











Introduction

Despite being India's IT hub, Karnataka exhibits a lower female labour force participation rate than the national average. While the state boasts a literacy rate exceeding 75%, with women's literacy at 68%, its labour market trends diverge somewhat from the national picture. Limited research has explored the specific factors driving these disparities. Since 2017, it can be found within the workforce, a significant portion of women are engaged in unpaid household labour and casual workers, particularly in non-public works. Among those outside the labour force, the largest group consists of women solely involved in domestic duties, followed by those combining domestic chores with activities like sewing, tailoring, and weaving for household use, a pattern observed in both rural and urban areas of Karnataka¹. After the election of 2023, the Fiscal Policy Institute (FPI) study found that the 'Shakti' scheme has positively impacted female labour force participation in Karnataka, with both Female Labour Force Participation Rate (LFPR) and Worker Population Rate (WPR) increasing significantly after its implementation. This suggests that safe and affordable transportation options can empower women to actively participate in the workforce and contribute to economic growth². Given this recent development in the state policy space, PLFS 2023-24 survey has brought out some evidence and anomalies that exists in the state and needs to be addressed by the policy makers.

Trends in Female Labour Force Participation Rates

• Since 2017-18, there has been a significant rise in FLFPR in both rural and urban regions. In rural areas, the rate increased from 28.2% to 43.5% between 2017-18 and 2023-24. However, the growth of urban FLFP has been lower, rising from 22% in 2017-18 to 28.8% in 2023-24.

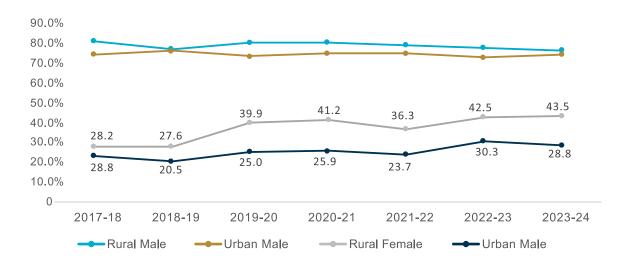


Figure 1: Trend in LFPR from PLFS 2017-18 to 2023-24

 $^{^1}https://magc.in/wp-content/uploads/2022/10/MTFP-for-a-Municipal-City-Corporation-in-Karnataka-State.pdf\#page=55$

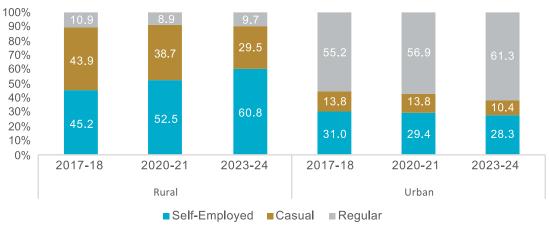
² https://fpibengaluru.karnataka.gov.in/storage/pdf-files/Technical%20Reports/FinalcopyofFiscaleffectsofShaktiScheme_04072024.pdf



Composition of Female Workforce

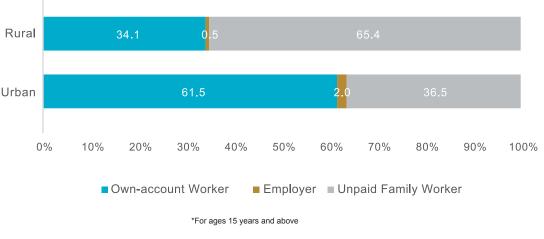
- There is a clear trend that shows the rise in the self-employed in the work force over last seven years in the rural region of Karnataka. While the share of regular remained stagnant at close to 10 percent in 2023-24, the share of casual workers has drastically declined form 44 percent in 2017-18 to 29.5 percent in 2023-24.
- Contrary to the national trend of rise in the share of self-employed women in the urban region, Karnataka is witnessing a decline in the share of self-employed women. This can be the consequence of the rise of the IT sector in major cities like Bangalore. This gets reflected in the rise in the share of regular salaried employment, from 55.2 percent in 2017-18 to 61.3 percent in 2023-24.

Figure 2: Women Workforce Distribution across Type of Employment



- The distribution of self-employed women workers in the rural region, shows that 65.4 percent are unpaid family workers and rest is own account worker, with the share of employer being less than one percent.
- The share of own account worker is higher in urban region than unpaid family worker.

Figure 3: Distribution of Self-Employmed Women

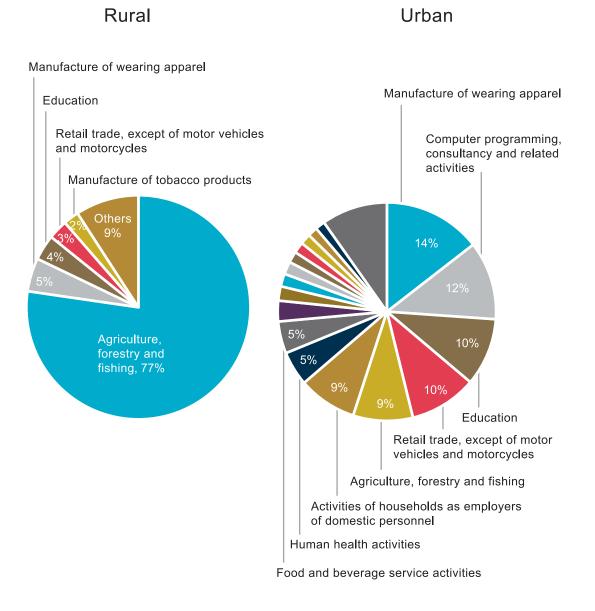




Distribution of Women Workers by Broad Industry Divisions

- In the rural region, 77 percent of the women are in agriculture sector, followed by manufacturing of wearing apparel (5%) and retail trade (4%).
- In the urban region, manufacturing of wearing apparel tops the list with 14 percent followed by computer programming, consultancy and related activities (IT activities) with 12 percent, followed by Education and retail trade with a share of 10 percent.

Figure 4: Distribution of Women Workers by Broad Industry Divisions



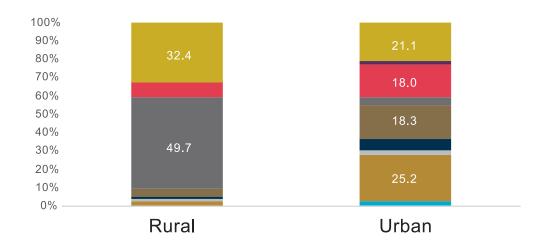




Distribution of Women Workers by Occupation Types

- In the rural region of the state, highest share of working women are unskilled agricultural occupation (49.7%) and 32.4 percent are working as elementary occupation.
- In the occupational distribution of urban women, professional occupation has the highest share (25.2 percent) depicting that one forth of the population are employed in better quality jobs, followed by, elementary occupations (21 percent) and service and sales workers (18.3 percent).

Figure 5: Occupational Classification of Women Workers



- Legislators, Senior Officals and Managers
- Technicians and Associate Professionals
- Service Workers and Shop & Markets Sales Workers
- Craft and related Trades Workers
- Elementary

- Professionals
- Clerks
- Skilled Agricultural and Fishery Workers
- Plant and Machine Operations and Assemblers

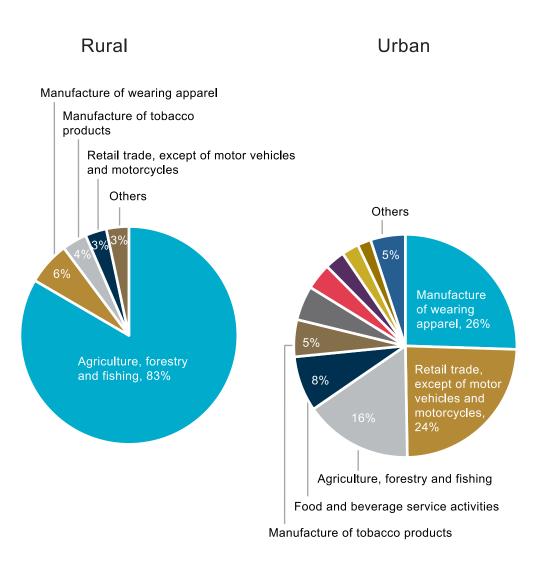




Distribution of Self-employed Women Workers by Broad Industry Types

- In rural region, 83 percent of self-employed women are in agriculture, followed by 6 percent in manufacturing of wearing apparel.
- In urban region of Karnataka, highest share of self-employed women are in manufacturing of wearing apparel with 26 percent, followed by retail trade (24 percent) and agriculture (16 percent). Urban region depicts different picture than the national self-employed women's sectoral distribution, where self-employed women of the country are in agriculture (21 percent).

Figure 6: Distribution of Self-employed Women Workers by Broad Industry Types





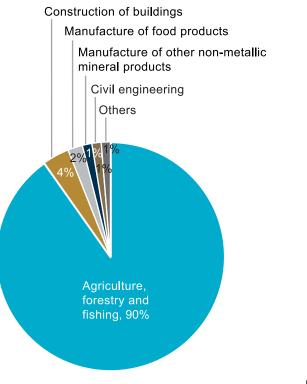


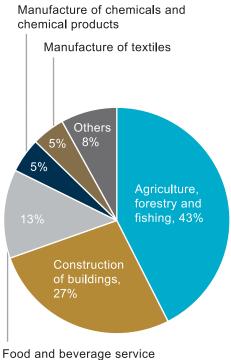
Distribution of Casual Women Workers by Broad Industry Types

- In rural region, 90 percent of women casual workers are in agriculture, followed by construction of building activities with 4 percent share.
- In urban region, 42.5 percent of them are in agriculture, 27 percent of them are in construction of building.
- The trend in casual women workers sectoral distribution is similar to all India scenario of casual women workers.

Figure 7: Distribution of Casual Women Workers by Broad Industry Types

Rural Urban





activities

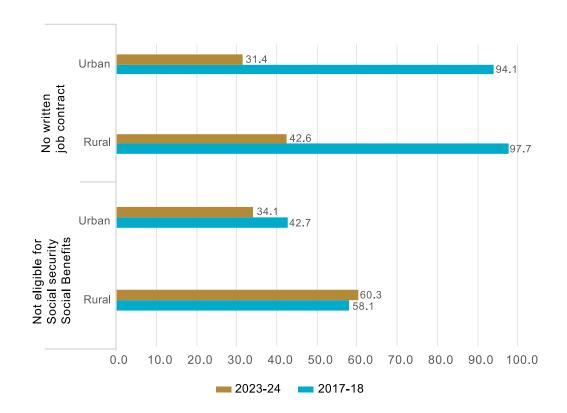
^{*}For ages 15 years and above



Condition of Work in Regular Employment

- In rural Karnataka, the share of women workers without social security benefits have marginally increased from 58.1 percent in 2017-18 to 60.3 percent in 2023-24. While women workers without job contracts has declined drastically.
- In urban regions, the situation is much better compared to rural counterpart. In comparison with India's regular salaried women workers, Karnataka's regular salaried women's job and social security situation is much better. Share of women without job contract and social security has decreased drastically from 2017-18 to 2023-24.





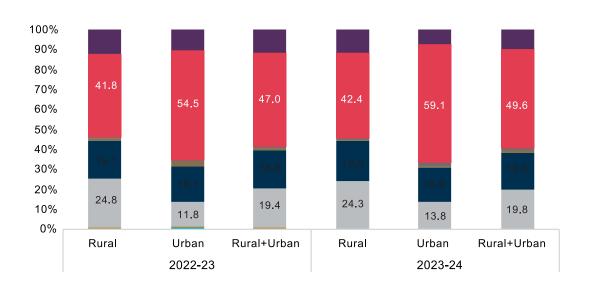




Reason for Not Being in the Labour Force

• Women in the state who are not in the labour force, similar to the national trend, cite household chores and care work as the main reason for being out of the labour force. However, this share is smaller compared to the all-India situation. There has been a slight increase in the proportion citing household chores and childcare as the primary barrier in the last year, rising from 41.8 percent in 2022-23 to 42.4 percent in 2023-24 in rural areas, and from 54.5 percent to 59.1 percent in urban areas.

Figure 9: Reason for Not in the Labour Force



*For ages 15 years and above

- Did not have the request train/qualification/age for work
- Health/age related reason
- Social reasons
- Child care/personal commitments in home making
- Non availability of work a convenient location
- Want to continue study
- Finacially well-off
- Others





Conclusion

As the state housing India's IT capital, the quality of work for women in urban Karnataka is slightly better than the national average. In urban Karnataka, the rise in female labour force participation (FLFP) can be attributed to the increase in the share of regularly salaried women, in contrast to urban India as a whole, where the rise is driven by self-employed women. The increase in regularly salaried women is likely strengthened by schemes like 'Shakti,' which provides free transportation for women in urban areas.

For women who remain outside the labour force, domestic chores and childcare continue to be major barriers to participation, with this trend increasing from 2022-23 to 2023-24. However, the state is addressing this issue with schemes like 'Koosina Mane,' which shifts some childcare responsibilities outside the household to improve women's labour force participation in rural areas. However along with these schemes a holistic approach is needed, addressing household infrastructure, safety, gender pay gap and challenging gender norms are crucial for the betterment of women's participation in the labour market.

The facstsheet is prepared by Aneek Chowdhury and reviewed by Bidisha Mondal, IWWAGE – Lead at KREA University. Copyright @2020



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