Gender Inequality in Labour Market: Case of India

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Abstract

Gender Inequality is a collective practice by which men and women are not treated as equal. The present study is an attempt to measure the gender inequality in labour market in India. The study is based on the secondary data collected from Periodic Labour Force Survey PLFS 2017-18. The significance of gender disparity was measured by using independent t-test. We found significant difference in the participation among female and male in labour force, work participation and unemployment rate.

Key words: Gender Inequality, Labour Force Participation Rate, Work Population Ratio, Unemployment Rate, India.

INTRODUCTION

Gender inequality is global phenomena manifesting itself in both access to labour market and unequal working conditions. Existing labour markets continue to be characterized by gender inequality (ILO, 2019). On the other hand female labour force participation is a driver of growth and therefore participation rates indicate the potential for a country to grow more (Verick, 2014). Women's labour force participation is an important and necessary element of an inclusive and sustainable development process.

The participation of women in the labour force varies considerably across developing and emerging economies. There are various numbers of economic and social factors that are responsible for low female participation in labour force which include economic growth, increasing educational attainment, falling fertility rates, social norms and labour market gender gaps (Verick, 2014).

In India mainly four explanations are been given for the low level of female participation in work force. These are 1) rising educational attainment 2) lack of employment opportunities 3) effect of household income on participation; and 4) measurement (Mazumdar and Neetha, 2011). The rising educational attainment in India has lead most to the falling number of women in the Indian Labour Force despite strong economic growth and rising wages and incomes.

The labour force participation rate according to usual status continuously shows a declining trend between 1993-94 and 2017-18 among females but remained almost same in case of males. The participation rate among rural females was 33.0 percent in 1993-94 which declines to 18.2 percent in 2017-18 while as in urban areas the same decreased marginally from 16.5 percent to 15.9 percent during the same period. Furthermore the participation rate among males has remained almost constant throughout the same period (PLFS, 2017-18).

METHODOLOGY

The study is purely based on secondary data. The data has been collected from Periodic Labour Force Survey (PLFS) 2017-18, MOSPI, Govt. of India. The data is based on usual status which includes principal and subsidiary activity related to twenty nine states and seven union territories for the period of 2017-18.

The study is based on three hypotheses:

- There is no significant difference in male and female labour force participation rate.
- There is no significant difference in male and female work participation rate.
- There is no significant difference in male and female unemployment rate.

To test the hypothesis we use independent samples t test at 0.05 significance level. The gap between participation of female to male has been used as a proxy to measure gender inequality in labour market in India. This inequality is measured in LFPR, WPR and UR where,

LFPR= no. of employed persons + no of unemployed persons/ total populations (aged 15 and above years)*100.

WPR= no. of employed persons / total population (aged 15 and above years)*100.

UR= no. of unemployed persons / no. of employed persons + no. of unemployed persons (aged 15 and above years)*100.

RESULT AND DISCUSSION

Table: 1. Age wise gender inequality among workers according to usual status in India 2017-18

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Usual Status (ps+ss)	Age group	Female	Male	Female	Male	Mean Diff	t- value	p <0.05
LFPR	15-29	21.50	58.56	9.76	10.05	-37.06	-15.87	< .001
	15-59	28.17	80.46	12.54	4.92	-52.29	-23.29	< .001
	15 and above	25.84	75.61	11.72	4.79	-49.77	-23.59	< .001
WPR	15-29	15.31	47.61	8.28	11.98	-32.29	-13.30	< .001
	15-59	25.15	74.98	12.58	6.24	-49.83	-21.28	< .001
	15 and above	23.14	70.84	11.86	6.20	-47.70	-21.37	< .001
UR	15-29	27.661	19.494	18.694	9.494	8.167	2.337	0.022
	15-59	11.811	6.903	11.739	3.335	4.908	2.413	0.018
	15 and above	11.458	6.442	11.632	3.116	5.017	2.500	0.015

Source: Author's calculations based on PLFS, 2017-18

The table 1 shows age wise gender inequality among workers according to usual status in India in the year 2017-18. It can be seen from the table that the mean labour force participation rate and work participation rate of females is lower than that of males. But in case of unemployment rate, it is greater among females than that of males. The LFPR among females is 26 percent, among males it is 76 percent and the WPR among females is 23 percent, about 71 percent among males. This means the gender gap is about 50 percentage points in LFPR where the same is about 48 percentage points in WPR. The unemployment rate among females is nearly double the rate among males.

In the younger age group of 15 to 29 years LFPR is 22 percent among females while as it is 59 percent in case of males. The gender inequality in this age group is 37 percentage points that is contrary to our expectations. WPR in this age group is 15 percent among females while as it is 48 percent in case of males. The gender inequality in this age group is 33 percentage points. The unemployment rate in this younger group of population is 28 percent among females while as it is 19 percent among males. The difference among male and female is 9 percentage points.

In the age group of 15 to 59 years LFPR is 28 percent among females while as it is 80 percent in case of males. The gender inequality in this age group is 52 percentage points. WPR in this age group is 25 percent among females while as it is 75 percent in case of males. The gender inequality in this age group is 50 percentage points. The unemployment rate in this age group of population is 12 percent among females while as it is 7 percent among males. The difference among male and female is 5 percentage points.

In LFPR the standard deviation of females is lower than that of males in the age group of 15 to 29 as can be seen from the table but in case of age group of 15 to 59 and 15 and above the standard deviation of females is higher than that of males. In WPR the standard deviation of females is lower than that of males in the age group of 15 to 29 but in case of age group of 15 to 59 and 15 and above the standard deviation of females is higher than that of males. In UR the standard deviation of females is higher than that of males. In UR the standard deviation of females is higher than that of males. In UR the standard deviation of females is higher than that of males in all the age groups.

Usual Status	Age Group	t value	p value < .05
LFPR	15 and above	-23.59	.001
WPR	15 and above	-21.37	.001
UR	15 and above	2.500	.015

Table: 2. Result	of independent t test
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Source: Author's calculation based on PLFS 2017-18

When the data on LFPR, WPR and UR is tested by using independent t test the following are the results:

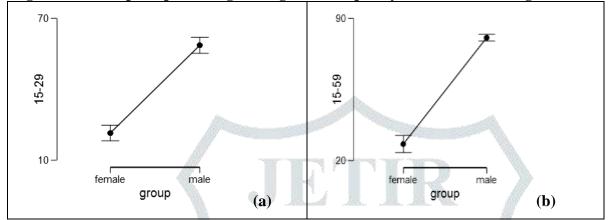
For LFPR the t value is -23.59 and the p value is .001 which is less than .05 significance level. Hence our first hypothesis is rejected.

For WPR the t value is -21.37 and the p value is .001 which is less than .05 significance level. Hence our second hypothesis is also rejected.

For UR the t value is 2.500 and the p value is .015 which is less than .05 significance level. Hence our third hypothesis is also rejected.

Interstate Variations in Mean Participation of Persons among Female and Male in LFPR, WPR and UR:

Figure: 1. Descriptive plots of age wise gender inequality in LFPR according to usual status in India



The figure 1 shows age wise interstate variations in mean LFPR among female and male population. The standard deviation bars in figures show inter-state variability from mean. Small standard deviation bar means that the data of individual states are clumped around the mean and vice-versa in case of large standard deviation bar. Part (a) of the figure shows to some extent large variability both in females and males in the age group of 15 to 29. Part (b) shows the variability in the age group of 19 to 59 which is more in females than males.

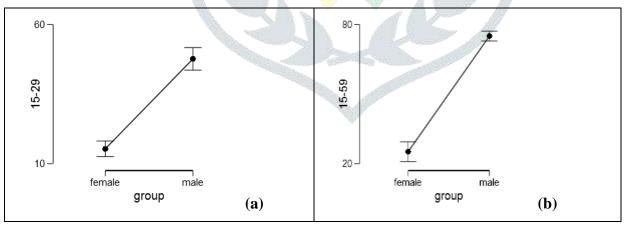
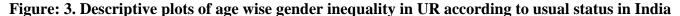
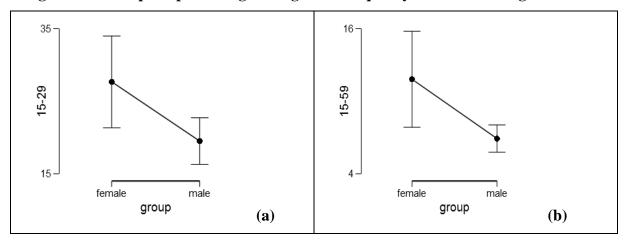


Figure: 2. Descriptive plots of age wise gender inequality in WPR according to usual status in India

The figure 2 shows age wise interstate variations in mean WPR among female and male population. The standard deviation bars in figures show inter-state variability from mean. Small standard deviation bar means that the data of individual states are clumped around the mean and vice-versa in case of large standard deviation bar. Part (a) of the figure shows more variability among males than that of females in the age group of 15 to 29. Part (b) shows the variability in the age group of 19 to 59 which is more in females than males.





The figure 3 shows age wise interstate variations in mean UR among female and male population. The standard deviation bars in figures show inter-state variability from mean. Small standard deviation bar means that the data of individual states are clumped around the mean and vice-versa in case of large standard deviation bar. Part (a) of the figure shows that in the age group of 15 to 29 there is a very high variability among females than males. Part (b) also shows a very high variability among females than that of males.

CONCLUSION

Gender inequality remains significant in Indian labour market despite having declined over the past few decades globally. Women may be unable to join the labour force because of certain obligations such as having to perform unpaid care work within their household. The women are disproportionately confronted with barriers to access work. In this paper we discuss the gender inequality in labour market in India. Labour force participation rate, work participation rate and unemployment rate was taken as a proxy of gender inequality. Despite a high economic growth, decline in fertility, improved female education and rising return to education over the past few years the gender inequality is still a big concern. The issue of gender inequality in labour market is of very multifarious nature. It is deeply rooted in culture, history and traditions of Indian society. Thus a comprehensive approach is needed to deal with this issue. On one hand govt, policies should be formulated in a way that could enhance women's access to education, health and employment opportunities. On the other hand social mobilization is also needed.

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