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POLICY BRIEF

FEMALE LABOUR FORCE PARTICIPATION RATE IN PUNJAB: CHALLENGES AND WAY FORWARD

SUMMARY

If the status of a female determines the society's civility, her empowerment determines the economic fate of the nation. Unfortunately, female empowerment vis-a-vis men is scant as currently, only 14.5 percent and 19.6 percent female are involved in the labor force in Pakistan and Punjab respectively¹. Subsequently, they are subjected to inhumane treatment and are pondered as the weaker segment of the society. Based on the data taken from PSLM (2018-19), the policy brief highlights four multifarious issues for this descent in Punjab including authorization weakness for females to work outside home, disinclination towards going out and work, scantiness of appropriate jobs for females, and their engagement at home in various chores. The document ends by articulating a path to development on the basis of integration and representation of females in decision making in order to instigate an institutional change within the polity, economy, and society. In the light of changing social environment, the present definition of employed and unemployed females must be swotted to harness the patriarchal values embedded in our local traditions and culture that pre-determine the social value of females. Moreover, media should play a transformative role by positively influencing perceptions and ideas through self-regulatory equality policies to create gender equality in essence. Lastly, there is a need to initiate policy interventions that are targeted to increase female labor in particular types of jobs such as expanding demand in manufacturing including textile and apparel and other professional services.

INTRODUCTION

Females are the clasping force of a vivacious economy. Recent data of emerging economies indicate that economic growth has failed to absorb females into its labour force. The outgrowth of joblessness calls for focusing on female inclusion into the labour force as the gap between males and females broadens (Junaid, 2019). The inclusion of females into the labour force helps in effacing the economic tower of miseries, which rest on the minds of a modern man, and enables people to explore hundreds of thousands of opportunities so as to make themselves resilient and satisfied. The miserable situation of Pakistani females is not different from majority of the developing countries. With almost halve of the total population comprising of females, only 14.5 percent constitute the labour force. Mirroring the case for Punjab, 50.5 percent population of the province comprises of females with a reduced share of 19.6 percent in the labour force (Table 1).

Table 1: Recent Trend in Population and Labour Force Participation Rates by Sex in Pakistan and Punjab

PAKISTAN		
Population		
% Male	51.7	50.4
% Female	48.3	49.5
Labour Force Participation Rate (%)		
% Male	48.1	48.3
% Female	15.8	14.5
PUNJAB		
Population		
% Male	51.0	49.8
% Female	49.0	50.5
Labour Force Participation Rate (%)		
% Male	50.2	50.5
% Female	20.6	19.6

Source: LFS (various issues).

Although work from dawn to the dusk, the misery of female is that her efforts are hardly been identified and account in the national accounts as mostly it involves the unpaid family workers. Table 2 gives the percentage of females employed in agriculture and non-agricultural sectors in Punjab. During 2017-18, 27.6 percent of the total employed females work in the agriculture sector, while 18.6 percent females are involved in the non-agricultural activities.

¹ LFS (2017-18).

Table 2: Female Employment by Sectors in Punjab (Percentage of Total Employed Females)

	2012-13	2014-15	2017-18
Punjab	26.8	28.4	27.6
Agriculture	20.2	20.7	18.6
Non-Agriculture	6.6	7.6	9.0
Formal	1.7	1.9	2.2
Informal	4.9	5.8	6.8
Contributing Unpaid Family Workers ²	1.27	1.15	1.42
Augmented Labour Force ³ Participation Rate (10 years and above)	36.37	32.58	34.71

Source: LFS (various issues).

Thus, the economic efforts of females remain unobservable as a major chunk is engaged in the informal or unregistered sector of the labour market. Fewer developmental opportunities, cultural and social barriers, discriminatory environment, and low salaries for females result in an underreported rate of participation in the labour force due to their interconnection with other forms of exclusion in the society. Since the proportion of female in the workforce is low relative to their proportion in population of the country, it is imperative to find out the causes behind females not actively seeking paid work in Pakistan. The document will mirror the case for Punjab by highlighting key challenges faced by females and carve out policy measures that can recuperate their participation in the workforce.

EVIDENCE OF LOW FEMALE LABOUR FORCE PARTICIPATION RATE

Shah (1981) analyzed changes in the role of female in all four provinces of Pakistan from 1951-1981. Results revealed a negative relationship between the decision of participating in the workforce of females and socio-economic status of the family. The socio-economic factors incorporated in the study include husband's education, observance of veil, and ownership of durable goods. All of the above-mentioned factors were negatively related to the

² Taken from the LFS (2017-18); contributing family worker is a person who works without pay in cash or in kind on an enterprise operated by a member of his/her household or other related persons.

³ Taken from the LFS (2017-18); augmented activity rate is based on probing questions from the persons not included in the conventional measure of labour force, to net-in marginal economic activities viz subsistence agriculture, own construction of one's dwelling etc. Conventionally, persons 10+ aged reporting housekeeping and other related activities are considered out of labour force. However, from the perspective of time use, they are identified as employed if they have spent time on a specific set of marginal economic activities mentioned afore.

female labour force participation. The study emphasized upon the introduction of policies to enhance educational facilities for females in the country as the said factor is positively related with the female labour force participation.

Another study by Chaudhry et al. (1987) estimated the rate, magnitude, and trend of female labour force participation in the rural areas of Pakistan. Results show that the rate of female labour force participation in rural Pakistan was low and claimed to be declining. The main reason for this decline was the rising dependency rates of the population engaged in agriculture.

According to Hamid (1991), the household income is the primary determinant of the supply of female in Pakistani labour market. His research found that household size and composition, as well as female education levels, are positively linked to female labor market supply, while husbands with a higher social status and earning a high wage rate have a negative effect on female participation.

The duality of female employment was analyzed by Kazi and Bilquis (1991) in Pakistan. On the basis of access to educational opportunities and variety of workplaces, the socio-economic strata of the economy were defined. According to the findings, females from Pakistan's upper strata were able to obtain university education and pursue professional careers, while females from lower strata were forced into low-wage jobs to satisfy their dire financial needs.

According to Borjas (2005), an increase in the female labour force participation rate was more noticeable in developed countries as compared to less developed countries. This increase is attributed to higher wages and technological developments within the geographical boundaries of the countries. Furthermore, the inclusion of female in the informal sector and paid work have resulted in the decline of time spent on domestic work. Moreover, variations in cultural values and institutional frameworks between countries result in differences in the labour force participation of females and impact their decisions and ability to work.

Faridi, et al. (2009), with the main objective of measuring the impact of education on female labour force participation, did a study on district Bahawalpur. For this purpose, the two-stage level analysis was conducted using data from 165 females belonging to different educational levels. The results of the preliminary analysis indicated that the female labour force participation positively related with education. By using logit regression analysis, significant coefficients of all levels of education up to the middle level were achieved except for basic education. Parents' education turns out not to be impacting the female labour force participation rate significantly, while the spouse educational status had a positive and significant impact. Thus, educated females were successful in attaining employment, raising output, and economic growth.

Using a two-step general equilibrium model for the Southern Mediterranean countries, Tsani et al. (2012) revealed a U-shaped relationship between female participation in the labor force and economic growth. The second analysis of the study found that factors such as personal, economic, and labor market conditions influence women's decision to work. According to the study, slow economic growth reduces female labor force participation while rapid economic growth increases female labor force participation. As a result, cultural standards and legal codes must be upgraded in order to reach a high level of female participation through legislative and educational reforms.

Aboohamidi and Chidmi (2013) tried to identify the reasons for low labour force participation rate of the female in the Middle East and North African (MENA) countries with similar characteristics using the World Bank data for 2011. The effect of literacy rate, education, fertility rate, urbanization, trade openness, and per-capita gross domestic product (GDP) on female labor participation was studied using panel data. Results showed that fixed and random effects

methods out-performed the pooled model. The random effects model postulated that literacy rate and urbanization positively and significantly affect the female labour force participation rate, while fertility rate and per-capita GDP affect the female labour force participation rate negatively. Lastly, education level, enrolment rate, and trade openness did not have any significant effect on the female labour force participation rate.

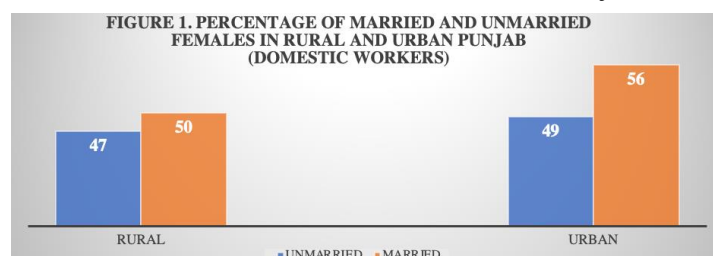
With regards to the rural-urban divide, Mehak (2020) identified the main determinants of female labor force participation in Pakistan. The findings of the logit and probit models using data from the PSLM 2004-05 show that age, educational achievement, and marital status are all positively linked to the female labor force participation rate in Pakistan. Furthermore, having fewer children per female and an access to vehicle allows them to engage in economic activities and vice versa. As a result, easing the burden of child care on females and promoting their educational achievement would lead to a higher rate of female labor force participation in Pakistan.

Despite numerous efforts, nothing concrete has been done to hoist the low labour force participation rate amongst females in Pakistan. Punjab is home to half of the population of Pakistan with a larger chunk of females (50.5 percent) as compared to males (49.8 percent). A striking feature of the province is that the 49.8 percent males hold a share of 50.5 percent in the workforce as compared to 50.5 percent females that hold only 19.6 percent share in the workforce. This calls for an in depth analysis of the key challenges faced by females in Punjab in terms of seeking actively paid jobs within the province.

KEY CHALLENGES

The data taken from the Pakistan Social and Living Standards Measurement Survey (PSLM) 2018-19 address one piece in the puzzle of less active participation of females in seeking paid work. The fact of the matter is that 27,261 (49.59 percent) out of 54,972 females are too busy in undergoing domestic chores in Punjab. An in depth analysis further reveals that the phenomenon of domesticity is more pronounced in the urban areas (52.26 percent)⁴ as compared to the rural areas (48.36 percent) of the province.

Owing to the sexual division of labour, females generally perform domestic and care work at homes. Figure 1 confirms the aforementioned statement for Punjab by illustrating that 56 percent married urban females are engaged in domestic work as compared to 50 percent married rural females in Punjab. Additionally, 49 percent unmarried urban females are involved in domestic chores as compared to 47 percent unmarried rural females. Therefore, the changing status of females in the household, from unmarried to married, is conceptually easier to understand but practically challenging as it is difficult to interpret the hurdles faced by them to work outside their homes in urban as well as rural Punjab. Another



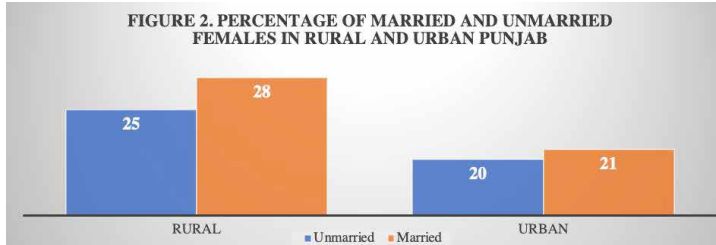
Source: Author's Calculations based on the data taken from PSLM (2018-19).

piece of puzzle is related to the fact that 13,425 (24.42 percent) out of 54,972 females are not permitted to work outside their homes in Punjab. An in depth analysis reveals that this phenomenon is more pronounced in the rural areas (26.2 percent)⁵ as compared to the urban areas (21.0 percent) of the province. Although housework is regarded as female's domain, work outside home adds to the completeness of being a female.

4 The total number of female respondents in rural area is 37,612 while that for urban areas is 17,360 respectively.

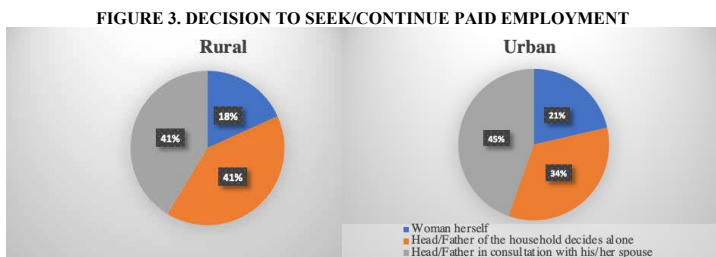
5 The total number of female respondents in rural area is 37,612 while that for urban areas is 17,360 respectively.

However, the unique life situation of housewives in Punjab demands significant social and personal adjustments to cope with an unadorned pressure from other members of the household in authorizing females to work outside homes. Figure 2 highlights that out of 28,110 unmarried females in Punjab, 6535 females are not permitted by their fathers to work outside. An in depth analysis reveals that this percentage is higher amongst the rural unmarried females (25 percent)⁶ as compared to the urban females (20 percent). In case of married females, 6076 females out of 23,740 in Punjab are not permitted by their spouses to work outside their homes with the percentage being higher for rural Punjab (28 percent)⁷ as compared to urban Punjab (21 percent).



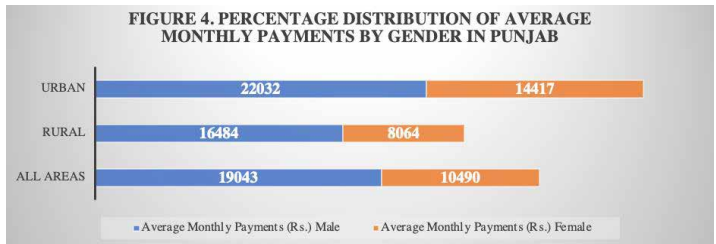
Source: Author's Calculations based on the data taken from PSLM (2018-19).

Despite that fact that numerous benefits accrue with the ability to earn, work is a double-edged sword for females in Punjab. Although economic burden changes female's roles, the social attitudes to gendered errands are not. The conscious and subconscious predispositions lead to subtler inequality as females do not negotiate in seeking paid employment. Figure 3 shows that less than a quarter (18 percent) of total females in rural Punjab negotiate for themselves to work outside homes while, 21 percent urban females claim this right in deciding whether or not to seek paid employment in Punjab. Additionally, the social and cultural context of Pakistani society as predominantly patriarchal creates obstacles for females to go forward in society.



Source: Author's Calculations based on the data taken from PSLM (2018-19).

The third piece of puzzle linked with less active participation of females in seeking paid work relates to the fact that 3,418 (6.22 percent) out of 54,972 females do not want to work outside home in Punjab. An in depth analysis reveals that a higher percentage of the rural females (6.62 percent)⁸ do not want to work outside homes as compared to the urban females (5.35 percent) in Punjab. Figure 4 highlights that the segregation in percentage of average monthly payments amongst males and females in urban and rural Punjab show the access to the best paid jobs by males in comparison to females in Punjab. Resultantly, the critical link between access to jobs and income vis-à-vis other social indicators is well proven in case of Punjab as females receive almost half of what their foils attain, irrespective of regional variations, thereby plaguing working females.



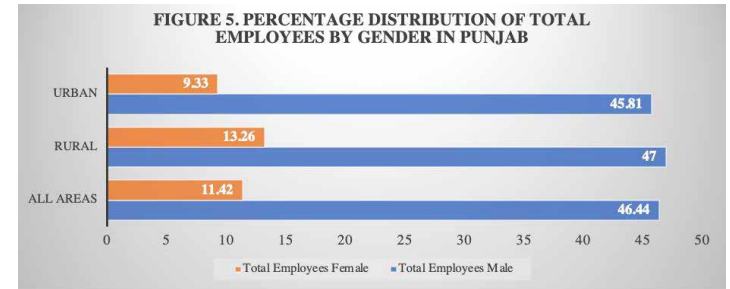
Source: LFS (2017-18).

6 The total number of unmarried female respondents in rural area is 19,144 while that for urban areas is 8,966 respectively.

7 The total number of female married respondents in rural area is 16,344 while that for urban areas is 7,396 respectively.

8 The total number of female respondents in rural area is 37,612 while that for urban areas is 17,360 respectively.

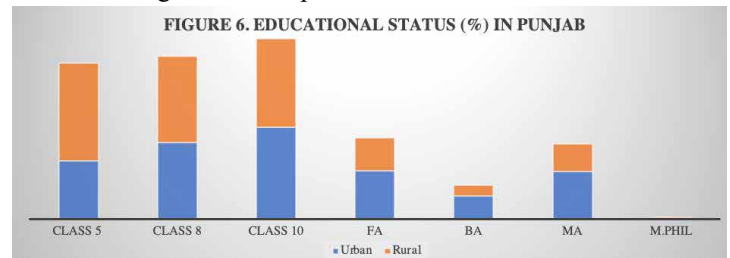
Although literature unearths the fact that female outperform their counterparts in multitasking with juggling priorities, there still exist gender differences in employment by occupation and industry thereby resulting in a hampered situation for females in Punjab (Figure 5). More so, males are likely to hold jobs at varied skill level in manufacturing (13.20 percent males as compared to 4.54 percent females), a sector that pays relatively high earnings as compared to females that hold jobs in educational services (1.83 percent females as compared to 1.69 percent males)¹⁰, a sector that pays considerably less than manufacturing. Last but not the least, the fourth piece of



Source: LFS (2017-18).

puzzle behind less active participation of females in seeking paid work is related to the fact that 3,202 (5.82 percent) out of 54,972 females do not have enough job opportunities in Punjab. An in depth analysis further reveals that this phenomenon is more pronounced in the rural areas (6.50 percent)¹¹ as compared to the urban areas (4.37 percent) of the province.

The data from the PSLM (2018-19) reveals that a high percentage of female job holders in urban and rural Punjab have attained education till class 10 (19.39 percent in urban areas and 18.70 percent in rural areas). With qualification enhancement, the urban females get well-compensated jobs as compared to the rural females in Punjab, thereby indicating that education can open up new vistas for females while fulfilling the dual responsibilities of career and motherhood.



Source: Author's Calculations based on the data taken from PSLM (2018-19).

Thus, the differences in the cultural construction have resulted in gendered divisions of workforce. The need of the hour is to adopt a holistic change approach to stimulate labour force participation rate in Punjab.

WAY FORWARD

The policy brief has managed to describe and verify the reasons for low proportion of females in the workforce in Punjab. The major causes of low female labour force participation rate in Punjab include amongst others, the following;

- i. Too busy in undergoing domestic chores
- ii. Not permitted to work outside their homes
- iii. Do not want to work outside home
- iv. Do not have enough job opportunities

It is imperative to endorse policy measures with an optimal administrative methodology for promotion of technological education and entrepreneurial skills for females to restore their livelihood while not bypassing their religious and ethnic values in Punjab. The need of the hour is to involve more females in the policy-making process in order to bring out institutional changes in the traditional male-dominated society of Punjab. In this regard, the

9 Labour Force Survey (2017-18).

10 Labour Force Survey (2017-18).

11 The total number of female respondents in rural area is 37,612 while that for urban areas is 17,360 respectively.

government should introduce rules and regulations for providing equal work opportunities for females. Additionally, public and private organizations should play active role in creating a viable environment to ease out the burden of barriers for working females and those who seek work.

In order to capture the role performed by females, both inside and outside homes, it is imperative to refine the present definition of employed and unemployed females as provided in the official documents. The definition considers female's domestic chores as part of the augmented labour force, thereby subsidizing their efficient role in the labour force. Therefore, such home based tasks should be listed amongst other industry divisions for counting their actual participation rate in the work force. Moreover, females working in the informal sector should be stipulated with social protection by increasing their wages, an improvement in the working conditions, and reduction in the level of exploitation by the middlemen.

Initiatives including the inclusion of females into the public leadership positions and interventions by the media for promotion of a positive image of females' work in the society must be ensured as such exposure to visible role models of female working or in leadership roles can change the mind set by considering female as a knight polishing her armour.

Given the limitations on suitable workplace environments for females and the fact that higher labor participation among females is linked to a higher level of education, the government should implement policy interventions aimed at increasing labor demand in specific types of jobs where females are more likely to work by expanding demand particular types of manufacturing including textile and apparel and other professional services. Additionally, evaluating the quality and relevance of vocational training programs for women could help in lessening down the considerable occupational segregation in Punjab.

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About Punjab Economic Research Institute

The British Government established a Board of Economic Inquiry in India in the year 1919 to undertake evidence-based policy research on different socio-economic issues including Agriculture and Rural Economy. After the partition in 1947, the organization was renamed as Board of Economic Inquiry, West Pakistan. In 1975, it was reorganized as Economic Research Institute and in 1980 it was reactivated as Punjab Economic Research Institute (PERI) with the status of Autonomous Body of the Planning and Development Board under the Punjab Economic Research Institute Ordinance, 1980. Therefore, it is the oldest economic research institution in the country with an unbroken record of economic research going back to 1919.

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A dynamic and vibrant research institute that provides analytical inputs for the formulation of forward-looking provincial development strategies, and also undertakes high quality, evidence-based research to broadly improve public policy making in the province.

Mission

To be a leader for provision of socio-economic insight in Punjab on evidence-based research by adopting proactive and new ideas/ orientation to assist in policy formulation.

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