

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According to economist Gary Becker's work on time endowment, while analysing female labour, it is essential to factor in the allocation and poverty of time as reasons that constrain women's workforce participation.

A woman's caregiving work for a child determines her daily time endowment, affecting her commitment to full-time work. As a result, women allocate less time for work or education or upgrading their skills, significantly affecting their work preference over time too.

A study has observed that after the age of 30, due to marriage and motherhood, a significant number of Indian women, especially in urban areas, shift from full-time to part-time work. Male participation in housework remains mostly low.

But considering the diverse nature of women's work within and outside the household, it is difficult to measure it from a macro perspective.

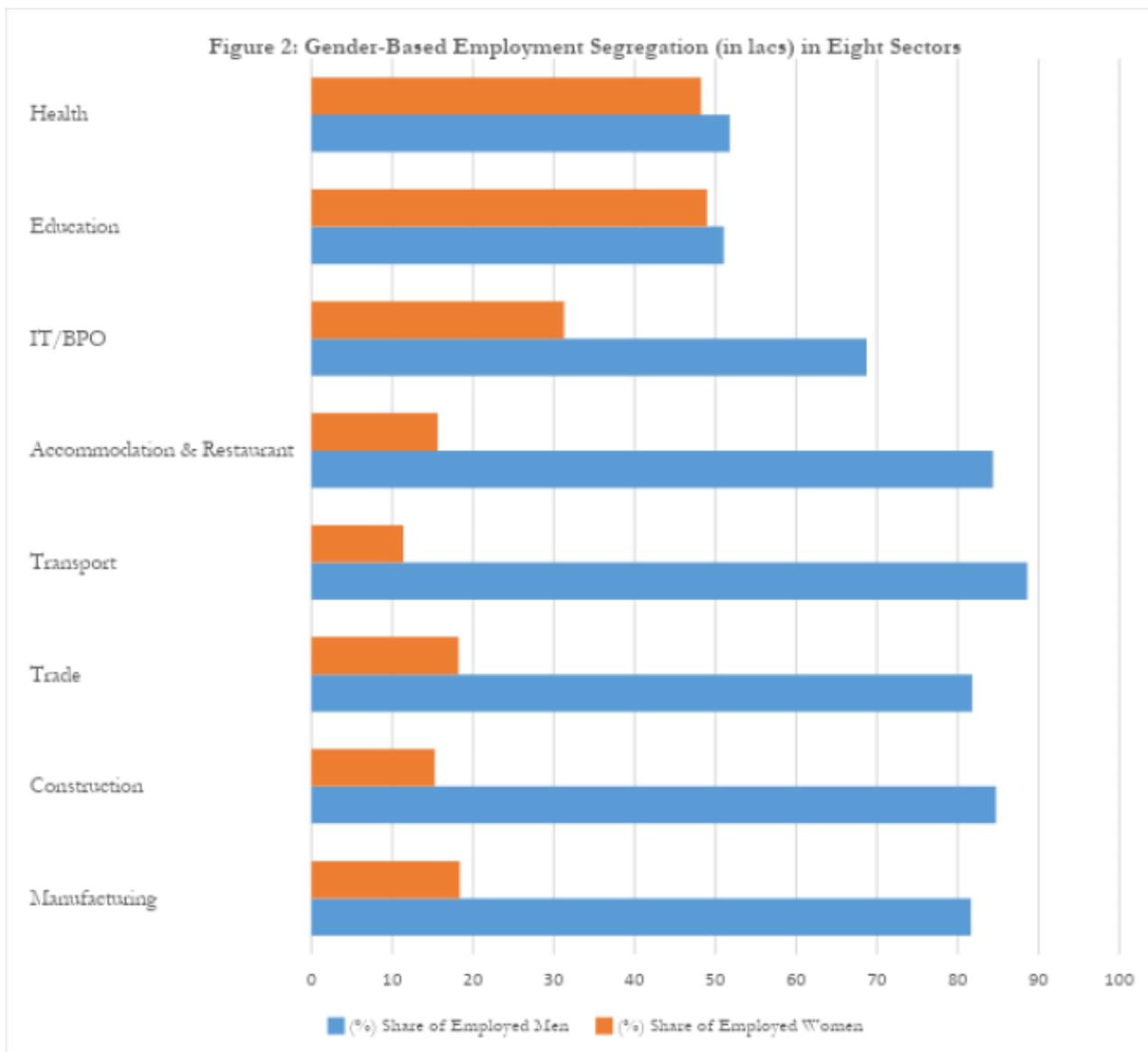
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For instance, women working in family-owned enterprises or in family-constituted work environments may be actively contributing to economic activity without actually seeing themselves as workers. Even external analyses of women's income contribution may not be able to account for this work.

Economic conditions

Though women's education levels have considerably increased at all levels, men continue to have better employment opportunities. As researcher Sonalde Desai noted, "A man with Class 10 education can be a postal carrier, a truck-driver or a mechanic; these opportunities (on the other hand) are not available to women."

The chart below, extrapolated from the author's previous work, highlights how the job-creating sectors saw a widening gap between male and female labour force participation in the years after the 1990 economic reforms. Women have been left behind even if the aggregate growth numbers have improved.



Credit: Author's calculations.

Ankur Bharadwaj, editor at the Centre for Economic and Data Analysis, had observed, based on a five-year analysis from 2016-'21, that there were fewer women working in India's organised employment sector. Also even "fewer are willing to work and actively searching for jobs".

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This is part of a larger employment market trend seen during the pandemic and afterwards where worker expectations were rapidly changing.

India is currently grappling with wage stagnation and an employment crisis. Economic growth depends not only on channelising investments towards financially productive sectors but also facilitating women's paid work. This means increasing the time available to them while ensuring economic and social mobility.

From a policy perspective, this requires focus on three areas:

a) Increasing income elasticity (or the possibilities of income rising based on increases in price and other consumption-driven variables) through alternative growth opportunities for women.

b) Investing in creating a robust care-infrastructure for children and elderly to help increase women's time endowment.

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c) Emphasising measures to improve women's property ownership and incentivising asset-based investments by them for financial security.

Further, acknowledging, formalising and normalising the participation of men in the care economy could help pave new paths towards inclusive growth. This entails a reimagination of developmental processes by state intervention and policies.

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