

TRENDS IN FEMALE LABOUR FORCE PARTICIPATION IN INDIA: AN INTER-STATE COMPARISON

ABSTRACT:

The female labor force participation rates in India show that the number of women participating in the labor force is low in comparison to men and to other developing countries. This decline in the female labor force participation is observed in spite of the impressive economic growth achieved by the country over the years. The main motive of this paper is to try and understand the reason for this decline. Using the data from the National Sample Survey Organization (NSSO), the reason for the decline in the participation rates of women can be assessed. The dataset contains the major rounds of NSS for the time period 1977-78 to 2009-10, for fifteen major states of India. The study finds that labour force participation rates decline with education and more for urban than rural. Further, female labor force participation is low in the states which have a low income and also in the states with high income. The reason for this inverted-U relationship with income effect is not captured in this study. It can be due to the institutional factors like good quality child-care outside of home along with discrimination in the labour market and unequal burden-sharing of household chores but the data set does not permit further analysis to assess their impact.