

## WOMEN'S WORKFORCE PARTICIPATION IN INDIA: **STATEWISE TRENDS**

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This series of state factsheets highlight important aspects of the status of women's employment in the states. The factsheets use secondary data provided by the National Sample Surveys' Periodic Labourforce Survey (PLFS), 2017-18. In certain parts of the factsheets, the data from employment – unemployment surveys (EUS) in some of the previous years, conducted by the same agency and data from other government sources have also been used to support specific facts.

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## Maharashtra

Maharashtra is one of the most prosperous and industrially advanced states of India. The Mumbai-Pune region along with adjoining regions in Maharashtra has been a prominent industrial hub of India, and Maharashtra retains its character of being a leading industrial state with the sector contributing a share of 26.4 percent to the state income.<sup>1</sup> It must be noted that Maharashtra ranks amongst the top 10 states in India in terms of Gross State Domestic Product (GSDP) per capita, placing 8th from the top with a figure of Rs. 1,59,918.<sup>2</sup> It has the highest GSDP among all states, amounting to Rs. 19400 billion, as of 2017-18.<sup>3</sup> It is also the third largest in terms of area, and the second most populous state in India with a population of approximately 112.4 million.<sup>4</sup>

Despite having the highest GSDP, in terms of indicators on gender, Maharashtra ranks quite low as compared to other states. The state has a sex ratio of 958 females per 1000 males and ranks 16th among all states.<sup>5</sup> The child sex ratio is even lower at 894 girls per 1000 boys.<sup>6</sup> The state fares slightly better when it comes to female literacy and education. It ranks 14th in terms of female literacy; about 75 percent of females were literate in Maharashtra, according to the 2011 Census report. The gender parity index in secondary as well as higher education was 0.9 as of 2018-19.<sup>7</sup>

Women's engagement in productive activities has always remained high in Maharashtra compared to the all India average. The Periodic Labour Force Survey (PLFS) is no aberration. It reports that the female labour force participation (FLFPR) in the state was almost 31 percent in 2017-18, significantly higher than the national average of 23 percent. This is largely due to the rural FLFPR which is nearly 30 percent - almost 12 percentage points higher than the national estimates. However, the trends are not so for the urban FLFPRs. The urban FLFPR is 16.8 percent, almost similar to the national trends. This raises questions on the process of industrialisation and growth in the state, where large proportions of women in urban areas remained outside the labour force.

Female labour force participation in the state was almost

**31%**

in 2017-18, significantly higher than the national average of 23 percent



<sup>1</sup> Source: Economic Survey of Maharashtra 2019-20.

<sup>2</sup> Source: Ministry of Statistics and Programme Implementation; calculated at 2011-12 prices.

<sup>3</sup> Source: Ministry of Statistics and Programme Implementation; calculated at 2011-12 prices.

<sup>4</sup> Source: Economic Survey of Maharashtra 2019-20.

<sup>5</sup> Source: Annual Report, PLFS 2017-18.

<sup>6</sup> Source: Census 2011.

<sup>7</sup> Source: Economic Survey of Maharashtra 2019-20.

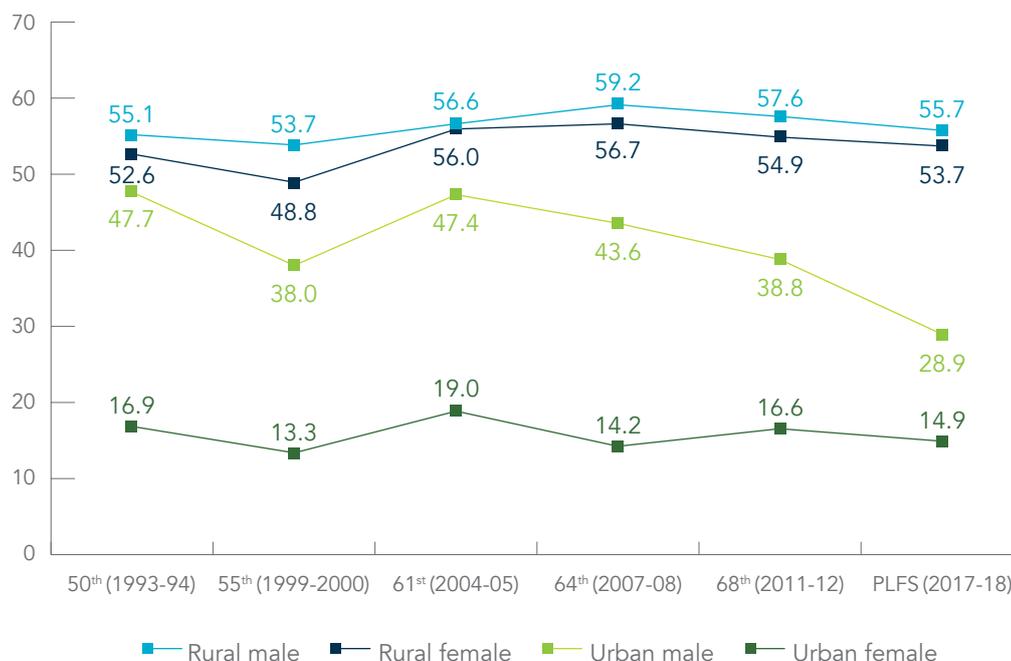


## Trends in Female Workforce Participation Rates (FWPR) (Chart 1)

The FWPR measures the ratio of employed female to total female population, unlike the FLFPR which also includes the unemployed in its measurement. Some interesting trends for Maharashtra are as follows:

- FWPRs have been declining, both in the rural and urban sectors. There was a steady decline in the WPR for rural women since 2004-05, but the rate of decline was faster (by approximately 10 percentage points) in the period between 2011-12 to 2017-18, as displayed in Chart 1.
- The gender differences in the WPRs of both men and women follow the national pattern. But the gap seems more significant in urban areas compared to rural areas.
- FWPRs for rural women have been consistently higher than those for urban women. But the gap between workforce participation rates in urban and rural areas seems to be converging due to the rapid decline in rural FWPRs in recent times (Chart 1).

Chart 1: Trends in Work Participation Rates



Source: EUS 1993-94, 1999-00, 2004-05, 2007-08, 2011-12 and PLFS 2017-18, NSSO, MoSPI, GOI

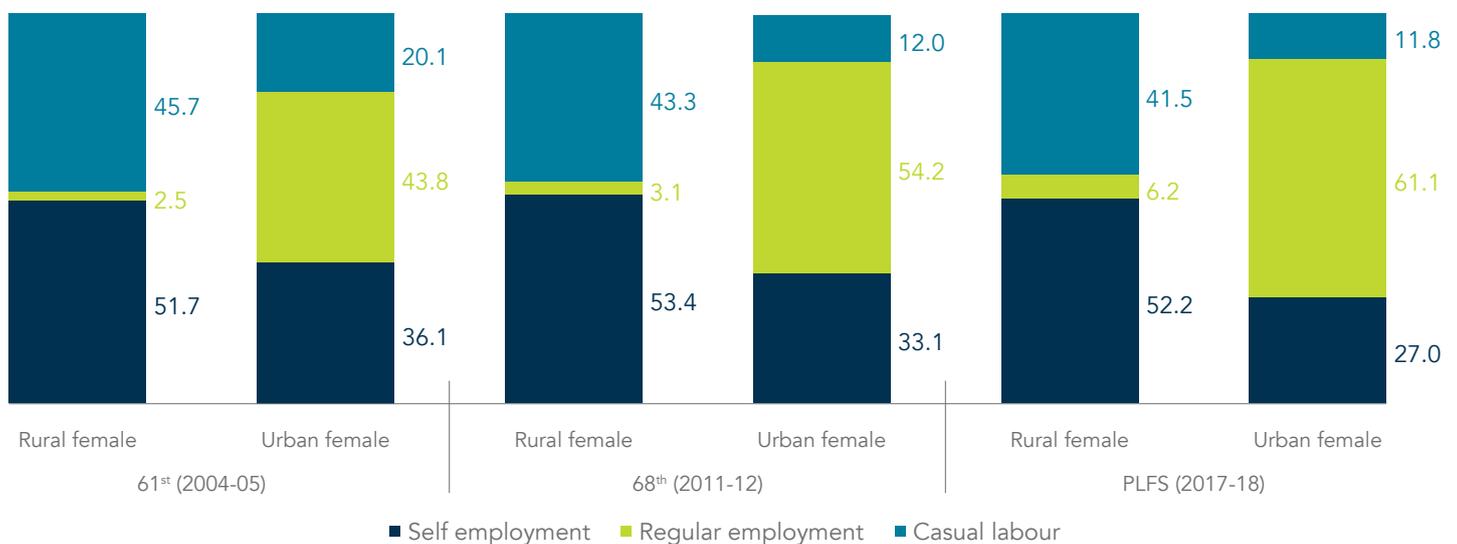
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## Distribution of women workers by status of employment (Chart 2)

- PLFS (2017-18) clearly shows a drop in the share of self-employed urban women by 6.1 percentage points since 2011-12. However, within wage employment, the share of women in regular employment increased, by 6.9 percentage points in urban areas and by 3.1 percentage points in rural areas between 2011-12 and 2017-18 (Chart 2).
- The fall in the share of self-employed workers coupled with a concurrent rise in the share of regular wage workers signifies a shift towards regular employment among women.
- Another trend worth noting is the decline in casual employment, in both rural and urban areas (Chart 2). The proportion of women in casual employment fell by 1.8 percentage points in rural Maharashtra between 2011-12 and 2017-18. The decline in casual work among rural women indicates a loss of job opportunities in wage work among rural women, and needs further examination.
- Together, the three aforementioned trends indicate a shift in the distribution of women workers by contract of employment, towards regular employment.
- The decrease in the proportion of casual workers and the rise in the proportion of regular and salaried workers in the urban sector is a trend that is observed even at the national level. This is a positive development if the non-wage benefits of regular jobs are guaranteed to a majority of workers.

Chart 2: Distribution of women workers by status of employment



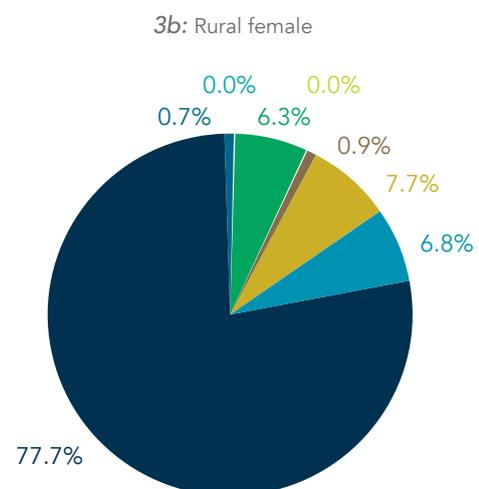
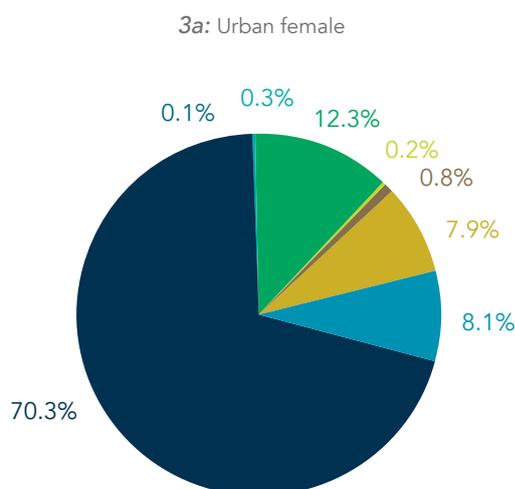
Source: EUS 2004-05, 2011-12 and PLFS 2017-18, NSSO, MoSPI, GOI



## Distribution of women workers in regular wage work by industry of occupation (Chart 3 and Chart 4)

- Regular employment has been on the rise in urban Maharashtra since 2004-05 (Chart 2). Most of regular employment in urban women's work is concentrated within the service sector at 70 percent, followed by manufacturing and retail trade.
- Out of the 70 percent female workers in the service sector in urban areas (Chart 3a), women are typically concentrated in education, health, banking and finance services, with education comprising 28 percent of all services undertaken by women (for regular salary/wages) in urban Maharashtra (Chart 4a). In other words, there are clear signs of women working in typical occupations within traditionally female dominated sectors like education, health and retail (Chart 4a).
- In rural areas, similar trends of women clustered within education are observed. Regular wage work by women is most prominent in education, public administration, health and social work, within services (Chart 4b).
- As far as women's engagement in other tertiary work is concerned, trade, hotels and restaurants (7.7 percent), and transport, storage and communications (6.8 percent), contribute to a significant share of regular wage work undertaken by women in rural areas. The share of women in manufacturing (at 6.3 percent) is lower than the national average for such engagement in rural areas (Chart 3b).

Chart 3: Distribution of women in regular wage work by broad industry divisions, 2017-18



- Agriculture, forestry and fishing
- Mining and quarrying
- Manufacturing
- Electricity, water etc.
- Construction
- Trade, hotel and restaurant
- Transport, storage and communications
- Other services

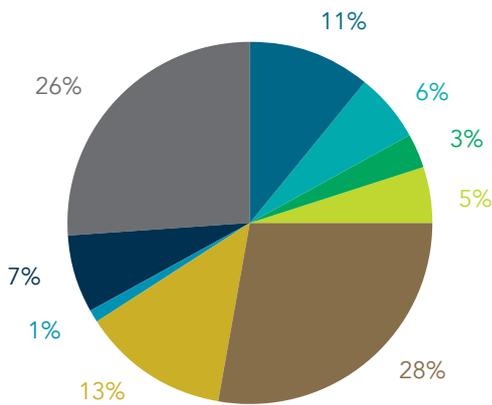
Source: Author's calculations based on unit level data from PLFS 2017-18

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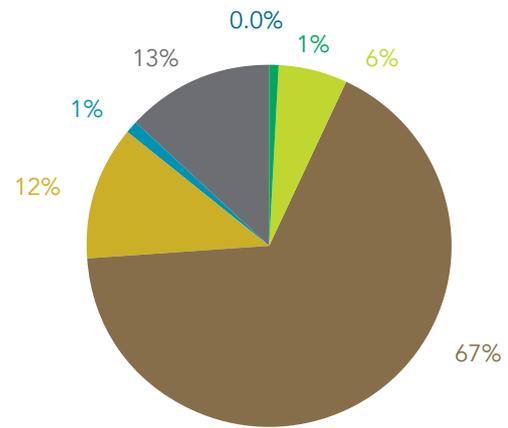


Chart 4: Distribution of women in regular wage work within services, 2017-18

4a: Urban female



4b: Rural female



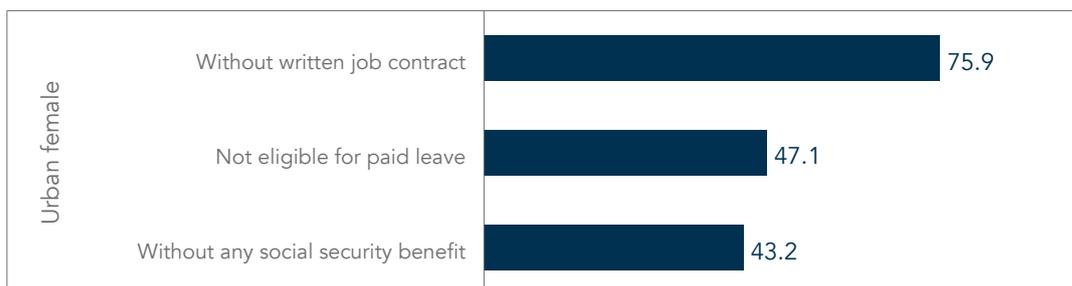
- Financial and insurance activities
- Professional, scientific and technical activities
- Administrative and support services activities
- Public administration and defence; compulsory social security
- Education
- Human, health and social work activities
- Arts, entertainment and recreation
- Other service activities
- Activities of household as employers

Source: Author's calculations based on unit level data from PLFS 2017-18

## Condition of work in regular employment (Chart 5)

- PLFS data reveal that while there has been a shift in the composition of the female workforce in urban Maharashtra (away from self-employment towards regular wage work), that is not necessarily a good shift. A high proportion of women workers in regular employment in urban areas are working without a written job contract (75.9 percent); nearly half (47.1 percent) of them are not eligible for paid leaves and a significant share (43.2 percent) are without any social security benefits.
- These figures indicate that the rise in regular employment, even within traditionally female dominated activities, has not been accompanied by improvements in working conditions despite ensuring for women, continuity of income.

Chart 5: Share of regular women workers in urban areas without non-wage remunerations, 2017-18



Source: Annual Report, PLFS 2017-18

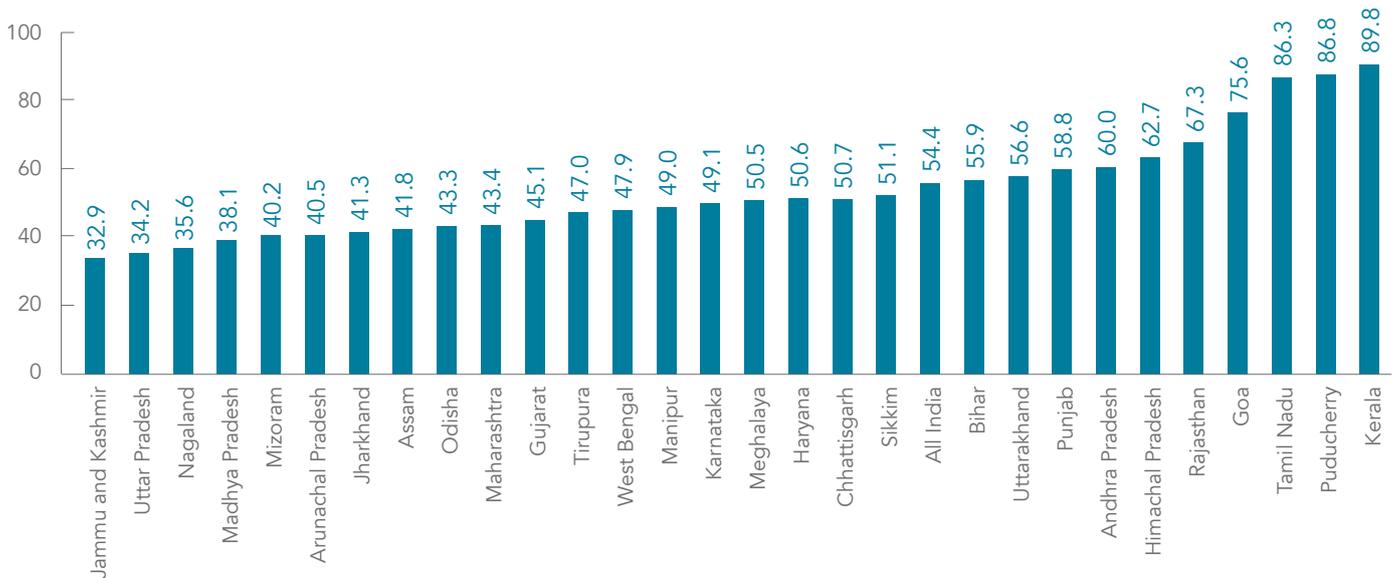
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## Women workers in casual employment

- There has been a consistent decline in casual work among rural women since 2004-05 (Chart 2); the current share of casual employment is 41.5 percent for rural women. PLFS 2017-18 shows that nearly all of the casual work performed by women in rural areas falls under non-public casual work, in activities within the agricultural sector (97.5 percent), private construction (0.8 percent) and services (1.1 percent). As per the NSSO figures, the share of women workers engaged in MGREGA work in rural areas was 2.1 percent in 2019-20.
- Casual work for women in urban areas is also dominated by non-public works: 92.6 percent casual workers in urban areas fall in this category of work.

Chart 6: Women person-days out of total in MGNREGA, 2019-20 (percentage)



Source: MGNREGA data ([www.nrega.nic.in](http://www.nrega.nic.in))

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## Analysis of MGNREGA work

- The presence of MGNREGA work for women in Maharashtra is limited, which is visible from the state's performance in terms of women person-days out of total in MGNREGA. The figure of approximately 43 percent is poor in comparison to the nation-wide average (Chart 6).
- Over the past three years, the share of women person-days in the total has been on the decline. Between 2017-18 and 2019-20, the share fell by approximately 2 percentage points, signifying widening disparity between male and female workers viz. allocation of person days ([www.nrega.nic.in](http://www.nrega.nic.in)).
- There has also been a decline in the number of person-days created under MGNREGA in Maharashtra. The total number of person-days generated in the state fell from 85 million to 63 million between 2018-19 and 2019-20.
- The above point is substantiated by the fact that out of the 8.6 million job cards issued in 2019-20, only 3.2 million persons were allotted work.
- A decline in person days may also indicate implementation issues; besides low allocation of work (which suggests few worksites being opened), reports also suggest delayed wage payments under the programme over the period.

## Women workers in self-employment (Chart 7)

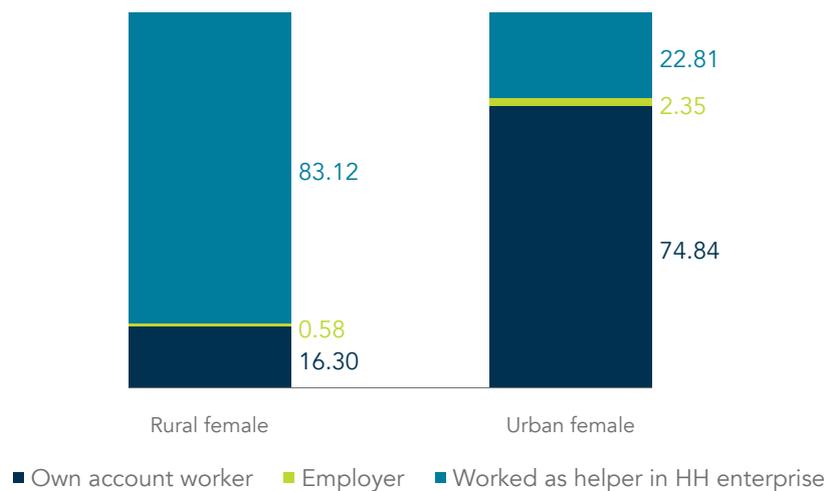
- In rural Maharashtra, a majority of women workers are self-employed (52.2 percent). Amongst these workers, the share of unpaid family workers (helpers in household enterprises) is the highest at 83.1 percent, compared to the all India average of 66 percent.
- The high incidence of unpaid family work among rural self-employed women raise concerns around barriers women face to establishing own account enterprises, in addition to barriers such as lack of access to formal financial services and to markets. Unpaid work denies women of the rewards of their labour, even if profits are made by household enterprises.
- Only a marginal share of self-employed women in rural areas work as employers (0.58 percent). In urban areas, however, the figure is higher (2.35 percent). It must be noted that the all-India estimates for the share of self-employed women workers who work as employers is 1 percent; hence Maharashtra's performance far exceeds that of most states.
- The share of women working as unpaid family helpers among the self-employed reduces substantially in urban areas, as compared to rural areas (Chart 6). Instead, most self-employed women work as own account workers (74.8 percent). In fact, Maharashtra reports the 5th largest share (8.25 percent) in terms of number of establishments run by women, and the 4th largest share (8.16 percent) in employment generation by women owned establishments across India.<sup>8</sup>
- According to the PLFS, most women owned enterprises in urban areas as of 2017-18 were concentrated in manufacturing (37 percent), services (29 percent) and trade, hotels and restaurants (30 percent).

<sup>8</sup> Source: Chapter VI, Sixth Economic Census. [http://www.mospi.gov.in/sites/default/files/economic-census/sixth\\_economic\\_census/all\\_india/11\\_ChapterVI\\_6ecRep\\_0.pdf](http://www.mospi.gov.in/sites/default/files/economic-census/sixth_economic_census/all_india/11_ChapterVI_6ecRep_0.pdf) (Last accessed on May 23, 2020).

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Chart 7: Distribution of self-employed women workers, 2017-18



Source: Author's calculations based on unit level data from PLFS 2017-18

Maharashtra shows interesting trends for women's self-employment and regular employment. In terms of self-employment, the significant share of women working as unpaid family workers in rural areas needs attention. Unless these women are acknowledged as economic agents in their own right, their contribution to Maharashtra's rural economy will continue to remain unacknowledged.

On the other hand, the rise in regular wage work of women, particularly in urban areas, seems positive, but again needs further examination. Women are concentrated in traditionally female dominated occupations and there remains a high incidence of informality even within salaried employment. New forms of contractualisation of women's regular work in the formal sector also need policy attention.

Finally, women's share of entrepreneurship in urban areas is significant and a positive indication. It would be worthwhile to examine the scope of such women run enterprises, and what may be done to promote them further.

The factsheet is prepared by Nidhi Gyan Pandey, IWWAGE – Lead at KREA University. Copyright ©2020

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