

# The Dynamics of Female Labour Force Participation in India: Analysis and the Road Ahead

Dr. Sanchita Saha

Assistant Teacher in Geography, S.M. Nagar Derozio Smriti Vidyalaya (HIGH), Kolkata, West Bengal

[sanchitasaha100@gmail.com](mailto:sanchitasaha100@gmail.com)

## Abstract

Female labour force participation is a key indicator of economic development, gender equality, and social transformation. Despite improvements in female literacy, higher education, and India's rapid economic growth, the female labour force participation rate (FLFPR) has remained relatively low. This paper examines the trends and determinants of female labour force participation in India and explores possible policy solutions. Using secondary data from the Periodic Labour Force Survey (PLFS), Census of India, and the All India Survey on Higher Education (AISHE), the study analyses structural, social, and economic barriers affecting women's employment. The findings reveal that social norms, unpaid care responsibilities, labour market discrimination, safety concerns, and the dominance of informal employment significantly restrict women's participation. The paper also highlights the rural–urban differences in employment patterns and suggests policy interventions to enhance women's economic participation.

**Key Words:** Female Labour Force Participation (FLFP), Gender Inequality in Labour Markets, Rural–Urban Employment Disparities, Gender Wage Gap, Inclusive Economic Development

## 1

### 1. Introduction

Female labour force participation is an important driver of economic growth, social development, and structural transformation in any country. The Female Labour Force Participation Rate (FLFPR) influences economic productivity, educational attainment, fertility patterns, and gender equality. Increasing female participation in the labour market is generally associated with urbanization, improved education, and progressive social attitudes.

India has emerged as the fourth largest and one of the fastest growing economies in the world, with a GDP of approximately USD 4.18 trillion. It ranks just behind the United States (USD 30.6 trillion), China (USD 19.4 trillion), and Germany (USD 5 trillion). According to projections by the International Monetary Fund (IMF), India's GDP could reach USD 20.7 trillion by 2030 and may become the second largest economy globally by 2038, with a GDP of USD 34.2 trillion.

Simultaneously, India has witnessed significant progress in female education. According to the Census of India 2011, the female literacy rate was 65.46%, compared to 53.67% in 2001. By 2025, the

literacy rate among women is estimated to be approximately 70.3%.

The expansion of higher education among women is also notable. According to the All India Survey on Higher Education (AISHE) 2021–22, female enrollment increased from 1.57 crore in 2015 to 2.07 crore in 2022, representing a 31.6% increase. Similarly, PhD enrollment increased from 1.17 lakh in 2015 to 2.13 lakh in 2022.

Despite these improvements, female labour force participation remains relatively low. According to the Periodic Labour Force Survey (PLFS), the FLFPR declined from 31.2% in 2011–12 to 23.3% in 2017–18, before increasing to 41.7% in 2023–24. However, this increase is largely driven by rural participation, often in informal or unpaid employment.

### 2. Rationale of the Study

Female labour force participation plays a crucial role in economic growth, social development, and gender equality. In India, women constitute nearly half of the population, yet their participation in the workforce remains relatively low. Despite significant improvements in female literacy, higher

education, and economic growth, the Female Labour Force Participation Rate (FLFPR) has not increased proportionately and has even declined during certain periods.

This paradox between rising education levels and low employment among women raises important concerns about the structural, social, and economic barriers that limit women's participation in the labour market. Factors such as traditional gender roles, unpaid household responsibilities, lack of childcare facilities, safety concerns, and limited employment opportunities often discourage women from joining or continuing in the workforce.

Therefore, it is important to examine the trends and determinants of female labour force participation in India and identify possible measures that can enhance women's employability and economic independence. Understanding these issues will help in developing policies that promote gender equality and inclusive economic development.

### **3. Objectives**

- ❖ To identify how female labour force participation has gradually declined in India.
- ❖ To assess how women can be made more employable and self-reliant.
- ❖ To examine why female labour force participation is higher in rural areas than in urban areas.

### **4. Methodology**

This study is based on secondary data analysis. Data and information have been collected from several reliable sources, including the Periodic Labour Force Survey (PLFS), Census of India, All India Survey on Higher Education (AISHE), reports of the Ministry of Finance, and various government policy documents and research publications. These sources provide comprehensive statistical and analytical information on employment trends, educational attainment, and labour market conditions in India. The study adopts a descriptive and analytical approach to examine the trends, causes, and implications of declining female labour force participation. By analyzing available statistical data and relevant literature, the research seeks to identify the structural, social, and economic factors influencing women's participation in the labour market in India.

### **5. Female Labour Force Participation in India**

Female labour force participation is an important indicator of economic development and gender

equality in a country. Although women in India have made remarkable progress in education and professional achievements, their participation in the workforce still remains relatively low compared to many other countries.

### **5.1 Historical Background**

About 174 years ago, in 1848, the first school for girls was built and one conservative family was convinced to allow their daughters to attend school. Savitribai Phule and her husband Jyotirao Phule pioneered female education in India. Savitribai Phule became the first female teacher in India and is widely regarded as the mother of Indian feminism.

A few years later, in 1883, India got its first female graduate, Kadambini Ganguly. She was a pioneering Indian physician and is recognized as one of the first female doctors in India.

These achievements show that Indian women have been capable of overcoming social barriers for a long time. However, despite such historical progress, women today still face many obstacles in participating in the labour market.

According to the International Labour Organization (ILO), only about 22–23% of females are engaged in employment in India, which is significantly lower than the global average. The labour force participation rate among females in India is approximately 32.4%, and by 2025 it is around 37.6%, which still indicates a considerable gender gap.

### **5.2 Major Factors Behind the Low Rate of Women's Employment in India**

Several social, economic, and structural factors contribute to the relatively low rate of women's employment in India. Despite improvements in education and increasing awareness regarding gender equality, a number of barriers continue to restrict women's participation in the labour market. One of the most significant factors is the persistence of social barriers and traditional gender roles. In many parts of Indian society, cultural norms continue to prioritize women's responsibilities within the household rather than in professional life. Women are often expected to withdraw from employment after marriage or childbirth in order to focus on family responsibilities. Such expectations limit women's career continuity and long-term professional growth. Scholars have argued that deeply rooted gender norms significantly influence

women's decisions regarding labour force participation (Klasen & Pieters, 2015).

Another major challenge is the burden of unpaid household work. Women spend a considerable portion of their time performing domestic tasks such as cooking, cleaning, childcare, and caring for elderly family members. Although these activities are essential for the functioning of households and society, they are rarely recognized as economic contributions. As a result, women's productive efforts remain largely invisible in official economic statistics. Studies have shown that the unequal distribution of unpaid work between men and women is a major factor limiting women's participation in paid employment (Desai & Jain, 2019).

Discrimination in the labour market also plays an important role in reducing women's employment opportunities. According to Amitabh Kant, India's G20 Sherpa, discrimination occurs when individuals with identical capabilities are treated differently because of their identity or social background. In many cases, women earn lower wages than men despite having similar qualifications and experience. Employer biases and societal stereotypes often result in limited hiring opportunities and slower career advancement for women. Research indicates that gender-based discrimination continues to influence labour market outcomes in India (Chatterjee, Murgai, & Rama, 2015).

The lack of suitable job opportunities is another contributing factor. Several sectors such as manufacturing, engineering, sports, and information technology remain male-dominated. These sectors often create barriers to women's entry and discourage them from pursuing careers in these fields. As a result, women are frequently concentrated in low-paying or less secure occupations.

In some cases, increased household prosperity also affects women's employment decisions. In urban middle-class families, improved financial stability sometimes enables women to prioritize family responsibilities over employment. When the household income is sufficient, women's employment may be viewed as less necessary, which leads to voluntary withdrawal from the workforce. This phenomenon has been observed in several developing economies where rising

household income initially reduces female labour force participation (Goldin, 1994).

Safety concerns also represent a major barrier to women's employment. Many women face challenges related to unsafe public transportation, harassment in public spaces, and inadequate urban infrastructure. These concerns restrict women's mobility and discourage them from travelling long distances for work or working late hours.

Another important issue is the dominance of informal employment and job insecurity. A large proportion of working women in India are employed in the informal sector, where wages are typically low and employment conditions are unstable. Informal jobs often lack essential benefits such as maternity leave, healthcare coverage, and social security. Consequently, many women leave their jobs during important life events such as pregnancy or childcare.

The childcare deficit in urban areas further limits women's participation in the labour force. With the increasing prevalence of nuclear families in cities, women often lack family support systems for childcare. The absence of affordable childcare facilities such as creches and daycare centres forces many women to prioritize caregiving responsibilities over professional careers.

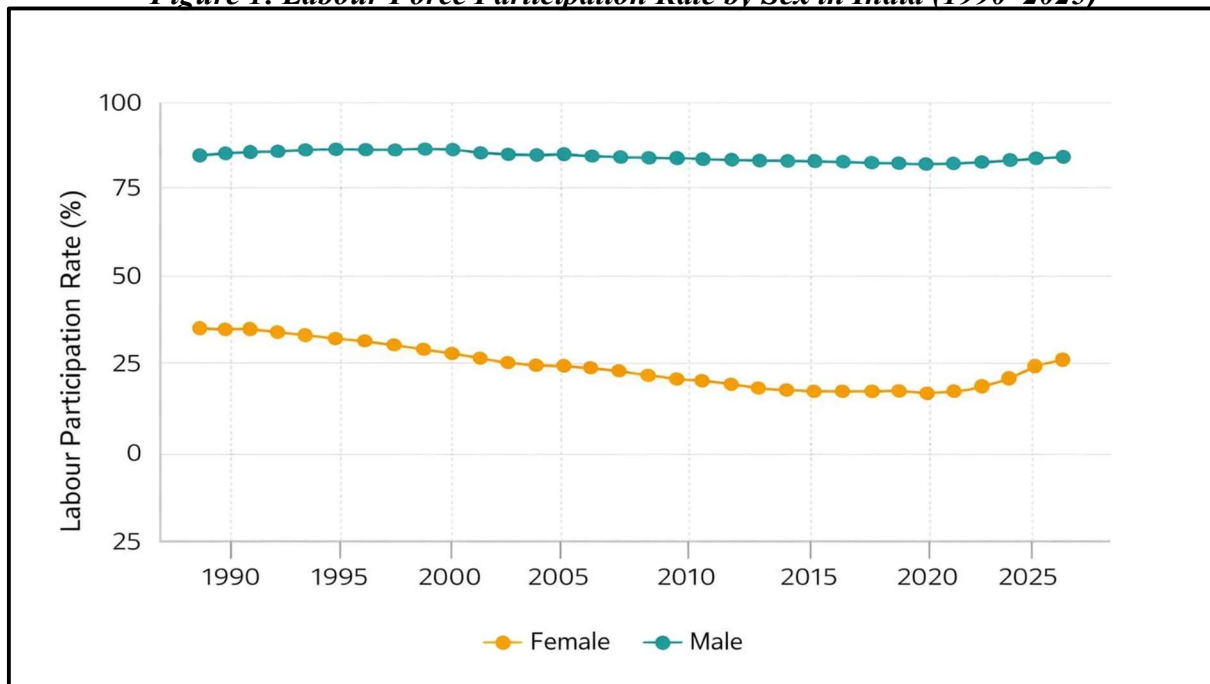
Closely related to this issue is the problem of post-maternity workforce dropouts. After childbirth, many women find it difficult to return to employment due to the absence of flexible work arrangements, re-entry programs, or part-time job opportunities with adequate benefits. This often results in permanent withdrawal from the labour market.

Finally, there exists a significant education-skill mismatch. Although female literacy rates have improved considerably, many women still lack the technical and vocational skills required for employment in modern industries such as technology, healthcare, and advanced services. This mismatch between education and labour market demands limits women's access to higher-paying and more stable employment opportunities.

Overall, these social, economic, and institutional barriers collectively contribute to the relatively low rate of female labour force participation in India. Addressing these challenges is essential for improving women's employment opportunities and promoting inclusive economic growth.

### 5.3. Trends in Female Labour Force Participation

**Figure 1: Labour Force Participation Rate by Sex in India (1990–2025)**



Source: International Labour Organization (ILO)

The figure shows the labour force participation rate (LFPR) in India by gender for the population aged 15 years and above from 1990 to 2025. The trend indicates a consistently high participation rate among males compared to females throughout the period. Male labour force participation remained relatively stable, fluctuating between approximately 75–85 percent. In contrast, female labour force participation remained significantly lower and experienced a decline after the mid-2000s, reaching around 25 percent during the late 2010s before showing a gradual recovery in recent years.

This persistent gender gap highlights structural issues such as social norms, limited employment opportunities for women, and barriers to participation in the formal labour market.

### 6. Rural–Urban Differences in Female Labour Participation

Female labour force participation in India shows a noticeable difference between rural and urban areas. In many cases, the participation rate of women in rural areas is higher than that in urban areas. This difference can be explained by several economic, social, and cultural factors that shape women's employment opportunities and responsibilities in different environments.

One important factor is the nature of agricultural employment, which offers relatively flexible working arrangements. Agricultural activities often allow women to work close to their homes and adjust their working hours according to household responsibilities. Unlike many urban jobs that require fixed schedules and commuting, agricultural work can be combined more easily with domestic duties. As a result, rural women often participate in farming, livestock rearing, and other allied activities while simultaneously managing household responsibilities.

Another factor contributing to higher rural participation is the presence of community support systems. Rural societies frequently maintain strong social networks and extended family structures. These networks help women share responsibilities related to childcare, elderly care, and household work. The availability of such informal support allows women to engage in productive activities outside the home without completely abandoning their caregiving responsibilities.

Cultural acceptance of women's work also plays a significant role in rural areas. In many rural communities, women's participation in agricultural labour has historically been considered a normal and necessary part of household survival. Women contribute to sowing, harvesting, livestock

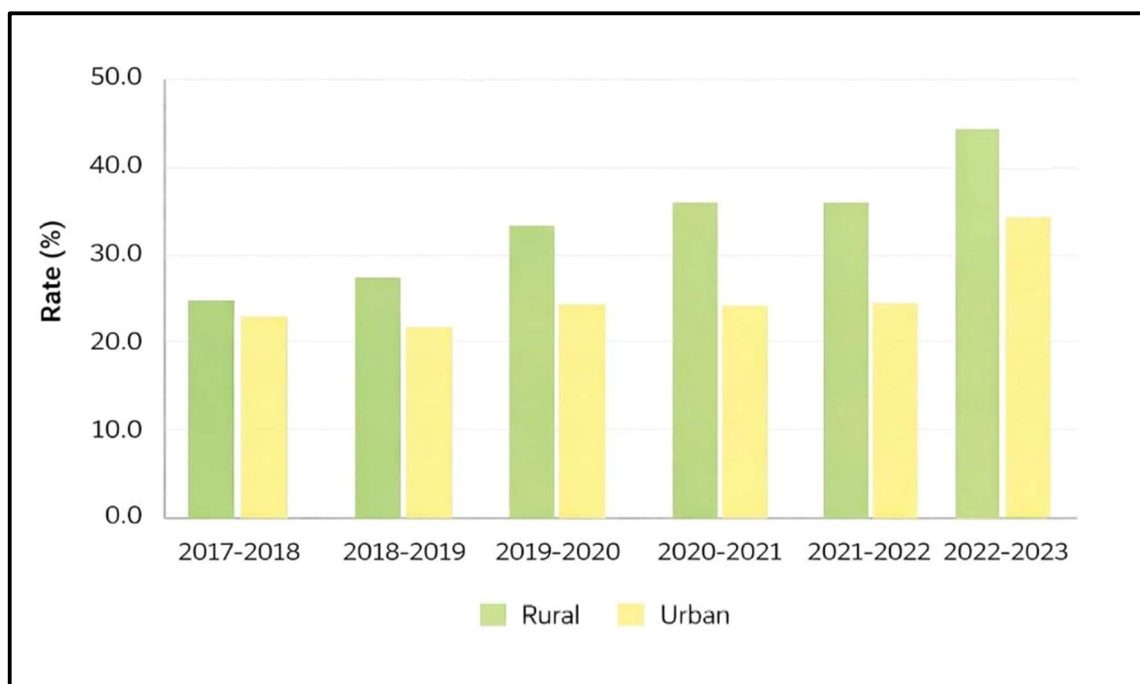
management, and other agricultural tasks, and such contributions are widely accepted by society. In contrast, in some urban and semi-urban contexts, social expectations sometimes discourage women from working outside the home, particularly after marriage.

Another important reason for rural female labour participation is crisis-driven employment. During periods of economic hardship, such as the COVID-19 pandemic, many rural households faced income losses due to job disruptions and declining economic activity. In response, a large number of rural women entered the labour force to support their families financially. Government employment programs such as rural public works schemes also provided temporary opportunities for women to participate in paid work during such crises.

However, it is important to note that although rural female labour force participation rates may appear higher, a large proportion of rural women are engaged in informal, low-paid, and often unrecognized work. Much of their labour remains unpaid family work or casual employment without job security or social protection. Therefore, improving the quality of employment opportunities for women in both rural and urban areas remains a major policy challenge.

Overall, the rural-urban gap in female labour participation reflects differences in economic structures, social norms, and employment opportunities. Addressing these disparities requires targeted policies that support women's employment while ensuring safe working conditions, fair wages, and access to social security benefits.

**Figure 2: Rural vs Urban Female Labour Force Participation Rate in India**

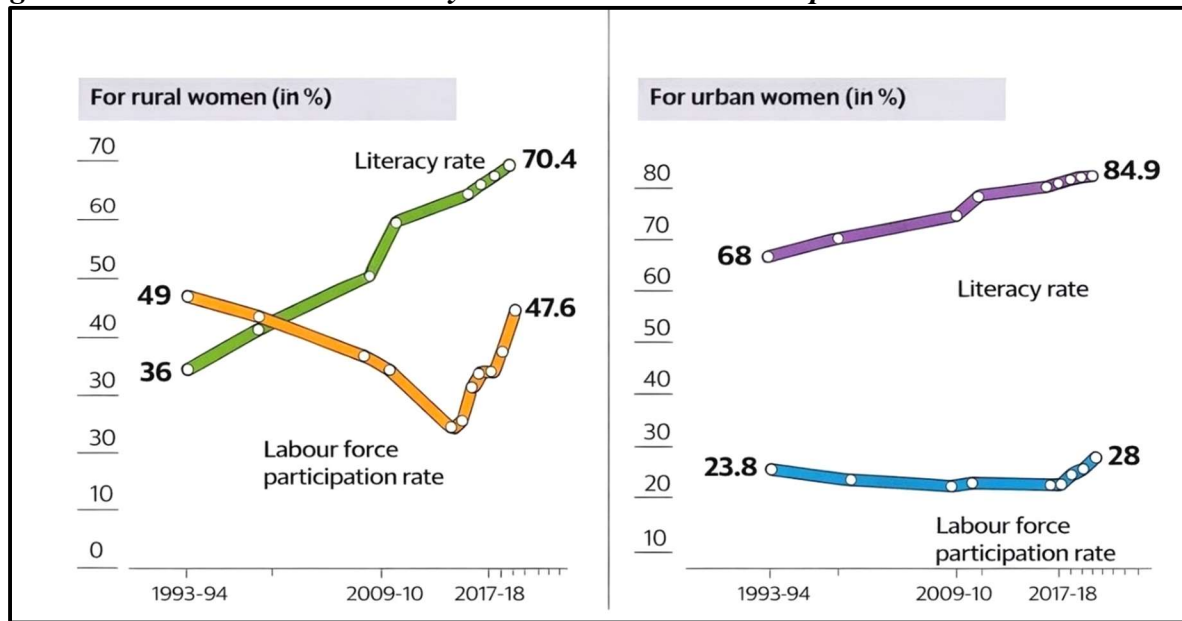


Source: Periodic Labour Force Survey (PLFS)

The figure illustrates the trend of female labour force participation rates (LFPR) among women aged 15 years and above under the usual status category in India. The data shows that rural female labour force participation has consistently remained higher than urban female labour force participation over the period 2017-18 to 2022-23. While rural

LFPR increased significantly from around 24-25 percent in 2017-18 to above 41 percent in 2022-23, urban female LFPR increased only marginally from about 20 percent to nearly 25 percent during the same period. This trend highlights the persistent rural-urban disparity in women's labour market participation in India.

Figure 3: Trends in Female Literacy and Labour Force Participation in Rural and Urban India



Source: Periodic Labour Force Survey (PLFS)

The figure illustrates the relationship between female literacy rates and labour force participation rates in rural and urban India over time. While female literacy has steadily increased in both rural and urban areas, female labour force participation has not increased at the same pace. In rural areas, literacy rates rose from about 36% in 1993–94 to around 70.4%, while labour force participation declined initially from 49% to around 23% in 2017–18, before rising again to about 47.6% in recent years. Similarly, in urban areas, female literacy increased from approximately 68% to 84.9%, but labour force participation remained comparatively low, rising only from about 23.8% to around 28%. The figure highlights the paradox of rising education levels among women alongside relatively low labour market participation.

### 7. Economic Impact of Women’s Employment on National Development

Women’s participation in the labour force plays a crucial role in promoting economic growth and national development. When more women enter the workforce, the total productive capacity of the economy increases. Greater female participation expands the labour supply, enhances productivity, and contributes to higher national income. Economists have often emphasized that increasing women’s employment can significantly boost a

country’s Gross Domestic Product (GDP) and accelerate overall economic development.

Women’s employment also contributes to poverty reduction and improved household welfare. When women earn income, it strengthens the financial stability of families and improves living standards. Studies have shown that women are more likely than men to invest their earnings in essential household needs such as food, healthcare, and education for children. As a result, women’s employment not only benefits individual households but also promotes long-term human development.

Another important impact is the improvement of gender equality and social empowerment. Economic independence enables women to participate more actively in household decision-making and community life. Employment enhances women’s confidence, autonomy, and social status, helping to reduce gender-based inequalities that have historically limited women’s opportunities.

Women’s participation in the workforce also encourages diversity and innovation in the economy. When workplaces include both men and women, organizations benefit from a wider range of ideas, perspectives, and problem-solving approaches. This diversity can improve productivity, creativity, and overall organizational performance.

Finally, increasing women's employment supports sustainable and inclusive economic growth. Countries that effectively utilize the talents and skills of both men and women are better positioned to achieve long-term economic stability and development. Therefore, promoting women's participation in the labour market should be considered a key strategy for strengthening India's economic progress and achieving inclusive national development.

## **8. Policy Measures and Future Solutions: Tackling Barriers to Women's Employment**

Increasing female labour force participation requires coordinated efforts from the government, society, and the private sector. If India truly aims for the "real rise of Indian women," it is essential that women are actively engaged in the workforce. Creating a supportive and enabling environment is therefore crucial to ensure that women can participate in economic activities with dignity, security, and equal opportunity.

To sustain economic progress and promote inclusive development, several policy measures need to be implemented.

First, it is essential to ensure equal pay for work of equal value. Gender discrimination in wage structures must be eliminated through transparent salary systems and strict enforcement of labour laws. Reducing the gender wage gap will encourage more women to participate in the labour market and remain employed.

Second, occupational segregation must be addressed by ensuring equal opportunities for men and women across all sectors. Women should have equal access to employment in industries such as manufacturing, technology, engineering, and services. Career choices should be based on individual skills and interests rather than traditional gender stereotypes.

Third, labour-intensive industries such as textiles, food processing, and small-scale manufacturing should be expanded, particularly in rural and semi-urban areas. These industries can create large numbers of employment opportunities that are accessible to women.

Fourth, promoting flexible work arrangements can significantly improve women's participation in the workforce. Flexible working hours, part-time employment, and work-from-home opportunities

allow women to balance professional responsibilities with family obligations.

Fifth, improving childcare support systems is essential. Establishing workplace childcare facilities, community daycare centres, and providing paid childcare leave can help women continue their careers after childbirth.

Sixth, ensuring safe public spaces and reliable transportation infrastructure is critical. Safety concerns often limit women's mobility and discourage them from seeking employment outside their homes. Improving urban infrastructure and enforcing safety regulations will encourage greater female participation.

Seventh, skill development and vocational training programs should be expanded to enhance women's employability. Providing training in modern technologies, entrepreneurship, and digital skills can help women access better employment opportunities.

Eighth, supporting women entrepreneurs and self-employed workers through financial assistance, market linkages, and credit facilities can promote economic independence and job creation.

Finally, social attitudes must also change. Encouraging equal participation of men and women in household responsibilities can reduce the burden of unpaid domestic work on women and allow them more time to engage in paid employment.

Government initiatives such as Beti Bachao Beti Padhao play an important role in promoting gender equality and changing societal perceptions about women's roles. Public awareness campaigns can help encourage families and communities to support women's employment.

Increasing female labour force participation is essential not only for advancing gender equality but also for strengthening India's economic growth and national development. Collaborative efforts from policymakers, businesses, and civil society are required to create an enabling environment that supports women's employment and ensures their safety, dignity, and equal opportunity in the workplace.

## **9. Conclusion**

Women's participation in the labour force is a critical determinant of inclusive and sustainable economic development in India. Although significant progress has been made in improving

women's education and awareness, female labour force participation in India still faces several structural, social, and institutional barriers. Factors such as traditional gender roles, unpaid domestic responsibilities, labour market discrimination, lack of suitable employment opportunities, and safety concerns continue to limit women's active engagement in the workforce. These challenges highlight the need for comprehensive policy interventions aimed at creating a more supportive and equitable environment for women's employment.

The analysis also reveals important rural–urban differences in female labour participation. While rural women often participate in agricultural and informal economic activities due to economic necessity and social acceptance, urban women face constraints related to work–life balance, childcare responsibilities, and rigid employment structures. Addressing these disparities requires targeted policies that improve both the availability and quality of employment opportunities for women across different sectors and regions.

In the context of the *Viksit Bharat 2047* vision, enhancing women's economic participation is not merely a social objective but a strategic economic priority. Emerging opportunities such as the gig and digital economy offer new pathways for women to engage in flexible and skill-based employment. By promoting equal pay, expanding skill development initiatives, improving workplace safety, and strengthening childcare and social support systems, India can unlock the full potential of its female workforce.

Ultimately, achieving the vision of a developed and inclusive India by 2047 will depend on ensuring that women are equal participants in the nation's economic growth and development.

## References

Chatterjee, U., Murgai, R., & Rama, M. (2015). Job opportunities along the rural–urban gradation and female labour force participation in India. World Bank Policy Research Working Paper.

Desai, S., & Jain, D. (2019). Female labour force participation in India. *Economic and Political Weekly*, 54(3).

Goldin, C. (1994). The U-shaped female labour force function in economic development. National Bureau of Economic Research.

Klasen, S., & Pieters, J. (2015). What explains the stagnation of female labour force participation in urban India? *World Bank Economic Review*.

Ministry of Education. (2024). All India Survey on Higher Education (AISHE) 2021–22 Report.

World Bank. (2023). *Women, Business and the Law Report*.

Government of India. (2024). *Periodic Labour Force Survey*.