

The Recent Drop in Female Labour-Force Participation in Jammu and Kashmir

Arshid Ahmad Mir, Saima Manzoor

Abstract— The J&K economy will not reach its full potential unless the government and employers remove barriers to women's full labour-force participation in the labour market. Failure to address structural labor market issues, employment policy does more than limit women's career opportunities and aspirations for a better life. In Jammu and Kashmir context overall labor force participation is reported to be considerably low and has been on consistent decline. It has decreased by 7% from 62.09% in 1999-00 to 55.68% in 2017-18. The overall decline in labor force has been mainly attributed to the sharp decline in female labor force participation rate, which has registered almost 8% decline from 39.86% to 31.61% during 1999-00 to 2017-18. This decline is puzzling some and against the gender development goals like inclusive development, women empowerment etc. Women's participation barriers also act as brakes on the national economy, stifling growth. By adopting gender friendly policies and removing barriers to women's participation we can narrow down gender gap in participation and achieve stronger economic growth.

Index Terms— labour force; gender gap; growth; gender friendly.

I. INTRODUCTION

Many developing and emerging economies have recently reported increase in labor-force participation, particularly among women. The participation of women has increased significantly in Bangladesh [1-2]. China, Malaysia, and the Maldives have all seen increases in female employment [3]. However, in the Indian context, this phenomenon is not significant. Labor-force participation of women in India has been relatively low, trailing that of many developing countries [4-7]. The labour market participation gap in the Indian market has not only persisted but has widened overtime; it has been 54.67 percent in 2018 compared to 45.09 percent in the period between 1999 and 2000 [8]. Labour force participation at the national level reflects the state level dynamics; J&K is no exception. In Jammu and Kashmir labour force participation in general has decreased from 62.09 % in 1999 – 2000 (NSSO,

1999-00) to 55.68% in 2017 - 18 (PLFS, 2017-18). Correspondingly, female LFPR has declined from 39.86% (in 1999-00) to 31.61% in (2017-18). The relatively low FLFP and more pronouncing gender gap differential reflects the influence of socio-economic and cultural factors. Labour market participation of working age women is much lower in J&K than many Indian states. For example, women labour force participation in Himachal Pradesh is 53.08%, Andhra Pradesh (45.91%). Maharashtra and Tamil Nadu recorded FLFP at 33.19% and 36.35% respectively (PLFS, 2017-18). Importantly, the J&K appears to be an outlier in terms of female labor force participation. Himachal Pradesh, Andhra Pradesh, Maharashtra, and Tamil Nadu all continued to see growth in participation of prime-age population. This disparity suggests that labor-market institutions play an important role. In this context, the major objective of this paper is to provide broad based understanding of the dynamics of labour market in J&K. We report vital descriptive statistics of labour market such as labour force, and unemployment rates across time and space. The present study investigates these important indicators of labour market by disaggregating the working age population into different age groups, educational and other relevant categories.

II. FEMALE LABOUR FORCE PARTICIPATION BY SECTOR (RURAL/URBAN)

On sector specific participation in J&K, we report that women participation in rural areas has decreased by about 13 percentage points (from 46.98% in 1999 – 2000 to 33.71% 2017-18). As against the decline in rural participation, the women participation in urban labour market has increased by about 14% points (from 10.58 in 1999-2000 to 24.33% in 2017-18). Thus, we report an interesting pattern with respect to labour force participation of women in Jammu and Kashmir. In addition to the various socioeconomic and cultural factors that limit participation in rural areas, the demographic components that change over time are also likely to have an impact on participation rates through age-structure changes [9-10].

III. FEMALE LABOUR FORCE PARTICIPATION BY VARIOUS AGE-GROUPS

We analyze labour retraction across age groups from the table 1. We report an appreciable decline (of 17%) among females in the 15-24 years age group during the period of current study. As against 11 percentage points decline in FLFPR in the 35-44 we report a 1% decline among women for the age group 25-34 years during 1999-00 to 2017-18. Similarly, while FLFPR has declined by 9 percentage points in 45-54 years age group, the corresponding decline among women is

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1% in 55-64 age groups (from 26.48% in 1999-2000 to 25.61% in 2017-18). Younger workers, for example, may reduce labor force participation because they are staying in school longer, gaining additional skills that will lead to higher wages and other labor-market advantages in the future [11]. Older workers may choose to retire sooner [12-13].

Table 1: Female Labour force participation by various age groups

Age-groups	1999-00	2004-05	2011-12	2017-18
15-24	34.02	31.40	25.87	17.26
25-34	43.71	39.73	45.47	42.78
35-44	45.03	37.43	33.83	34.68
45-54	45.06	31.75	38.74	36.82
55-64	26.48	25.78	26.16	25.61
Total	39.86	34.13	34.14	31.61

Source: Author’s calculation from various NSSO rounds.

IV. EDUCATION AND LABOUR FORCE PARTICIPATION

Educational attainment is a significant determinant of employment and employment outcomes [14]. Education is categorized as a strong “push” factor, encouraging workers to participate in the labour market [15-19]. Generally, workers with higher education levels and better skills exhibit more aspirations and probability of getting into the labour market.

From the table 2 below we report a decline in female participation among all educational categories except those with higher education. In case of women with higher levels of education (graduate & above) LFPR has increased by 8% from 45.12% in 1999-00 to 53.08% in 2017-18. The LFPR among the women with no-education/illiterate has decreased by 7% (from 43.56% in 1999-00 to 36.84% in 2017-18), and by 8 percentage points among women with an educational attainment of middle- class qualification.

Table 2: Female Labour force participation by various educational categories

Education	1999-00	2004-05	2011-12	2017-18
Illiterate	43.56	34.74	37.45	36.84
Primary	44.12	45.54	42.14	40.14
Middle	33.17	30.35	30.94	25.43
Higher-Sec	23.30	24.36	22.98	19.57
UG above	45.12	42.43	41.61	53.08
Total	39.86	34.13	34.14	31.61

Source: Author’s calculation from various NSSO rounds.

Thus, we report a drop in LFPR among all educational categories except top educational category which has seen surge in participation in labour market. Lower participation in relation to education can be attributed to different reasons like taste, preference and quality of jobs offered to them. The other reason could be discouraged worker effect due to unending increase in unemployment rates. Skill mismatch could also be one of the major reasons for low female participation in the J&K labour market.

V. CONCLUSION

In this study we analysed the dynamics of labour market in J&K. We reported descriptive statistics for female participation in the labour market across time and space with respect to sector (Rural/Urban), age and education. The analysis report LFP in J&K has decreased by 7 points (from 62.09% in 1999-00 to 55.68% in 2017-18). This decline in LFP is mainly attributed to female retraction from the J&K labour market. Female labour force participation rate has declined by 8 points (from 39.86% in 1999-00 to 31.61% in 2017-18).

We report persistent decline in the rural labour force participation of women that pulls down not only the rural participation but the overall LFPR, an increase in female labour force participation in the urban areas that pushes the urban participation upwards and works in opposite direction of the decline in labour force across the state.

It is noteworthy that from the data analysis we conclude that labour force retraction from J&K labour market is partially explained by the age and education. While analyzing the age specific participation we observe retraction among all age cohorts during the period of current study. Further, we observe same phenomena of labour force retraction among all educational categories during the period of current study. Therefore, it can be argued that there are other various socioeconomic and cultural factors that limit participation of female from J&K labour market. In the J&K labour market, participation rates are low, and gender differences are visible. Gender equality must be ensured in all spheres of social and economic development. Policies should be directed toward enabling and encouraging women to participate in the labor force in order to facilitate economic growth and women empowerment in the J&K. Further, the future research is expected to assess impact of various socio- economic determinants of LFP (particularly in relation to women) in J&K which affect the decision of an individual to participate or not to participate in the labour market.

CONFLICT OF INTEREST

The authors declare no conflict of interest.

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