

April 28, 2020 Soumya Kapoor Mehta



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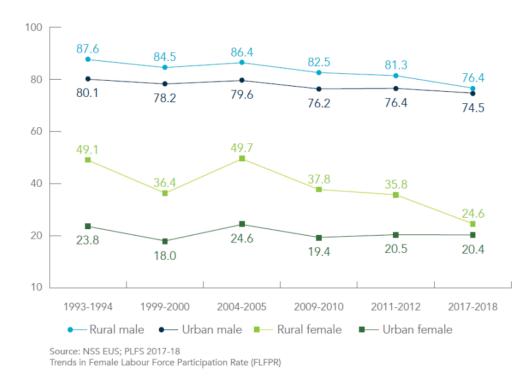
हमारे यहाँ बड़ी, पापड, आचार, दोना पत्तल, डिस्पीजल, साबुत,वाशिंग पाउडर अगरबत्ती, मोमबत्ती, फिताईल, गुलद्स्ता, शहद, कपड़ा, सस्सोतिल, तीमतेल, गारांजी तेल, कुसूम तेल, टीरा तेल,

Structure of the Presentation

- 1. Extent to which women participate in the labour force in India
- 2. Potential Impacts of COVID-19
- 3. Recommendations



Female Labour Force Participation Rates (India)



 Declining in rural areas; stagnant in urban areas
 Measurement challenges: including unpaid domestic work; part time work

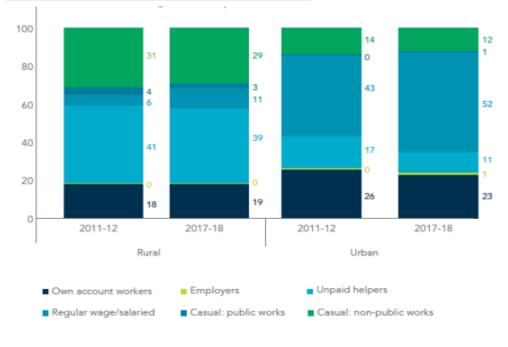




(Labour force comprise those employed and those seeking employment)

Source: Periodic Labour Force Survey for 2017-18, Mospi

Composition of female work force



Source: NSS EUS 2011-12; PLFS 2017-18

- In rural areas, around 40% of women are unpaid helpers; another 30% are engaged in casual work

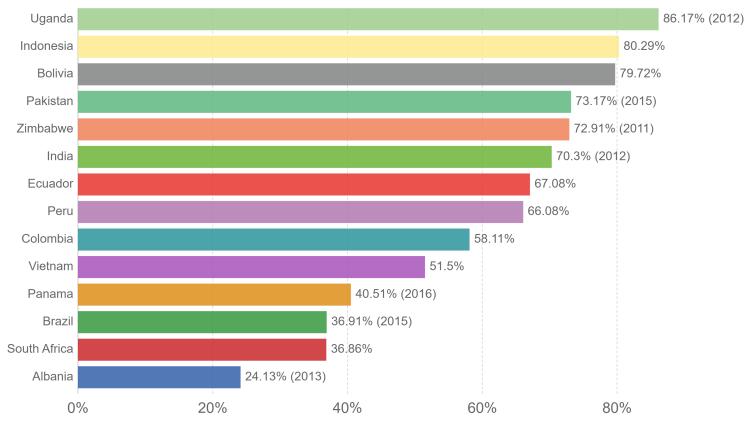
- In urban areas, a rise in share of salaried workers, but in informal work; still, and as of 2017-18, men hold 80% of all salaried jobs



Women in informal employment as share of female employment, 2017



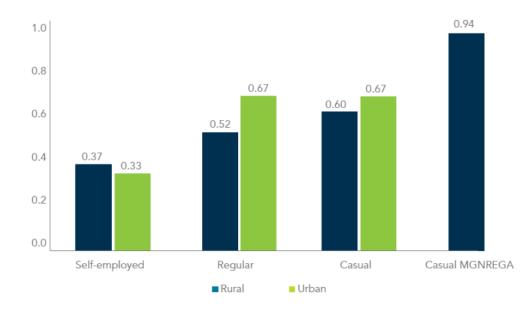
Employment in the informal economy as a percentage of total non-agricultural employment. It basically includes all jobs in unregistered or small-scale private enterprises that produce goods or services for sale. Self-employed street vendors, taxi drivers and home-base workers, regardless of size, are all considered.



Source: World Bank

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Female-male earning ratio (Earnings Gap)



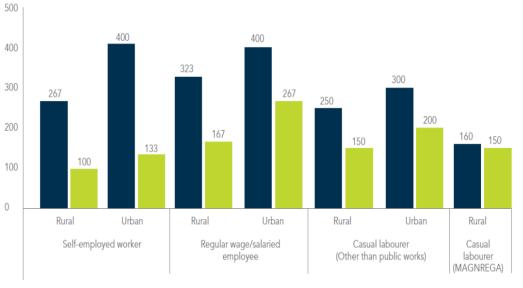
Source: Computed using PLFS 2017-18

- Female regular workers earn about half of what men do when in regular jobs (situation slightly better in urban areas)

- Female-male earnings gaps particularly stark for those who are self-employed



Median daily earnings (In Rs., 2017-18)



Male Female

Source: Computed using PLFS 2017-18

- Substantial gap between men and women except for casual work under MGNREGA
- Self-employed women earn less than those in casual work



Potential Impacts of COVID-19

Increased risks borne by female health workers/nurses

- About 85% of the health workforce in India are women

Increased time on (unpaid) domestic work

- Indian women spend 360 minutes per day on unpaid domestic work compared to 36 minutes spent by men (OECD); now set to spend more
- Increased burden may mean more women dropping out of the labour force

Increased risk of domestic violence/anxiety

- Two fold rise in calls to NCW helpline between early March and end March reporting domestic violence
- Phone surveys in Delhi indicate heightened anxiety among women, more so than men

Increased chances of men replacing women in rural work

- Return of migrant labour
- About 52% of Indians agree that when opportunities are scarce, jobs should go to men (25% refrain from giving an opinion)
- 40% Indian women believe they should only care for the family, when asked whether they should enter paid jobs, be a caregiver or do both (in comparison, only 30% men think

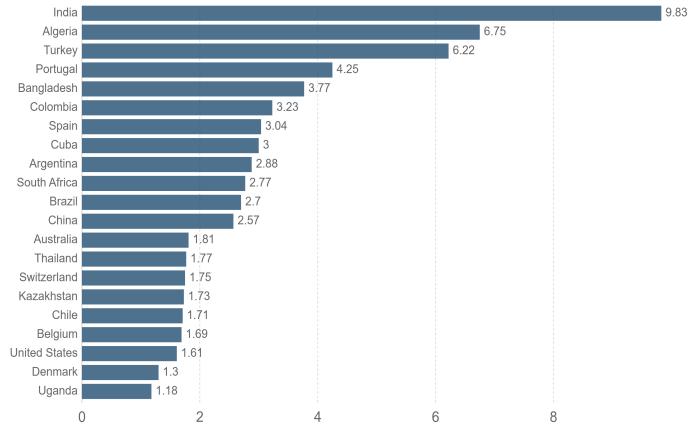


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Female-to-male ratio of time devoted to unpaid care work, 2014



Female to male ratio of time devoted to unpaid care work. Unpaid care work refers to all unpaid services provided within a household for its members, including care of persons, housework and voluntary community work.



Source: OECD Gender, Institutions and Development Database (2014)

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Potential Impacts of COVID-19 (Cont.)

More long term effects on women led businesses

- MSMEs may go under
- May not be able to repay debt
- Reduced work from the gig economy (e.g. beautician services through app based platforms)

Adverse impacts on regular, wage employment

- Employers prefer to hire men; preference may increase in a post COVID context
- With a likely, higher proportion of men in salaried jobs, wage gaps may increase

Adverse impacts on human capital

- Pulling girls out from school
- Reduced expenditure on women's health needs

Overall, higher unemployment rates for women

- 7% overall in Feb 2020, 6% for men, 18% for women
- 23% overall in March 2020, % of women who are unemployed likely to be significantly high



Recommendations

Urban

1) For women in self-employment/MSMEs

- Make up 20% of all units in India; mostly in the MSME space
- Offer moratorium on interest rates for a year, repayable over longer duration at low interest rate; extend credit lines for working capital
- Extend working capital cash credit loans to all current MUDRA loan borrowers with a default guarantee cover
- Wage subsidy scheme to all MSMEs where female staff > 50%

2) For women in salaried employment

- In US, 700,000 layoffs between March and April; 60% are women; most affected – younger women
- In India, services with concentration of women will have layoffs (E.g. tourism/hospitality/aviation – estimated job losses (70%)
- Jobs created after a crisis usually target men; make WFH an opportunity for women

3) For women in the gig economy

- The gig economy could offer opportunities, but largely for informal work
- Needs to be supplemented by social security



Recommendations

Rural

1) For women in casual work

- Increase fund allocation under MGNREGA, open more worksites

2) For women in salaried employment

- Fill vacancies for anganwadi/ASHA workers
- Increase incentives, particularly for ASHA workers; change their cadre to regular work

3) For women in agriculture

- Involve women in off-farm, agro-processing activities; running kitchen gardens (badis), community kitchens

4) Make SHGs the engine of revitalizing rural economies

- Kudumbashree has been doing that in Kerala
- Rural, non-farm, home-based businesses form the largest share
 (38%) of woman-led ventures in India; revitalize them
- Offer moratorium on interest rates for a year



