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Will women be a part of India's future workforce? The quest for inclusive and sustainable growth in India

Dr Meena Nair, PAC[1]
Kritika Shah, PAC
Aparna Sivaraman, PAC

Abstract

This study examines India's low and declining rates of female participation in the labour force, in the context of Sustainable Development Goals (SDGs) 4 and 8. We undertake this analysis by looking at who has been left behind, synergies and trade-offs between SDGs, and global systemic concerns affecting the implementation of the SDGs. The study adapted the Rao-Kelleher Gender Framework to understand structure and agency issues that impact women. For a deeper understanding, a mixed-method research approach was employed. Specifically, primary data was analysed from three districts of India, with high, medium and low levels of female workforce participation respectively, to understand barriers and enablers to labour and skilling, with specific reference to the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), a national skilling scheme. The study found that while education is not linked to labour outcomes for women, factors such as marriage, safety during travel, and exposure to vulnerabilities from the informal/unorganised market were significant in female workforce participation. The prevalence of gender-biased beliefs and norms at the level of the household, in terms of menstruation and post-marital gender roles, has a significant influence on women and work. These barriers constrain women's agency and choice, and decisions pertinent to them are instead determined by household dynamics, workplace and societal structures.

Keywords: SDG 4, SDG 8, gender at work, gender inequality in India, female labour force participation, PMKVY

1 Dr Meena Nair, Principal Investigator & Head of Research
Public Affairs Centre, Bangalore, India
e-mail: meena@pacindia.org

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Introduction

Despite emerging as one of the fastest growing economies in the world, with a working-age population that accounts for almost 20% of the global total, India is facing a low and declining female labour force participation rate (FLFPR) (World Bank, 2017). This has fallen from a high of 34.94% in 2005 to a low of 26.97% in 2018 (World Bank, 2018). Amongst its South Asian peers, India has one of the lowest FLFPRs, with neighbours like Nepal boasting of rates of 82.69%. India's quest for realising its 'demographic dividend' through inclusive and sustainable growth cannot be understood without examining how gender is embedded in all social and economic relations.

The declining FLFPR presents a challenge to India's journey to achieving the 2030 Agenda, particularly in decent work and economic growth (SDG 8), gender equality (SDG 5) and quality education (SDG 4). India's high economic growth rates leave behind more than 400 million women from being gainfully employed. In fact, a McKinsey Global Institute report (2015) has posited that if India can close its gender gap by mimicking the FLFPR growth rate of Nepal, it can add up to $1 trillion to the economy.

Research on gender and work in India suggests that vocational training may be the panacea to the FLFPR decline. As family incomes rise, there is a tendency for women to stop working since the income of the man in the household is adequate to meet financial needs, i.e. a stopgap approach. Additionally, unequal access to education leaves women with less employment opportunities than men (Chaudhary & Verick, 2014). The macroeconomic issue of employment imbalance may be caused by the lack of agency amongst women, explaining the low FLFPR and female unemployment rates. This may be due to the discriminatory nature of the sectors women are most likely to work in, and the lack of job opportunities that are suitable in terms of wages, working conditions and employment practices.

However, this does not recognise the deep-rooted structural and agency-related factors that may be impacting the average woman's decision to start or continue working. Thus, this mixed-method, primary-data-driven study explores the link between education, skilling and work from the perspective of barriers and enablers to decent work and skilling for women. The research questions are focused on understanding the barriers to and enablers of female employment from the perspective of labour demand and labour supply. An analysis is also made of the Pradhan Mantri Kaushal Vikas Yojana (PMKVY), a national skilling programme and its impact on the research questions. At the same time, the research explores the implicit trade-offs and synergies in implementing the PMKVY scheme in the current Indian context, with special emphasis on SDGs 4, 5 and 8. Finally, this country case study looks into global systemic issues affecting female labour force participation. Understanding the profile of women most likely to be left behind, the synergies and trade-offs in the implementation of the goals, and how global trends affect the

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implementation of the SDGs at the national level are all crucial in the formulation and implementation of efforts towards meeting the SDGs, and particularly towards advancing female employment.

A preliminary analysis of these three cross-cutting issues concludes that women might not be the primary decision makers when it comes to labour participation. The lack of access to resources and infrastructure that facilitate decent work also impedes women's agency. In fact, while informal structural norms restrict mobility, formal norms foster unsuitable working conditions for women. Moreover, education was not a decisive factor in fostering women's labour participation or mobility, and the PMKVY was not found to play a significant role in enabling women to work.

Box 1. SDGs: Progress in India

To ensure national-and state-level policy alignment in accomplishing the 2030 Agenda, the government of India has established and appointed the National Institution for Transforming India (NITI Aayog). The NITI Aayog undertook a voluntary national review (VNR) for India at the United Nations (UN) High Level Political Forum 2017 in terms of its progress across SDGs 1, 2, 3, 5, 9, 14 and 17. While the VNR claimed to have accounted for "significant strides" in most of the aforementioned SDGs, the accuracy and credibility of the VNR may be questionable due to the principles of evaluation adopted by the NITI Aayog (NITI Aayog, 2017; Srivastava, 2018).

The NITI Aayog has also been promoting state-level policy implementation and accountability mechanisms for the SDGs, reinforced by the publishing of the SDG India Index, which measures the SDG progress achieved by India's states and union territories. The index assigned priority areas for each state and allowed inter-state cooperation to model best-in-class policies. However, it also highlighted the insufficiency of current, topical state-level data against the SDGs for monitoring and evaluation purposes (NITI Aayog, 2018).

In international SDG reports such as the SDG Index 2018, India was ranked lower than its regional peers. While it showed achievement in SDGs 1 and 8, India was marked with stagnating progress in SDGs 2, 3, 6, 9 and 14. Most problematic, however, was the data insufficiency that did not allow for complete evaluation of certain SDGs.

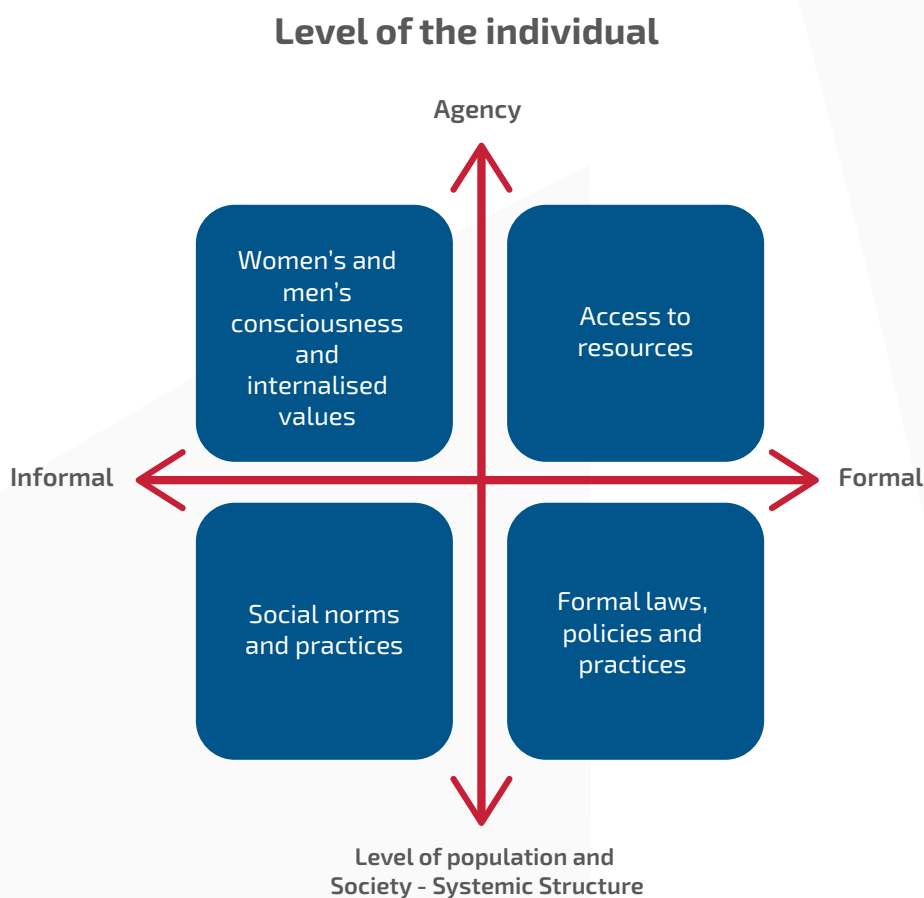## Research methodology and results

The main research problem central to this case study is the issue of low and declining female labour force participation. This case study hypothesises that the decision to work at an individual level is driven by labour supply and demand, each of which have their own enabling factors:

- Supply: A woman's' desire to work and her employability, i.e. education and skill-based qualifications.
- Demand: The market's need for skills reflected by appropriate job vacancies within the labour market.

Full participation in the labour force implies that labour demand meets the supply. Therefore, this country case study considered both supply and demand aspects to explain the low FLFPR. The methodology also helped to answer the question from the perspective of the Leave No One Behind (LNOB) agenda, the synergies and trade-offs in implementation of the SDGs and the translation of global systemic concerns into the national context.

To explain the demand side, the Rao Kelleher framework was used to characterise women's choice to work (see Figure 1). The framework introduces issues of structure and agency, which were particularly useful when understanding factors of exclusion beyond market influence. Agency is defined at the individual level as one's ability to act independently; structure is defined as formal and informal norms and social structures, external to the individual but impacting their agency.

Figure 1. Rao Kelleher framework

Level of the individual

Agency

Women's and men's consciousness and internalised values

Access to resources

Informal ← → Formal

Social norms and practices

Formal laws, policies and practices

Level of population and Society - Systemic Structure

Source: Bebasari & Williams (2016); elaborated by the authors.

A survey questionnaire was developed for primary data collection about labour supply. The questionnaire was based on the mapping of structure and agency issues in the socio-cultural context of gender in India with the onset of the Fourth Industrial Revolution (4IR). Responses from the questionnaire were analysed statistically and by using the Rao-Kelleher framework.

Skill centres deploying PMKVY vocational training were audited based on their expected outcomes for labour demand, as prescribed by the policy's objectives to improve youth employment outcomes.

The following "3F" framework was devised to evaluate how well the PMKVY meets its prescribed objectives:

- Funds: The accounting of funding from the Ministry of Skill Development and Entrepreneurship for PMKVY administration.
- Functions: The procedures and resources required to mobilise PMKVY training.
- Functionaries: The ability of human resources at the centres to administer PMKVY training and functions.

Supplementary to these, supportive structures that may enable women to attend skill development courses, like the provision of toilets for women, were also accounted for in the skill centre audit.

Sampling

Given India's regional diversity, the choice of sub-national primary sampling units for data collection needed to account for its cultural, geographical and industrial variation. Moreover, due to their difference, urban and rural areas were sampled separately. Therefore, for primary data collection sampling, three districts were chosen from the 1st, 50th, and 99th percentile of female worker population rates (a proxy for the FLFPR due to data insufficiency). In each district, a statistically significant number of women were surveyed about labour supply factors in urban and rural areas respectively, coupled with an audit of two PMKVY training partners. The urban and rural areas of these districts became the geographies of focus, as detailed in Table 1.

Table 1. Geographies of focus

Percentile/ female worker population (per 1000)	District/ state	Geographies of focus
0.78 / 77.3206	Saharanpur/ Uttar Pradesh	Saharanpur (rural)
		Saharanpur (urban)

		Coimbatore (rural)
49.69 / 280.446	Coimbatore/Tamil Nadu	Coimbatore (urban)
98.91 / 548.5358	Mandi/ Himachal Pradesh	Mandi (rural)
		Mandi (urban)

Elaborated by the authors.

For all geographies of focus, rural female worker population rates were significantly higher than urban female worker population rates, a statistic further explored in the next section.

Exploratory and confirmatory factor analyses were used to understand how the supply and demand indicators could best explain the FLFPR. Based on a condensed group of indicators, structural equation modelling was conducted to identify the magnitude of each indicator in its influence on the FLFPR, as well as for the categorisation of the indicators into "barriers" and "enablers" relating to employment. Finally, descriptive statistical tools were employed to further explain correlations and trends in answering research questions about who has been left behind, synergies and trade-offs, and global systemic concerns.

Results

Of the 2503 women surveyed for the study, approximately 21% were not working. This is similar to the countrywide employment to population figure of 22.77% for females (World Bank, 2018). An estimated 33% had never worked.

Overall, it was found that the PMKVY does not play any role in influencing the FLFPR. Instead, issues of restrictive, informal gender norms at the levels of the household, workplace, and society create significant barriers to work and skilling. Thus, a woman's decision to work may not actually lie with the woman herself. Opinions of household members and other structural lifestyle factors, such as marriage, may be more influential in the decision-making process.

An overwhelming majority of women did believe that employment was important for their empowerment, regardless of their work status at the time of the survey. However, working women seemed to be disproportionately prone to poor working conditions due to participation in the informal and unorganised sectors. In fact, feminisation of the workplace seems to have resulted in a gender distortion within India's informal market, with 94% of all women workers employed in the informal market (Geetika, Singh and Gupta, 2011).

> **India's economic growth has left behind more than 400 million women.**

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No linkage was found between educational qualifications and labour participation, challenging the hypothesised synergy between SDG 4 and SDG 8.

Conclusions and implications

The structure–agency framework and structural equation modelling techniques identified specific informal norms, the lack of formal structures, and obstructed access to labour-supportive resources as being the most definitive factors excluding Indian women from the labour force.

Notably, marriage seemed to create the biggest barrier to work, surfacing as the main reason for previously working women to quit their jobs (46.1%). There seems to be an innate, societal priority on marriage and motherhood over employment and education rather than an acceptance of the coexistence of both aspects in an Indian woman's life[2]. This implies that the redefinition of gender roles is imperative for progress in the FLFPR, regardless of women's qualifications. The role of the household in determining the FLFPR is further pronounced, and interestingly the working status of respondents' parents in their childhood also played a role in determining the respondent's decision to work as an adult. Therefore, household dynamics must be taken into consideration when analysing the FLFPR.
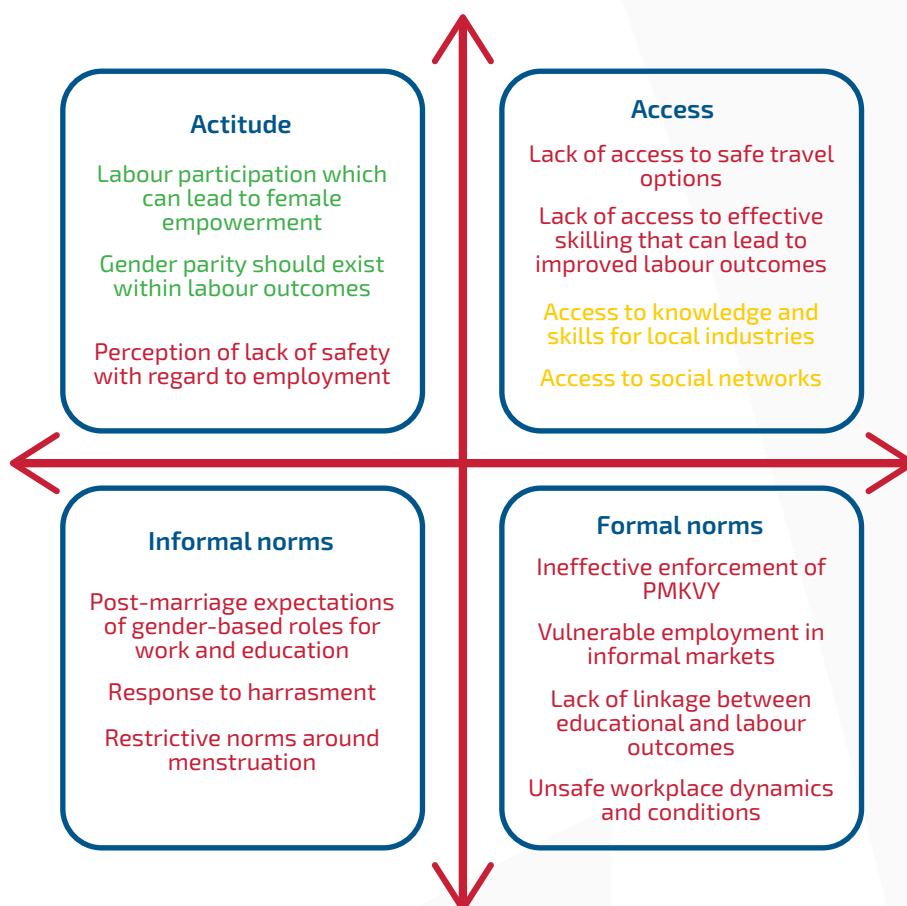
A negative linkage was also observed between the FLFPR and the restrictive socio-cultural practices that women face surrounding menstruation. Though most women responded as having access to menstruation supplies, norms restricting them from entering certain areas of the house may be holding women back. The general societal stigma around menstruation needs to be debunked in order to boost the FLFPR.

As for formal structures, other than the less protective structures of the informal market, respondents noted that lack of access to safe transportation has a sizeable impact on their decision not to work. On the other hand, access to network-based resources such as social groups were identified as an enabler for workforce inclusion. It was not just physical access to resources that surfaced as imperative: understanding how to leverage resources for labour appeared specifically beneficial for labour mobility.

Positive attitudes and perceptions surrounding women at work were apparent in the majority of respondents, eliminating attitudes as a factor limiting agency. Economic factors such as salary and social indicators of the historically oppressed such as caste and religion too did not have a significant impact on female labour force participation, emphasising the need for policy to focus on structure–agency barriers.

> **Working women are disproportionately prone to poor working conditions due to participation in informal sectors.**

2 Supplementary evidence suggests that since employment does not result in a reduction of domestic work for urban working women, it may render sustainable labour unfeasible in urban areas (Ramu, 1989). Additionally, studies pointing to the correlation between a young Indian woman's status as newly employed and the risk of domestic violence at home rises by 80% compared to women who are unemployed in low-income communities, suggesting the prevalence of a gender-bias towards working women (Krishnan et al., 2009).

These structure–agency barriers to and enablers of the FLFPR and skilling are presented within the Rao-Kelleher framework in Figure 2, with their observed status represented by colour: progressing (green), lacking progress (red), or neither (yellow).

Figure 2. LNOB conclusions within the Rao Kelleher framework

Actitude

Labour participation which can lead to female empowerment

Gender parity should exist within labour outcomes

Perception of lack of safety with regard to employment

Access

Lack of access to safe travel options

Lack of access to effective skilling that can lead to improved labour outcomes

Access to knowledge and skills for local industries

Access to social networks

Informal norms

Post-marriage expectations of gender-based roles for work and education

Response to harrasment

Restrictive norms around menstruation

Formal norms

Ineffective enforcement of PMKVY

Vulnerable employment in informal markets

Lack of linkage between educational and labour outcomes

Unsafe workplace dynamics and conditions

Elaborated by the authors.

It was envisioned that education would be the single most powerful enabler of labour, implying a synergy between SDGs 4 and 8, specifically between SDGs 4.3, 4.4, 4.5 and 8.5. However, primary data analysis revealed unrealised synergies between skill centre outcomes and female worker population rates. While this could be attributed to the newness of the PMKVY, the policy needs to be further capacitated to result in labour participation for its participants and to make specific provisions for female participants. Without these improvements, all working age Indians, men and women, may get left behind from achieving gainful employment in the 4IR and its aftermath, due to low employability. Furthermore, no potential synergies were found between SDG 4.1 and 4.2 with 8.5, i.e. the schooling system and employment.

Evaluating links between SDGs 4, 8 and others reiterated the need for better governance in the aspects of urbanisation, water and sanitation,

health, and poverty. SDG 8 (employment) is shown to have unrealised synergies with SDG 5 (gender equality), proving that India's path to full employment for all may be at odds with its agenda for social inclusion. Macroeconomic factors play no role in determining the FLFPR with market-related SDGs, such as SDG 9 (industrial innovation), showing unfulfilled synergies with SDGs 4 or 8. The synergies and trade-offs depict those present in India's labour economy in 2018. It is important to remember that the actual links are more significant than the categorisation of either "synergies" or "trade-offs". With appropriate policy measures, these trade-offs can be maximised to be synergies.

Findings from the primary data indicate that feminisation of the workplace might be the most potent global systemic concern to affect the FLFPR in India. Feminisation of the workplace has been a global phenomenon affecting prescriptions of gender roles, causing invisible yet strong labour market segmentation. Emphasising gender equality in the labour market adversely results in encouraging women to work in traditionally feminine occupations while creating barriers to traditionally masculine occupations. In India, this has manifested as the feminisation of the informal sector, where an overwhelming majority of working women are employed (Geetika et al, 2011). The informal sector creates vulnerabilities in the form of poor working conditions, loose contractual agreements, and low, unreliable wages, resulting in an abundance of "3D" jobs (dirty, dangerous and demeaning) that Indian women are most likely to participate in, especially in urban areas where non-agricultural work prevails (Krishnan, 2015). This study confirms the hypothesis that the feminisation of India's informal market poses a serious threat, with 55.8% of working women belonging to the informal sector. Thus, working women are prone to getting further left behind, in the 4IR.

Recommendations

Due to the systemic nature of the factors affecting the FLFPR, our recommendations are categorised based on the time required for their effective implementation, while also keeping in mind the 2030 Agenda. The categories are short-term (0–3 years), medium-term (3–8 years) and long-term (8+ years). All recommendations are applicable at the national and/or sub-national level, in the context of achieving SDG 8.

Short-Term
With safety during travel restricting women's participation in the workforce, a market decentralisation strategy should be considered at the national and sub-national levels. Namely, female entrepreneurship programmes and policies should be rolled out, based on sub-national industry needs, to allow women to participate in the labour market from their homes or within their neighbourhoods.

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Restrictive gender norms create significant barriers to work and skilling.

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In urban areas, to improve women's safety during travel, women-only travel routes or sections on public transportation should be designated.

An industrial policy focused on skilled work that can be done from home will incentivise female employment. Poor female participation in the labour market must be overcome to enable the achievement of SDGs 8, 9 and 11, especially given their potential synergies with SDGs 4, 5 and 10. Our suggested measures will require public–private cooperation. Implementing these recommendations will result in agency and choice over employment belonging to Indian women, instead of being at the mercy of physical, social and human structures.

Given the rapidly changing landscape of the labour market, the PMKVY will be instrumental in ensuring that India's "demographic dividend" is realised through appropriate policy design and improvements in implementation. These include supporting workers in gaining skills that meet industry needs and providing the opportunity to take part in job placement training to all working-age Indians.

For women specifically, financial aid, access to childcare facilities, and gender safety policies should be prioritised in the PMKVY. Overall, while existing policy guidelines are comprehensive, this study has found that their enforcement may be lacking, necessitating a better monitoring and evaluation system for the PMKVY.

Medium-Term
Beyond skills development, formalisation of the informal and unorganised sectors would help to ensure that women are protected in the workplace. This should include the implementation of social security systems for workers alongside regulations for safe and humane working conditions. While this would require industry buy-in, the central government should take the lead in policy design, implementation, and monitoring and evaluation activities.

To support education in creating favourable labour returns, the link between the school system and industry needs to be strengthened, with a focus not just on women but on all workers.

Long-term
To overcome informal gender norms surrounding menstruation and social and domestic roles, gender sensitivity modules at primary and secondary education levels should be implemented to encourage gender equality. For adults, a communications campaign promoting gender equality could complement this approach by highlighting the limitations that these norms place on women as well as households and society at large.

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List of contributors

Dr Meena Nair is the head of research at the Public Affairs Centre (PAC), Bangalore. She has a PhD in urban social geography from Jawaharlal Nehru University. She has more than a decade of experience in the implementation of social accountability tools (SATs) including citizen report cards (CRC), CRC + and community score cards (CSC). She has experience and expertise in working in the sectors of elementary education, maternal health, water and sanitation, and women. At PAC, she has led major projects in the area of participatory governance, looking at empowering communities.

Kritika Shah is a team lead at the Public Affairs Centre (PAC), Bangalore. She has a Bachelor's degree in economics from New York University. After working as a management consultant at EY in New York, Kritika became involved in public policy research and consulting in India, where she has since focused on understanding issues of gender at work.

Aparna Sivaraman is a programme officer at the Public Affairs Centre and part of the project team studying the causes of India's declining female labour force. With a Bachelor's degree in economics and a Master's degree in public policy, she is passionate about qualitative and quantitative research in the areas of gender equality, migration, economic development, and intellectual property.

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