

Women Empowerment

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Context:

A new government will soon be taking up the challenge of making India viksit by 2047. With women lagging behind on several parameters of well-being in the country today, empowering them economically lies at the heart of the challenge we face in transforming India into a developed country.

Background:

As history has shown, women are empowered when they step out of their homes and enter market work only when their education levels rise and “good” jobs appear. Improving the value of investments in women’s human capital, and at a low cost, is our best bet for engendering gender parity and creating a “developed” society.”

Key Takeaways:

1. India’s overall employment rate has historically been around 50 per cent of the working-age population — much lower than in China (almost 70 per cent) or even our neighbour, Bangladesh (about 55 per cent), according to ILO and World Bank estimates. Bringing more working-age population into the productive workforce is critical to achieving a high GDP growth rate. Amongst the main reasons for the significantly lower labour force participation (LFP) rate in India, is women’s low LFP (currently around 25 per cent).
2. According to World Bank estimates, increasing women’s LFP to 50 per cent of labour force will bring India closer to 8 per cent GDP growth rates and a five-trillion dollar economy by 2030.
3. At the core of expanding the LFP rates of the currently low-skilled, low-educated women, is expanding our manufacturing capacity, which shrank from 17 per cent of GDP to about 13 per cent in the last decade.
4. Increasing production capacity is required in labour-intensive sectors such as readymade garments, footwear, and other light manufacturing, where women form a large proportion of workers.
5. A key marker of a developed country is a dominant formal sector. The underlying challenge is to provide high-quality, relevant and affordable skilling to the masses, and women in particular. Improving physical access, easing financial support and improving employer matches after skill training are some of the key areas that require interventions.
6. While about 25 per cent of India’s employed are engaged in salaried (mostly formal sector) work, this proportion is 55 per cent and 40 per cent in China and Bangladesh, respectively.
7. The ongoing structural transformation away from agriculture, and the informal character of the labour market, has affected women disproportionately in the past few decades — the fall in rural women’s labour force participation accompanies a high proportion of women working in the informal sector (almost 90 per cent).
8. Although several policy initiatives are being undertaken to improve the skilling ecosystem in

India, they currently lack focus on redressing stark gender imbalances. Improving physical access, easing financial support and improving employer matches after skill training are some of the key areas that require interventions. Industrial Training Institutes (ITI) offer the most affordable and dense network of skilling programs across the country, but only about 7 per cent of those who enrol in ITIs are women.

9. Evidence also suggests that women have worse employment outcomes even if they are skill-trained, relative to men. Career counselling, job placement cells embedded in training institutes and harnessing alumni networks to activate women “role models” and mentors for female trainees, may be effective tools to redress this gender imbalance.”
10. As India urbanises at a rapid pace, we need cities that welcome, accommodate and enable women’s mobility.
11. Urgent policy focus is required for planning urban infrastructure, transportation and public safety with a gender lens. With rapid demographic shifts and population ageing, a high-quality, subsidised urban care infrastructure will not only release women from care work but also create new jobs for them in this sector.



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