

FEMALE LABOR FORCE PARTICIPATION IN INDIA

Some basic facts, and policy implications



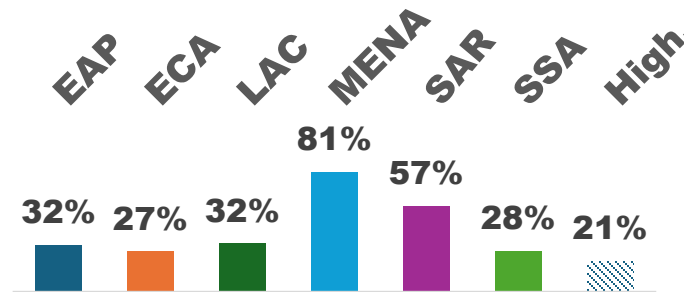
Women's labor force participation in SAR is low

Female population

25 – 54 years old: 1.08 billion

Participating in
Labor Force: 0.66 billion

Outside labor force: 0.41 billion

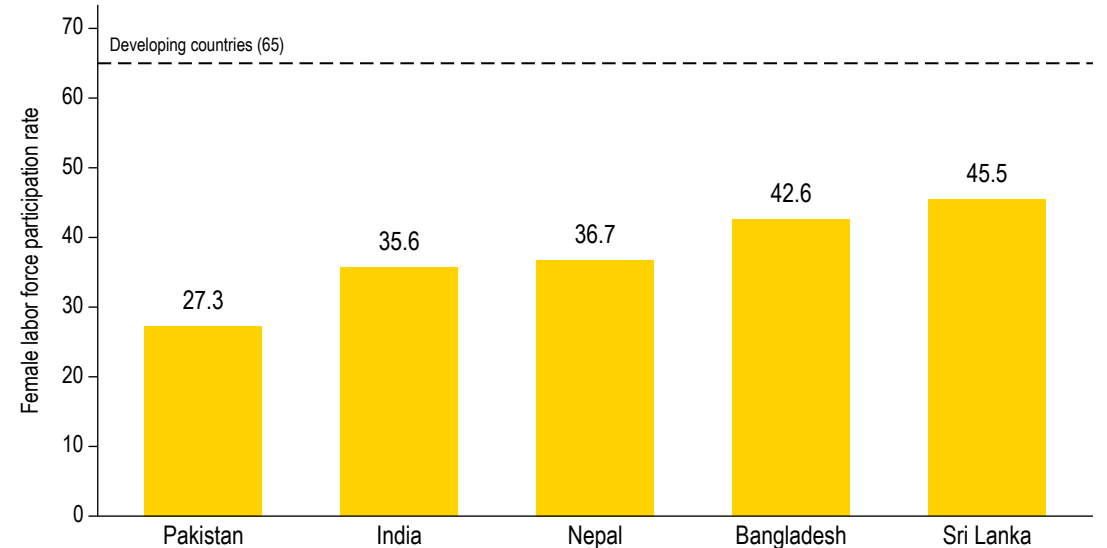


Note: Graph presents share of women 25-54 who are not participating in the labor force. Regional bars exclude high income countries.

Data includes 144 countries. These countries had a labor force survey between 2019 to 2023, and information available on employment type. Their total population adds up to 4 billion, out of which 3.46 billion are between 15 and 65, and 2.12 are between 25 to 54. Differences with gender data portal stem from restricting the sample to 25-54 and excluding countries without information on employment type.

Source: Authors calculations using ILO stats.

SAR: Female labor force participation rate by country
Average of the last 10 years (2013-23)



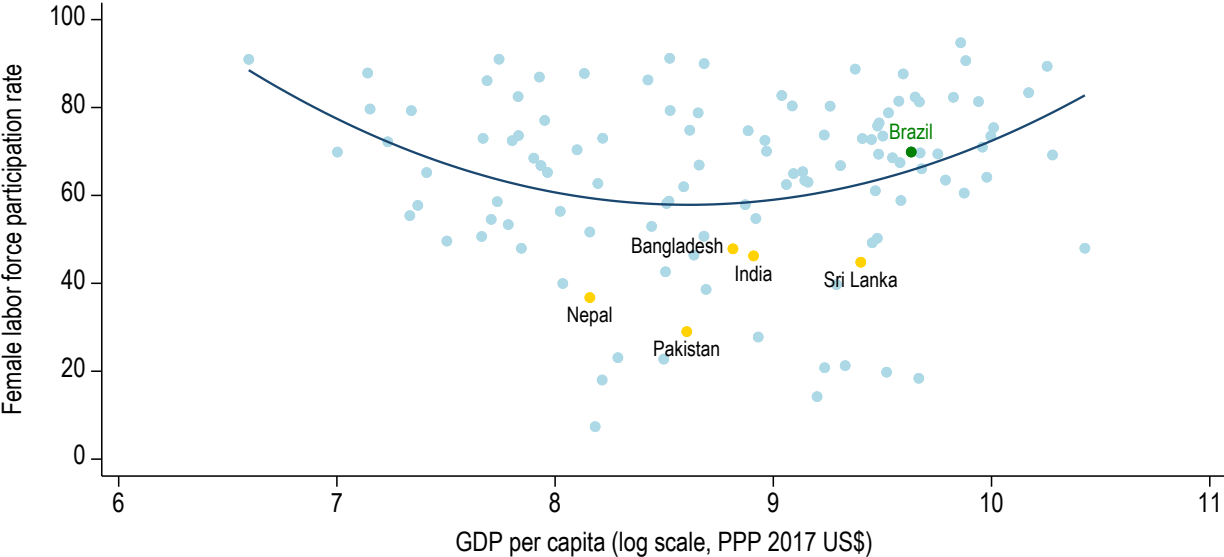
FLFP is lower than predicted given income levels, with essentially no progress in three decades



U-shape relationship between female employment and GDP per capita

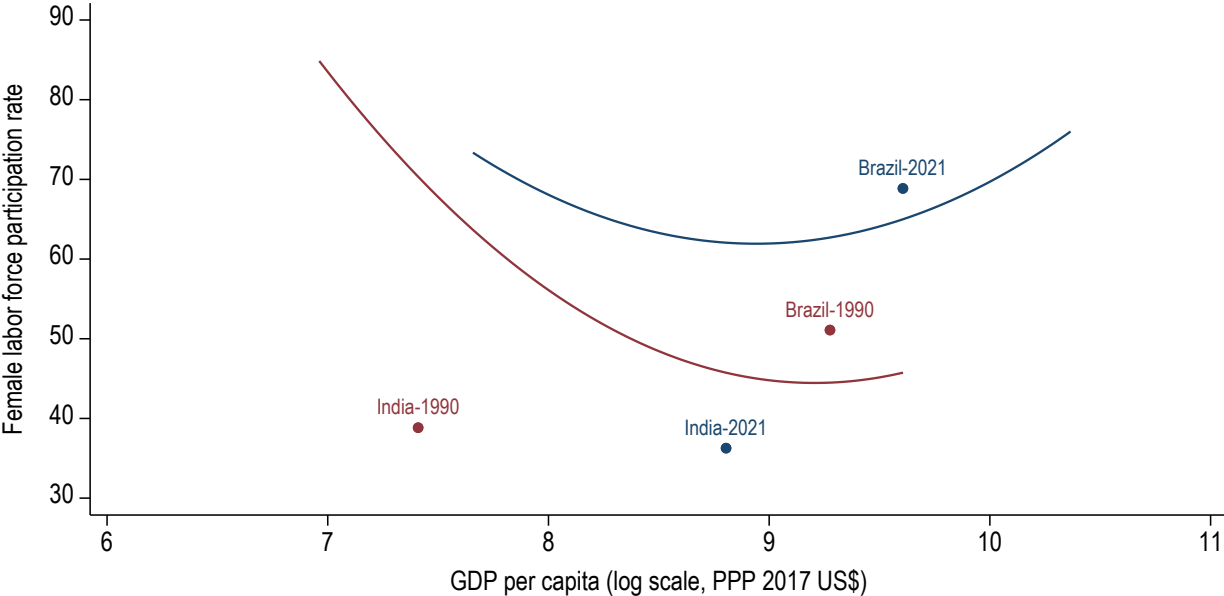
Last year available

● SAR — Quadratic fit



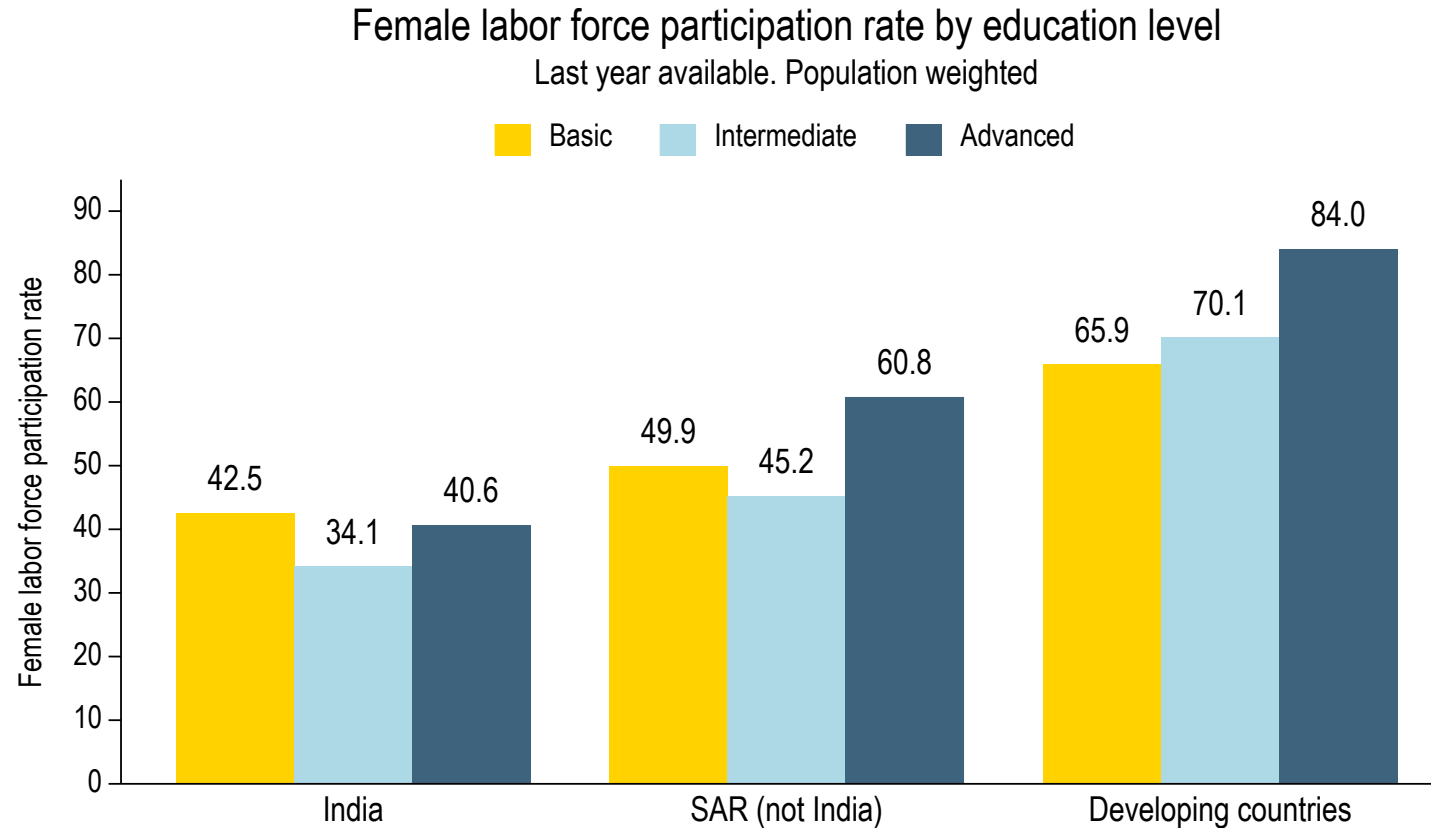
U-shape relationship between female employment and GDP per capita

— 1990 — 2021



Source: Authors calculations with data from ILOSTAT, following Jayachandran (2020)

India is peculiar in that—unlike other countries—there is no education-FLFP gradient

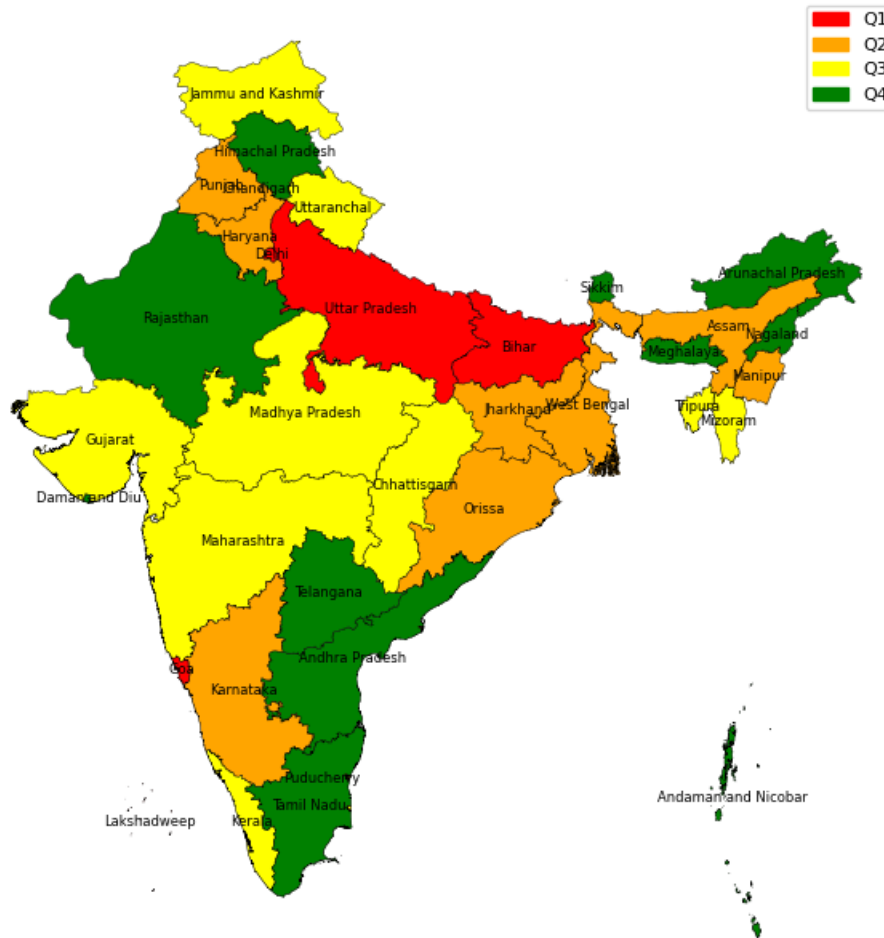


Note: Means calculated using population weights

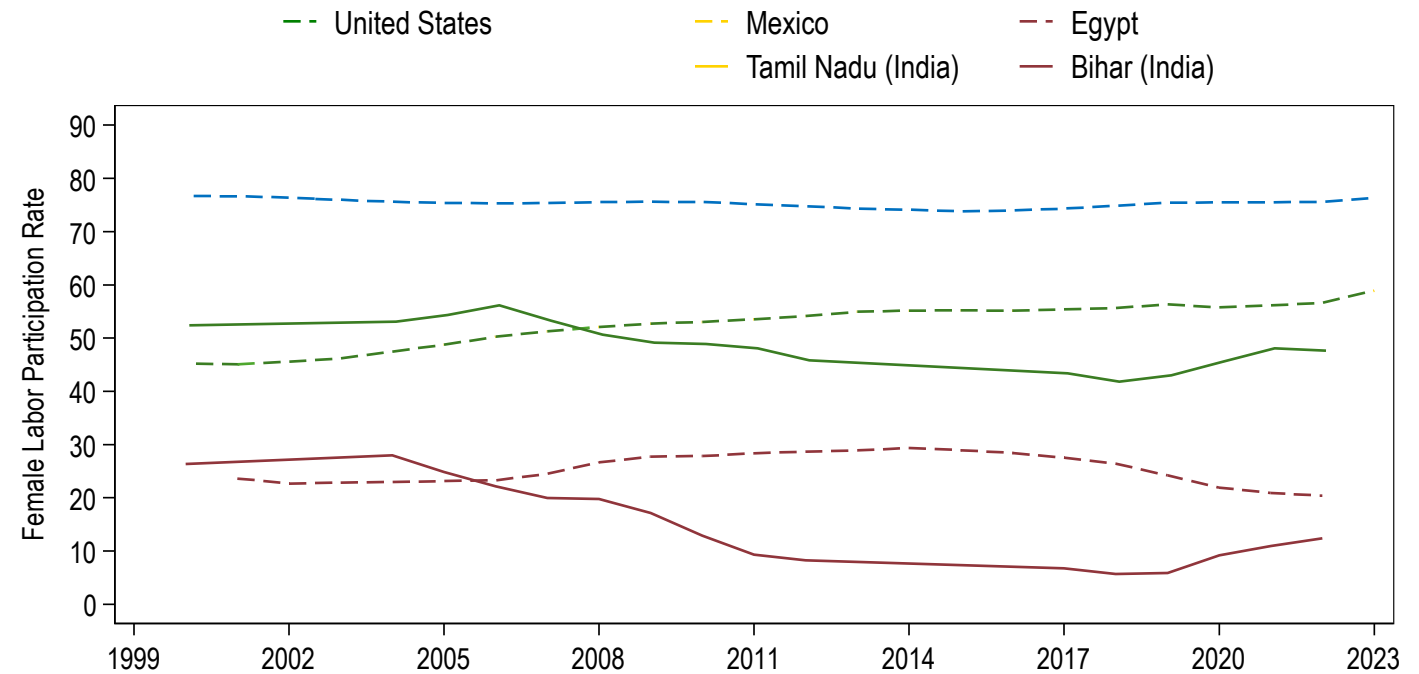
Source: Authors calculations with data from ILOSTAT,

In India, there are states with high, medium, and low FLFP

Distribution of FLFP, by state



India: Female Labor Participation Rate
States vs. selected countries (3-year moving average)

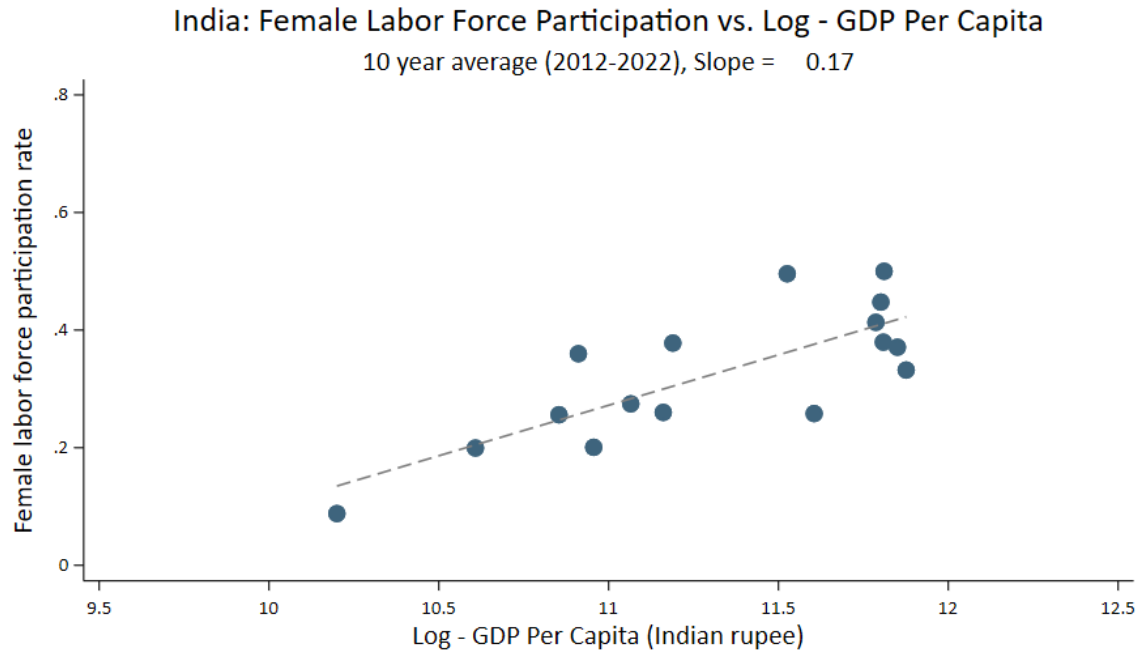


Source: Authors' calculations using the National Sample Survey (NSS) for years prior to 2017 and the Periodic Labor Force Survey (PLFS) for data after 2017.

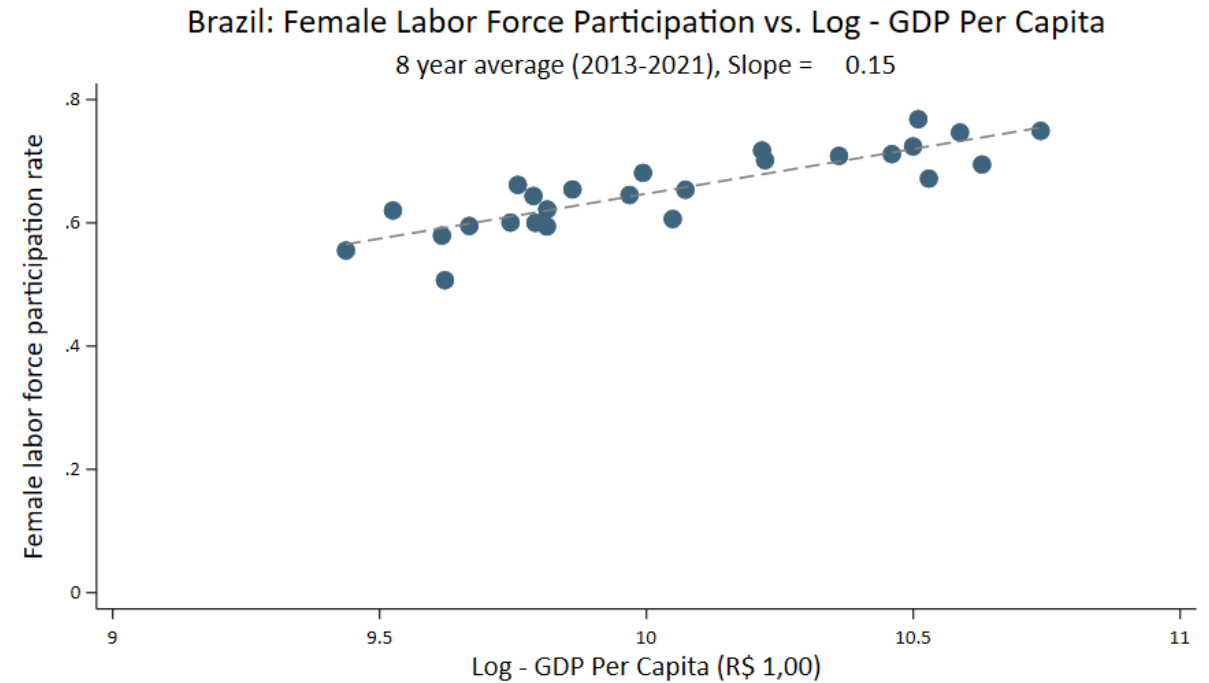
Note: Quartiles constructed using population weights.

High FLFP states are richer, on average

India



Brazil



Source: Authors' calculations using the NSS for years prior to 2017 and the PLFS for data after 2017 for India, and the PNAD for Brazil

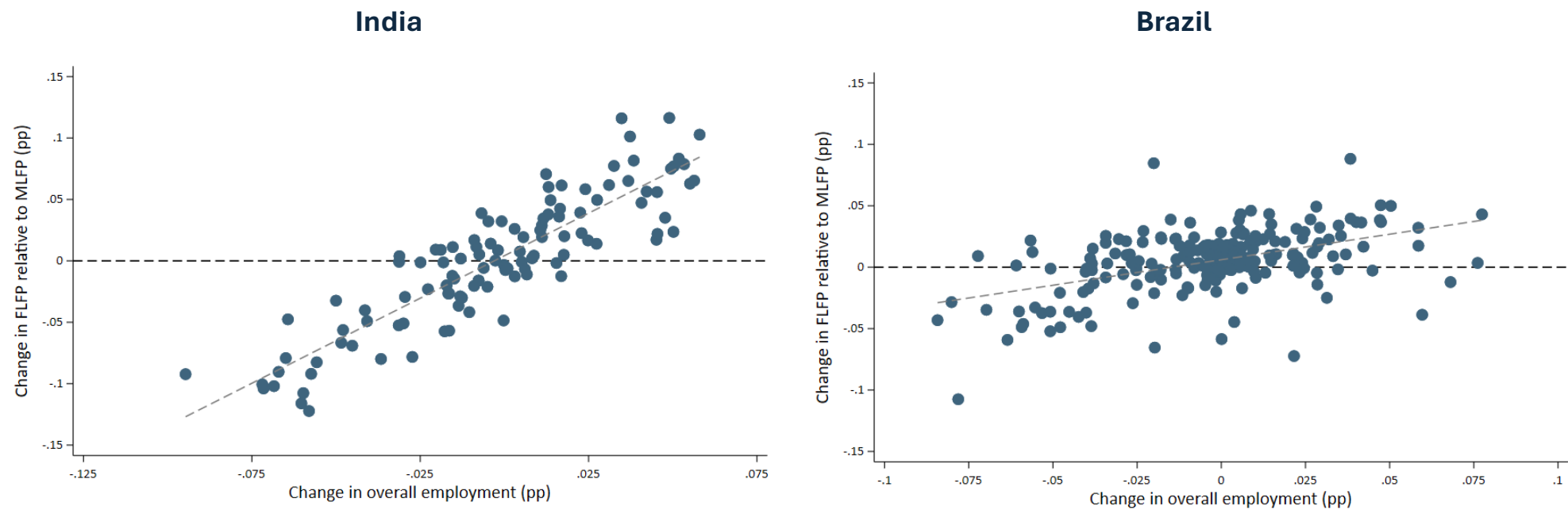
What does this mean for policy?

- Policies to increase the demand for female employment
- Policies to facilitate the supply of women to the labor market
- Policies to shift cultural norms

Policies that lead to overall employment growth

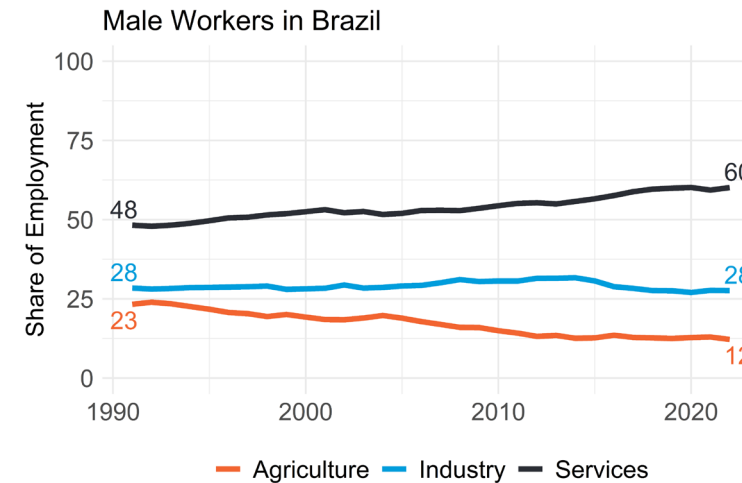
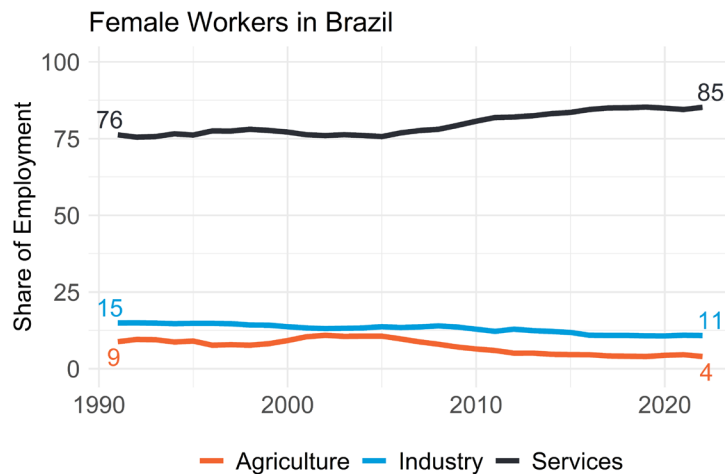
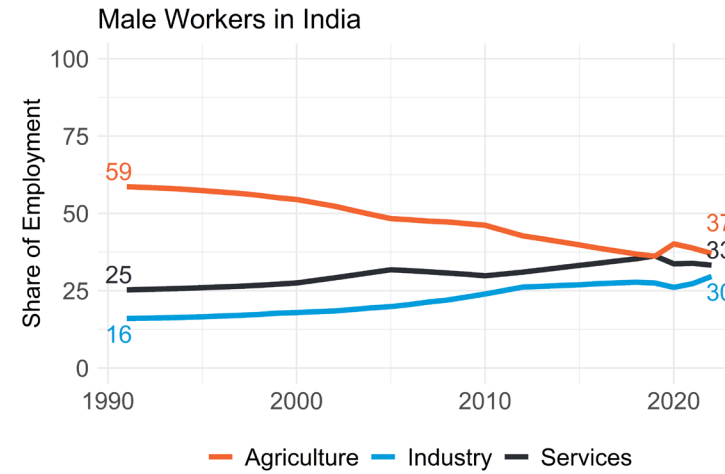
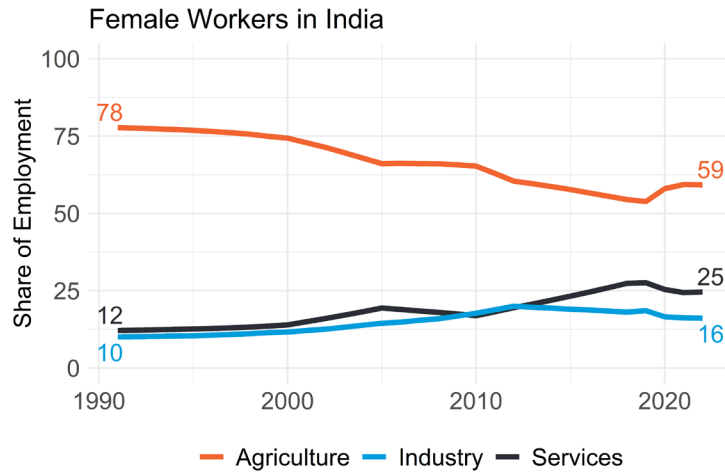
In India and, to a lesser extent Brazil, states with higher growth in the **overall** employment rate also show greater growth in the **female** labor force participation rate.

Change in female labor participation relative to male labor participation vs. Change in overall employment
2012 - 2022, yearly percentage point change



Source: Authors' calculations using the NSS for years prior to 2017 and the PLFS for data after 2017 for India, and the PNAD for Brazil

Policies that increase employment in the service sector



Source: Authors calculations using ILO data

Policies to increase access to daycare

Impact of daycare (*creche*) attendance on labor market participation, income, and child nutrition and development in Rio de Janeiro, **Brazil**

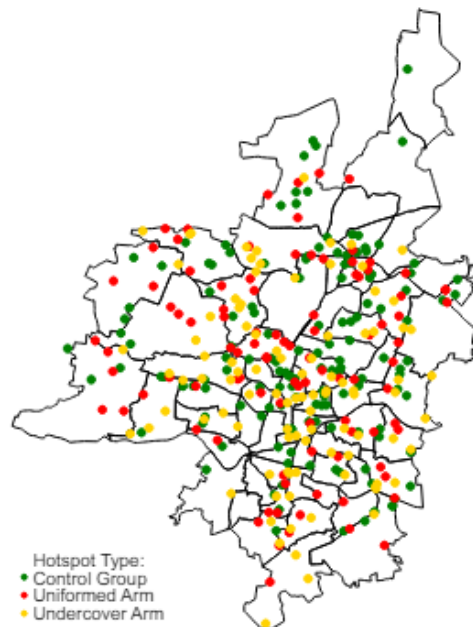


- Characteristics of *creches*:
 - *Creches* provided full-time daycare, 5 days a week, 9.5 hours per day, for children ages 0-3
 - Children in *creches* were given 5 meals or snacks over the course of the day.
 - Applications for *creches* far exceeded available slots: government used a city-wide lottery to assign spaces
- Effects of winning the *creche* lottery:
 - 21 pp increased probability that grandparents (especially grandmothers) worked → increased income by 55%
 - 16 pp increased probability that siblings (especially sisters) worked → increased income by 51%
 - 0.15 σ improvement in nutritional status and 0.10 σ improvement in cognitive development of children

Policies to increase safety and reduce harassment on transportation

Impact of a police patrol program on sexual harassment in public spaces in Hyderabad, India

Figure A4: Spatial Distribution of Hotspots and Experimental Assignment



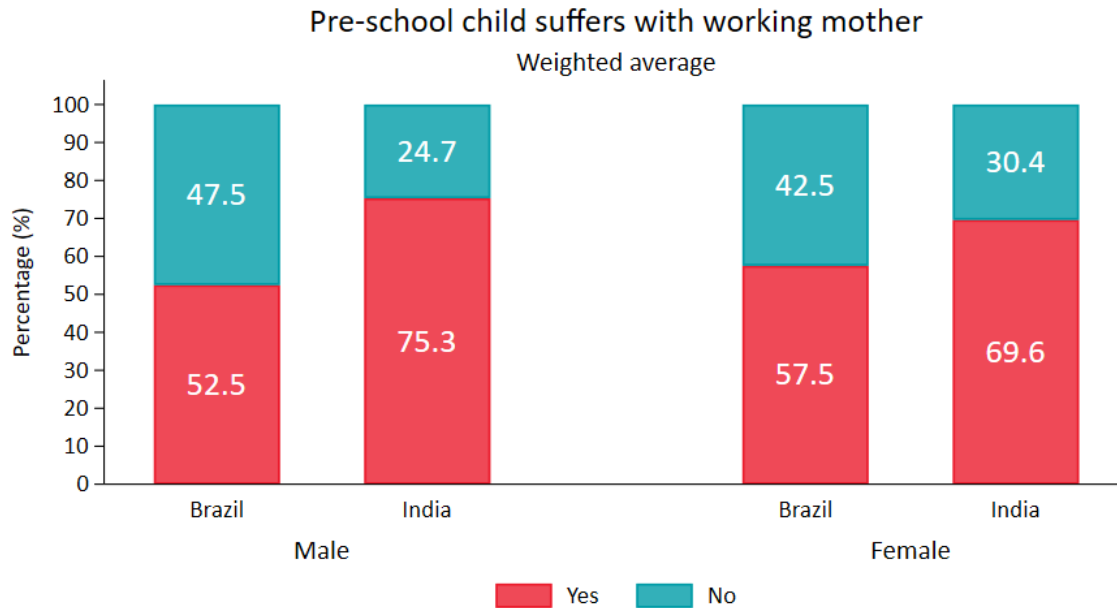
Note: The figures display the location of hotspots and the respective patrol areas within Hyderabad City Police jurisdiction.

- Sexual harassment in public spaces limits women’s physical mobility, education choices, and labor force participation (Borker, 2021; Chakraborty et al., 2018; Siddique, 2018).
- Impact of exposure to *Safety, Health and Environment Police Unit (SHE Teams)* on patrol but also officers’ visibility across 350 harassment hotspots:
 - 27% reduction of street harassment
 - Eased constraints to women’s mobility (including to go to work)

Source: Amaral, Borker, Fiala, Kumar, Prakash, Sviatschi (2023).

Policies to address social norms

Gender roles and stereotypes



Source: World Values Survey, Wave 7

Note: The graph reports the percentage of respondents who "agree/ strongly agree" that pre-school child suffers with working mother

Policies that seek to change attitudes

- Rural India, Jensen & Oster 2009
 - Introduction of cable television allowed **exposure to women in leadership roles on TV**.
 - Decreased acceptance of domestic violence against women and increased women's autonomy
- Indian village councils, Beaman et al. 2009
 - **Female leadership quotas**
 - Weakened stereotypes about gender roles and, after 10 years, led women to run for and win elected positions
- India, Dean & Jayachandran 2019
 - (i) **Video testimonials** by working women and their family members. (ii) **Prompting a conversation** btw working women and their families about **benefits and challenges** they face when a woman in the household works.
 - No evidence that the interventions changed employment or attitudes.

Conclusion

- FLFP in SAR, including India, is very low
- There have been some changes in the kind of work women in India do, but most women still work in agriculture
- There is no education-FLFP gradient in India, unlike other countries
- FLFP varies significantly across Indian states, and is higher in richer states
- Policies can work by:
 - Increasing demand
 - Facilitating supply
 - Shifting attitudes