

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

# MADHYA PRADESH



The MP factsheet is a part of the series of state factsheets, developed to highlight important aspects of the status of women's employment. The factsheet uses secondary data provided by the National Sample Surveys' Periodic Labour Force Survey (PLFS), 2017-18. In certain parts of the factsheet, the data from Employment – Unemployment Surveys (EUS), conducted by the same agency and data from other government sources have also been used to support facts.

# MADHYA PRADESH

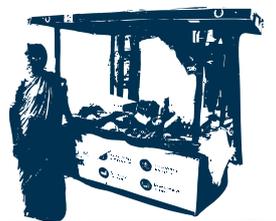
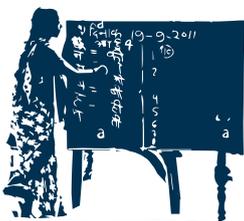


## Madhya Pradesh

Known as the heart of India, Madhya Pradesh (MP) is the second largest state in the country by area, with a significant natural resource base and forest cover. Nearly 20 percent of the state's population comprises of Scheduled Tribes (STs). MP is counted among the poorer states of India with a Gross State Domestic Product (GSDP) of almost Rs. 8.1 lakh crores which contributes to around 4 percent of the national Gross Domestic Product (GDP). In terms of the per capita GSDP, the state ranks among the bottom ten states of the country and has some of the poorest districts of the country such as Barwani, Damoh and Guna. This is also because MP is a state with a substantial tribal population of approximately 20 percent, with traditionally higher poverty rates than the rest of the population.

**8.1  
lakh  
crore**

contributes to around 4 percent of the national GDP

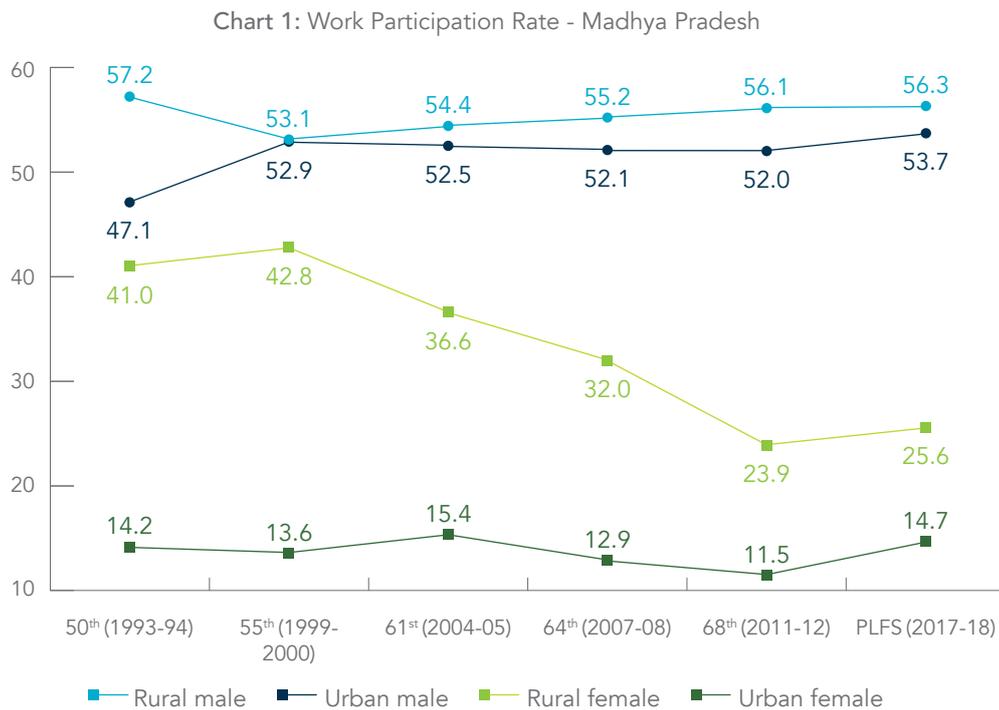


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## Workforce Participation Rate (WPR) trends

In terms of work participation, the PLFS 2017-18 clearly shows the considerable gender gaps in economic engagement of men and women. This is in line with national trends. However, Madhya Pradesh is the only state in India that experienced an increase in women's WPR in both rural and urban areas in 2017-18 as compared to 2011-12, more sharply so in urban areas (Chart 1).



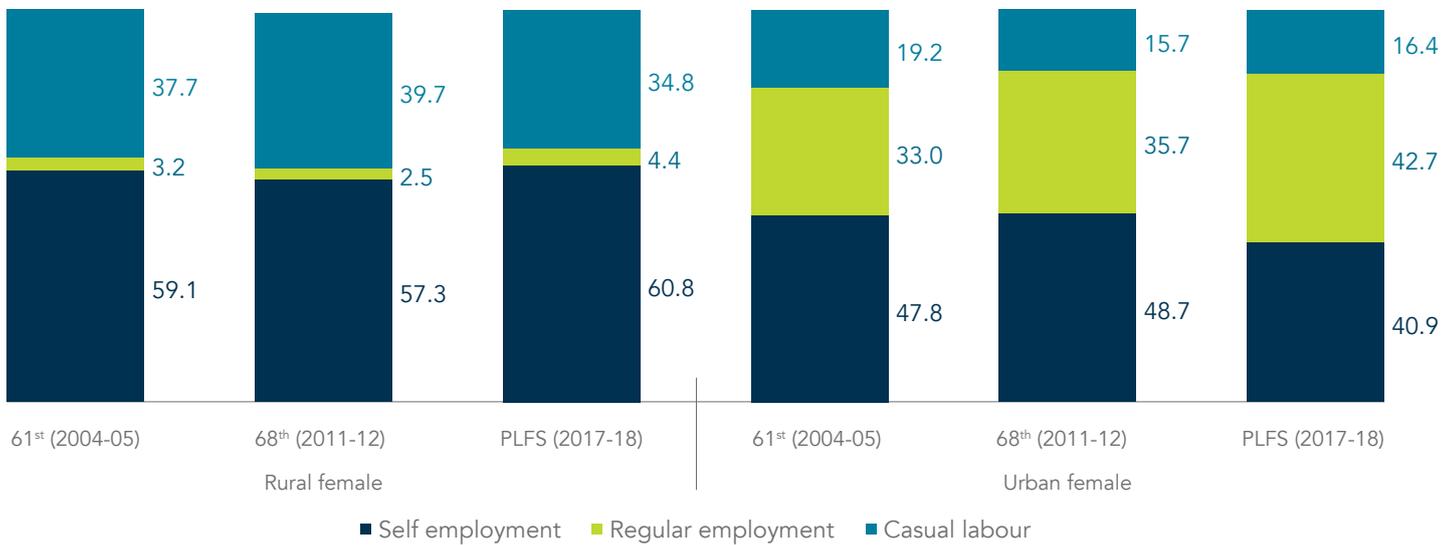
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## Distribution of women workers by status of employment

- Across India, the share of women in regular employment increased in both rural and urban areas between 2011-12 and 2017-18. The trend holds true for Madhya Pradesh as well.
- However, the share of women in self-employment showed variation across rural and urban areas. While this share increased marginally for rural areas, it declined significantly for urban areas.
- Overall, the increase in women's WPR in MP was driven, largely by increase in self-employment in the rural areas and regular employment in the urban areas.

Chart 2: Distribution of women workers by status of employment in Madhya Pradesh



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## Working condition in regular employment

- As indicated in chart 2, a significant proportion of women (42.7 percent) working in urban areas were in regular employment in 2017-18 compared to 33 percent in 2004-05.
- Although increase in regular employment is associated with a steady flow of income at regular intervals and is a relatively secure form of wage employment, it does not necessarily imply better working conditions.
- Almost 50 percent of urban women workers in regular employment in MP said they were ineligible for paid leaves and social security benefits and 48 percent did not have any written job contracts. (Chart 3)
- These indicate prevalent practices of contracting women for regular work in urban MP, but through informal arrangements.
- It also highlights that the increase in the overall FWPR in MP, particularly in urban areas, may be linked with growing informal work among women.

Chart 3: Share of regular women workers in urban areas without non-wage remunerations, PLFS 2017-18

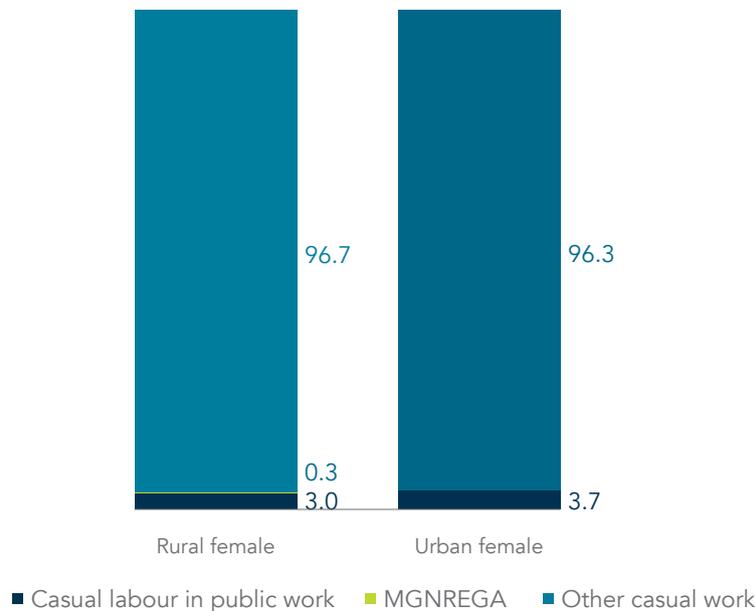




## Women workers in casual employment

- The share of women casual workers (those earning daily wages) in rural areas went up briefly between 2004-05 and 2011-12, but declined again by 2017-18. Urban areas showed a reverse trend, with a decline initially in the share of women taking up casual jobs, but an increase again by 2017-18. (Chart 2)
- The distribution of casual women workers suggests very few women engaged under MGNREGA and other public works (96 percent women in casual employment were engaged in non-public works, with very little security or guarantee of payment).
- The PLFS captures low incidence of MGNREGA work for women. The MGNREGA figures provided by the scheme website suggest that women person days out of total person days provided under MGNREGA in Madhya Pradesh was as low as 37.4 percent which was much lower than the national average of 53.1 percent in the year 2017-18.
- The figures are an indication of the share of precarious casual work that both rural and urban women are engaged in.

Chart 4: Distribution of women workers in casual employment, Madhya Pradesh 2017-18



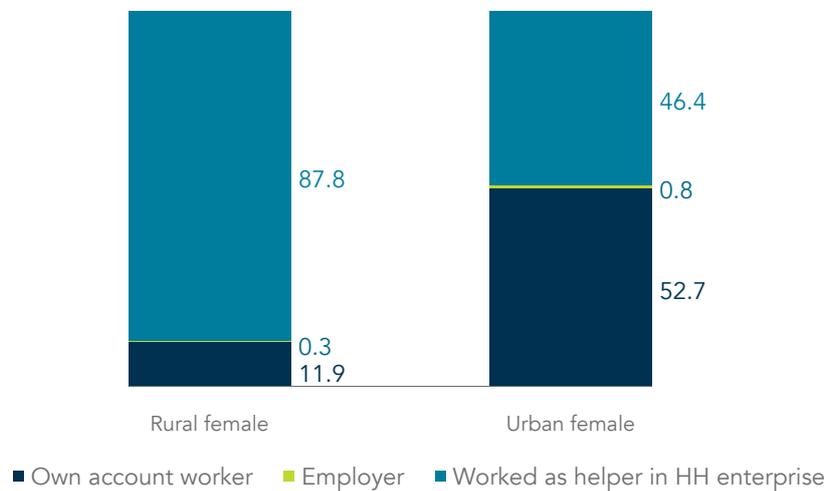
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## Women workers in self-employment

- More than 50 percent women workers in MP are self-employed, with the share of self-employed women higher in rural areas, compared to urban areas. (Chart 2)
- Among self-employed women in rural areas, a significant majority (88 percent) worked as helpers in household enterprises (Chart 5), and very few had enterprises of their own. (around 12 percent)
- The share of self-employed women in urban areas on the other hand showed a better mix of own account workers (53 percent) and unpaid family contributors (47 percent) (Chart 5). Such trends also signify greater incidence of women engaged in own business ventures in urban areas compared to rural areas.

Chart 5: Distribution of women workers across self-employed categories, Madhya Pradesh, 2017-18



# MADHYA PRADESH



The above distribution of women workers across rural and urban MP suggests the following areas that may warrant greater policy attention:

- In urban areas, while the rise of women in regular wage work appears to be a positive trend, more in-depth analyses is required on the nature of employment contracts for women. The data available indicates increasing informalisation. This is a disturbing trend that needs to be examined further.
- On the positive side, the share of women in own account enterprises is substantially high in MP, more so in urban parts of the state. In this context, it is important to note that MP is also one of the top ten performers in the Pradhan Mantri Mudra Yojana (PMMY), and witnessed a 17 percent increase in its sanctioned loan amount under the scheme in 2018-19. Almost 76 percent of such Mudra disbursements in the state fall in the lower amount i.e. Shishu and Kishore loan category<sup>1</sup>. It will be worthwhile to conduct a deep dive study to evaluate the impact of mudra loans on women's business in urban MP.
- The low level of MGNREGA performance, particularly for women in MP, is a subject worth exploring in order to understand the issues around implementation and programme delivery in the state.
- Finally, it is also worth exploring why an unusually high number of women in rural MP who describe themselves as self-employed workers, continue to help in household enterprises, and why despite several years of SHG movement in the state, the share of women, self-employed in own account enterprises remains so low.

<sup>1</sup> Annual Report, 2018-19 – PMMY

The factsheet is prepared by Sona Mitra and Hiya Singh Rajput, IWWAGE – Lead at KREA University. Copyright @2020

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