

GENDER PERSPECTIVE ON LABOUR FORCE PARTICIPATION IN INDIA

By

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ABSTRACT

The Indian labour market has several notable features such as very low female participation in the labour force, considerable regional differences and the informalization of female employment. The interplay of social, cultural, educational, and economic factors greatly influences participation of women in economic activities. The present study tries to explore the trend and gender gap in labour force participation in India in order to better understand the trends and persistent gender gaps in the labour market. The study is based on secondary data from the Periodic Labour Force Survey (PLFS) Annual Reports, released by MoSPI. The findings of the study highlights that for both indicators of employment, labour force participation rates and unemployment rates reveal the significant presence of wide gender gaps in India.

Keywords: LFPR, Gender gap, Employment, Unemployment, PLFS.

INTRODUCTION

Labour force participation is an important indicator of economic growth, reflecting a nation's ability to use its human resources in various economic activities for productive purposes. Globally, and especially in developed countries, women's engagement in the labor market rose, and gender disparities in different kinds of labor market have decreased. Gender equality is a crucial element in promoting social and economic growth of a nation and is a major component of the Sustainable Development Goals (SDGs) established by the United Nations. One way to achieve SDG -5 (Gender Equality) is through improving labor market participation among female population, which can greatly enhance key development indicators like reducing poverty, gaining access to healthcare, education, land,

technology, and capital, promoting environmental sustainability, improving institutional efficacy, and promoting democratic participation (Costagliola, 2021). However, over the past few decades, India has witnessed a continuous decline in the proportion of women workers, even though its economy is one of the fastest developing in the world (Bishnu et al., 2024). Gender and labour force participation present a compelling analytical lens for examining the intersections of social structures and economic growth. The interplay of social, cultural, educational, and economic factors greatly influences participation of women in economic activities. Women's labor participation rate is an essential parameter for both their contribution to economic growth and their own empowerment as individuals, and the two are interconnected. Massive disparities exist in our labor market, with gender identity-based differences indicating as unequal pay for the same work and unequal access to opportunities for individuals with the same ability to perform the same work (Gupta & Kothe, 2024).

Despite significant progress, gender disparity in labour



This paper has objectives related to SDG



force participation particularly exists, especially in developing countries. Male labour force participation rates are higher than female rates around all over the world, reflecting that the women in all over the world have to face different kinds of obstacles such as gender norms, inadequate access to opportunities, and other social and structural barriers. These inequalities are not merely economic in nature, they are deeply rooted in social, cultural and institutional factors that shape women's participation in the labour market. India is currently a rapidly emerging economy, but despite stable economic growth and structural reforms, gender inequalities persist in every sector of economy including India's labour market. Women, who constitute nearly half of the population, are underrepresented in the workforce, limiting the country's potential for equitable and broad-based growth. India ranks among the lowest in the world in terms of female labour force participation rate. This is a serious issue as the Indian participation of females in labour force has been steadily declining, with occasional spikes during crises (Ranjan, 2024). According to the PLFS Annual Report 2023-24, labour force participation rate (in usual status) for persons of age 15 years and above has increased from 57.9 percent in 2022-23 to 60.1 percent in 2023-24. On the other hand, LFPR for female has increased from 37.0 percent in 2022-23 to 41.7 percent in 2023-24. For male LFPR increased from 78.5 percent to 78.8 percent during the same time span. The Gender gap remain stark, with the male LFPR consistently higher, around 78.8 percent, compared to the female. There is an urgent need for a gender-focused analysis of labor force participation in India in order to better understand the trends and persistent gender gaps in the labor market.

1. Review of Literature

The existing literatures on labour force participation in India has highlighted persistent gender gaps. Despite notable improvements in recent years, gender disparities in labour force participation continue to be a significant challenge in India. Female labour force participation has historically been low due to sociocultural norms, household responsibilities, and limited employment opportunities, whereas male labour force participation

has remained consistently high (Patil, 2025). Mehta and Awasthi (2019) explored the persistent gender inequality in Indian labour market. The majority of working women (53 percent) are self-employed, while only 22 percent hold regular salaried positions and 25 percent engaged in casual works. In contrast, the percentage of men working regular jobs (24 percent) is relatively higher than their female counterparts. The potential of a nation to grow rapidly is reflected in its female labor force participation rates, which serves as an accelerator of growth. The fact that in many developing countries, women's labor force involvement serves as a coping strategy for households afflicted by economic shocks (Verick, 2014). Sanghi et al. (2015) have analysed the rural female labour force participation rates in India. The labour force participation rate in India is around 40 per cent, but for women it is only 22.5 per cent. The gap in male-female labour force participation is so wide that the LFPR for rural women is only 35.8 per cent, while for rural men it is more than double (81.3 percent). This is quite surprising in a country where the demographic dividend of the working population is very large. Due to persistent social obstacles that generally deny employment opportunities for women. Women are steadily losing their significance in the labor force as economic growth and educational attainment increase. In the policy discourse, both national and international organizations accept the significant gender disparities in the Indian labor market. Regardless of their motivation and educational goals, women are generally overlooked as efficient sources of labor production and total economic product. Realizing their value and importance is essential to advancing social harmony and economic independence (Arora, 2020).

2. Objectives of the Study

This paper aims to analyse labour force participation trends in India from a gender perspective. The specific objectives are as follows:

- To analyse the trend of labour force participation rates in India.
- To examine the gender gap in labour force participation in India.

- To compare sectoral distribution of male and female workers in Indian labour market.

3. Data and Methodology

The present study is entirely based on secondary data, collected from the Annual Reports of the Periodic Labour Force Survey (PLFS) published by the Government of India, Ministry of Statistics and Programme Implementation (MoSPI). These reports are nationally representative and widely regarded as reliable sources of labour market statistics. The analysis has been employed descriptive statistical tools such as tables, percentages, and charts, which are appropriate for examining trends, patterns, and gender disparities in labour force participation.

4. Data Analysis and Results

There are two major indicators of employment-Labour Force Participation Rate (an indicator of the labour force) and Unemployment Rate (an indicator of the workforce) (Arora, 2020). Data for both indicators reveal the significant presence of wide gender gaps in terms of employment in India. A key metric for assessing the health of an economy is the labor force participation rate, which is strongly linked to its potential for inclusive and sustainable growth. Table 1 presents the year-wise Labour Force Participation Rates (LFPR) for total, male, and female populations aged 15 and above, along with the calculated gender gap (the difference between male and female LFPR). The gender gap in labour force participation shows decreasing trend in India (Table 1). Labour force participation for women increased from 23.3 percent in 2017-18 to 41.7 percent in 2023-24, while there was only increase of three percentage point for men during the same period. On the other hand, gender

Year	Total	Male	Female	Gender Gap
2017-18	49.8	75.8	23.3	52.5
2018-19	50.2	75.5	24.5	51
2019-20	53.5	76.8	30.0	46.8
2020-21	54.9	77.0	32.5	44.5
2021-22	55.2	77.2	32.8	44.4
2022-23	57.9	78.5	37.0	41.5
2023-24	60.1	78.8	41.7	37.1

Source: Annual Report, Periodic Labour Force Survey (PLFS), 2023-24

Table 1. Labour Force Participation Rates in Usual Status (ps+ss) in India

gap in labour force participation has continuously decreased from 52.5 percent in 2017-18 to 37.1 percent in 2023-24.

There has been a steady improvement in the labour force participation rate in India. The overall LFPR is projected to increase from 49.8 per cent in 2017-18 to 60.1 per cent in 2023-24, primarily due to increased female participation in the labour force. The female LFPR has increased from 23.3 percent in 2017-18 to 41.7 percent in 2023-24. This indicates that women are now more likely to be employed, possibly as a result of government programs, greater economic independence, self-employment, and more involvement in unorganized sectors. There has been little improvement in male labor force participation. The male LFPR increased slightly from 75.5 percent in 2018-19 to 78.8 percent in 2023-24. In LFPR, the gender gap has steadily decreased, falling from 52.5 percentage points in 2017-18 to 37.1 percentage points in 2023-24. Even though the gender gap is still wide, this shows a positive trend towards gender equality.

The trends in labour force participation rate in India for both men and women from 2017-18 to 2023-24 has shown in Figure 1. The female LFPR almost doubled from 2017-18 to 2023-24. Male labor force participation has not changed a lot, as evidenced by the male LFPR 75.5 percent in 2018-19 to 78.5 percent in 2023-24. The gender gap in participation, which exists between the two lines (Female LFPR and Male LFPR), continues to narrow as the participation of female has increased significantly in the labour force. Although the growing trend in female participation is encouraging, there is still a significant gap that needs more policy focus. Table 2 shows the male and

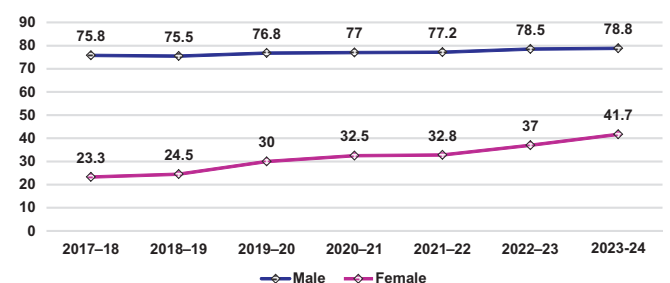


Figure 1. Trend of LFPR for Male and Female in India; Source: PLFS Annual Report, 2023-24

female LFPR in rural and urban areas of India for the year 2023-24.

In India, the labour force participation rate in rural areas is 63.7 percent, while in urban areas it is 52.0 percent. It is notable that the labour force participation rate in rural areas is higher than the labour force participation rate in urban areas. Only 28 percent of the female population in urban areas participate in the labour force, while in rural areas 47.6 percent of the female population participates in the labour force. The gender gap in urban areas is higher than in rural areas at 47.6 percentage points, although the gender gap is also quite high in rural areas.

The participation of men and women in various employment categories in rural and urban areas is shown in Table 3. 73.5 percent of women in rural areas are self-employed. In contrast, self-employment among urban female is much lower at 42.3 percent, which is a reflection of the lack of opportunities for self-employment in urban areas. Only 7.8 percent of women in rural areas are participated in regular wage/salaried jobs, while the percentage is 15.8 percent among rural men. In urban areas, 49.4 percent of urban women are engaged in regular wage jobs, even slightly higher than urban men (46.8 percent). This shows that urban women have relatively greater access to formal employment than rural women. A significant number of men (24.9 percent) and women (18.7 percent) in rural areas are casual workers,

Area	Total LFPR	Male LFPR	Female LFPR	Gender Gap
Rural	63.7	80.2	47.6	32.6
Urban	52.0	75.6	28.0	47.6

Source: Annual Report, Periodic Labour Force Survey (PLFS), 2023-24

Table 2. Comparison of Males and Female LFPR in Rural and Urban Areas of India, (2023-24)

Type of Employment	Rural		Urban		Overall	
	Male	Female	Male	Female	Male	Female
Self-employed	59.4	73.5	39.8	42.3	53.6	67.4
Regular wage/salaried	15.8	7.8	46.8	49.4	24.9	15.9
Casual labour	24.9	18.7	13.4	8.3	21.5	16.7

Source: Annual Report, Periodic Labour Force Survey (PLFS), 2023-24

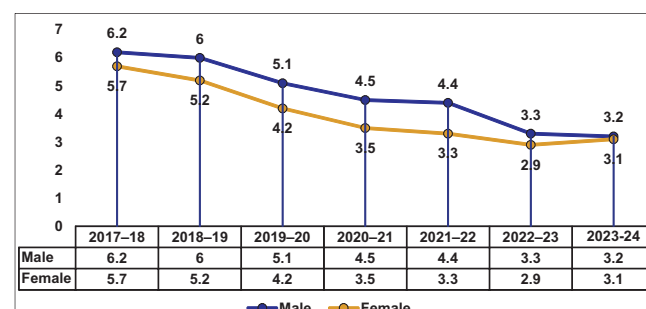
Table 3. Distribution of Workforce by Type of Employment and Gender in India (Usual Status), in 2023-24 (in Percentages)

reflecting their continued dependence on daily wage work. Casual work is less common for both male and female in urban areas, but still exists.

The unemployment rate decreased for both men and women between 2017-18 and 2023-24 (Figure 2). A closer examination of the time-series data reveals that, in India, the unemployment rate for men has declined from 6.2 percent in 2017-18 to 3.2 percent in 2023-24, while for women, it has decreased from 5.7 percent to 3.1 percent in the same time frame. The unemployment rate for men was slightly higher than the women in 2017-18, however the gap has narrowed in six years. In 2023 and 2024, unemployment rates for men and women will reach roughly comparable levels, indicating greater equality in employment outcomes. The most notable decline in unemployment will occur between 2019-20 and 2022-23, probably as a result of the post-pandemic economic recovery and an increase in self-employment and informal work opportunities.

5. Limitation of the Study

It is important to recognise the limitations of this study, with the fact that the study offers valuable insights regarding gender disparities in labour force participation in India. Initially, the research relies on secondary data from PLFS reports at the national level, which does not account for state-specific differences in female labour force participation. Since labour market dynamics differ significantly between regions, such as between north and south India, this work could be expanded in future research by analysing the labour market at the state or



Source: Annual Report, Periodic Labour Force Survey (PLFS), 2023-24

Figure 2. Unemployment Rates in Labour Force (Usual Status) in India, (2023-24)

sector level. Second, this study used descriptive statistics, which is effective in highlighting broad trends and patterns but fall short of capturing the more detailed cause-and-effect linkages that underlie discrimination against women in the labour market. Multivariate or econometric methods could be used in future studies to deepen the analysis.

Conclusion

The Indian labour market has several notable features such as very low female participation in the labour force, considerable regional differences and the informalization of female employment. Studies have found that Indian women drop out of the labour market after marriage, losing out on high potential earnings and experience from their early careers that could be crucial to their socio-economic trajectory. Important factors restricting participation of women in the labour force in our country include social norms, the inability to create adequate and satisfactory jobs for educated women, the limited Indian labour market, gender discrimination and occupational segregation.

The analysis of labour force participation and employment patterns in India from a gender perspective reveals a gradual but noteworthy shift. The increasing trend of female labour force participation rate led to a progressive narrowing of the gender gap, suggesting improved inclusion of women in the labour market. At the same time, the unemployment rates for both males and females have declined, with the gap between them nearly closing in recent years. For policy interventions to fully capitalize on the demographic and economic potential of India's female workforce, it should now prioritize expanding women's access to formal employment, enhancing job security, and resolving rural-urban disparities.

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