

General Studies-3; Topic: Employment

Women and Work in India

1) Introduction

- India has made significant economic progress in recent decades, including increasing GDP per capita between 1990 and 2015.
- Such economic growth has not been matched by progress towards women's equal economic participation.
- The country's female labour force participation rate (FLFPR) stands at just 27 percent, compared to 96 percent for men.
- The global average of female labour force participation rate is 49 percent.

2) Primary Factors for low FLFPR

- Patriarchal social norms that hinder women's agency, mobility and freedom to work.
- In a recent survey over 40 percent of surveyed men report that married women whose husbands earn a decent living should not work outside the home.
- Rising household incomes that create a disincentive for labour market participation among women.
- The disproportionate burden of unpaid work and unpaid care work on women.
- Lack of quality jobs for women and a significant gender wage gap.

3) Present Issues

- On average, 66 percent of the work done by Indian women is unpaid, compared to 12 percent of men's.
- Girls' housework and domestic responsibilities contribute to a gender gap in secondary education.
- India's Amended Maternity Benefit Act stipulates that employers must provide women with 26 weeks of paid time off.
- The absence of a corresponding benefit for new fathers perpetuates the gender stereotype of women being the primary caregivers.
- The law also covers only formal and large-sized firms which, overall, employ only a small proportion of the country's female workers.
- Institutionalising voluntary paternity leave and 'flexi-time' for mothers remain inadequate.
- A significantly higher number of women in India work in the informal economy compared to the formal sector.
- These workers lose out on the social security, benefits and protections afforded to those employed in permanent jobs.
- Safety, in general, remains a key concern in India and the perception of danger restrict women's mobility and freedom.
- This has direct implications for women's economic participation and freedom.
- Women's participation in the industries with the highest average wages (including information and communications and financial services) stands at a low 15 percent.
- Lack of will among Indian firms to hire more women workers.
- India has a gender wage gap of 34 percent, despite the existence of India's Equal Remuneration Act 1976 which mandates equal pay for equal work.
- Further, the pay gap increases with age, work experience, and rise in occupational hierarchy – thus disincentivising the women to stay on.

- In 2018, Iceland became the first country in the world to mandate companies to prove that they do not have a gender and ethnicity-based pay gap.
- The lack of access to formal and collateral financing, reinforced by cultural bias has been found to be the major obstacle for women entrepreneurs in India.
- The recent establishment of NITI Aayog's Women Entrepreneurship Platform (WEP) is a step in the right direction.
- Women comprise only 12 percent of the members of the national parliament.

4) Need

- Women's access to decent paid work is an ethical and economic imperative as well as a primary human right.
- The participation of educated, capable women in the workforce makes for a strong economic argument.
- IMF finds that India's GDP will increase by as much as 27 percent if women participated in the economy at the same rate as men.
- It enhances woman's control over household decision-making.
- Providing greater impetus to women entrepreneurs would be critical for India's growth.
- Women entrepreneurs help drive innovation and job creation, besides assisting in addressing the world's most critical challenges.

5) Reasons for the Skills Gap

- **Sociocultural**
 - a. Socio-cultural norms and perceptions about what a woman can and should do.
- **Informational**
 - a. Men and women do not have access to the same amount of information and opportunities pertaining to education, skills, and jobs.
- **Institutional**
 - a. Factors such as time constraints, safety and transportation considerations that hinder women's entry and progress in training programs and jobs are not adequately addressed.

6) Way Forward

- **De-feminisation of unpaid work and caregiving**
 - a. There is a need to redefine the social norms that govern women's economic participation.
 - b. Innovative policies are required to incentivise more active sharing of children caregiving responsibilities
 - c. Need to change the overall organisational culture to reverse what is known as "motherhood penalty"
 - d. Companies could support the return of working mothers into the workforce, by paying more to fathers/other parents for taking over the caregiving responsibilities.
 - e. Social, political, and economic incentives must allow for the redistribution of unpaid work and care work.
- **Social Protection**
 - a. India will need to find ways of meeting existing gaps in social security and protections
 - b. Link protections directly to individuals rather than providing them through employers.
 - c. Healthcare, pensions, and insurance must be portable and aggregatable across the new workplace and designed based on the employment circumstances.
- **The Future Work Space**

a. As work becomes more fluid and traditional conception of workplaces changes, individuals must be ensured protection at their place of work rather than place of employment.

- **Reducing the Wage Gap**

a. Legislate equal compensation, and gender performance of organisations must be subject to audits and public scrutiny.

- **Women-led Growth for an Inclusive Future**

a. Interventions to aggressively promote women in leadership positions are necessary.

b. Women in leadership positions creates a critical mass and perhaps a collective voice.

7) Conclusion

- Policy interventions aimed at increasing female labour force participation must acknowledge the pervasiveness of gender stereotypes.
- There is a need for India to find ways to recognise and institutionalise sharing of care work between men and women, to reduce the gender wage gap, and aggressively work towards creating a violence-free, level playing field for its women to thrive and become leaders in the economy.