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
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 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 that 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’.

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. 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. While 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. 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

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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.