

# LABOUR MARKET 'INCLUSION' IN AN ERA OF ECONOMIC GROWTH: A CASE OF WOMEN WORKERS IN KERALA, INDIA

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## ABSTRACT

The paper examines the labour market dynamics of women workers in Kerala, the southern state of India, during a period of highest economic growth in the state. The labour market outcomes in the state during this phase are evaluated for the labour market trends and patterns and the nature of employment generation. While the immediate rationale for examining the labour market variables have been its detachment from the hitherto observed trends in the state as well as with respect to recent changes in the rest of the country, the study establishes that the heightened 'inclusion' of women into paid activities in the market has been reflective of the absorption of 'contingent labour' into the workforce. The paper proceeds to establish the adverse nature of women's inclusion in the labour market activities in Kerala through an assessment of the nature and quality of employment involving women workers.

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## I. INTRODUCTION

The general optimism surrounding employment rests on the premise that employment provides the means for meeting the income and subsistence needs of the individuals and their families. The labour markets turn out to be an important reflector and transmitter of the agency and well-being, or the absence thereof, of the different sections of the population. With the workforce structure reflecting and impacting upon the levels of living, poverty levels and access to livelihood and income distribution across different sections of the population, the employment relation and the concomitant structure of the workforce attracts special attention in discussions of development policy and research. While a surge in the employment rates are often treated with optimism, the paper tries to establish that the mere changes in the employment rates fail to provide conclusive evidences on the extent of 'inclusion' into or 'exclusion' from the fruits of economic growth and development, more so in the case of women as workers. Towards this, the study takes the female labour market outcomes among women in Kerala as a specific case for understanding the labour market responses to economic growth and its distribution across sections of population.

Compared to the rest of the country, the state of Kerala had been following a unique trajectory of development, observable in terms of the social and human capital indicators of well-being. The state had been treading a path of economic development quite different from the rest of the country. The welfare-driven model enabled the attainment of superior social and human development indices, despite the absence of matching economic growth generally expected of attaining such levels of human development (For a detailed discussion, on Kerala's development experience, see Ahluwalia 2002; CDS-UN, 1975; Chakraborty, 2005; George, 1998; Government of Kerala, 2006; Harilal and Joseph, 2003; Jeromi, 2003; Kannan,

2005; Panikkar and Soman, 1984; Pushpangadan 2003; Ramachandran, 1997; Subrahmanian, 1990; Tharamangalam 1998). Parallel to the above puzzle of social versus economic development, the development discourses of Kerala have been replete with unique, and often paradoxical paradigms of development, an important one being women's social development versus economic achievements, more specifically their labour market outcomes being a significant one (Devi, 2002, Kodoth and Eapen, 2005; Saradamoni, 1994; Tharakan, 2006).

At this point, a brief outline of the trends in labour market variables for women workers in the state as well as the recent changes vis-à-vis the patterns of economic growth essential to appreciate the extent and magnitude of the recent trends in the employment outcomes. 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 (WPR), 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. The high unemployment rates despite the achievements in basic human capabilities drew a dismal picture of the employment scenario in the state. In fact, this paradoxical scenario was understood and explained in various ways (Devi, 2002; Eapen and Kodoth, 2005; Mathew, 1995; Nagaraj, 1999). 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 merely on account of an increase in employment among women, but also by reason of a reduced interest in labour market activities (as represented by falling LFPR).

A comparison of the employment rates of women in the urban sectors in the state with the national average demonstrates that the women in Kerala fare better than their counterparts in the rest of the country, and that the magnitude of the problem lies in the relative achievements and failures of the state in the human capital and economic fronts as well as in the failure in the realization of the labour market aspirations into gainful employment among the higher educated. The female employment rates in the state were much higher than the all-India female work participation rates (the details will be provided in the subsequent sections). The major interest of the study, therefore, lies not in the comparison of the employment rates in the state with that of the country, but in the trends in the labour market variables in Kerala since 2004-05, and the simultaneous growth pattern observed in the economy. However, it is worth mentioning here that post 2004-05, when the female employment rates in the country fell, in Kerala, the same moved upwards, and recorded to be the highest in the post-reform period, marking a significant departure in the labour market behaviour from the rest of the country. This period of highest employment rates in Kerala was also a period of remarkable economic activities. The economy has been at its peak during the 2000s, following the stagnancy during the 1970s and 80s and the revival during the 1990s.

The study, therefore, focuses on the reversal in the employment outcomes in the state post-2004-05. However, while relating the labour market outcomes with the economic growth, equally important is the distribution of the gains from growth across sections of the population. The evidences from Kerala point to the disquieting fact that the high-growth phase of Kerala economy has also been characterised by increasing inequality in income distribution, with Kerala showing a higher Gini coefficient than all other Indian states, and a retardation in poverty-reduction (Prasad, 2013; Subramanian and Prasad, 2008;

Tharamangalam, 2012). The Gini coefficient for urban Kerala increased from 0.37 percent during 1990-2000 to 0.44 percent in 2009-10, significantly higher than the rest of the country, which remained a 0.37 percent in both the periods (Prasad, 2013). The paper seeks to examine whether the increased 'inclusion' of women into the labour market activities have been reflective of more women seeking work in the unregulated and unorganised sectors and activities in the labour market.

In a scenario of growing income inequalities and poverty, an examination of the gendered outcomes in the labour market gains particular significance. As the labour markets are also understood as 'socially constructed', with the links to the market being historically different for men and women (Benería 2003: 122), women's choices and behaviour in the market are influenced and governed at manifold levels and ways, often resulting in their exclusion from labour market activities, affecting their livelihoods. While exclusion is largely equated with ill-being, as they are deprived of their means of livelihood, on the obverse, the ill-being ensuing from 'inclusion' pleads greater attention due to the fact that the issues related to 'adverse' inclusion are often neglected. Ironically, the surge in the employment rates consequent to such integration under unfavourable terms and circumstances are often treated with optimism, and are hailed as the fallout of the economic growth in place as well as the realisation of government policy measures aimed at generating new employment opportunities in the developing countries.

Studies from across the globe indicates that the labour markets acts as an important channel through which globalisation, economic reforms and neoliberal growth policies, as well as the economic shocks associated with inequality and redistribution affect the poorer and vulnerable sections of the population (Beneria, 2001; Chang, 2009; Chen, 2008;

Nissanke and Thorbecke, 2010; Nuruzzaman, 2004; 2005; Shin, 2010; Standing, 1989; 1999). As Nuruzzaman (2004) points out in the case of Bangladesh, lack of policies of distributional justice results in widening disparities in income and wealth between the low and high strata of the society and deterioration in the overall poverty situation. In such a scenario, the labour market undergoes major structural transformations, generating massive numbers of 'contingent workers' who are vulnerable to economic insecurity and social risks, identifiable in terms of the flexible, precarious, irregular and non-standard forms of work they carry out (Shin, 2010). In addition to the erosion of workers protection and benefits, the labour markets also attract new entrants, under precarious conditions, as well as the loss of job for the existing works, both affecting the wellbeing.

At this juncture, an appraisal of the growth of services sector and its employment generation becomes particularly relevant, primarily since the tertiary sector has been the largest provider of employment to the women workers. However, in the developing countries, the services sector employment has been viewed with caution and scepticism (Bhalla, 1970; Freeman, 2010; Ghosh, 1991; Thimothy, 2010). This is derived from the supply-oriented hypothesis that the services sector serves an absorptive function of accommodating the surplus labour, leading to deterioration in the conditions of employment (Alam and Azhar 1987). 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).

The low growth rate of employment in the industrial sector relative to the services sector in developing economies has also 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 (Meier's (1976; as cited in Gordon and Gupta, 2003), and serving an absorptive function of accommodating the surplus labour (Alam and Azhar, 1987: 25-26). 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. The most recent study by Aggarwal (2012) based on the NSS 66<sup>th</sup> 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, thereby failing to create substantial number of decent jobs. Citing the case of skill-intensive IT/ITES sector, she points out that the incomes generated in this sector which boosts demand for automobiles, real estate, tourism, air travel, imported goods, etc, by itself cannot create much dignified employment within India (the jobs created would be those of domestic helps, construction workers, security guards, etc).

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). Further, these occupations do not involve knowledge-intensive work or stipulate high investment in human capital.

Against the backdrop of the shifts in the labour market trends and the prevailing economic environment, the paper examines the nature of employment generation among the women workers in the state, during the post-reform period in general, and the period of highest economic growth of Kerala in particular. The study chooses to observe the labour market outcomes among women workers in the urban sector in detail, along with a brief evaluation of the services sector employment. With the services sector in the state serving as the largest employer of women, the paper also examines the tertiary sector employment and its changing nature over the period, with the district of Ernakulam as a case study for detailed analysis. The study aims to investigate the qualitative and quantitative dimensions of female employment in the state in general and the services sector in the district in particular, during a period of rising economic growth on the one hand, and growing economic inequality on the other hand.

The study is organised as follows. The following section provides a brief outline of the data sources and methodology used in this study. Section III carries out a detailed analysis of the labour market trends among women workers in Kerala. Here, the labour market trends are examined for various aspects such as household consumption expenditure, nature of employment including social security benefits and occupational characteristics. This section also studies services sector employment as a specific case. Section IV concludes the findings of the study.



## II. DATA SOURCES AND METHODOLOGY

The study utilizes the nationally representative household data from the employment-unemployment survey [EUS] of the National Sample Survey Organisation (NSSO). In this paper, the employment, human capital and household expenditure particulars from the 50<sup>th</sup> to 66<sup>th</sup> Rounds of the NSS, spanning more than a decade and a half, from 1993-94 to 2009-10 are reviewed. The Rounds 50, 55, 61 and 66 corresponds to the years 1993-94, 1999-2000, 2004-05 and 2009-10, and are used interchangeably. However, in the assessment of the labour market behaviour towards the stated objectives, data from the 2004-05 are studied in greater detail. This period is particularly relevant in the study of Kerala's labour market, as it marks a significant transition in the labour market, in concert with the economic growth and its distribution.. The analysis involving the district of Ernakulam is limited to the period from 2004-05, as the previous rounds of the NSS data are not amenable to district level analysis. The estimation of the labour market variables in this study follows the 'usual status' approach of classifying the activity status of a person, which records the economic activity of a person for a reference period of one year. The study attempts to unravel the labour market dynamics in the urban sector of the state, as this sector merits particular attention in terms of its pronounced openness to the market forces.

The study takes into account the household expenditure and human capital particulars of the labour market participants. Towards this, the paper examines the labour market outcomes of females for different levels of monthly per capita consumption expenditure (MPCE), a proxy for household income; and education and skill levels. The paper evaluates the nature and quality of employment by categorising the workers into self-employment and paid employment. The extent of informality and informalisation of work have also been

appraised by basing these findings on the terms of employment including the nature of job contracts and social security benefits open to the women workers.

The study also attempts to make inroads into the type of occupations that accommodates the usually employed females. For this, the study puts to use the National Classification of Occupations (NCO), as provided in the unit level data of the EUS, which classifies the occupations on the basis of the skill requirements for each type of occupation. Since two different NCOs were used in the NSS data up to the 61<sup>st</sup> Round (NCO-68) and in the subsequent round (NCO-2004), the present study has re-classified the data on occupations in the 61<sup>st</sup> Round and earlier in tune with the NCO-2004 classification. The NCO follows the International Standard Classification of Occupations (ISCO) of the ILO, with the skill levels as defined in the International Standard Classification of Education (ISCED) modified to suit Indian conditions taking particular cognizance of informal skill. Based on these, the paper primarily carries out a tabular and qualitative analysis of the labour market variables in the state. With the data on the employment rates, job quality in terms of employment status, skill-based occupational status and access to social security benefits and job contracts, the paper proceeds to appraise the nature of employment generation among women workers in the state, in the context of their increased participation in the labour market activities.

### **III. FEMALE LABOUR MARKET TRENDS AMONG WOMEN IN KERALA**

The most prominent feature that draws attention to the labour market in Kerala in the post-2004-05 period has been the reversal in the unemployment rates among women in the state. As stated earlier, the falling labour force participation rates partly contributed to the decrease in unemployment rates. A disaggregated analysis, however, indicates that this was not

uniform across the population, and that aggregate figures are moderated by the sizeable shifts in the LFPRs among certain sections of the population, for instance, the higher educated women (Mathew, 2012a; 2012b). The discouragement in labour market activities among the higher educated women in the state signifies a major break from the hitherto observed trends in the state, where the high labour force turnover among the higher educated women have been one of the defining features. Against this backdrop, this section attempts a qualitative and quantitative evaluation of the nature of employment generation in the state. Towards this, as an initial step, the following subsection assesses the trends in employment and labour force participation rates among women in the state.

### **1. Trends in Labour market variables among Women**

This paper examines the employment rates as well as the nature of employment generation among the women workers in Kerala, during the period between 1993-94 to 2009-10, with specific emphasis on the employment rates between 2004-05 and 2009-10. Towards this, this section examines the shifts in the labour market variables in urban Kerala during the period under study. While the focus of the paper lies in the shifts in the employment rates (WPRs) and the corresponding changes in the nature of employment, this section starts with a brief evaluation of the trends in the labour force participation rates (LFPRs) in the state.

Table 1 depicts the labour force participation rates among women workers in urban Kerala vis-à-vis urban India. The table indicates that the LFPRs among urban women in the state have remained substantially higher than their counterparts in the rest of the country. For instance, during 2004-05, the female LFPR in urban Kerala was 33.4 percent, substantially higher than national average of 20.4 percent. Second, post-2004-05, the trend of rising female LFPRs in Kerala reversed, with the labour force participation rates among women falling to

27.6 percent. At the all-India level too, this period witnessed a decline in the female labour force participation rates, with the LFPRs falling from 20.4 percent to 17.1 percent. While several studies explained the withdrawal of women from labour market activities (Chowdhury, 2011; Kannan, 2012; Klasen and Pieters, 2012; Klasen and Pieters, 2013; Rustagi, 2013), studies are scant on the labour market trends in Kerala.

Table 1

**LFPR of Women aged 15+ in the Usual Status (ps)  
between 1993-94 and 2009-10 in Urban Sector**

| Year   | 1993-94 | 1999-2000 | 2004-05 | 2009-2010 |
|--------|---------|-----------|---------|-----------|
| Kerala | 26.5    | 27.4      | 33.4    | 27.6      |
| India  | 19.1    | 17.9      | 20.4    | 17.1      |

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

In Kerala, most important aspect that gets overlooked in this aggregation is the substantial fall in LFPRs among the higher educated women in the state, which have always remained substantially higher than the country. As stated in the earlier sections, the high female labour force participation rates unaccompanied by matching employment rates resulted in high unemployment, especially among the higher educated women in the state up to 2004-05.<sup>2</sup> Table 2 depicts the LFPRs and WPRs among women for different education levels in the state. As evident from the table, during 2004-05, in urban Kerala, about 73 percent of graduate and post-graduate women were seeking work as compared to 33 percent in India. By 2009-10, the female LFPR among graduate and post-graduate women in the state fell to 60 percent. Such drastic reduction in LFPRs was observed among women with secondary and higher secondary levels of education, including diploma holders as well. Compared to this, the shifts in LFPRs across education categories was moderate in India. In the light of the

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<sup>2</sup> The difference between the LFPR and WPR indicates the proportion of unemployed persons in the population.

observed shifts in the labour force participation rates, a detailed study of the discouragement in the labour market activities, especially among the higher educated women in the study calls for a separate and detailed analysis. However, as it falls beyond the scope of this paper, those questions are left for future research, and this section proceeds to examine the shifts in work force participation rates and the corresponding changes in the nature of employment.

Table 2

**Activity status of Females aged 15+ by Usual Principal Status across Education Categories during 2004-05 and 2009-10 in urban Kerala and India**

| Activity status | General Education    |           |       |      |             |           |       |      |
|-----------------|----------------------|-----------|-------|------|-------------|-----------|-------|------|
|                 | Upto Md              | Sec to DC | Grad+ | All  | Upto Md     | Sec to DC | Grad+ | All  |
|                 | Urban Kerala         |           |       |      | Urban India |           |       |      |
|                 | 61st Round (2004-05) |           |       |      |             |           |       |      |
| WPR             | 17.8                 | 14.5      | 38.3  | 19.1 | 19.6        | 11.9      | 26.5  | 18.5 |
| LFPR            | 24                   | 37.6      | 72.9  | 33.4 | 20.3        | 14.7      | 32.9  | 20.4 |
|                 | 66th Round (2009-10) |           |       |      |             |           |       |      |
| WPR             | 20.2                 | 15.9      | 45.2  | 22.1 | 17.2        | 9.3       | 24.3  | 15.9 |
| LFPR            | 22                   | 23.1      | 59.7  | 27.6 | 17.5        | 10.7      | 28.2  | 17.1 |

Note: Md - Middle, Sec- Secondary; DC- Diploma/Certificate;  
Grad+ - Graduation & above

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

Table 3 furnishes the trends in the employment rates among the women in the state of Kerala during the period between 1993-94 and 2009-10. The preliminary observation of the work participation rates (WPRs) among urban women during the period from 1993-94 to 2009-10 points out that the employment rates have been the highest during 2009-10. The employment rate in Kerala registered a significant improvement in 2009-10, making it the highest during the period under consideration. During this same period, the female employment rates in the country declined substantially to 15.9 percent, making it the lowest among the periods under study.

Table 3

**WPR of women aged 15+ in the usual status (ps) between 1993-94 and 2009-10 in urban Kerala and India**

| Year                              | 1993-94 | 1999-2000 | 2004-05 | 2009-2010 |
|-----------------------------------|---------|-----------|---------|-----------|
| Kerala                            | 20.1    | 20.2      | 19.1    | 22.1      |
| India                             | 17.5    | 16.6      | 18.5    | 15.9      |
| Note: ps - usual principal status |         |           |         |           |

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

As stated earlier, considerable interest in Kerala's labour market follows from the educational composition of its work and labour force. As observed in Table 2, despite the sizeable decline in the LFPRs among the higher educated women, the WPRs across all educational categories have been observed to improve, more so among the graduates and post-graduates. This necessitates an inquiry into whether the improvement in the employment rates have resulted from the generation of relatively better jobs in the economy that could capitalise on the educational base of its population. The distribution of the graduate and post-graduate women workers across different occupation divisions (NCO-04)<sup>3</sup> indicate that the occupational composition of the workforce have not bettered much (Appendix Table A1). On the other hand, the occupations require graduate and post-graduate levels of education, say, Divisions 2 and 3 (Professionals and Associate Professional) have in fact, absorbed lesser share of women workers in 2009-10 compared to the previous period. Correspondingly, their share has been observed to go up in occupations that do not necessitate a graduate or post-graduate degree. In fact, there have been a marginal rise in the share of graduate or post-graduate women even in elementary occupations. This reinforces reaffirms the necessity of examining the aggregate three percent point increase in the WPR at a more disaggregated level.

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<sup>3</sup> Refer to Section II and sub-section 4 under Section III in this paper for a detailed discussion on occupational divisions (NCO-04).

While assessing the employment and labour force participation of women, mere shifts in the employment rates turns out to be an insufficient indicator of the labour market dynamics, primarily due to the conflicting gender and economic roles of women. When women's earned income and employment are considered transitory in nature, they are assumed to move out of the labour force when the family income improves. For instance, in India, following the fall in the work and labour force participation of women when the economic growth was denounced for being 'jobless', the arguments that this fall was the result of the substitution effect of rising household incomes and the greater enrolment of women for education reflects this (Rangarajan, et.al, 2011). Further researches based on the household expenditure and the age composition of the population, however refuted the above argument in the Indian context (Chowdhury, 2011; Kannan, 2012). Given this context, in the event of rising female employment in the current economic and labour market situation in the state, an assessment of the employment rates in view of the household incomes helps in providing a broad insight into the nature of employment generation in Kerala during the period under study. This section, therefore, examines the labour market outcomes among women across different household incomes.

Based on the monthly per capita consumption expenditure (MPCE) of the households, a close proxy for the household income, the population has been divided into ten consumption deciles. The first decile class 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. In this paper, the employment particulars of the deciles 1 to 3 and 8 to 10 separately, and also by grouping these deciles into least and highest MPCE decile classes are estimated. The work and labour force participation rates among urban women in Kerala

across lower and higher MPCE decile classes are depicted in Table 4.

The data on the employment and labour force participation rates points out that the shifts in these variables have been skewed across the household expenditure-categories, with a reinvigorated interest in paid work among women from the households at the lower end of the MPCE classes. A comparison of the WPRs among women belonging to the population deciles at the two ends of the household expenditure classes indicate that the overall rise in female WPR in the state shrouds the disparities across income groups. Between 2004-05 and 2009-10, the female employment rates rose substantially in the bottom decile classes. Also, among the bottom three deciles, the rise in the female employment rates was the highest in the first two decile classes, say, 7 and 8 percent points, and 4 percent points in the third decile class. Correspondingly, the female employment rates in the bottom three decile classes, on average, also went up by 6 percent points during the period under study.

On the other hand, the WPR among the population deciles belonging to the highest MPCE deciles either declined, or increased at very marginal rates as compared to the lower income households. Indeed, the WPR in the 8<sup>th</sup> decile class infact, projects a downward trend, from 16.6 percent during 2004-05 to 15.9 percent during 2009-10. Correspondingly, the average employment rates in the top three decile classes remained more or less the same, with a small increase of 2.6 percent points.

In addition to the workforce, the proportion of women seeking work also demonstrates a skewed pattern across the decile classes. In conformity with the overall trend of a reduced interest in labour market activities among women in the state (Mathew, 2012b), the LFPRs across the decile classes were on a declining trend during 2009-10, as opposed to



the previous period. However, when the female LFPRs among the bottom decile classes fell very marginally, the withdrawal from labour market activities was very evident among the higher decile classes. The LFPRs among the bottom decile class remained almost the same, as against the tide of overall decline. Among the top MPCE decile classes, the LFPR reduced by 18 and 8 percent points in dciles 8 and 9, respectively. As observed from the table, on average, when the female LFPR of the bottom 3 decile classes fell by 2 percent points, the corresponding drop in the top 3 decile classes was about 6 percent points.

Table 4

**WPR & LFPR among women across household MPCE deciles in Kerala**

| Activity  | D- 1           | D- 2 | D- 3 | Bottom 3    | D- 8 | D- 9 | D- 10 | Top 3       |
|---|----------------|------|------|-------------|------|------|-------|-------------|
| Status  | <i>2004-05</i> |      |      |             |      |      |       |             |
| WPR   | 17.0           | 12.6 | 16.4 | <b>15.3</b> | 16.6 | 23.5 | 24.9  | <b>21.7</b> |
| LFPR  | 31.3           | 25.4 | 30.7 | <b>29.1</b> | 32.6 | 39.8 | 34.2  | <b>35.5</b> |
|   | <i>2009-10</i> |      |      |             |      |      |       |             |
| WPR   | 23.9           | 20.8 | 20.3 | <b>21.7</b> | 15.9 | 24.0 | 32.9  | <b>24.3</b> |
| LFPR  | 29.2           | 26.0 | 26.2 | <b>27.1</b> | 19.3 | 31.4 | 38.2  | <b>29.6</b> |
| Note: D-1 to D-3 represents the deciles 1 to 3; and D-8 to D-10 denotes deciles 8 to 10 |                |      |      |             |      |      |       |             |

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

With the income-specific employment rates and labour force participation rates pointing to a skewed pattern in the employment rates and a distress sale of labour by women from the low-income households, the paper attempts to examine the shifts in employment rates across the different categories of employment.

## 2. Trends across the Categories of Employment

In an era of neoliberal economic growth, the trends in the labour market pointing to distinct patterns across expenditure groups, with substantial improvement in labour market

participation among the poorer sections of the population, this section examines nature of employment among the usually employed women in the state. Across the globe, economic restructuring, trade liberalisation and decentralisation of production have been generating greater employment instabilities and worker insecurities, including greater informalisation of jobs, flexible labour and feminisation, fall in earnings, loss of jobs and labour migrations, with differential outcomes for men and women (Beneria, 2001; Bhaduri, 2008; Chang, 2009; Chen, 2008; Ghosh, 2007; Heintz, 2006; Nissanke and Thorbecke, 2010; Nuruzzaman, 2004; 2005; Shin, 2010; Standing, 1989; 1999).

Based on the official labour force statistics of India, the quality of employment can be observed through the broad classification of workers into three groups according to their status of employment – self-employed; and two forms of wage-employment, say, regular employees and casual labour. Among the wage-employees, since regular workers receive salary or wages on a regular basis as opposed to casual labourers whose remuneration depends on the terms of the daily or periodic work contract, the former is generally considered a superior form of work than the latter. However, it needs to be emphasised here that ‘regular’ only implies a regular and continuous employment, and need not always ensure better conditions of work. Therefore, against the backdrop of greater informalisation taking place in the employment scenario across the globe, as a response to economic restructuring and cost cutting strategies of the employers, it is highly probable that the labour market participants, including even regular workers are deprived of benefits including social security and job security. In such a scenario, the nature of employment as provided by the above mentioned three measures needs to be substantiated and validated by employing additional qualitative measures of employment., which will be carried out later in this section. Before employing these qualitative measures, this section first examines the shifts in the share of

workers across employment categories.

Table 5 depicts the distribution of usually employed women workers across the three categories of employment as laid out by the national labour force survey. Among the working women, and even among those with only secondary level education, the period saw a reduction in the proportion of usually employed women in self employment and casual employment, bringing about an improvement in the share of regular wage/salaried workers. Most importantly, this movement was quite remarkable among the women workers with education only up to secondary school. While the share of regular workers rose by 6 percent points during the period under study, the corresponding figure among women educated up to secondary school was 7 percent points. Given the fact that the regular employment is more or less equated with formal sector activities, or at least with steady employment, at the outset, this may seem incongruous with the rise in employment taking place among the lower income households. However, given the fact that regular employment is not insulated from the process of informalisation, this section proceeds to examine the same.

Table 5

**Distribution of the usually employed (ps) females across employment categories in urban Kerala**

| Employment Category | 2004-05 |                | 2009-10 |                |
|---------------------|---------|----------------|---------|----------------|
|                     | All     | Upto Secondary | All     | Upto Secondary |
| Self-employed       | 29.9    | 39.7           | 26.6    | 34.8           |
| Regular             | 47.8    | 27.3           | 53.8    | 34.1           |
| Casual              | 22.3    | 33             | 19.6    | 31.1           |

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

As stated earlier, an accurate picture of the regular employment emerges only when it is subjected a closer scrutiny of the nature of employment, involving the terms of job contract

and employee and social security benefits. This section assesses the access to social security and employee benefits, or the absence thereof, of the usually employed women workers in the state. In particular, the study examines whether the workers have written job contract with the employer, whether they have access to at least one form of social security benefit (which includes provident fund, pension, health and maternity benefits) and whether they are eligible for paid leave. Table 6 depicts the share of usually employed women workers who are denied social security benefits and lack formal written job contracts in Kerala economy during 2004-05 and 2009-10. The study examines these aspects separately for the two forms of wage employment – regular workers and casual labour – in order to examine the informalisation taking place especially in the regular employment, which is considered a relatively superior form of employment.

The employment scenario in the state paints a rather dismal picture, with the share of women workers deprived of social security benefits and written job contract rising substantially over the period under study. More importantly, this was not confined to workers with lesser educational qualifications, say, up to secondary level. Equally important development in the labour market is that the deterioration in the quality of employment was more pronounced among the regular workers, rather among casual wage labourers. The most prominent form of deterioration in the job quality was observed in terms of the absence of a written job contract. From the table, it appears that the higher educated workers were equally hit, if not worse, in terms of the quality of employment and was particularly true in the case of regular workers. For instance, when 33 percent of the regular female workers lacked written job contract during 2004-05, this share rose to 48 percent within a short span of five years. The case has been similar with regard to other forms of deterioration in employment conditions, such as access to social security benefits and paid leave.

Table 6

**Women workers in usual principal (ps) status and access to social security benefits in Urban Kerala during 2004-05 and 2009-10**

| Status of social security benefits | 2004-05         |                |             | 2009-10        |                |             |
|------------------------------------|-----------------|----------------|-------------|----------------|----------------|-------------|
|                                    | Regular         | Casual         | All         | Regular        | Casual         | All         |
| Education - All                    |                 |                |             |                |                |             |
| No Job Contract                    | 33.00<br>[48.3] | 26.0<br>[81.8] | <b>59.0</b> | 47.9<br>[65.4] | 23.9<br>[89.7] | <b>71.8</b> |
| No Social Security                 | 31.3<br>[45.9]  | 26.3<br>[82.6] | <b>57.6</b> | 35.1<br>[47.8] | 23.7<br>[85.2] | <b>58.8</b> |
| No Paid Leave                      | 20.6<br>[30.2]  | 26.3<br>[82.5] | <b>46.9</b> | 28.6<br>[38.9] | 24.3<br>[91.2] | <b>52.9</b> |
| Education - Up to Secondary        |                 |                |             |                |                |             |
| No Job Contract                    | 34.8<br>[76.9]  | 44.5<br>[81.4] | <b>79.3</b> | 41.7<br>[79.6] | 42.5<br>[89.1] | <b>84.2</b> |
| No Social Security                 | 34.4<br>[75.8]  | 45.2<br>[82.7] | <b>79.6</b> | 35.6<br>[68.0] | 42.0<br>[88.2] | <b>77.6</b> |
| No Paid Leave                      | 22.8<br>[50.4]  | 45.2<br>[82.6] | <b>68.0</b> | 33.9<br>[64.8] | 41.2<br>[90.6] | <b>77.1</b> |

Figures in paranthesis denote the proportion of workers in each activity category who lack access to the specified employee benefits

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

This section proceeds to examine the informalisation observed to take place in the relatively organised workplaces in Kerala during the period between 2004-05 and 2009-10. Table 7 examines the extent of informalisation of jobs in the state – in terms of the job contract and social security benefits – among the regular wage/salaried women workers who work in the enterprises that employ 10 or more workers.

The substantial deterioration in the quality of employment among workers in the coveted jobs – regular wage/salaried employment in the larger enterprises - indicates that this has been an all-pervading phenomenon. Among the regular wage/salaried women workers in these enterprises, the period between 2004-05 and 2009-10 witnessed the near doubling of the

proportion of workers without any formal written job contract. In terms of the availability of social security benefits such as provident fund, pension, health and maternity benefits, as well as eligibility for paid leave, the labour market outcomes took a turn for the worst. This form of employment generation adds to the labour market instabilities among the poor and subsistence women workers.

Table 7

**Proportion of Regular wage/salaried women workers in enterprises with 10+ workers lacking access to social security benefits in Urban Kerala**

| Status of social security benefits | 2004-05 | 2009-10 |
|------------------------------------|---------|---------|
| No Job Contract                    | 27.0    | 50.2    |
| No Social Security                 | 22.4    | 26.7    |
| No Paid Leave                      | 13.3    | 15.2    |

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

### 3. Services Sector Employment

The tertiary sector has been the largest provider of employment to women workers in Kerala. Given the scepticism surrounding the growth of the services sector employment in developing economies, and against the backdrop of the observed changes in the labour market outcomes in the state during this period, this section provides a brief examination of the services sector employment in the state. Towards this, this paper chooses the district of Ernakulam as a specific case study, given the sectoral composition of its GDDP and employment. Despite the prospect of district-level analysis using the NSS data from the 61<sup>st</sup> Round onwards, the findings from the tertiary sector in Ernakulam have *largely been aimed at corroborating* the findings and arguments mooted at the state level, with tertiary sector employment as a case study.

With the services sector being the largest as well as the growing provider of employment, the paper provides a brief examination of the services sector employment in the state. The services sector employment among women workers, with specific focus on the district of Ernakulam has been selected primarily due to the nature of economic activities and growth as well as the structure of workforce. The district of Ernakulam is the most prosperous district in the state, with its income growing steadily over the years. An examination of the sectoral distribution of the GSDP also shows that the highest contribution from 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 during 2009-10. Compared to this, the tertiary sector's contribution from the district to the total tertiary sector income in the state, as well as the overall growth of the tertiary sector of the district of Ernakulam has not been spectacular. When the tertiary sector formed about 67 percent of the total GSDP in Kerala, in the district, it formed about 57 percent of the GDDP, at constant (2004-05) prices. By 2010-11, the shares rose to 69 percent and 59 percent, respectively (Economic Review, GoK, various years). On the other hand, the employment in tertiary sector in the district grew at a significant pace, by 10 percent points between 2005-05 and 2009-10 (Table 9), suggesting a contrariety in the sectoral distribution of income and employment.

Prior to examining the sectoral changes in the employment rates, Table 8 depicts the WPRs in Ernakulam and Kerala during 2004-05 and 2009-10. Corresponding to the rise in the employment rates among women in the state, the WPRs among women in the district of Ernakulam have also been on an upward trend. As the table (Table 8) depicts, between 2004-05 and 2009-10, the FWPRs in the district rose by 6 percent points in the usual status (ps.

These rates were not only higher than the state averages, but the increase in the rates have been sharper than the women in the rest of the state during the period under study.

Table 8

**WPR of persons aged 15+ in the usual status between 2004-05 and 2009-10 in the urban sector**

| Round/Year       | Ernakulam |       |        |       | Kerala |       |        |       |
|------------------|-----------|-------|--------|-------|--------|-------|--------|-------|
|                  | Male      |       | Female |       | Male   |       | Female |       |
|                  | ps        | ps+ss | ps     | ps+ss | ps     | ps+ss | ps     | ps+ss |
| 61st (2004-05)   | 72.0      | 17.2  | 77.4   | 23.0  | 69.8   | 19.1  | 74.3   | 25.6  |
| 66th (2009-2010) | 73.6      | 23.2  | 75.0   | 26.2  | 70.6   | 22.1  | 72.4   | 25.1  |

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

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. The following table (Table 9) depicts the distribution of the usually employed women workers in the district and the state during the period between 2004-05 and 2009-10.

It may be noted from the table that the new entrants in to the labour market have increasingly been absorbed in to the tertiary sector activities. Compared to the rest of the state, the rise in tertiary sector employment among women in Ernakulam have been substantial, despite the noteworthy performance of the manufacturing sector in the district. The employment outcomes show 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, especially in the district of Ernakulam, given the sectoral composition of its income generation.



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 decline during 2009-10. This was greater than the decrease 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 57 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 67 percent of the state's GSDP, employed only about 68 percent of the female workers in the state. Thus, it appears that services sector activities in the urban sector has been absorbing the largest share of women workers, thereby raising questions about the nature and quality of employment.

Table 9

**Distribution of usually employed women aged 15 + across sectors - Kerala and Ernakulam (urban)**

|           | Ernakulam |         | Kerala  |         |
|-----------|-----------|---------|---------|---------|
|           | 2004-05   | 2009-10 | 2004-05 | 2009-10 |
| Primary   | 6.4       | 0       | 10.5    | 6.9     |
| Secondary | 28.3      | 24.4    | 26.9    | 25      |
| Tertiary  | 65.3      | 75.6    | 62.6    | 68.1    |

Source: Computations from unit level data of the NSSO

Towards understanding this, the study also carries out an evaluation of the shifts in female employment rates (FWPRs) across the household incomes, based on the MPCE. The following table (Table 10) furnishes a comparison of women's overall WPRs with that of the

WPR in the tertiary sector, for both the district of Ernakulam as well as for the state. The overall female WPRs as well as that of the tertiary sector are recorded for the household consumption expenditures at two ends of the spectrum, denoted by the MPCE population deciles. In Table 5, the average WPRs are recorded for the three decile classes representing the least and highest household consumption expenditures.

The table indicates the major shifts in the shares of female employment in the tertiary sector across income groups. The data points out that during 2004-05, both in the state as well as in the district being observed, the employment in the services sector formed a significant share of the total employment only among women belonging to the highest MPCE households- deciles 8 to 10. For instance, in Ernakulam, from the FWPR of 18.2 percent, only 2.1 percent of the usually employed women were engaged in the primary and secondary sectors, with the remaining 16.1 percent of the women getting absorbed in the tertiary sector activities. On the other hand, among the low MPCE households, denoted by deciles 1 to 3, the FWPR in the tertiary sector formed less than half of the total employment, both in the district as well as in the state during 2004-05.

In contrast to the above scenario, by 2009-10, the tertiary employment rates underwent a major turnaround, especially among the households belonging to the lower MPCE deciles. This was especially evident in the district of Ernakulam. The female WPRs in Ernakulam among the least three MPCE deciles shot up substantially – by about three times, from 8.6 percent to 24.2 percent - in tertiary sector. Compared to the previous period, where the tertiary sector employment was more predominant among the higher MPCE households, the latest period saw an overcrowding of women from the lower-MPCE households in the tertiary sector. On the other hand, compared to the increase in the overall WPR in the higher

MPCE deciles, the tertiary sector activities attracted a reduced presence of women from the higher-MPCE deciles. This is evident from the data, with the average FWPR from the least three MPCE deciles forming 25.9 percent, and the tertiary sector employment forming 24.2 percent, the share of women workers in the other two sectors forms only less than 2 percent of the total workforce from these MPCE categories. In contrast, in the rest of the state, the shift in the services sector employment was moderate. On the other hand, among women belonging to the three higher income deciles – deciles 8 to 10, the rise in tertiary sector employment was moderate, and notably, moved in tandem with the state averages.

Table 10

**WPR among urban women across household MPCE decile classes between 2004-05 and 2009-10**

| Activity<br>Status   | Decile Classes            |      |               |      |                           |      |               |      |
|----------------------|---------------------------|------|---------------|------|---------------------------|------|---------------|------|
|                      | D 1-3 D 8-10 D 1-3 D 8-10 |      |               |      | D 1-3 D 8-10 D 1-3 D 8-10 |      |               |      |
|                      | 2004-05                   |      |               |      | 2009-10                   |      |               |      |
|                      | <i>Ernakulam</i>          |      | <i>Kerala</i> |      | <i>Ernakulam</i>          |      | <i>Kerala</i> |      |
| Overall FWPR         | 19.2                      | 18.2 | 15.4          | 21.7 | 25.9                      | 25.9 | 21.7          | 24.2 |
| Tertiary Sector FWPR | 8.6                       | 16.1 | 7             | 18   | 24.2                      | 18.5 | 11.4          | 19.6 |

Note: D 1-3 represents the households with the lowest MPCE- decile classes 1 to 3; and D 8-10 denotes the households with the highest MPCE- decile classes 8 to 10

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

With the labour market outcomes pointing to a sizeable overrepresentation of women from poorer households in the tertiary sector activities, this section proceeds to evaluate the quality of employment in the services activities. This section assesses the access to social security and employee benefits, or the absence thereof, of the usually employed women workers in the tertiary sector. As carried out in the previous section, the study examines whether the tertiary sector workers have written job contract with the employer, whether they have access to at least one form of social security benefit (which includes provident fund, pension, health and maternity benefits) and whether they are eligible for paid leave, which

conveys the status of wellbeing of the workforce in an economy.

The data furnished in Table 11 points to a decline in the share of women workers having access to employee and social security benefits. The services sector employment in the state of Kerala in general, and in the select district points to an erosion of employee welfare in terms of absence of written job contract, paid leave and other social security benefits such as health care, provident fund etc. Indicative of an informalisation of jobs in the tertiary sector, the study shows that in Kerala, the percentage of women workers without any form of written job contract increased from about 44 percent to 58 percent. In the case of the district, the share of women workers without any written job contract increased from about 46 percent to a whopping 71 percent during the period between 2004-05 and 2009-10, remaining significantly higher than the state averages. Similarly, though at a lesser extent, the period also witnessed a rise in the share of women workers in the tertiary sector lacking employee and social security benefits such as paid leave provident funds, pension, maternity or health care. As in the case of other forms of deterioration in the conditions of work, these were also observed in greater degree among the tertiary sector women workers in the district of Ernakulam, which drew a greater proportion of workers in a short span of time.

Table 11

**Women workers in the tertiary sector and access to social security benefits in urban sector during 2004-05 and 2009-10**

|                    | 2004-05   | 2004-05 | 2009-10   | 2009-10 |
|--------------------|-----------|---------|-----------|---------|
|                    | Ernakulam | Kerala  | Ernakulam | Kerala  |
| No Job Contract    | 46.4      | 43.8    | 70.6      | 58.2    |
| No Paid Leave      | 35.0      | 30.3    | 39.4      | 37.8    |
| No Social Security | 40.7      | 43.5    | 42.9      | 45.1    |

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

The discussions in these sections signifying the increased partaking of women from

the marginalised sections of women, and the increased informalisation of formal jobs, is indicative of the additional workforce being driven to insecure jobs. An evaluation of the occupational characteristics of the workers, carried out in the subsequent section, throws more light in to the nature of employment generation and the composition of workers across different occupational divisions.

#### **4. Occupational Categories of Workers**

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. The NCO classifies the occupations into different levels of disaggregation, depending on the nature and kind of work performed and the level of skill involved in the performance of the occupation, and are denoted by codes ranging from digits one to six. In this study, occupational classification at the first levels of disaggregation is utilised, known as divisions (one-digit level).

The skill levels of the broad occupation divisions of the NCO 2004 at one-digit level are as follows:

- Division 1 - Legislators, Senior Officials and Managers - Skill not Defined
- Division 2 - Professionals - More than 15 years of formal education (Post-Graduate University Degree)
- Division 3- Technicians and Associate Professionals - 14-15 years of formal education (First University Degree)
- Divisions 4 to 8 - 11-13 years of formal education (Secondary Education)

- Division 4 – Clerks
- Division 5 - Service Workers and Shop and Market Sales Workers
- Division 6 - Skilled Agricultural and Fishery Workers
- Division 7 - Craft and Related Trades Workers
- Division 8 - Plant and Machine Operators and Assemblers
- Division 9 - Up to 10 years of formal education and/or informal skills (Primary Education)

The following tables (Table 12 and 13) depict the absorption of the usually employed women across NCO divisions in the state as well as in the district under study. Table 12 furnishes the details on the distribution of the usually employed males and females into nine occupational categories (at one-digit level) in the state between 1993-94 and 2009-10. The most notable of the shifts in the shares of women workers across occupation divisions have been the substantial increase in their absorption into Division 9, say, Elementary Occupations. While it may be noted that the proportion of males as well as females in Elementary Occupations grew, the increase among females was at a significantly high level. Between 2004-05 and 2009-10, the proportion of female workers in elementary occupations doubled from 9.4 percent to 19.1 percent, making it the single largest occupation category absorbing the women workers. Thus, the increase in employment rates during the 66<sup>th</sup> round need to be approached with caution, as it may hardly indicate an improvement in women's employment scenario, with more women take up elementary paid jobs. This may be read along with the discussion on MPCE and WPRs carried out in the earlier sections, where the WPRs among the lowest three MPCE deciles showed significant improvements during the period between 2004-05 and 2009-10, with elementary occupations turning out as the employment of the last resort for the additional workers.

Corresponding to the substantial rise in the share of women workers in elementary occupations, there have been a fall in the share of women workers in Divisions 5 to 8, also indicating increased occupational segregation in the labour market. On the other end of the spectrum, the shifts in workers across Divisions 2 and 3 points out that the increase in the share of women workers in these occupations have been increasing only moderately, despite the sizeable share of women in the labour force with graduate and post graduate levels of education.

Table 12

**Distribution of workers across occupation divisions (one-digit)  
in urban Kerala between 1993-94 and 2009-10**

| Occup-<br>ation | Females in each occupation |          |         |         | Males in each occupation |          |         |         |
|-----------------|----------------------------|----------|---------|---------|--------------------------|----------|---------|---------|
|                 | 1993-94                    | 1999-'00 | 2004-05 | 2009-10 | 1993-94                  | 1999-'00 | 2004-05 | 2009-10 |
| Div 1           | 1.3                        | 4.8      | 4.2     | 4.9     | 3.5                      | 7.3      | 10.3    | 13.9    |
| Div 2           | 7.0                        | 4.8      | 9.3     | 11.4    | 4.0                      | 3.8      | 3.6     | 5.9     |
| Div 3           | 11.4                       | 13.0     | 13.5    | 16.0    | 4.9                      | 5.2      | 4.6     | 5.8     |
| Div 4           | 6.9                        | 5.8      | 8.9     | 10.3    | 5.4                      | 3.7      | 4.6     | 4.4     |
| Div 5           | 12.7                       | 18.9     | 25.3    | 17.0    | 20.1                     | 18.9     | 20.5    | 12.4    |
| Div 6           | 14.0                       | 6.9      | 7.0     | 4.4     | 13.1                     | 8.6      | 9.4     | 8.3     |
| Div 7           | 25.9                       | 28.5     | 17.4    | 16.0    | 24.1                     | 30.9     | 26.0    | 23.8    |
| Div 8           | 8.7                        | 5.9      | 5.0     | 0.9     | 9.6                      | 9.1      | 10.4    | 10.0    |
| Div 9           | 12.1                       | 11.4     | 9.4     | 19.1    | 15.3                     | 12.5     | 10.6    | 15.5    |

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

The occupational distribution of the women workers in the district of Ernakulam during the period between 2004-05 and 2009-10 (Table 13) is also indicative of a deterioration in the quality of employment. From absorbing just 1 percent of the usually employed females during 2004-05, the elementary occupations (Division 9) accommodated 16 percent of women workers during 2009-10. This was sharper than the rise for the rest of the state. On the other hand, another occupation division that absorbed greater share of

women workers is Division 2 (Professionals). While the share of women workers in Division 2 went up, there was a reduction in the percentage of women workers in Division 3, an occupational category that stipulate graduate level education. Also, the combined share of workers in Div 2 and 3 during 2009-10 was about 8 percent points less than the 2004-05 rates. Understanding the occupational distribution of the workers in view of the educational requirements of these occupations point to a modest increase of workers in well-paid occupations demanding the highest skill (Division 2), and a more than proportionate increase in occupations that do not require the highest levels of skill and education. As Rustagi (2013) points out, this could be due to the fact that the sunrise sectors such as the software industries such as the software industries creating few direct jobs. This could be the reason for the moderate rise in the share of women workers in industries such as financial intermediation on the one hand, and substantial increase in trade, transport, storage and communication, on the other hand (Mathew, 2012b).

Table 13

**Distribution of usually females aged 15 + in the usual status (ps) for each NCO division between 2004-05 and 2009-10 Ernakulam**

| Year    | NCO divisions at one-digit level (NCO-2004) |       |       |       |       |       |       |       |       |
|---------|---|-------|-------|-------|-------|-------|-------|-------|-------|
|         | Div 1                                       | Div 2 | Div 3 | Div 4 | Div 5 | Div 6 | Div 7 | Div 8 | Div 9 |
| 2004-05 | 5.7   | 6.7   | 24.3  | 10.7  | 19.9  | 6.6   | 20.6  | 4.4   | 1.1   |
| 2009-10 | 7.9   | 13.5  | 10.5  | 19.3  | 17.6  | 0.0   | 14.8  | 0.4   | 16.0  |

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

#### IV. CONCLUSIONS

This paper examined the labour market outcomes, with specific emphasis on the nature and composition of the workforce in Kerala between 2004-05 and 2009-10. As opposed to the weaker attachment of women in the state to the labour market activities among women in the state in the previous periods, the most visible feature observed during the growth phase of the



economy has been the increased partaking of women from the relatively worse-off sections of the population. A closer probe of the labour market trends during this phase points to structural changes in the nature of work involving greater informalisation of jobs in the economy. Given the fact that the services sector have been the largest employer of women workers, the services sector employment among women in the district of Ernakulam was examined as a specific case. The data from the state and the district point to a sectoral shift in the composition of workers, with the tertiary sector accommodating the growing share of workers. The shifts in the employment outcomes women workers in the state suggest a deterioration in the conditions of employment, as revealed by the nature and type of occupations. In a country like India, a rise employment rates, especially of women, where the bulk of the population are unable to find jobs is an encouraging development. The paper, however, have attempted to show how a moderate departure from the hitherto observed labour and employment rates at the aggregate level, also given the distinguishing features of the female labour market outcomes in Kerala, alters the nature and dynamics of women's work.

## APPENDIX

Table A1

**Distribution of usually employed females with graduation and above levels of education across different occupation divisions in urban Kerala**

| Type of Employment | Div 1   | Div 2 & 3 | Div 4 | Div 5 | Div 6 to 8 | Div 9 |
|--------------------|---------|-----------|-------|-------|------------|-------|
|                    | 2004-05 |           |       |       |            |       |
| All                | 5       | 68.7      | 21    | 3.4   | 1.9        | 0     |
| Tertiary           | 5.3     | 71.9      | 20.5  | 2.3   | 0          | 0     |
|                    | 2009-10 |           |       |       |            |       |
| All                | 7.9     | 64.7      | 21.6  | 3.7   | 2.1        | 0     |
| Tertiary           | 7.4     | 65.6      | 22    | 4     | 0.8        | 0.2   |

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

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