

Female Labour Market in Kerala: A Study of Patterns and Trends in the Post-Reform Period

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DECLARATION

I hereby declare that the work embodied in this dissertation entitled ***Female Labour Market in Kerala: A Study of Patterns and Trends in the Post-Reform Period*** is carried out by me under the supervision of Prof. Vathsala Narasimhan, School of Economics, University of Hyderabad and is an original work. The dissertation or any part thereof has not been submitted for any other degree at this university or elsewhere.

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CERTIFICATE

This is to certify that the dissertation entitled *Female Labour Market in Kerala: A Study of Patterns and Trends in the Post-Reform Period*, submitted by Ms. Shalina Susan Mathew in partial fulfilment of the requirements of the award of the degree of Doctor of Philosophy, is original and the research has been carried out under my supervision. The dissertation or any part thereof has not been submitted for any other degree at this university or elsewhere.

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CHAPTER – I

INTRODUCTION

1.1 Introduction

The theme central to the study of labour markets is the demand for and supply of the factor of production – labour. In economic terminology, only those works performed in the market for remuneration forms labour. In this sense, labour markets form the institution where the sellers of labour (workers) meet the buyers of labour (employers) and the conditions regarding work, wage and the terms of contract are established. Thus, like in the case of other factors of production, the process that facilitates a ‘market’ for ‘labour’ may be called a labour market. Labour markets may be understood as a mechanism for matching the supply and demand of the factor of production labour, through the terms of the contract between the buyer (employer) and seller (employee). Equating labour to work, the major interest and concern of the labour market involves issues related to employment, unemployment and wages.

While considering labour as a factor of production, an important aspect that differentiates the labour from other factors of production and other factor markets is that, unlike other factors of production, labour services can only be rented; workers themselves cannot be bought and sold (Ehrenberg and Smith, 2012; Weiss, 2009).

Though the above statement tends to be overlooked as being very abstract, the profundity of this statement becomes evident from the numerous ways through which this inseparability influences the supply of labour. The inseparability of the factor of production labour from its supplier has been elucidated brilliantly by Marshall (1890: 326), ‘it matters nothing to the seller of bricks whether they are to be used in building a palace or a sewer: but it matters a great deal to the seller of labour, who undertakes to perform a task of given difficulty, whether or not the place in which it is to be done is a wholesome and a pleasant one, and whether or not his associates will be such as he cares to have’. As Ehrenberg and Smith (2012: 2) points out, ‘labour services can only be rented; workers themselves cannot be bought and sold. Further, because labour services cannot be separated from workers, the conditions under which such services are rented are often as important as the price’. It is in this inseparability that a host of factors such as the decision whether or not to work for pay, compensating wage differentials, occupational preferences, investments such as education that determine the conditions of work and remuneration etc depends. It is for no other reasons that a ‘host of institutions and pieces of legislation that influence the employment relationship’ exists in no other markets but labour (Ehrenberg and Smith 2012: 2).

Clearly, the employment relation and the concomitant structure of the workforce have attracted special attention in discussions of development and related policy. This is understandable given the close inter-relation between workforce structure and the levels of living, poverty levels and access to livelihood and income distribution across different sections of the population. One such important section is that of women, or the female labour market. The female labour market is clearly a case demanding specific attention.

1.2 Women and Labour Market

While the above mentioned factors in themselves contribute to the intricacies involving the labour market outcomes and decisions, the complexity revolving around the labour market decisions and behaviour in an economy is intensified by the heterogeneity of the agents (more importantly, the suppliers of labour) in the labour

market. Labour as a factor of production is differentiated by a host of variables like skill, location, gender, etc., and these factors, in turn, influence the workings of each other. Given this, the social, economic and cultural conditions have differential bearing on the different actors in the labour market. In addition, the functioning of the labour markets is strongly influenced by the larger economic environment prevailing in the economy. As Horton et.al (1994: 2) points out, the labour market is itself linked to other markets in the economy: it influences their workings and is in turn influenced by them.

The interaction and influence of the socio economic factors in the market decision-making attains a specific dimension, if the actors in the market include women as (potential) workers. As Benería (2003: 122) states, markets may be understood as ‘socially constructed’, with the links to the market being historically different for men and women, with consequences for their choices and behaviour. This is evident in the disproportionate concentration of women in unpaid production including agricultural family labour and working in family business and domestic work, which is indirectly linked to the market (Benería, 2003: 122). Panda expressed the same view when he stated that, ‘in order to understand the underlying nuances of women's employment behaviour, one must take into account gender and familial relations, household circumstances, family resources, and cultural expectations, in addition to the standard labour supply hypotheses from an individual's perspective’ (2003:4034).

The participation of women in economic activities in the labour market being the outcome of a complex set of factors, the law of demand and supply in isolation fails to explain the dynamics of the female labour market participation in a comprehensive manner. The reasons for the ‘differential’ treatment of women in the labour market lie in a myriad of factors, including the traditional notions and cultural biases facing the women worker, the gendered division of labour within the households and the reduced levels of educational and skill attainments of women with its inter-generational consequences. The complex interplay of these factors lead to further disadvantages in the labour market. As Papola and Sharma (1999: 2) states, the unfavourable position of women in employment, both quantitatively and

qualitatively, is a combined result of three levels of discrimination. Firstly, it is the relative lack of societal and household efforts to improve their skill endowment; secondly, the denial of opportunities for wider economic participation; and thirdly, the discrimination in entry and upward mobility in employment. These factors have also been responsible for the 'secondary worker' status of women and the consideration of their earned income as 'transitory' in nature.

Apart from the social and cultural underpinning of labour market, the alterations in the economic environment determine the labour and employment outcomes in a major way. These include the modes of production, policies of the employer as well as the larger labour and employment policies of the state and the underlying structural orientation of the economies that decide these policies. The policies of the state, indeed, have a greater say on the employment situation, both directly, and indirectly through (the impact on) the decisions of the employers influenced by the state policies. Because of the 'social construction' of the markets, these policies also have a differential bearing on the women workers as well as potential workers. As Mallier and Rosser (1987: 113) asserts, 'the demand for female labour cannot be looked in isolation. It is created within a dynamic economic system and continuously changes.' Moreover, while the differential outcomes for men and women exists across the globe, the labour markets in the developing societies present additional challenges for women in terms of the opportunities, earnings and pay gaps, and a host of social and institutional factors.

In recent past, the most important policy changes that influenced the labour market outcomes have been the 'stabilisation' and 'structural adjustment' policies. Together known as the 'adjustment' policies (Horton et.al, 1994: 1; Azam, 1994: 61), 'stabilisation' and 'structural adjustment' policies exert a significant influence on the labour market. In India, mostly following the balance of payments crisis in 1991, the economic environment tilted towards market oriented development and a declining role of the state, through the embracing of the liberalisation, privatisation and globalisation policies. While several studies on the adjustment policies' bearing on the women workers in Latin American and African countries have been carried out, the enquiries into the influence of economic reforms on the employment and wellbeing in

India are limited. These early studies (Bhattacharya and Mitra, 1993; Mahadevia et.al, 1994; Papola, 1994; Papola and Sharma, 1996; Shariff and Gumber, 1999) were too early to bring out the long term impact of the economic restructuring in the country, and more importantly, it's bearing on the women workers. The object of the study; and the focus of this thesis are defined by this.

The present study focuses on the labour market for women in the state of Kerala in the period following the economic reforms in the country. It is thereby an attempt to critically examine the gendered implications of the changes in the economic environment in Kerala, which was hailed for its unique developmental achievements involving women. Such explorations are conspicuously absent in the literature. With women's participation in gainful works outside home as the entry point, this investigation evaluates the interaction of the various socio-economic forces in shaping the labour market behaviour of women in Kerala and the regions within it, in the event of an increased 'opening up' of the economy.

1.3 Background and Motivation for the Study

The state of Kerala in India presents an interesting case for examining the gendered labour and employment trends and patterns. The rationale behind appraising the labour and employment patterns of women in Kerala emanates from the unique development experience of the state, as distinct from the rest of India, with several paradoxical features.

Kerala, located in the southernmost part of India, is presented to the world as standing on par with the developed countries in terms of its achievements in social indicators of development. The achievements in the social indicators of well-being were not restricted to the men alone, as reflected in the high HDI as well as GDI ranks of the state. The CDS-UN study in 1975 applied the term 'Kerala Model of Development' for the unique situation then existent in Kerala that defied the existing theories on the linkages between economic growth and human development. Kerala presented a hitherto new trajectory of development where the human and social development was neither accompanied nor triggered by economic growth. While the

sustained improvement in the indices of human development against a weak economic base brought the state of Kerala to the forefront of the debates on development, questions were raised about the sustainability of the Kerala model and also began to be referred to as ‘paradox of development’, the ‘paradox of social development and economic backwardness’, ‘lopsided development’ and so on (Harilal and Joseph, 2003; Subrahmanian, 1990; Jeromy, 2003; Panikkar and Soman, 1984; Chakraborty, 2005; GoK, 2006; Kannan, 2005).

While the debates on the ‘alternate’, ‘paradoxical’ experience of development and its ability to sustain itself in the future due to its weak economic performance was being discussed, the state started embarking itself on the path of economic growth. By the late 1980s, Kerala’s economic performance started picking up, and by 1990s, acquired the momentum required to pull the state out of the slow growth syndrome (Jeromy, 2003; Chakraborty, 2005; GoK, 2006; Kannan, 2005; Ahluwalia 2002; Pushpangadan, 2003). By the 1990s, the Kerala economy embarked on a high growth phase, and was even growing at a rate higher than the national average for India. It is impressive to note that during 2009- 10, despite the global economic slowdown, the Kerala economy registered a growth rate of 9.13 percent in 2010-11 compared to 8.95 percent in 2009-10. During the same period, the growth rate of gross national income in India slowed down to 7.9% in 2010-11, in comparison to the growth rate of 8.4% in 2009-10. The share of tertiary sector has been on the increase, and the economic growth is directly linked with the development of tertiary sector. During 2010-11 the contribution from primary, secondary and tertiary sectors to the GSDP at constant prices (2004-05) constituted 11.06%, 20.13% and 68.80%, respectively (GoK, 2011).

While the academia and policy formulators were praising the Kerala Model of development, which was held up as a ‘model’ for the developing world, several studies pointed to the exclusion of certain sections of the society from the model. The ‘model’ had been criticized for the exclusion of women from the economic gains of development, in terms of their lower employment and the corresponding higher levels of unemployment, despite their achievements in basic human capabilities such as education, health and demographic particulars. For instance, in comparison with the rest of the country, in urban Kerala, the employment rates were much lower, while the

number of women looking for employment was much higher, resulting in higher rates of unemployment, especially among the higher educated. Furthermore, the difference in employment rates among men and women in the state was also wider.

The phase of high labour force participation and a low rate of employment, leading to soaring unemployment rates came to an end by 2004-05. In the period following 2004-05, the unemployment rates among the women in the economy eased. However, this development came about not on account of an increase in employment among women, but by reason of a reduced interest in labour market activities (as represented by falling labour force participation rates). The significance and necessity of studying the falling labour force participation rate of women in the state attains special significance especially due to the fact that the state had, until this period, recorded greatest interest among urban women in labour market activities. Moreover, this phase in the female labour market outcomes in the state remain unexplored.

The evidences from Kerala also point to the significant divergence in the labour market outcomes in certain regions, which are the administrative districts within the state. These districts, differentiated by their access to and openness to global capital, as well as by the prevailing domestic economic conditions, have also been observed to exhibit certain developments paradoxical to the general economic wisdom. As it is accepted that the economic position of a region contributes substantially to the employment scenario, the thesis attempts to examine the variations in labour market outcome in regions within the state is Kerala that differ in economic characteristics. Two such regions are the districts of Ernakulam and Kasargod. The district of Ernakulam, the largest contributor to the state gross domestic product, alongside its secondary and tertiary sectors projecting major economic growth, has been exhibiting an incongruity in the sectoral distribution of income and employment in the tertiary sector. On the other hand, the district of Kasargod, a predominantly agrarian economy with one of the lowest per capita income in the state, started showing an unprecedented increase in labour and employment rates of women. The performance of these districts necessitates a detailed probe, beyond the conventional income and substitution effects of income and female employment.

Against this backdrop of a significant growth of the Kerala economy and the changed economic environment in the state involving vigorous embracing of the neoliberal policies, as well as the regional variations within the state, the present study attempts to examine the factors underlying the labour market outcomes of women in the state of Kerala. A disaggregated analysis of the impact of the fast economic growth under the neo-liberal policies on different sections in the society gains importance also from the fact that the high-growth phase of Kerala economy is also characterised by increasing inequality in income distribution and retardation in poverty-reduction (Subrahmanian and Prasad, 2008).

1.4 Focus of Research and Objectives

The present study examines how the gendered outcomes of the developmental policies of the state have been different for various segments of women in Kerala. In this regard, the research first examines the disconnection of the labour market behaviour of women in the immediate past from the trend that had continued over the years in the state, and proposes to analyse the factors fundamental to this phenomenon. Second, the research looks at how the differential outcomes of economic changes for the outwardly homogenous group- women- got transmitted into the labour market behaviour in varying dimensions and magnitude. In this regard, taking two regions within the state as the case studies, the study also appraises how the experiences in these two regions have been different, and also have been concealed by the macro picture emerging from the state as a whole. Thus, in addition to exploring the gendered developmental outcomes for the women in the state as a whole, the study also appraises the gendered outcomes of development at a micro level, using the administrative district as the unit of analysis. This enables the research to make a comparative analysis of the outcomes of developmental policies on women experiencing two different economic scenarios in the state.

Two districts: Ernakulam in the central part of Kerala, and Kasargod in the northernmost part of the state, with diverse economic and labour market activities have been selected. While the secondary and tertiary sectors are predominant in Ernakulam, the region of Kasargod has remained largely agrarian. In addition,

Ernakulam had the highest income share among the districts in the state, whereas Kasargod had one of the lowest. However, the immediate reasons for selecting these two districts lie in their labour market variables, which appears paradoxical to the conventional relationship between economic development and employment. Through the evaluation of the income and employment variables in the state and the select districts, the study examines the interplay of the economic and social environment in shaping the factors underlying the observed trends in the labour market, and more specifically, the falling labour force participation rates; the extent to which the micro realities in the employment scenario in the two regions within the state are concealed by the state level aggregates; and the differentiated impact of economic policies on two regions within the largely homogenous economic and political unit.

The broad objectives of the study could, therefore, be summarised as follows:

- (i) To examine and explain the female labour market trends in Kerala in the post-reform period, with specific reference to the labour force participation rates during the phase of highest economic growth in the state; and the differences in these across different sections of women differing in income and levels of education
- (ii) To bring out the differences in the labour market variables in the regions within the state of Kerala during the phase of high economic growth and opening up of the economy by drawing out the different trends in the labour market variables in the two select districts in the state, Ernakulam and Kasargod; and to examine these differences through the diverse forces shaping the economy of these two districts.

1.5 Data Sources and Methodology

The present study makes use of the unit level data of the Employment and Unemployment Surveys (EUS) of the NSS for carrying out the above stated research objectives. The study utilises the Employment and Unemployment Surveys (EUS) of the NSS from the 50th to 66th Rounds, spanning more than a decade and a half, from 1993-94 to 2009-10. These include 50th (1993-94), 55th (1999-2000), 61st (2004-05),

64th (2007-08) and 66th (2009-10) Rounds of the EUS. However, in the assessment of the labour market behaviour towards the stated objectives, data from 2004-05 onwards are studied in greater detail. Of all the rounds of NSS data accessed, all except the 64th Round are quinquennial (thick) rounds, whereas the 64th round is an annual (thin) round. While annual rounds are generally avoided from the estimations, the 64th round is included in the estimations because the sample size and methodology used in this round are similar to the quinquennial rounds of the NSS.¹ However, the study places only less emphasis on the results derived from the 64th Round, placing greater emphasis on the results of the 61st and 66th Rounds. This research also makes estimations of the female labour market outcomes at the district level, from the 61st Round (2004-05) onwards. While the sample design of the NSS prior to 2004-05 did not facilitate district level estimations, the change made to the sampling design from the 61st Round has made the district level analysis feasible. This has been enabled through the inclusion of rural and urban areas of each district in the sample.²

The study adopts the concepts and definitions used by the National Sample Survey (NSS). Following the NSS, the research distinguishes between labour force participation rate (LFPR) and work participation rate (WPR). LFPR refers to the share of persons in the population who are working/seeking work. The LFPR, therefore, includes both working and non-working persons. WPR refers to those persons in the labour force who are actually working. The difference between LFPR and WPR provides the proportion of unemployed (PU) persons in the population. This is distinct from the unemployment rate (UR), which is defined as the number of persons/person-days unemployed per 1000 persons/person-days in the labour force (which includes

¹ The annual rounds of EUS prior to that of 64th round are not comparable to the thick rounds for several reasons. These include the nature of the questionnaire and the type of questions used, the difference in the sampling design, and the size of the sample. But, the 64th round is different and is comparable to the quinquennial rounds. Apart from the fact that it uses the same concepts and questionnaire as canvassed during the thick rounds, it also uses the same sampling design as is used in the thick rounds. The 64th round is also comparable to the quinquennial rounds with respect to the sample size. As compared to the (thick) 61st round which was canvassed among 1, 24,680 households (79,306 rural and 45,374 urban), the (thin) 64th round was canvassed among 1,25,578 households (79,091 rural and 46,487 urban). The fact that the 64th round does not suffer from any of the usual criticisms levelled against annual rounds makes it comparable to quinquennial rounds for all analytical purposes (Himanshu 2011: 45-46; NSSO 2006, 2010).

² For a detailed discussion on the sample design, see NSS Report No. 515 (2006), Report No. 531 (2010) and Report No. 537 (2011). Also see Chaudhuri and Gupta (2009), for the adoption of NSS Consumer Expenditure Surveys for poverty estimates at the district level.

both the employed and unemployed). Discussion is based on the proportion of unemployed (PU) rather than the other usually used concept, the unemployment rate (UR). The term labour market outcomes collectively refer to LFPR, WPR and unemployment rates in the economy. All those persons, including children, who are either not working, or not seeking employment, are referred to as ‘not in the labour force’.³

The status of being either in the labour force, or remaining outside the labour force is termed as the activity status of a person. The NSS adopts two measures – usual status and current status – for the classification of economic activity status. While the former takes into consideration the number of persons in the workforce, the later on the other hand, denote to the number of man-days. Based on these two approaches, the NSS estimates four measures of activity statuses – usual principal activity status (ps) and usual principal and subsidiary status (ps+ss), current weekly status (cws) and current daily status (cds). In the present study, all the estimations are based on the usual status approach. This includes both the usual principal activity status (ps) and usual principal and subsidiary status (ps+ss) measures.⁴ The usual principal status (ps) relates to the activity status of a person during the reference period of 365 days preceding the date of survey. The usual principal and subsidiary status (ps) relates to the activity status of a person pursued relatively shorter time span (30 days or more) in the period preceding one year (365 days) prior to the date of the NSS survey. It may be noted that the influence of the implementation of NREGA, which is expected to create a mark on the employment situation of women in the rural sector, comes under the current status approach measure. The adoption of the usual status approach, therefore, also serves the stated objective of the present study of looking at the general employment scenario that is responsive to the external

³ The NSS data subdivides the activity status category of “Not in the Labour Force” into 8 sub categories. However, the study focuses only on those categories which are deemed to be most relevant for detailed study. The activity statuses covered under “Not in the Labour Force” include “attended educational institutions”, “attended to domestic duties only”, “attended to domestic duties and was also engaged in free collection of goods (vegetables, roots, firewood, cattle feed, etc.), sewing, tailoring, weaving, etc. for household use”, “rentiers, pensioners, remittance recipients, etc.”, “not able to work owing to disability”, “others (including beggars, prostitutes, etc.)”, “did not work owing to sickness (for casual workers only)” and “children of age 0-4 years”.

⁴ The detailed activity statuses in the usual status approach are provided in Appendix-I.

economic environment as opposed to the government-intervened employment generation programmes, and prevents from yielding inflated figures that may distort the stated objectives.

The study also examines the labour market outcomes of females for different levels of education, both general and technical education. For this, the study adopts the categorisations as carried out in the EUS of the NSS. Based on the classifications used in the NSS, for females with general education, education-specific labour market activities are estimated for the following categories viz. (i) not literate, (ii) literate up to primary (iii) middle, (iv) secondary, (v) higher secondary, (vi) diploma/certificate course, (ix) graduate, and (x) postgraduate and above. From the level of diploma/certificate course, the categorisations included diploma courses in general education, technical education or vocational education. For instance, the category ‘diploma or certificate course’ meant diploma or certificate courses in general education, technical education or vocational education, which is below graduation level. Similarly, diploma or certificate courses in general education, technical education or vocational education, which is equivalent to graduation level, was considered under the category ‘graduate’, and those equivalent to post-graduation level and above were considered under the category ‘post-graduate and above’. It may be noted that these categorisations do not provide adequate information about the labour market outcomes among those with technical degrees, per se. Therefore, the study also carries out an evaluation of the labour market outcomes specifically among females with technical education. For this, the following four categories were employed, viz., (i) no technical education, (ii) technical degree, (iii) diploma or certificate below graduate level, and (iv) diploma or certificate equivalent to graduate and above level.

The study also examines whether the income of the household is a significant determinant of the changes in the work and labour force participation rates among women in the state. This is carried out by examining the activity statuses of women for different levels of monthly per capita consumption expenditure (MPCE). The NSS defines the MPCE of a household as the total consumer expenditure over all items divided by the household size and expressed on a per month (30 days) basis. A

person's MPCE is understood as that of the household to which he or she belongs (NSSO, 2010: 6). The first decile of the distribution of MPCE over the population of any region or domain is the level of MPCE below which 10 per cent of the population lie, the second decile, the level below which 20 per cent of the population lie, and so on. Thus, the population can be divided into 10 'decile classes of MPCE' (NSSO, 2010: 6). Following the method used by the NSS, the study examines the activity statuses of females for each of the MPCE decile class, in order to portray the varying trends in the labour market outcomes over the period of study among different income categories. This exercise helps in assessing whether the trends have been observed among particular income groups, thereby prompting detailed analysis.

The study attempts to make inroads into the type of occupations and industrial activities that houses the usually employed females in the state as well as the select districts. For this, the study puts to use the National Industrial Classification (NIC) and National Classification of Occupations (NCO), as provided in the unit level data of the EUS. Over time, the industrial and occupational classifications are revised and updated, taking stock of the dynamism in the economic activities. These classifications, which provide the industrial and occupational grouping of the employed persons, helps in providing some insights into the nature and quality of economic activities being pursued by the women workers.

In India, the National Industrial Classification (NIC) is the standard classification followed for classifying economic activities. Following the principles and procedures laid down in the United Nations' International Standard Industrial Classification (ISIC), the NIC has been so prepared to suit the Indian conditions. In the 61st Round of the NSS, NIC-1998 was used to record the industry of work of the usually employed. In the subsequent rounds, a revised industrial classification – NIC-2004 – was applied. However, except for minor re-ordering and addition of few new categories of activities, the classifications remained the same. The NSS had adopted the five-digit classification of the industrial activities in these surveys. In this study,

one-digit classification of activities is pursued.⁵ With adequate care taken at the unit level estimations, there is hardly any discordance in the classification of activities.

While the National Industrial Classification (NIC) provides information on the industry of work, the National Classification of Occupations (NCO) records the type of occupation in which the usually employed persons are employed. The National Classification of Occupations, prepared by the Directorate General of Employment and Training (DGE&T), has been created on the lines of International Standard Classification of Occupations (ISCO) brought out by the International Labour Organisation (ILO). From the 64th Round of data, the NSS has applied the National Classification of Occupations (NCO-2004) in its occupational classification. In the prior rounds of the EUS, NCO-68 was employed. The NCO-2004 follows the guidelines of the ISCO-88. Compared to NCO 68, NCO 04 has streamlined the occupation divisions by reorganizing the occupations within each occupation division according to the nature and kind of work performed and the level of skill involved in the performance of the occupation. The NCO-2004 provides greater insights into the nature of occupations, as it provides a skill-based approach. The skill levels as defined in the International Standard Classification of Education (ISCED), on which the NCO is based, have modified to suit Indian conditions taking particular cognizance of informal skill.

Considering the fact that two different NCOs were used in the 61st and the subsequent rounds, the present study has converted the occupational classifications of the 61st Round in tune with the NCO 2004.⁶ This attempt has been done to (i) enable a re-classification of occupations as listed in NCO 68, thereby enabling a comparison of occupation categories between the rounds prior to the 64th round and the later rounds of Employment and Unemployment Surveys, and, (ii), to bring in a more skill based re-classification of occupations which were previously classified under NCO 68. This

⁵ The industrial classification of activities (NIC-2004) at one-digit level is provided in Chapter 5, where the distribution of workers according to their industrial activities is employed for the first time in this study.

⁶ Details on the re-classification of occupations according to NCO-2004, as well as the skill levels of the broad occupation divisions of the NCO 2004 are provided in Chapter 4, where a detailed analysis of the occupational distribution of workers is employed.

re-classification has been done by following the Concordance and Conversion tables provided by the DGE&T.

Based on these data, the study mainly carries out a tabular analysis of the trends in the labour market variables for these aspects of the workers towards arriving at the explanations for the observed labour market behaviour in the state as well as in the two select districts. In addition, using the occupational classification of the workers both at one- and two-digit levels, occupational gender segregation used in Chapter IV has been estimated using the Duncan and Duncan Index of Dissimilarity and size-adjusted Index of Dissimilarity (Duncan and Duncan, 1955; see also Swaminathan and Majumdar, 2006).

1.6 Organisation of the Study

The present study attempts to examine the work and labour force participation rates among women in Kerala during in post - reform period in the country, with special focus on the period of high economic growth in Kerala. In this regard, first, this research focuses on the labour market outcomes of women workers in the state of Kerala, with a view to understanding the factors contributing to the observed trend of a reduced interest in labour market activities among women workers, Second, the research focuses to bring out the regional variations in the employment outcomes within the state, using two administrative districts as the units of analyses. The exercises carried out towards these objectives have been organised into five chapters, besides this introductory chapter and a concluding chapter, which forms Chapter I and Chapter VII respectively.

Chapter II provides a brief outline of the trends and patterns in the female labour market outcomes in the country in the post - reform period, against the backdrop of some of the existing theoretical and empirical studies that have laid out the gendered outcomes in the labour market. The labour and employment market for women, both in terms of the demand for and supply of labour, appears distinct from that for their male counterparts, arising largely from the social construction of market, which presents varied standards and conditions on the basis of gender of the agents in

the market. Appreciating this gendered make up of the markets, the dissertation firstly examines some of relevant literature in this regard, which serves as a starting point for evaluating the stated objectives. Chapter II provides a brief evaluation of the incorporation of gender issues in the labour market by the dominant schools of thought, the gendered outcomes of economic reforms and structural adjustment policies worldwide, as well as overview – based on the few studies - of the impact of such changing economic policies in the Indian context.

Chapter II also examines the labour and employment trends in the country between 1993-94 and 2009-10. A study of the labour market outcomes in Kerala, the southernmost state in India, cannot be examined in isolation from the trends and patterns emerging in the country as a whole. While it has been acknowledged by few studies that regional variations in employment outcomes exist across the country, a reference to the changing trends at the national level appear inevitable at least for two reasons. First, the national trends provide grounding for assessing the trends in the state in the right perspective. Second, the grand academic attention on the development outcomes of Kerala was also partly due to its deviation from the overall national experience, making a comparison inevitable.

Chapter III presents the specific case for studying the labour market outcomes of women in the state. The renewed interest in studying the labour market behaviour lies in exploring the reversal of the labour market outcomes post 2004-05, as well as the regional differences in the labour market outcomes within the state. While several studies have examined the low work participation rates, coupled with a sizeable increase in the labour market activities among women leading to high unemployment rates in the state, which existed up to 2004-05, the period since 2004-05 remains unexamined. The present study devotes the remaining three chapters (Chapters IV, V and VI) towards analysing the factors shaping the employment scenario in the state, including the regional variations. Chapter III, therefore, has been organised as a run-up to the main arguments and findings of the thesis. Here, the trends and patterns in the employment, unemployment and labour force participation of women in the state during the period from 1993-94 to 2009-10 are examined. Given the unique social and human development achievements of women in Kerala, this chapter also evaluates the

employment patterns for different levels of education, together with a survey of the existing empirical and theoretical exercises. The findings from Chapter III set the background for Chapter IV where the explanations for the observed labour market trends are attempted.

Chapter III also carries out a disaggregated, i.e., district level evaluation of trends shaping the overall labour market outcomes in the state. The chapter identifies two districts that have been observed to differ substantially from the remaining districts in the state. A brief outline of the labour market variables in these two districts – Ernakulam, which is relatively urban in nature; and Kasargod, which is predominantly rural and agrarian – is also depicted in this chapter, highlighting their differences with the remaining districts and the whole of the state in the corresponding sectors. This exercise in Chapter III has been designed to provide an introduction and the rationale for the detailed examination of the labour market outcomes of the districts of Ernakulam and Kasargod in Chapters V and VI in this study.

Basing on the background set by Chapter III which points to increased disinterest in the labour market activities among women in the district, Chapter IV assesses the reasons for the reduced participation in the labour market activities in the state during a period of greater economic growth and rising opportunities for employment in the state. The chapter proceeds to examine the factors inherent to the functioning of the labour market in the state for the ‘discouragement’ in labour market activities. Based on the premises that these inherent factors, which have been observed as rigidities and constraints for potential women workers in the state have been transmitted as occupational gender segregation, Chapter IV measures the incidence of occupational gender segregation in Kerala using the Duncan and Duncan (1955) Index of Dissimilarity, compliant with the adaptations made for the Indian NSS data by Swaminathan and Majummdhar (2006). The chapter also examines the categorisation of usually employed workers in to different occupations, which helps in providing indications towards the nature and quality of occupations.

Proceeding from the regional variations in employment outcomes as demonstrated in Chapter III, Chapter V focuses on the employment outcomes of women in the district of Ernakulam, with emphasis on its deviations from the rest of the state, as well as the principal factors shaping the observed behaviour in the district. The trends from Ernakulam pointed to a moderate rise in the employment rates among women, with the sectoral composition of the employment activities pointing to a substantial increase in the tertiary sector activities between 2004-05 and 2009-10. Proceeding from the unprecedented rise in the services sector employment between 2004-05 and 2009-10 among women in Ernakulam, which has also been unaccompanied by matching changes in the tertiary sector income in the district, this chapter examines the hypotheses of surplus labour absorption in tertiary sector and a deterioration in the conditions of work. This is executed by an evaluation of the industrial distribution of the usually employed females in Ernakulam, also by substantiating these findings with the movements in the education and income-specific work statuses as well as the occupational characteristics of the female workers.

Chapter VI assesses the female labour market behaviour in the predominantly rural and agrarian district of Kasargod, lying at the northernmost part of the state. It examines the unprecedented rise in the work force participation among the women in Kasargod between 2004-05 and 2009-10. In addition, the declining labour market activities among male workers in the district simultaneous to the rising female share of workers distinguish Kasargod from the rest of Kerala, and merit a close scrutiny. This chapter evaluates this 'feminisation of labour' in the district against the backdrop of an agrarian crisis gripping the region. Concurring to the 'joint labour supply' model, this chapter examines the mechanism through which phenomenon of feminisation is unfolding in the district of Kasargod. In short, the thesis engages with the labour market outcomes of women in the state of Kerala, also pointing to the regional differences within the state. Chapter VII concludes the thesis.

CHAPTER – II

LABOUR MARKET TRENDS IN INDIA IN THE POST - REFORM PERIOD

2.1 Introduction

A labour market is a mechanism for matching the supply and demand of the factor of production labour, through the terms of the contract between the buyer and seller. As labour is differentiated by skill, location, gender, and so on, many different labour markets also exist. But these markets are linked with each other, as the conditions in one can influence the workings of another. The system of interlinked individual labour markets in a country can be called as the labour market. The labour market is itself linked to other markets in the economy: it influences their workings and is in turn influenced by them (Horton, et.al, 1994: 2).

While markets are understood as a mechanism facilitating the equilibrium between demand and supply, the labour market presents a complex picture, with a wide array of factors, economic and non-economic, influencing the demand and supply decisions. The interaction and influence of these socio economic factors in the market decision-making are strengthened, if the agents in the market include women as (potential) workers. As Benería (2003: 122) states, markets may be understood as

‘socially constructed’, with the links to the market being historically different for men and women, with consequences for their choices and behaviour. The gender-related implications of this ‘social construction’ lies in the disproportionate concentration of women in unpaid production including agricultural family labour and working in family business and domestic work, which are only indirectly linked to the market (Benería, 2003: 122).

In addition, the labour and employment outcomes depend on myriad factors, including the modes of production, policies of the employer as well as the larger labour and employment policies of the state and the underlying structural orientation of the economies that decide these policies. The policies of the state, indeed, have a greater bearing on the employment situation, both directly, and indirectly through [the impact on] the decisions of the firms/employers influenced by the state policies. Because of the ‘social construction’ of the markets, these policies also have a differential bearing on the women workers as well as potential workers. Moreover, while the differential outcomes for men and women exists across the globe, the labour markets in the developing societies present additional challenges for women in terms of the opportunities, earnings and pay gaps, and a host of social and institutional factors. As Mallier and Rosser (1987: 113) asserts, ‘the demand for female labour cannot be looked in isolation. It is created within a dynamic economic system and continuously changes.’

In short, as the participation of women in economic activities in the labour market is the outcome of a complex set of factors, the law of demand and supply alone in isolation fails to explain the dynamics of the female labour market participation in a comprehensive manner. ‘In order to understand the underlying nuances of women's employment behaviour, one must take into account gender and familial relations, household circumstances, family resources, and cultural expectations, in addition to the standard labour supply hypotheses from an individual's perspective’ (Panda, 2003:4034). The present chapter attempts to examine the labour market outcomes in India in the post - reform period, with emphasis on the female employment outcomes.

In understanding the female labour force participation, the chapter firstly examines the various theories and empirical studies that have attempted to incorporate the gendered outcomes in the labour market. This is carried out in Section 2.2. Section 2.3 provides a broad overview of the important policy changes and its bearing on the labour market outcomes, especially for women workers. Section 2.4 surveys the labour and employment outcomes in India in the post - reform period. The trends in female labour market in the post - reform period are examined out in Section 2.5.

2.2 Gender and Labour Market in Economic Theory

The reasons for the ‘differential’ treatment of women in the labour market lie in an array of factors, like the traditional notions and cultural biases facing the women worker and the gendered division of labour within the households. These factors also include the reduced levels of educational and skill attainments of women with its inter-generational consequences, as well as the complex interplay of these factors leading to further disadvantages in the labour market. These factors have also been responsible for the ‘secondary worker’ status of women and the consideration of their earned income as ‘transitory’ in nature. As Papola and Sharma (1999: 2) states, ‘the unfavourable position of women in employment, both quantitatively and qualitatively, is a combined result of three levels of discrimination: relative lack of societal and household efforts to improve their skill endowment; denial of opportunities for wider economic participation; and, discrimination in entry and upward mobility in employment’.

Based on the existing relevant literature, this section examines the major theoretical developments in the economic thinking towards understanding the women’s labour force participation. This section attempts to carry out an examination of how the dominant economic theories, the Neoclassical, the Marxist and the Feminist theories, have incorporated and appraised the market participation of women.

2.2.1 Neoclassical Theory

While gender was not a focus of the neoclassical theories, the increased presence of women in the labour market led the neoclassical theory to extend itself towards an understanding of women's labour force participation. The various theories in the neoclassical tradition regarding the female labour market are closely related. Though the major developments in the neoclassical tradition are broadly grouped into 'new household economics' and 'human capital' theories, there is considerable amount of overlapping and interaction between the two. While the 'new household economics' provided explanations for the labour force participation of women from a household perspective, the 'human capital' theory and its close variants provided explanations for the wage differentials and other 'discriminations' in the work place, strictly within the analytical tools and methods of neoclassical framework. Thus, the concepts such as utility, marginal productivity, efficiency in resource allocations, etc. become central to the neoclassical approach to understanding labour market participation as well as labour market discrimination.

2.2.1.1 Labour Market Participation

The neoclassical tradition ascribed the greatest attention to the female labour market from the 1960s', mostly from the works of Mincer (1962). The interest towards understanding the female labour force participation received greater impetus with the 'New Household Economics', pioneered by Gary Becker. This approach introduced time as an important element in household decision-making, and the 'opportunity cost of time' was considered as an important factor determining women's labour market activities. Though Becker is largely considered as the proponent of the New Household Economics, Mincer's (1962) examination of the increasing labour force participation of women at a time of rising family incomes in the United States was a crucial step towards including labour force participation of women within economic theorising.

According to the New Household Economics, the main objective of households is the maximization of utility subject to the constraints such as economic

resources, time, etc. of the households. In this approach of analyzing the dynamics of the household, an analogy has been established between the household and the firm. In other words, as Grossbard-Shechtman (2001: 105) points out, Mincer and Becker imported the tools of microeconomic and econometric analysis, which had been developed in the context of firms, in order to model home-based decisions such as labour supply, fertility, etc. Based on marginal analysis and allocative efficiency, the model also assumed a joint utility function for the households, with the members of the household behaving in ways aimed at maximising the joint utility. ‘The New Household Economics applied market-oriented criteria to time allocation, the division of labour and individual choices regarding labour force participation, thereby underlining the economic significance of household production and women’s work’ (Beneria, 1995:1843).

Within this framework of altruism, joint utility and allocative efficiency, the model postulated that the members of the household, as rational economic agents, aim at maximising each person’s utility, as well as the joint utility of the households by cooperating to allocate resources and each member’s time effectively. The explanation for the labour market participation of women, according to this model lies in the assumption that women are less skilled for the market work, and consequently, their returns from the market work would be lower than that of men. As men are more equipped for the market work, the joint utility of the households would be maximised when men did more market work and women did the household work. As Folbre and Hartmann (1988: 189) puts it, ‘women compare the marginal product of work they could perform in the home with the wages they could receive in the market and measure both against the utility of leisure. If women earn less than men in the marketplace but are more productive in the home, they will specialise in home production and maximise the family’s utility’. Thus, ‘each spouse specialises in the work s/he does best in order to attain the largest income and hence the greatest amount of satisfaction’ (Ferber, 2003: 10).

The economists in this tradition explained the labour market participation of women, as well as its cyclical nature, in terms of the income and substitution effects, with time, especially leisure, as important components (Mincer, 1962; 1980; Becker,

1965; Cain, 1966; Gronau, 1976; 1977; 1980; Grossbard-Shechtman, 1984, Khandker, 1988). The new household economists also considered the earned income of women as 'transitory' in nature, which was also stressed by the proponents of the "added worker" hypothesis. The new household economics was also extended towards explaining marriage, fertility etc.

Based on the principles of efficiency, specialisation and optimal allocation of resources within the households, the neoclassical model justifies the lower labour force participation of women. Highly implicit in the neoclassical theories on the labour market participation of women is the differences in the levels of skill acquired and possessed by men and women, making the latter less efficient in the market.

2.2.1.2 Labour Market Discrimination

The economists of the neoclassical tradition extended the ambit of their tools towards explaining the differential outcomes in the labour market for different sections in society, more precisely, the wage differentials in the labour market between men and women. The neoclassical theory described the differences in wage among the workers in terms of the differences in their 'marginal product'. The neoclassical rationale for the labour market discrimination centred around the concept of 'human capital'. The returns and investment on human capital, along with the theories of 'overcrowding' or 'crowding out' and 'job segregation' provided explanations for the labour market discrimination.

Human capital refers to 'productivity-related attributes that people develop over time, such as those gained during the formal education process, from training (whether on-the-job or in other programs), and from the experience of working in various firms, occupations, and industries' (Jacobsen, 2003: 161). The explanation for the 'discrimination' and wage differentials in the labour market follows from the neoclassical economic rationale that 'people with more human capital would be expected to be more productive and therefore to earn more per unit of time than with people with less human capital, all else equal' (Jacobsen, 2003: 161). The differences

in human capital are, in turn, influenced by the decisions to invest in human capital, the criteria being the returns to the investment.

While the earlier works in this tradition (Mincer, 1958) examined the linkages between human capital and income inequalities in general, later works (Mincer and Polacheck, 1974; Reder, 1962) drew out a close association between the earning differentials of men and women and the differences in human capital between them. These works also pointed out that the decisions to invest in human capital and skills are dependent on the returns to such investments. 'Optimal investment in human capital of any family member requires attention not only to the human and financial capacities in the family, but also to the prospective utilization of the capital which is being accumulated. Expectations of future family and market activities of individuals are, therefore, important determinants of levels and forms of investment in human capital' (Mincer and Polacheck, 1974: 398). As stated elsewhere, as the economists of the neoclassical tradition expect women to spend more time and specialize in the housework, the 'expectations of future family and market activities of individuals' provides ample implications towards gender-based biases in the investment in human capital.

Mincer and Polacheck (1974: 398) also brings forward the element of 'time' (again, in terms of the gender division of labour) in the decisions pertaining to investment in human capital. According to them, the '... family investments and time allocation are linked: while the current distribution of human capital influences the current allocation of time within the family, the prospective allocation of time influences current investments in human capital' (Mincer and Polacheck, 1974: 398). A later study by Becker (1985: S35) makes a rather questionable argument regarding the earning differentials between men and women with the same market human capital. He states that, due to the demand of child care and housework on women, women devote less energy for the market work, leading to lesser hourly earnings and job segregation between both the sexes.

Thus, the criteria of investment in human capital backed by the traditional gender division of labour with the male breadwinner and female care giver, explains a

major chunk of the differences in the labour market. As the females are expected to devote less time for work in the formal labour market, the investments in human capital, terms of education, skill acquisition etc are less, leading to lower productivity, employment in less remunerative jobs. In this regard, both the actual and potential returns to investment play a decisive role. As Jacobsen (2003: 164) states, the investments in human capital are decided by the gender of the child, as children are viewed as viable labourers. Children may be viewed as viable labourers – opportunity cost of their foregone production, either in the market sector or in the household or family business, as well as the potential payoff to the family of the human capital investment in the child.

The neoclassical explanations for what has been termed as ‘crowding out’ or ‘overcrowding’ and ‘occupational gender segregation’ also lie in the ‘human capital’ component of labour. In simple terms, occupational segregation by sex refers to the tendency for men and women to be employed in different occupations (Barbezat, 2003: 177). The neoclassical explanation for the occupational segregation at the labour market centres on the ‘human capital’ component of the workers. The neoclassical theory offers a ‘supply side’ explanation for segregation at the labour market. As Barbezat (2003: 179-80) points out, supply-side explanations tend to attribute different labour market outcomes to women’s deliberate and voluntary choices with regard to education, training and occupation. This is largely evident in the writings of Polachek (1979) where he states that, in order to maximize lifetime earnings, women who plan intermittent employment will maximize lifetime earnings if they choose occupations with low rates of appreciation and depreciation of human capital (England et. al. 1988). In other words, women find occupations attractive in which skills deteriorate the least with absences from the labour force, and they enter them disproportionately (Beller, 1982). Thus, it is the choice of ‘intermittent’ jobs by women that increases their probability of selecting a "female" occupation, lead to a disproportionately high representation of women in these occupations (Polachek, 1987: 64). Overcrowding, the demand-supply mismatch, would tend to drive the supply curve to the female occupations to the right, causing the wages to fall (Nelson, 2003: 133).

The neoclassical explanations for the labour force participation and differences in labour market behaviour between men and women have been criticised on many fronts. The new household model, despite its analysis of the household as a productive unit where domestic labour was equated to home production of goods and services, was criticised for its 'justification of the status quo'. The model reaffirmed the notion of women's specialisation at home production as efficient. 'It did not ask why women had expertise in household production only' (Krishnaraj, 2001: 1429). The New Household Economics has been criticized for overlooking important disparities among social, economic and power relations central to the analysis of reproductive decisions and outcomes. Also, as Dewan (1995: WS48) points out, the failure of the mainstream theory to recognise gender either as an asymmetry or as a system of power relationships has resulted in the trivialising of gender issues. The neoclassical theories were also criticised for its inadequate 'analytical tools for understanding reality' (Mattila-Wiro, 1999: 34).

The neoclassical theories have also been criticised for their explanation for segregation at the labour market and overcrowding. The critics challenge the premises of the neoclassical theory that the choices and preferences of women regarding work and occupation are deliberate and voluntary. In this regard, England et.al (1988: 546) argues that 'discrimination creates accommodation to limited options that may appear as preferences'. The critics have put forward a 'demand-side' explanation for women's unequal distribution across occupations. This refers to the discriminatory behaviour of employers towards men and women with equal amounts of human capital in terms of lower returns for their productive characteristics, which may take several forms such as reduced wages, a lower likelihood of promotion, or a disadvantage in gaining entry to particular jobs (Barbezat, 2003: 181). These factors, in turn, create detrimental effects on women's choices regarding training and other human capital investments, reinforcing and perpetuating existing gender stereotypes (Anker, 1998: 6-7; Barbezat, 2003: 179).

The propositions of the mainstream economic thought are largely inapplicable in the context of developing countries. The relationship between wages, income and substitution effects and the resultant changes in the market participation of

individuals, especially women, either are absent, or work in the ways opposite to that proposed by the theory. For instance, while neoclassical theories predict an increase in the supply of labour as wages increase, evidences from poor households indicate a withdrawal of women from the labour market as male earnings improve, indicating that women work for survival and not out of choice. Dewan (1995: WS 46) challenges the viability of 'household' as a unit of analysis, as well as the economic explanations of the mainstream theory regarding decisions on fertility, marriage, etc. in developing countries. She also points out that the neoclassical concepts of market work, market wages and 'market time' are not fully applicable either in underdeveloped subsistence economies or in relation to gender-based division and segmentation of labour. To sum up, as Krishnaraj (2001: 1427) states, 'the neoclassical paradigm has been challenged not only by feminists but many theorists as an irrational (!), unrealistic account of human behaviour and society'. In short, the neoclassical theory has been criticised for its failure to encompass the social and institutional realities in general, and the gender concerns within this in particular.

2.2.2 Marxist Theory

The significance of Marxist school of thought in the issues central to women and their labour force participation stems from the centrality of 'work' as well as the social relations of work in different economic modes of production in its analysis of social inequalities and exploitation. The Marxian paradigm accorded primacy to productive forces and production relations in the analysis of economic structures and its underlying processes (Kalpagam, 1986: WS 60).

The classical Marxian paradigm is largely gender-neutral with its emphasis on class relations in the capitalist mode of production. In the Marxist perspective gender issues form part of class conflicts (Devi, 2002: 19-20). Most Marxist analyses of women's position take as their question the relationship of women to the economic system, rather than that of women to men, apparently assuming the latter will be explained in their discussion of the former. Marxist analysis of the woman question sees women's oppression in connection (or lack of it) to production. Defining women

as part of the working class, these analyses consistently subsume women's relation to men under workers' relation to capital (Hartmann, 1979: 2).

According to Folbre and Hartmann (1988: 194), 'a feminist voice can also be heard within the nineteenth-century Marxian paradigm. In 'The Origins of the Family, Private Property and the State', published in 1884, Frederick Engels pointed to an analogy between women and workers. Among propertied families, he wrote, "he (the male breadwinner) is the bourgeois; the wife represents the proletariat" (Engels 1884: 74 and 80)' Similarly, 'Engels, in "The Origins of the Family, Private Property and the State"', recognized the inferior position of women and attributed it to the institution of private property' (Hartmann, 1979: 3). Capital and private property are the cause of women's particular oppression just as capital is the cause of the exploitation of workers in general (Hartmann, 1979: 3). Similarly, according to the Marxian interpretation, the reserve army of labour is the result of capitalist development caused by replacement of labour by machines. The disadvantaged position of women in the labour market identifies them with the reserve army of labour; being the most volatile fraction of the labour market, they are increasingly thrown out of employment as capitalist development proceeds (Devi, 2002: 19-20).

While significant insights on the position and role of women in societies are evident in the Marxist paradigm, the women's position, be it their substitution for men with technological change, or their role in the reserve army, or in the sphere of reproduction, has always been seen as the outcome of capitalism, and subsumed under the analysis of class relations. Gender relations as one aspect of social relation is not accorded an autonomous analytical position; and capitalist commodity relations assume primacy among social relations (Kalpagam, 1986: WS 60). Most Marxist analyses of women's position take as their question the relationship of women to the economic system, rather than that of women to men, apparently assuming the latter will be explained in their discussion of the former (Hartmann, 1979: 2). Similarly, the family was treated as a wholly cooperative unit, with individual labour powers acting only as instruments of the joint labour power of the family (Folbre and Hartmann, 1988: 191). Thus, it may be concluded that it was the subjugation of gender issues

within the class interests that prompted the feminist writings within the class, capitalist and patriarchal framework.

2.2.3 Feminist Theory

The economic school of thought which emerged with gender as a focal point may broadly be called as the feminist economic theory. By applying feminist lenses to economics, the feminist school criticised the assumptions such as joint utility, altruism etc of the neoclassical theory, as well the notions of patriarchy and class interest of the Marxist tradition. 'Though issues such as women's labour force participation, wage gap, value of household labour, women's role in economic development etc had been of interest to economists for quite a while, the 'gender' was not a category of analysis' (Baker and Kuiper, 2003: 1). Feminist economists brought the element of gender within these economic questions. 'Using gender as an analytical category, feminist economists theorises the persistent and ubiquitous inequalities between women and men that arise from differing social roles and unequal power relations' (Baker and Kuiper, 2003: 1).

According to this school of thought, 'within the neoclassical tradition, the assumption of a joint utility function has obscured the possibility of conflicts between individuals in the family. Within the Marxist tradition, the assumption that class interests are primary has obscured the possibility of conflicts between individuals within the same class' (Folbre and Hartmann, 1988: 185). This approach was successful not only in exposing the male bias of the existing theories, but also in bringing out the primacy of the gender relations as well. 'By adding a gender dimension to the existing models, this approach resulted in evolving a dual system theory, one dealing with the labour market and the other dealing with the position of women in it. It assumed that patriarchy and the resultant male dominance were the products of capitalism with one conditioning the other' (Devi, 2002: 19).

Feminist economic research relies on the application of mainstream economic methods to what feminist economists claim as under-researched "women's" areas. Some of the areas of research, central to the feminist economists have been the

measurement and valuation of women's unpaid work, intra-household issues (distribution of income and resources, labour allocation, decision-making, and power relations), as well as the gendered processes in the paid labour market (Macdonald, 163).

The feminist economists challenged the Marxian tradition that class conflict was the primary determinant of 'deskilling' and the exclusion of women from certain jobs. Bringing forth a gender dimension, they pointed out that in several cases, women were not merely restricted to the less skilled and lowest paid jobs, and instead, the jobs they performed were labelled 'less skilled' in order to justify lower pay levels (Folbre and Hartmann 1988: 194-195). Hartmann (1976) further states that the arrangement of sex-segregated jobs is the result of a long process of interaction between patriarchy and capitalism. Patriarchy refers to 'the ideology of gender relations prevailing in society where man is deemed to be the provider and protector of the family' (Kalpagam, 1985: 101). Job segregation by sex, according to Hartmann (1976), is 'the primary mechanism in capitalist society that maintains the superiority of men over women, because it enforces lower wages for women in the labour market' (Hartmann 1976: 139). Kalpagam (1985: 101) also states that 'patriarchy' ensures 'low wage' for women's labour power, thereby reproducing forms of dependence and subordination found within the family in the capitalist work environment. Hartmann (1976) further states that men acted to enforce job segregation in the labour market through the trade-union associations and strengthening of the domestic division of labour, which required women to do housework, child care, and related chores. She also argues that women's subordinate position in the labour market and their labour-market position are mutually reinforcing.

As opposed to the neoclassical theory, feminist economists conceptualise household as locus of economic conflict, as well as cooperation. Similarly, challenging the notions of neoclassical economics regarding the differential attainments of men and women in the labour market as stemming from the differences in human capital and differences in marginal productivity, the feminist economist looks at the 'gendered' processes that shape the differential labour market outcomes.

Their questioning of the existing methods of valuation of human well being has also brought to the fore the new concepts such as human agency, capabilities, entitlements, functionings, etc., with gender as a focal point.

Despite being interdisciplinary and heterodox, feminist economics faces the complex methodological challenges of including the whole spectrum of human lives in the informational base of economic theories (Strassmann, 2008). For instance, as Macdonald, (1995: 159-60) points out, the standards for data collection and analysis in mainstream economics create difficulties in dealing with feminist concerns. As Strober (1994) indicates, the challenge of feminist economics lies in their questioning of the whole notion of objectivity within a discipline (economics) that is still remarkably positivist, as well as the formulation of theories and policy recommendations that are dependent upon one's culture, one's position in society, and one's life experiences.

2.2.4 Bargaining Theories

The neoclassical theory's analysis of household as a single decision-making unit, with the members within the household trying to maximise a joint utility function was criticised on many grounds. The neoclassical theory's treatment of the household as a 'black box' (Whitehead, 1984: 94) has been criticised for ignoring the contestations and conflicts within the households, as well as for rationalising the gender differentiated roles both within the household and in the labour market. The application of game theoretic models to the households offered a solution for understanding the intra household dynamics.

Game theoretic models of the household may broadly classified as 'cooperative' models and 'non cooperative' models. As pointed out by Woolley (1999: 333), 'in cooperative bargaining models, players divide the gains from cooperating on the basis of what each person would get if cooperation broke down, that is, based on his or her 'threat' or 'fall-back' position'. The utility levels of each player in the absence of cooperation are referred to as the 'threat point' or 'fallback' position. (Seiz, 1995) Cooperative bargaining models often use a Nash-bargaining

framework. They suggest that the ‘threat point’ or ‘outside option’ of each individual determines bargaining power. The threat point is the amount of utility that an individual would be able to attain outside of the household (Doss, 2003: 45). While cooperative models were successful in highlighting the ‘threat points’ of ‘fall back positions’ operating within the family, these models did not fully explain the contestations and conflicts within the households.

The most realistic way to understand the intra-household dynamics is to conceive the household as arenas of both cooperation and conflict, with the relationship and interaction between the members as a process of bargaining. As Sen (1990: 129) states, the members of the household face two different types of problems simultaneously, one, cooperation (adding to total availabilities) and the other, conflict (dividing the total availabilities among the members of the household). Which outcome will emerge depends on the relative bargaining power of the household members’ (Agarwal, 1994: 4). According to the game theoretic models, household members might be seen as bargaining over the division of tasks, overall labour time and leisure and the distribution of consumption goods and service. Bargaining power is anything that allows a particular individual to influence household decisions. It is the relative amount of influence that one individual has compared to other individuals within the household’ (Doss, 2003: 44).

The determinants of bargaining within the households were held to be the factors which determine the well-being each partner could attain if their relation ended- the fall-back position. In other words, the fall-back is the maximum attainable level of well-being outside the relationship (Sen, 1990). ‘Solution in a bargaining problem depends on a variety of possible influences, including the bargaining power of the two sides’ (Sen, 1990: 133). As Agarwal (1994: 4) points out, ‘household members cooperate insofar as cooperative arrangements make each of them better-off than noncooperation. But among the set of cooperative outcomes, some are more favourable to each party than others – that is, one person’s gain is another person’s loss – hence the underlying conflict between those cooperating’. Thus the cooperative conflict models presents an improvement over the cooperative models, as the former

helps in unravelling the conflicts of interest that may arise among the members of the household.

A member's bargaining power would be defined by a range of factors, in particular the strength of the person's fall-back position (the outside options which determine how well-off she/he would be if cooperation failed), also termed as the "threat point." An improvement in the person's fall-back position (better outside options) would lead to an improvement in the deal the person gets within the household (Agarwal, 1994: 4). As Doss (2003: 47-51) points out, income, wealth, education, laws, social norms etc are some of the factors that influence the bargaining power. Bringing money or other resources into the household give a spouse bargaining power as well as influences the allocation of household resources. Thus, the bargaining theories demonstrate the possible disadvantages for women of a traditional division of labour in which men specialise in market and women in household work (England 2003: 48-50). As Sen (1990: 125) states, 'bargaining models' have the advantage of capturing the coexistence of extensive conflicts and persuasive cooperation in household arrangements.

In addition to recognition of households as a site of cooperation and conflict, the credit for Amartya Sen's (1990) refinement of the formal bargaining models lie in his concepts of 'perceived contribution response' and 'perceived interest response'. These are particularly relevant in understanding the 'subordinate' position of women in traditional societies. 'Perception biases' among women, either in terms of attaching less value to their well-being ('perceived interest response'), or perceiving a smaller contribution to the household than they are making, i.e., valuing their contribution less ('perceived contribution response') makes their bargaining position less favourable through a worse breakdown position. Sen's cooperative conflict model has been further elaborated by extending the bargaining approach beyond the household to the interlinked arenas of the market, the community and the State, by examining the extra-household socio-economic and legal institutions within which households are embedded (Agarwal, 1994; 1997).

The bargaining models, both cooperative and non-cooperative models, were largely applied in the examination of marriage, divorce, child care, division of work within the households etc. (Bergstrom, 1996; Lundberg and Pollak, 1993, 1994, 1996, 1997; Manser and Brown, 1980; McElroy and Homey, 1981; Schultz, 1990). The game-theoretic bargaining models offered a solution for unfolding the dynamics of gender relations and ‘cooperation and conflicts’ within the households. The game theoretic models, neglecting neither social structure nor human agency, accepted and acknowledged the fact that the exchanges between economic agents within a household as well as the household decision-making involve the process of bargaining. The extension of the bargaining theories towards cooperative conflicts including qualitative dimensions of agency and well being, as well as the incorporation of socio economic and legal institutions such as land and other property rights (Agarwal, 1994; 1997; Combs, 2006; Sen, 1990) ‘offers a clearly superior representation of the household (Seiz, 1991: 26), and signals improved understanding of women’s well being, or absence thereof. However, an important strength, as well as challenge of the bargaining approaches of Sen and Agarwal lies in the incorporation of qualitative variables in their bargaining model, raising questions about the methodological robustness, especially in empirical studies.

2.3 Economic Reforms and Women’s Work: A Global Picture

The labour market outcomes in an economy are highly associated with the policy orientations existing in the economy. The policies of the state have a significant bearing on the employment situation, both directly, and indirectly by influencing the decisions of the employers through these state policies. More importantly, due to the ‘secondary worker’ status of the women, and a host of factors including the gender division of labour within the households, the disparities in the skill acquisition, it is the women workers who are most influenced by the changing policy regimes.

Globally, the most important policy changes that influenced the labour market outcomes are the ‘stabilisation’ and ‘structural adjustment’ policies. Together known as the ‘adjustment’ policies (Horton, et.al, 1994: 1; Azam, 1994: 61), ‘stabilisation’ and ‘structural adjustment’ policies exerts a significant influence on the labour

market. Stabilisation refers to the reduction of the national expenditure, aimed at reducing the twin deficits of the government budget and the balance of payments, usually following an external shock. Structural adjustment refers to an attempt to increase national income or output through more efficient use of resources, by providing the incentives for the allocation of factors of production, including mainly labour, from the sectors producing non-traded goods to the sectors producing traded goods. A myriad of macro policy instruments, such as exchange rates, monetary policy, and fiscal policy, are available to achieve these goals, which may sometimes be stated in terms of inflation, balance of payments, and growth targets. The links between instruments and targets, however, almost always touch on labour markets and their operation (Horton et.al, 1994: 1-2; Azam, 1994: 61).

Structural adjustment in its broadest sense is a generic term that describes a conscious change in the fundamental nature of economic relationships within a society. In the context of the World Bank–International Monetary Fund sponsored Structural Adjustment Programme (SAP) implemented in the developing economies, this fundamental change refers to a shift towards market oriented relationships. The underlying assumption is that an economy would be most efficient, healthy and productive in the long run if market forces operate, and products and services are not subsidised, heavily regulated or produced by the government. The three important forces underlying SAP are, therefore, (foreign) trade liberalisation, deregulation of domestic markets and privatisation implying replacement of public sector by the private sector in most of the spheres of the economy. It is expected that the SAP will ‘get the right prices’, of goods and services leading to efficient allocation of resources and maximisation of economic growth. The theoretical roots of the Structural Adjustment Programmes (SAPs) are in the neoclassical economics, the new approach being defined as ‘neoliberal paradigm’ (Hirway, 1996: 577).

The way the term structural adjustment is currently used denotes the desire to make the economy more ‘flexible’ and internationally competitive. The concentration of structural adjustment policies on international competitiveness alone puts primacy on unfettered functioning of markets as the best means of achieving growth and efficiency. This constitutes the essence of economic liberalisation. The reduction in

the government expenditure that comes as part of structural adjustment, as well as the general withdrawal of the state and the greater reliance on the market mechanism affects the women the most, in terms of reduced incomes and standard of living, and greater burden of unpaid work. In addition, the labour market reforms and deregulation, aimed at doing away with the 'rigid' and 'inflexible' labour market structures, increases the insecurity of workers (Ghosh, 1999: 320-323).

The adjustment' policies have the greatest bearing on the women workers. Based on the experiences of SAPs in Latin American and African countries in the eighties, Hirway (1996) points to the multiple ways in which structural adjustment policies hurt the women. These include increased unemployment and deterioration of working conditions of women, increasing wage differentials between men and women, escalation of poverty and unpaid work among women, slowdown in the progress of women's and girls' education, deterioration of women's health and food security, increased stress and domestic violence, and an increase in the incidence of women-headed households.

With regard to the impact of structural adjustment policies on women's employment, Edwards and Roberts (1994) provides a more robust and comprehensive analysis. Edwards and Roberts (1994: 309-310) points to at least three routes by which adjustment may affect women in the labour force. First, structural adjustment may affect women's participation as a result of temporary increase in unemployment. This has ambiguous effects on women's participation. It may increase it (added worker effect), or decrease it (discouraged worker effect). Second, since structural adjustment also affects sectoral output, to the extent that men and women are differentially allocated across sectors, there may be differential employment responses. Lastly, as a result of a reduction in the protection of workers and cutback in employee benefits such as job security and an increasing reliance on part-time, temporary, or 'flexible' labour, reduced income security, etc., more women may enter the labour force (Edwards and Roberts, 1994: 309-310; Standing, 1989; 1999). However, the entry of more women, in most cases, implies a worsening of the quality of their life, as the participation in paid employment is thrust upon them, stemming from the increased employment and income insecurities. 'Much of the temporary

labour is supplied by women who are brought into the workforce because of the need to earn more to keep the family income intact' (Reddy, 2005: 5). The overall atmosphere of economic and employment insecurities in the event of economic restructuring, competition, cost cutting and the 'hollowing out of the state' (Reddy, 2005) is largely manifested in the informalisation, flexibilisation and feminisation of work.

2.4 Economic Reforms and Labour Market Outcomes in India

The policy changes including liberalisation, privatisation and globalisation deviated towards market oriented development, with a declining role of the state. While there has been some debate as to when India embarked on the new economic policies, it is generally accepted that the balance of payments crisis in 1991 turned out to be a watershed in economic reforms in the country. As Mazumdar and Sarkar (2008) points out, though the reforms of the domestic economy started in India as early as the 1980s which included deregulation and export-promotion measures, which they term as the period of 'creeping liberalization', the economic crisis of 1991 triggered an open endorsement of a 'paradigm shift' embracing a policy of integration with the world economy. However, the general consensus is to consider the years preceding the 1990s as the pre-reform period and the years succeeding the major reform in the early 1990s as the post-reform period.

Changes in the policy regimes in an economy have been associated with changing quantitative and qualitative aspects of labour market variables. Consequently, several studies have looked at the employment and labour market outcomes in India in the post - reform period. The heightened interest in the labour market outcomes in the post - reform period also stemmed from the expectations as well as apprehensions about its possible impacts on the labour market variables. On the one hand, the shifts in government policy in favour of relaxation of trade restrictions, competition and opening up of the economy to foreign capital and technology raised expectations about economic growth and enhanced employment opportunities. On the other hand, concerns were expressed about its negative impact on the largest sections of the society.

In India, in the immediate years following the adoption of economic reforms and structural adjustment programmes, several studies examined the influence of the structural adjustment programmes on the employment and wellbeing in the country, including informalisation of work and poverty (Bhattacharya and Mitra, 1993; Mahadevia, et.al, 1994; Papola, 1994; Papola and Sharma, 1996; Shariff and Gumber, 1999). These studies, covering the first half of the 1990s, were based on the data up to the 50th Round of the NSS data, and consequently, fail to completely trace the influence of the economic reforms on the employment scenario in the country. During this period, very few studies have attempted a qualitative examination of the employment scenario in the country. Papola and Sharma (1996), examining the impacts of several poverty alleviation programmes against the adoption of structural adjustment policies, states that the results have been mixed, with its impact on poverty and employment being not as bad as in Latin American countries, and not as good as in the East Asian countries. However, given the limitation of the period of study, covering only up to the first half of the 1990s, the study fails to bring out the long term impact of the economic restructuring in the country. Addressing the question of employment vs. social well-being, Mahadevia, et.al (1994) raises concerns about the ability of persons pushed to work in the informal sector in earning sufficient income to enable them to buy the basic services from the market.

While most of the studies that examined the labour and employment scenario in the early 1990s made excessive attempts in linking the employment outcomes with the structural adjustment programmes, the later studies were moderate in their attempt. Moreover, in the later literature, the term 'structural adjustment' was gradually replaced by the term 'economic reforms'. (Chadha and Sahu, 2002, Bhattacharya and Sakthivel, 2003; 2005; Dev, 2000; Jha, 2003; Pais, 2002; Papola, 2004; Sundaram, 2001a; Sundaram, 2001b; Sundaram and Tendulkar, 2004). These studies have come to the conclusion that the economic reforms have brought in a slowdown in the employment growth in India in the post-reform period compared to the pre-reform period. To bring out a clear picture of the employment scenario in India in the post - reform period, this section attempts to examine the labour market outcomes from 1993-94 up to 2009-10.

Table 2.1 shows the work participation rates in India from 1993-94 to 2009-10, and Table 2.2 provides the annual growth rate of employment in the country during the same period.

Table 2.1

WPR in India according to usual status between 1993-94 and 2009-10 (in percent)

Round/ Year	Rural			Urban			All		
	Male	Female	Person	Male	Female	Person	Male	Female	Person
<i>usual principal</i>									
50th (1993-94)	53.8	23.4	39.0	51.3	12.1	32.7	53.2	20.6	37.5
55th (1999-00)	52.2	23.1	38.0	51.3	11.7	32.4	52.0	20.3	36.5
61st (2004-05)	53.5	24.2	39.1	54.1	13.5	34.6	53.6	21.5	38.0
64th (2007-08)	53.8	21.6	38.1	55.0	11.8	34.2	54.1	19.0	37.1
66th (2009-10)	53.7	20.2	37.4	53.9	11.9	33.9	53.8	18.0	36.5
<i>usual principal and subsidiary</i>									
50th (1993-94)	55.3	32.8	44.4	52.1	15.5	34.7	54.5	28.6	42.0
55th (1999-00)	53.1	29.9	41.7	51.8	13.9	33.7	52.7	25.9	39.7
61st (2004-05)	54.6	32.7	43.9	54.9	16.6	36.5	54.7	28.7	42.0
64th (2007-08)	54.8	28.9	42.2	55.4	13.8	35.4	55.0	25.0	40.4
66th (2009-10)	54.7	26.1	40.8	54.3	13.8	35.0	54.6	22.8	39.2

Source: Report Nos. 409, 458, 515, 531 & 537 (Employment Unemployment Surveys) of the NSSO

As evident from Table 2.1, the WPRs in the country, in the immediate years following the major economic reforms, demonstrates a downward slip. The deceleration in employment growth rates (as shown in Table 2.2) and the corresponding fall in the work participation rates (as shown in Table 2.1) in India between 1993-94 and 1999-2000 led to concerns over a phenomenon of 'jobless growth' taking roots in the employment scenario in the post-reform period and on the ability of economic growth to tackle the problem of unemployment (Bhaduri, 2008a; Bhattacharya and Sakthivel, 2003; Papola, 2008; Sarkar, 2008; Sundaram 2001a; 2001b). Between 1993-94 and 1999-2000, the WPRs indicated a slump, both in the urban and rural sectors, and for both males and females. During this period, the employment elasticity turned negative (employment actually fell), despite a healthy rate of growth of output. Various estimates based on the NSS data shows that employment growth halved from 2.4 percent per annum during the 1983/93-94 period to about 1 percent per annum in the 1993-94/1999-2000 period (Himanshu, 2011; Planning Commission, 2001, Rangarajan, et.al, 2007). This is shown in Table 2.2. Bhattacharya and Sakthivel (2003) also points to the declining employment elasticities between 1993-94 and

1999-2000, according to all the four alternate measures of employment adopted by the NSS. This, in fact, challenged the views that the benefits of economic reforms would trickle down to the labour through the functioning of the labour market (Hirway and Shah, 2011).

Table 2.2

Employment Growth Rates in India (CAGR) from 1993-94 to 2009-10 (in %) UPSS

	1987-88 to 1993-94	1993-94 to 1999-2000	1999-2000 to 2004-05	2004-05 to 2007-08	2007-08 to 2009-10	2004-05 to 2009-10
Male	2.49	1.38	2.45	1.66	1.15	1.46
Female	2.16	0.26	3.7	-3.1	-2.85	-3.0
Rural	2.11	0.66	2.41	-0.21	-0.54	0.34
Urban	3.38	2.30	4.22	1.3	1.5	1.37
All	2.38	1.03	2.85	0.17	-0.01	0.1

Source: Computations based on Table 1a, Himanshu (2011)

While the disquiets on the negative fallouts of economic reforms in the employment and labour market scenario continued, the estimations of growth rate of employment in India during the 2000s depicted a 'revival'. The employment rates registered a reversal of the declining trend in employment growth rate during the early 2000s (Table 2.1). The improvements in the employment rates were the highest in the urban sector, and among females. While the WPRs in rural India revived from the slump during 1999-2000, and caught up with the employment rates during 1993-94, the WPRs in urban India rose significantly to become the highest ever WPRs in the post - reform period. An examination of the employment growth rates throws more light on the 'revival' story of employment. During the period from late 1990s to early 2000s (55th and 61st NSS rounds covering the periods 1999-2000 and 2004-05), the growth rate of employment showed an increase (Himanshu, 2011; Bhaduri, 2008a; Rangarajan, et.al, 2007). This is shown in Table 2.2. During this period, the employment rates in the country increased by 2.85% per annum, as against the 1 percent growth in the previous period. Moreover, the urban employment grew at a splendid rate of 4.2 percent per annum.

However, a close probe reveals that the increase in employment growth rates does not suggest an improvement in the labour market position. Questions have been raised about the impressive growth in employment during a period of crisis in the agrarian sector, with almost complete stagnation of output growth in the agriculture sector (with a negative rate of growth for food grains), poor competitiveness and adverse climatic conditions (Abraham, 2008; Himanshu, 2011). Several scholars have asserted that the remarkable improvement in the WPRs have largely been a distressed phenomenon, which will be dealt in detail in the subsequent section. As Bhaduri (2008a) asserts, the ‘downside to the situation is that this growth in employment has been almost entirely achieved through a massive increase in self-employment in both urban and rural areas, and even in agriculture, which is likely to have been forced upon the poor by lack of regular wage employment and various forms of casualisation of labour’ (Bhaduri, 2008a:3, World Bank, 2008).

While the growth rates of employment during 2004-05, at least in quantitative terms (despite a qualitative deterioration), depicted a reversal of the ‘jobless growth’ phase, the employment figures from the subsequent rounds of the NSS brought back the concerns of a jobless growth in India. In the period 2004-05 to 2007-08, employment growth slowed to 0.17% per year as against 2.85% per year during 1999-2005 (Table 2.2). This was, in fact, caused by a negative growth rate of employment in the rural sector, contributed by the negative growth rate in rural female employment. Himanshu (2011) further states that while employment generation decelerated considerably in urban areas, increasing by 4.4 million only between 2005 and 2008, it actually declined by 2 million in rural areas. Male WPRs continued to improve, albeit a slowdown in growth rates, from 2.45 percent during the previous period to 1.66 percent during 2007-08 (Tables 2.1 and 2.2). Himanshu (2011: 50) points out that with a growth rate of 0.17% per year and much lower than the 1 % growth rate during 1993-2000 period, this was the lowest rate of employment generation in the previous three decades. It also needs to be noted that this was a period of high growth rate of industrial output. Between 2003-04 and 2007-08, real value added in organised (or registered) manufacturing grew at the rate of nearly 12% per annum (Goldar, 2011).

The trend of a fall in the employment continued in the 66th round (2009-10) also, with the WPRs in rural India during 2009-10 plummeting to the lowest rates in the post - reform period. Similarly, the overall WPRs also recorded the lowest level since 1993-94 (Table 2.1). Between 2004-05 and 2009-10, the employment growth rates recorded a near stagnant rate of 0.1 percent (Table 2.2). However, Chandrasekhar and Ghosh (2011a) estimates the annual growth rate at around 0.8 %; and Rangarajan, et.al's (2011) estimation stands at 0.05 %; indicating a near stagnation in the employment growth. In absolute numbers, the employment in the country increased by less than a million people in the country between 2004-05 and 2009-10, a period in which the Indian economy was growing rapidly (Chowdhury, 2011). While the declining employment in the country created furore among the official sources, with the policy makers passing the buck on NSSO for its 'faulty data collection methodology' and its excessive reliance on outsourced contract investigators (Hindustan Times, 29 June 2011), falling labour force participation and pursuit of education came to be cited as responsible for the low rates of employment participation in the country.

Drawing out the distinction between the concepts of 'labour force' (persons who are seeking work) and 'not in the labour force' (persons who are not seeking work), as used in the NSS surveys, Rangarajan, et.al (2011) attributes the reasons for a significant share of the fall in employment to the fall in the labour force – especially rural females not choosing to offer themselves for work. Data on LFPR in the country for the period from 1993-94 to 2009-10 are furnished in Table 2.3. Providing a disaggregation of the 'missing labour force', Rangarajan, et.al (2011) cites education as the most important factor responsible for the falling labour force participation rates, and consequently, the reduced work participation rates. While education has been mooted as an important factor responsible for the decline in labour force participation (EPW, 2011; Planning Commission, 2011; Rangarajan, et.al, 2011), a detailed examination of the variations in the labour market variables reveals that the attendance in educational institutions fails to fully explain the observed trends in the labour market. (The relationship between female labour force participation and education will be examined in detail in the next section.)

Table 2.3

LFPR in India according to usual status between 1993-94 and 2009-10 (in percent)

Round/ Year	Rural		Urban		Rural		Urban	
	Male	Female	Male	Female	Male	Female	Male	Female
	<i>usual principal</i>				<i>usual principal and subsidiary</i>			
50th (1993-94)	54.9	23.7	53.8	13.2	56.1	33.0	54.3	16.5
55th (1999-00)	53.3	23.5	53.9	12.6	54.0	30.2	54.2	14.7
61st (2004-05)	54.6	24.9	56.6	14.8	55.5	33.3	57.0	17.8
64th (2007-08)	55.1	22.0	57.3	12.6	55.9	29.2	57.6	14.6
66th (2009-10)	54.8	20.8	55.6	12.8	55.6	26.5	55.9	14.6

Source: Report Nos. 409, 458, 515, 531 & 537 (Employment Unemployment Surveys) of the NSSO

By examining of the age-specific labour force participation rates, Chowdhury (2011: 23-24) argues that though more persons belonging to the age groups of 15-19 and 20-24 have reported attending educational institutions as their usual activity in 2009-10, compared to 2004-05, this cannot explain why the overall employment situation in the country did not improve. Table 2.4 depicts the age-specific LFPR in India during 2004-05 and 2009-10. Chowdhury (2011) states that, if more people are moving out from the labour force, in the 15-24 age group, then, given a particular rate of employment creation in the country, people from other age-groups should fill the posts. To argue that employment declined because of a decline in supply of labour, since more people attended education in the age group 15-24 years, is to argue that there is full employment in the economy or a situation of labour shortage.

Table 2.4

Age-Specific Labour Force Participation Rate in India during 2004-05 and 2009-10 (in %)

Age Groups	2004-05				2009-10			
	Rural		Urban		Rural		Urban	
	Male	Female	Male	Female	Male	Female	Male	Female
15-19	52.9	33.1	38.1	14.4	39.0	19.5	26.3	8.5
20-24	89.1	43.5	76.9	25.0	81.3	31.4	68.2	19.7
25-29	98.2	53.0	95.7	26.1	97.5	40.4	94.7	22.2
30-34	98.8	59.3	98.7	30.8	99.0	43.4	98.5	23.9
35-39	99.1	64.2	98.4	34.0	99.2	49.7	99.1	27.8
40-44	98.5	62.7	98.3	31.7	99.4	49.8	98.7	25.6
45-49	98.2	61.6	97.6	26.9	98.4	49.2	97.9	23.1
50-54	96.3	56.2	93.9	25.9	96.7	48.5	94.8	22.8
55-59	93.1	50.9	83.2	21.8	93.4	41.1	85.5	19.1
60 and above	64.5	25.4	36.6	10.0	64.7	22.6	34.2	7.0
15-24	68.9	38.2	57.0	19.7	56.7	25.4	46.3	14.2
15 and above	85.9	49.4	79.2	24.4	82.5	37.8	76.2	19.4

Source: Chowdhury (2011)

The labour and employment outcomes in the country shows that the economic growth in the post - reform period has failed to trickle down to the labour market (Bhaduri, 2008b; Chandrasekhar and Ghosh, 2007; Hirway and Shah, 2011; Kantor, Rani and Unni, 2006; Nathan, 2007; Unni and Raveendran, 2007). Contrasting the employment and economic growth in the post - reform period with that of the pre-reform period, Bhaduri (2008b) states that while the economic growth at the rate of 4 percent was associated with 2 percent growth in regular employment during the pre-reform period, the economic growth at the rate of 7-8 percent in the post - reform period could only generate an employment growth around 1 to 2 percent. An examination of the employment generation in the organised manufacturing sector by Kannan and Raveendran (2009) shows that the 'jobless growth' in India has been due to the combined effect of employment-creating growth on one hand, and employment-displacing growth on the other hand, both cancelling out each other. The adoption of the latter strategy by the industries has largely been to stay on course with the changing nature of the product market and domestic competition. The primary cause of the growing divergence between output and employment growth in the case of Indian industry and some services lies in the trade liberalisation and external competition. With the pressure of external competition (in both exporting and import-competing sectors), producers in developing countries are required to adopt technologies and processes associated with an increase in labour productivity (as a major cost cutting measure). As each country tries in isolation to gain a larger share of the world market, there takes place 'a race to the bottom'. In the process, the countries are forced to reduce unit production costs by cutting wages, lengthening the hours of work at the same wage, restricting workers' rights, etc., resulting in the reduced responsiveness of employment growth to the growth in output (Bhaduri, 2008a; Chandrasekhar and Ghosh, 2007:43-44).

Terming the current growth of Indian economy as 'predatory', Bhaduri (2008b) states that the much-hyped story of India's economic growth hides the truth about heightened inequality, biases against the poor and the hostility of the state towards welfare. For instance, the 'revival' of the employment growth rates during the period between 1999-2000 and 2004-05 has largely been the result of an increase in self employment and a fall in wage employment (Bhaduri, 2008a; Chandrasekhar and

Ghosh, 2007). The distinct fall in wage employment suggests the adoption of self-employment as a compulsion to engage oneself in any kind of job for a livelihood (Bhaduri, 2008a). Citing the case of Gujarat, one of the rapidly globalising states in India that has reaped the most from neo-liberal policies, Hirway and Shah (2011) points out that the delineation of labour from the rapid economic growth has resulted in the state slipping in poverty reduction, human development and in hunger removal. Another important aspect, which has received less attention than it deserves, is the regional disparities in the labour market outcomes across the states and union territories in the country. According to the World Bank (2010), the male employment rates vary from 65 percent to 83 percent, and female participation rates from 10 percent to 53 percent. Ahasan and Pages' (2008) examination of the regional differences in employment and participation rates (i.e., WPR and LFPR) across 78 NSS regions, between 1983 and 1999-2000, demonstrate the significant differences in employment indicators across these regions. The study also points to a geographical clustering – with 34 out of 78 NSS regions have significantly different employment and unemployment outcomes than all India averages, with these differences persisting over time (Ahasan and Pages, 2008; World Bank, 2010). The differences in growth rates of employment between rural and urban sectors, as well as between different states have also been documented. Ramaswamy's (2007) comparison of urban and rural employment growth rates between pre-liberalization years and post-liberalization years (1983 to 2000-05) in the 14 major states in India demonstrate greater urban bias in relative growth rates of employment in the post-liberalization years. Urban employment has also grown faster in the states with higher initial level of urbanization. Ramaswamy (2007) points out Kerala as an only exception, with low growth rates in both urban and rural areas.

To sum up, the economic reforms in India, which was expected to enhance the quantity and quality of employment, thereby, enhancing human welfare has yielded results in the reverse. It has let loose a process of intensification of casualisation and informalisation, which is causing dislocation of communities by minimising employment opportunities in general, reducing employment in the organised sector, and increasing the mass of working poor (Reddy, 2005: 6). Various studies undertaken in the post - reform period indicated not only a decline in the number of

jobs available, but also to the strengthening of the processes such as casualisation and informalisation taking place in the economy (Pais, 2002; Kundu and Sarangi, 2007). The most important aspect related to the informal sector employment is whether these activities generate enough income for livelihood under the market oriented development.

2.5 Economic Reforms and the Female Labour Market Outcomes in India

The notion of work and employment, especially for women, is complex. The reasons why women work (or do not work) in gainful activity, and whether they work part time or full time, can be diverse and may be rooted in a complex interplay of economic, cultural, social, and personal factors (Srivastava and Srivastava, 2010: 49). In addition, the inherent inefficiencies in the female labour market in the developing countries act against them. The female labour market in the developing countries are marked by the predominance of larger gender gaps in employment and earnings against females, continued prevalence of agriculture and other rural labour activities including unpaid works in family farms and enterprises, huge size of labour force and unemployment, low investments in human capital and low earnings etc. (Behrman, 1999).

Several studies conducted in India in the post-reform period show that while economic efficiency, profit maximisation and cost minimisation goals of the new relations of production gained momentum, the negative upshots of these developments in terms of the labour market outcomes turned out to be heavily biased against women. This is evident in the incidence of casualisation and informalisation involving women workers in greater number, as well as the gender segregation of occupations and feminisation (Hensman, 2001; Mukherjee, 2004; Nirmala and Bhatt, 1999; Dasgupta and Goldar, 2006; Ghosh, 1999; 2004; Kantor et.al, 2006; Rothboeck and Acharya, 1999; Rustagi, 2004; Srivastava and Srivastava 2010; Unni and Rani, 1999; Unni, 2001). An important aspect related to the increase of women employees in these low paid, informal and casual works is that in many cases, the increase in these kinds of jobs takes place as a result of a loss of the existing jobs.

An important factor associated with the international competition and economic restructuring is the flexibility of work. In a situation of flexibility of work, including externalisation and subcontracting, as well as the increased income insecurities facing the families, more women are entering the low paid, informal and casual employment. Termed as feminisation, in developing countries that have liberalised their economies, the process is increasingly evident in the Export Processing Zones (EPZs) (Varma and Neetha, 2004; Jhabvala and Sinha, 2002; Neetha, 2002; Vanamala, 2001). The nature and condition of women workers reveal that absorption of women into export production is not a cause of improvement in the conditions of women's activity. Moreover, feminisation of labour was found to be more dependent up on relatively inferior remuneration and working conditions, since, under situations where relative difference between male and female workers in terms of wage and docility were absent, women workers did not comprise the choice of employers (Varma and Neetha, 2004). Mitra's (2006) appraisal of the female urban labour market in India, against the backdrop of liberalisation policies, shows that the increased rate of growth of output in this period has not been translated into increased employment opportunities for urban women workers. The study also points towards a 'regressive form of feminisation', where, apart from the minuscule portion of the software services, (i.e., the ITes and BPO operations), women are largely being absorbed at the lower end of the value chain which involves low paid, inferior working conditions, reflecting the need of the employers for a more flexible labour force.

While economic growth and increased output in the economy are the essential prerequisites for creation of jobs and enhanced labour market activities, the same relationship does not always hold with regard to female employment, especially in the developing countries with several structural inadequacies. An improvement in the economic growth and output may, in fact, reduce the employment opportunities for women. Similarly, a worsening of the economic scenario may force more women to enter paid employment. As Srivastava and Srivastava (2010: 49) points out, a slowdown in the growth rate of employment, coupled with reduced job securities and increased income insecurities forces more women to enter paid employment. However, these jobs need not be adequately remunerative, or provide conducive work

atmosphere. In this context, this study tries to examine the labour market outcomes of women in the country in the post - reform period, as against the fluctuations in the output and overall employment scenario in the country.

Table 2.1 in the earlier part of this chapter, shows that in the post - reform period, except for the 61st round, the female employment rates have been on a downward trend. Between 1993-94 and 2009-10, the female employment rates declined from 32.8 % to 26.1% in rural India and from 15.5 % to 13.8 % in urban India. Between 1993-94 and 1999-2000, the first period for which comparable estimates of employment are available in the post - reform period, the female employment grew at an annual rate of a nominal rate of 0.26 %. The corresponding growth of male employment during this period stood at 1.38 % (Himanshu, 2011). By 2004-05, the female employment rose to an all-time high of 24.2 % in rural India, and 16.6 % in urban India. In terms of growth rate, the female employment increased by 14 times from 0.26% per annum during 1993-2000 to 3.7% per annum during 1999-2005, much higher than the growth rate of male employment, which grew from 1.4% to 2.45% per annum (Himanshu, 2011).

However, the employment rates from the subsequent rounds of the NSS reveal that the buoyancy of the labour market was only a transient phenomenon. According to the 2007-08 EUS, the greatest reduction in female employment rates took place in rural India. In both the rural and urban sectors of the economy, the female WPRs registered the lowest rates since 1993-94, with the WPRs of 28.9 % and 13.8 %, respectively. The results from the 66th round (2009-10) confirmed the trends observed during 2007-08, with the urban female employment holding on to the same rates observed during 2007-08, and the rural female employment declining further to 26.1%. Kannan and Raveendran's (2012) estimation reveal an absolute reduction of 20.05 million women in workforce during 2009-10 as compared to 2004-05.

At this point, it becomes imperative to understand the factors underlying the observed female labour market trends in the nation. In the first instance, based on the existing literature, the present study tries to examine the factors that contributed to the heightened work participation rates of females in the country during 2004-05.

Outwardly, while this growth rate of employment looked encouraging and gave positive signals towards economic growth leading to better employment opportunities, a closer examination reveals that increase in employment, especially of female employment, was largely distress-driven (Abraham, 2008; Chandrasekhar and Ghosh, 2007; Himanshu, 2011). On the basis of his examination of the age of the work and labour force participants, composition of the workforce, size of the land holdings, wage rates, monthly per capita consumption expenditure etc, Abraham (2008) establishes that the increase in rural employment, especially of women, is the result of the stagnation in agrarian sector. Chandrasekhar and Ghosh (2007: 34-35) base their argument of distress on the fact that the increase in employment was largely led by the increase in self employment, and moreover, with nearly half of the self employed females reporting their work as not remunerative. It may also be noted that compared to men, less women workers in the urban sector considered their work as remunerative. This data on the perceptions of self-employed workers regarding their remuneration for 2004-05 are furnished in Table 2.5. Thus, Chandrasekhar and Ghosh (2007) consider the increase in aggregate employment growth as more an outcome of the search for survival strategies than a demand-led expansion of productive income opportunities.

Table 2.5

Perceptions of self-employed workers regarding remuneration, 2004-05

Percentage of self employed workers finding their activity remunerative					
Rural			Urban		
Male	Female	Person	Male	Female	Person
51.1	51.4	51.2	60.9	50.9	58.6

Source: Chandrasekhar and Ghosh, 2007

With the euphoria over the increase in employment during 2004-05 dying out, and the subsequent rounds of the EUS bringing out a bleak picture of the employment scenario in the country, the official sources attributed the reduced work participation rates to the falling labour force participation rates in the country. The fall in the labour force participation rates, especially of females, was attributed to their increased attendance in educational institutions, as well as withdrawal into domestic duties, the latter being mooted as the outcome of increased income of the households (EPW,

2011; Planning Commission, 2011; Rangarajan, et.al, 2011). In addition, as the greatest decline in employment took place among the women workers, and this decline being held responsible for pulling down the overall employment figures, attention was also drawn towards the underreporting and underestimation of women's work (EPW, 2011). However, the argument of underestimation of women's work did not gain great acceptance, as the same method of data collection was carried out in the previous surveys too. Instead the thesis of the withdrawal of women from the labour force, especially in pursuit of education, gained greater currency.

However, a close examination reveals that the above two explanations of the labour market scenario in the country is, at the best, partial. By examining the magnitude of the decline in LFPR and the enrolment for education, Kannan and Raveendran (2012) establishes that while the additional enrolment for education has accounted for the drop out of males from the labour force, the same explanation fails to fully justify the declining female LFPR. Their study shows that of the 38.83 million women who dropped out of the labour force between 2004-05 and 2009-10, only 27% is accounted for by the additional enrolment for education. At the same time, of the 12.81 million men who went out of labour force, 12.75 million were in the educational institutions. Similarly, Chowdhury (2011) also contests the idea of increased participation in education leading to women's reduced labour force participation. Based on the age-specific LFPR, Chowdhury (2011) shows that while the male LFPR declined mainly for the age groups 15-19 and 20-24 because of an emphasis on education, female LFPR decreased for all ages above the age of 15. Moreover, Chandrasekhar and Ghosh's (2011b) estimation of the age specific work participation rates (WPRs) also reveal that there was an absolute fall in the female employment in the 25-59 age group, whereas the male employment showed significant rise in the same age group. Thus, education fails to fully account for the fall in employment and labour force participation in the country during 2004-05 to 2009-10.

Kannan and Raveendran (2012) also contests the proposition that the withdrawal of women into domestic duties as an offshoot of income, by depicting that the bottom five monthly per capita consumption expenditure (MPCE) deciles

accounted for the largest withdrawal of women from the labour force. Based on the examination of the wage rates in the economy during the period between 2004-05 and 2007-08, Chowdhury (2011) also rules down the possibility of a rise in the real wage of the workers, and refutes the argument of increase in incomes leading to large withdrawals of women from the labour force. Ahasan and Pages' (2008), in their study of the role of female employment in perpetuating regional variations in employment and labour market outcomes, also assert that 'income effect' has only little impact on female participation rates. They, instead, point to the lack of employment opportunities in explaining low levels of female participation.

The above discussion reveals that the education and income factors fail to adequately explain the trends in the female labour market in the country. Moreover, the trends in employment and labour force participation vary significantly across different regions and states within the country. The present study, in the subsequent chapters, attempts to examine the labour market outcomes in Kerala in greater detail.

CHAPTER – III

TRENDS IN FEMALE LABOUR MARKET IN KERALA

3.1 Introduction

Being a large country with political, social and cultural diversities, it is commonplace and unexceptional to note that economic outcomes in India differ across states and regions substantially. While several studies have examined the interstate and regional variations in India in terms of economic growth, and its convergence and divergence (Sachs, et.al 2002; Ahsan and Pages, 2008), very few studies have looked at the variations in the labour market outcomes. The studies that have examined the interstate variations in employment outcomes demonstrate significant variations across the states and Union Territories in the country, more so for females (Ahsan and Pages, 2008; Raikhy and Mehra, 2003; World Bank, 2010). The World Bank (2010) draws attention to the variation in employment across males and females as well as the regional differences in India by observing that while the male employment rates vary from 65 percent to 83 percent, the female participation rates from 10 percent to 53 percent. These studies also point to the significance of understanding the differences in female employment and participation rates for a better understanding of the regional variations in employment outcomes.

The present chapter concentrates on the female labour and employment trends in Kerala, the southernmost state in India. This chapter is an attempt to provide the broad picture of labour and employment scenario in the state for women, set against their achievements in human capital and basic capabilities, as well as against the overall employment scenario in the state. With this end, the study examines the labour market outcomes among females in the state, as well as the variation across different categories of education. An explanation that has been generally proposed for the higher unemployment rates among the educated women is an oversupply of women with liberal science and arts education, and an undersupply of women with technical skills and ‘employable’ skills. The present chapter attempts to critically examine this proposition by looking at the employment prospects among women with technical educations, as well as by comparing it with equally educated males in the state. The assessment of the labour market variables in the state also point to the significant differences in these variables across different regions in the state. The chapter, therefore, also examine these variables at the district level, in an attempt to provide explanations for the observed phenomenon.

The present chapter is organised as follows. The following section provides a brief historical and geographical account of the state. Section 3.3 provides a short account of the economic profile of Kerala, as well as the historical, social and economic factors that led to the origin of the ‘Kerala Model of Development’ in the development discourse in Kerala. Section 3.4 examines the labour market outcomes for women in the state of Kerala, which addresses the employment, unemployment and labour force participation rates of women in the post-reform period, covering the period from 1993-94 to 2009-10. As the state enjoys a unique position in terms of the educational, health and demographic achievements among women on the one hand, and the failure in translating these achievements into economic gains, which is reflected in the high unemployment rates among the educated women, Section 3.5 examines the labour market outcomes among women with different levels of general education. Section 3.6 carries out an inquiry into the proportion of males and females with different levels of general and technical education in the total population in the state. An assessment of the employment trends among women with different levels of technical education is carried out in Section 3.7. Section 3.8 observes the regional

variations in the employment outcomes in the state, by looking at the trends in employment across the two NSS regions in the state, as well as at a more disaggregated level - the districts. Section 3.9 concludes the chapter.

3.2 The Profile of Kerala

The state of Kerala lies in the south-west part of the Indian Peninsula between 8 Degree 18' and 12 Degree 48' North latitudes and 74 Degree 52' and 77 Degree 22' east longitude. Kerala's land area is 38,863 sq. km, stretching 580 km in length and 30-130 km in breadth. While in terms of area, Kerala forms only 1.1 per cent of India, its population (in 2001) of 31.8 million accounts for 3.01 per cent of India's population. Population density in Kerala is 819 persons per sq. km, one of the highest in the country (HRD 2006: 8). The state comprises of 14 districts, namely, Thiruvananthapuram, Kollam, Pathanamthitta, Alappuzha, Kottayam, Idukki, Ernakulam, Thrissur, Palakkad, Malappuram, Kozhikode, Wayanad, Kannur and Kasargod. On the basis of geographical, historical and cultural similarities, the districts are generally grouped into Malabar Region (North Kerala), consisting of Malappuram, Kozhikode, Wayanad, Kannur and Kasargod; Kochi Region (Central Kerala), consisting of Idukki, Ernakulam, Thrissur and Palakkad; and Travancore (South Kerala) consisting of Thiruvananthapuram, Kollam, Pathanamthitta, Alappuzha and Kottayam. Such a regional division is rooted in history; being part of historical kingdoms of Kochi, Travancore and British district of Malabar prior to the Independence and state reorganisation.

The state of Kerala, in its present form, was formed in 1956 as part of the linguistic reorganisation of the Indian States by merging the three Malayalam-speaking regions – the princely states of Travancore and Cochin and the Malabar district of the Madras Presidency. Kerala had prevailed as three separate political entities since the beginning of colonial rule: Malabar, under direct British rule following the defeat of Tipu Sultan in 1792; Travancore (Thiruvithamkoor) and Cochin (Kochi) were allowed to continue as tributary princely states under their local kings, following treaties with the British. When the independent India amalgamated small states together, Travancore and Cochin were integrated to form Travancore-

Cochin on 1 July 1949. On 1 January 1950, Travancore-Cochin was recognised as a state. However, Malabar remained under the Madras state. The next step came with the reorganisation of States on a linguistic basis in the light of the report of the States Reorganization Commission. It was decided to add Malabar district and the Kasargod taluk of south Canara district to Travancore-Kochi and to separate the Tamil-speaking southern region of old Travancore from Travancore-Kochi for inclusion in Madras State. Thus, the new State of Kerala was created on 1 November, 1956, by the States Reorganisation Act, merging the Malabar district, Travancore-Cochin (excluding four southern taluks, which were merged with Tamil Nadu), and the Kasargod taluk.

3.3 The Economy of Kerala

An observation of the economic performance of the Kerala economy shows drastic swerves in the economic indicators of growth. The long-term growth analysis of the Kerala economy undertaken in the Kerala Human Development Report 2006, divided the economic performance of the state into two distinct phases (HRD 2006: 44). Based on the long-term economic performance of the state, the Report chose the period of 1987-88 as the year that divided the growth history of the state into two distinct phases. The first phase, i.e., prior to 1987 was characterised by near stagnation of major economic indicators and the next, the post-1987 phase, by significant growth (HRD 2006: 44, Kannan, 2005: 548). Jeromy (2003) however, places the period of initiation of the revival of Kerala economy in the early 1990s. What is more interesting here is that the economic stagnation did not mar the social and human development of the state, which had been improving even during the first period (HRD 2006: 44).

The sustained improvement in the indices of human development against a weak economic base brought the state of Kerala to the forefront of the debates on development. Kerala presented a very unique situation that defied the existing theories of economic growth. Kerala experienced an hitherto new trajectory of development where the human and social development was neither accompanied nor triggered by economic development. The achievement of Kerala in terms of the social indicators of well being such as education, health, demographic changes, etc., were significantly

higher than all the states in India that had higher SDPs and per capita incomes than Kerala, and was on par with the developed countries of the West. This 'paradoxical' pattern of development received the attention of the world following the CDS-UN (1975) study that highlighted the impressive social and human capital achievements of 'a relatively poor state in India'. Kerala's development experience came to be considered as an 'exemplary case that could be invoked to demonstrate the general possibility of achieving high levels of social development even with very little economic advancement. Kerala's experience was thus held up as a "model" for the developing world, and the so-called "Kerala model" eventually became part of the global development discourse' (Chakraborty, 2005: 541). Some scholars even went to the extent of hailing the 'Kerala model' as a model and early prototype of 'sustainable development' from an environmental perspective (Parayil, 1996).

While several scholars praised the experience of Kerala and recommended it as a model to be implemented elsewhere, many others were sceptical about the feasibility of the Kerala experience as a model, as well as its sustainability. The question of sustainability arose mostly from the weak economic performance of the state. 'The development crisis of the state, manifested in the long drawn out stagnation of agricultural and industrial sectors of the economy, had set in well back in the mid-1970s' (Harilal and Joseph, 2003: 2286). The economic performance of Kerala, which was low even during the period between 1970-71 and 1980-81, worsened during the period between 1980-81 and 1987-88 (Subrahmanian, 1990). Furthermore, Jeromy (2003: 1585) indicates that the state's income was highly volatile during the 1980s; including negative growth during three years - 1981-82, 1983-84 and 1986-87. As Subrahmanian points out, the annual compound growth rate of SDP at constant (1970-71) prices between 1970-71 and 1980-81 was 2.27 in Kerala as compared to 3.5 per cent in NDP. The growth rate recorded in Kerala between 1980-81 and 1987-88 was still more disappointing; annual compound growth rate in SDP at constant (1980-81) prices was 1.16 per cent as compared to 4.71 per cent at the national level' (1990: 2053). Consequently, the Kerala experience also began to be referred to as 'paradox of development', the 'paradox of social development and economic backwardness', 'lopsided development' and so on (Panikkar and Soman, 1984; Chakraborty, 2005; HDR, 2006; Kannan, 2005). Many scholars held that the

so-called Kerala model is not sustainable due to the weak economic base (George, 1998, Tharamangalam 1998). Thus, it needs to be emphasized here that it was the general background of underdevelopment of the state that made the attainment of high physical quality of life and, therefore, the Kerala experience so unique to exercise the minds of many development thinkers (Harilal and Joseph, 2003: 2286).

While the debate on the 'alternate', 'paradoxical' experience of development and its ability to sustain itself in the future was on, Kerala started embarking itself on the path of economic growth. By late 1980s, Kerala's economic performance started picking up, and by 1990s, acquired the momentum required to pull the state out of the slow growth syndrome (Jeromy, 2003; Chakraborty, 2005; HDR, 2006; Kannan, 2005; Ahluwalia 2002; Pushpangadan 2003). As Jeromy (2003: 1585) states, the annual average growth of income of the state rose to 6.3 per cent during 1992-93 to 2000-01, which was identical to the growth of national income. During the stagnation phase, Kerala's average annual growth rate of NSDP was too low to cover even the population growth rate, while at the all-India level, it was 1.53 per cent above the population growth rate.

During the 'revival phase', the per capita SDP of Kerala improved significantly, and was even better than the national average. This was partly due to growth of the state income, and partly due to the fall in population growth rate, effected through human development and demographic transition (Chakraborty, 2005: 543, HDR, 2006: 44). Some scholars even point to the changing economic scenario in the state as indicative of the onset of a virtuous cycle (human development and economic growth) as opposed to the vicious cycle (human development with no economic growth) experienced during the 'stagnation phase' of 1970s and 1980s (Chakraborty, 2005; Kannan, 2005; Pushpangadan, 2003). The economic reforms of the mid 1980s and early 1990s provided great impetus to the growth process of the state, indirectly through the remittance-driven service sector expansion (Kannan, 2005; Chakraborty, 2005).

A sectoral understanding of the growth process of the Kerala economy reveals that it is largely driven by the service (tertiary) sector. And what lies behind the

service sector growth is the remittance-driven growth in consumer demand. Even during the 1970s and 1980s, the tertiary sector had the highest growth rate. Within the tertiary sector, the growth was largely propelled by the non-tradable services in general, and transport, trade, hotels and restaurants, telecommunication and other services in particular, which largely catered to the needs of the migrant households (Pushpangadan 2003). As stated in the Economic Review (GoK, 2010), the share of tertiary sector has been on the increase, and the economic growth is directly linked to the development of tertiary sector. During 2009-10 the contribution from primary, secondary and tertiary sectors to the GSDP at constant prices (2004-05) constituted 12.01%, 21.71% and 66.28% respectively. It was also observed in the Economic Review (GoK, 2010) that while the contribution to the state income from primary sector decreased and of secondary sector remained almost stagnant, the contribution of the tertiary sector increased. In the year 1960, the contributions from primary sector, secondary sector, and tertiary sector respectively were 56%, 15% and 29%. Between 1960-61 and 2009-10, the contribution from tertiary sector increased from 29% to 61% and primary sector contribution decreased to 14% from 56% (GoK, 2010).

However, the glossy picture of economic growth should not obscure some of the inherent snags central to the economy. While several studies have been concerned with the exclusion of social sections like dalits, tribals, fisherfolks (Kurien, 1995; Omvedt, 1998) and women (Saradamoni, 1994) from the model (Rammohan, 2000: 1234), the concern here is to understand the exclusion of women from the economic gains of development, in terms of their lower WPRs and the corresponding higher levels of unemployment. In other words, it is against this social and economic backdrop of the state that the study attempts to understand the economic gains of the women in the state, largely in terms of their work and access to the labour market. The most fundamental among these relate to the high levels of unemployment experienced in the state. In fact, unemployment has largely been recognised as the most serious form of capability failure in Kerala (HDR, 2006: 16). At the same time, it also has to be noted that the unemployment had been the highest among the women in the state, despite their achievements in terms of social indicators of well-being. The

subsequent sections of the chapter attempt to examine the female labour market outcomes in the state in greater detail.

3.4 Female Labour Market Outcomes in Kerala

The labour market outcomes for women, especially in the developing countries with several structural and labour market rigidities, present a complex picture. The female labour market scenario in Kerala is further complicated, due to persistence of several paradoxes inherent to the system.

The state of Kerala is well known for the achievements in the social indicators of well being. Kerala stands as a 'model' for many developing countries in terms of its achievements in the field of education and health and the associated indicators such as higher literacy, lower infant mortality and higher life expectancy. These achievements are not confined to the male population alone, as reflected in the top rank of the state in terms of both Human Development Index (HDI) and Gender Development Index (GDI). At the same time, the state of Kerala presents a very paradoxical situation that defies many of the existing theories expounding the relationship between economic growth, human capital and employment. While the so-called Kerala model boasts of the achievements in social indicators, certain sections of society including women had a dismal performance as far as many economic indicators are concerned (Devi, 2002, Kurien, 1995; Kodoth and Eapen, 2005; Saradamoni, 1994; Tharakan, 2006).

While women in Kerala enjoy an advantageous position in terms of education, kinship, marriage, health and demographic changes compared to their counterparts in the rest of the country, indicators on women's economic role in the state show a less favourable picture. Despite ranking high on such parameters deemed to facilitate women's economic participation for several decades, and for at least two generations of women, the overall work participation (WPR) rate of women in Kerala (combining rural and urban) is one of the lowest in the country. Rates of female employment have been low in general and much lower than male employment in particular throughout the decades of 1960s-1980s. 'Women in Kerala have scored poorly in terms of

recorded participation in paid employment, both in relation to women at the all-India level and in relation to men in the state. Female WPRs (in terms of usual principal and subsidiary status) in Kerala had been among the lowest in India' (Kodoth and Eapen, 2005: 3280). This has been the case despite a strong interest in labour force activity among women (Panda, 2003). On the other hand, one feature in the labour market in Kerala that has been remarked upon has been the contemporaneous existence of the high rates of employment vis-à-vis the rest of India, together with high rate of unemployment among the urban sections of the population. This is particularly true among the educated females in the state. The coexistence of high levels of employment and unemployment, particular to Kerala, indicates the high labour force participation among the women in the state.

While the interest in labour market activities had been observed to be high among the women in Kerala, recent data provide indications towards a reduced inclination to take part in labour market activities. The recent surveys of the NSS (2007-8 and 2009-10) show declining labour force participation among the women in Kerala, more so among the educated. The reasons for the declining interest in labour market activities in a society that had hitherto demonstrated a strong interest in labour force activity among women also need to be examined in detail. In this regard, this study, as a first step, tries to examine the prevailing labour market scenario for women in the state.

3.4.1 Female Workforce Participation Rate

The employment and unemployment rates of women in Kerala have attained particular significance for the reasons stated above. The low levels of employment rates, along with high rates of unemployment in the state have attracted lot of attention of several scholars.¹ Table 3.1 provides a comparison of the WPRs among the males and females in Kerala and India.

An important aspect of the female labour market in Kerala as opposed to the rest of the country, as seen from the table, is the relatively lower level of female WPR

¹ Refer to Chapter 1.

in rural sector, and a relatively high level of WPR in urban sector in the state than the national averages. Table 3.1 also shows that though the female WPR remained at a very low level in the rural sector in Kerala, as compared to the all-India levels, the variations in the trends are observed to be moving in the same direction. For instance, both for the state and the country as a whole, between the 50th and 55th rounds, the female rural employment in the usual principal status (ps) increased marginally, with the employment in the usual principal and subsidiary status (ps+ss) decreasing marginally. The highest rural employment rate in the post-reform period for females was observed during 2004-05, both in the state and the rest of the country. Thereafter, the rural employment rates have shown a significant fall.

Table 3.1

WPR of persons aged 15+ according to usual status between 1993-94 & 2009-10 (in%)

Round/Year	Kerala				India			
	Rural		Urban		Rural		Urban	
	Male	Female	Male	Female	Male	Female	Male	Female
50th (1993-94)								
ps	75.0	20.7	73.6	20.1	84.6	34.6	75.8	17.5
ps+ss	78.1	32.1	75.9	26.7	86.4	48.6	76.8	22.3
55th (1999-00)								
ps	73.1	20.9	71.8	20.2	82.9	35.0	74.5	16.6
ps+ss	76.8	32.0	75.0	26.7	84.1	45.2	75.2	19.7
61st (2004-05)								
ps	72.1	23.2	69.8	19.1	83.0	35.9	75.2	18.5
ps+ss	76.8	33.4	74.3	25.6	84.6	48.5	76.3	22.7
64th (2007-08)								
ps	72.5	22.5	72.4	17.8	82.2	31.5	75.6	15.8
ps+ss	76.1	29.0	74.3	22.2	83.5	42.2	76.1	18.5
66th (2009-2010)								
ps	74.7	22.8	70.6	22.1	80.1	29.0	73.6	15.9
ps+ss	76.6	28.1	72.4	25.1	81.2	37.2	74.0	18.3

The employment rates of urban women in Kerala have always remained higher than the national averages. Moreover, the urban female employment rates in the state and the rest of the country have more or less been in the opposite directions, at least up to the 2004-05 period. As opposed to the trends in rural employment, as well as the trends in urban employment in the country, the female employment in urban Kerala showed marginal improvements. However, during the period 2004-05 which was

hailed as marking a reversal of the phase of ‘jobless growth’, where overall employment outcomes in the country improved, the urban male and female employment in the state decreased. The only category that registered an improvement in employment rates in 2004-05 was rural female employment. The only period where the urban employment rates in Kerala and India moved in the same direction was during the period between 2004-05 and 2007-08, where the employment rates declined.

At this point, it is also relevant to bring out the trends in the WPR in the usual principal (ps) and usual principal and subsidiary status (ps+ss). During 2009-10, the urban female employment recorded the highest rates in the post-reform period. More importantly, the employment rates in the usual principal and subsidiary status during 2009-10 was lower than 2004-05 as well as the years preceding. Thus, it may be observed that the gap between the usual principal and usual principal and subsidiary statuses was the widest during the period up to 2004-05, and thereafter started declining. The lowest gap between the two measures, at 3 percent points, was observed during 2009-10. In rural Kerala also, the differences in the employment rates between the two usual status measures fell in 2009-10. This shows that in 2009-10, not only was the employment rates higher, but most of the increase was towards the usual principal status.

3.4.2 Labour Force Participation Rate (LFPR) and Proportion Unemployed (PU)

Two arguments - income effect and the discouraged worker effect - are generally advanced as explanations for the reduced labour market participation of women. The first argument points out that large number of women withdraw from the labour market when the incomes in the families are sufficient for the household survival. The second argument - the discouraged worker effect – points to the decision of the potential workers to refrain from job search as a result of poor chances on the labour market.² In this regard, this section attempts to examine the variations in the supply of labour, in terms of the labour force participation rates in the economy. This section also attempts to examine the level of unemployment in the state during these periods.

² Detailed examination of ‘discouraged worker effect’ will be carried out in Chapter IV.

The study employs the concept of Proportion Unemployed (PU), as opposed to the Unemployment Rate (UR).³ The following table (Table 3.2) depicts the Proportion of Unemployed (PU) persons in Kerala during the period from 1993-94 to 2009-10.

Table 3.2

Proportion of Unemployed (PU) persons aged 15+ according to usual status between 1993-94 & 2009-10 (in%)

Round/Year	Kerala				India			
	Rural		Urban		Rural		Urban	
	Male	Female	Male	Female	Male	Female	Male	Female
50th (1993-94)								
ps	5.7	3.9	6.1	6.4	1.7	0.5	3.6	1.6
ps+ss	4.5	3.5	5.4	6.1	1.2	0.4	3.3	1.5
55th (1999-00)								
ps	5.9	5.1	5.3	7.2	1.7	0.5	3.7	1.3
ps+ss	4.6	4.6	4.4	6.6	1.4	0.5	3.5	1.2
61st (2004-05)								
ps	6.4	10.4	7.0	14.3	1.8	1.2	3.4	1.9
ps+ss	4.1	8.4	4.9	13.0	1.3	0.9	2.9	1.7
64th (2007-08)								
ps	4.4	4.9	4.5	6.5	1.9	0.6	3.1	1.2
ps+ss	3.5	4.4	3.9	5.8	1.5	0.4	2.9	1.1
66th (2009-2010)								
ps	2.9	6.0	2.5	5.5	1.5	0.8	2.2	1.2
ps+ss	1.6	5.5	2.2	5.1	1.3	0.6	2.2	1.1

Source: Computations based on the unit level data of the NSSO

First, the proportion of unemployed persons in Kerala has always been significantly higher than the national averages, especially among the females. For instance, while the PU among females was 1.2 percent (ps measure) in rural India in 2004-05, the same was as high as 10.4 percent in rural Kerala. The scenario in urban sector also was equally disquieting, with 14.3 percent of females in Kerala remaining unemployed, as opposed to 1.9 percent in urban India. At this point, it is also important to note a significant difference between the state and the rest of the country with regard to the proportion of unemployed women in the population (PU).

³ As explained in Chapter I, Proportion Unemployed (PU) is defined as the share of persons/person-days unemployed in the total population. Unemployment Rate is defined as the share of persons/person-days unemployed in the labour force (which includes both the employed and unemployed). The Proportion Unemployed (PU) may also be understood as the difference between LFPR and WPR; where LFPR is the share of persons in the population who are seeking work as well as working; and WPR is the share of persons in the population who are actually working.

Compared to the national averages, both in rural and urban Kerala, in all the rounds, PU was observed to be higher among the female population. This may also be contrasted with the proportion of unemployment among males and females in India, where the PU among females was lower than that of the males.

Second, the proportion of unemployed among the male and female population in Kerala was the highest during 2004-05. It may also be seen that the share of unemployed males and females in the population (PU) has been steadily increasing during the period from 1993-94 to 2004-05. Of this, the greatest increase was among females, which underwent a more than two-fold increase between 1993-94 and 2004-05, from 6.4 percent in the former period to 14.3 percent in the latter period. Compared to the females, the increase among males in the state was moderate, from 6 percent to 7 percent, during the same period.

Third, after 2004-05, the proportion of unemployment in Kerala witnessed a significant reduction. The fall in unemployment has been the greatest among the female job seekers in the state. Between the three year period from 2004-05 and 2007-08, the proportion of unemployed females reduced considerably, both in rural and urban Kerala. From the 10.4 percent and 14.3 percent in rural and urban areas during 2004-05, the proportion of unemployed females reduced to 4.9 percent and 6.5 percent, respectively during 2007-08. However, while this declining trend continued in urban Kerala and reached the lowest level of 5.5 percent during 2009-10, the rates in rural Kerala increased, but remained lower than 2004-05.

While the decrease in unemployment indicates a positive development, an assessment can be made only by examining the labour force participation rates (LFPRs) as well. The examination of labour force participation rates attains particular significance in the case of Kerala. The high level of unemployment in Kerala, especially among the women, has largely been the result of the high labour force participation among the women in the state. The interest in labour market activities is reflected in the labour force participation rates (LFPRs). The fall in unemployment figures may result from either an increase in the WPRs, or from a decrease in LFPR.

This section, therefore, also examines the LFPRs in Kerala, during the period between 1993-94 and 2009-10.

Table 3.3

LFPR of persons aged 15+ according to usual status between 1993-94 & 2009-10 (in%)

Round/Year	Kerala				India			
	Rural		Urban		Rural		Urban	
	Male	Female	Male	Female	Male	Female	Male	Female
50th (1993-94)								
ps	80.7	24.6	79.7	26.5	86.3	35.1	79.4	19.1
ps+ss	82.6	35.6	81.3	32.8	87.6	49.0	80.1	23.8
55th (1999-00)								
ps	79.0	26.0	77.1	27.4	84.6	35.5	78.2	17.9
ps+ss	81.4	36.6	79.4	33.3	85.5	45.7	78.7	20.9
61st (2004-05)								
ps	78.5	33.6	76.8	33.4	84.8	37.1	78.6	20.4
ps+ss	80.9	41.8	79.2	38.6	85.9	49.4	79.2	24.4
64th (2007-08)								
ps	76.9	27.4	76.9	24.3	84.1	32.1	78.7	17.0
ps+ss	79.6	33.4	78.2	28.0	85.0	42.6	79.0	19.6
66th (2009-2010)								
ps	77.6	28.8	73.1	27.6	81.6	29.8	75.8	17.1
ps+ss	78.2	33.6	74.6	30.2	82.5	37.8	76.2	19.4

The Table 3.3 shows that the female LFPR has been increasing during the period from 1993-94 to 2004-05, the period during which the proportion of unemployment (PU) has also been increasing. The female LFPR had been the highest during 2004-05, both in rural and urban Kerala. Contrary to the long standing tradition of increased labour force turn over among women in Kerala, the LFPR was on a downward trend since 2007-08. Despite the reversal in LFPR during 2009-10, the rates remained lower than the rates observed during 2004-05. While the unemployment figures among females continued to reduce in urban Kerala during this marginal revival, the unemployment in rural Kerala reverted to high levels, but remained lower than the rates observed during 2004-05, which was the highest during all the rounds under consideration here. Thus, the claims made by the officials and policy formulators that the unemployment rates have been on the decline is, at the best, partial.

The above discussion illustrates the high incidence of unemployment in the state vis-à-vis the all-India figures among females. The discussion also points to the decreased participation in the labour market activities among women in Kerala post-2004-05. Moreover, it points to fall in unemployment, as an offshoot not of increased employment but as a corollary of reduced involvement in labour market activities, as denoted by falling labour market participation rates.

3.5 Education-specific Female Labour Market Outcomes in Kerala

The study of labour market outcomes in general isolation masks many of the fundamental characteristics inherent to the work force participation and labour force participation of women in Kerala. An examination of the labour market outcomes of women by taking into consideration the educational achievements is very vital in the case of Kerala. The analysis of the long term trends in the labour market for different levels of education attains significance from the fact that the employment levels among the educated women in the state has been the lowest in the country (Devi, 2002, Mathew, 1995, Sebastian, 2008). As Sebastian points out, female unemployment rate is higher by more than three times of male unemployment rates among the higher educated labour force. In fact, the higher unemployment rate reported for Kerala is mainly because of the high levels of female unemployment among the higher educated. The fact that not only is female unemployment level substantially higher than those of males, but the difference between the two are increasing is indeed distressing (Sebastian, 2008: 878).

The study, therefore, looks at the relation between employment and education in Kerala by estimating the work participation rate (WPR) among females for different levels of education. However, the WPR provides insights into the demand side of labour market alone. The study, therefore, attempts to assess the supply side of labour market by examining the labour force participation rate (LFPR) for different education categories. The data has therefore been compiled by subdividing the female population of working age into different education categories, adopting the categorisations followed in the EUS of the NSS. For females with general education, education-specific labour market activities were estimated for the following

categories viz. i) not literate, (ii) literate up to primary (iii) middle, (iv) secondary, (v) higher secondary, (vi) diploma/certificate course, (ix) graduate and above, and (x) postgraduate and above. In the study, in addition to these categories, estimations are also made for females who have secondary level education and above as one category.

From the 61st round survey, general educational level was recorded as ‘diploma/ certificate’ for those who completed diploma or certificate course that was below graduation level. In the earlier surveys, such people were classified against the equivalent level of general education. In other words, in the 61st round survey, persons with general education level ‘diploma/ certificate’ which were equivalent to below graduate level were identified separately. Diploma/ certificate courses, which were of graduation level or above, were classified under the respective class of general education. For ease of comparison, the present study also follows the same pattern followed by the NSSO in its published reports, and adds the additional category of ‘diploma/ certificate’ from the 61st round. Similarly, up to the 61st round, NSS did not provide the category of ‘post graduation and above’ in its classifications. Therefore, in order to enable comparison with the rounds prior to the 61st, in the subsequent rounds, estimations are made for ‘graduation and above’ along with the category ‘post graduation and above’. Care has been taken to avoid the overlapping of ‘diploma/certificate’ covered under general education and the ‘diploma less than graduation’ covered under technical education. In the following subsections, labour market trends are estimated for different levels of general education.

3.5.1 Education-specific Female WPRs in Kerala

The following table (Table 3.4) depicts the WPRs of females aged 15 years and above for different levels of education in Kerala. A disaggregation of the WPR based on the different education attainments of the females in Kerala shows that the employment level corresponds to educational level in a significant way. The table shows that the participation rates decreases for each level of education up to secondary/higher secondary levels, and begins to rise thereafter, with highest levels of education showing highest WPRs. Across different educational attainments, U-shaped relationship between education and employment is perceived, with an inverse

relationship between education and employment up to the level of higher secondary, and a positive relationship beyond higher secondary. This U- shaped relationship between education and employment could also be seen as being transmitted from the supply side factors, say a reduced interest in the labour market activities. For this, these trends have to be corroborated with the supply side variable, the LFPR, which will be carried out in the later part of this section.

Table 3.4

WPR of females aged 15+ by usual status for each general educational level
between 1993-94 and 2009-10 (in percent) Kerala

General Education											All
Round/ Year	Activity Status	Not lite- rate	Literate & upto primary	Mid- dle	Seco- ndary	Higher Seco- ndary	Diplo- ma/ Certi- ficate	Grad- & above	Post- Gradu- ation& above	Seco- ndary & above	
Rural females											
50th (1993-94)	ps	28.8	26.8	14.0	13.5	8.5	na	30.4	na	14.1	20.7
	ps+ss	36.7	39.5	24.8	27.2	17.7	na	38.2	na	26.4	32.1
55th (1999-00)	ps	24.8	25.7	17.1	14.8	13.6	na	25.0	na	16.1	20.9
	ps+ss	35.4	37.4	29.9	25.1	19.7	na	33.3	na	25.2	32.0
61st (2004-05)	ps	26.3	27.9	20.2	16.9	8.2	27.7	38.7	59.3	20.4	23.2
	ps+ss	33.3	38.1	32.6	26.2	14.7	40.7	45.8	65.7	29.8	33.4
64th (2007-08)	ps	22.2	27.1	21.0	15.8	10.3	27.3	26.6	59.2	20.0	22.5
	ps+ss	26.4	33.8	27.5	21.9	18.3	34.7	35.3	67.0	27.4	29.0
66th (2009-10)	ps	26.6	24.7	20.2	18.5	15.9	32.8	35.0	49.4	22.4	22.8
	ps+ss	29.3	30.3	26.2	24.3	20.1	50.9	39.1	53.8	27.8	28.1
Urban females											
50th (1993-94)	ps	25.4	22.9	13.9	15.5	20.1	na	36.9	na	20.8	20.1
	ps+ss	28.6	31.3	22.0	20.4	26.9	na	40.0	na	25.7	26.7
55th (1999-00)	ps	16.1	24.3	16.7	20.0	16.7	na	31.8	na	21.5	20.2
	ps+ss	20.2	31.3	23.6	27.5	21.6	na	37.0	na	28.0	26.7
61st (2004-05)	ps	27.3	20.1	12.5	12.8	8.2	25.5	38.3	53.6	21.0	19.1
	ps+ss	30.4	28.7	20.1	17.4	13.0	25.5	42.9	56.1	26.6	25.6
64th (2007-08)	ps	14.0	18.6	16.6	13.3	6.5	30.2	30.2	42.6	18.8	17.8
	ps+ss	17.9	22.3	21.8	18.9	8.6	37.6	33.3	50.4	23.1	22.2
66th (2009-10)	ps	19.5	19.8	20.8	14.4	13.3	31.9	45.2	57.7	24.1	22.1
	ps+ss	20.1	21.9	24.8	17.6	16.2	35.9	48.5	62.1	27.2	25.1

Source: Computations based on the unit level data of the NSSO

As Kerala presents a case of higher levels of education among women, as well as higher levels of unemployment among educated women, the attention is focussed on the labour market trends among the educated women in the state. The table shows that both in rural and urban Kerala, WPRs are the highest among the higher educated, say, post graduates, graduates, and diploma holders. The trends in WPRs among the higher educated females, especially since 2004-05, reflect the general employment patterns observed in the state. Corresponding to the overall employment scenario in the state, the WPRs among graduates and post graduates was the highest during 2004-05, and thereafter, displayed a declining trend during the subsequent rounds. Similarly, the greatest decline in WPRs among the higher educated took place between the three years between 2004-05 and 2007-08, both in rural and urban Kerala. By 2009-10, the employment rates in these education categories expressed a revival; however, at a marginal rate in rural and at a substantial rate in the urban sector. In rural Kerala, though the employment rates revived in 2009-10, they remained lower than the pre-slump rates of 2004-05. In urban Kerala, the employment rates during the revival phase of 2009-10 for graduates and post graduates was the highest during the entire period under study. In rural Kerala, however, the WPRs during 2009-10 remained lower than the previous years. The WPRs among the Diploma holders, continued to increase through the latest three rounds both in rural and urban Kerala, despite a marginal slump in rural Kerala during 2007-08.

3.5.2 Education-specific Female LFPRs and PU in Kerala

Table 3.5 provides data on the proportion of unemployed (PU) females in total population during the period between 1993-94 and 2009-10. The table shows that in both rural and urban sectors, and in all the periods, the proportion of unemployed females has been sharply high in Kerala, for each higher level of education. During all the five rounds of data, the largest proportion of unemployed females belonged to the higher education categories – from diploma to post graduation. Between 1993-94 and 2004-05, corresponding to the general increase in unemployment, the unemployment figures among women appears to have risen across all the categories. More importantly, the unemployment figures for the higher levels of education were also the highest during 2004-05. During 2004-05, about 39 percent of the female graduates

in rural Kerala were reported as seeking, but unable to find employment. This was 25 percent among higher secondary educates, 31 percent each diploma/certificate holders. In urban Kerala, the employment scenario was even more dismal, with about 42 percent of the diploma/certificate holders, and 34 percent of post graduates reporting as unemployed during 2004-05.

Table 3.5

Proportion of unemployed females (LFPR-WPR) aged 15+ by usual status for each general educational level between 1993-94 and 2009-10 (in percent) Kerala

General educational level between 1993-94 and 2009-10 (in percent)											
Haryana											
General Education											
Round/ Year	Activity Status	Not lite- rate	Literate & upto primary	Mid- dle	Seco- ndary	Higher Seco- ndary	Diplo- ma/ Certi- ficate	Grad- & above	Post- Gradu- ation& above	Seco- ndary & above	All
Rural females											
50th (1993-94)	ps	0.4	0.5	2.7	11.9	12.7	na	28.9	na	13.9	3.9
	ps+ss	0.2	0.3	2.5	10.6	12.2	na	27.4	na	12.7	3.5
55th (1999-00)	ps	0.1	0.9	3.5	12.4	12.9	na	32.9	na	15.7	5.1
	ps+ss	0.0	0.7	3.5	11.4	11.0	na	29.0	na	14.1	4.6
61st (2004-05)	ps	1.6	2.8	8.2	14.7	25.1	31.0	39.3	30.6	23.3	10.4
	ps+ss	0.3	1.4	6.6	12.8	22.5	23.1	34.4	25.3	20.0	8.4
64th (2007-08)	ps	0.0	0.2	4.6	5.5	6.7	23.4	21.5	19.0	11.0	4.9
	ps+ss	0.0	0.2	4.4	5.0	5.8	23.1	17.8	13.3	9.5	4.4
66th (2009-10)	ps	0.0	1.0	4.4	7.2	9.4	12.1	20.0	23.4	12.3	6.1
	ps+ss	0.0	0.7	3.7	6.0	8.7	9.7	19.0	21.2	11.2	5.5
Urban females											
50th (1993-94)	ps	0.3	1.1	6.1	12.1	11.9	na	22.8	na	14.2	6.4
	ps+ss	0.3	0.8	5.6	11.9	11.9	na	22.0	na	13.9	6.1
55th (1999-00)	ps	0.3	0.6	5.5	12.8	16.6	na	21.9	na	15.5	7.2
	ps+ss	0.3	0.4	4.8	12.1	14.8	na	20.9	na	14.4	6.6
61st (2004-05)	ps	0.1	2.9	11.3	16.6	22.1	41.6	34.6	33.9	26.2	14.3
	ps+ss	0.0	2.6	9.8	15.6	20.0	41.6	32.0	32.9	23.8	13.0
64th (2007-08)	ps	0.0	1.0	4.9	8.0	6.1	15.3	15.8	20.1	11.4	6.5
	ps+ss	0.0	1.0	4.5	5.9	6.0	9.4	15.5	18.3	10.0	5.8
66th (2009-10)	ps	1.6	0.4	2.8	6.7	5.5	11.7	14.5	11.5	9.2	5.5
	ps+ss	1.0	0.5	2.8	6.0	5.5	9.5	13.3	9.6	8.6	5.1

Source: Computations based on the unit level data of the NSSO

The period following the 61st round (2004-05) witnessed a significant moderation in the levels of unemployment among the females in the state, across all education categories. A comparison of the urban and rural sectors show that the greatest diminution in the proportion of unemployment occurred among urban women. In rural Kerala, compared to 2007-08, the reduction in unemployment figures recorded during 2009-10 was moderate. However, unemployment figures in rural Kerala during 2009-10 remained lower than those of the 61st round, despite an increase in unemployment among the post graduates. The unemployment figures in urban Kerala fell consistently from 2004-05 through 2007-08 and 2009-10. Also, the unemployment figures observed in urban Kerala portrays a significant improvement, as the proportion of unemployed females during 2009-10 records the lowest rates in the entire post-reform period. Between 2004-05 and 2009-10, the proportion of unemployed females among the higher educated declined from 42 percent to 12 percent among diploma holders, 35 percent to 15 percent among graduates and 34 percent to 12 percent among post graduates.

While the unemployment figures are falling, the aspect that demands greater attention here is the fact that the unemployment has fallen during a period when the WPRs were either falling, or rising only moderately. As stated earlier, the reduction in unemployment may be a result either of a reduced participation in labour market activities, or an enhancement in employment, or a combination of both. In rural sector, for instance, when the proportion of unemployment among graduates and above decreased, the WPR had also decreased. In other higher education categories such as diploma holders, the unemployment figures fell more than the rise in WPR. In the urban sector, the decrease in the incidence of unemployment was greater than the rise in WPRs, especially among the higher educated. In other words, the rise in the WPR has not been large enough to explain the sharp fall in PU, suggesting a fall in the LFPR. Thus, the real magnitude of fall in PU may be assessed only by examining the fluctuations in labour force participation rates. On these premises, the study attempts to analyse the labour force participation rate among women with different levels of education in the state.

Table 3.6

LFPFR of females aged 15+ by usual status for each general educational level
between 1993-94 and 2009-10 (in percent) Kerala

		General Education									
Round/ Year	Activity Status	Not lite- rate	Literate & upto primary	Mid- dle	Seco- ndary	Higher Seco- ndary	Diplo- ma/ Certi- ficate	Grad- & above	Post- Gradu- ation & above	Seco- ndary & above	All
Rural females											
50th	ps	29.2	27.3	16.7	25.4	21.2	na	59.3	na	28.0	24.6
(1993-94)	ps+ss	36.9	39.8	27.3	37.8	29.9	na	65.6	na	39.1	35.6
55th	ps	24.9	26.6	20.6	27.2	26.5	na	57.9	na	31.8	26.0
(1999-00)	ps+ss	35.4	38.1	33.4	36.5	30.7	na	62.3	na	39.3	36.6
61st	ps	27.9	30.7	28.4	31.6	33.3	58.7	78.0	89.9	43.7	33.6
(2004-05)	ps+ss	33.6	39.5	39.2	39.0	37.2	63.8	80.2	91.0	49.8	41.8
64th	ps	22.2	27.3	25.6	21.3	17.0	50.7	48.1	78.2	31.0	27.4
(2007-08)	ps+ss	26.4	34.0	31.9	26.9	24.1	57.8	53.1	80.3	36.9	33.4
66th	ps	26.6	25.7	24.6	25.7	25.3	44.9	55.0	72.8	34.7	28.9
2009-10	ps+ss	29.3	31.0	29.9	30.3	28.8	60.6	58.1	75.0	39.0	33.6
Urban females											
50th	ps	25.7	24.0	20.0	27.6	32.0	na	59.7	na	35.0	26.5
(1993-94)	ps+ss	28.9	32.1	27.6	32.3	38.8	na	62.0	na	39.6	32.8
55th	ps	16.4	24.9	22.2	32.8	33.3	na	53.7	na	37.0	27.4
(1999-00)	ps+ss	20.5	31.7	28.4	39.6	36.4	na	57.9	na	42.4	33.3
61st	ps	27.4	23.0	23.8	29.4	30.3	67.1	72.9	87.5	47.2	33.4
(2004-05)	ps+ss	30.4	31.3	29.9	33.0	33.0	67.1	74.9	89.0	50.4	38.6
64th	ps	14.0	19.6	21.5	21.3	12.6	45.5	46.0	62.7	30.2	24.3
(2007-08)	ps+ss	17.9	23.3	26.3	24.8	14.6	47.0	48.8	68.7	33.1	28.0
66th	ps	21.1	20.2	23.6	21.1	18.8	43.6	59.7	69.2	33.3	27.6
2009-10	ps+ss	21.1	22.4	27.6	23.6	21.7	45.4	61.8	71.7	35.8	30.2

Source: Computations based on the unit level data of the NSSO

Table 3.6 depicts the labour force participation rate among females for different levels of education in Kerala between 1993-94 and 2009-10. As in the case of WPR, the table points to increased labour market participation among women positioned at the two ends of the education spectrum. It may be stated that a combination of social and economic factors determine the relation between education and labour market activities. While women with no education need work, those with some low levels of education may not want to lessen their social standing by doing labour market work.

The opportunities for work and remuneration available for women with moderate levels of education fail to provide adequate incentives for them to enter labour market activities. As the rates of return to education rise with education level, those with higher levels of education will have stronger economic incentives to work. In addition, education has a modernising influence and they change women's ambitions and work aspirations, perhaps lowering their reservation wage (Kingdon, 1999: 257). The reasons for the downward sloping part of the U-shaped curve may also be attributed to the lower interest in labour market activities in pursuit of education.

Based on the labour force participation, as reflected in the LFPRs, the decline in unemployment in rural Kerala cannot be considered as an improvement of the labour market position of women. In rural Kerala, the reduced rate of unemployment was triggered by the drastic withdrawal of educated women from the labour market activities. The only real positive development in unemployment scenario among the higher educated in rural Kerala occurred among the diploma holders. While decline in LFPR occurred among all categories, the decline in unemployment among diploma holders was facilitated also by an increase in employment.

In rural Kerala, while the LFPR among diploma holders decreased by about 14 percent points between 2004-05 and 2009-10, the proportion of unemployed females reduced by about 19 percent points. Among the other higher educated women, the fall in unemployment, failed to match (fell short of) the labour market withdrawals. For instance, while the LFPR among females with post graduation and above declined by about 17 percent points between 2004-05 and 2009-10, the proportion of unemployed among the same category reduced only by about 7 percent points. Similarly, the decline in the incidence of unemployment among graduates also was lower than the decline in LFPRs. However, among females with secondary and higher secondary education, the reduction in LFPR has been matched by the corresponding drop in unemployment. To sum up, it may be stated that the developments in the rural female labour market, far from showing labour market improvement, point instead to a withdrawal of women from labour market activities in the state.

In urban Kerala as well, while the changes in unemployment rates among the higher educated has also been influenced by the declining LFPRs, the influence has been moderate, with the increase in WPRs also contributing to the drop in unemployment. For instance, while the proportion of unemployed among females with graduation and above declined by 20 percent points, LFPR declined only by about 13 percent points, and the remaining part of the reduction in unemployment was contributed by an increase in WPR by about 7 percent points. Similarly, among post graduate females, though the fall in LFPR had been the primary force, the increase in WPR also partly facilitated the reduction in unemployment. In urban Kerala also, the biggest improvement in labour market came about among the diploma holders. Among diploma holders, between 2004-05 and 2009-10, the proportion of unemployed females declined by about 30 percent points, and the contribution of the LFPR in this decline was only about 14 percent points, and the remaining 16 percent point improvement was contributed by the increased employment.

The above discussion of the declining labour force participation rates in Kerala in general, and especially among the higher educated women, deserves to be understood in detail. This stems, more importantly, from the fact that the labour force participation among the women in general and higher educated women in particular, has been historically high. This high LFPR among women has, in fact, been a factor behind the high unemployment rates in the state. Also, when considering the period from 1993-94, the trends in the labour force participation rates post-2004-05 marks a significant break from the trends observed until 2004-05. This departure in the LFPR from the hitherto existing trends needs to be studied in greater detail, and this will be carried out in Chapter IV.

3.5.3 Male and Female WPRs: A Comparison

While it may be stated that compared to rural Kerala, the employment scenario for females in urban Kerala has been more favourable, the declining LFPRs among urban women raises more questions and concerns. Moreover, along with the decreasing LFPRs, the WPRs have also been decreasing, especially among the higher educated. One reason for the fall in WPR could be an oversupply of educated labour force.

Mathew (1995) provides two probable explanations for the phenomenon of high unemployment among persons with higher education. In the first place, the oversupply of educated workforce also leads to a situation wherein a continuous upgradation of minimum educational qualifications prescribed for various posts takes place. Secondly, even as prescribed qualifications for different jobs remains the same over the years, the highly trained currently unemployed replace the less qualified, and the latter in turn replace people less qualified than them, and so on (Hopkins 1985:19). Referred to as the ‘cascade model’, Mathew (1995) argues that this model fits the Kerala situation eminently (Mathew, 1995: 327).

In applying this argument, it should be noted that the educated workforce would include men as well as women, who would be competing for the same kind of jobs. Thus, for this argument to be accepted as an explanation for the observed fall in female employment in the state, it needs to be understood whether the male employment rates have also been moving in the same direction as that of female employment. This would also help in understanding whether the decrease in employment outcomes have been the result of an overall decrease in the employment opportunities in the state or has affected only the female labour. This section, therefore, examines the male WPR for different education categories in the state, especially during the post-2004-05 period, where the changes in female employment among the higher educated have been significant.

Table 3.7 provides a comparison of the employment rates among males and females in Kerala for different levels of education during 2004-05 and 2009-10. Table 3.7 demonstrates that gap in employment between males and females in the district widened during the period under study. Both in rural and urban sectors, the male employment rates rose at significantly higher rates than those of females. For instance, in rural Kerala, even when the female employment rates decreased among those with graduation and above levels of education (including graduation and post graduation), the male WPRs even in these categories increased. In all the categories where the female employment increased, rise in male employment rates was even higher. It may also be noted that when the employment rate among the males with post graduate level of education in rural sector was 92 percent during 2009-10, for

females with the same level of education, the WPR was only around 49 percent. Also, when 68 percent of males with diploma/certificate level of education could find employment, only 33 percent of rural women with equal levels of education could find employment.

Table 3.7

WPR of males & females aged 15+ by usual status for each level of general education during 2004-05 and 2009-10 (in percent)

Kerala

		General Education								
Year/ Round	Activity Status	Not literate	Literate & upto primary	Middle	Seco- ndary	Higher Seco- ndary	Diploma/ Certi- ficate	Grad- uation & above	Post- Grad & above	All
Rural Male										
61st	ps	57.3	78.0	78.2	62.8	47.5	51.9	71.6	78.4	72.1
(2004-05)	ps+ss	61.8	81.9	82.0	69.2	53.9	75.6	78.8	85.9	76.8
66th	ps	57.2	78.2	86.8	65.4	45.3	68.2	74.1	92.3	74.7
(2009-10)	ps+ss	58.5	80.0	87.3	68.0	47.1	74.9	79.2	93.4	76.6
Rural Female										
61st	ps	26.3	27.9	20.2	16.9	8.2	27.7	38.7	59.3	23.2
(2004-05)	ps+ss	33.3	38.1	32.6	26.2	14.7	40.7	45.8	65.7	33.4
66th	ps	26.6	24.7	20.2	18.5	15.9	32.8	35.0	49.4	22.8
(2009-10)	ps+ss	29.3	30.3	26.2	24.3	20.1	50.9	39.1	53.8	28.1
Urban Male										
61st	ps	61.5	73.0	76.7	58.7	42.7	42.0	73.8	78.8	69.8
(2004-05)	ps+ss	63.9	75.7	81.3	64.0	47.9	65.3	79.7	85.5	74.3
66th	ps	60.1	71.3	84.4	61.1	40.6	58.2	77.2	90.6	70.6
(2009-10)	ps+ss	60.1	74.0	85.0	63.2	40.9	64.2	80.5	92.1	72.4
Urban Female										
61st	ps	27.3	20.1	12.5	12.8	8.2	25.5	38.3	53.6	19.1
(2004-05)	ps+ss	30.4	28.7	20.1	17.4	13.0	25.5	42.9	56.1	25.6
66th	ps	19.5	19.8	20.8	14.4	13.3	31.9	45.2	57.7	22.1
(2009-10)	ps+ss	20.1	21.9	24.8	17.6	16.2	35.9	48.5	62.1	25.1

Source: Computations based on the unit level data of the NSSO

In urban Kerala too, the gap in employment among males and females was significant. Among the higher educated, between 2004-05 and 2009-10, when the gap narrowed among males and females with graduate levels of education and above, the gap widened among males and females with diploma/certificate levels of education as well as post graduate and above levels of education. Also, during 2009-10, when 91 percent of males with post graduation and above were employed, only 58 percent of

females with same level of education could find employment. Similarly, when the WPRs among men with graduation and above and diploma/certificate were, respectively, 77 percent and 58 percent, the same among women were, respectively, 4 percent and 32 percent. So, on the whole, it appears that male employment rates have fared better than female employment rates in higher education categories. Based on the different trend in the employment rates among equally educated men and women in the state, it may be stated that it is necessary to go beyond the oversupply and ‘cascade effect’ to explain the observed labour market behaviour among the higher educated women in the state. This study, therefore, also proposes to examine alternate propositions mooted in the literature for the labour market trend among women in the state.

3.6 Distribution of Persons with Different Education Attainments

Various scholars have attributed the higher rates of educated unemployment in the state to the flawed educational structure that has resulted in an oversupply of graduates in liberal arts and undersupply of technical graduates (Devi, 2002; Eapen, 2004; Mathew, 1995; Panda, 2003). There is a general understanding that the proportion of girl students opting for technical and vocational courses has been low in the state. Moreover, the need for imparting technical education among the youth in improving the work participation rates have been emphasised for over a long time. The education scenario in the state is biased with more girl students taking up liberal arts and science education and boys taking up technical education (Devi, 2002; Eapen, 2004; Panda, 2003). It has therefore been suggested that an increase in technical education among the females would improve their employment prospects. The validity of these arguments may be tested by examining the proportion of males and females in the total population pursuing different levels and types of education as well as the WPR among males and females with the same level of education. This is carried out in this section.

Table 3.8 looks at the proportion of persons with different levels of education in total population to understand if there is a larger concentration of females in general education and reduced involvement in technical education.

Table 3.8

Proportion of persons aged 15+ with different levels of education in total population
(in percent) during 2004-05 and 2009-10

(in percent) during 2004-05 and 2009-10								Kerala
Education	Rural		Urban		Rural		Urban	
	Male	Female	Male	Female	Male	Female	Male	Female
	2004-05				2009-10			
General Education								
Not literate	6.9	13.1	3.9	9.1	3.5	9.2	2.9	6.7
Literate & upto primary	28.0	27.8	23.2	23.5	24.7	25.4	17.7	18.9
Middle	34.1	28.7	30.0	26.8	32.8	27.9	28.7	25.3
Secondary	15.2	15.2	16.0	15.7	18.0	17.0	20.7	19.4
Higher Secondary	5.8	6.2	6.4	8.2	8.2	8.9	10.6	11.2
Diploma/Certificate Course	5.8	4.9	9.2	5.7	5.1	3.2	5.8	4.8
Graduation	3.3	3.4	8.9	8.2	6.3	6.5	10.4	10.0
Post Graduation & above	0.9	0.7	2.4	2.8	1.4	1.9	3.2	3.7
ALL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Technical Education								
No Technical Education	93.2	94.4	87.2	92.5	94.5	96.2	90.1	93.5
Diploma/Certificate (<grad)	5.6	4.7	9.2	5.2	0.3	0.1	1.5	0.5
Diploma/Certificate (>=grad)	1.1	0.7	2.7	2.1	4.5	2.8	6.1	4.1
Technical Degree	0.1	0.2	0.9	0.2	0.7	0.9	2.3	1.9
ALL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Computations based on the unit level data of the NSSO

The table shows that the proportion of males and females in the total population pursuing general education is more or less the same in the state. This is particularly noticeable in higher education, with almost equal proportion of males and females holding graduate and post graduate degrees. Similarly, with regard to technical education also, there is no substantial difference in the proportion of males and females pursuing technical education in the state. However, compared to general education, technical education is marginally higher among males than females. Thus, the argument that the continued overrepresentation of women in general education and underrepresentation in technical education is responsible for the lower levels of female employment in the state does not hold much weight.

3.7 Technical Education and Labour Market Outcomes

In this section, the study attempts to also examine the labour market outcomes for males and females in the state with different levels of technical education. The NSS includes the technical degrees in agriculture/ engineering/ technology/ medicine, etc.,

under ‘technical degree’. Those persons who have completed diploma/ certificate courses in agriculture, engineering/technology, medicine, crafts etc are classified under ‘diploma/certificate’. The ‘diploma/certificate’ level of technical education is classified into two: ‘diploma or certificate (below graduate level)’ and ‘diploma or certificate (graduate and above level)’.

First, this section examines the distribution of females across different activity statuses for different levels of technical education during the period between 2004-05 and 2009-10. The later part of this section also attempts to provide a comparison of the labour market outcomes for males and females with the same levels of technical education. Tables 3.9 and 3.10 depict the distribution of females across the usual principal and usual principal and subsidiary statuses.⁴ While Table 3.9 provide information on the labour market trends during 2004-05 and 2009-10 in the usual status measure, Table 3.10 furnishes data for 2007-08 as well, in the usual principal and subsidiary status measure. In these tables, based on technical qualifications, females have been categorised into four divisions, in the ascending order of qualifications, namely, those without any technical education, diploma/certificate education below graduate level, diploma/certificate education at the level of graduation and above, and those with technical degree. Under the category ‘no technical education’, all those in the population who have no technical education or training, but even have some levels of general education, are covered.

It may be inferred from the tables that technical education at the level of diploma/certificate course has not brought out any outstanding changes in the WPRs of females in the state. Moreover, the proportion of females remaining unemployed even among those possessing technical and professional degrees was alarmingly high in rural Kerala. In fact, in some cases with comparable levels of education, the

⁴ In these tables, data on variables other than the LFPR, WPR and PU are provided. The variables other than LFPR, WPR and PU fall under the broad category of “Not in the Labour Force”. In these tables, data on those non-labour market variables that are most relevant for the study are provided. They are: “attended educational institutions” and “attended to domestic duties only”; which have been coded as “Education” and “Dom. Duty” in the table. The category “Not in the Labour Force” (which has been coded as ‘Not in LF’ in the table) also has other sub-categories, which have been elaborated in Chapter 1. The share of persons in the labour force (LFPR) and those not in the labour force (“Not in the Labour Force”) together add up to the total population.

proportion of females remaining unemployed was higher among technically educated females than among females with only general education. Between 2004-05 and 2009-10, the only real improvement in employment rates among females took place only among those with technical degree. The WPRs among urban females with technical degree was as high as 76 percent during 2004-05. During the same period, the WPRs for the same category in rural Kerala were very low at 21 percent, and the proportion of unemployed females at a whopping 58.5 percent. By 2009-10, the WPRs in this education category rose significantly and recorded a rate of 52 percent. Despite the catching up in terms of the WPR by 2009-10, the rural-urban variance in the initial period, especially in a state known for the rural-urban continuum, deserves mentioning. However, even the increase in WPR cannot be emphatically termed as a real improvement. In rural Kerala, while this increase in WPR and fall in unemployment was accompanied by a marginal decline in LFPR, in urban Kerala, the increase in WPR was accompanied by an increase in the incidence of unemployment.

Table 3.9

Distribution of females aged 15+ in the usual principal status for different levels of technical education during 2004-05 and 2009-10 (in percent)

Kerala

Education during 2004-05 and 2009-10 (in percent)								
Usual Activity Status	Technical Education							
	No Tech Edu	Diploma/ Certificate (< grad)	Diploma/ Certificate (>= grad)	Tech Degree	No Tech Edu	Diploma/ Certificate (< grad)	Diploma/ Certificate (>= grad)	Tech Degree
	Rural Female				Urban Female			
	2004-05							
WPR	22.6	37.7	41	21.3	17.7	2.1	53.4	76.2
PU	8.8	30.3	44.3	58.5	12.3	38.9	37.2	1.6
LFPR	31.4	68.0	85.3	79.8	30	41.0	90.6	77.8
Education	9.4	36.5	5.5	20.2	8.4	0.0	0	0
Dom. Duty	41.7	18.8	7	0	47.1	59.0	6.3	0
Not in LF	68.6	32.0	14.7	20.2	70	59.0	9.4	22.2
ALL	100	100	100	100	100	100	100	100
2009-10								
WPR	22.1	52.0	34.3	51.6	20.9	51.2	49.5	78.0
PU	5.2	17.7	30.1	23.4	4.7	17.4	21.7	7.5
LFPR	27.3	69.7	64.4	75.0	25.6	68.6	71.2	85.5
Education	9.2	17.4	6.3	16.0	11.7	3.4	10.5	0.0
Dom. Duty	44.4	10.5	19.2	8.4	47.5	23.6	18.2	14.5
Not in LF	72.7	30.3	35.6	25.0	74.4	31.4	28.8	14.5
ALL	100	100	100	100	100	100	100	100

Source: Computations based on the unit level data of the NSSO

In rural Kerala, the unemployment among technically educated females remained higher than for females with higher levels of general education during 2004-05 and 2009-10 (refer Table 3.4). Between 2004-05 and 2009-10, though the unemployment among rural females without any technical education declined, it was partly explained by the reduced participation of females without technical education in the labour market, as denoted by decreased LFPRs. Among females with technical education, the unemployment figures remained high. Even among females with 'technical degree', the fall in the proportion of unemployed females was the result of the combined forces of rise in WPR and a fall in LFPR. More importantly, among female with 'diploma greater than graduation level', the fall in the PU was entirely driven by fall in LFPR, as the WPR declined significantly during this period.

In urban Kerala as well, the unemployment rates were observed to be high, even among the technically educated females. Between 2004-5 and 2009-10, despite a decline in unemployment, the rates among females with technical diploma was higher than females with general diploma, graduation and post graduation (refer Table 3.4). Moreover, the labour force participation rate also declined among urban females with diploma above graduation level. Among urban women with technical degree, the rise in PU points to the fact that the labour market could not accommodate the increased LFPR among them, as seen from the rising PU along with a rising LFPR.

As table 3.9 shows, among females without any technical education, a majority opted out of the labour market and engaged full time in domestic duties and consequently, the incidence of unemployment was low among them. However, whether it was a choice in itself, or a choice constrained by the prevailing labour market conditions is not known. While a general tendency of withdrawal from domestic duties as primary occupation with increasing levels of education was observed, it is also disquieting to note that among those categories where the LFPR declined during 2009-10, the decline was contributed not by an increased participation in education activities, but by increased partaking in domestic duties as primary occupation.

This section also provides an examination of the labour market outcomes in the intermediate period – 2007-08 – which was a period of overall decline in terms of the WPRs and LFPRs. Table 3.10 furnishes this data, in the usual principal and subsidiary status (ps+ss) measure.

Table 3.10

Distribution of females aged 15+ in the usual status (ps+ss) for different levels of technical education between 2004-05 and 2009-10 (in percent)

Usual Activity Status	Kerala							
	Rural Female				Urban Female			
	2004-05				2007-08			
	2009-10				2004-05			
	No Tech Edu	Diploma/ Certificate (< grad)	Diploma/ Certificate (>= grad)	Tech Degree	No Tech Edu	Diploma/ Certificate (< grad)	Diploma/ Certificate (>= grad)	Tech Degree
WPR	32.5	58.2	53.8	26.8	24	2.1	62.6	76.2
Unemployed	7.2	25.7	32.7	53	11.3	38.9	29.6	1.6
LFPR	39.7	83.9	86.5	79.8	35.3	41.0	92.2	77.8
Education	9.3	3.6	4.3	20.2	8.2	0.0	0	0
Dom. Duty	36.6	9.4	7	0	43	59.0	4.7	0
Not in Labour Force	60.3	16.1	13.5	20.2	64.7	59.0	7.8	22.2
ALL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	2007-08				2009-10			
WPR	28.6	49.5	81.0	33.0	21.7	20.2	73.8	84.3
Unemployed	3.7	26.4	19.0	28.4	4.6	49.7	5.8	12.6
LFPR	32.4	75.9	100.0	61.3	26.3	69.9	79.6	96.9
Education	8.7	2.9	0.0	17.7	10.5	0.0	2.1	0.0
Dom. Duty	45.8	21.1	0.0	9.9	50.8	29.2	15.9	3.1
Not in Labour Force	67.6	24.1	0.0	38.7	73.7	30.1	20.4	3.1
ALL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
	2009-10				2004-05			
WPR	27.5	57.8	55.8	51.8	24.0	51.2	49.8	78.0
Unemployed	4.6	16.8	22.0	29.1	4.3	17.4	21.7	7.5
LFPR	32.1	74.6	77.8	80.9	28.3	68.6	71.5	85.5
Education	9.1	13.1	13.7	19.1	11.5	3.4	10.5	0.0
Dom. Duty	41.3	9.9	8.4	0.0	45.7	23.6	18.0	15.5
Not in Labour Force	67.9	25.4	22.2	19.1	71.7	31.4	28.5	14.5
ALL	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Source: Computations based on the unit level data of the NSSO

The estimations show that during this period of overall decline in labour market outcomes, employment among technically educated females, in fact, picked up. In urban Kerala, this expansion took place among technical degree holders, as well as among diploma holders both less than and above graduation level. In rural Kerala, the improvement was confined only to females with diploma above graduate level and technical degree holders, with the LFPR, in fact, declining for the latter category of

rural females. Among other categories where the WPRs worsened, the LFPR also declined, with the increased involvement in domestic duties feeding into the observed phenomenon. The table also shows that the advance in employment rates achieved during 2007-08 could not be sustained in the subsequent period, as evident from the WPRs and LFPRs among females with diploma greater than graduation both in rural and urban Kerala, as well as among technical degree holders in urban Kerala.

Table 3.11

WPR and LFPR of males and females aged 15+ in the usual principal and subsidiary status for different levels of technical education during 2004-05 and 2009-10 (in percent) Kerala

different levels of technical education during 2004-05 and 2009-10 (in percent)									
Usual Activity Status	Technical Education								
	No Tech Edu	Diploma/ Certificate (< grad)	Diploma/ Certificate (>= grad)	Tech Degree	No Tech Edu	Diploma/ Certificate (< grad)	Diploma/ Certificate (>= grad)	Tech Degree	
	Rural Male				Rural Female				
	2004-05								
WPR	76.5	81.8	77	92.7	32.5	48.2	53.8	26.8	
PU	3.6	10.6	15.1	0	7.2	27.4	32.7	53	
LFPR	80.1	92.4	92.1	92.7	39.7	75.6	86.5	79.8	
Education	10.2	6.3	7	7.3	9.3	6.2	4.3	20.2	
	Urban Male				Urban Female				
	2004-05								
	WPR	73.1	82.1	88.9	64.8	24	39.6	62.6	76.2
	PU	4.3	10.7	3.9	3.9	11.3	35.7	29.6	1.6
LFPR	77.4	92.8	92.8	68.7	35.3	75.3	92.2	77.8	
Education	10.6	4.1	3.3	26.3	8.2	1.6	0	0	
	2009-10								
	Rural Male				Rural Female				
	WPR	76.5	81.5	69.5	69.1	27.5	39.5	55.8	51.8
	PU	1.9	14.1	8.8	16.9	4.6	29.0	22.0	29.1
LFPR	78.4	95.6	78.3	86.0	32.1	68.5	77.8	80.9	
Education	11.4	1.5	21.7	9.0	9.1	4.9	13.7	19.1	
	Urban Male				Urban Female				
	WPR	71.1	85.6	84.3	80.3	24.0	32.7	49.8	78.0
	PU	2.0	3.0	4.6	5.5	4.3	15.1	21.7	7.5
	LFPR	73.1	88.6	88.9	85.8	28.3	47.8	71.5	85.5
Education	14.0	5.2	8.0	8.6	11.5	5.5	10.5	0.0	

Source: Computations based on the unit level data of the NSSO

While tables 3.9 and 3.10 have furnished data on the labour market variables among the women workers with technical education in the state, a comparison of these variables with that of the male population in the state with technical education helps in arriving at a more detailed understanding of the labour market scenario. It also

helps in examining the proposition whether an undersupply of women with technical and employable skill is a reason for high unemployment among them. In order to understand the relative position of women vis-à-vis men, Table 3.11 provides a comparison of the labour market outcomes among the technically educated males and females in the usual principal and subsidiary status in Kerala during 2004-05 and 2009-10.

A comparison of the work participation rates among the technically educated males and females shows that technical education has not significantly enhanced the employment prospects of females in the state. During 2004-05, the proportion of unemployed females with technical education remained very high and in rural Kerala, this was more than double the rates among the males. Among persons with technical degree, the employment rate among rural females was less than a third of the employment rates among equally qualified males.

In urban Kerala as well, the difference was glaring, with the rates among females recording half the rates of males in certain categories, for instance, among diploma holders less than graduation level. During 2009-10 also, the disparity continued to persist, and among certain categories of education, the difference even worsened. For instance, among urban females with diploma, both above and below graduation level, gap between male and female employment rates widened.

In short, it may be said that the employment prospects among technically educated females was marginally better than females with general education. However, this situation is far removed from a desirable level of female employment and requires further understanding of these women 'missing' from the labour market. The above analysis shows that in addition to education and skill, a host of social and institutional factors condition the female labour market.

3.8 Regional Variations in Labour Market Outcomes

As stated earlier in this chapter, based on the historical, political, geographical, cultural and socio-economic differences, the present districts of the state are alluded

to as belonging to one of the three regions – North, Central, or South Kerala. However, while estimating the unit data of the NSSO, separate estimations were carried out to examine the labour market outcomes within broader regions in the state. The study follows the NSS classification of the state into two regions – North and South.⁵ Thus, the district of Thrissur, which is generally considered as belonging to the Central Kerala was also included as part of North Kerala. Consequently, the districts of Thrissur, Palakkad, Malappuram, Kozhikode, Wayanad, Kannur and Kasargod constituted the northern region. The remaining 7 districts, namely, Thiruvananthapuram, Kollam, Pathanamthitta, Alappuzha, Kottayam, Idukki and Ernakulam were categorised as southern districts.

Table 3.12

WPRs of males and females aged 15 years and above according to usual status in Kerala between 2004-05 and 2009-10 (in percent)

Sector	Males				Females			
	North Kerala		South Kerala		North Kerala		South Kerala	
	ps	ps+ss	ps	ps+ss	ps	ps+ss	ps	ps+ss
<i>2004-05</i>								
Rural	70.0	73.4	73.5	79.0	18.4	23.7	26.6	40.2
Urban	67.3	69.6	71.2	76.7	12.6	15.0	22.7	31.7
<i>2007-08</i>								
Rural	71.9	73.9	72.9	77.6	20.1	23.5	24.2	33.0
Urban	69.8	70.3	73.9	76.6	15.0	15.7	19.6	26.3
<i>2009-10</i>								
Rural	72.7	73.5	76.0	78.8	19.4	21.7	25.2	32.8
Urban	69.8	70.6	71.1	73.4	13.2	15.0	27.2	30.9

Source: Computations based on the unit level data of the NSSO

Table 3.12 shows the WPRs of males and females above 15 years of age in the northern and southern regions of Kerala. The table shows that for both males and females, the WPRs are lower in North Kerala compared to South Kerala. The difference is more pronounced according to the usual principal and subsidiary (ps+ss) status measurement of employment. However, compared to males, the difference in WPR in the two regions of Kerala are much wider in the case of females, especially during 2004-05.

⁵ The coding adopted by the NSSO in its unit data uses two separate codes to distinguish the 7 districts in the northern region from the remaining 7 districts in the southern region.

Table 3.12 also points to a narrowing of the difference in the rural WPR in the two regions for females in the subsequent periods. This catching up has been the outcome of a simultaneous increase in the WPR in North Kerala and decrease in WPR in South Kerala. For instance, during 2004-05, the difference in female WPR between the northern and southern regions in the rural sector of the state was around 8 to 10 percent points in the usual principal status and around 15 percent points in the usual principal and subsidiary status. By 2009-10, this narrowed down to around 4 percent points according to the usual principal status and to around 6 percent points according to usual principal and subsidiary status. However, during the intervening period, say, 2007-08, the differences in female WPR among the two regions had tapered down to 4 percent points. This narrowing of the differences have been due to the combined effect of a marginal rise in employment rates in North Kerala, and a simultaneous and marginal fall in employment rates among women in the southern part of the state.

In the urban sector, on the other hand, despite a convergence in the employment rates between the two regions during 2007-08, by 2009-10, the differences in the female WPRs between the North and South regions in fact widened. From about 10 percent point difference between the two regions during 2004-05, the gulf widened to 14 percent points during 2009-10. This has been due to the fact that the relatively substantial improvement in the urban sector of southern Kerala surpassed the marginal increase in the WPRs in the northern region. These shifts in the WPRs among the two regions in the state may be better understood by disaggregating the regions into districts. The following section therefore carries out the estimations at a further disaggregated level, with districts as the units of analyses.

3.8.1 District-wise FWPR

Table 3.13 provides the WPR of females in the 14 districts of the state according to both usual principal and usual principal and subsidiary status measures.⁶ The WPRs are estimated for females of age 15 years and above. The data (as also seen in the

⁶ In the tables used in this chapter, for brevity, the 14 districts in the state have been coded as follows, starting from South to North: Thiruvananthapuram (TVM), Kollam (KLM), Pathanamthitta (PMT), Alappuzha (ALP), Kottayam (KTM), Idukki (IDK), Ernakulam (EKM), Thrissur (TSR), Palakkad (PGT), Malappuram (MPM), Kozhikode (KZD), Wayanad (WYD), Kannur (KNR) and Kasargod (KSG).

earlier sections in this chapter) indicates a general decline in FWPR in the rural sector, and of a general increase in the urban sector between 2004-05 and 2009-10.

Table 3.13

WPRs of females aged 15 years and above according to usual status in the districts of Kerala between 2004-05 and 2009-10 (in percent)

Year/ Round	Districts													
	TVM	KLM	PMT	ALP	KTM	IDK	EKM	TSR	PGT	MPM	KZD	WYD	KNR	KSG
61st (2004-05)	Rural Female													
ps	29.1	30.6	16.9	27.3	24.1	41.9	23.5	22.3	27.3	7.3	13.7	25.1	32.4	23.8
ps+ss	50.6	40.9	32.6	35.3	37.9	58.8	33.9	34.7	37.4	11.4	20.3	31.9	33.9	24.1
	Urban Female													
ps	32.7	24.4	15.2	23.2	33.1	14.9	17.2	18.6	16.0	9.0	10.1	17.7	14.0	18.8
ps+ss	44.9	32.0	24.9	37.6	38.6	23.0	23.0	27.8	18.8	13.6	12.0	25.3	15.8	19.5
64th (2007-08)	Rural Female													
ps	23.1	24.4	14.0	21.8	21.2	46.1	15.1	33.0	32.9	8.8	9.0	21.6	28.4	44.1
ps+ss	32.9	29.5	26.6	36.6	31.8	55.2	19.7	39.9	36.1	11.5	16.7	21.7	30.8	44.1
	Urban Female													
ps	24.2	14.2	18.2	19.3	18.5	26.6	17.7	17.9	24.0	6.9	7.7	40.0	17.8	25.3
ps+ss	30.8	17.9	28.0	38.0	22.2	43.8	20.5	20.7	24.4	7.6	9.4	40.0	17.8	25.3
66th (2009-10)	Rural Female													
ps	27.6	24.1	21.4	19.7	32.6	39.8	21.2	20.1	24.5	10.6	11.6	20.1	25.7	41.6
ps+ss	39.2	28.8	26.6	26.9	40.0	48.6	29.3	27.2	26.3	12.8	13.7	24.5	28.0	44.0
	Urban Female													
ps	33.6	22.6	25.0	28.1	29.3	34.4	23.2	26.4	20.4	10.6	6.3	9.8	17.9	20.6
ps+ss	38.7	24.9	30.2	35.8	30.2	47.5	26.2	27.5	20.4	11.4	9.2	19.2	19.4	21.8

Source: Computations based on the unit level data of the NSSO

The district-wise disaggregation reveals that the convergence in employment rates among the northern and southern regions in the rural sector in the state was driven by significant alterations in the employment rates among certain districts. The most noteworthy among these is the drastic increase in employment in the northern district of Kasargod. The FWPR in Kasargod during 2004-05 was similar to that of many districts in the state. From about 24 percent during 2004-05, the FWPR of Kasargod rose steeply to about 42 percent, and recorded the highest WPR among the districts in rural Kerala. The female WPR in Kasargod during 2009-10 surpassed the FWPR of Idukki, which had the highest FWPR during 2004-05 and 2007-08. The convergence in the employment rates between the northern and southern regions, as stated in the previous section, has been brought about largely by the increase in WPRs in the districts of Thrissur and Palakkad during 2007-08. Consequently, the marginal

widening in the differences between the northern and southern regions during 2009-10 as compared to 2007-08, therefore, was triggered by the drop back in the employment rates in these two districts during 2009-10. This demands greater attention towards understanding the forces shaping the labour market outcomes in Kasargod, which continued to have and maintained the heightened employment rates, despite an overall decline in rural employment in the state.

In the urban sector, as stated earlier, the female employment in the state showed marginal rise. The largest contribution towards this increase came about from the southern districts as compared to the northern district. However, as the overall employment rates in the urban sector rose, the ripples are visible in the employment rates in most of the districts. The most noteworthy improvements were observed from the districts of Pathanamthitta, Alappuzha, Idukki and Ernakulam in the south; and Thrissur and Palakkad in the north. However, given the fact that the variations were near universal in the urban sector, several other considerations such as sectoral composition of income, employment, etc., need to be taken into account before taking a district as a case study for understanding the labour market scenario in the urban sector.

3.8.2 District-wise LFPR and PU

The study of the labour market variables such as labour force participation rates and unemployment among the females in Kerala has revealed that there had been a decrease in unemployment, driven largely by the reduced involvement of women in the labour market activities in the state. This section attempts to examine the changes in these variables at the district level.

Table 3.14 provides the proportion of unemployed (PU) females aged 15 years and above according to usual status in the districts of Kerala during 2004-05 and 2009-10. The table shows a substantial reduction in the proportion of unemployed (PU) females in the districts of Kerala. However, as stated earlier, the reduction in the proportion of unemployed women in the population was largely due to the fall in LFPRs, which will be evaluated in detail in the later part of this section. Without

taking into consideration the changes in LFPR, in rural Kerala, between 2004-05 and 2009-10, the greatest decline in the proportion of unemployed (PU) females, came about in Wayanad in the North and Thiruvananthapuram in the South. In the usual principal status measure, the proportion of unemployed females in these two districts decreased by about 8 and 11.5 percent points respectively in rural sector. Against the overall fall in unemployment, districts of Kollam and Ernakulam in the south registered marginal increase in rural unemployment.

Table 3.14

Proportion of unemployed (PU) females aged 15 years and above according to usual status in the districts of Kerala between 2004-05 and 2009-10 (in percent)

Year/ Round	Districts													
	TVM	KLM	PMT	ALP	KTM	IDK	EKM	TSR	PGT	MPM	KZD	WYD	KNR	KSG
61st (2004-05)														
Rural Female														
ps	18.2	10.1	9.5	10.2	13.7	10.2	10.7	8.8	3.6	8.1	13.7	13.9	8.8	7.0
ps+ss	10.5	9.3	9.3	9.5	9.7	5.9	9.0	7.0	3.0	7.1	12.2	12.1	8.8	7.0
Urban Female														
ps	16.7	12.8	12.7	14.0	17.8	12.2	18.6	10.6	4.0	7.4	17.7	20.0	10.3	20.6
ps+ss	13.2	12.8	10.5	11.2	15.4	12.2	16.8	8.7	4.0	6.5	17.5	19.3	10.3	20.6
64th (2007-08)														
Rural Female														
ps	5.0	8.0	7.1	8.8	4.7	6.4	10.6	3.4	0.7	0.6	9.3	2.0	0.0	1.8
ps+ss	4.2	7.5	5.2	7.5	3.8	4.2	10.4	2.7	0.3	0.6	9.3	1.9	0.0	1.8
Urban Female														
ps	5.9	11.9	0.1	4.4	8.2	5.0	12.9	2.4	0.6	0.0	8.7	7.7	2.9	5.9
ps+ss	4.9	11.9	0.1	2.7	4.7	2.8	11.8	2.4	0.6	0.0	8.8	7.7	2.9	5.9
66th (2009-10)														
Rural Female														
ps	5.2	12.2	2.7	5	7.3	10.8	11.2	3.2	0.8	5.6	8.7	5.5	4.3	2.8
ps+ss	4.8	12	2.4	4.6	6.1	10.8	8.4	1.4	0.8	5.5	7.8	5.5	4.3	1.3
Urban Female														
ps	3.8	3	3.6	6.9	8.3	13.5	9.2	1.7	2.2	4.1	7.2	12.3	3.4	3.5
ps+ss	3.3	3	3.5	6.9	8.2	8.3	8.3	1.6	2.2	4.1	6.8	11.8	3.4	3.4

Source: Computations based on the unit level data of the NSSO

As opposed to the rural sector, at the state level, the overall fall in unemployment in the urban sector, has also been derived from rising employment rates (as shown in Tables 3.1 to 3.3). This is evident from the fact that the overall unemployment in the urban sector decreased by 8 percent points, and with the fall in LFPR only by 6 percent points, the real decrease of 2 percent points of unemployment resulting from rising WPRs (as observed from the tables in the earlier sections in this chapter). While the focus of this section lies in a disaggregated observation, it may be seen that on average, the greatest reduction in urban unemployment took place in the southern

districts in the state. However, the single largest fall in unemployment came about in the urban sector of Kasargod, about 17 percent points. The district of Ernakulam had the least reduction in the proportion of unemployed females among the districts between the two periods.

Table 3.15

LFPR of females aged 15 years and above according to usual status in the districts of Kerala between 2004-05 and 2009-10 (in percent)

Year/ Round	Districts													
	TVM	KLM	PMT	ALP	KTM	IDK	EKM	TSR	PGT	MPM	KZD	WYD	KNR	KSG
61st (2004-05)	Rural Female													
ps	47.3	40.7	26.4	37.5	37.8	52.1	34.2	31.1	30.9	15.4	27.4	39	41.2	30.7
ps+ss	61.1	50.2	41.9	44.8	47.6	64.7	42.9	41.7	40.4	18.5	32.5	44.0	42.7	31.0
	Urban Female													
ps	49.4	37.2	27.9	37.2	50.9	27.1	35.8	29.2	20.0	16.4	27.8	37.7	24.3	39.4
ps+ss	58.2	44.8	35.4	48.8	54.0	35.2	39.8	36.5	22.8	20.1	29.5	44.6	26.1	40.1
64th (2007-08)	Rural Female													
ps	28.1	32.4	21.1	30.6	25.9	52.5	25.7	36.4	33.6	9.4	18.3	23.6	28.4	45.9
ps+ss	37.1	37.0	31.8	44.1	35.6	59.4	30.1	42.6	36.4	12.1	26.0	23.6	30.8	45.9
	Urban Female													
ps	30.1	26.1	18.3	23.7	26.7	31.6	30.6	20.3	24.6	6.9	16.4	47.8	20.7	31.2
ps+ss	35.7	29.8	28.1	40.7	26.9	46.6	32.3	23.1	25.0	7.6	18.2	47.8	20.7	31.2
66th (2009-10)	Rural Female													
ps	32.8	36.3	24.1	24.7	39.9	50.7	32.4	23.3	25.3	16.2	20.3	25.6	30.0	44.3
ps+ss	44.0	40.8	29.0	31.5	46.1	59.4	37.7	28.6	27.1	18.3	21.5	30.0	32.3	45.3
	Urban Female													
ps	37.4	25.6	28.6	35.0	37.6	47.9	32.4	28.1	22.6	14.7	13.5	22.1	21.3	24.1
ps+ss	42.0	27.9	33.7	42.7	38.4	55.8	34.5	29.1	22.6	15.5	16.0	31.0	22.8	25.2

Source: Computations based on the unit level data of the NSSO

While the observation of the unemployment in isolation paints a promising picture, an examination of the LFPRs indicate that in the majority of the districts in common with the state, the reduction in the proportion of unemployed females was driven by reduced interest in labour market activities among them. Table 3.15 provides the LFPRs among the females in Kerala between 2004-05 and 2009-10.

Table 3.15 shows that among the two districts of Wayanad and Thiruvananthapuram that had the highest reduction in unemployment, fall in female labour force participation rate (FLFPR) was also the greatest in these two districts. The FLFPR reduced by about 18 percent points in Thiruvananthapuram and 12 percent points in Wayanad. In the case of Thiruvananthapuram, this decline in FLFPR was even more than the fall in unemployment, pointing to no real reduction in

unemployment rates. The examination of the LFPR, WPR and PU (as shown in Tables 3.13 to 3.15) indicates that only in very few districts was the fall in the proportion of unemployed (PU) among women facilitated by increase in WPR, and not by fall in LFPR. These include the districts of Kasargod, Kottayam and Pathanamthitta. It may also be noted that the concurrent improvement in the labour market variables was greatest in Kasargod. Kasargod exhibited the greatest increase in FLFPR (by about 14 percent points) and FWPR (by about 18 percent points), to bring down the incidence of unemployment from 7 percent to 3 percent during the period between 2004-05 and 2009-10. Furthermore, from being at 11th position among the districts in terms of the FLFPR during 2004-05, the FLFPR in Kasargod improved drastically to record the highest FLFPR among the districts in the state. Another crucial factor related to the labour market in Kasargod is the decline in the male WPR, alongside the improvements in the female labour market variables.

3.8.3 Labour Market Outcomes in Select Districts

The above discussion also shows that the majority of the districts, especially in the south, followed the general pattern in the state, as the period between 2004-05 and 2009-10 was a period of overall decline in employment and labour force participation of women in Kerala. Thus, the districts that need close scrutiny are those districts that departed from the overall trends in the labour and employment rates. The study therefore, attempts to select two districts for closer study. The choice of the districts is based on the distinctiveness and peculiarities of the labour outcomes in these districts. On the understanding that the divergence in labour market behaviour is conditioned by various socio-economic factors, it is hoped that closer study of these districts might explain some of the processes at work.

Based on the observations in the preceding section, the study proposes to examine the female labour market outcomes in the district of Kasargod in greater detail. Kasargod has been selected in order to unravel the forces shaping the unique and newfound variations in the labour market behaviour. The study further proposes to study a district which is largely urban in nature, as opposed to the case of Kasargod which is predominantly rural in nature. Thus, the district of Ernakulam has been so

selected to serve as window to the elements shaping the general trends in the state at a micro level. While Ernakulam appears to simulate the overall trends in the urban sector in the state to a large degree, it is also distinct from the rest of the state in terms of the extent and intensity of the alterations in labour market variables. In addition, the sectoral composition of income and employment in the district, vis-a-vis that of the state also provides validation for the selection of Ernakulam. Further justifications for the selection of the districts will be provided in the subsequent chapters where the detailed examinations of the labour market behaviour in the select districts are carried out (District of Ernakulam in Chapter V and Kasargod in Chapter VI).

In short, the study proposes to examine the dynamics of female labour market in Kerala in the post-reform period by evaluating the trends and patterns at the state level, as well as taking two districts as case studies. These districts have been selected so as to provide deeper insights in to the varied forces shaping the labour market trends in the state, and on the one hand, to understand the extent to which the micro realities are shaping the overall employment scenario, and on the other, the extent to which the diversities underlying the local labour market are concealed by the state averages. Through these different cases – urban Kerala as a whole, Ernakulam district and Kasargod district – the study examines the factors shaping the changes in the LFPR, sectoral changes in employment in the urban sector, and the changes in the labour market variables in the rural sector, respectively.

3.9 Conclusion

The findings in this chapter on employment and labour market outcomes for females in the state set the background for further study in the subsequent chapters. The data shows that while the proportion of unemployed women in Kerala deteriorated in 2004-05, but improved in 2009-10, this was largely because of a withdrawal of women from the labour force. This withdrawal is marked in the case of educated women, including those with technical education; further this withdrawal was largely into domestic duties. Also, unemployment of technically qualified women was not only much greater than that of equivalently qualified men, but the employment rates among men did not fall in the same way for men. Indeed, the employment rates

among technically qualified men was much higher than the equivalently qualified women, despite equal proportions of both men and women going for technical education. So the withdrawal of women in particular from the labour market can neither be attributed only to an undersupply of women with technical skills, nor expressly to the shortage of employment opportunities. Clearly, many other social and institutional factors condition the female labour market and need to be studied. The findings beg an explanation and these are taken up in subsequent chapters, which attempt to critically engage with ‘received’ explanations in the literature for arriving at an explanation for the observed ‘discouragement’ in labour market activities among women, especially in the urban sector in the state.

This chapter also examined regional variations in the female labour market in Kerala, and found them to be significant. Two districts, Ernakulam and Kasargod could be earmarked for further study on the basis of distinct developments in labour and employment scenario in these regions. In the subsequent chapters, these two districts are studied in greater detail towards understanding the shaping of employment patterns in the region, by eliciting the influence and interplay of factors such as the sectoral composition of production and the diversity in the channels through which these districts are exposed to global capital.

CHAPTER – IV

FEMALE LABOUR MARKET IN KERALA: OCCUPATIONAL GENDER SEGREGATION AND DISCOURAGED WORKER EFFECT

4.1 Introduction

In the economic literature, the necessity for understanding the labour force participation of women as a product of a variety of social, economic and cultural aspects, in addition to the demand for and supply of labour, has been well established. The conditions peculiar to, as well as the functioning of different labour markets, which function independently, as well as in linkage to each other, have been observed to present varied prospects for the heterogeneous agents in the labour market. These local labour market conditions significantly alter the labour and employment decisions and results for the different players in the market. To illustrate, in the context of developing countries, it has been argued that whether or not increasing education of women gets translated into labour force participation depends on the nature of local labour markets (Chant, 1991, as cited by Sebastian, 2008: 877). For instance, while it is commonly stated that the high levels of education among women increases their interest in paid activities in the market, evidences from several labour markets show the reverse trend.

An argument that has generally been put forward for the reduced labour market activities among women stem from the consideration that the earnings of women are transitory and supplementary in nature, and consequently, the reduced labour market activities have been attributed to the increase in the household income. Thus, the decision of women to participate in labour market largely becomes a household decision. Following this argument, the labour market decisions of a woman depends on the 'income and substitution' effects of a change in the household income. The underlying assumption of this argument is that women have weaker attachment to the labour market, and that their income is secondary or transitory in nature. Thus, women withdraw from the labour market when their households no longer require the income earned by them for sustenance. Closely associated with the secondary nature of women's work is the assumption that their human capital and skill levels are lower, making their work less remunerative.

The present chapter examines the factors underlying the labour market behaviour of women in Kerala, in the context of a significant alteration in these variables from the trends and patterns hitherto observed in the state. In the state of Kerala, the theory of the 'income and substitution' fails to bring out conclusively the reasons for the significant reduction in the labour force participation rates in the state. The study, therefore, examines the reasons for the observed 'discouragement' in labour market activities of women in the state in terms of the labour market rigidities and constraints facing the potential women workers in the state. The chapter hypothesises that the occupational gender segregation is an important decisive factor in the labour market behaviour in the state. However, in order to avoid an outright ruling out of the effect of an income and substitution effect, and to arrive at a conclusive understanding of the factors determining the labour market outcomes of women, the study also carries out an analysis of the labour market variables for different levels of income.

This chapter is organised as follows. The following section provides a brief outline of the labour and employment outcomes of women in Kerala. Section 4.3 examines the labour market outcomes of women belonging to different income classes. In Section 4.4, some of literature germane to occupational gender segregation

and discouraged worker effect are examined, with the aim of understanding the relationship between the two. Section 4.5 appraises the discouragement in the labour market activities of women in urban Kerala by examining the extent of occupational gender segregation in the state. For this, the study adopts a tabular examination of the distribution of men and women across different occupation divisions, and in addition, employs various measures of segregations such as percentage of women workers in each occupation, Duncan and Duncan Index of Dissimilarity and size-adjusted Index of Dissimilarity. Section 4.6 concludes the chapter.

4.2 The Case of Kerala

As stated in the earlier chapter, the employment scenario for women in the state of Kerala presents a very different situation that contradicts the theories on the relationship between economic growth, employment, education and human capital. The employment outcome for women in the state, partly as a consequence of the unique development experience of the state, also differs from that of the women in the rest of the country. Therefore, in addition to the income and substitution effects on women's employment, the employment scenario in Kerala needs to be seen in the light of its unique labour market characteristics.

Compared to the rest of the nation, the labour market participation rates among women in Kerala, given their higher levels of education, was significantly higher. In addition, the LFPRs have been on a steady increase up to 2004-05 (61st Round). The labour force participation rate during 2004-05 was the highest in the post-reform period, both in rural and urban Kerala. Thereafter, the LFPRs embarked on a downward trend, with the greatest decline among females with higher levels of education, say, graduation and post graduation. This reduced interest in labour market activities was not confined to the persons with general education, as observed from the reduced labour market participation even among females with technical education. Moreover, the decline was more pronounced in the urban sector in the state, during a period when the economy of Kerala was driven by service sector growth. Given the nature and pattern of employment, as evident from the share of employed women in the regular, organised employments in the service sector, it is commonplace to assume

a positive relationship between service sector led economic growth and female employment, specifically among the higher educated. It may also be noted here that during 2010-11, at constant (2004-05) prices, the contribution of the tertiary sector accounted for 68.80%, of the GSDP (GoK, 2011).

The decline in the labour market participation among women in the state needs to be seen in the context of hitherto high labour force participation rates. The high labour force participation rates up to 2004-05, coupled with low employment opportunities resulted in high unemployment rates, especially among the women in the state. Of this, the unemployment rates among the educated females have been particularly high in the state. Several scholars have explained the educated unemployment among women in terms of their “job preferences” (Devi, 2002; Mathew, 1995; Eapen, 1994). While these studies cite ‘job preference’ as the reason for unemployment, they fail to point out whether the ‘preference’ for jobs is evident in the employment outcomes. Thus, other than high levels of unemployment, these studies fail to provide conclusive evidences whether these preferences are translated into the employment outcomes in the state. In addition, even if “preferences” had a significant influence in the labour market outcomes, in the event of the service sector led growth in the economy, the observed labour market outcomes should have been the obverse.

Similarly, in a state like Kerala, it has been pointed out that the mismatch between labour supply and labour demand poses constraints on fulfilling the employment aspirations of the job seekers (Kannan, 1998; Nagaraj, 1999). While these constraints provide an explanation for the general unemployment in the state, it does not offer explanations for the widening disparity in the employment outcomes for the men and women in the state. Several scholars have also attributed the reasons for higher unemployment among the educated women in Kerala to the kind of education being pursued by them. They point to the oversupply of women with liberal arts and science education and an undersupply of women with employable technical education as the reasons for the disparity in employment and unemployment among men and women in the state (Eapen and Kodoth, 2002; Mathew, 1995). However, the examination of the proportion of men and women in the state with different levels of

general and technical education (in Chapter 3) shows that there is no wide disparity between men and women in terms of their access to technical education. In this situation, it is relevant to look at the argument of Kodoth and Eapen (2002: 4) that in Kerala, ‘women’s education and employment have not played the transformative role so generally expected of them’. They argue that the persistence of a gendered work structure, bolstered by the ‘conceptions of masculinity and femininity which privilege the male working subject and female domesticity, have limited women’s claims to “self-acquired” or independent sources of wealth’ (Kodoth and Eapen, 2002: 4). The present chapter, therefore, attempts to examine the dynamics of the labour market outcomes of women in the state of Kerala in the light of the economic growth and the changing nature of occupational structure in the economy.

4.3 The Labour Market Outcomes and ‘Income Effect’

The latest data on the employment and unemployment in the country (2009-10) drew great flak from the opponents of the neoliberal policies for the economic growth failing to create employment opportunities, especially for women, but was played down by the policy formulators. They contested the criticism by arguing that the decline in employment among women was in fact, the offshoot of the increased income of the households, which enabled the women of the households to retreat to the household duties, and more importantly, to pursue education (Rangarajan, et.al, 2011). This argument stems from the fact that attending educational institutions involves a withdrawal from the labour market activities, both for males and females. With regard to females, the pressure of domestic duties is an additional factor determining the decisions to stay away from market work. However, this view of Rangarajan, et.al (2011) has been contested on several grounds. The first view is that, a reduction in employment rates due to the withdrawal of certain sections of the population presupposes that there is full employment in the economy or a situation of labour shortage (Chowdhury, 2011). Secondly, Kannan and Raveendran (2012) refute the arguments on two grounds. First, they state that the additional enrolment of women in educational activities falls short of accounting for the decline in labour force. Second, they counter the ‘income’ argument by pointing out that an

overwhelming proportion of women who dropped out of the labour force were from rural areas belonging to economically poor households.

Even if the argument of the greater enrolment in educational institutions as a contributor to the reduced labour market participation in the country could be accepted, the socio-economic character of Kerala prevents the embracing of this newfound interest in education as a deterrent to labour market participation. The high enrolment and literacy rates observable from the previous century itself, as well as the demographic profile of the state, presents no case for a sudden spurt in enrolment for education, and its impact on labour market participation. Moreover, in Kerala, the decline in the labour force participation rates was the highest among the higher educated, say, graduates and post graduates. While these variables cannot be expected to significantly alter the labour market outcomes for women, the examination of these variables is essential to arrive at a comprehensive understanding of the factors contributing to the observed trends. In this section, the chapter examines whether the income of the household is a significant determinant of the changes in the labour force participation rates among women in the state. This is carried out by examining the activity statuses of women for different levels of monthly per capita consumption expenditure (MPCE). Following the method used by the NSS, the present chapter examines the activity statuses of females for each of the MPCE decile class, in order to portray the trends in such variables for each MPCE.

The NSS defines the MPCE of a household as the total consumer expenditure over all items divided by the household size and expressed on a per month (30 days) basis. A person's MPCE is understood as that of the household to which he or she belongs (NSSO, 2010: 6). The first decile of the distribution of MPCE over the population of any region or domain is the level of MPCE below which 10 per cent of the population lie; the second decile, the level below which 20 per cent of the population lie, and so on. Thus, the population can be divided into 10 "decile classes of MPCE" (NSSO, 2010: 6). Table 4.1 in this section depicts the WPR and LFPR, as well as the involvement of women in education and domestic duties for each MPCE deciles in Kerala during the period between 2004-05 and 2009-10.

Table 4.1

Distribution of females aged 15 years and above according to activity status (ps) for each MPCE decile class between 2004-05 and 2009-10 (in percent) Kerala

Activity status	Decile classes on MPCE									
	0 -10	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	90-100
2004-05 (61st Round)										
Rural Female (ps)										
WPR	20.3	24.9	22.2	23.9	23.6	22.5	23.8	23.9	27.1	24.1
LFPR	30.7	34.8	32.1	37.7	32.1	33.8	29.5	36.2	36.8	32.6
Edu	6.3	9.7	9.4	7.7	9.7	11.5	9.0	7.6	10.6	11.4
Dom.Dut	44.0	40.6	41.7	38.0	41.5	36.9	44.2	39.9	36.3	39.5
Urban Female (ps)										
WPR	16.0	14.1	15.6	19.8	18.5	20.4	17.6	19.0	23.6	27.2
LFPR	30.2	27.0	28.9	32.4	32.2	40.3	32.7	34.7	39.6	37.0
Edu	3.3	1.3	2.4	4.3	5.9	3.1	6.3	3.9	3.7	3.6
Dom.Dut	49.4	56.2	48.9	43.0	47.0	40.9	42.2	43.0	35.4	41.8
2009-10 (66th Round)										
Rural Female (ps)										
WPR	24.0	18.9	20.7	19.8	19.0	26.5	23.5	24.1	28.4	23.1
LFPR	30.3	22.8	29.2	24.8	24.5	37.0	29.1	30.6	33.7	26.3
Edu	7.7	9.6	6.3	7.8	11.8	9.6	7.6	10.7	6.4	14.0
Dom.Dut	41.7	49.1	46.6	52.9	44.5	37.1	42.9	40.1	38.9	39.4
Urban Female (ps)										
WPR	24.4	20.0	20.3	17.4	20.7	27.5	19.8	15.0	25.7	30.7
LFPR	30.0	24.9	26.1	21.7	26.4	34.9	25.1	18.7	32.7	35.7
Edu	6.3	9.4	8.4	15.4	15.7	10.0	7.2	13.5	12.5	16.3
Dom.Dut	46.1	50.5	50.2	45.7	42.0	42.2	51.7	51.7	43.3	37.0

Source: Computations based on the unit level data of the NSSO

The table points to sharp variations in the LFPR and WPR among the top and bottom MPCE classes over between the 61st and 66th rounds. The table shows that the changes in the overall work and labour force participation were not spread equitably across the MPCE deciles. Also, the LFPR in each period is uneven across the decile classes, and does not necessarily decrease over higher deciles. On the other hand, for the income effect to hold, the LFPR should decrease among the higher income deciles. As in rural Kerala, it is observed that the LFPRs increased among the top decile classes, especially from the 6th decile. From the 6th decile onwards, the LFPR showed either an increase, and in the case of a decrease (as in decile 7), the decrease was moderate compared to other MPCE classes. With regard to WPR also, it may be seen that after the increase in the first MPCE decile, the WPR declined among the subsequent MPCE deciles, only to rise from the 6th decile onwards. Thus, the WPR decreased for lower decile classes and increased for the upper decile classes. It may

also be noted that in those MPCE deciles where the WPR and LFPR declined, there took place a corresponding increase in the proportion of females retreating themselves to household duties. In other words, at least in the second, third and fourth deciles, the reduction in LFPR was not driven by increased enrolment for education, and instead, by the withdrawal into domestic duties. Conversely, it may be stated that those women who had withdrawn from labour market were not pursuing any activities other than domestic duties, and hence such a reporting.

Compared to rural Kerala, the alterations in the labour market variables were sharp in urban Kerala. The data in Table 4.1 points to a fall in the female LFPR in every decile class during the period under study. In the upper MPCE deciles except the 10th decile, the heightened decline in the labour force participation rates also coincided with an increased participation in education as well as domestic duties. While it is the LFPR that varies in response to a change in the household income, it cannot go without notice that between 2004-05 and 2009-10, the WPR increased among females in the bottom three MPCE deciles. In urban Kerala, where the overall WPR showed an increase over the previous rounds, the WPR increased substantially for the bottom three decile classes when compared to the other decile classes. It may also be noted that the LFPRs in these three bottom deciles had shown a decrease during the period under study. This also has to be understood in the light of increasing inequality in income distribution and retardation in poverty-reduction during the high-growth phase of Kerala economy (Subrahmanian and Prasad, 2008).

The above discussion leads to an understanding of the changes in the labour market variables such as LFPR and WPR, as well as other variables contributing to the labour market participation such as enrolment in education and activities in the domestic households. First, the variations in LFPR across different MPCE deciles do not point to any significant association between household income and LFPR per se, especially among the lower income households. On the other hand, for instance, in the urban sector, the disinterest among women in labour market activities was more among the middle income households than the lower income households, with increased participation among lower and higher income households.

Second, regarding the changes in the employment rates, it also needs to be restated that, as WPR reflects the actual employment rate, to claim that the fall in WPR is because of the income effect assumes that there was full employment, and so a withdrawal of labour from the market affects the employment rate. The argument that withdrawal of labour from the market affects the employment rate fails to hold water, as the LFPR has always been greater than the WPRs. The profile of WPR over different decile classes reflects the demand for labour, rather than the supply of labour. Given the fact that the LFPR is always greater than WPR, a rise in education or domestic duty does not explain the changes in employment. However, it is possible that when WPR decreases, with the fall or rise in LFPR by a small amount, it could lead to increased enrolment in education or withdrawal to domestic duties, but this does not cause a fall in employment. But on the other hand, if LFPR decreases, it is quite possible that the involvement in education or domestic duties could increase. It may be noted that during the period between 2004-05 and 2009-10, the increased enrolment in education was observed along with a decline in LFPR. Also, during this period, the interest in education was more rampant among the urban females, in comparison with the rural females. However, the increase in education could not fully account for the decrease in LFPR. Therefore, given the high levels of unemployment, as well as the already higher educational attainments of women in the state, this continued and increased pursuit of education need to be seen as an accommodating phenomenon, in the situation of lack of employment suiting ones preferences and qualifications. It may also be noted that this was less evident in the lower three MPCE deciles.

The data shows a general disinterest in the labour market activities among urban women belonging to all the income groups. This disinterest in labour market participation among urban women was the highest among the middle income MPCE deciles. In addition, the education specific employment trends (Chapter 3) show a significant decline in LFPRs among females with education above higher secondary, and more significantly, among higher educated. This decline in labour force participation in urban sector came about during a period following high rates of unemployment and LFPR (61st round). In addition, even when the WPRs increased between 2004-05 and 2009-10, the LFPRs remained low, especially among the higher

educated and those belonging to middle income MPCE deciles. Given the fact that these changes took place during a period of service sector led economic growth, it is necessary to look at the factors responsible for the ‘discouragement’ among women in the labour market participation. The present chapter, therefore, attempts to examine the labour market inefficiencies and rigidities that hamper the labour market participation of women. As the significant swings in LFPR took place in the urban sector, in the subsequent sections in the chapter, the emphasis will be on the labour market outcomes of women in the urban sector in the state. The discussion hitherto suggests a ‘discouragement’ in the labour market activities among women in the state. In the subsequent sections, the study attempts to understand the factors contributing to this ‘discouragement’ in the urban sector in the state.

4.4 Theoretical Background: Occupational Segregation and the Discouraged Worker Effect

The present chapter examines the reduced labour market participation of women in Kerala as stemming from a ‘discouragement’ among the potential workers in the event of certain labour market constraints acting against women’s employment outcomes. The study views the ‘discouraged worker effect’ as an outcome of the gender segregation of occupations prevalent in the state. This section, therefore, attempts to expound some of the literature that discusses the occupational gender segregation and the discouraged worker effect, with a view to establish a relationship between the two in the context of the female labour market in Kerala.

4.4.1 Discouraged Worker Effect and Labour Market participation

The reduced interest in labour market activities may be seen as emerging from what has been recognised as the ‘discouraged worker effect’. ‘The discouraged worker effect is defined as the decision to refrain from job search as a result of poor chances on the labour market’ (Ham, Mulder and Hooimeijer, 2001: 1733). The discouraged worker effect, thus, refers to a ‘shift in the supply of manpower to changing demands’ (Tella, 1964: 454). Thus, it may be understood as a response of the potential workers to the mismatch between labour demand and supply. ‘As unemployment increases,

some potential workers become discouraged and drop out of the labour force' (Wachter, 1977: 547). In addition to the impact on unemployment, a shrinking job market may discourage labour-force participation and an expanding job market may encourage labour-force participation (Tella, 1964: 454). The discouragement can enter the job search even at the stage of deciding to enter the labour force, by avoiding underemployment by choosing not to work (Ham, Mulder and Hooimeijer, 2001: 1738). While many of the studies on discouraged worker effect have been of a static nature (current labour force participation is specified to be a function of current unemployment), Schweitzer and Smith (1974) establishes that the experience of unsuccessful job search increases the propensity to withdraw from the labour force, both immediately and in subsequent years.

Discouragement effects has been understood to 'arise from a lack of individual qualifications, from discrimination in the labour market or from a high local level of underemployment' (Ham, Mulder and Hooimeijer, 2001: 1733). Thus, people with poor labour market expectations become discouraged in their job search and leave or fail to enter the labour force, because the probability of finding a suitable job after a certain period of time is low. The studies on discouraged worker effect regard discouragement as an extra mechanism that hampers the occupational achievement of groups with poor chances on the labour market (Ham, Mulder and Hooimeijer, 2001: 1734). Thus, several researches in the West have looked at the discouragement of groups with poor chances on the labour market such as women, migrants, inner-city African-American residents etc. in terms of their spatial constraints on job search and the local labour market conditions (Brown and Misra, 2003; Ham, Mulder and Hooimeijer, 2001; Hanson and Pratt, 1992; 1995; Kain, 1968). Women are more spatially restricted than men (Hanson and Pratt, 1988), so gender differences in search behaviour may be explained in part by gender differences in the discouraged worker effect (Ham, Mulder and Hooimeijer, 2001: 1734). Studies have also examined the discouraged worker effect over the changes in the business cycles (Dernburg and Strand, 1966; Finegan, 1981; Johansson, 2002; Mincer, 1973; Strand and Dernburg, 1964; Wachter, 1977). In many countries of the East and Southeast Asian regions also, reduced opportunities for productive employment since 1995 (due to very sharp and large swings in capital flows) has led to the tendency of fewer women to report

themselves as being part of the labour force, what is known in the developed countries as the ‘discouraged worker’ effect (Ghosh, 2007: 104).

The above discussion points to the fact that the discouraged worker effect is more widespread among persons with relatively less chances of finding employment. These lessened chances of finding employment may stem either from low levels of skill and education, or from the various constraints of job search, including spatial and gender constraints. For instance, high levels of unemployment in a particular geographical area/location, with spatial constraints of job search would lead to high unemployment, discouraging potential workers from seeking work.

The present chapter attempts to examine the disinterest in labour force participation among women, especially the educated and middle income families, in the state in terms of the discouraged worker effect. In the case of Kerala, the interest in studying the downswing in labour force participation rates also stem from the fact that the current spell of disinterest was preceded by the highest LFPRs, which was also one of the highest in the country. However, in the case of Kerala, discouraged job search cannot be ascribed to skill levels (elaborated in Chapter 3) or to the overall decline in employment opportunities. Therefore, the study attempts to look at the disinterest in terms of certain inefficiencies in the labour market that pose additional constraints specifically on women’s employment opportunities, leading to their withdrawal from labour market participation. While the existing literature discusses the ‘discouraged worker effect’ on the grounds of demand-supply mismatch in a particular geographical area, the present chapter examines the ‘mismatch’ in terms of the demand and supply of ‘female’ jobs. The stereotyping of occupations into male and female jobs leading to ‘overcrowding’ of women in certain occupations has been termed as ‘gender segregation of occupations’. This overcrowding leads to high levels of unemployment in the ‘female’ occupations. And, the discouragement may get intensified when persons with same level of qualifications seeking same kinds of occupations turn out to be unsuccessful in finding the jobs of their preference. The following section examines the extent of occupational gender segregation in Kerala, and examines the hypothesis that the reduced labour force participation is the offshoot of the compartmentalisation of occupations into male and female jobs.

4.4.2 Occupational Gender Segregation

In general terms, occupational gender segregation may be understood as gender inequality in the distribution of workers across different occupations. It refers to segmentation of labour market into male and female occupations. In the economic literature, this segmentation of occupations on the basis of workers gender is increasingly being realised as a 'major source of labour market rigidity and economic inefficiency', in addition to negatively affecting the education and training of future generations (Anker, 1997: 315; 1998). In the same vein, it has been pointed out that 'occupational segregation in itself entails inequalities and it provides a basis for their perpetuation' (Blackburn, Siltanen and Jarman, 1995: 319). In the developed countries, the interest in studying the occupational gender segregation arises from the understanding that 'higher levels of occupational segregation by sex are associated with larger earning gaps between men and women' Barbezat (2003: 179). The interest in examining wage gaps in terms of occupational segregation can be traced to the works of Bergmann (1971, 1974) which examined the wage differentials across gender and race, say, between males and females, and blacks and whites. Bergmann (1971) introduced the concept of 'overcrowding' to explain for the low wage rates in certain occupations. Since then, several studies have examined the gender wage gap in terms of occupational gender segregation. As Jacobs and Lim (1992: 451) states, 'sex segregation is of interest largely because of its connection with the gender gaps in wages'. However, Anker (1997: 316) finds the dealing of occupational segregation not *per se*, but with the effect it has on female-male pay differentials, as partial and unfortunate since female-male pay differentials have many sources and occupational segregation by sex is only one of them; and, sex segregation of occupations is an important topic in its own right. Similarly, Barbezat (2003: 179) points out that there are numerous other reasons to be concerned about the unequal distribution of men and women across occupations and industries.

The studies on occupational gender segregation categorise the phenomenon into two - horizontal segregation and vertical segregation. Horizontal segregation refers to the tendency for men and women to be employed in different types of occupations. Vertical segregation refers to the tendency for women and men to be

employed in different positions within the same occupation. It exists when men are most commonly working in higher grade occupations and women are most commonly working in lower grade occupations, or vice versa (Melkas and Anker, 1997: 342; Walby, 1997: 98). However, this demarcation largely disappears if the occupations are classified in great detail. As Melkas and Anker (1997: 342) points out, in a situation where there is an extremely detailed occupational classification, these two aspects of occupational segregation become equivalent.

The researches on the occupational gender segregation have grouped the theories into demand side and supply side theories. The supply and demand side explanations for the occupational segregation originate from the neo-classical/human capital theories. Based on the life cycle labour force participation, Polachek (1981) states that intermittent participation of women in the labour market accounts for their employment in lower rung jobs. Since women generally anticipate shorter and less continuous work lives than men, their investments in human capital are equated to the returns from employment over the life cycle labour force participation, resulting in wage differentials (Polachek, 1981). Implicit in these theories is the gendered division of labour, requiring women to seek 'flexible' jobs. According to the demand side theories, discrimination against women, based either on the tastes of employers, co-workers or customers, or on employers' perceptions that women are on average less well qualified for male jobs contribute to occupational segregation (Blau, Simpson and Anderson, 1998: 31). Demand side theories point to employers hiring of women or men for particular occupations, as well as the occupational discrimination by the employers against equally qualified women in terms of hiring, lower returns for their productive characteristics, including lower wages, lower likelihood of promotion and career development, disadvantage in gaining entry to particular jobs, access to on-the-job training programmes and so on (Anker, 1997; Barbezat, 2003; Blau, Simpson and Anderson, 1998).

In short, 'factors related to labour supply generally focus on why women "prefer" certain types of occupation' and 'explanations related to demand generally focus on why employers generally "prefer" to hire women or men for particular occupations and why women and men have different opportunities for promotion and

career development within firms' (Anker, 1997: 316). In the economic literature, it is increasingly being conceded that the preferences need not always represent a free choice, and is often, a constrained decision (Anker, 1997; England, 1982; 1988). In Anker's (1997: 316) words, 'the word "prefer" was put within quotation marks because, even when an individual chooses to accept work in a particular occupation or an employer chooses to employ either mainly men or mainly women, these decisions are influenced by learned cultural and social values that often discriminate against women (and sometimes against men) and stereotype occupations as "male" or "female". In other words, this "preference" is largely determined by learned, gender-related factors'. England, et.al (1998: 546) shares the same view by stating that 'discrimination creates accommodation to limited options that may appear as preferences'. As pointed out by Beller (1982: 372), the larger question concerning the preferences is whether the dramatic differences in the occupational distributions of the sexes result from different choices made by each, given equal opportunities, or from unequal opportunities to make similar choices.

This understanding of 'preferences' shaping the occupational characteristics attains particular significance in the case of Kerala. Particularly with regard to women's employment and labour market participation, several studies have emphasised the job preferences as a reason for low employment realisations (Devi, 2002; Mathew, 1995; Eapen, 1994). The present chapter, therefore, examines the extent of occupational segregation in the state, and tests the hypothesis that the occupational segregation and the resultant unemployment contributes to discouraged worker effect and reduced labour force participation.

4.5 Labour Market Participation, Occupational Segregation and the Discouraged Worker Effect in Kerala

In this section, the study attempts to examine the relationship between occupational gender segregation and discouraged worker effect in the female labour market in urban Kerala. The study examines the 'discouragement' in labour market activities among women workers in the urban sector due to the significant fall in the LFPR post-2004-5, which stands in contradiction to the patterns observed among the urban,

especially the higher educated, women in the state. For understanding the extent of occupational gender segregation, the study first carries out an analysis of the distribution of the usually employed females across different occupation divisions. Using this data on the occupational characteristics of the usually employed males and females in the state, the study also attempts to measure the degree of occupational segregation in the state, by employing female representation, or the percentage of female workers in an occupation, as well as two aggregate indices of segregation. Towards this, the study first examines the nature and type of occupations in which women were employed.

4.5.1 Distribution of Usually Employed by Types of Occupation

The NSS data, on the basis of the National Classification of Occupations issued by the Directorate General of Employment & Training, classifies the jobs carried out by the workers into different occupation categories. From the 64th Round of data, the NSS has applied the National Classification of Occupations (NCO-2004) in its classification of occupations, while earlier rounds of the NSS have used a different classification of occupations – NCO 68. As pointed out in Chapter I, compared to NCO 68, NCO 04 has streamlined the occupation divisions by reorganising the occupations within each occupation division according to the nature and kind of work performed and the level of skill involved in the performance of the occupation. The skill levels of the broad occupation divisions of the NC) 2004 are as follows:

- Legislators, Senior Officials and Managers - Skill not Defined
- Professionals - More than 15 years of formal education (Post-Graduate University Degree)
- Associate Professionals - 14-15 years of formal education (First University Degree)
- Divisions 4 to 8 - 11-13 years of formal education (Secondary Education)
- Division 9 - Up to 10 years of formal education and/or informal skills (Primary Education)

In this study, the classification of occupations based on the NCO-04 has been followed. In this regard, the occupational classifications according to NCO 68 have been reclassified in tune with that of NCO -04. The reorganisation of the occupational classifications has been carried out by using the concordance and conversion table issued by the Directorate General of Employment & Training, as well as by cross-tallying the occupations as listed out in the two NCO divisions at the three digit level. While reorganising the various occupations between the two Classifications, due to the multiplicity and wide variety of occupations covered under Occupation Divisions 7-8-9 of NCO-68, and the corresponding Divisions 7 and 8 of NCO-04, the occupations falling under Divisions 7 and 8 have been grouped together and estimated. At the two-digit level also, the same procedure was followed for the reclassification of occupations. In the subsequent sections, the study follows the reclassified NCO categories, both at one- and two-digit levels. The classification of occupations according to NCO 68 and NCO 04 at one- and two-digit levels are provided in the following two tables, Table 4.2 and Table 4.3.

Table 4.2

Classification of Occupations according to NCO-68 and NCO-04 at one-digit level

Division	NCO 2004	Division	NCO 68
1	Legislators, Senior Officials and Managers	2	Administrative, Executive and Managerial Workers
2	Professionals	0-1	Professional, Technical and Related Workers
3	Technicians and Associate Professionals	3	Clerical and Related Workers
4	Clerks	4	Sales Workers
5	Service Workers and Shop and Market Sales Workers	5	Service Workers
6	Skilled Agricultural and Fishery Workers	6	Farmers, Fishermen, Hunters, Loggers and Related Workers
7	Craft and Related Trades Workers	7--8-9	Production and Related Workers, Transport Equipment Operators and Labourers
8	Plant and Machine Operators and Assemblers		
9	Elementary Occupations		
X	Workers not Classified by Occupations	X	Workers not Classified by Occupations

Source: NCO-68 and NCO- 2004, Directorate General of Employment and Training (DGE&T)

Table 4.3

The Classification of Occupations according to NCO-2004 at two-digit level

Division-1 Legislators, Senior Officials and Managers
11 Legislators, Senior Officials
12 Corporate Managers
13 General Managers
Division-2 Professionals
21 Physical, Mathematical and Engineering Science Professionals
22 Life Science And Health Professionals
23 Teaching Professionals
24 Other Professionals
Division-3 Technicians and Associate Professionals
31 Physical and Engineering Science Associate Professionals
32 Life Science And Health Associate Professionals
33 Teaching Associate Professionals
34 Other Associate Professionals
Division-4 Clerks
41 Office Clerks
42 Customer Services Clerks
Division-5 Service Workers and Shop and Market Sales Workers
51 Personal and Protective Services Workers
52 Models, Salespersons and Demonstrators
Division-6 Skilled Agricultural and Fishery Workers
61 Market- Oriented Skilled Agricultural And Fishery Workers
62 Subsistence Agricultural and Fishery Workers
Division: 7 Craft and Related Trades Workers
71 Extraction and Building Trades Workers
72 Metal, Machinery and Related Trades Workers
73 Precision, Handicraft, Printing and Related Trades Workers
74 Other Craft and Related Trades Workers
Division: 8 Plant and Machine Operators And Assemblers
81 Stationary-Plant and Related Operators
82 Machine Operators and Assemblers
83 Drivers and Mobile Plant Operators
Division: 9 Elementary Occupations
91 Sales and Service Elementary Occupations
92 Agricultural, Fishery and Related Labourers
93 Labourers in Mining, Construction, Manufacturing and Transport
Division: X Workers not Classified by Occupations
X0 New Workers Seeking Employment
X1 Workers Reporting Occupations Unidentifiable or Inadequately Described
X9 Workers Not Reporting Any Occupations

Source: Directorate General of Employment and Training, Ministry of Labour, GoI

Table 4.4 provides information on the distribution of the usually employed females into different occupational categories (at one-digit level) in the state between 2004-05 and 2009-10. As the classification of occupations at two-digit level turns out to be too lengthy, it will not be presented in this section separately, but information in this regard will be conveyed through the table under Section 4.4.5.

Table 4.4

Distribution of usually employed persons aged 15 years and above according to usual status for each NCO division between 2004-05 and 2009-10 (in percent) Kerala

Year/ Round	Activity status	NCO divisions at one-digit level (NCO-2004)									
		1	2	3	4	5	6	7 & 8	9	X	All
Urban Male											
61st	ps	10.2	3.6	4.5	4.8	20.9	9.3	36.2	10.5	0.0	100.0
(2004-05)	ps+ss	9.4	3.6	4.4	4.0	19.6	15.4	33.3	10.3	0.0	100.0
64th	ps	11.1	4.1	5.8	3.0	18.4	5.5	34.4	17.7	0.0	100.0
(2007-08)	ps+ss	11.1	4.1	6.3	3.0	18.2	7.5	33.6	16.1	0.1	100.0
66th	ps	13.9	5.9	5.8	4.4	12.4	8.3	33.8	15.5	0.0	100.0
(2009-10)	ps+ss	13.2	5.6	5.9	4.2	12.1	11.6	32.7	14.5	0.2	100.0
Urban Female											
61st	ps	4.2	9.3	13.5	8.9	25.3	7.0	22.4	9.4	0.0	100.0
(2004-05)	ps+ss	3.5	7.6	11.6	6.8	19.9	19.4	23.8	7.4	0.0	100.0
64th	ps	3.1	11.6	14.0	5.9	13.1	9.2	19.1	24.0	0.0	100.0
(2007-08)	ps+ss	2.3	10.5	12.6	5.6	12.0	14.5	22.9	19.9	0.0	100.0
66th	ps	4.9	11.4	16.0	10.3	17.0	4.4	16.9	19.1	0.0	100.0
(2009-10)	ps+ss	5.2	10.0	15.4	9.4	15.2	7.9	18.4	18.4	0.1	100.0

Source: Computations based on the unit level data of the NSSO

Table 4.4 shows that the employment in the urban sector is compartmentalised into male and female occupations. This is particularly evident in those occupations that demand greater skill and educations, say occupation divisions 1 to 4. For instance, during 2009-10, in NCO 1, where 14 percent of the usually employed males were employed, only about 5 percent of females could find employment in these sectors. The situations turns reverse in the NCO divisions 2, 3 and 4. When these occupation divisions together employed about 16 percent of the usually employed males, about 38 percent of the females were accommodated in these three occupation divisions. More importantly, between 2004-05 and 2009-10, the share of females in these three occupation divisions, say, Divisions 2, 3 and 4 was on an upward trend. Over the

years, the occupation divisions 5, 6, 7 and 8 are observed to absorb lesser share of usually employed males and females in the state.

While it may be noted that the proportion of males as well as females in Division 9, Elementary Occupations, increased, the increase among females was at a significantly high level. Between 2004-05 and 2009-10, the proportion of female workers in elementary occupations more than doubled. It also need to be noted that during the period under consideration, the share of females in elementary occupations was highest during 2007-08, the period during which the employment prospects in the state as well as the country was bleak. Thus, the increase in employment rates during the 66th round need to be approached with caution, as it may not be presenting an improvement in women's employment scenario, as many women would have been forced to take up elementary paid jobs. This may be read along with the discussion on MPCE and WPRs carried out in the above sections, where the WPRs among the lowest three MPCE deciles showed significant improvements during the period between 2004-05 and 2009-10. Moreover, since 2004-05, the inequality in income distribution had been on the rise in Kerala (Subrahmanian and Prasad 2008). Given the fact that the largest difference in employing males and females were witnessed in the Divisions from 1 to 4, as well as the fact that these occupation divisions demand educated persons, the study also examines the distribution of males and females in urban sector with some level of technical education. The examination of occupational categories among technically educated persons pertains to those individuals who have technical education at the level of diploma and above. This is carried out in table 4.5.

Table 4.5

Distribution of usually employed persons aged 15, having some level of technical education, for each NCO division during 2009-10 (in percent) Kerala

Year/ Round	Activity status	NCO divisions at one-digit level (NCO-2004)									
		1	2	3	4	5	6	7 & 8	9	X	All
Urban Male											
66th	ps	17.5	42.3	16.8	3.6	5.9	3.6	8.6	1.7	0.0	100.0
(2009-10)	ps+ss	16.4	37.9	18.9	3.3	7.0	6.8	8.1	1.6	0.0	100.0
Urban Female											
66th	ps	3.7	57.8	26.1	11.4	0.0	1.0	0.0	0.0	0.0	100.0
(2009-10)	ps+ss	3.7	57.6	26.0	11.4	0.0	1.3	0.0	0.0	0.0	100.0

Source: Computations based on the unit level data of the NSSO

Table 4.5 shows that the employment outcomes among the technically educated persons present an increasingly segmented labour market. Compared to the distribution of all usually employed persons aged 15 years and above, there is an increased concentration of female workers in Divisions 2 and 3, and of males in Division 1. About 84 percent of the usually employed females with some level of technical education were employed in occupation divisions 2 and 3, as against 59 percent of males. Moreover, during 2009-10, there is complete absence of female workers in Divisions 5, 7, 8 and 9. Even after considering the fact that occupations covered under Division 9 do not require technical skill/education, it is important to note the overcrowding of women in certain occupations.

4.5.2 Gender Segregation of Occupations

In order to understand the extent of segmentation and overcrowding of women into certain occupations in the labour market, in addition to the tabular analysis of the distribution of the usually employed males and females, the study attempts to examine the extent and level of segregation in the employment scenario in the state using aggregate indices of segregation.

Occupational segregation by gender refers to the inequality in the distribution of men and women across different occupational categories. The large international literature on occupational gender segregation suggests that the observed occupational differences may be due to either supply- or demand-side factors, or a combination of both. The major supply-side explanations include the interest among women to opt for choose occupations which require smaller human capital investment, occupations which are more compatible with the performance of their household tasks, "societal discrimination" where women are socialized to enter traditionally female pursuits and/or face barriers to obtaining education and pre-job training in traditionally male fields, etc. On the demand side, discrimination against women, based either on the tastes of employers, co-workers or customers or on employers' perceptions that women are on average less well qualified for male jobs may contribute to occupational segregation (Blau et.al, 1998).

4.5.2.1 Measures of Segregation

There are several measures that have been used in the most influential studies of gender segregation. The present study assesses the occupational gender segregation among the usually employed persons in Kerala on the basis of the National Classification of Occupations (NCO) which classifies workers into different occupational categories. For examining occupational gender segregation from the NSS and NCO data, the study adopts the methods followed by Swaminathan and Majumdar (2006). From the data on occupational distribution of male and female workers, a straight forward way of examining occupational gender segregation is by appraising the gender ratio of each occupation. This ratio could be defined as F_i/M_i , where F_i and M_i represent the female and male workers respectively in the i th occupation. Another measure that could be used is the percentage of females workers in an occupation.

Following Swaminathan and Majumdar (2006), female representation, or the percentage of females workers in an occupation (which will, hereafter be referred to as PFEM), may be defined as F_i/T_i , where F_i and T_i represent the female and total (male and female combined) workers respectively in the i th occupation. Based on PFEM, occupation could be classified as male or female dominated, under-represented or over-represented. In the following sections where the extent of segregation is appraised, instead of the gender ratio which is very straightforward, the study uses the PFEM. In addition to the PFEM, this chapter also measures the occupational gender segregation in the urban sector in the state using two aggregate indices of segregation. These indices, the Duncan and Duncan Index of Dissimilarity (ID) and the Size-Adjusted Index of Dissimilarity, are defined as follows.

Index of Dissimilarity (ID)

The most widely used measure of occupational segregation is the Index of Dissimilarity (ID), which was introduced by Duncan and Duncan (1955) to measure the degree of residential segregation of the non-white population in the United States.

The ID has been widely applied in the literature on occupational gender segregation, and is defined as follows.

$$ID = \frac{1}{2} \sum_{i=1}^n \left| \frac{F_i}{F} - \frac{M_i}{M} \right|$$

where, F_i and M_i are female and male workers in the i th occupation; and F and M are the total female and male workers

The index may take on any value between 0 and 1. A value of 0 indicates complete integration. This suggests that the distribution of women across occupations is identical to that of men, or equivalently, the proportion of females employed in each occupational category (the female share of each occupation) is equal to the share of females in the total labour force. A value of 1 indicates complete segregation, with women employed in completely female categories and men working in entirely male occupations. The actual value of the index may be interpreted as the proportion of women (or men) who would have to change occupations for the employment distribution of the two groups to be identical (Blau and Hendricks, 1979:199; Blau, et.al, 1998: 6-7)

Size Adjusted Index of Dissimilarity

Despite the ID being used widely for estimating the degree of segregation, it has also been criticized for being dependent on the occupational structure. A size-adjusted index of dissimilarity (DS) that adjusts for the size of each occupation can be defined as follows (Swaminathan and Majumdar, 2006: 278). As the equation indicates, the size-adjusted index of dissimilarity is calculated using the percentage of men and women in each occupation.

$$DS = \frac{1}{2} \sum_{i=1}^n \left| \left\{ \frac{F_i}{T_i} / (\sum_i F_i / T_i) \right\} - \left\{ \frac{M_i}{T_i} / (\sum_i M_i / T_i) \right\} \right|$$

where, F_i and M_i are female and male workers in the i th occupation; and

T_i is the total workers in the i th occupation; and $T_i = F_i + M_i$.

In short, the extent of occupational gender segregation may be measured using any of these, namely the PFEM, ID, and size-adjusted ID. This study looks at all the three. In examining the gender segregation of occupations from the information on employment and occupation based on the NSS, the study uses the data on the usual principal status (ps) measure. This is largely due to the errors and inconsistencies in the reporting of subsidiary status occupations in the NSS data, as pointed out by Swaminathan and Majumdar (2006). Similarly, as the indices are carried out for the urban sector, as well as due to the inconsistencies in the reporting and classification of occupations in the agricultural sector, especially with regard to women workers, the agricultural operations (occupations under Division 6 of NCO) are excluded from the measures of segregation.¹ Similarly, the workers falling under Division X (Workers not Classified by Occupations) are excluded from the analysis. However, in the case of urban female workers in Kerala, as evident from Table 4.4, there was near absence of workers falling under Division X. Based on these various measures of occupational gender segregation, the following subsection examines the patterns and extent of occupational gender segregation in the urban sector in Kerala.

4.5.2.2 Patterns of Occupational Segregation in Kerala

In this section, the chapter attempts to measure the degree of occupational gender segregation existent in the labour market in Kerala using the PFEM, ID, and size-adjusted ID. The extent of gender segregation of occupation is measured at one- and two-digit levels of classification of occupations, based on the categorisation provided by the NCO-04 of the Directorate General of Employment & Training. While the Index of Dissimilarity can be estimated based on the data on the share of males and females in each occupation division, the size adjusted Index of Dissimilarity can be estimated only by applying the percentage of male and female workers in each occupation. This section, therefore, evaluates the patterns of occupational segregation in urban Kerala by examining (i) percentage of female workers in non-agricultural

¹ Since workers under Divisions 6 and X are excluded from the estimations, percentages of female and male workers among total workers (F_i/T_i and M_i/T_i) are accounted for this. In addition, F_i 's, M_i 's and T_i 's are estimated based on the data on male and female WPRs in the non-agricultural activities, in non-agricultural industrial activities as available from the National Industrial Classification (NIC) and non-agricultural occupational activities as provided by the National Classification of Occupation (NIC).

occupations, (iii) distribution of females across different rungs in those occupational divisions where women are over-represented; and (iii) by estimating the summary measures of segregation using ID and size-adjusted ID.

(i) Occupational Distribution at one- and two-digit Levels

The following two tables (Table 4.6 and Table 4.7) provide the distribution of the usually employed males and females in urban Kerala across the 8 non-agricultural occupation divisions (as provided by the NCO-04) during the period between 1993-94 and 2009-10. As division 6 of the NCO comprises of Skilled Agricultural and Fishery Workers, it is not included in the estimation of the indices of segregation, and therefore, excluded from the tables.

Table 4.6

Distribution of usually employed persons (ps) aged 15+ in non agricultural occupations (one-digit) in urban Kerala between 1993-94 and 2009-10

Occup- ation	Females in each occupation (Fi)					Males in each occupation (Mi)				
	50th	55th	61st	64th	66th	50th	55th	61st	64th	66th
Div 1	1.3	4.8	4.2	3.1	4.9	3.5	7.3	10.3	11.1	13.9
Div 2	7.0	4.8	9.3	11.6	11.4	4.0	3.8	3.6	4.1	5.9
Div 3	11.4	13.0	13.5	14.0	16.0	4.9	5.2	4.6	5.8	5.8
Div 4	6.9	5.8	8.9	5.9	10.3	5.4	3.7	4.6	3.0	4.4
Div 5	12.7	18.9	25.3	13.1	17.0	20.1	18.9	20.5	18.4	12.4
Div 7	25.9	28.5	17.4	18.1	16.0	24.1	30.9	26.0	25.0	23.8
Div 8	8.7	5.9	5.0	1.0	0.9	9.6	9.1	10.4	9.4	10.0
Div 9	12.1	11.4	9.4	24.0	19.1	15.3	12.5	10.6	17.7	15.5
Sum	86.0	93.1	93.0	90.8	95.6	86.9	91.4	90.6	94.5	91.7

Source: Computations based on the unit level data of the NSSO

The tables show that since 1999-2000, more than 90 percent of the usually employed persons were absorbed in non agricultural occupations. Moreover, in all the rounds except 50th and 64th, the share of females in non-agricultural occupations was more than that of males. The data conveyed by table is similar to the NCO at one digit level, except that the concentration is on non-agricultural occupations at the usual principal status alone. As Table 4.6 on NCO at one digit shows, among occupations demanding skill and education, there is an increased concentration of females in occupation divisions 2, 3 and 4; and of males in occupation division 1. On the other

hand, among occupations demanding lesser skills and education, occupation divisions 5, 7 and 8 failed to attract larger share of females, and this was compensated by an increasing share of females in Division 9.

The distribution of usually employed persons at the two-digit occupational classification (Table 4.7) demonstrates an elevated level of segmentation in the labour market into male and female occupations. For instance, within Division 2, the largest share of women workers were Teaching Professionals, the largest share of men within Division 2 were Physical Mathematical and Engineering Science Professionals. In Division 3 also, teachers (middle, primary, pre-primary and other teaching associates) formed an important share of usually employed women, whereas, only a negligible share of male workers (0.2 percent) were working as teachers. At the same time, in Division 34 (associate professionals including police officers, detectives, customs and tax related officer) comprising largely of government jobs, the share of males and females was found to be more or less the same. Moreover, the share of both males and females in these occupations increased simultaneously. However, in absolute numbers, the females form only a small proportion in the total population, as the share in each occupation is based on their work participation rates, which is lower among females. While the data on the occupations under Division 34 points to more or less equal proportion of usually employed male and female workers, it also needs to be noted that the growth in the number of jobs in these sectors are diminishing, posing serious demand-supply mismatch if job seekers continue to prefer these jobs.

The two digit classification of occupations helps in throwing more light into the gender stereotyping of jobs that reinforce the traditional sexual division of labour. In Division 7, while the differences at the one digit level are moderate, an examination of the occupational classification at the two digit level shows that the more than 90 percent of the female workers in Division 7 are employed in food processing, textiles, garments and related occupations (Division 74). Consequently, only a negligible share of usually employed women are employed in the categories of occupation falling under Division 7. Moreover, for female workers, the share in these occupations was seen to be decreasing over the years. Among men, the nature and spread of occupations falling under Division 7 exhibited quite the reverse of these

trends. The least share of men in occupations grouped under Division 7 worked in occupation division 74. On the contrary, more than half of the male workers in Division 7 worked as Extraction and Building Trades Workers (Division 71), and more than a quarter of the male workers in division 7 worked as Metal, Machinery and Related Trades Workers (Division 72).

Table 4.7

Distribution of usually employed persons (ps) aged 15+ in non agricultural occupations (two-digit) in urban Kerala between 1993-94 and 2009-10

Occup- ation	Females in each occupation (Fi)					Males in each occupation (Mi)				
	50th	55th	61st	64th	66th	50th	55th	61st	64th	66th
Div 11	0.4	0.4	0.13	0.7	0.3	0.3	0.6	0.6	0.7	0.4
Div 12&13	0.9	4.4	4.04	2.4	4.6	3.2	6.7	9.7	10.4	13.5
All -Div 1	1.3	4.8	4.2	3.1	4.9	3.5	7.3	10.3	11.1	13.9
Div 21	0.2	0.4	0.32	1.7	1.4	0.8	0.6	0.81	1.4	2.6
Div 22	0.6	0.4	1.14	0.8	1.9	0.4	0.2	0.53	0.3	1.1
Div 23	6	3.7	6.31	7.9	6.1	1.3	1	1.32	1.1	0.8
Div 24	0.2	0.3	1.55	1.2	2	1.5	2	0.93	1.3	1.4
All -Div 2	7.0	4.8	9.3	11.6	11.4	4.0	3.8	3.6	4.1	5.9
Div 31	1.1	1	0.6	1.1	1.5	0.8	0.9	1.06	0.9	0.9
Div 32	2.3	3.6	3.9	3.4	4.1	0.8	0.2	0.17	0.5	0.3
Div 33	6.7	5.1	7.6	4.7	6.3	0.5	0.5	0.46	0.2	0.2
Div 34	1.3	3.3	1.4	4.8	4.1	2.8	3.6	2.88	4.2	4.4
All -Div 3	11.4	13.0	13.5	14.0	16.0	4.9	5.2	4.6	5.8	5.8
Div 41	6.7	5.7	8	5.3	8.2	5	3.5	4.21	2.7	3.7
Div 42	0.2	0.1	0.8	0.6	2.1	0.4	0.2	0.43	0.3	0.7
All -Div 4	6.9	5.8	8.9	5.9	10.3	5.4	3.7	4.6	3.0	4.4
Div 51	8.3	12.1	19.5	8.3	8.2	5.6	7.1	5.2	5.7	3.9
Div 52	4.4	6.8	5.8	4.8	8.8	14.5	11.8	15.3	12.7	8.5
All -Div 5	12.7	18.9	25.3	13.1	17.0	20.1	18.9	20.5	18.4	12.4
Div 71	4	2.7	2.6	1.7	0.6	10.6	14.5	13.8	10.4	12.3
Div 72	0	1.2	0.07	0.3	0.4	5.8	7.6	7	7.9	6.5
Div 73	2	1.4	1	0.3	0.4	1.5	2.6	1.9	1.1	0.9
Div 74	19.9	23.2	13.71	15.8	14.6	6.2	6.2	3.3	5.6	4.1
All -Div 7	25.9	28.5	17.4	18.1	16.0	24.1	30.9	26.0	25.0	23.8
Div 81	1	2.2	0.05	0	0.1	1.4	1.4	0.7	0.4	0.1
Div 82	7.7	3.4	4.98	0.9	0.8	3.2	2.1	2.7	0.8	1.6
Div 83	0	0.3	0	0.1	0	5	5.6	7	8.2	8.3
All -Div 8	8.7	5.9	5.0	1.0	0.9	9.6	9.1	10.4	9.4	10.0
Div 91	2.9	5.5	5.27	18.2	12.7	2.6	3.2	4.8	2.7	3.4
Div 92	7.8	4.8	3.3	2.3	2.4	8	5.2	2.9	3.9	2.6
Div 93	1.4	1.1	0.93	3.5	4	4.7	4.1	2.9	11.1	9.5
All -Div 9	12.1	11.4	9.4	24.0	19.1	15.3	12.5	10.6	17.7	15.5
Total	86.0	93.1	93.0	90.8	95.6	86.9	91.4	90.6	94.5	91.7

Source: Computations based on the unit level data of the NSSO

Despite the fact that a majority of the labour force participants in the state are educated, the data suggest that the largest share of the usually employed females were absorbed in to Divisions 5, 7 and 9 – the types of occupations that do not demand high levels of skill and education. Within these broad divisions, women were employed in those occupations that were harmonious with, and reinforced, the traditional gendered division of labour. The occupations that absorbed the greatest share of usually employed females within these categories were Craft and Related Trades Workers comprising of food processing, textile, garment and related workers (Division 74), Sales and Service Elementary Occupations including domestic and related helpers, cleaners (Division 91), and Shop and Market Sales Workers (Division 52).

The concentration of female workers in these types of occupations has been recognised in the labour markets in different developed economies. Kreimer (2004: 223), in the context of Australian labour market, argues that the ‘roots of this phenomenon (segregation) lie in the assignment of men and women to the market area and the reproduction area according to the breadwinner model. Labour market segregation by sex can be seen as a transformation and continuation of the asymmetrical gender relation in the family to the labour market’. Charles (1992: 483-84) echoes the same view by stating that the incorporation of women's traditional tasks into the formal economy deepens the institutionalization of gender within the occupational structures. In economies with large service sectors and highly bureaucratic employee-based class structures, Charles (1992: 484) traces the deepening of gender segregation to the incorporation of women's traditional tasks into the formal economy and to the greater hierarchical and functional differentiation of economic activity. This argument stands justified in the case of women's increased concentration in occupation Divisions 74, 91, and 52.

While a compartmentalization of jobs based on gendered division of labour is evident among occupations demanding relatively less education and skill, a constraint of another form is evident among occupations demanding greater education and skill. The relative share of usually employed men and women in various occupations under Divisions 2 and 3 point to the prevalence of vertical segregation in the employment scenario in the state. This will be taken up in the subsequent sections in this chapter.

(ii) Female Share in Non-agricultural Occupations and Female Representation

This section examines the extent of female representation in occupations at the two-digit level in the state. This is assessed on the basis of the percentage of females in non-agricultural occupations (PFEM). On the basis of PFEM, the occupations are categorised into female-dominated and female over-represented occupations.

Table 4.8 furnishes the details of the percentage of usually employed males and females in non-agricultural occupations in Kerala between 1993-94 and 2009-10. While PFEM represents the female share, (100-PFEM) shows the male share of workers in total non-agricultural occupations. This depends on the WPRs in the urban sector, as well as on the share of female workers in agricultural occupations. The PFEM is directly related to the WPRs, and inversely related to the share of female workers in agricultural occupations.

Table 4.8

Percentage of females in all non- agricultural occupations (PFEM) in urban Kerala between 1993-94 and 2009-10

	1993-94	1999-2000	2004-05	2007-08	2009-10
Non-agri FWPR	15.7	18.7	17.1	15.8	20.6
Females in non-agri occupations	85.9	93.1	93	90.8	95.6
Non-agri MWPR	58	66.1	61.3	65.5	63
Males in non-agri occupations	86.9	91.4	90.6	94.5	91.7
Percentage of Females (PFEM)	21.1	22.4	22.3	18.8	25.4
Percentage of Males (100-PFEM)	78.8	77.6	77.7	81.2	74.6

Source: Computations based on the unit level data of the NSSO

The table shows an increasing share of females in non-agricultural occupations, except during 2007-08. The low PFEM during 2007-08 was partly due to the low WPRs, and partly due to the increased participation in agricultural and related occupations. The PFEM during 2009-10, which showed a significant increase over the previous years, was facilitated both by an increased female work participation rate (FWPR) and a reduced participation of urban women in agricultural and related occupations.

Based on PFEM, the share of females in each non-agricultural occupation (Fi/Ti) has been estimated. Depending up on the percentage of female workers in each

occupation, the occupations have been categorised into female-dominated and female over-represented occupations. This categorisation has been carried out on the basis of the methodology of Swaminathan and Majumdar (2006). Following Swaminathan and Majumdar (2006), those occupations where the share of female workers accounted for more than 50 percent, but less than 80 percent of the total workers in that occupations ($50 < Fi/Ti < 80$) have been categorised as female over-represented occupations. Those occupations where women comprised more than 80 percent of the total workforce are referred to as female dominated occupations ($Fi/Ti > 80$). The following table (Table 4.9) provides details about the female-dominated and female over-represented occupations in urban Kerala between 1993-94 and 2009-10.

Table 4.9

Number of female dominated and female over-represented occupations and the share of female workers (Fi/Ti) in these occupations at 2-digit level between 1993-94 and 2009-10

Occupation Division	1993-94	1999-2000	2004-05	2007-08	2009-10
Female Over-represented ($50 < Fi/Ti < 80$)					
23. Teaching Professionals	55.5	51.2	57.2	63.4	70.8
33. Teaching Associate professionals	77.7	72.5	NA	NA	NA
32. Life Science & Health Asso. Professionals	NA	NA	NA	62.1	NA
51. Personal and Protective Service Workers	NA	NA	51.2	NA	NA
74. Crafts and Related Workers	NA	51.4	53.7	NA	53.7
91. Elementary Occupations	NA	NA	NA	61.9	55
<i>No. of female over-represented occupations</i>	2	3	3	3	3
Female Dominated ($Fi/Ti > 80$)					
32. Life Science & Health Asso. Professionals	NA	84.9	86.5	NA	83
33. Teaching Associate professionals	NA	NA	82.2	85	91.9
<i>No. of female dominated occupations</i>	0	1	2	1	2
Total 2-digit Occupations	24	24	24	24	24

Source: Computations based on the unit level data of the NSSO

Table 4.9 shows that, out of the 24 occupation divisions at two-digit level, except 1993-94, there were three female over-represented occupations (Fi/Ti was greater than 50, but less than 80). During 2004-05 and 2009-10, two occupations were female dominated. Concurring to the trends observed globally, these occupations comprised largely of teachers, nurses, and other health professionals. However, it needs to be noted that the share of females as a share of total workers in these occupations rose significantly. For instance, the Occupation Division 33 (comprising teaching associate professionals), which was a female dominated occupation during the 50th and 55th

rounds became a female dominated occupation in the subsequent rounds, implying the overcrowding of women into these occupations.

Table 4.9 also shows the intensification of ‘overcrowding’ into teaching and health professions during 2009-10. During 2009-10, a whopping 92 percent of the ‘teaching associate professionals’ in the economy were females. The table also shows that this increase had been gradual, from 78 percent during 1993-94, to 82 percent during 2004-05, and eventually, to 92 percent during 2009-10. The share of female workers among ‘teaching professionals’- comprising of secondary, higher secondary, college and university teachers- also increased, from 56 percent during 1993-94, to 71 percent during 2009-10. Another equally disquieting development in the occupational share of women workers during 2007-08 and 2009-10 is the transformation of ‘Elementary occupations’ as a female dominated occupation. The increasing share of workers in elementary occupations may be seen as a distress-led phenomenon, forcing women to find employment in low paying and informal sectors.

The above table also shows that the share of female workers were concentrated in teaching and life science and health professions, but at two hierarchical levels – professional and associate professional. As stated elsewhere in this chapter, the extent of vertical segregation can be understood from the distribution of workers across different ranks in the same profession. This is carried out in the following section.

(iii) Distribution of Females across Select Occupation Categories

Vertical segregation refers to the tendency for women and men to be employed in different positions within the same occupation. The study, however, does not resort to a detailed examination of vertical segregation using well established methodologies. Instead, given the higher levels of education among women in the state, as well as the substantial participation of women in occupations demanding education and skill, this section examines the distribution of females across different rungs in the same profession, where women have been observed to be dominant or over-representing. The study examines the share of females working as ‘professionals’ and ‘associate

professionals’ in occupation divisions 2 and 3. Table 4.10 furnishes data on the females as a share of total workers in the relevant occupations between 1993-94 and 2009-10.

Table 4.10

Share of females across different rungs in teaching, health and engineering occupations (at 2-digit) during the period between 1993-94 and 2009-10

Occupation Division	Share of female in total occupation (Fi/Ti)				
	1993-94	1999-2000	2004-05	2007-08	2009-10
<i>Teachers</i>					
23. Teaching Professionals	55.5	51.2	57.2	63.4	70.8
33. Teaching Associate Professionals	77.7	72.5	82.2	85.0	91.9
<i>Life Science and Health</i>					
22. Professionals	27.3	36.6	37.6	39.1	36.2
32. Associate Professionals	44.6	84.9	86.5	62.1	83.0
<i>Physical and Engineering Science</i>					
21. Professionals	5.6	14.2	9.9	22.6	14.6
31. Associate Professionals	27.9	24.1	13.7	22.7	35.3

Source: Computations based on the unit level data of the NSSO

The above table (Table 4.10) shows that the tendency for female workers to be employed in lower rungs within the same profession was more rampant in ‘Life Science and Health’ and ‘Physical and Engineering Science’ professions. In these professions, over the years, the share of women workers as associate professionals (Division 3) increased, with their share as ‘professionals’ (Division 2) either remaining constant, or decreasing over the years. The decreased share in occupations under Division 2, coupled with an increased share in Division 3 indicates the aggravation of vertical segregation, especially during 2009-10.

(iv) Summary Measures of Segregation

This section provides the indices of segregations (ID and size-adjusted ID) at one and two-digit levels of occupational classification in urban Kerala between 1993-94 and 2009-10. The computations have been carried out on the basis of the methods and equations elaborated in Section 4.5.

The following two tables (Table 4.11 and Table 4.12) provide the ID and size-adjusted ID, respectively, at one- and two-digit occupations.

Table 4.11

Summary of Occupation Segregation (Index of Dissimilarity)					
Occupation	1993-94	1999-2000	2004-05	2007-08	2009-10
1 Digit	0.1535	0.1145	0.2454	0.2874	0.292
2 Digit	0.4267	0.4201	0.5204	0.5304	0.732
WPR	20.1	20.2	19.1	17.8	22.1

Table 4.12

Summary of Occupation Segregation (Size Adjusted ID)					
Occupation	1993-94	1999-2000	2004-05	2007-08	2009-10
1 Digit	0.207	0.181	0.296	0.355	0.322
2 Digit	0.419	0.421	0.507	0.466	0.449
WPR	20.1	20.2	19.1	17.8	22.1

The tables 4.11 and 4.12 point to the increase in the indices of segregation during the period from 1993-94 to 2009-10. The Index of Dissimilarity increased from 0.15 during 1993-94 to 0.29 during 2009-10. At two digit level, this increased from 0.43 to a whopping 0.73 during the same period. This implies that, at the two-digit level, in order to attain equality in the distribution of males and females across different occupations, about 73 percent of the usually employed females have to change their occupations. Compared to the ID, the changes in the size-adjusted IDs were moderate during the same period. However, the size-adjusted IDs also exhibited an increasing trend, and the increase was sharper at one-digit classification of occupations.

In short, the evidences from the urban Kerala points to the increased segregation of occupations on the basis of gender. The evidences, thus, conforms to Kannan's (1994: 1940) proposition that 'while there is reason to believe that gender-based discrimination at the upper-end characterised by higher education, household

income and social status are likely to be less sharp than at the bottom, it is not difficult to find discrimination manifesting in terms of job- typing reflected in women's opportunities confined to certain type of jobs’.

4.6 Conclusion

The present chapter examined the reasons for the decline in labour force participation rates in urban Kerala, despite increasing WPRs, and growing income and service led growth in the economy. The study hypothesised that the declining labour force participation rates among women was the result of a discouragement among women workers in the state. While the higher levels of unemployment, especially among the higher educated during the previous period discourage labour force participation in the present period, the study further hypothesised that the reasons for the observed outcomes lies in the labour market rigidities facing the women, especially the educated women in the state. The examination of the labour market rigidities in terms of occupational segregation provided evidences of a significant increase in occupational segregation in Kerala, especially during 2009-10. The study, therefore, concludes that the changes in the labour market outcomes in the state is the offshoot of discouragement among women workers, stemming from increasing compartmentalisation of occupations in to male and female jobs, and the overcrowding of women into a narrow range of jobs. The study also concludes that the rise in work participation rates in urban Kerala needs to be approached with caution, as the increase in WPRs took place largely among females in the lower MPCE deciles, and in ‘elementary occupations’, during a period of increased inequality in income distribution in Kerala.

CHAPTER – V

‘DUALISM’ IN SERVICES SECTOR EMPLOYMENT IN ERNAKULAM: A CASE OF GROWTH, DISTRESS AND SURPLUS LABOUR ABSORPTION

5.1 Introduction

The previous chapter has examined the factors underlying the observed labour market behaviour among females in the state. The chapter attributed the reasons for the variations in the labour market trends among the workers and non-workers to the gender segregation of jobs existent in the state. However, as noted in Chapter III, the observation of the labour market behaviour, especially of women in the state points to significant differences in the labour market outcomes across various regions within the state. In other words, the outwardly homogenous population of the state demonstrates significant departures from the patterns and trends observed for the state as a whole. While a few studies (Ahsan and Pages, 2008; Raikhy and Mehra, 2003; World Bank, 2010) have pointed to the significance of understanding the variations in the labour market characteristics across regions and states within a country, hardly any study has examined the variations in employment within a state. As it is accepted that the economic position of a region contributes substantially to the employment scenario, the thesis attempts to examine the variations in labour market behaviour in regions within the state of Kerala that differ in economic characteristics. Apart from

the income, the sectoral composition of income becomes significant in determining the employment behaviour. With this understanding, this chapter and the following chapter examine trends in the employment and the shifts in the patterns of employment in the districts, as opposed to the trends in the labour force participation rates in the previous chapter.

As the opening up of the economy to global competition has influenced different sectors of the economy and the states within the country, evidences from Kerala indicate that the regions within the state have also been impacted differently by the changing economic policies. In this regard, the study examines the differential employment outcomes among females in two districts within the state of Kerala, which have benefited differently from the economic reforms. The study has chosen the districts of Ernakulam and Kasargod, positioned at two ends of the spectrum in terms of income and employment outcomes.

This chapter focuses on the employment outcomes of women in the district of Ernakulam, with emphasis on its deviations from the rest of the state, and the underlying factors shaping the observed behaviour in the district. The interest also stems from the sectoral composition and transformation of the income and employment outcomes in the district. The economic performance, coupled with the employment scenario in the district makes Ernakulam an interesting case for examining the employment trends in the district, as well as the factors underlying its observed deviations from the state averages. Due to the sectoral distribution of the income in the district, as well as the district's contribution to the state GSDP, this chapter concentrates on how the labour market trends in the district are mediated through the economic environment in the region.

The present chapter is organised as follows. The following section provides a broad outline of the economic profile of the district of Ernakulam, with focus on the sectoral distribution of income and employment, and also provides a brief comparison of these variables with the state averages. A brief introduction on the various theoretical positions on the structural transformation of an economy and economic activities is carried out in Section 5.3. Section 5.4 introduces the labour market trends

in the district of Ernakulam between 2004-05 and 2009-10. Section 5.5 elaborates the variations in the sectoral composition of the female workforce in the district, along with a brief comparison with trends at the state level. The trends in labour market variables among women with different levels of general education are examined in Section 5.6. In Section 5.7, by categorising the population into different income classes based on the household MPCE, the labour market activities are observed among women belonging to each income category. In Sections 5.8 and 5.9, the distributions of the usually employed women into different industrial and occupational activities are observed, respectively. Section 5.10 concludes this chapter.

5.2 Economic Profile of Ernakulam

The district of Ernakulam is the most prosperous district in the state, with its income growing steadily over the years. During 2010-11, Ernakulam continued to have the highest income of Rs. 40478.48 crore, as against Rs. 34131.72 crore in 2009-10, registering a growth rate of 18.59 %. At constant (2004-05) prices it came to Rs. 28711.07 crore during 2010-11 compared to Rs. 26247.74 crore during 2009-10. This formed nearly 15 percent (14.6 percent at current prices and 14.8 percent at constant prices) of the gross state domestic product of Kerala during 2010-11.

An examination of the sectoral distribution of the GSDP also shows that the highest contribution from primary, secondary and tertiary sectors to state income originated from Ernakulam district. In fact, the performance of the secondary sector in the district is quite impressive, with about 33 percent (to be exact, 32.5 percent - at constant prices) of the total income in the district deriving from this sector. This may be contrasted with the performance of the secondary sector at the state level, which formed only about 21 percent of the total GSDP during 2010-11. The largest contribution to the secondary sector income in the state came from Ernakulam, which formed about 24% of the total secondary sector income in the state. About 59 percent of the income in Ernakulam originated from the tertiary sector. It may also be noted that the performance of the tertiary sector in the district was less than the state average. While about 69 percent of the state's GSDP was generated from the tertiary sector, only about 59 percent of the income in Ernakulam originated from the tertiary

sector. But, this is largely due to the high share of secondary sector, inferring from the fact that the largest contributor to the state's tertiary sector income was Ernakulam.

The growing income of Ernakulam also stems from the fact that the district houses the largest number of Special Economic Zones (SEZs) in the state. The Cochin Special Economic Zone, one of the largest employment destinations in Kerala, and the only multi-product/ multi-sector SEZ in the state, has units in sectors such as electronic hardware and food and agro-products (which together account for the majority of exports), plastic and rubber products, engineering goods, gem and jewellery, textiles and garments, and electronics software. The Cochin Special Economic Zone turns out to be one of the largest employment destinations in Kerala, by employing about 11200 employees during 2009-10, the majority of them being women (Frontline, January 27, 2012).

The contributions from the secondary and tertiary sectors in Ernakulam to the state's income were substantial. While the secondary sector's performance of the district was the most impressive among all the districts in the state, the sectoral share of female employment shows that the performance of this sector was less exciting than its economic performance. On the other hand, the employment in tertiary sector grew at a significant pace, more than the rate of growth at the state level, exposing an incongruity in the sectoral distribution of income and employment. The study, therefore, tries to examine whether the tertiary sector employment in the district has been a distress led phenomenon, with this sector absorbing the surplus labour in the economy. This concern also has been reinforced by the information on human development provided by the District Human Development Report for Ernakulam. The report points to urban agglomeration and urbanisation depleting the natural resources and livelihood opportunities provided by agriculture, growth of population and population density in the urban sector, as well as the lack of access of the vast segments of the communities to various development interventions by the state and a lack of adequate employment and income generating activities (District Human Development Report for Ernakulam; as cited from GoK, 2010). The study, therefore, examines the relevant literature on the structural transformation of the economy and economic activities. With this theoretical understanding, the chapter proceeds to

examine the nature of employment and labour market developments in the district, placing the developments in the district in the context of the moderate transformations taking place in the state of Kerala.

5.3 Theoretical Position: Structural Transformation of Economy and Economic Activities

An important factor in economic development that has generated interest is the structural transformation in the economy. In the economic literature, the transition from agriculture to industries and subsequently, to the services sectors has been considered as the most commonly observed, and the most natural trajectory of economic progress. While this observation is largely based on the experience of the developed countries, the developing countries have been observed to follow a different path, including the predominance of the services sector in growth and employment generation. In this context, this section highlights some of the literature on the sectoral shifts in the economies, which were largely theorised on the basis of the developments that took place in the developed countries of the world. This section further proceeds to examine some of the theories relevant to the services sector growth in the developing countries, as well as its nature and causes of employment generation.

The earlier theories on the economic growth and sectoral shifts illustrated a uni-directional path of a shift from agriculture to industry and services sectors. While the theories in this tradition were unanimous in the direction of the structural changes, the differences lay in the reasons facilitating this change. For instance, while Fisher and Clark based their arguments on the Engel's law for the shift from agriculture to industry, they differed in their explanations for the shifts from manufacturing to the services sector transition in the economy. Fisher (1939, 1946) and Kuznets (1971) emphasised on the saturation of demand for manufactured goods and high income elasticity of demand for services, whereas Clark (1940, 1984) laid stress on the high productivity of manufactured goods and low productivity of services as responsible for the shift from manufacturing to services. Baumol (1967, 2001) and Fuchs (1968) too pointed out the productivity differentials between industry and services sector as

the reason for the rise in the share of services in employment as well, with demand shifts playing a minor role (as quoted in Papola, 2005). Based on this tradition, Papola (2005) asserts that any deviation from this established path of transition as ahistorical.

While the above outlined pattern of transition came to be established as a universal phenomenon, evidences from developing countries have been observed to deviate from this trend. Based on the evidences from several developing countries embarking on the path of economic development, modern theorist have emphasised that economies do not always follow the unidirectional path. For instance, Gordon and Gupta (2003) points out that pre-eminence of services sector as the major contributor to growth has increasingly being observed in many countries. Based on a study of 123 countries by Kongsamut, Rebelo and Xie (2001), Gordon and Gupta (2003: 4) indicates that the modern view, in fact, is that as an economy matures, the sectoral share given up by agriculture as the economy matures goes more to the services sector and less to industry. This has also been observed in India.

Gordon and Gupta (2003: 17) categorise the factors behind the dynamism of the services sector in India into demand and supply side theories. On the demand side, the increase in the output share of services could be triggered by the growth in the demand for services, either from domestic consumers with a high income elasticity of demand for services, or from foreign consumers with a growing demand for the country's service exports (2003: 17). In the same logic, Chakravarty (2006: 3061) points out that in an open economy, domestic services can expand either directly through external demand for specific services or indirectly through the boost in local incomes provided by remittances from emigrant labour. She thus points out that growth in incomes elsewhere, especially in neighbouring regions can promote the expansion of services in any region under favourable demand and supply conditions. Secondly, as Papola (2005) indicates, technological advancements also lead to increasing demand for services even at a relatively low level of per capita income. Gordon and Gupta (2003) identifies IT sector, telecommunication and financial services as some of such sectors.

On the supply side, Gordon and Gupta (2003: 17) identify the changes in production methods as a stimulant for services sector growth. With a switch to a more service-input intensive method of organizing production, industrial firms, for instance, contract out services such as legal, accounting, and security services, those were previously provided by the firms themselves. This process of specialization, termed as splintering by Bhagwati (1984), has even been observed to lead to growth in the share of services in GDP, even when GDP itself is not growing (Kravis, 1982; as cited by Gordon and Gupta, 2003).

Alongside the interest in the growth of the services sector, an important factor that has attracted attention is the employment growth in the services sector. Thus, with regard to the employment growth in the services sector too, competing views have been expressed in the economic literature. These views are centred on the potential of the services sector in employment generation, as well as nature and causes of employment generation in this sector. Alam and Azhar (1987: 25-26) points to two competing hypotheses on the rapid expansion of services sector employment in developing countries. According to the supply-oriented hypothesis, the services sector serves an absorptive function of accommodating the surplus labour, leading to deterioration in the conditions of employment. On the other hand, the alternative demand-oriented hypothesis states that employment expansion in services has been induced by, among other things, industrial growth and rising per capita income, and consequently, without deterioration in the employment conditions (Alam and Azhar, 1987: 25-26).

Ensuing largely from the insight that the economic progress and services sector employment are correlated, the services-led growth of the economy has generally been treated with optimism. However, the growth of services sector employment in the less developed countries has been viewed with caution and scepticism (Bhalla, 1970; Freeman, 2010; Ghosh, 1991; Timothy, 2010). An important difference being pointed out between the developed and developing countries is that in developing countries, these types of occupations arise out of scarcity of employment in other sectors (Ghosh, 1991: 452). It has also been documented that in such a scenario, the employment swells in those service sector

jobs where entry is relatively easy, such as trade and hotels, personal and repair services (Alam and Azhar, 1987; Timothy, 2010).

Meier's (1976) findings of low growth rate of employment in the industrial sector relative to the services sector in Latin America has been pointed out as emanating from the failure of other sectors in providing sufficient employment to absorb increases in the labour force, with the service sector acting as an employer of the last resort (as cited in Gordon and Gupta, 2003). These developments appear in conformity with the supply-oriented hypothesis, which states that the services sector serves an absorptive function of accommodating the surplus labour (Alam and Azhar, 1987: 25-26). It is in this sense that Bhalla (1970: 520) has pointed out that 'the supply of labour creates its own employment opportunities by sharing out a given total amount of work' (Bhalla, 1970: 520). So in less developed countries, income elasticity of demand for services could only explain a small portion of the service sector employment (Bauer and Yamey, 1951, as cited in Timothy, 2010: 15). As a consequence, the employment generation in this sector could lead to deterioration in the conditions of employment.

While the most commonly observed phenomenon concerning the growth of the services sector has been the disproportionately high employment elasticity and surplus labour absorption, a competing view has also found expression in economic literature. Based on the rate of growth and the rate of employment generation in the services sector of India during the 1990s, Gordon and Gupta (2003), has stated that the employment growth in services sector has been 'jobless'. This statement was based on their analysis which showed that in certain sub-sectors, the share of services in employment did not rise at the same pace as the share in GDP. While Gordon and Gupta's (2003) assertion of 'jobless' growth remains valid, recent studies point to the existence of 'dualism' in the services sector employment, with 'jobless' growth and 'surplus labour absorption' existing concurrently in different services sector occupations.

The most recent study by Aggarwal (2012) based on the NSS 66th round data points to 'dualism' in the services sector employment in the country, with the bulk of

the workforce being trapped in sectors with very little income whereas the booming sectors employ only a tiny fraction of the working people. Aggarwal (2012) points out that although the overall labour share in the services sector had been flat, implying increasing productivity, the disaggregated analysis shows that this phenomenon was observed in software services, telecommunication and banking - those sectors which made significant contributions to the growth of GDP - through low employment and skill-intensive employment. On the other hand, the majority of the workforce was absorbed in low income generating subsectors of the tertiary sector, such as petty retail trade. These developments further corroborate the hypothesis of the services sector acting as the employer of the last resort, absorbing the less-skilled workers.

In retrospect, it may be inferred that the earlier theorists were also pointing to the 'dualism' while raising apprehensions about the growth of the services sector employment and the nature of these jobs. For instance, Bauer and Yamey's (1951: 752) scepticism of associating increase in the proportion of tertiary activities with economic progress stems from the multiplicity of many dissimilar activities, including domestic service, government service, transport, retail and wholesale distribution, entertainment, education and others, and the aggregation of these activities. Bhalla's (1970: 521) argument that the income elasticity of demand does not explain a large proportion of the self-supporting labour in "traditional" services which inflates the services' share in the total labour force stands relevant in this context.

In developing countries, the imperfect economic specialisation, as well as the shifts of labour between unpaid and paid activities further exacerbates the problem of establishing an unambiguous relationship between economic progress and distribution of workforce into these occupations (Bauer and Yamey, 1951: 753). Thus, while pointing out the fallacy of correlating the increase in the proportion of tertiary activities with economic progress, as well as in drawing attention to the aggregation of multiple activities falling under services sector, these early theorists were, in fact, pointing to the 'dualism' in the labour market.

The growth of services sector and its employment generation becomes particularly relevant to the women workforce. The tertiary sector has been the largest

provider of employment to the women workers. With the increased economic integration and outsourcing and offshoring, more women from the developing countries have been able to find work in the services sector. However, women's participation in paid employment in the services sector work has been viewed with caution and scepticism (Heintz, 2006; Howcroft and Richardson, 2010; Mitra, 2005; Webster, 2010). Howcroft and Richardson (2010: 1-2, citing Heintz 2006) points out that though the increase in women's participation in labour market along with the expansion of services sector work generates expectations of increased opportunities and gender equality, equality of opportunity remains elusive, as women often concentrated in industries where profit margins are protected by shrinking labour costs, extending working hours or reducing the number of formal workers. In addition, women are increasingly being observed to be pushed to more precarious forms of work, flexible and informal employment, as well as into those occupations categorised as 'women's work' – an ideological construction with fluid definitions that conform to the role of the family and the specific requirements of the local labour market at any given time (Mitra 2005; Howcroft and Richardson, 2010; Pearson 2003). These occupations do not require knowledge-intensive work or high investment in human capital.

In addition to the questions of surplus labour absorption and dualism, the categorisation of even the organised sector works in the tertiary sector into 'men's work' and 'women's work' poses an additional barrier. Gender relations are reproduced through sectoral and organizational politics which allocate unequal levels of power and status to men's and women's work. Women have been poorly represented in professional services, and clustered in clerical and administrative functions, and concentrated at the bottom of the organisations in which they work (Webster, 2010). D'Mello (2010: 56) establishes that the gendering of the services sector work takes place when women were under- represented at managerial and technical levels and predominated in support function roles; when women were often assigned routine and monotonous tasks while their male colleagues engaged in more abstract and challenging computing work.

In the developing countries like India too, this tendency also seems to be perpetuated in the IT and Information Technology Enabled Services (ITES) industry (D'Mello, 2010; Freeman, 2007; 2010; Majluf, 2007; Mann, 2007; Mirchandani, 2010; Paus and Shapiro, 2007; Perrons, 2010; Suri, 2007; Taylor et.al, 2010; Webster, 2010). In these offshore services sector jobs encompassing data entry, call centres, medical and legal transcription, financial and accounting work, information technology design, graphics, programming, etc, young women armed with secondary education, typing skills are largely employed (Freeman, 2010: 38). Freeman (2010: 35) refer to these women workers as “pink-collar” workers to signal both the explicitly feminine profile these jobs and workers come to signify and their ambiguous place between “white” and “blue”- collar categories of “mental” and “manual” work. Taking the case of call centre workers, Mirchandani (2010) further demonstrates how femininity and masculinity are enacted in local contexts, and simultaneously situated within racialized transnational regimes. Thus, the offshoring of the back-office works to developing countries and the opening up of the local economies of the developing countries creating an additional avenue of employment for women workers in these countries are often misrepresented as raising the quality of employment and reducing inequality.

Viewed in the backdrop of the growth of the services sector and its employment generation, the case of Ernakulam deserves attention. The focus of this chapter lies in the growth of the services sector employment for women in the district, and its possible incompatibility with the sectoral growth of income. The present chapter examines whether the increased work participation rates (WPRs) for women in the district has been driven by the necessity to seek paid work to substantiate family income, with the services sector acting as a employer of the last resort by absorbing the surplus labour in the economy. This chapter, therefore, examines some of the qualitative aspects of the workforce, including the educational qualification of the workers, income of the households and the nature of the occupations employing them. Towards this stated objective, as a first step, this chapter examines the labour market outcomes of women in the district of Kerala, followed by an evaluation of the sectoral composition of the workforce.

5.4 Labour market Trends in Ernakulam District

This section examines the work participation rates, labour force participation rates and the proportion of unemployed persons in the population in the district of Ernakulam. In this attempt, the section also makes a comparison of the labour market outcomes in the district with the state averages in these variables. While this section examines the labour market variables in detail, as a prelude, it may be noted that the most important aspect of the labour market in Ernakulam is high unemployment rates, despite the higher levels of income in the district.

Table 5.1

WPR of persons aged 15+ according to usual status between 2004-05 & 2009-10 (in%)

Round/Year	Ernakulam				Kerala			
	Rural		Urban		Rural		Urban	
	Male	Female	Male	Female	Male	Female	Male	Female
61st (2004-05)								
ps	80.2	23.5	72.0	17.2	72.1	23.2	69.8	19.1
ps+ss	84.1	33.9	77.4	23.0	76.8	33.4	74.3	25.6
64th (2007-08)								
ps	73.7	15.1	77.8	17.7	72.5	22.5	72.4	17.8
ps+ss	78.4	19.7	81.6	20.5	76.1	29.0	74.3	22.2
66th (2009-2010)								
ps	77.0	21.2	73.6	23.2	74.7	22.8	70.6	22.1
ps+ss	78.9	29.3	75.0	26.2	76.6	28.1	72.4	25.1

Source: Computations based on the unit level data of the NSSO

Table 5.1 provides a comparison of the WPRs of males and females in the district with that of the rates in the state of Kerala as a whole.¹ The table shows that the trends in employment rates in the district are similar to the rest of the state. However, a closer examination reveals that the employment rates of females in the district have increased significantly. From registering a WPR lower than the state average during 2004-05, the urban female WPR in the district grew to register a rate higher than the all- Kerala employment rates. Between 2004-05 and 2009-10, while the urban female employment rate in Kerala rose by 3 percent points from 19 percent to 22 percent, the

¹ As pointed out in Chapter 1, as the estimation of district level variables from the NSS data are only feasible from the 61st round, the examination of the labour market trends for Ernakulam (this chapter) and Kasargod (Chapter VI) have been restricted to the period between 2004-05 and 2009-10.

employment rates in urban Ernakulam increased by 6 percent points, from 17 percent to 23 percent. However, an important aspect that also needs to be looked into is the employment rates according to the usual principal and subsidiary status. While the urban female employment in the state in this status declined marginally by 0.5 percent points, the rates in urban Ernakulam increased by 3 percent points. This attains significance also due to the fact that for all other categories of workers (males and females, both in rural and urban sectors) in the district as well as the state, the employment in the usual principal and subsidiary status moved downwards. Unni and Raveendran (2007: 196-97) point to rise in the subsidiary status workers as a form of the erosion of formal or full-time jobs and the increase of informal part-time jobs, with persons trying to make ends meet in the urban informal labour market, with obviously poor quality of work and remuneration. With the subsidiary status employment being indicative of a bleak employment scenario, the subsequent sections of this chapter proposes to examine the developments in the labour and employment market in greater detail, before arriving at any conclusive statements.

The alterations in the work participation rates alone fail to reveal the dynamics of the labour market in an economy, especially during a period undergoing significant transformations in the labour and employment scenario. In this regard the chapter examines the corresponding labour market variables such as labour force participation rates as well as the proportion of unemployed persons in the economy for the period between 2004-05 and 2009-10.

Table 5.2 depicts the labour force participation rates in the district under study, as well as the state as a whole. The table shows that the fall in female LFPR in Ernakulam was moderate in comparison with all Kerala.² It may also be noted that the male labour force participation rates in Ernakulam also declined.³ Again, compared to

² Compared to the state as a whole, the fall in the LFPR in Ernakulam was moderate. On the other hand, the changes in the WPRs, along with the sectoral composition of the workforce, are significant in the district compared to the state averages. Therefore, as stated in the earlier sections in this chapter, the study focuses on the sectoral transformations in the employment scenario in the district and the factors contributing to this trend.

³ As in the case of male LFPR in the state as a whole (observed in Chapter 4), the evidences from the unit level data of NSS for Ernakulam also point to the fact that this decrease in male LFPR was largely due to the rise in the enrolment for education among the male population. Coupled with this, the fact that the study concentrates on female labour market, this issue is not taken up further.

the rest of the state, the decline in the proportion of females seeking work in the subsidiary capacity (ps+ss) in Ernakulam was also moderate.

Table 5.2

LFPR of persons aged 15+ according to usual status between 2004-05 & 2009-10 (in%)

Round/Year	Ernakulam				Kerala			
	Rural		Urban		Rural		Urban	
	Male	Female	Male	Female	Male	Female	Male	Female
61st (2004-05)								
ps	84.2	34.2	78.0	35.8	78.5	33.6	76.8	33.4
ps+ss	86.4	42.9	81.4	39.7	80.9	41.8	79.2	38.6
64th (2007-08)								
ps	77.0	25.7	82.1	30.6	76.9	27.4	76.9	24.3
ps+ss	81.2	30.1	84.7	32.3	79.6	33.4	78.2	28.0
66th (2009-2010)								
ps	79.2	32.3	73.9	32.4	77.6	28.8	73.1	27.6
ps+ss	81.1	37.7	75.3	34.5	78.2	33.6	74.6	30.2

Source: Computations based on the unit level data of the NSSO

The difference between LFPR and WPR shows the proportion of unemployed (PU) persons in the population, that is, the proportion of persons in the population, who were actively seeking work but were unable to find work. Table 5.3 shows the proportion of unemployed males and females in Ernakulam, in comparison with that of the rest of the state.

Table 5.3

Proportion of Unemployed (PU) persons aged 15+ according to usual status between 2004-05 & 2009-10 (in%)

Round/Year	Ernakulam				Kerala			
	Rural		Urban		Rural		Urban	
	Male	Female	Male	Female	Male	Female	Male	Female
61st (2004-05)								
ps	4.0	10.7	6.0	18.6	6.4	10.4	7.0	14.3
ps+ss	2.3	9.0	4.0	16.7	4.1	8.4	4.9	13.0
64th (2007-08)								
ps	3.2	10.6	4.3	12.9	4.4	4.9	4.5	6.5
ps+ss	2.9	10.4	3.1	11.8	3.5	4.4	3.9	5.8
66th (2009-2010)								
ps	2.3	11.1	0.3	9.2	2.9	6.0	2.5	5.5
ps+ss	2.2	8.4	0.3	8.3	1.6	5.5	2.2	5.1

Source: Computations based on the unit level data of the NSSO

Table 5.3 shows that while the proportion of unemployed females in Ernakulam has remained higher than that of the females in the state, the proportion of unemployed males in the district has remained lower than the state average. In addition, there took place a significant reduction in the share of unemployed male job seekers in the district of Ernakulam. During 2009-10, the share of unemployed males in Ernakulam reduced to a negligible 0.3 percent. This decline has been the outcome of reduction in LFPR and an increase in WPR. The table (5.3) also points to a wide disparity in the proportion of unemployed males and females in the district of Ernakulam.

The proportion of unemployed females in Ernakulam has remained higher than the state averages during all the three rounds. Despite the rise in employment rates, coupled with a fall in the labour force participation rates, during 2009-10, about 9 percent of the urban females seeking employment failed to fetch gainful employment. Also, due to the falling employment rates, the unemployment among rural females in the district showed an increase during 2009-10. Table 5.3 also points to high levels of unemployment among women in the district as compared to their male counterparts in the district. In fact, the difference in proportions of unemployed males and female is wider in the district as compared to the state averages.

It may also be noted that while the fall in urban female unemployment in the state was driven largely by reduced interest in labour market activities, in Ernakulam, the declining unemployment was the outcome largely of increasing employment rates than of reducing labour force participation rates. Against the backdrop of the economic position of the district, the study attempts to probe the dynamics of labour market outcomes among females in the district in greater detail in the following sections.

5.5 Sectoral Composition of the Workforce

As the economy matures, the sectoral composition of income and employment also is expected to undergo a change, with a shift in the production and employment pattern from primary sector to the secondary and tertiary sectors. In this context, the present

section examines the sectoral composition of the female workforce in the district. Table 5.4 shows the share of female workers in the primary, secondary and tertiary sectors in Ernakulam, during the period between 2004-05 and 2009-10.

Table 5.4

Distribution of usually employed females aged 15 + in the usual status into different sectors between 2004-05 and 2009-10 in Ernakulam and Kerala (in percent)

Sector	Ernakulam				Kerala			
	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban
	2004-05	2009-10	2004-05	2009-10	2004-05	2009-10	2004-05	2009-10
	usual principal status							
Primary	27.7	6.4	44.3	0	43.7	10.5	38.5	6.9
Secondary	35.4	28.3	24.2	24.4	25.7	26.9	26.3	25
Tertiary	36.9	65.3	31.5	75.6	30.6	62.6	35.2	68.1
	usual principal and subsidiary status							
Primary	37.3	15.5	45.8	2.8	52.9	22.5	44	10.6
Secondary	30.3	29.2	22.2	25.9	22.2	27.7	26.3	25.3
Tertiary	32.4	55.3	32	71.3	24.9	49.8	29.7	64.1

Source: Computations based on the unit level data of the NSSO

In the predominantly urban district, it may be noticed that, despite a growing secondary and tertiary sector, the share of usually employed workers in the primary sector in rural sector has shown a marked improvement. The share of female workers in the primary sector increased from about 28 percent during 2004-05 to about 44 percent during 2009-10. The share of primary sector workers in the usual principal and subsidiary status also increased, but at a moderate level, due to the higher base during 2004-05. Correspondingly, the share of rural female workers in the secondary and tertiary sectors demonstrated a downward slide. Without disregarding the fact that in rural sectors, agricultural and allied activities form the main occupation, the changes need to be seen in the context of declining share of agricultural income and the corresponding increases in the other two sectors of the economy. The increase in primary sector employment also needs to be viewed against the reduced dependence on the primary sector activities both in the state as a whole, as well as in the country.

The employment outcomes from the urban sector of the district, on the other hand, shows a reduction in the share of workers in the primary and secondary sectors, and an increasing share of female workers in the tertiary sector. While the decline in

the share of primary sector employment appears natural, the shifts in the share of female workers in secondary and tertiary sectors demand close probe. Despite the secondary sector of Ernakulam district alone contributing about 24 percent to the total secondary sector income in the state during 2009-10, the share of female workers in this was on a downward trend during 2009-10. This was greater than the decline for the rest of the state. On the other hand, the share of female workers in the tertiary sector rose substantially, by more than 10 percent points during the period between 2004-05 and 2009-10. This may be contrasted with the share of tertiary sector in the total income of the district, as well as of the share of workforce and share of income in this sector for the state as a whole. With only about 59 percent of the income in Ernakulam originating from the tertiary sector, this sector has absorbed about 76 percent of the female workers in the district, showing an increase from the previous round by 10 percent points. On the other hand, the tertiary sector in the state of Kerala as a whole, forming 69 percent of the state's GSDP, employed only about 68 percent of the female workers in the state.

Thus, it appears that the agriculture and allied activities in the rural sector and services sector activities in the urban sector were attaching the female workers left out from the other two sectors. Before examining this aspect of the labour market outcomes of women in the district in detail, this section also attempts to examine the share of female workers in each sector in the district as a proportion of total female workers in these sectors in the state of Kerala. This is carried out in Table 5.5.

Table 5.5

Share of females workers in each sector in Ernakulam as a share of female workers in each sector in Kerala (in percent)

Sector	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban
	2004-05		2009-10		2004-05		2009-10	
	usual principal				usual principal and subsidiary			
Primary	5.0	11.3	7.0	0.0	5.6	12.6	7.1	5.8
Secondary	10.9	19.4	5.9	21.2	10.8	19.3	8.3	22.2
Tertiary	9.5	19.2	5.4	24.2	10.3	20.3	7.3	24.1

Source: Computations based on the unit level data of the NSSO

Table 5.5 shows that corresponding to the changes observed in the previous table, the share of female workers in the district as a share of total female workers in the state of Kerala also underwent a change. The proportion of female workers in the primary sector, as a share of total female workers in the primary sector, increased by 2 percent points in rural Ernakulam. The share of workers in secondary and tertiary sectors decreased at a rate higher than the increase in the primary sector. In urban Ernakulam, the share of secondary and tertiary sector workers increased, with a significant decline of primary sector. The tertiary sector workers share in total female workers in this sector increased by 5 percent points between 2004-05 and 2009-10.

The share of the services sector employment of women, when viewed against the economic environment in the district, as well as the competing observations documented in the literature necessitates an inquiry to ascertain the rationale of the employment generation in the district. With this intention, in the following sections, an evaluation of some of the qualitative dimensions of work and workforce are examined. These include an evaluation of the female work participation rates for different levels of education, household income levels, as well as the nature of occupations taken up by the usually employed. As a first step, in the following section, this chapter examines the labour market outcomes of women with different levels of education.

5.6 Education-specific Female Labour Market Trends

In an economy expected to take off by harping on the new technologies of production and service delivery, the realisation of economic gains, especially of persons competent in harnessing the fruits of the new growth regime and employment opportunities gain significance. This section focuses on the labour market outcomes of women with different levels of education in the district of Ernakulam.

The education specific work participation rates in Ernakulam, as furnished in Table 5.6, shows a significant difference in the trends in rural and urban sectors in the district. Between 2004-05 and 2009-10, in rural Ernakulam, the WPRs increased only for few education categories. The WPRs increased only among females with

secondary and higher secondary education. More importantly, the WPRs declined significantly among rural females with diploma, graduation and post graduation levels of education. Despite the decline in overall WPRs in rural Ernakulam, the rise in WPR among females with secondary and higher secondary education, and simultaneous decline in WPR among higher educated raises questions whether the increase in employment among the moderately educated females is the result of their migration to the new avenues of employment in the urban and areas. However, a scrutiny of the place of work and place of residence of the rural female workers with secondary and higher secondary education rules out this possibility, as the majority of these workers were employed in the rural sector.

Table 5.6

WPR of females aged 15+ by usual status for each general educational level between 2004-05 and 2009-10 (in percent) Ernakulam

Between 2004-05 and 2009-10 (in percent)												Ennakulam
Round/ Year	Activity Status	General Education										
		Not lite- rate	Literate & upto primary	Mid- dle	Seco- ndary	Higher Seco- ndary	Diplo- ma/ Certi- ficate	Grad- & above	Post- Gradu- ation & above	Seco- ndary & above	All	
Rural females												
61st	ps	16.3	26.4	24.0	19.2	7.7	30.1	58.5	79.2	23.5	23.5	
(2004-05)	ps+ss	26.4	36.8	33.3	25.0	22.7	45.9	73.2	92.9	34.8	33.9	
64th	ps	0.0	12.1	24.8	13.2	2.2	10.2	27.0	59.3	14.5	15.1	
(2007-08)	ps+ss	0.0	17.8	28.6	20.0	5.9	11.3	34.1	59.3	20.1	19.7	
66th	ps	2.2	24.3	13.6	27.3	26.6	12.0	29.4	26.7	26.7	21.2	
(2009-10)	ps+ss	2.2	33.4	22.6	35.4	40.7	25.8	29.9	33.6	34.6	29.3	
Urban females												
61st	ps	6.5	10.4	18.2	19.3	13.1	16.3	27.6	35.1	20.1	17.2	
(2004-05)	ps+ss	9.3	17.6	24.1	26.8	13.1	32.4	28.9	35.1	25.9	23.0	
64th	ps	0.0	8.0	19.5	8.4	9.5	21.8	33.6	42.9	22.2	17.7	
(2007-08)	ps+ss	0.1	8.0	25.4	17.9	9.5	21.8	34.4	42.9	24.5	20.5	
66th	ps	13.4	15.9	26.8	21.2	14.0	19.6	38.7	49.3	24.9	23.2	
(2009-10)	ps+ss	17.2	21.8	28.3	22.5	14.0	22.3	44.4	53.9	27.5	26.2	

Source: Computations based on the unit level data of the NSSO

The trends in employment in urban Ernakulam show that the employment rates increased among females with all the different levels of education – from not literates

up to post graduates and above. This phenomenon of a unidirectional change in employment trends among all education categories was unobserved in the state as well as in the country. Of this, the increase was most evident among lesser educated females – up to middle school, and among higher educated females – graduates and post graduates. The significant rise in the employment rates among the less educated females reinforces the need to examine the hypothesis of ‘surplus labour absorption’. The moderate increase in employment among the higher educated, simultaneous with the significant rise among the less educated also draws attention to the ‘duality’ in the services sector documented in the economic literature. Before proceeding to examining the nature of employment generation in the services sector, this section further proceeds to evaluate the trends in the related labour market variables for females with different levels of education. Table 5.7 shows the LFPR among females with different levels of general education in Ernakulam during the period between 2004-05 and 2009-10.

Table 5.7

LFPR of females aged 15+ by usual status for each general educational level
between 2004-05 and 2009-10 (in percent) Ernakulam

Between 2004-05 and 2009-10 (in percent)												Bharuch
Round/ Year	Activity Status	General Education										
		Not lite- rate	Literate & upto primary	Mid- dle	Seco- ndary	Higher Seco- ndary	Diplo- ma/ Certi- ficate	Grad- & above	Post- Gradu- ation & above	Seco- ndary & above	All	
Rural females												
61st	ps	16.3	31.6	32.4	32.0	40.6	54.3	72.7	86.5	43.9	34.2	
(2004-05)	ps+ss	26.4	38.6	41.0	37.9	50.2	70.1	84.5	92.9	53.5	42.9	
64th	ps	0.0	12.1	37.9	26.1	11.6	52.6	43.8	91.8	31.9	25.7	
(2007-08)	ps+ss	0.0	17.8	41.1	32.9	15.3	53.7	50.7	91.8	37.4	30.1	
66th	ps	2.2	25.2	29.1	37.5	46.0	41.0	51.3	93.6	44.0	32.3	
(2009-10)	ps+ss	2.2	34.4	34.1	40.0	52.2	54.8	51.3	93.6	47.6	37.7	
Urban females												
61st	ps	6.5	15.2	33.9	28.9	33.4	59.9	67.0	88.6	47.0	35.8	
(2004-05)	ps+ss	9.3	21.1	37.8	33.6	33.4	68.6	68.3	88.6	50.5	39.7	
64th	ps	0.0	11.6	27.6	26.0	9.5	37.6	64.3	92.0	42.3	30.6	
(2007-08)	ps+ss	0.1	11.6	33.3	26.0	9.5	37.6	64.8	92.0	42.5	32.3	
66th	ps	17.2	15.9	32.5	29.4	22.2	36.9	59.8	61.1	38.1	32.4	
(2009-10)	ps+ss	17.2	21.8	33.9	29.4	22.2	39.6	63.3	65.7	39.4	34.5	

Source: Computations based on the unit level data of the NSSO

The LFPRs among rural females shows a general disinterest in labour market activities. Among rural females, the LFPR declined among all the categories of education, excluding those with secondary and higher secondary education. A synchronised examination of the WPR and LFPR shows that these are the only two classes of females where both LFPR and WPR improved. Similar to the WPR, the LFPR also decreased for all other categories of females, with the decline more pronounced among the higher educated.

In urban Ernakulam, despite the increase in WPRs for females with all categories of education, elements of discouragement in labour market participation is evident among females with education at the level of higher secondary and above. The labour force participation rate was on an upward trend among females up to secondary level education. Within this, the largest increase came about among the illiterates, more than 10 percent point increase, while the increase among other categories was moderate. The decline in LFPR among females with higher secondary level of education and above may also be considered as a discouragement among the women workers, as the unemployment rates during the previous period was prohibitively high. This further raises concerns about the nature and quality of employment available to women workers in the district, even during periods of high growth and economic development.

The combined effect of the variations in LFPR and WPR may be understood by observing the variations in the proportion of unemployment in the economy. In other words, the decrease in the proportion of unemployed persons in an economy reflect either a reduction in LFPR, or an improvement in WPR, or a combined influence of both these forces. Table 5.8 furnishes data on the proportion of usually employed females for different levels of general education in Ernakulam between 2004-05 and 2009-10. In rural Ernakulam, in addition to an increase in the overall PU, the increase in PU was greatest among the higher educated. In fact, the overall increase in the proportion of unemployed females was due to the changes in the labour market variables among higher educated females – diploma holders, graduates and post graduates. Among these education categories, the reduction in employment rates was so drastic that even after a fall in LFPR by 13 and 21 percent points among

diploma holders and graduates, the unemployment among them increased by 5 and 7 percent points, respectively. Among post graduates, the increased unemployment was caused by a decline in WPR and a marginal rise in LFPR. The employment scenario in the district paints a grim picture of unemployed rural females with higher education. Moreover, among the less educated also, the decline in unemployment was partly due to the decline in LFPR, indicating the bleak employment situation in the district.

Table 5.8

Proportion of Unemployed (PU) females aged 15+ by usual status for each general educational level between 2004-05 and 2009-10 (in percent) Ernakulam

Educational level between 2004-05 and 2009-10 (in percent)											
Bihar											
General Education											
Round/ Year	Activity Status	Not lite- rate	Literate & upto primary	Mid- dle	Seco- ndary	Higher Seco- ndary	Diplo- ma/ Certi- ficate	Grad- & above	Post- Gradu- ation & above	Seco- ndary & above	All
Rural females											
61st (2004-05)	ps	0.0	5.2	8.4	12.8	32.9	24.2	14.2	7.3	20.4	10.7
	ps+ss	0.0	1.8	7.7	12.9	27.5	24.2	11.3	0.0	18.7	9.0
64th (2007-08)	ps	0.0	0.0	13.1	12.9	9.4	42.4	16.8	32.5	17.4	10.6
	ps+ss	0.0	0.0	12.5	12.9	9.4	42.4	16.6	32.5	17.3	10.4
66th (2009-10)	ps	0.0	0.9	15.5	10.2	19.4	29.0	21.9	66.9	17.4	11.1
	ps+ss	0.0	1.0	11.5	4.6	11.5	29.0	21.4	60.0	13.0	8.4
Urban females											
61st (2004-05)	ps	0.0	4.8	15.7	9.6	20.3	43.6	39.4	53.6	26.9	18.6
	ps+ss	0.0	3.5	13.7	6.8	20.3	36.2	39.4	53.6	24.6	16.7
64th (2007-08)	ps	0.0	3.6	8.1	17.6	0.0	15.8	30.7	49.1	20.1	12.9
	ps+ss	0.0	3.6	7.8	8.1	0.0	15.8	30.4	49.1	18.0	11.8
66th (2009-10)	ps	3.8	0.0	5.7	8.2	8.2	17.3	21.1	11.8	13.2	9.2
	ps+ss	0.0	0.0	5.6	6.9	8.2	17.3	18.9	11.8	11.9	8.3

Source: Computations based on the unit level data of the NSSO

The employment scenario in the urban sector of the district is also far from satisfactory, with the real decline in unemployment taking place only among the less educated females. Thus, the overall decline in unemployment cannot be considered as a promising development, as the rates have been lowered by the increased employment among less educated females. The decrease in unemployment, driven by an increase in WPR and not by a decrease in LFPR took place only among urban

females with education up to secondary level – that is, not literates, literates up to primary, middle and secondary levels of education. From urban females with higher secondary education and above, the decline in PU was contributed more by a decrease in LFPR than an increase in WPR. While the increase in WPR and a reduction in proportion of unemployed females with education up to secondary may be seen as an improvement in numerical terms, it is important to examine whether this increase has been forced up on the women out of the prevailing economic conditions in the district.

5.7 Employment Patterns and Income Levels

The discussion in the above sections pointed to a dismal situation in the employment scenario among the higher educated, and slender rise in the employment rates among the less educated women in the district. The rise in services sector employment along with the increase among the less educated throws open the question whether this increase resulted from the need to supplement the household income. With this rationale, this section examines the employment outcomes among females with different levels of household incomes. Table 5.9 provides data on the distribution of usually employed females for each MPCE decile class during 2004-05 and 2009-10.

In urban Ernakulam, on average, between 2004-05 and 2009-10, the employment rates among females in the top and bottom MPCE deciles demonstrated a rising trend, with the WPRs among the middle MPCE deciles (5th and 6th deciles) exhibiting a falling pattern. However, a close look at the top and bottom deciles point out that against the general trend of a rise in the WPRs in these decile classes, a deviation from this general trend was observed from one decile class each from the top and bottom classes. To elaborate, among the bottom MPCE deciles, the WPRs increased up to the 4th decile, except the 2nd decile, where the WPR slightly declined. However, the decline in WPR in the 2nd decile between 2004-05 and 2009-10 was very marginal, 0.8 percent points, to be precise. Given the fact that the sample size for the district level analysis involving greater specifications is limited, this marginal decile need not be considered as a significant aberration from the general trend. Similarly, among the top MPCE deciles, the WPRs increased from the 7th decile onwards, with the exception of decile 8. However, unlike the fall in the WPR in the

2nd decile, the decrease in employment among women belonging to the 8th decile was significant, registering a 20 percent point fall. In urban sector, the labour force participation rates also followed more or less similar behaviour. However, as the LFPR in the urban sector in general was on a downward pattern, the decrease in LFPR was also observed in many of the decile classes in the urban sector. The LFPR decreased in deciles 1, 4, 5, 6, and 9 in the urban sector. Of this, the decline was more prominent in the 5th and 6th deciles. Thus, it may be noted that in general, compared to the changes in other MPCE classes, the variations in the employment and labour market participation rates in the middle deciles was very sharp. However, since the study focuses more on the employment trends, the LFPR is not pursued further in greater detail.

Table 5.9

Distribution of females aged 15 years and above according to activity status (ps) for each MPCE decile class between 2004-05 and 2009-10 (in percent) Ernakulam

Activity status	Decile classes on MPCE									
	0 -10	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	90-100
2004-05 (61st Round)										
Rural Female (ps)										
WPR	20.4	9.9	22.0	41.2	11.2	31.5	41.4	15.6	18.4	23.5
LFPR	33.4	26.6	24.5	48.8	31.6	34.7	54.8	23.8	30.3	35.8
PU	13.0	16.7	2.5	7.6	20.4	3.2	13.4	8.2	11.9	12.3
Edu	3.8	15.1	5.9	8.2	11.0	0.0	0.0	5.6	6.5	20.2
Dom.Dut	36.1	40.0	50.7	36.6	51.3	43.5	34.9	39.7	41.4	34.1
Urban Female (ps)										
WPR	17.5	22.9	35.6	13.9	43.8	38.2	4.9	17.2	34.6	18.1
LFPR	37.9	27.7	42.6	28.5	50.4	50.1	12.0	29.7	34.6	36.3
PU	20.4	4.8	7.0	14.6	6.6	11.9	7.1	12.5	0.0	18.2
Edu	13.3	7.7	7.0	6.5	0.0	0.0	7.6	7.3	4.4	27.9
Dom.Dut	34.5	48.9	42.1	50.7	36.1	29.9	54.2	39.9	55.5	23.7
2009-10 (66th Round)										
Rural Female (ps)										
WPR	17.2	24.4	23.5	14.5	35.8	26.2	21.2	14.1	18.1	16.6
LFPR	17.2	37.3	51.5	22.0	38.8	61.5	30.1	22.6	27.7	16.6
PU	0.0	12.9	28.0	7.5	3.0	35.3	8.9	8.5	9.6	0.0
Edu	28.8	6.1	0.0	3.7	23.5	4.3	18.6	7.1	13.4	9.9
Dom.Dut	44.8	34.8	41.3	72.1	27.6	25.5	23.2	65.7	45.1	53.9
Urban Female (ps)										
WPR	19.5	22.1	39.6	22.3	23.9	11.7	16.0	31.3	19.4	24.9
LFPR	35.3	31.1	44.8	25.0	39.9	22.4	18.7	35.8	31.4	37.0
PU	15.8	9.0	5.2	2.7	16.0	10.7	2.7	4.5	12.0	12.1
Edu	7.9	6.5	15.0	10.3	13.5	7.1	12.9	0.0	9.1	18.3
Dom.Dut	31.1	55.3	13.6	37.3	40.4	62.5	47.7	53.9	51.3	42.8

Source: Computations based on the unit level data of the NSSO

The WPRs in the top MPCEs in rural Ernakulam exhibited a different trend as compared to urban sector. While the employment rates increased in urban Ernakulam for the top MPCE deciles, the WPRs declined among the rural females in the top MPCE deciles. In rural Ernakulam, while the top 5 MPCE deciles exhibited major drop in the employment rates, the trends among the bottom MPCE deciles is not very clear cut. In rural Ernakulam, the WPRs in the 1st and 4th deciles fell, with the 2nd, 3rd and 5th deciles exhibiting a rise in the labour market variables. However, on average, the WPRs among the lower income categories in rural Ernakulam were on an upward trend. The alterations in employment rates for the MPCE deciles, when observed in tandem with the concurrent deceleration in the employment outcomes among the higher educated, as well as a simultaneous rise in the share of workers in the primary sector indicates that the employment rates of women from rural Ernakulam is not reflective of any buoyant development.

In short, while a tendency of increased WPR among bottom income deciles was observed in both rural and urban sector, the employment behaviour among the higher income households differed between the rural and urban sectors. The employment rates increased both in the top and bottom deciles in the urban sector. With the economic literature pointing to the existence of ‘duality’, ‘surplus labour absorption’ and ‘jobless’ nature of services sector employment, the subsequent sections examines the nature of job creation in the economy.

5.8 Industrial Distribution of the Usually Employed

The above observations on the education and income of the usually employed females provide indications of the employment rates skewed in favour of the less educated females and those from the low income households. The increase in the employment has also taken place in the services sector, with the share of workers in the other two sectors making a dip. In this context, the chapter attempts to examine the nature of employment of the women workers by examining the relative share of workers in different industrial categories, as well as type of occupations in which they are employed.

As pointed out in the economic literature, the increase in the share of workers need not necessarily be due to the creation of new jobs, but by the absorption of surplus labour. In such a situation, it has been pointed out that the share of workers increases in those occupations where the entry is easy, and which require least skill and expertise (Alam and Azhar, 1987; Bhalla, 1970; Timothy, 2010). Timothy (2010: 22) categorises the services sector activities into two – those which offer ‘easy job entry’, which include trade and hotels, personal and repair services; and those where the entry is not as easy as the former category, like transport, finance, public administration, education and health.

As a first step, this section examines the share of workers according to the industry of work, basing on the industrial classification of the occupations (NIC-2004). This section also provides a disaggregated account of the workers in the three sectors, say, primary, secondary and tertiary. The industrial classification of workers at the one-digit NIC, and its corresponding sectoral classification are as follows:

	Primary Sector
A	Agriculture, hunting and forestry
B	Fishing
C	Mining and quarrying

	Secondary Sector
D	Manufacturing
E	Electricity, gas and water supply
F	Construction

	Tertiary Sector
G	Wholesale and retail trade; repair of motor vehicles, motorcycles and personal and household goods
H	Hotels and restaurants
I	Transport, storage and communications
J	Financial intermediation
K	Real estate, renting and business activities
L	Public administration and defence; compulsory social security
M	Education
N	Health and social work

O	Other community, social and personal service activities
P	Activities of private households as employers and undifferentiated production activities of private households
Q	Extraterritorial organizations and bodies

With this, this section proceeds to examine the industrial distribution of the usually employed females in Ernakulam and the state of Kerala during the period between 2004-05 and 2009-10. This enables to examine the variations in the employment across these categories in the district also in relation to the overall changes in the state of Kerala, and the possible deviations, if any, from the rest of the state.

Table 5.10

Industrial distribution of usually employed females aged 15+ according to usual status (ps) in Ernakulam and Kerala during 2004-05 & 2009-10 (NIC-04)

Industry / Sector	Ernakulam				Kerala			
	2004-05		2009-10		2004-05		2009-10	
	Rural	Urban	Rural	Urban	Rural	Urban	Rural	Urban
I. Primary (Agriculture, fishing, mining)	27.7	6.4	44.3	0.0	43.7	10.5	38.5	6.9
II. Secondary	35.4	28.3	24.2	24.4	25.7	26.9	26.3	25
i Manufacturing	32.9	22.1	23.2	19.8	23.6	23.2	20	21
ii Electricity, Gas	0.6	0.0	0.0	0.0	0.3	0.2	0.6	0.5
iii Construction	1.9	6.2	1.0	4.6	1.8	3.5	5.7	3.5
III. Tertiary	36.9	65.3	31.5	75.6	30.6	62.6	35.2	68.1
i Wholesale&retail trade; repair works	3.5	4.1	7.6	16.2	4	9.1	5.9	12.2
ii Hotels & restaurants	1.1	5.5	4.3	3.9	1.7	3.2	1.3	3.8
iii Transport,storage& comm.	5.1	1.9	1.4	5.6	1.8	1.9	0.9	2.3
iv Financial intermediation	5.3	1.6	5.3	7.8	1.7	4.9	1.8	6.5
v Real estate, renting etc.	0.0	0.0	0.0	6.9	0.5	1.1	1.5	3.2
vi Public administration etc.	0.0	2.6	4.9	1.5	1.3	3	2	5.1
vii Education	8.7	33.1	3.0	9.8	10.1	17.4	10.2	14.2
viii Health and social work	7.5	3.1	2.9	11.8	3.1	6.4	4.5	9
ix Other community,social& personal service activities	2.0	1.1	2.1	6.7	0.9	1.7	2.1	4.3
x Activities of private HHs	3.7	12.3	0.0	5.4	5.5	13.9	5	7.5

Source: Computations based on the unit level data of the NSSO

Table 5.10 shows a substantial rise in share of female workers in ‘wholesale and retail trade; and repair works’. From absorbing about 4 percent of the usually employed workers during 2004-05, this sub-sector of the services industry provided employment to about 16 percent of the usually employed females – registering a fourfold rise. Compared to this reallocation in the district, the variations at the state level was moderate, a 3 percent point increase from about 9 percent to 12 percent during the

period under study. Another services sector activity with ease of entry and exit, say, 'community, social and personal services activities' also employed an increasing share of female workers during 2009-10, as against the previous round. An industrial category with less stringent norms of employability that witnessed a drop in the share of workers is the 'activities of private households'. However, the decrease in the share of workers in this sector falls short of accounting for the increase in the employment in other services sector activities such as 'wholesale and retail trade', 'personal services activities' etc.

While the rise in the share of workers in 'financial intermediation' could be considered as a promising development, the increase was not highly significant, with a rise from 2 percent to 8 percent. At the other end of the spectrum, the share of workers in industries with relatively tough norms of entry and exit, and requiring relatively higher levels of skill, such as 'education' declined significantly. The share of female workers in 'education' underwent a significant reduction, from 33 percent to 10 percent during this period. At the state level, the reduction was comparatively at a lesser degree, from 17 percent to 14 percent. Though at a lesser magnitude than the decline in education, the share of female workers in 'health and social work' - another services sector activity with relatively stricter norms of entry - rose from about 3 percent to 12 percent during the period under study. The reduced involvement of women in public administration also signifies the withdrawal of women from organised sector activities, as majority of the jobs in this subsector catered to the government sector providing social security benefits to the employees.

In all the subsectors in the tertiary sector except 'hotels and restaurant' and 'public administration', the trends in the employment in both the district and the state moved in the same direction. However, this movement – either a decrease or an increase – in the share of workers in these subsectors was sharper in Ernakulam compared to the rest of the state. Despite the variations within subsectors with more or less equivalent norms of entry and exit, on average, the employment shares of women rose in those sectors where the entry was less rigid, and those requiring least skill and education.

To sum up, the rising share of tertiary sector activities among women resulted largely from their increased absorption into activities such as ‘wholesale and retail trade’, ‘personal service activities’ etc. Within subsectors with more or less equivalent norms of entry and exit, the employment shares of women varied. For instance, the decline in the share of women workers involved in the ‘activities of the private household’ was more than offset by the rise in ‘wholesale and retail trade’ and ‘community, social and personal service activities’ – all with relaxable job qualifications. Similarly, among activities requiring greater skill levels, while the share of female workers in ‘health and social work’ increased, this increase was more than offset by the decrease in the share of women workers in ‘education’. Thus, on average, employment rose in the petty and nominal vocations with dismal working conditions than in the high growth sectors in the economy. The evidences also points to informalisation of the services sector jobs, though a detailed study in this regard is beyond the scope of the chapter.

The above observation of workers on the basis of industrial classification, while providing insights of a bleak picture of employment scenario, fails to completely address the nature of employment growth. This arises from the fact that the industrial divisions cover workers at all rungs of occupations, based on the broader industries under which their work falls. The industrial classification of workers (NIC), therefore, misses out on the nature of occupations under various industrial categories, and an examination of the nature of employment on the basis on NIC alone remains, at the best, partial. In this regard, the study attempts to examine the nature of workforce by examining the nature of occupations in greater detail. The following section, therefore, examines the nature of occupations of the usually employed, on the basis of the National Classification of Occupations (NCO 2004).

5.9 Occupational Classification of Usually Employed

Following the National Classification of Occupations (NCO – 2004), this section examines the distribution of the usually employed females across the nine occupational divisions. This observation provides a detailed account of the nature of the jobs, as the NCO classifications also take account of the skill and educational

requirements of the nine occupational categories. As mentioned in Chapters I and IV, in the NCO, which follows the International Standard Classification of Occupations (ISCO) of the ILO, the skill levels as defined in the International Standard Classification of Education (ISCED) were modified to suit Indian conditions taking particular cognizance of informal skill. The skill levels of the broad occupation divisions of the NCO 2004 have been elaborated in Chapter IV.⁴

Table 5.11 appraises the distribution of the usually employed females across the occupation divisions (at one-digit level) during the period between 2004-05 and 2009-10. While the focus of this chapter lies in the employment growth in the services sector in Ernakulam, evidences from the employment scenario in the district draws attention to the developments in the rural sector in the district as well. The distribution of the usually employed females in rural Ernakulam demonstrates deterioration in the conditions of employment, as depicted by the remarkable decline in the share of females working in Divisions 1, 2, 3 and 4. Correspondingly, increasing share of female workers have come to be absorbed in occupation divisions 5, 6 and 9, indicating an element of distress employment and surplus labour absorption in these occupations. These unskilled or semi skilled jobs could be largely considered as an extension of their domestic household duties and involves the incorporation of women's traditional tasks into the formal economy (Charles, 1992). The falling share of rural women workers even in division 4, including customer services clerk, indicates their inability to reap the growth of the tertiary sector and the probable lack of mobility and spatial segregation.

⁴ The skill levels for the broad occupation divisions, as elaborated in Chapter IV, are as follows. For Divisions 2 (Professionals) and 2 (Associate Professionals), the skill levels have been specified as Post-Graduate University Degree (15+ years of formal education) and First University Degree (14-15 years of formal education), respectively. For Divisions 4 to 8 (Division 4 – Clerks; Division 5 - Service Workers and Shop and Market Sales Workers; Division 6 - Skilled Agricultural and Fisheries Workers; Division 7 – Crafts and Related Trades Workers; and Division 8 – Plant and Machinery Operators and Assemblers), the skill levels have been defined as Secondary Education (11-13 years of formal education). Those workers with Primary education (up to 10 years of formal education and/or informal skills) are categorised under Division 9 (Elementary Occupations), whereas no skill has been defined for Division 1 involving Legislators, Senior Officials and Managers.

Table 5.11

Distribution of usually employed persons aged 15 + according to usual status for each NCO division between 2004-05 and 2009-10 (in percent) Ernakulam

Year/ Round	Activity status	NCO divisions at one-digit level (NCO-2004)									
		1	2	3	4	5	6	7 & 8	9	X	All
Rural Female											
61st	ps	11.8	8.3	12.9	7.0	4.8	19.2	25.7	10.3	0.0	100.0
(2004-05)	ps+ss	8.2	8.0	10.3	3.1	7.1	26.9	23.2	13.2	0.0	100.0
64th	ps	0.0	6.5	13.5	1.0	8.8	10.7	18.4	41.1	0.0	100.0
(2007-08)	ps+ss	0.0	5.0	14.5	0.9	12.0	22.1	14.0	31.5	0.0	100.0
66th	ps	0.9	3.5	5.5	5.8	9.6	30.2	15.0	29.5	0.0	100.0
(2009-10)	ps+ss	0.3	2.7	8.5	4.8	7.0	35.9	8.3	32.5	0.0	100.0
Urban Female											
61st	ps	5.7	6.7	24.3	10.7	19.9	6.6	25.0	1.1	0.0	100.0
(2004-05)	ps+ss	6.4	5.0	17.9	8.8	18.4	13.7	25.5	4.3	0.0	100.0
64th	ps	0.5	16.7	20.0	11.9	23.8	2.2	18.1	6.8	0.0	100.0
(2007-08)	ps+ss	0.5	18.6	13.4	10.3	22.2	2.5	26.6	5.9	0.0	100.0
66th	ps	7.9	13.5	10.5	19.3	17.6	0.0	15.2	16.0	0.0	100.0
(2009-10)	ps+ss	8.0	11.9	10.0	18.7	15.7	2.8	15.8	17.1	0.0	100.0

Source: Computations based on the unit level data of the NSSO

The distribution of the usually employed females in the urban sector is suggestive of deterioration in the conditions of employment, as indicated by the rising proportion of female workers in elementary occupations (Division 9) in the district. From absorbing just 1 percent of the usually employed females during 2004-05, the elementary occupations accommodated 16 percent of women workers during 2009-10. This was sharper than the rise for the other districts. Juxtaposing the education-specific work participation rates among the urban females with the occupation categories, the picture of the employment generation in the district becomes apparent, with a modest increase of workers in well-paid occupations demanding the highest skill, and a more than proportionate increase in occupations requiring the least skill and education. Based on the skill-based classification of occupations provided by the NCO, it may be inferred that the increase in the share of workers in Division 9 has been drawn from the rising shares of workers with education up to middle school, and lesser. On the other end of the spectrum, the increase in the share of women workers in Division 2 reflects the spurt in the work participation rates among the post-graduates in the district. The variation in the share of workers between Divisions 3

and 4, though the available data is insufficient to arrive at conclusive statements, is indicative of the shifts of workers across these occupation divisions. The fall in the share of workers in Division 3 is largely reflective of the declining share of workers in ‘education’ (as revealed by the NIC classification), and will be scrutinised in detail at the two-digit level. While the variations across divisions 4 to 8 could be considered as reallocations across occupations requiring more or less equitable levels of skill, changes in the shares of workers in Divisions 2, 3 and 9 during the period between 2004-05 and 2009-10 demands greater attention.

In addition to appraising the occupational characteristics at one-digit level of NCO, this section also evaluates the variations in the nature of occupations at a more disaggregated level – at the two-digit classification level. At the one-digit level, the occupations are categorised and referred to as ‘Divisions’, whereas at the two-digit level, the term ‘Groups’ is applied. As the emphasis of this chapter lies in the services sector employment growth in the district, the discussion at the level of two-digit classification of occupations is restricted to the urban sector in the district. This section also attempts a comparative assessment of the occupational distribution of the males and females in the district with the state averages. Table 5.12 provides data on the distribution of the usually employed males and females (according to ps measure) at the two-digit classification of occupations in the urban sectors of the state and district during 2004-05 and 2009-10.

In this section, the evaluation of Division 1, and its constituent occupation groups are avoided, as no specific skill has been defined for the occupations falling under this category. In Division 2, while there is a rise in the share of male and female workers, which *prima facie* appears to have been facilitated by the emergence and growth of the IT and ITES jobs, a detailed scrutiny of the occupation categories demonstrates that the involvement of women workers in these sunrise sectors have been at a lesser degree than that of male workers.

Table 5.12

Distribution of usually employed males and females (ps) aged 15+ according to two-digit NCO in urban sector in Ernakulam and Kerala during 2004-05 and 2009-10

Occupation	Females				Males			
	Ernakulam		Kerala		Ernakulam		Kerala	
	61st	66th	61st	66th	61st	66th	61st	66th
11 - Legislators, Senior Officials	0.0	0.0	0.13	0.3	0.7	0.0	0.6	0.4
12&13 - Corporate & General Managers	5.7	7.9	4.04	4.6	16.4	17.0	9.7	13.5
All -Div 1	5.7	7.9	4.2	4.9	17.1	17.0	10.3	13.9
21 - Physical & Engg. Science Professionals	0.0	3.4	0.3	1.4	0.3	6.8	0.8	2.6
22 - Life Science And Health Professionals	0.3	2.1	1.1	1.9	0.0	0.7	0.5	1.1
23 - Teaching Professionals	4.7	6.0	6.3	6.1	0.4	0.4	1.3	0.8
24 - Other Professionals	1.7	2.0	1.6	2.0	0.6	2.1	0.9	1.4
All -Div 2	6.7	13.5	9.3	11.4	1.3	10.0	3.6	5.9
31- Physical & Engg. Science Asso. Professionals	0.0	0.8	0.6	1.5	0.8	1.5	1.06	0.9
32 - Life Science And Health Asso. Professionals	2.9	4.1	3.9	4.1	0.0	0.7	0.17	0.3
33 - Teaching Associate Professionals	19.4	3.2	7.6	6.3	0.9	0.4	0.46	0.2
34 - Other Associate Professionals	2.0	2.4	1.4	4.1	1.6	5.5	2.88	4.4
All -Div 3	24.3	10.5	13.5	16.0	3.3	8.1	4.6	5.8
41 - Office Clerks	10.7	13.7	8.0	8.2	2.8	6.3	4.21	3.7
42 - Customer Services Clerks	0.0	5.6	0.8	2.1	0.0	0.4	0.4	0.7
All -Div 4	10.7	19.3	8.9	10.3	2.8	6.7	4.6	4.4
51 - Personal and Protective Services Workers	17.5	4.6	19.5	8.2	4.8	1.8	5.2	3.9
52 - Models, Salespersons and Demonstrators	2.4	13.0	5.8	8.8	17.0	3.7	15.3	8.5
All -Div 5	19.9	17.6	25.3	17.0	21.8	5.5	20.5	12.4
All -Div 6	6.6	0.0	7.0	4.4	9.2	1.8	9.4	8.3
71 - Extraction and Building Trades Workers	6.2	0.0	2.6	0.6	18.6	11.2	13.8	12.3
72 - Metal, Machinery & Related Trades Workers	0.0	1.2	0.1	0.4	8.9	7.2	7.0	6.5
73 - Precision, Handicraft, Printing etc.	3.7	0.0	1.0	0.4	0.7	0.6	1.9	0.9
74 - Other Craft and Related Trades Workers	10.7	13.6	13.7	14.6	1.2	4.4	3.3	4.1
All -Div 7	20.6	14.8	17.4	16.0	29.4	23.4	26.0	23.8
81 - Stationary-Plant and Related Operators	0.0	0.0	0.1	0.1	0.6	0.0	0.7	0.1
82 - Machine Operators and Assemblers	4.4	0.4	5.0	0.8	1.7	1.8	2.7	1.6
83 - Drivers and Mobile Plant Operators	0.0	0.0	0.0	0.0	7.8	8.3	7.0	8.3
All -Div 8	4.4	0.4	5.0	0.9	10.1	10.1	10.4	10.0
91 - Sales and Service Elementary Occupations	0.6	11.0	5.3	12.7	2.3	3.0	4.8	3.4
92 - Agricultural, Fishery and Related Labourers	0.0	0.0	3.3	2.4	1.1	1.0	2.9	2.6
93 - Labourers in Mining, Construction, Manuf. Etc.	0.5	5.0	0.9	4.0	1.6	13.4	2.9	9.5
All -Div 9	1.1	16.0	9.4	19.1	5.0	17.4	10.6	15.5

Source: Computations based on the unit level data of the NSSO

However, compared to the rest of the state, the rise of women workers in jobs related to 'physical and engineering sciences' was substantial. For female workers, though the share of 'physical and engineering science professionals' increased, this remained lower than that of teaching professionals. For male workers, the rise in the share of Division 2 was facilitated largely by the increased job opportunities in 'physical and engineering sciences' followed by 'other professionals'. Thus, while women in

Ernakulam have benefitted from the growth of these new generation jobs compared to their counterparts in the rest of the state, their achievements were of lesser scale in comparison with their male counterparts in the district. During the period between 2004-05 and 2009-10, the shifts in the shares of workers in Division 2, as well as in the contributing occupational Groups, was of considerable magnitude in the district for both men and women workers, whereas, the variations were moderate at the state level.

A disaggregated assessment of the substantial fall in the share of women workers and a rise of male workers in Division 3 (Associate Professionals) also points to the influence of teaching jobs on the former, and engineering and related jobs on the latter. Within this sector, increase of males was driven, again by ‘other associate professionals’, followed by physical and engineering science professionals; whereas for females, with the employment in these sunrise sectors remaining limited, an unprecedented decline in ‘teaching associate professionals’ triggered the downward trend. The increasing presence of male and female workers in the district in the jobs falling under Division 4 in a significant way as opposed to the state averages indicate the relatively enhanced growth of the ITES services compared to the rest of the state. Adhering to the trends observed worldwide in the case of ITES and its offshoring, women have been the largest beneficiaries of this phenomenon.

The overall share of women workers in Divisions 5 to 8, defined by more or less same levels of skill and education, registered a lower value during 2009-10 in comparison with the previous period under study. More importantly, this declining share was more than compensated by the increased concentration of female workers in Division 9, say, elementary occupations. During 2004-05, the female workers in Divisions 5, 7 and 8 together formed about 45 percent of the usually employed females in Ernakulam, which declined to about 33 percent during 2009-10. This cutback was counterbalanced by an alarmingly increased concentration of workers in Division 9, to the tune of 16 percent from the previous rate of 1 percent. By the inclusion of elementary occupations to the fold, the female workers in Divisions 5, 7, 8 and 9 together formed 49 percent of the total female workforce during 2009-10. This shift across the occupation divisions presents a deteriorating condition of the

employment scenario for female workers in the district, during a period of high growth of the economy. For both males and females in the state, while their shares in Divisions 5 to 8 diminished, this does not present the case of a worsening of the employment scenario as much as in the case of urban female workers in Ernakulam, as the decline was also partly made up for by their rising shares in relatively better-off occupations ranging from Divisions 1 to 4. However, though at a lesser extent than that of the female workers, the employment conditions of males in Ernakulam also projects a worsening scenario, as indicated by their rising presence in elementary occupations.

The alterations in employment outcomes within Division 5 draw attention to two different, but closely associated phenomena – feminisation and informalisation. Within Division 5, the most noticeable occurrence is the falling shares of personal and protective services workers (Group 51) in the total workforce, both for males and females in the district as well as in the state. This phenomenon, arising largely from the declining role of state, has in fact been, deflating the allotment of Division 5 in total workforce. Similar to most other sectors and subsectors, this transition was most conspicuous in Ernakulam, and particularly among female workers. To a significant extent, the drop in the female workers in Group 51 was counterweighed by the upturn in the proportion of female workers as Models, Sales persons and Demonstrators (Group 52).

While these alterations within Division 5 keep the overall share of female workers more or less intact, the reallocation invariably points to the onset of informalisation of work. Secondly, particularly in the district of Ernakulam, between 2004-05 and 2009-10, the respective shares of male and female workers in Group 52 (Models, Sales persons and Demonstrators) witnessed a turnaround, with a simultaneous increase of female workers and decline of male workers. Given the nature of such jobs, this is indicative of the feminisation of work, in both the senses of the term – more women finding themselves in jobs traditionally taken by men, as well as jobs acquiring characteristics associated with women's historical pattern of labour force participation (Standing 1999: 583).

In division 7, the rise in workers employed in ‘other crafts and related works’ failed to arrest the heightened decline in the share of workers in ‘extraction and buildings trade’, leading to an overall fall in the workers in Division 7. In addition, it may also be noted that the occupations under Group 74 characterises the traditional gendered division of labour. The unprecedented augmentation of female workers in elementary occupations (Division 9) was facilitated by their presence in ‘sales and service elementary occupations’ in a major way, and as ‘labourers in mining, manufacturing, construction’ and related operations in a moderate scale.

To sum up, while elements of modest improvement in the employment scene were visible, such as the increase in Division 2, the overall scenario represented a bleak picture. The rise in employment was substantial in sectors demanding moderate skills and education, say, secondary education and lesser. The swings in the employment shares across various Divisions and Groups, especially those occupations requiring less skill and education, have been displaying elements of distress and surplus labour absorption, and thereby, circumventing the moderate effects of economic development and employment generation in select few buoyant sectors. The worsening of employment condition, as represented by the rising shares of elementary occupation, was sharper in Ernakulam in comparison with the rest of the state, and, more severe among females in the district. Besides elementary occupations, a fluctuation in the shares of both male and female workers across different occupations in the district was acute in comparison with that of the state averages. This was observed in Divisions 2, 3, 4, and 5, along with Division 9; and particularly in certain occupation groups within these broader one-digit classifications. The employment outcomes in Ernakulam, as compared to the rest of the state, are suggestive of the fruits of economic growth increasingly eluding the largest sections of the population.

5.10 Conclusion

The examination of the labour and employment patterns in Ernakulam district of Kerala during the period between 2004-05 and 2009-10 was studied, particularly with the objective of assessing the impact of changed economic environment and new economic policies on these variables. The period coincided with the high growth

phase of the economy of Kerala in general and Ernakulam in particular. The district of Ernakulam provides an ideal ground for testing the correlation between female employment and economic growth in general, and its sectoral composition in particular. Basing on the disproportionate growth of the services sector employment in the district, the chapter examined the various qualitative and quantitative dimensions of the employment generation in the district, set against the conflicting theories on the relationship between income and employment growth in the services sector. The appraisal of the labour market outcomes for different grades of education and income levels pointed to reduced participation among the relatively well-off and privileged women, and an increased involvement in the labour market activities among deprived and underprivileged women. The increased participation among women with lesser education and household income is reflective of the increased necessity on the part of women to engage in paid activities in the market. Further examination of the nature of employment based on the industrial and occupational characteristics of jobs attested the view of worsening of the quality of employment, indicating a distressed nature of employment, and failure of economic growth to provide gainful employment to the largest sections of the population.

CHAPTER – VI

DISTRESS-DRIVEN EMPLOYMENT AND FEMINISATION OF LABOUR IN KASARGOD

6.1 Introduction

The disaggregated examination of the labour market trends in the earlier chapters have pointed to significant regional variations in the employment outcomes within the state of Kerala. With the objective of unravelling these varied outcomes, the study has attempted to take two districts – Ernakulam and Kasargod - as case studies. The previous chapter has examined the labour market outcomes of women in Ernakulam, the predominantly urban district in Kerala. The arguments in the last chapter pointed to a moderate rise in the employment rates among women, despite a reduced interest in labour force participation. It also pointed to ‘dualism’ as well as ‘surplus labour absorption’ in the services sector as determining the employment activities of women workers. The present chapter examines the forces shaping the labour market behaviour of women workers in Kasargod district, the second of the two districts selected for an in-depth study in the present research. This chapter evaluates the unprecedented rise in the work force participation among the women in Kasargod – a predominantly agrarian district in Kerala. In the event of such an increase in employment and labour force participation rates, without rising economic activities that are generally expected to support such variations in labour market activities, this

chapter explores the linkages between economic distress and female employment at a micro level.

The labour market trends in Kasargod in recent period, when positioned also against the overall employment outcomes in the state, presents a case for detailed scrutiny. This enhanced employment rates of women in the district stands in contradiction to the overall low employment rates of women in the state, presenting an unprecedented scenario. The employment outcomes for women in the state had defied many of the existing theories on the relationship between human development and economic wellbeing, wherein the achievements in the social indicators of well being such as education, health and demographic changes have failed to translate into increased work participation rates (WPRs) of females in the state. Against this long standing tradition of reduced employment outcomes for women and relatively enhanced employment opportunities for men in the state, this chapter attempts to understand the reversal of these trends in certain regions within the state, by taking the district of Kasargod as a case study. The most predominant of these occurrences was a substantial increase in female employment that qualifies to be called as ‘feminisation’ of workforce. These developments that took place post-2004-05 were not only in stark contrast to the overall labour market outcomes in the state, but also remained detached from the patterns observed in most other districts within the state. The present study, therefore, explores this paradoxical development in employment scenario in the district of Kasargod.

This chapter focuses on the process of feminisation of labour in Kasargod that has emerged in the aftermath of agrarian distress that has gripped the region. It also examines the deleterious impacts of these adjustment processes on the nature and type of work performed by the women in the region. It may also be noted that the transformations in the employment and labour market were extant not only in the rural sector, but has also permeated into the urban sector as well. Thus, even though the focus of this chapter is more on the rural changes, the chapter also examines the developments in the urban labour market, as there could be possible overlapping and porousness across sectors.

The chapter is organised as follows. The following section (Section 6.2) outlines the economic profile of the district of Kasargod. Section 6.3 provides the theoretical background of the chapter. Section 6.4 examines the alterations in the labour market variables in general in the district of Kasargod. This includes an observation of the trends in WPR, LFPR and the proportion of unemployed females in the district during the period under consideration. In subsequent sections, a detailed examination of the trends in labour market variables among women with different levels of education and household income are carried out. Thus, Section 6.5 evaluates the education-specific labour market behaviour of women, and Section 6.6 carries out the trends in labour market participation among women belonging to households with different income classes. While Sections 6.4 to 6.6 focuses on the variations in the labour and non-labour market outcomes as a response to the economic distress in the regions, the shifts across different employment categories and occupations among the usually employed women workers are analysed in Section 6.7. Here, the attention lies in understanding the nature of occupations that absorbed the sudden spurt of job-seekers in the district. Section 6.8 concludes the study.

6.2 Economic Profile of Kasargod District

Kasargod is the northernmost district of Kerala, bordering the State of Karnataka. Agriculture forms the mainstay of the population of the district. Crops like coconut, areca nut, cashew, rubber, ginger, are the major cultivation in the district. Kasargod district has one of the lowest income shares in the GSDP. The sectoral composition of income also shows that the contribution from the primary, secondary and tertiary sectors of the district to the GSDP is one of the lowest among the districts. In addition, Kasargod district has one of the lowest per capita incomes, as well as one of the lowest growth rates of per capita income among the districts in the state (GoK, 2009, 2011).

While the income shares as well as the growth rates of income have remained low in Kasargod, the immediate issue pertinent to the change in the income and livelihood strategies of the population has been the emergence of a crisis in the agrarian sector in the district. In Kasargod, the crisis emerged largely due to the fall in

the price of major crops like areca nut following a period of trade liberalisation in agricultural products, as well as the fall in production due to a drought-like situation in the district and the diseases and pests affecting the crops. The magnitude of the agrarian crisis in the district is evident from the fact that Kasargod figured in the list of 31 distressed districts identified by the Government of India for the implementation of the Prime Minister's special rehabilitation package (GoI, 2007). The district of Kasargod also featured in the list of 100 districts identified as agriculturally less developed and distressed by the Expert Group on Agricultural Indebtedness. In 2008, the Kerala Farmers' Debt Relief Commission, constituted by the Government of Kerala in 2007, recommended to the Government of Kerala to declare areca nut as distress affected crop in Kasargod district.

The agrarian crisis in the regions in Kerala is closely linked to the international market conditions. The crisis and indebtedness becomes even worse if the farmers are dependent more on the perennial tree crops like areca nut and coconut as in the case of Kasargod district. As Mohanakumar and Sharma (2006: 1553) states, 'the more a crop is integrated with the world market, the higher would be its adverse consequences on the dependent population'. And, compared to other regions in India, the dependence of Kerala economy on the world market is very substantial. Jeromy points out that 'unlike other states in the country, trade liberalisation adversely affected the agricultural sector in Kerala because more than 80 per cent of the agricultural commodities/products produced in the state are dependent on domestic and/or international market situation' (2007: 3241).

The dependence on perennial tree crops aggravated the crisis in at least two additional ways. First, the cultivation of perennial tree crops having long gestation period imparts inflexibility to agricultural operation in Kerala as the farmers have limited option to periodically shift to other crops in line with market signals. (Jeromy 2007: 3242; Joseph and Joseph, 2005: 43). Second, in the case of these crops, 'drought in a year will lead to yield reduction for three years and more after the drought year' (Jeromy 2007: 3242). For instance, as pointed out in the report of the Kerala State Farmers' Debt Relief Commission (2008), the climate in the district of Kasargod was, unlike any other part of the State, very hot and drought-like.

Moreover, the drought of the years 2003 and 2004 affected the farmers in the district considerably in the subsequent years. The decline in the price of crops like coconut and areca nut, along with the crop losses due to various diseases affecting the crops pushed the small farmers in Kasargod into agrarian crisis and mounting debts.

It may be noted that apart from Kasargod, the districts of Palakkad and Wayanad in Kerala were also identified as facing a crisis in the agrarian sector. However, the district of Kasargod is taken as a case study in this research due to the overarching influence of the alterations in the female WPR on a wide range of variables that directly and indirectly modified the labour market outcomes of both males as well as females in the district. As the study considers these alterations as indicative of a 'feminisation of labour' in the event of an agrarian crisis in the district, the following section provides a brief overview of the theoretical positions on feminisation of work, and its transmission into the labour market variables through the 'joint labour supply' decisions of the households

6.3 Theoretical Background

In a very broad sense of the term, 'feminisation of labour' has been used to describe the increased participation of women in labour market activities. The term 'feminisation of labour' has been coined by Standing (1989) largely in the context of structural adjustment programmes, to connote the increased participation of women in the labour markets globally. His use of the term 'feminisation', according to Standing (1999), was intentionally ambiguous, to capture the double meaning and the sense of irony associated with the process that has been termed 'feminisation'. To understand this, it is essential to understand the two processes taking place in the labour market, which has been referred to as 'feminisation'.

According to Standing (1999: 583), the process of feminisation is observed to take place in two ways. Firstly, feminisation refers to a rise in female labour force participation and a relative, if not absolute, fall in men's employment. Secondly, it also implies feminisation of many jobs traditionally held by men. Thus, a type of job could either be feminised or that men could find themselves in feminised positions.

More women could find themselves in jobs traditionally taken by men or certain jobs could be changed to acquire characteristics associated with women's historical pattern of labour force participation. The characteristics include the type of contract, the form of remuneration, the extent and forms of security provided, and the access to skill (Standing 1999: 583). The irony, thus, lies in where the generations of efforts to integrate women into regular wage labour as equals has instead resulted in an employment and labour force participation pattern that has reinforced the patterns traditionally associated with women. In the same vein, Razavi (2003: 8) points that the ambivalent nature of women's increased labour force participation has been well captured by the phrase "feminization of employment", which refers not only to the increases in women's overall share of employment but also to the simultaneous deterioration in the labour market conditions.

Feminisation, as initially observed by Standing (1989), was identified as a process taking place in the industrialised and developed nations in the world, though the probability of its occurrence in the developing countries was not entirely ruled out. Standing (1999: 584-85) points out that in industrialised countries, factors such as reduced reach of 'state benefits' to people via increased selectivity and targeting, reduced income security of workers through removal or weakening of minimum wages, weakened job security of workers etc., have resulted in pushing more women into the labour market. This essentially means a distress sale of labour. On the other hand, increasing onus on the part of the firms to remain competitive through cost cutting requires them to search for ways of lowering labour costs by hiring workers who are prepared or forced to take low-wage jobs (Standing, 1999: 585). In industrialising countries, feminisation has generally been observed to take place in those sectors that have greater exposure to the global capital.

Several later studies have pointed to the major shifts towards greater integration of women in labour markets of both industrialised and developing countries in the wake of trade liberalisation and export oriented industrialisation (Çăgatay and Berik, 1991; Çăgatay and Özler, 1995, Özler, 2000). While these studies have been unanimous about the existence of feminisation, the reasons and factors underlying the evolution of this process have been pointed out differently, based on

their empirical evidences internationally. Based on the major studies in the academic realm, Özler (2000) has categorised the dominant theories into demand and supply side explanations for the occurrence of feminisation. The two demand-side explanations, as summarised by Özler (2000) have been due to (i) shift of production to developing economies possessing comparative advantage in the labour-intensive production techniques and unskilled labour creates new employment opportunities for women; and (ii) the notion that women constitute a ‘cheaper’ source of labour. The supply side explanations points to the ‘push factors’ that ‘pushes’ women into paid employment to compensate for husbands’ or, in some cases, parents’ loss of job, or declining real wages, representing “distress sale of labour” (Özler, 2000, citing the works of Beneria, 1995; Çăgatay and Berik, 1991; Çăgatay and Özler, 1995; Elson, 1996; Salaff, 1990; Standing, 1989, 1999; Wood, 1991).

While the process of feminisation was initially intended to explain the above mentioned process in the industrial and export oriented manufacturing sectors in an economy, later studies have also pointed to the prevalence of feminisation of work in the agricultural sector which is linked to the global market and capital. Citing the examples of Chilean and South African export grape industries, UNRISD (2005) points out that trade liberalization has created seasonal rise in female employment in the area of agricultural exports, where women are the preferred source of temporary labour. The livelihoods earned under these conditions of work have also been observed to be inherently precarious.

In developing countries like India, studies on the feminisation of labour force emerged against the backdrop of the new economic policies. As Standing (1999: 585) points out, the emphasis put on trade liberalization and export-led industrialization in low-income countries has had implications for women's economic activity. With the opening up of domestic economies of developing countries to foreign capital and technology, multinational companies extended their labour intensive operations to these overseas locations. The strategy adopted by these MNCs to survive the competition and ensure profits involves utilising the cheap and flexible labour in their production operations. And in most cases, women workers largely meet these criteria, leading to greater employment of women in these sectors. ‘Growing labour market

flexibility and the diverse forms of insecurity encourage greater female labour force participation and employment' (Standing 1999: 586). In India, several authors have looked at the feminisation of work in the industrial and export oriented sectors (Banerjee, 1997; Jhabvala and Sinha, 2002; Neetha, 2002; Vanamala, 2001; Varma and Neetha, 2004).

The present chapter examines the occurrence of the feminisation of labour in a rural agrarian sector in the presence of agrarian indebtedness and distress. Without disregarding the fact that women, especially in the less developed and agrarian economies are mostly engaged in the agriculture and related activities, the focus here is on the newfound 'interest' of women in economic activities in the rural sector, including agriculture. This newfound interest in the labour market activities in Kasargod is seen as stemming partly from the trade liberalisation and the fall in the price of agricultural outputs, and partly from the decline in agricultural output. Several studies have documented that trade is not gender neutral and significant trade liberalization in agriculture affect women in significantly different ways than men. These studies have pointed out that the impact on women is partly general and partly gender specific, determined by the way they are integrated into the agriculture and food sector (Deere, 2009; GENTA, 2001; HBF-TWN, 2011; Singh and Sengupta, 2009). The focus of these studies have largely been on the gender specific outcomes, in terms of women's unequal access to credit, resources and services; their status as small and subsistence farmers; and the challenges to domestic food production, food security and sustainable livelihoods (Ackah and Lay 2009; Choudhary et.al 2006; Deere 2009; GENTA 2001; Painter 2004; Phoko 2005; Stuart 2003; Tran-Nguyen and Beviglia-Zampetti 2004; Williams 2003). These studies were centred largely also on the gender specific outcomes in the capacity of women as primary workers. The present study examines the changes in the labour market behaviour of women as secondary workers, in the wake of the agrarian crisis in the region.¹

¹ Also, as the study examines the unprecedented increase in the female employment and labour force participation rates as a supply-side factor, as a survival strategy adopted by the women secondary workers of the households in the wake of falling household incomes, the process of feminisation is examined independent of the changes in the male employment and labour force participations rates. Also, as the process is not observed to be taking place as a demand side factor, with the employers preferring women workers to men, this need not necessarily entail a reduction in the share of male workers. The emphasis in this study is placed on the nature and type of occupations employing the

Feminisation in agrarian and rural economy may be understood as a distress-driven phenomenon, with more women entering the workforce to meet the financial demands of the family. Vepa (2005: 2563) states that ‘feminisation of agriculture normally takes place due to outmigration of males from low paid agriculture to high-paid industry, induced by casualisation of work, unprofitable crop production and distress migration’. While accepting the fact that male outmigration acts as a catalyst for the feminisation process, the present study intends to establish that feminisation takes place independent of male migration too, with the income and livelihood concerns providing the greatest impetus. The present study points to an increase in the work and labour force participation rates of males too, a coping strategy during the period of agrarian distress.

The feminisation of labour in the context of economic distress may be understood by looking at the labour supply as stemming from joint labour supply decisions of a family, as opposed to individual decisions. Going by this theory, the joint labour supply model of a family consists of primary and secondary workers. The total labour of the family is the sum of the labour of its primary and secondary workers. While the primary worker is basically responsible for earning the income for the entire family, the variation in labour supply of the family comes only from changes in the secondary labour supply. Secondary workers typically include married women but possibly also children and elders. These workers presumably have a weaker attachment to the labour force than primary workers and their labour supply is “supplemental” (Abraham, 2008; Dessing, 2002, 2007; Nakamura and Murayama 2010).

Secondary workers enter the labour market when the earning of the primary worker is not sufficient to cover the subsistence needs of the family. When the income earned by the primary worker is adequate to meet the subsistence needs of the family, the secondary workers withdraw from the labour market. Thus the labour supply, mostly by the secondary workers, increases up to the point where the earning of the family is sufficient to meet their subsistence requirements, and thereafter, declines. At

women workers. However, the trends in male employment and labour force participation rates are also observed in this chapter, though with lesser emphasis.

significantly higher levels of income, the secondary workers may re-enter the market as they face expanded employment opportunities due to better education, by transferring some of their household chores to the market which eases their double burden of balancing work and family. According to this analysis, the labour supply curve produces an S-shape (Abraham, 2008; Dessing, 2002, 2007; Nakamura and Murayama 2010). The thesis of “added worker effect” also establishes that the secondary workers enter the labour force in response to the reduction in family income (Lundberg, 1981, 1985; Maloney, 1987). Concurring to the theoretical base of “joint labour supply” model and “primary and secondary” workers explained in this section, the labour market outcomes in the district of Kasargod are analysed using the unit level data of the National Sample Survey Organisation (NSSO).

6.4 Trends in Female Labour and Employment Market in Kasargod

The 66th round data on the employment situation in the state suggests a decline in the female WPRs in rural Kerala compared to the 61st round. The fall in the employment rates came about during the time when the GSDP of Kerala was continuing its healthy stride. Alongside the declining WPRs, the labour force participation rate (LFPR) also demonstrated an unwelcome trend. However, a disaggregated analysis in the subsequent sections reveals that the fall in the female rural employment in Kerala is moderated by, and to a large extent, conceals the distress driven employment in certain regions within the state. This chapter takes the district of Kasargod as a case study towards unfolding the processes leading to a feminisation of labour during a period of economic crisis and agrarian distress.

The district of Kasargod provides an interesting case for understanding the intricacies associated with female employment and labour market outcomes. While the district was recording significant improvements in employment, it also registered one of the lowest shares in the Gross State Domestic Product in Kerala and the one of the lowest per capita income among the districts (GoK, 2009, 2011). The present study proposes that the reason for the observed labour market outcomes in Kasargod lies in the agrarian distress and indebtedness that gripped the region. In this regard, the study examines the observed labour market behaviour of women in the state as a

coping mechanism adopted by women in the event of falling household incomes and agrarian indebtedness.

In this section, the study analyses the extent to which the economic condition in Kasargod has altered the employment outcomes for females in the district through the distress-driven adjustment mechanism. Detailed examination of the data was carried out to ensure that the improvement in the work participation rates in Kasargod was not the outcome of the employment generation schemes such as MGNREG.² Furthermore, the focus of the study lies not in evaluating the influence of employment generation schemes on women's employment, but rather the variations in labour market variables in response to market forces. The present study explores the coping mechanism by analysing the changes in the work participation rates (WPRs), labour force participation rates (LFPRs) as well as several variables that determine the labour supply such as the participation in domestic duties, in education, etc.

6.4.1 Variations in the WPR

The present chapter attempts to understand the variations in the employment outcomes in Kasargod district by subscribing to the theoretical framework of the 'joint utility function for the family' proposed by Dessing (2002, 2007). When the primary worker's income fails to fetch enough income for the subsistence needs of the family, the secondary workers, including women, children and elders enter the labour market. The coping mechanism, in terms of a greater involvement of women in paid work has been corroborated by several studies conducted in distressed regions. As indicated by a micro level study in the Wayanad, against the backdrop of an agrarian crisis, women members from all medium and small farmer household in the area participated in its agricultural activities. Unlike in the past, women from the

² The data used in this study stands insulated from the impact of the employment generation schemes mainly for the following reason. The present study uses the data related to the usual status (usual principal as well as usual principal and subsidiary statuses) alone, and the works under employment generation schemes are covered under the current (current weekly and current daily) statuses. In addition, even an assessment of the work participation rates at current status under activity status code 42 (casual wage labour in MGNREG public works in the current status) points out that the employment in MGNREG public works in the current status was not significant. The study, however, adopts only activities following the usual status approach, and the evaluation of activities under current status approach was a additional exercise towards ruling out the influence of these activities on women's activities under consideration.

traditional landlord communities like Chettys, as well as many Christians and Ezhava women who had stopped doing wage work in the economically progressive situation of the 1990s have again started doing wage labour (Nair, et.al 2007: 14). Though the increase in employment is greater among women, an increase in male employment to a small extent within the region has also been documented. As Abraham (2008) points out, this is effected when the otherwise non-working males such as aged dependents joins the workforce for subsistence.

In an attempt to understand the modifications in the labour market outcomes in Kasargod, the study first looks at the alterations in the WPRs in the district. The following table (Table 6.1) depicts the WPRs of males and females in the district of Kasargod between 2004-05 and 2009-10. The table also provides the WPRs in the state of Kerala, in order to draw out the deviations in the WPRs in the district.

Table 6.1

WPRs of Males and Females Aged 15 Years and above according to Usual Status in Kasargod and Kerala between 2004-05 & 2009-10 (in percent)

Round/Year	Kasargod				Kerala			
	Rural		Urban		Rural		Urban	
	Male	Female	Male	Female	Male	Female	Male	Female
61st (2004-05)								
ps	72.1	23.8	74.8	18.8	72.1	23.2	69.8	19.1
ps+ss	72.9	24.1	75.4	19.5	76.8	33.4	74.3	25.7
64th (2007-08)								
ps	76.2	44.1	49.3	25.3	72.5	22.5	72.4	17.8
ps+ss	76.2	44.1	49.3	25.3	55.6	22.1	57.7	17.7
66th (2009-10)								
ps	80.3	41.6	70.5	20.4	74.7	22.8	70.6	22.1
ps+ss	80.3	44.0	70.5	21.8	76.6	28.1	72.4	25.1

Source: Computations based on the unit level data of the NSSO

The female employment in Kasargod underwent a big improvement in terms of female WPR between 2004-05 and 2009-10, whereas the majority of the districts, as well as the WPR for the state as a whole, exhibited a decelerating trend. Between these two periods, the FWPR in rural Kasargod almost doubled. The rural FWPR, which was about 24% during 2004-05, rose steeply to 42% during 2009-10. With this, the FWPR of Kasargod became the highest FWPR among the districts in rural Kerala,

surpassing even the FWPR in Idukki district, which had the highest FWPRs during 2004-05 and 2009-10.³ During this period, the WPR in the rest of the state declined marginally from 23.2 percent to 22.8 percent. In urban sector also, the FWPR of Kasargod exhibited marked improvements. The urban female employment increased, however to a smaller degree when compared to the changes in the rural sector, from 18.8 percent during 2004-05 to 20.4 percent during 2009-10. The urban female employment in the district, however, trailed the growth in the employment in the state as a whole. The relatively lesser increase in urban female WPR in Kasargod vis-à-vis the all-Kerala rates could also be seen in the light of the increase in female WPR in districts such as Ernakulam, which contributed to an inflated urban WPR in the state as a whole (elaborated in Chapter 5).

Another important development in Kasargod during this period is the variations in male employment. In contrast to the rise in female WPRs, the urban male WPRs underwent a decrease. During the period of rising female WPRs, the male employment in the rural sector also improved considerably. On the other hand, between 2004-05 and 2009-10, the urban male WPR decreased from about 75 percent to 71 percent, which will be observed in relation to the male LFPRs, carried out in the next sub-section.

6.4.2 Variations in the LFPR and the Related Variables

While the changes in the work participation rates goes a long way in explaining the labour market outcomes, an analysis of the labour force participation rate (LFPR), unemployment, etc., as well as the various factors that determine the labour force participation are vital for arriving at robust results. For instance, an increase in LFPR, or a decrease in the proportion of females attending to domestic duties would further validate the thesis of joint labour supply function, as the households attempt to tide over the crisis, with hitherto non-workers entering the labour market. In this regard,

³ The comparison of the WPR of Kasargod with other districts is based on the estimations of the unit level data of the NSS for all the districts in the state, which has been carried out in Chapter 3. The details of WPR and the related variables for the districts other than Kasargod are not included in this chapter, and are available only in Chapter 3.

the study assesses the changes that took place in the labour market variables such as the proportion of unemployed persons (PU) and labour force participation rate (LFPR). The chapter also looks at the factors that inversely influence the supply of labour such as the proportion of persons ‘attending educational institutions’ and the proportion of females ‘attending to domestic duties alone’, which forms part of the proportion of people ‘not in the labour force’.⁴

This chapter carries out the assessment of variations in the labour market and non-labour market outcomes for both males and females in the district of Kasargod. Despite the focus of the research being on the female employment and related variables, the fall in male employment coinciding with an improvement in female employment presents a case for examining the dynamics of male labour and non-labour market variables. A deeper understanding of the male labour and non-labour market variations also helps in grasping the complexities involved in women’s labour market participation. While taking into consideration the non-labour market variables, the study narrows down the focus on those components of the non-labour market variables that has the most significant influence on the labour supply decisions – education and domestic duties. While attending educational institutions influence the labour supply of both males and females, with regard to females, the pressure of domestic duties is an additional factor determining the decisions to stay away from market work. Thus, of the several activities falling outside the labour market activities, the present chapter lays emphasis on “attending educational institutions” and “attended to domestic duties only”, with the latter reserved exclusively for understanding women’s labour supply decisions.

Firstly, the chapter observes the variations in the distribution of the females aged 15 years and above across different activity statuses in the Kasargod between 2004-05 and 2009-10. This is depicted in Table 6.2. As evident from the table, in rural Kasargod, the female LFPR recorded a sharp increase of about 14 percent points between 2004-05 and 2009-10. This has largely been the result of the entry of women

⁴ In the tables used in this study, these activities have been coded as ‘Education’ (attending educational institutions) and ‘Dom. Duties’ (attended to domestic duties only), which form part of ‘Not in LF’ (not in the labour force). The details on the labour market and non-labour market activities have been elaborated in Chapters 1 and 3.

into the labour force, who were previously engaged in domestic duties alone, as evident from the fall of the proportion of females ‘attending to domestic duties alone’ by about 7% points. The increase in LFPR of females in rural Kasargod has also been facilitated by a pull out of females from education- to the tune of 7 percent points. Overall, during the period under study between 2004-05 and 2009-10, the share of rural women who remained detached from the labour market activities came down from 69 percent to 56 percent.

Table 6.2

Distribution of Females Aged 15 Years and above according to Usual Status in Kasargod between 2004-05 and 2009-10 (in percent)

Activity	Rural		Urban		Rural		Urban		Rural		Urban	
	ps	ps+ss	ps	ps+ss	ps	ps+ss	ps	ps+ss	ps	ps+ss	ps	ps+ss
	2004-05				2007-08				2009-10			
WPR	23.8	24.1	18.8	19.5	44.1	44.1	25.3	25.3	41.6	44.0	20.4	21.8
PU	6.9	6.9	20.6	20.6	1.8	1.8	5.9	5.9	2.7	1.3	3.7	3.4
LFPR	30.7	31.0	39.4	40.1	45.9	45.9	31.2	31.2	44.3	45.3	24.1	25.2
Education	11.1	11.1	2.9	2.9	8.8	8.8	4.2	4.2	3.9	3.9	12.9	12.6
Dom. Duties	44.1	44.0	41.0	40.8	34.9	34.9	30.0	30.0	37.4	37.1	54.3	53.5
Not in LF	69.3	69.0	60.6	59.9	54.1	54.1	68.8	68.8	55.7	54.7	75.9	74.8
All	100	100	100	100	100	100	100	100	100	100	100	100

Source: Computations based on the unit level data of the NSSO

It also has to be noted that despite an increase in the LFPR of females in rural Kasargod, the proportion of unemployed females in the population came down, consequent to the increase in WPR. From the reduction in the proportion of unemployment (PU) among females, the study reasons that the necessity of employment and additional income has superseded the factor of ‘preference’ for certain kinds of jobs, as cited in some of the studies, though the present study does not subscribe to that view completely. A study of women’s education, employment and job preferences in Kerala found that nearly three-fourth of the unemployed women remain unemployed because they had not been able to find jobs of their preference, and even the less educated were found to have strong job preference (Devi 2002: 82-83). However, given the socio economic profile of the district of Kasargod, and the given variations in the labour market data, it appears straightforward to conclude that the economic privation has been the single largest factor determining the labour

market decisions of women in the district. The change in the nature and type of occupations carried out by women in the district, in terms of an increase in the share of elementary occupation between 2004-05 and 2009-10 (which will be dealt in the later sections), further substantiates this.

In urban Kasargod, however, the increase in FWPR was not facilitated by a rise in female LFPR. Instead, in urban Kasargod, the LFPR during 2009-10 was about 15 percent points lower than during 2004-05. In other words, it was the greater absorption of women from the existing labour force that facilitated the rise in employment rates, as evident from the proportion of unemployed (PU) females in the district showcasing a slump. During the period under study, the proportion of unemployed (PU) females in the urban sector of the district plummeted from about 21 percent to about 4 percent. The increase in employment and a reduction in unemployment, in the absence of a heightened interest in labour market participation suggests that, similar to rural Kasargod, women are taking up jobs to supplement their household incomes, leaving aside their job 'preferences'.

In order to reinforce the findings arrived at on the female labour market outcomes, the study also scrutinises the corresponding changes that have taken place in the labour market decisions of males during the same period. As Abraham (2008: 31-32) argues, distress regions have lesser share of males in workforce, compared to non-distressed regions. Distress related male migration to other non-distressed regions has been identified as one of the major reasons for lowered share of male workers in the distress regions. Several micro level studies have highlighted the distress-led migration as a coping strategy for tiding over the agrarian distress. As pointed out in the case of Wayanad, one of the three districts in Kerala that has been identified as suffering from agrarian distress, migration to other places for employment (both seasonal and long-term) has been one of the coping strategies of casual agricultural labour and marginal farmer households (Nair et.al. 2007: 79). Moreover, the majority of the workers who out-migrated were males, especially from the poorest households (Nair et.al. 2007: 51-52). This outmigration results in lower share of males in the labour market in the distressed regions. The following table (Table 6.3) presents the

distribution of the males aged 15 years and above across different activity statuses in Kasargod between 2004-05 and 2009-10.

Table 6.3

Distribution of Males Aged 15 Years and above according to Usual Status in Kasargod between 2004-05 and 2009-10 (in percent)

Activity status	Rural		Urban		Rural		Urban		Rural		Urban	
	ps	ps+ss	ps	ps+ss	ps	ps+ss	ps	ps+ss	ps	ps+ss	ps	ps+ss
	2004-05				2007-08				2009-10			
WPR	72.1	72.9	74.8	75.4	76.1	76.1	49.3	49.3	80.3	80.3	70.5	70.5
PU	8.8	8.8	11.3	10.7	2.2	2.2	6.8	6.8	2.8	2.8	5.3	5.3
LFPR	80.9	81.7	86.1	86.1	78.3	78.3	56.1	56.1	83.1	83.1	75.8	75.8
Education	11.2	10.4	6.7	6.7	9.6	9.6	25.3	25.3	7.5	7.5	11.6	11.6
Not in LF	19.1	18.3	13.9	13.9	21.7	21.7	43.9	43.9	16.9	16.9	24.2	24.2
All	100	100	100	100	100	100	100	100	100	100	100	100

Source: Computations based on the unit level data of the NSSO

Table 6.3 shows that for males in urban Kasargod, the LFPR showed a decline between 2004-05 and 2009-10. In urban Kasargod, between 2004-05 and 2009-10, the LFPR declined from about 86 percent to 76 percent. The urban male WPRs also moved in the same direction, pointing to a fall of 5 percent points between 2004-05 and 2009-10. In rural Kasargod, the male LFPR increased marginally from 81 percent during 2004-05 to 83 percent during 2009-10, after, however, registering a drop by about 2% points during 2007-08.⁵ Also, the WPR did not fall, corresponding to the fall in LFPR even during 2007-08. Instead, the WPR improved by 4% points each in 2007-08 and 2009-10. The rise in WPRs outpacing the increase in the proportion of persons seeking work (LFPRs) has been instrumental in bringing down the proportion of unemployed males in rural Kasargod. Thus, a reduced participation of males was observed in urban Kasargod. While micro-level studies in other distressed districts in the state such as Wayanad have pointed to increased participation in paid work by women who were previously remaining outside the labour market and the

⁵ As stated in Chapter 1, though the 64th Round (2007-08) of the NSS has adopted the same data collection techniques including questionnaire and methodology as well as the sample size as similar to the quinquennial rounds of the NSS, the study places only less emphasis on the results derived from the 64th Round, and places greater emphasis on the results from the 61st and 66th Rounds.

simultaneous out-migration of men for work, the present study does not explore such details. Instead, as pointed out earlier, the study observes the changes in the nature of employment among women workers in the district, in the event of an agrarian crisis.

6.5 Education Specific Labour and Employment Outcomes in Kasargod

In addition to examining the labour market outcomes for men and women in general, this section attempts to examine the activity statuses for different levels of education in the district in order to verify the broad impressions of the previous section. In this chapter, as distinct from the previous chapters, the activity statuses among women with diploma and post graduation are excluded from the estimations, due to the fact that the proportion of women with these two levels of education are very limited in the population.

Table 6.4

WPR of females aged 15+ by usual status for each general educational level between 2004-05 and 2009-10 (in percent) Kasargod

General Education									
Round/ Year	Activity Status	Not literate	Literate & upto primary	Mid- dle	Seco- ndary	Higher Seco- ndary	Gradu- ation & above	Secon- dary & above	All
Rural females									
61st	ps	12.7	33.1	21.5	22.8	6.7	49.2	21.5	23.8
(2004-05)	ps+ss	12.7	33.7	21.9	22.8	6.7	49.2	21.5	24.1
64th	ps	34.4	58.3	47.7	39.4	0.0	61.5	33.7	44.1
(2007-08)	ps+ss	34.4	58.3	47.7	39.4	0.0	61.5	33.7	44.1
66th	ps	37.9	54.6	39.4	26.4	36.5	68.7	34.6	41.6
(2009-10)	ps+ss	37.9	57.3	43.4	30.4	36.5	68.7	37.2	44.0
Urban females									
61st	ps	29.2	14.2	13.8	2.3	12.5	44.0	23.2	18.8
(2004-05)	ps+ss	29.2	16.5	34.4	62.6	70.4	100.0	77.4	19.5
64th	ps	22.9	16.0	20.7	42.7	17.9	0.0	41.6	25.3
(2007-08)	ps+ss	22.9	16.0	20.7	42.7	17.9	0.0	41.6	25.3
66th	ps	13.6	23.5	41.0	14.9	10.9	4.7	10.7	20.4
(2009-10)	ps+ss	13.6	26.6	41.0	14.9	10.9	8.9	11.5	21.8

Source: Computations based on the unit level data of the NSSO

Table 6.4 depicts the work participation rates among females in Kasargod for different levels of education during the period between 2004-05 and 2009-10. The table shows that, especially in the rural sector, the swell in the overall share in the women workers between 2004-05 and 2009-10 was largely contributed by a more than proportionate rise in the share of women with no formal education, and those with the lowest grade of education – up to primary level. There has also been a substantial rise at higher levels of education too. These developments took place simultaneous to the drastic rise in the WPRs among women in the district.

While the overall employment rates among women in the urban sector in Kasargod rose at a relatively lesser rate compared to their counterparts in the rural sector, the education-specific work participation rates depict that in the urban sector too, women with lesser educational attainments have come to be exceedingly represented. To be specific, between 2004-05 and 2009-10, the proportion of workers among women with primary, middle and secondary levels of education increased significantly, though the WPRs of not literates fell. On the other hand, during the same period, the proportion of workers among women with graduation and above declined. In other words, if not for the rise in employment rates among women with primary, middle and secondary levels of education, the FWPR in urban sector would have been one of the lowest among the districts in the state. The decreasing share of workers with higher education along with an increasing share of workers with lesser educational qualification is also reinforced by the alterations in the employment rates among females with secondary education and above. The WPR among females with secondary education and above decreased by half - from 23 percent points during 2004-05 to 11 percent points in during 2009-10.

While the education specific work participation rates appears to indicate a distress sale of labour among the women in the district, further examination of the types of jobs being carried out by them is also essential in arriving at firmer conclusions. While such an exercise would be carried out in the subsequent sections, this section also examines the variations in other labour market variables such as labour force participation rates and proportion of unemployed women with different levels of education during the period under study. Table 6.5 examines the LFPR

among females with different levels of general education between 2004-05 and 2009-10.

Table 6.5

LFPR of females aged 15+ by usual status for each general educational level between 2004-05 and 2009-10 (in percent) Kasargod

Round/ Year	Activity Status	General Education							
		Not literate	Literate & upto primary	Mid- dle	Seco- ndary	Higher Seco- ndary	Gradu- ation & above	Secon- dary & above	All
		Rural females							
61st	ps	14.1	36.6	29.2	35.2	28.1	100.0	38.5	30.7
(2004-05)	ps+ss	14.1	37.1	29.6	35.2	28.1	100.0	38.5	31.0
64th	ps	34.4	58.3	47.7	39.4	0.6	85.3	40.1	45.9
(2007-08)	ps+ss	34.4	58.3	47.7	39.4	0.6	85.3	40.1	45.9
66th	ps	37.9	54.6	42.5	37.2	39.8	68.7	42.1	44.3
(2009-10)	ps+ss	37.9	57.3	43.7	37.2	39.8	68.7	42.1	45.3
		Urban females							
		Not literate	Literate & upto primary	Mid- dle	Seco- ndary	Higher Seco- ndary	Gradu- ation & above	Secon- dary & above	All
61st	ps	29.2	15.1	33.2	62.6	70.4	100.0	77.4	39.4
(2004-05)	ps+ss	29.2	16.5	34.4	62.6	70.4	100.0	77.4	40.1
64th	ps	22.9	16.0	26.0	43.6	66.1	45.8	56.8	31.2
(2007-08)	ps+ss	22.9	16.0	26.0	43.6	66.1	45.8	56.8	31.2
66th	ps	13.6	23.5	41.0	14.9	19.1	27.0	19.0	24.1
(2009-10)	ps+ss	13.6	26.6	41.0	14.9	19.1	31.3	19.8	25.2

Source: Computations based on the unit level data of the NSSO

The table depicts that the work and labour force participation rates in the district have generally been moving in the same direction during the period under study. For instance, in rural Kasargod, similar to the WPR, the LFPRs also rose significantly among females belonging to the three lower rungs of the education categories. Of these three education categories, the greatest increase was among the illiterates, followed by primary and middle school levels of education. It may also be noted that despite the heightened attachment to the labour market activities in general, as well as among most categories of education, the LFPR among graduates and above – the highest category of education being examined here – dipped by about 30 percent points. Thus, in rural Kasargod, variations in female LFPR of the greatest magnitude took place at the two ends of the education spectrum – among illiterates which underwent the greatest increase, and graduates and above which fell considerably.

The increased participation of women with lesser education in the labour market activities during 2007-08 and 2009-10 shows a distress sale of labour, especially when considering the fact that women with this level of education had a weaker attachment to the labour market in the previous period.

The trends in the labour force participation rates from urban Kasargod points out that the increased employment rates among women in the district was facilitated more by an increased absorption of women already part of the labour force than the entry of more women seeking labour market activities. This is evident from the fall in the overall LFPR between 2004-05 and 2009-10 in urban Kasargod, which decreased from 39 percent during 2004-05 to 31 percent during 2007-08 and to 24 percent during 2009-10 (Table 6.5). A close look, however, reveals that the variations in LFPR were not uniform across different education categories. While LFPRs among most education categories dropped off substantially, the LFPRs among primary and middle school educated women rose by 8 percent points between 2004-05 and 2009-10. This indicates that an overall sizable fall in LFPR was moderated by the elevated presence of women with primary and middle school levels of education in the labour force. The decline in overall LFPR from 39 percent to 24 percent despite the escalation in these lower education categories points to general disinterest in labour market activities especially among the educated women in the district. On the other hand, the rise in LFPR among women who do not command the necessary skill and education for well-remunerated works also indicates and reinforces the distressed nature of employment in the district, which will be examined in greater detail in the subsequent sections.

The variation in employment and labour force participation rates, when examined in terms of their simultaneity of occurrence and their linkages with each other, provides a definite and unambiguous picture of the labour market scenario. An isolated analysis of these parameters fails to draw out the relative influence of these variables on each other. For instance, as observed in urban Kasargod, the rise in employment rates, unaccompanied by a corresponding increase in labour force participation rates essentially points to the fact that the increased workers have been drawn from the previously unemployed jobseekers in the labour market. Table 6.6

illustrates the distribution of the proportion of unemployed women across various categories of education in Kasargod between 2004-05 and 2009-10.

Table 6.6 demonstrates that both in rural and urban sectors, the proportion of unemployed females in total workforce were the highest during 2004-05. In addition, the rates were the highest among the higher educated. By 2009-10, both in rural and urban sectors, the share of unemployed females reduces substantially. However, the forces underlying this change have been observed to be different in these two sectors.

Table 6.6

Proportion of Unemployed (PU) females aged 15+ by usual status for each general educational level between 2004-05 and 2009-10 (in percent)

Round/ Year	Activity Status	General Education							
		Not literate	Literate & upto primary	Mid- dle	Seco- ndary	Higher Seco- ndary	Gradu- ation & above	Secon- dary & above	All
		Rural females							
61st (2004-05)	ps	1.4	3.5	7.7	12.4	21.4	50.8	17.0	6.9
	ps+ss	1.4	3.4	7.7	12.4	21.4	0.0	17.0	6.9
64th (2007-08)	ps	0.0	0.0	0.0	0.0	0.6	23.8	6.4	1.8
	ps+ss	0.0	0.0	0.0	0.0	0.6	23.8	6.4	1.8
66th (2009-10)	ps	0.0	0.0	3.1	10.8	3.3	0.0	7.5	2.7
	ps+ss	0.0	0.0	3.1	10.8	3.3	0.0	7.5	1.3
		Urban females							
		Not literate	Literate & upto primary	Mid- dle	Seco- ndary	Higher Seco- ndary	Gradu- ation & above	Secon- dary & above	All
		Urban females							
61st (2004-05)	ps	0.0	0.9	19.4	60.3	57.9	56.0	54.2	20.6
	ps+ss	0.0	0.9	19.4	60.3	57.9	56.0	54.2	20.6
64th (2007-08)	ps	0.0	0.0	5.3	0.9	48.2	45.8	15.2	5.9
	ps+ss	0.0	0.0	5.3	0.9	48.2	45.8	15.2	5.9
66th (2009-10)	ps	0.0	0.0	0.0	0.0	8.2	22.3	8.3	3.7
	ps+ss	0.0	0.0	0.0	0.0	8.2	22.3	8.3	3.4

Source: Computations based on the unit level data of the NSSO

In rural Kasargod, both the LFPR and WPR rose, and more significantly among the lesser educated. Thus, in rural sector, the fall in unemployment was not due to decreasing female labour force participation rate (FLFPR) even among the higher educated. Among illiterates and those with primary education, even with significant

improvement in labour force participation rates, there was no incidence of unemployment. Even among women with secondary education, where the decrease in unemployment was moderate, it was the increase in WPR that contributed to the 2 percent point decrease in unemployment, in the event of increased interest in the labour market activities. It was only among women who were graduates and above that the falling LFPR contributed to decrease in unemployment. However, even among this category, the reduction in the very high unemployment rates in the previous period was brought about also due to the rising employment rates.

In urban Kasargod, among the lesser educated, the fall in unemployment was due to rising work force participation rates superseding the rise in LFPR, whereas the reduction in unemployment among higher educated was partly due to the decline in LFPR. Thus, there is a clear distinction in the labour market activities among women belonging to the two ends of the education spectrum. Among higher educated, any decrease in unemployment rate was brought about by reduced job seek among women, as the LFPR also came down during this period. In other words, the reduction in unemployment was due to falling LFPR surpassing the falling WPR among higher educated. The fact that among women with primary and middle school education the unemployment has come down despite rising LFPR points to distress sale of labour among less educated even in the urban sector. This can be further verified by looking at the labour market variables for different levels of household income.

6.6 Employment Outcomes and Income Levels

The feminisation of labour, understood in the aftermath of falling household incomes, may be viewed as arising from the participation of women in the labour market activities, who hitherto had a weaker attachment to the paid labour market activities outside home. As underlined in the theory of ‘joint labour supply’ of the households, this stems from the onus on the secondary workers to augment the household income to subsistence levels. Thus, the additional labour power in the market gets drawn largely from women who were, until then, confining themselves to domestic duties alone, or by a withdrawal of students attending educational institutions, or a combination of both. In this regard, an appraisal of the activity statuses of ‘secondary

workers' (in this case, female workers), for different levels of income becomes crucial.

Table 6.7

Distribution of females aged 15 years and above according to activity status (ps) for each MPCE decile class between 2004-05 and 2009-10 (in percent) Kasargod

Activity status	Decile classes on MPCE									
	0-10	10-20	20-30	30-40	40-50	50-60	60-70	70-80	80-90	90-100
2004-05 (61st Round)										
Rural Female (ps)										
WPR	41.6	29.3	21.2	45.3	21.6	6.1	17.4	23.9	20.3	15.2
LFPR	41.6	38.1	26.4	50.3	24.8	21.0	30.8	28.6	26.6	22.1
PU	0.0	8.8	5.2	5.0	3.2	14.9	13.4	4.7	6.3	6.9
Edu	13.6	2.7	7.1	14.6	12.8	8.7	4.9	23.8	10.2	12.6
Dom.Dut	32.5	45.9	51.5	25.8	54.2	57.3	42.8	21.1	50.6	53.4
2009-10 (66th Round)										
Rural Female (ps)										
WPR	66.1	32.6	48.8	49.5	37	57.9	35.7	21.2	28.2	27.3
LFPR	68.7	40.1	48.8	50.3	37	57.9	37.1	38.1	28.2	27.3
PU	2.6	7.5	0	0.8	0	0	1.4	16.9	0	0
Edu	0	0	6.2	0.7	12.1	7	1.6	0	10.1	0
Dom.Dut	15.4	55.6	3.6	40.9	32.7	33.2	31.3	44.5	40.3	51

Source: Computations based on the unit level data of the NSSO

Table 6.7 provides the distribution of females across different activity statuses for different levels of incomes in the district. For this estimation, the population of rural Kasargod has been divided into ten income deciles, using the monthly per capita consumption expenditure (MPCE) as a proxy for the income levels. The table furnishes the activity status of females in rural Kasargod for each MPCE deciles during 2004-05 and 2009-10. The table shows that during the period under study, the employment and labour force participation rates among females have increased significantly in all the income deciles, thanks to the overall increase in the labour market activities in the district. However, a close probe reveals that this upward trend in the FWPR and FLFPR was not equitably distributed across the decile classes. The largest and most significant rise in employment rates took place among the lower deciles. For instance, the WPR among females in the 1st and 3rd deciles rose by about 25 percent points. Compared to the top three deciles, the rise in employment rates were the greatest in the deciles up to the 7th. In fact, among the top three decile

classes, the WPR in the 8th decile declined marginally by about 3 percent points. Moreover, the upward trend in employment rates in the 9th and 10th deciles were also very moderate when compared with the upward trend in the employment rates in the lower decile classes.

The evidences from the district also underlines the propositions of the ‘joint labour supply’ model of the households that the erstwhile non-workers enter the labour market, by enduring the double burden of household and market work (Dessing, 2007). In all the decile classes, except where the increase in labour market activities were either moderate (deciles 2 and 4) or underwent a decline (decile 8), the additional labour force sprang from a fall in the share of women who had remained detached from the labour market and attended to domestic duties alone. In other words, in all the income categories where the LFPR improved substantially, the supply of additional female labour market participants came from women who were hitherto only carrying out household domestic duties. In addition to the increased assimilation of women previously engaged in household duties in to market work, the demand for additional labour to supplement the household income also involves reduced educational attainments, as this involves withdrawal from educational institutions in search of employment opportunities. In the district under study, the retreat from attending educational institutions has been observed to be either supplementing the variations in domestic duties, or independently influencing the labour market outcomes. For instance, in deciles 1, 3 and 5, where most of the increase in female employment and labour force participation took place, the same was sourced both from women previously carrying out domestic duties alone as well as those pursuing education. In deciles 8 and 10, pull out from education turned out to be the greatest determinant in the labour market variations.

To sum up, it may be noted that female employment and labour force participation rates rose significantly among households with lesser monthly per capita consumption expenditure (MPCE) than among those with higher household incomes. Underscoring the theories of joint household labour supply and added worker effects, further evaluation also points out that this increase need not present a promising picture as this involves double burden of managing home based and market work by

women as well as hindrance to better employment opportunities (where labour force participation involves moving out of education). While education and income specific examination of the activity statuses provide adequate insights into the deteriorating nature of female employment in the state, the study also attempts to evaluate the patterns in employment and occupation during this period before arriving at conclusive statements. The following section is an attempt in this regard.

6.7 Shifts across Employment Categories and Occupations of the Usually Employed

The above sections have pointed out the changes that have taken place in the labour market in Kasargod district, which appears to conform to the process of ‘feminisation’, with an increased share of women reporting as employed and seeking work. The above sections also provided some insights in to the deteriorating nature of employment, as evident from the rise in employment rates among the less educated as well as those belonging to the lower income categories, which suggested an element of distress. To get greater insights into the process and dynamics within the employment scene, this section attempts to assess the underlying transformations in the employment scenario in terms of the alterations in the nature and type of the employment. This section, therefore, examines the shifts in employment across different employment and occupation categories.

6.7.1 Distribution of Usually Employed by Categories of Employment

This sub-section examines the shifts across the employment categories of the usually employed workers. Depending on the status of employment, the NSS classifies the workforce into three categories— self-employed, regular employees and casual labour.⁶ Of the three categories of employment, casual wage employment is

⁶ The NSS defines the three categories of employment as follows: Self-employed are persons who operate their own farm or non-farm enterprises or are engaged independently in a profession or trade on own-account or with one or a few partners. The essential feature of the self-employed is that they have autonomy (decide how, where and when to produce) and economic independence (in respect of choice of market, scale of operation and finance) for carrying out their operation. Regular wage/salaried employees are persons who work in others’ farm or non-farm enterprises (both household and non-household) and, in return, receive salary or wages on a regular basis (i.e. not on the basis of daily or periodic renewal of work contract). Casual wage labourer is a person who is casually

considered the most undesirable and unattractive, and the remuneration is received according to the terms of the daily or periodic work contract, whereas, regular employment is the most desired form of work. Compared to casual wage employment, self employment is largely considered a superior option of employment, though self employment is not always adequately remunerative and lacks adequate job security. Abraham (2008) points out that, compared to non-distressed region, the distressed regions have a larger share of casual employment, and a lesser share of self employment and regular employment.

The distribution of the usually employed males and females across different categories of employment in Kasargod is presented in Table 6.8. The examination of the shifts across the three employment categories in the distressed district of Kasargod too reveals a significant rise in casual employment. Between 2004-05 and 2009-10, in both rural and urban Kasargod, there was a marked drop in the proportion of females engaged in self employment and regular employment. The shrinkage in these two categories of employment is manifested in the proliferation of casual workers in the district.

In the case of male workers too, deterioration in the employment status is visible, as seen from the rise in casualisation of jobs in the district, particularly in the rural sector. However, compared to the case of female workers, the changes could be considered to be moderate at least in the urban sector, as a portion of the male workers siphoned off from self employment has been absorbed in regular employment. While a mere increase in the share of regular employment need not ensure better employment standard, as it depends on a host of other factors such as the terms of contract between the employer and employee, employee benefits, security of employment and so on, it may be stated that this is a comparatively better off development than those taking place in the employment front facing women workers.

engaged in others' farm or nonfarm enterprises (both household and non-household) and, in return, receives wages according to the terms of the daily or periodic work contract, was a casual wage labourer.

Table 6.8

Distribution of Usually Employed Persons Aged 15+ in Different Categories of Employment in Kasargod between 2004-05 and 2009-10 (in percent)

Category of Employment	Rural				Urban			
	Male		Female		Male		Female	
	ps	ps+ss	ps	ps+ss	ps	ps+ss	ps	ps+ss
2004-05								
SE	44.9	49.2	76.4	79.4	43.6	44.4	34.4	37.4
Regular	11.1	7.7	16.6	16.3	15.0	14.9	52.5	50.4
Casual	44.0	43.1	7.0	4.3	41.4	40.7	13.1	12.2
2007-08								
SE	38.2	38.2	63.6	60.7	40.4	40.4	30.7	30.7
Regular	4.9	4.9	14.7	14.7	5.9	5.9	32.2	32.2
Casual	56.9	56.9	21.7	24.6	53.7	53.7	37.1	37.1
2009-10								
SE	27.8	28.9	33.1	35	29.7	29.7	10.3	14.9
Regular	15.4	13.3	9.3	8.8	28.4	28.4	22.6	21.5
Casual	56.8	57.8	57.6	56.2	41.9	41.9	67.1	63.6

Source: Computations based on the unit level data of the NSSO

The data on the changes in the status of employment in Kasargod between 2004-05 and 2009-10 demonstrates a worsening of the quality of employment among the population, if the increase in casual employment be viewed as an indication. And, this phenomenon was observed irrespective of the sectoral (rural-urban) differences. The table illustrates that between 2004-05 and 2009-10, the share of female workers engaged in self employment and regular employment plummeted substantially. Corresponding to this, their presence in casual jobs swelled significantly. In rural Kasargod, during 2004-05, about 76 percent of the usually employed females (ps) were self employed, 17 percent were regular employees, and 7 percent were casual workers. From this distribution, the share of self employed rural females came down to 64 percent during 2007-08 and to 33 percent during 2009-10. Parallel to this took place the most disadvantageous occurrence – the massive accretion in casual work among the women workers in the district. In rural Kasargod, the casual employment among female workers shot up from a minimal 7 percent during 2004-05 to about 22 percent during 2007-08 and to a colossal 58 percent during 2009-10. As noted earlier, this upsurge in casual work among women is not reflective of the MGNREG works,

and instead, a market response to changing economic environment in the district. It may also be noted that the share of casual work among men in the rural sector also increased, a point that has to be noted along with the moderate rise in male WPR, observed in the earlier sections. While there has been some increase in regular employment, a large part of the increase in male WPR is accounted for by an increase in casual labour, with self-employment decreasing. This points to the participation of hitherto non-working male members of the household as well taking part in casual and less rewarding occupations towards earning a subsistence household income.

Though the focus of the chapter lies in understanding the dynamics of female employment during a period of agrarian distress, it goes without saying that the spill over of the economic crisis in rural sector has crept into urban labour market as well. Among the urban women workers as well, the incidence of casual employment was observed to be escalating to very high proportions. In urban Kasargod, share of casual workers among the usually employed females soared to 67 percent in 2009-10 from 13 percent during 2004-05. As is the case in rural sector, this increment has been channelled from the diminution in the share of female workers in self employment and regular employment. Among male workers in the urban sector, self employment decreased, riding on a moderate increase in regular employment, and the increase in casual work was marginal. It may also be noted that during this period, the male WPR and LFPR in urban sector declined, pointing to the possible outmigration of male workers, who had previously been self employed.

This section on the shifts across the different categories of employment in Kasargod district underscores the heightened vulnerability in employment, income and the accompanying insecurities engulfing the region. While the sectoral shifts are essential in understanding the character of employment, the types of occupations pursued by the usually employed females goes a step further in appraising the labour market revisions and adaptations to the changing economic state of affairs in general. This is carried out in the following section.

6.7.2 Distribution of Usually Employed by Types of Occupation

Further insights into the nature and quality of employment can be obtained from the type of occupations being pursued by the employees. An observation of the type of occupations being pursued and the nature and direction of the shifts across different occupation categories could help in revealing movements towards the wellbeing or deprivation in the society, as the case might be.

The present chapter uses the National Classification of Occupations (NCO) issued by the Directorate General of Employment & Training for understanding the types of occupations in to which the usually employed females are absorbed. As stated earlier, the present chapter examines the occupational characteristics of the female workers from the 61st round onwards. As pointed out in Chapters I and IV, due to the adoption of two different classifications in its survey by the NSS (NCO 68 for the 61st round and NCO 2004 for the subsequent rounds), the study has regrouped and restructured the occupational classifications of the 61st round in tune with that of NCO-04. The present study draws on the NCO classifications at one-digit level.

Table 6.9

Distribution of Usually Employed Females Aged 15+ according to Usual Status in Kasargod for each NCO Division between 2004-05 and 2009-10 (in percent)

Ranked for each NCO Division between 2004-05 and 2009-10 (in percent)

Year/ Round	Activity status	NCO divisions at one-digit level (NCO-2004)									
		1	2	3	4	5	6	7 & 8	9	X	All
Rural Female											
61st	ps	0.0	2.1	3.5	2.5	3.6	32.4	47.5	8.4	0.0	100.0
(2004-05)	ps+ss	0.0	2.1	3.5	2.5	3.6	33.8	48.8	5.7	0.0	100.0
64th	ps	1.6	7.8	3.1	0.0	8.5	20.3	12.0	46.7	0.0	100.0
(2007-08)	ps+ss	1.6	7.8	3.1	0.0	8.5	23.5	13.4	42.1	0.0	100.0
66th	ps	1.8	0.7	4.6	1.1	3.9	15.1	40.4	32.4	0.0	100.0
(2009-10)	ps+ss	1.7	0.6	4.4	1.1	3.7	18.0	38.1	32.4	0.0	100.0
Urban Female											
61st	ps	8.7	5.3	17.1	1.4	4.9	7.7	54.4	0.5	0.0	100.0
(2004-05)	ps+ss	8.3	5.1	16.4	1.4	4.7	10.6	53.5	0.0	0.0	100.0
64th	ps	0.0	26.2	10.6	1.8	0.6	12.1	29.1	19.6	0.0	100.0
(2007-08)	ps+ss	0.0	26.2	10.6	1.8	0.6	12.1	29.1	19.6	0.0	100.0
66th	ps	0.0	2.8	7.1	0.0	7.1	2.8	0.0	80.2	0.0	100.0
(2009-10)	ps+ss	0.0	2.6	8.3	0.0	6.8	2.6	3.6	76.1	0.0	100.0

Source: Computations based on the unit level data of the NSSO

Table 6.9 furnishes data on the distribution of usually employed females in the district across different occupations during the period between 2004-05 and 2009-10. The types of occupations being carried out by the usually employed females in rural Kasargod during the latter period displays profound transformations in the nature of occupations being performed and available in the economy. The most conspicuous of these alterations that strike at the first glance is the heightened concentration of female workers among the relatively worse off and ill-paid occupations, and their increasing alienation from well-paid occupations that employ skilled and educated personnel.

The most obvious insight towards a worsening of employment quality is evident in the rising share of workers in Elementary Occupations. Table 6.9 demonstrates an increase in the proportion of females in both rural and urban sectors finding employment in the Elementary Occupations (Division 9 as per NCO-04). The Division 9 covers mostly labourers, engaged in agriculture, fishery and related works, mining, construction, elementary sales and services etc. Between 2004-05 and 2009-10, in rural Kasargod, the proportion of usually employed females engaged in elementary occupations registered a four-fold increase – from about 8 percent to 32 percent. As these occupations demand least skills and education, and consequently, fetch the least remuneration, heightened participation in these kinds of occupations highlights the deprivation and distress existing in the society. The study asserts that those women who have recently entered the labour market seeking paid work have predominantly been absorbed in the low-paid elementary occupations, which corroborates the increased casualisation. This also leads to the situation of disguised unemployment that largely gets masked by the work participation rates. Had the increase in the employment rates of women been a promising development, the labour market outcomes including the shifts in the structure and nature of occupations should have been the converse.

An examination of the shifts across occupations also reveals a reduction in the proportion of females engaging in agricultural activities (Division 6) in the district. While this may appear puzzling in the first glance, a detailed observation of the types of work falling under this broad classification helps in bringing to light the distress

induced changes in the employment front in the agrarian sector. The Division 6 covers market oriented skilled agricultural and fishery workers. Thus an increased participation of females in Division 9 and a corresponding withdrawal from Division 6 implies that those cultivators and small scale farmers who were previously engaged in productive agricultural activities have discarded agricultural activities and have joined the ranks of agricultural labourers or sought work in the urban sector.⁷ In urban Kasargod too, unwelcome trends were observed in the occupational scenario, with rise in the share of women workers in Divisions 5 and 9. Consequently, the share of women workers in all other occupations came down. However, when Divisions 5 and 9 are considered, compared to the steep increase in Elementary occupations (Division 9) among women workers, the hike in the share of women workers pursuing Service and Market Sales (Division 5) was moderate. At this point, it may also be noted that in urban Kerala as a whole, an increase in the share of women workers engaged in elementary occupations was observed during this period.

6.8 Conclusion

The present chapter has examined the variations in labour and employment outcomes in the district of Kasargod in Kerala, against the backdrop of agrarian distress. The study reveals that the work and labour market outcomes in the district during the period of agrarian distress have significantly deviated from the rest of the state. The study finds that the coping strategies adopted by the households in the region have resulted in a significant rise in the labour force participation and employment rates, especially of the women in the district, leading to a situation of feminisation of labour force. While the survival strategies adopted by the household during a period of falling household incomes have led to a quantitative improvement in terms of rising work participation rates, the same cannot be said about the quality of work. An

⁷ An examination of the location of work and residence of the workers in rural sector was carried out using unit level data of the NSS. This exercise points to the fact that about 22 percent of women workers in the elementary occupations (Division 9) in rural sector were, in fact, finding occupation in the urban sector of the district (location of work was urban). In other words, of the total rural women workers in elementary occupations, 22 percent of them had their workplace located in urban sector of the district.

examination of the distribution of the usually employed persons in the district across different categories of employment statuses and various occupation divisions demonstrate the deterioration in the quality of employment. This is evident from the proliferation of women workers in casual employment and elementary occupations. Any worsening of the income of the household affects women the worst, compelling them to work under the most unfavourable and precarious conditions of work. In addition, the double burden of managing the paid work and household duties have to be carried out, and in most cases, in the absence of male members of the family, who have migrated in search of better employment opportunities.

CHAPTER – VII

SUMMARY AND CONCLUSIONS

7.1 Introduction

Labour market decisions form an important aspect of human life and existence. While labour markets could be understood as a mechanism for matching the demand for and supply of labour as a factor of production, the functioning of the labour market involves greater complexities as compared to the market for other factors of production. An important aspect in the labour market behaviour is the supply decisions of the various agents in the labour market. The supply decisions in the labour market attain significance largely due to the inseparability of the factor of production labour from its supplier. This inseparability becomes very decisive in determining the decision whether or not to work for pay, compensating wage differentials, occupational preferences, investments such as education that determine the conditions of work and remuneration, etc. In addition, both the demand for and supply of labour depends on the general economic conditions prevailing in the economy. With all these factors inherent to the labour market working out differently for the various agents in the labour market (especially the suppliers of labour), differentiated by skill, location, gender and so on, it is necessary to understand the labour market outcomes for different agents in the labour market as specific cases.

While the fact that economic policies and rate of growth of the economy largely determines the labour market behaviour is well established, an aspect that has received lesser attention is the varied response of the diverse actors in the labour market to the largely identical economic environment. In other words, the complexity revolving the labour market decisions and behaviour in an economy is intensified by the heterogeneity of the agents (more importantly, the suppliers of labour) in the labour market. With regard to women (potential) workers, in addition to all the above factors, the societal and cultural considerations with regard to women's economic activities become an additional determinant of the labour market decisions. With these aspects influencing the labour market decisions either directly by determining the decision either to work or not, or indirectly through the decisions on the investment in human capital such as the level and type of education, skill development, etc., which also gets transferred inter-generationally, the labour market participation of women demands to be studied as a specific case.

The present study has carried out an evaluation of the labour market trends for women workers in Kerala, the southernmost state in India, as a specific case, based on the following considerations. First, the study acknowledges that the markets are socially constructed, with the links to the market being historically different for men and women, influencing their choices and behaviour (Benería, 2003: 122). Secondly, the state of Kerala had presented a unique development experience where the human development achievements in the state stood on par with developed countries, without, in fact, a matching progress in economic growth generally expected as a necessary condition for human development. In addition, the development experience of Kerala presents another paradox with regard to women, where the achievements in basic human capabilities have failed to get translated into economic gains for women, if the employment in paid market activities could be considered as an indication of economic gains. Thirdly, the state of Kerala, mostly since the 2000s following the opening up of the economy and the embracing of neoliberal policies, started embarking on a high economic growth. Also, the period of a change in the economic policies, as well as the growth of the economy took place at a later period in Kerala, since the 2000s, as compared to the economic environment in the rest of India. The study therefore, looks at the labour market behaviour of women in Kerala during a

period of high growth phase of the economy. It is at the confluence of the economic growth and opening up of the economy, social construction of labour markets and the unique development experience of Kerala and the paradoxes it presents that the present study examines the female labour market behaviour of women in Kerala as well as the select regions within the state.

Preliminary analysis of the labour market trends in Kerala has pointed to a significant departure in the labour market behaviour of women during the period following 2004-05. The state of Kerala, which had the highest levels of urban female labour force participation among the states in India started to exhibit reduced interest in labour market activities among women in the state post-2004-05. With this marking a significant departure from the traditionally high urban female LFPR in the state, this also marks a departure from what had defined the female labour market in Kerala as distinct from the country. The exercises towards unravelling the factors shaping these processes form an important focus of the present study. The preliminary analysis has also pointed to regional variations in the labour market variables within the state. These regions, identified as administrative districts within the state, have also been differentiated by their access to and openness to global capital, as well as by the prevailing domestic economic conditions. Taking two districts – Ernakulam and Kasargod- as case studies, an analysis of the forces shaping the employment patterns in the region forms an important part of the present study.

7.2 Major Findings

The focus of the study has been on the falling female LFPRs in the urban sector in the state, as well as the regional variations in the employment and labour market outcomes in the two select districts in the state.

The study has firstly addressed the falling labour force participation rates among women workers, especially in the urban sector in Kerala during the period since 2004-05. As the falling LFPR goes against the hitherto observed higher rates of labour force participation rates, especially among the educated women in the state, the present study has examined the reasons for the decline in labour force participation

rates in urban Kerala in a period which corresponds to a phase of greater economic growth and rising opportunities for employment in the state. The general argument of the income and substitution effects of a rising income enabling women to free themselves from paid market activities fail to conclusively explain the trends in the female labour market in Kerala. The detailed examination points to increased participation among women belonging to the lower income households, even as it falls among those from higher income households. The evidences from the labour market in the state has also been observed to be not adhering to the explanations mooted in the existing literature such as the mismatch between labour demand and supply, the oversupply of women with general education and an undersupply of women with technical education, relatively reduced employment opportunities in the state etc. With the detailed examination of the labour market activities for different levels of education and household incomes revealing a 'discouragement' in labour market activities among women belonging to higher income deciles and also among those with higher levels of education, the study has looked for the reasons for the observed discouragement in the labour market rigidities confronting the (potential) women workers in the state of Kerala. Given the nature of female labour market in Kerala, during a period of economic growth led by the services sector, the natural trajectory should have been an increase in labour force participation rates, especially among the higher educated, seeking work in the regular, organised employments in the services sector.

The study has identified the discouragement in labour market activities observed among women as stemming from 'occupational gender segregation', which limits the opportunities for employment among women to a narrow range of occupations, leading to higher unemployment and overcrowding in these occupations. This overcrowding which discourages the (potential) workers from the labour market activities have been assessed both through a tabular examination of the occupational categories in which women are over-represented, as well as using aggregate indices such as Duncan and Duncan Dissimilarity Index and Size-Adjusted Index of Dissimilarity. The types of occupations employing the female workers in Kerala also indicate that women have largely been absorbed in occupations that are in conformity with the traditional gendered division of labour. These occupations included

elementary service occupations such as domestic work, textiles, garments and related works, personal care and service works etc. Thus, as stated by Charles (1992), the study has pointed to the employment scenario in Kerala as ‘deepening institutionalization of gender within the occupational structure’.

The district of Ernakulam has been taken as a case for testing the correlation between female employment and economic growth in general, and its sectoral composition in particular. The study has examined the incongruities in the sectoral composition of the income and employment outcome in the district of Ernakulam, amidst the general optimism surrounding the services-led growth of the economy. However, confirming the scepticism surrounding the growth of service sector employment in the less developed countries that these types of occupations arise out of scarcity of employment in other sectors (Bhalla, 1970; Freeman, 2010; Ghosh, 1991; Timothy, 2010), the detailed industrial and occupational distribution of women workers in the district has pointed to a deterioration in the nature of employment being carried out by women workers in the district. The study has pointed to a significant increase in the share of women workers in industries with relative ease of entry and exit, and in elementary occupations that demand less skill and education. The rise in employment was substantial in sectors demanding moderate skills and education, say, secondary education and lesser. In addition, the largest increase in employment took place among women belonging to lower income households, together pointing to a distress sale of labour by women and their absorption into services sector activities. The moderate rise in employment among higher educated women, coupled with a substantial rise among less educated women in elementary occupations also pointed to dualism in the services sector employment in the district, circumventing the moderate effects of economic development and employment generation in select few buoyant sectors. The increase in employment in the usual principal and subsidiary status, coupled with the nature of employment being carried out by women also points to informalisation of the services sector jobs, though a detailed exercise in this regard is beyond the scope of the present study. On the whole, the evidences from the district lead to the argument of a distressed nature of employment, and failure of economic growth to provide gainful employment to the largest sections of the population.

With the changes in the sectoral composition of income pointing to a distressed nature of employment in the tertiary sector of Ernakulam, the most prosperous district in the state, the study further examined the unprecedented rise in female employment and labour force participation rates in the district of Kasargod, a predominantly agrarian and low income economy in the state. With the recent developments in the labour market in Kasargod (post-2004-05) pointing to a contradiction, as this substantial rise in employment and labour force participation among women in the district came about during a period of agrarian crisis in the region, the study has traced the factors shaping the observed labour market trends to the economic distress prevalent in the region. The employment rate among women in Kasargod post-2004-05, which also stands in contradiction to the rest of the state, has been observed to have been emanating from the survival strategies of the households towards earning a subsistence income during a period of agrarian crisis and falling household incomes. With the evidences from the labour market in the district observed to be in coherence with the 'S-shaped' labour supply curve, the chapter has pointed out that the 'joint labour supply' decisions of the households have resulted in the phenomenon of a 'feminisation of labour' in the district. This feminisation of labour, taking place mainly through the participation of hitherto non-working women in the households in labour market activities to substantiate the household income to subsistence level, have also been observed to present inferior conditions of work for these new women workers, in terms of the nature of work and type of job contracts. The additional women in the workforce are drawn from women belonging to the lowest income households, and with lowest levels of education. Consequent to these adjustment processes, women have been absorbed in low paying occupations that provide the least employee benefits and worst conditions of work, such as elementary occupations and casual employment.

To sum up, the employment scenario in the state of Kerala, especially during the high growth phase of the economy presents an overall bleak picture. The study has pointed towards the increased segregation and segmentation in the labour market discouraging higher educated women and those from relatively well-off households from labour market activities. On the other hand, the period saw substantial increase in labour market activities among women belonging to lower income households and

those with lower educational attainments. And in cases where the work force participation rates have increased among women, the participation of women workers has been observed to increase in such occupations and industries that are in conformity with traditional gendered division of labour, pointing to deepening institutionalization of gender within the occupational structure. Despite the differences in the channels through which the change have been brought in the state and in the select districts, an aspect that has been observed is the deterioration in the employment conditions of women workers. Either in the sunrise sectors like services employment or in traditional activities like agriculture, women are increasingly taking up jobs that require least skill and education and those that ensure least security for jobs. This is seen in their increased employment in elementary occupations, jobs in services, sales and domestic households, which are also largely casual in nature. Women are getting absorbed in occupations that are under-remunerative and those that require minimal education and skills.

The recent developments point to an irony, where the increased participation in paid work is generally thought of as increasing the agency and well being of women, the recent changes in the labour market that points to a distress sale of labour are in fact, challenging the very same notions. The trends from the labour market also raises concerns whether in the context of Kerala, the recent changes point to the emergence of a different paradox, where the well-being of women is in question due to their increased employment activities during the high growth phase of the economy, as opposed to their comparatively lesser employment during the previous years. The present study leaves these questions open, to be taken up in greater detail using additional macro variables, to examine whether the embracing of the neoliberal policies in the state is setting the stage for a different paradox where the economic growth is contributing lesser to human development as opposed to a period when human development in the state was independent of economic growth.

7.3 Limitations of the Study and Scope for Further Research

The present study has carried out a district level analysis using the NSS data. The sampling techniques adopted in earlier rounds of NSS did not allow for district level analysis. Modifications were made to the NSS sampling techniques from the 61st Round that enabled unit level analysis at the district level. However, at the level of the district, the question of small sample size persists, making detailed disaggregation of the qualitative aspects of the employment behaviour in Ernakulam and Kasargod, as carried out at the state levels, unfeasible. The fact that the developments in the labour market that have garnered the greatest attention in the thesis - the period since 2004-05 - is relatively short, and therefore, it is necessary to examine whether these patterns remain in the coming years as well.

The study has pointed to a significant rise in the elementary occupations in the state, and more importantly, among the select two districts. The present study could, therefore, be extended to an examination of the informal sector jobs, as well as the informalisation of jobs. A few studies have pointed to rising economic inequality in the state, corresponding to the high rates of economic growth in the state. The labour market outcomes could be extended and studied along with the distribution of the gains of economic growth, especially during the periods of economic growth, when vulnerable sections of society displaying trends of distress sale of labour. This could also help in understanding the ‘inclusiveness’ of the economic growth, from a labour market perspective.

Appendix – I

Detailed Activity Statuses under the Usual Status Approach followed in the NSS Data

Code	Activity Status
I. WORKING (OR EMPLOYED)	
(i) Self-employed	
11	Worked in Household Enterprises (Self-employed) as Own-account Worker
12	Worked in Household Enterprises (self-employed) as an Employer
21	Worked in Household Enterprises (self-employed) as Helper
(ii) Regular Wage/ Salaried Employee	
31	Worked as Regular Wage/Salaried Employee
(iii) Casual Labour	
41	Worked as Casual Wage Labour in Public Works Other than Mahatma Gandhi NREG public works
51	Worked as Casual Wage Labour in Other Types of Works
II. NOT WORKING BUT SEEKING/AVAILABLE FOR WORK (UNEMPLOYED)	
81	Sought Work or Did not Seek But was Available for Work (for Usual Status Approach)
III. NEITHER WORKING NOR AVAILABLE FOR WORK (NOT IN LABOUR FORCE)	
91	Attended Educational Institutions
92	Attended to Domestic Duties only
93	Attended to Domestic Duties and was also Engaged in Free Collection of Goods (Vegetables, Roots, Firewood, Cattle feed, etc.), Sewing, Tailoring, Weaving, etc. for Household use
94	Rentiers, Pensioners, Remittance Recipients, etc.
95	Not Able to Work owing to Disability
97	Others (including Beggars, Prostitutes, etc.)
98	Did not Work owing to Sickness (for Casual Workers only)
99	Children of Age 0-4 Years

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Synopsis

Female Labour Market in Kerala: A Study of Patterns and Trends in the Post-Reform Period

A Dissertation Submitted to the University of Hyderabad
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Doctor of Philosophy

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1. Introduction

It is generally accepted that the working of the market for labour is intimately connected with the structure of society and economy, with historical, cultural and political factors shaping the employment relation and the concomitant structure of the workforce. The heterogeneity of agents in the labour market and their varied responses intensifies the complexity revolving around labour market decisions and behaviour. The 'social construction' of the market is particularly true of the market for female workers. Thus, it is necessary to study female labour markets not only in the context of their social and cultural underpinnings, but also of the larger policies of the state, and the underlying structural orientation of the economies that decide these policies.

In recent past, the most important policy changes that influenced the labour market outcomes have been the 'stabilisation' and 'structural adjustment' policies. There have been several studies on the structural adjustment policies' bearing on the women workers in Latin American and African countries but enquires into the influence of economic reforms on the employment and wellbeing in India are limited. These early studies (Bhattacharya and Mitra, 1993; Mahadevia et.al, 1994; Papola, 1994; Papola and Sharma, 1996; Shariff and Gumber, 1999) were too early to bring out the long term impact of the economic restructuring in the country, and more importantly, it's bearing on the women workers. This study is a small attempt to fill the lacuna.

2. Women and Labour Market In Kerala

The state of Kerala presents an interesting case for examining the gendered labour and employment trends and patterns for the following reasons. Kerala had presented a unique development experience where the human development achievements in the state stood on par with developed countries, without, in fact, a matching progress in economic growth generally expected as a necessary condition for human development. In addition, the development experience of Kerala presents another paradox with regard to women, where the achievements in basic human capabilities have failed to get translated into economic gains for women, if the employment in

paid market activities could be considered as an indication of economic gains. Further, mostly since the 2000s, following the opening up of the economy and the embracing of neoliberal policies, the state of Kerala started embarking on a high economic growth. Also, the period of a change in the economic policies, as well as the growth of the economy took place at a later period in Kerala, since the 2000s, as compared to the economic environment in the rest of India. The study therefore, has taken the labour market behaviour of women in Kerala during a period of high growth phase of the economy. It is at the confluence of the economic growth and opening up of the economy, social construction of labour markets and the unique development experience of Kerala and the paradoxes it presents, that the present study examines the female labour market behaviour of women in Kerala.

The labour market trends and patterns of women in Kerala in the post-reform period could be considered as two phases - from 1993-94 to 2004-05, and post 2004-05 – which stand in contradiction to each other. The period up to 2004-05 was a phase of heightened interest in labour market activities (as represented by high Labour Force Participation Rate - LFPR) and a low rate of employment, leading to soaring unemployment rates. This aspect of the female labour market, along with the human development indices in the state, in fact, distinguished Kerala from the rest of the country. These trends in the labour market variables came to an end by 2004-05. In the period following 2004-05, the unemployment rates among the women in the economy eased. However, this development came about not on account of an increase in employment among women, but by reason of a reduced interest in labour market activities (as represented by falling LFPR). Also, this period coincided with the highest growth rate of the Kerala economy. With this marking a significant departure from the traditionally high urban female LFPR in the state, and also marking a departure from what had defined the female labour market in Kerala as distinct from the rest of the country, the exercises towards unravelling the factors shaping these processes form an important focus of the present study.

The evidences from Kerala also point to the significant divergence in the labour market outcomes in certain regions within the state. These regions, identified as administrative districts within the state, have also been differentiated by their access to and openness to global capital, as well as by the prevailing domestic

economic conditions. The thesis attempts to examine the variations in labour market outcome in districts within Kerala that differ in economic characteristics. Two such regions are the districts of Ernakulam and Kasargod. The district of Ernakulam, the largest contributor to the state gross domestic product, alongside its secondary and tertiary sectors projecting major economic growth, has been exhibiting an incongruity in the sectoral distribution of income and employment in the tertiary sector. On the other hand, the district of Kasargod, a predominantly agrarian economy with one of the lowest per capita income in the state, started showing an unprecedented increase in labour and employment rates of women. The immediate reasons for selecting these two districts lie in their labour market variables, which appears paradoxical to the conventional relationship between economic development and employment. The performance of these districts necessitates a detailed probe.

Against this backdrop of a significant growth of the Kerala economy and the changed economic environment in the state involving vigorous embracing of the neoliberal policies, as well as the regional variations within the state, this study examines the factors underlying the labour market outcomes of women in the state of Kerala. A disaggregated analysis of the impact of the fast economic growth under the neo-liberal policies on different sections in the society gains importance also from the fact that the high-growth phase of Kerala economy is also characterised by increasing inequality in income distribution and retardation in poverty-reduction (Subrahmanian and Prasad 2008).

3. Research Questions

The study examines how the gendered outcomes of the developmental policies of the state have been different for various segments of women in Kerala. In this regard, the research first examines the disconnection of the labour market behaviour of women in the immediate past from the trend that had continued over the years in the state, and proposes to analyse the factors fundamental to this phenomenon. Second, the research looks at how the differential outcomes of economic changes for the outwardly homogenous group- women- got transmitted into the labour market behaviour in varying dimensions and magnitude. In this regard, taking two regions within the state as the case studies, the study also appraises how the experiences in these two regions

have been different, and also have been concealed by the macro picture emerging from the state as a whole. Thus, in addition to exploring the gendered developmental outcomes for the women in the state as a whole, the study also appraises the gendered outcomes of development at a micro level, using the administrative district as the unit of analysis. This enables the research to make a comparative analysis of the outcomes of developmental policies on women experiencing two different economic scenarios in the state. The broad objectives of the study could, therefore, be summarised as follows:

- (i) To examine and explain the female labour market trends in Kerala in the post reform period, with specific reference to the labour force participation rates during the phase of highest economic growth in the state; and the differences in these across different sections of women differing in income and levels of education
- (ii) To bring out the differences in the labour market variables in the regions within the state of Kerala during the phase of high economic growth and opening up of the economy by drawing out the different trends in the labour market variables in the two select districts in the state, Ernakulam and Kasargod; and to examine these differences through the diverse forces shaping the economy of these two districts.

4. Data Sources and Methodology

The study makes use of the unit level data of the Employment and Unemployment Surveys (EUS) of the NSS for carrying out the above stated research objectives. The study utilises the Employment and Unemployment Surveys (EUS) of the NSS from the 50th to 66th Rounds, spanning more than a decade and a half, from 1993-94 to 2009-10. These include 50th (1993-94), 55th (1999-2000), 61st (2004-05), 64th (2007-08) and 66th (2009-10) Rounds of the EUS. However, in the assessment of the labour market behaviour towards the stated objectives, data from the 61st Round are studied in greater detail. While annual rounds are generally avoided from the estimations, the 64th round is included in the estimations following the fact that the sample size and methodology used in this round are similar to the quinquennial rounds of the NSS. However, the study places only less emphasis on the results derived from the 64th

Round, placing greater emphasis on the results of the 61st and 66th Rounds. This research also make estimations of the female labour market outcomes at the district level, from the 61st Round (2004-05) onwards, as the change made to the sampling design from this round has made the district level analysis feasible.

The study examines the labour market outcomes of females for different levels of education, both general and technical education, following the categorisations as carried out in the EUS of the NSS. As the question whether the income of the household is a significant determinant of the changes in the work and labour force participation rates among women in the state is examined, the activity statuses of women for different levels of monthly per capita consumption expenditure (MPCE) is also estimated. The study attempts to make inroads into the type of occupations and industrial activities that houses the usually employed females in the state as well as the select districts. For this, the study puts to use the National Industrial Classification (NIC) and National Classification of Occupations (NCO), as provided in the unit level data of the EUS.

Based on these data, the study mainly carries out a tabular analysis of the trends in the labour market variables for these aspects of the workers towards arriving at the explanations for the observed labour market behaviour in the state as well as in the two select districts. In addition, using the occupational classification of the workers both at one- and two-digit levels, occupational gender segregation has been estimated using the Duncan and Duncan Index of Dissimilarity and size-adjusted Index of Dissimilarity (Duncan and Duncan, 1955; also see Swaminathan and Majumdar, 2006).

5. Major Findings of the Study

The research begins with a brief overview of the variations in the labour market outcomes in the state of Kerala against the trends observed for the country as a whole, especially in the ‘high growth’ regime of the economy since the beginning of the new millennium. The trends in the labour market outcomes in the country set the background for the closer scrutiny of the region in question – Kerala, and the select districts in the state. The major interest of the study lies in the unprecedented

developments in the labour and employment scenario in the state, during the period of the 'high growth phase' of the economy. The focal point, therefore, is the gendered outcomes of the alterations in the economic environment in a state in India, which has been depicting a unique developmental experience involving women as significant partakers and beneficiaries.

The research is organised as follows. The trends in the employment scenario in the country in the post-reform period are observed, and this serves as a basis for understanding the varied employment scenario in the state of Kerala. This forms Chapter II of the study. In Chapter III, the study scrutinises the labour market outcomes facing the women (potential) workers in the state. Here, the trends and patterns in the employment, unemployment and labour force participation of women in the state during the period from 1993-94 to 2009-10 are examined. In this regard, the research throws open certain recent and unprecedented developments in the employment scenario in the state. Based on empirical and theoretical grounds, the present investigation offers explanations for observed phenomenon in the state. The in-depth scrutiny of the data in Chapter III also point to different trajectories of economic and developmental incidence in the sub-regions within the outwardly homogenous Kerala, with these elements feeding into the employment decisions of women in these regions. With the objective of dissecting the developmental experience, and the subsequent employment outcomes, two administrative districts in the state are chosen. The economic and employment scenarios, in these districts, which are distinct from each other, are analysed in detail. The main arguments and findings of the study for labour market outcomes of women in Kerala as a whole, as well as for the two select districts, have been organised as three core chapters of the thesis, which forms Chapters IV to VI of the study. The study, thereby contributes to the existing literature by evaluating the hitherto unprecedented trends in the labour market in Kerala, as well as by carrying out a disaggregated analysis of the socio-economic forces shaping the micro realities that are often concealed by the macro representations.

Chapter IV examines the reduced labour force participation rates among women in the state post-2004-05. The general argument of the income and substitution effects of a rising income enabling women to free themselves from paid

market activities fails to conclusively explain the trends in the female labour market in Kerala. The evidences from the labour market in the state has also been observed to be not adhering to the explanations mooted in the existing literature such as the mismatch between labour demand and supply, the oversupply of women with general education and an undersupply of women with technical education, relatively reduced employment opportunities in the state etc. With the detailed examination of the labour market activities for different levels of education and household incomes revealing a 'discouragement' in labour market activities among women belonging to higher income deciles and also among those with higher levels of education, the study has looked for the reasons for the observed discouragement in the labour market rigidities confronting the (potential) women workers in the state of Kerala.

The study identifies the discouragement in labour market activities observed among women as stemming from 'occupational gender segregation', which limits the opportunities for employment among women to a narrow range of occupations, leading to higher unemployment and overcrowding in these occupations. This overcrowding which discourages the (potential) workers from the labour market activities have been assessed both through a tabular examination of the occupational categories in which women are over-represented, as well as using aggregate indices such as Duncan and Duncan Dissimilarity Index and Size-Adjusted Index of Dissimilarity. The types of occupations employing the female workers in the Kerala also indicate that women have largely been absorbed in occupations that are in conformity with the traditional gendered division of labour. These occupations included elementary service occupations such as domestic work, textiles, garments and related works, personal care and service works etc. Thus, as stated by Charles, the study has pointed to the employment scenario in Kerala, as 'deepening institutionalization of gender within the occupational structure' (Charles, 1992).

The district of Ernakulam is taken as an ideal ground for testing the correlation between female employment and economic growth in general, and its sectoral composition in particular. In Chapter IV, the incongruities in the sectoral composition of the income and employment outcome in the district of Ernakulam, amidst the general optimism surrounding the services-led growth of the economy are examined. However, given the scepticism surrounding the growth of service sector employment

in the less developed countries that these types of occupations arise out of scarcity of employment in other sectors (Bhalla, 1970; Freeman, 2010; Ghosh, 1991; Timothy, 2010), the detailed industrial and occupational distribution of women workers in the district points to a deterioration in the nature of employment being carried out by women workers in the district. The study also points to a significant increase in the share of women workers in industries with relative ease of entry and exit, and in elementary occupations that demand less skill and education. The rise in employment was substantial in sectors demanding moderate skills and education, say, secondary education and lesser. In addition, the largest increase in employment took place among women belonging to lower income households, together pointing to a distress sale of labour by women and their absorption into services sector activities. The moderate rise in employment among higher educated women, coupled with a substantial rise among less educated women in elementary occupations also point to dualism in the services sector employment in the district, circumventing the moderate effects of economic development and employment generation in select few buoyant sectors. The increase in employment in the usual principal and subsidiary status, coupled with the nature of employment being carried out by women also points to informalisation of the services sector jobs, though a detailed exercise in this regard is beyond the scope of the present study. On the whole, the evidences from the district lead to the argument of a distressed nature of employment, and failure of economic growth to provide gainful employment to the largest sections of the population.

With the changes in the sectoral composition of income pointing to a distressed nature of employment in the tertiary sector of the most prosperous district in the state - Ernakulam, Chapter VI examines the unprecedented rise in female employment and labour force participation rates in the district of Kasargod, a predominantly agrarian and low income economy in the state. With the recent developments in the labour market in Kasargod (post-2004-05) pointing to a contradiction, as this substantial rise in employment and labour force participation among women in the district came about during a period of agrarian crisis in the region, the study has traced the factors shaping the observed labour market trends to the economic distress prevalent in the region. The employment rate among women in Kasargod post-2004-05, which also stands in contradiction to the rest of the state, has been observed to have been emanating from the survival strategies of the households

towards earning a subsistence income during a period of agrarian crisis and falling household incomes. With the evidences from the labour market in the district observed to be in coherence with the 'S-shaped' labour supply curve, the chapter points out that the 'joint labour supply' decisions of the households have resulted in the phenomenon of a 'feminisation of labour' in the district. This feminisation of labour, taking place mainly through the participation of hitherto non-working women in the households in labour market activities to substantiate the household income to subsistence level, has also been observed to present poor conditions of work for these new women workers. The additional women in the workforce are drawn from women belonging to the lowest income households, and with lowest levels of education. Consequent to these adjustment processes, women have been absorbed in low paying occupations that provide the least employee benefits and worst conditions of work, such as elementary occupations and casual employment.

To sum up, the employment scenario in the state of Kerala, especially during the high growth phase of the economy presents an overall bleak picture. The study has pointed towards the increased segregation and segmentation in the labour market discouraging higher educated women and those from relatively well-off households from labour market activities. On the other hand, the period saw substantial increase in labour market activities among women belonging to lower income households and those with lower educational attainments. And in cases where the work force participation rates have increased among women, the participation of women workers have been observed to increase in such occupations and industries that are in conformity with traditional gendered division of labour, pointing to deepening institutionalization of gender within the occupational structure. Despite the differences in the channels through which the change has been brought in the state and in the select districts, an aspect that has been observed is the deterioration in the employment conditions of women workers. Either in the sunrise sectors like services employment or in traditional activities like agriculture, women are increasingly taking up jobs that require least skill and education and those that ensure least security for jobs such as elementary occupations, jobs in services, sales and domestic households, which are also largely casual in nature. Women are getting absorbed in occupations that are under-remunerative and those that do not provide conducive work atmosphere.

The recent developments of women's increased participation in paid work which is generally thought of as enhancing the agency and well being of women, in fact, point to an irony, where the heightened participation presents a distress sale of labour. The trends from the labour market also raise concerns whether in the context of Kerala, the recent changes point to the emergence of a different paradox, where the well-being of women is in question due to their increased employment activities during the high growth phase of the economy, as opposed to their comparatively lesser employment during the previous years.

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