

# DECODING IMPACT WOMEN'S UNPAID LABOUR

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## Acknowledgements

#### Contributors

This podcast was arranged by the **Livelihoods Team** in Sattva Knowledge Institute and was hosted by **Rathish Balakrishnan**.

We would like to thank **Dr. Sona Mitra**, the Principal Economist at IWWAGE and Lead at Krea University, for participating in this podcast and for contributing her valuable expertise, insights and time.

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### About Sattva Knowledge Institute

Sattva Knowledge Institute (SKI), established in 2022, is our official knowledge platform at Sattva. The SKI platform aims to guide investment decisions for impact, shedding light on urgent problems and high potential solutions, so that stakeholders can build greater awareness and a bias towards concerted action. Our focus is on offering solutions over symptoms, carefully curating strong evidence-based research, and engaging decision-makers actively with our insights. Overall, SKI aims to shift intent and action toward greater impact by influencing leaders with knowledge. All of our content proactively leverages the capabilities, experience and proprietary data from across Sattva.

*Introduction:* From Sattva Knowledge Institute. This is Decoding Impact, the podcast where we apply systems thinking in conversation with extraordinary experts to understand what it truly takes to scale solutions in the social sector. Decoding Impact is hosted by Rathish Balakrishnan, a co-founder and managing partner at Sattva. Welcome to today's episode.

**Rathish Balakrishnan (RB):** [00:00:37] India has a significantly low women workforce participation rate, with over 80% of the women out of the workforce. Only 2.5% of women are employed in the formal sector. The rest of them lack decent working conditions and access to minimum wages. The worrying sign is that things seem to be getting worse. India slipped 88 places from 112 to 140 in the World Economic Forum's Global Gender Gap Report 2021. The reasons for the skewed labour workforce participation are due to a wide range of sociocultural factors. According to PLFS 2021, nearly 80% of the women attribute their absence from the labour workforce to being engaged in domestic duties, making the unpaid labour economy a central theme for the discourse on women's economic participation.

In this podcast episode, we want to understand the challenges behind low female labour workforce participation and deep dive into the methods to understand and address some of these challenges. To discuss this, we have Sona Mitra with us. Sona is currently the Principal Economist at IWWAGE and Lead at Krea University. Sona specialises in research on gender and labour development, economics, public policy and labour statistics. Sona, thank you so much for joining us today.

Sona Mitra (SM): [00:02:02] Thank you so much Rathish.

**RB:** [00:02:12] So this is a very important topic. I was recently reading how when you look at the contours of countries that have achieved significant economic progress, one of the crucial factors across countries like even Bangladesh and China is really the role of women in the economy, that when the market or the economy is poised to grow, the percentage of women that are already in the labour workforce has a significant impact on how far our economic returns are amplified and how well does that impact poverty. I'm so glad I'm talking to you about this topic. The numbers have been quoted multiple times, and I've often felt that the deeper nuances behind this issue have not been discussed as much. So for a lot of our discussion, I'd love to sort of get into some of the weeds with you since you've spent so much time thinking about it. Before we get into the topic, it's also and I'd love to hear from you about your background so far, what have you done and what has brought you here to this conversation?

**SM:** [00:03:13] Thanks for setting up the context on this very on this topic, which is very close to my heart. And I have been into this since the time I was a student considering doing a PhD around this topic. It was around early 2000 when the entire discourse on developing Asia and China getting the workforce getting feminised, especially in the manufacturing sector where feminisation was very much apparent in China and other Southeast Asian countries and even in South Asia, India was an exception. It was globally very well integrated around in the early 2000 and continued to be integrated with global trade and global trade patterns. But we could see that there were exceptions in the Indian trends, which were not following the patterns, usual patterns of what we find in Bangladesh, in Sri Lanka, in China,

Southeast Asia, and it is around from then onwards. So it's almost two decades since the time I have spent actually looking at the trends in women's workforce participation, and women's labour force participation in India and trying to understand the reasons behind this low-level rigidity that is there in the labour force participation rate of women in India.

There are several factors that influence this rigidity. But so yes, I am an economist by training. I have not done anything else ever that other than economics since my undergraduate and I have been associated with the initiative for what works to advance women and girls in the economy for the last four years now since its inception. I thought when the initiative was being launched, that was the place because it was centred around questioning all the reasons around women's labour force participation, something that I have been doing and that period for the last one and a half decades. So it seemed very right for me to be in the place.

**RB:** [00:05:30] I wanted to talk to you about the point that you made, and I think the word you used was rigidity, right? And because it is always, you know, it's always understood that, okay, in developed countries, women are working and so on. But when I read about, as you rightly made you made the point, even in countries like Sri Lanka, Bangladesh, etc., which have been at some point part of India, the subcontinent, or have the same cultural context, it then becomes harder for us to understand and explain why do we have the behaviour we have in India today? Can you maybe tell us a little bit more about the point and rigidity that you mentioned? What are some of the structural constraints that are stopping women to be part of the labour force?

**SM:** [00:06:12] South Asia has always had a very different history than compared to the other parts of the world. It has been and the colonial history was very important. It influenced a lot of the economic structures of the country, which are things that have taken a long time to actually have been overcome by the economic development and the rapid economic growth that we have had. In some cases, we have seen that these economic growth patterns actually excluded some of the marginal sections of the population. Women's labour force participation, which I would consider as one of the marginal elements that got excluded in this entire growth process of the region. Whilst Sri Lanka, Bangladesh, India, and Pakistan more or less share very similar social norms and social and cultural practices, also are very homogeneous in terms of their other cultural habits, I would say that there are traditional and conservative practices that are present in all these countries, which have pulled back women for a very long time now. Sri Lanka and Bangladesh have seen and experienced very different ways of including women in the labour force.

In India, because it's a very big country and parts of Sri Lanka resemble the south of India,, the practices there, and Bangladesh is closer to the eastern Indian practices, therefore what we find is that this rigidity around low labour force participation in India is actually a historical thing which is embedded in its cultural practices. While Bangladesh, and Sri Lanka in a different context, have been able to transcend that. In India, we have a lot more to do in order to be able to move a little ahead on women's labour force participation. **RB:** [00:08:17] Before I come to India. You know, I'm intrigued by what you said, which is they found another way to integrate women. There has been a lot written today about Bangladesh, the participation of women in the garment industry that has thrived, etc., in Sri Lanka in a different way. And I think I find this fascinating that you mentioned how these countries are neighbours to the context of India, which is Sri Lanka to the south of India, where, you know, there might be more similarities and Bangladesh to the east.

Two questions from my side. One, it would be great to hear any insights from your side on how have they actually integrated women into the workforce. Are there lessons for us to learn from? And two, from what you said, even in India, do you see a skew in the labour force participation and the social norms and behaviours that are distinct from the south to the east, to the north? And is there something to learn from that as well?

**SM:** [00:09:09] The second question will be answered as I answered the first part in terms of how what has happened in Sri Lanka and Bangladesh. If you look at the states of Tamil Nadu and Andhra (Pradesh), these are two states with higher workforce participation rates of women in India, and close to the numbers that we see in Sri Lanka. Now what has happened in Sri Lanka, Sri Lanka has also globalised in a way that India has, but globalisation has been done in different ways. Indian globalisation was driven by the service sector, especially the IT-related banking, and finance - very tertiary sectors, whereas in Sri Lanka we find that the globalisation was actually driven by the manufacturing, the industrial sectors, and also service-led globalisation where there was a very high rate of migration, and migration of women. So therefore the work participation rates of women in the industrial sector, especially when they were integrating themselves with the global export-oriented sectors of garments and electronics in Sri Lanka, those sectors actually started absorbing a lot of women into the workforce and that increased the work participation rates in the country.

Also, Sri Lanka became a great place for the outmigration of women into the Gulf countries as domestic helpers. In fact, they started giving competition to the Philippines. If we look at how Sri Lanka has used the opportunity of outmigration of women as women workers, as domestic help in the Gulf countries, we would find that there are actually they actually train their women. There are centres and those centres are not only private centres. Those centres have been started by this entire push by the government in terms of training women to learn, use household appliances, and gadgets, how to be qualified, trained, domestic help, who would be basically out-migrating and earning remittances for the country and that also in the increase the participation rates of women. Here we have the industry and the services globalising in a different way, and that resulting in increasing women's work. Women have always been workforce participation has always been higher. Women have worked outside the households and it was very similar in Sri Lanka and that helped transcend this. And globalisation basically facilitated this entire context of women being able to move out easily.

On the other hand, in Bangladesh, a primarily agrarian economy like we have in West Bengal, Odisha and Bihar, women are very much integrated into the rice fields. In Bangladesh, on the other hand, actually, the two things I would say that helped in pushing women out of agriculture into the other sectors. One was definitely the push in export-oriented garment manufacturing, which actually involves a whole lot of women. This is also observed in some parts of India, with localised increased increases in women's work participation where there are very connected globally integrated export zones or export-oriented garment manufacturing setups, for example, Tirupur in Tamil Nadu.

So we find this very similar to what happened in Bangladesh where the global garment manufacturing industry bloomed a lot. The government, of course, provided a lot of effort. I mean, the efforts of the government in terms of facilitating export-oriented, garment export industries to come and set up their businesses, come and set up their workshops, factory floors in the country helped in pulling women out of those rice fields into the garment sector. Also, the second thing in Bangladesh was the microfinance initiative- the Grameen Bank initiative that actually took Bangladesh by storm. A large section of the beneficiaries were women who went into this Grameen Bank microfinance initiative, set up their own cooperatives on self-help groups and really moved out of agriculture, which is something that could not happen in the other eastern Indian context, like West Bengal, Odisha or Bihar.

So, of course, economic growth, and globalisation policies, all this is to push export-oriented growth, and growth patterns, all of this is affected. And hence we find the difference where Bangladesh could also transcend and include more women in the workforce, whereas we could not do that in India.

RB: [00:14:36] Women constitute 48% of the country. Want to understand this a little bit deeper. One, as you were talking, something that I realised and this is something I've read before, is that over a period of time, socially, some industries become acceptable for women to be a part of. And actually, they mentioned that that sometimes results in a decline in men coming into those industries. As those industries thrive, the participation of women in the labour force starts to thrive. So you give the example of garments in Tamil Nadu, that's been the case. It's true in Bangladesh as well. Service sector and so on. I just wanted to confirm that with you to say is there in the way we think about women's labour force participation, is there a way to sort of look at which industries are most friendly for women socially and helping those industries specifically grow for us to be able to drive this. I wanted to also ask you if there is also underlying norms around the migration of women to another country. Sri Lanka is able to do it, they even train women for it, etc. I don't know if there has been any research that helps identify how these norms shift to get established in a country where it becomes acceptable for a society to be able to allow that to do for it to happen at scale. So two questions - one is more on the supply of job side, which is are there is there a way to make industries that are women-friendly scale. Is that a strategy for us to look at labour force participation? The other one is more on the demand side, which is the ways Sri Lanka has addressed these norms and behaviours. Or Bangladesh has done it where we have something to learn from.

**SM:** [00:16:23] If you ask me, why some sectors are gender friendly, women-friendly? I would say that it stems directly from history. If we look at the historical activities of women, I will find that even in the global north and I'm talking about the period very long ago - in the initial days of capitalism, when the factory system was being set up. Even in those countries, some factories actually started to bring women into the factory shop floors and those factories were essentially the garment factories because one is that women were generally trained in and were also comfortable in dealing with garments and textiles because women would otherwise at home produce yarns, spin yarns, produce clothes and also stitch. And that kind of work, the activities that the skills that they already had, which was very useful for some of the garment factories and women were being absorbed.

Now when these garment factories during the globalisation period from the 1970s, eighties, and nineties, the peak period and the best period of the globalising economies, when these big chains started shifting their production to the developing world, for example, in the Latin American and Southeast Asian economies, the developing Asia that we call when they started shifting, one of the important things was that they had an experience of dealing with women working on the shop floors, working on the factory shop, in the sweatshops. Also, there was a large number of women's workforce, which was the workforce available to work in these factories at very cheap wages. Because these women were working in the field, they were underemployed. The returns from the rice field or the agrarian field were much lesser and when they got into the factories, they would earn better and would live a dignified life. They would have an increase in their decision-making powers within the families, households enjoyed the incomes that women would bring from the factories. And there is a whole range of widely researched areas in all this which actually show that women in the garment industry are a very historical thing, that has developed and that has helped the export-oriented garment industry so much that the reserve army of women has been captured, and they have been really useful in terms of pushing this entire feminisation of the garment industries. So that is already there.

Coming to your question about how those were those were transcended those norms and challenges, I think that the question of being able to earn income and which is a very crucial factor - earn income from activities is something that actually has helped in challenging norms in all this and that helped in women being able to participate in the factory shop floors. And once they did it for the garments, then there was a range of factories that women thought were very safe for them and there were demands from the industry also. For example, in electronics, where they needed nimble fingers of women to really assemble small elements in electronic goods. And it started with watch factories, from TV, and television and went up to mobile phones, smart gadgets and devices where nimble fingers are needed. Those demands from the sectors actually also helped in pulling women into some of the industries. Now, once those inhibitions were broken initially at the garment factories, it actually worked for women to move from one sector into another.

**RB:** [00:20:51] This is very interesting, Sona. I'm from Kerala and I can, as you were talking, I was also thinking about how nurses from Kerala are today an acceptable profession for migration. I don't know if there is a general norm change, but if you're going to be a nurse or a teacher, for example, there is the greater social acceptability of pursuing that occupation

both in your local economy or outside and the same thing is for outmigration to the Middle East in Kerala. Right? And so it's fascinating to see how some of these behaviours and norms are maybe not generic, but there is a legitimacy to a particular industry that then allows women in Odisha to move to Bangalore for jobs or apparel, women in Kerala to move to as nurses to the east of India, etc. And I want to touch upon this at a later point in time and come back to this when we talk about solutions.

You gave us a fascinating view of Sri Lanka and Bangladesh. If I had to sort of asking you to zone into India now and talk about what is missing and what are the norms, I think that will probably lead us to the unpaid work conversation. But before we get there, what are some of the structural challenges socially, and economically today that are stopping women to work in India?

SM: [00:22:14] Okay. So I think this has to be answered in nuances, but I would say I would answer it in two parts, actually. If we look at the problem of women's labour force participation in India, there is a problem of low labour force participation in India and that is something that has been with us since independence. We have not really been able to increase the labour force participation of women. Despite the fact that India has been one of the growing, most rapidly growing economies in the world, from 2000 to 2012, it actually was resilient to the global financial crisis. It did not get affected as badly as the global North during the very bad period of the global financial crisis but what we did during that period was something where we could have actually focused on including more women into the labour force, thinking of the problem of low labour force participation of women very seriously and maybe giving a boost to the manufacturing industries.

Even when we were growing rapidly, the growth was coming and you would know it better because the growth was coming from the IT-enabled services, the service sector, the tertiary sector, and very high value-added sectors. India was excelling in software development. All of these sectors are very highly skilled sectors, very high-value return sectors and these sectors were those which intrinsically did not have the ability to absorb labour. These are very low labour-intensive sectors and in that, of course, the space for women is very less therefore what we found was while we were globally integrating as fast as possible, we did not focus on manufacturing industries, especially sectors like food processing, which could have grown as like garments, which would have been as developed as Sri Lanka and Bangladesh or the Vietnamese or the Thai and Cambodian garment industries. It developed for the local markets but did not do so well in the export-oriented sector and therefore did not expand so well, even like Turkey. So we missed that boat where we could have actually also been able to absorb or feminise the manufacturing sector. That's one.

The second part, we started talking about women's work participation. When we saw that that lower level also started starting to decline. And we got alarm bells in 2011-12 when we saw that, as you rightly said, it went below the 20% mark. Now, that was an alarm bell that what is happening because the World Bank came out with a report that if we are losing out on women's participation, India would actually lose incomes worth trillions of dollars. \$2.9 million would be something that would be added to the Indian GDP if the female labour force participation could be raised by just 2% to 3%. So that amount so that kind of

opportunity costs were being talked about. And that is when the entire focus went and really started speaking about women's labour force participation declining.

Again, here we are at a point after ten years of where that discourse is, that we are talking about bringing in more women into the labour force in several manners. But we are not really talking about how to challenge and how to think of it really in the long term to keep a sustainable way of having a women's labour force which is over 30% to 35%, which is going to really put again put India on a high growth path. My entire understanding or my entire thing about women's labour force participation is not only about empowering women, it is also a lot about being able to get into the high economic growth path. So that is where also the entire question of low labour force participation, as well as declining labour force participation of women becomes very important.

**RB**: [00:26:50] I'm going to pick up the first point that you mentioned because I really like what you said there about not thinking of this as just an agency of the women's problem. It's a very important issue, but it's not the only issue. It has to tie into the economic growth path of the country in a more integral manner. And the two things that you said, which is which I thought were important, and I want to build on that. The one point that you mentioned was the fact that industries that have grown in the decades that we preceded us have not included either industries that are inherently women-friendly or efforts haven't been made to make them more women-friendly. So food processing, as you rightly said, phenomenal opportunity just given our agricultural output hasn't happened. I know there's been a conversation many years and I was part of a bunch of policy planning exercises in 2014 and 2017 where they talked about food banks, but they haven't taken off as much as you also rightly said, we have lost our competitive edge to incumbents, to countries around us over the years. It's actually been declining in terms of our factory output.

One is really that and then I think it's another extremely important point is that it's not sufficient if an industry satisfies only domestic markets because growth rates in such industries are often going to be limited and job creation is going to be limited. It is really when you're connected to global markets and have an export focus that true job creation actually happens, which we've seen in IT services today, which is partly the reason why we really have a middle class in India which has grown because of that.

I wanted to sort of push that idea a little further and get your thoughts on – are there industries that you see today where you think that there is an opportunity to actually unlock more jobs and be relevant to both the domestic markets and the global markets. And I want to get your thoughts specifically on one of my favourite areas is just the healthcare sector. COVID has actually made it very clear that our allied health workforce industry is far less equipped to serve the demand that we have domestically even, forget global. There is a growing global market for health professionals and it is from whatever I see and understand and also where I come from, an industry that is women-friendly is there a real opportunity for us to look at the healthcare sector, given just the continuum of jobs that are available from home nurses right up to doctors from a skill level, given the focus on gender in the sector and the gender-friendliness, given the rapid demand that is growing both in India and global, for us to sort of look at that as an opportunity to increase women labour workforce

participation. And apart from healthcare, if there are other sectors that you think are ripe for such focused efforts for us to improve labour workforce participation, I'd love to hear that from you.

**SM**: [00:29:46] Definitely. And there are quite a few. Of course, the first one that comes is public health. There is a huge demand in this sector and the entire allied health workers' health workforce, is something that has a large share of women in all countries. If we look at it, even in India, if we look at it, we have allied health care workers where a large section and large share of that being women, especially even in those conditions where we probably do not really want to talk about the conditions in the rural areas. But even there we find that it is women who are actually leading as allied health workers. There is a huge potential in the urban areas where women can be trained properly and that ranges, as you very rightly said, ranges from domestic needs, and home needs to the entire needs of specialised care, that is where we have that is one place which has a very large potential of absorbing and including women. Then comes the care sector. The care sector is the sector that, as you said, again, is linked to allied health workers, but it is also a separate sector. Nurses are part of the care sector, but there are also other carers that are needed. Care is needed for the sick and elderly, and carers are needed for children. The care economy is a very big economy in all markets, in all countries and in all nations, care economy is very important.

It is big and it forms a large part. If one can actually talk about markets operating within the care economy, expanding jobs within that sector, for example, providing childcare facilities in the public and private sectors and public-private partnership models. Those are places if you give quality childcare services, those are sectors where you will, where actually sees women participating in a large number.

Apart from these traditional sectors, now these are traditional sectors because women are associated as caregivers and therefore care economy care sectors like health, childcare, and teaching, all these spaces, of course, can be expanded to include more women. But when also there's a huge potential for women in the non-traditional sectors, the newer sectors as well, which we are actually associating nowadays with the digital revolution, which is being called the fourth industrial revolution. And here I find a lot of potential. I mean, in fact, the policymakers are also trying to understand how they could do that by introducing I mean, there are several new gigs that can be introduced in order to include more women into the labour force by the use of technology and digital.

So, therefore, I would say that there is a huge potential in this entire I mean, I know we missed the boat in terms of expanding or integrating our garments. We missed the boat in terms of expanding and integrating our electronics industry. So we missed the boat on industrial expansion, but we are actually doing very well in terms of our services growth even now, which is again being driven by this digital revolution that we are pushing for. In that there is a huge potential for women to be included, especially in the gig work that we continuously keep talking about, where we can enable women, entrepreneurs, we can enable women small scale businesses, we can even enable women to be part of multinational or big corporate platforms as partners like we have at the Urban Company, where we have a lot of women using digital technology, using smart gadgets to be able to actually access

income earning opportunities and therefore also be part of the labour force in the country. So there is a huge potential, but there are challenges in that because the digital gender digital literacy gap is very wide and that needs to be closed if we are really moving from the traditional into the non-traditional sectors. So there is a potential of expanding the traditional sectors in ways that have not happened in the past. And there is a demand for that. There are ways in which the new traditional sectors can also be expanded for women by scaling them in the right direction.

**RB:** [00:34:54] It's a good framing for us to talk about the way we think about solutions. The first part, as you said, is existing traditional sectors where the social norms are acceptable, where it is already gender-friendly. What can we do to scale it? As you rightly said, services play in such models, including health care, teaching, etc. are useful models for us to look at, especially now that we have looked at teaching as a gig profession, which is probably one of the biggest changes that have happened thanks to Ed-Tech and others where it's not connected to a school with probably greater flexibility for employment for people beyond the tuition circuit that used to be there and the school circuit that used to be there for teachers, so that was one pathway, which is how do we unlock more opportunities in the traditional circuit.

The second pathway that you talked about was how we enable for women opportunities in traditional industries and leverage some of the digital tailwinds that are there in the economy that are unlocking gig markets. So that's the second model that I wanted to talk about.

I wanted to put a third pathway and really get your thoughts on this one, which is we've also a lot of times we've talked about talking about women's labour force participation, talk about women's entrepreneurship, how can we look at women as small business owners or any form of entrepreneurs, even if they're going to be at a small scale? Can they both employ themselves and create jobs in small ways for their local communities, which possibly is a third way? And I want to ask you a question on the third one before going into the second part, which is the digital industry because I think it's important to unlock.

So I wanted to get your views since you've had a larger view on this issue, saying are there parallels in enabling entrepreneurship among women at scale as a way of solving the labour force participation? I want to contextualise my question a little bit. I'm an entrepreneur myself, and I always see entrepreneurship as a high-risk, high-gain model. What people often may not recognise when they talk about it is the amount of risk it takes to do anything on your own, the capital that it requires, and also the support that it requires over a period of time for you to be able to sustain and grow the business. Even when at Sattva, I had done a survey earlier around one of the studies that we did, we recognised that almost all women who were becoming entrepreneurs, at least had a certain level of financial security and familial support for them to be able to make that move. I've always been sceptical about whether in an environment where their participation in labour is so difficult and where the financial situation is precarious. Is any form of entrepreneurship going to be a scalable model for enabling women's labour force? Of course, mine is a very, you know, sensory

understanding of this topic from the outside. You've thought about it a lot more deeply. So I'd love to hear your thoughts.

**SM**: [00:37:55] One of the things that I would like to actually highlight here is the gaps when we want to move out from the traditionally accepted sectors, like care and you know, those amongst traditional sectors that are also those are very vulnerable sectors like domestic work and all where women are exploited a lot, but they're also concentrated a lot because they are I mean, all the domestic workers are women, women coming from very, very poor households, poor backgrounds and they cannot be compared with those women who are actually out migrating from out, migrating internationally for domestic work. So when we see Indonesian and Filipino women serving households in Singapore or in the Gulf countries, and Sri Lankan women serving households in the Gulf countries, the conditions and the returns that they get where conditions of work may be debatable, but the returns that they get and the way they are trained are much different and better in terms of how we look at our entire domestic workers segment, especially in the urban metropolitan areas. So what I'm saying is there are gaps in skilling and training not only for traditional digital gaps but also more gaps that need to be closed in these services that we have seen that can be done, that we have seen that can be upskilled.

Upskilling can happen in these traditional sectors as well to provide better conditions of work and better earning abilities, and earning capacities to these women. There is also this entire element of non-traditional, if you want to break out from these traditional sectors and talk about there is not only the digital gap, the digital literacy gap, there are also gaps in terms of women's other skills. For example, platforms, the aggregator platforms like the cab services, the food home delivery services, the food delivery services. They are all dominated by men and we find what we find that wherever we have had localised interventions of training women to ride bikes or to ride two-wheelers or to drive four-wheelers, it has actually helped in terms of them being able to get into those. Skilling also has to be for women in non-traditional sense. Skilling in I mean, one can skill women in care, upgrade their skills, but one has to also let women enter those non-traditional skilling segments.

There one needs to not only skill them and leave them in that but the norms also need to change. When you said that women from Odisha moved to Bangalore. It never happened earlier, right? It is happening only when we find that actually there had been programmes of the government where the apprenticeship of girls after being trained as apprentices in the garment sector and then that apprenticeship actually linked themselves to the factories in Bangalore, that is how the chain started and that is how it broke the norms, that is how policies worked and that is how then the private sector took it up. Basically, there is a way in which we can capture the demands of the industries and map them through the gaps that women have. And then we talk about skilling women to close those gaps.

The other question now, entrepreneurship is a very different ballgame. It is a very important engine for improving women's labour force participation and this is something that has not been tapped as a potential in our country. I'll give you one figure and this is a little old, but it has not changed much over the years. It is a 2014-2015 figure where we found that women who are actually termed as entrepreneurs are women who are running businesses just on

their own without any hired workers and more than 80% of women's businesses are actually without hired workers, which actually shows the scale of business, small but more secure. Surveys and studies have shown, trying to talk about training women in entrepreneurship have shown that women are more risk averse. They try to get into life opportunities which would give them some secure returns and for that, there has been a tendency of having businesses that are sustained at a very low scale.

So when you are talking about women's entrepreneurship in India, there is a long way to go in terms of being able to make the businesses sustainable, and being able to scale up the businesses that women run. The comparisons are very different when we make a malefemale comparison, the gender gaps in entrepreneurship are very stark. Entrepreneurship has worked in several countries of the global north, but in countries like India, where we still have women operating at nano and micro scales, where they cannot afford to really hire workers, hire an establishment, while there is a huge potential, we at least cannot claim that entrepreneurship can become an engine of labour force improvement in India immediately, there has to be a lot to be done. The infrastructural gaps have to be closed, the skill gaps have to be closed, and women need to be skilled in managerial and technical and accounting abilities. IWWAGE's own work has shown that women's establishments are actually more suited to hire women. Women prefer more women but there is also this part that women do not really prefer to hire and women, they want to remain at low skill, want to remain risk averse, want to remain into a skill where a secure rate of return comes through, comes to them for years so they can plan well. So there are many nuances. When we talk about women's entrepreneurship, there are demand-side issues, there are supply-side issues, there are gaps, and there are also issues about access, access to capital, access to credits, and access to working capital. So all of these things and the ways in which the saving mechanisms, the investment mechanisms, skills, these exclude women, the knowledge that excludes women, there are there is a huge gap and there is a huge potential if we can close this gap and move ahead.

**RB:** [00:46:04] One point I wanted to make was that I fully agree with you that limiting women's labour force participation only to the traditional sectors that we have is definitely not a good strategy for us as a country. I think being able to open as many opportunities as possible I think is critical. And I'm sure, as you would agree, it's not an either/or. I think we should do all of these. As you were talking, I'm also realising that the level of uncertainty in each of these pathways that we discussed, you know, is going to be different than a traditional pathway. The social norms are probably not as much of a challenge. The acceptability of women is not as much of a challenge. But as you rightly said, skilling is a challenge. The quality of decent work and the working conditions they might have is a challenge, and I think we need to address that. In the second model, social norms are a challenge because getting women to access digital, industry acceptance is going to be a challenge and skilling is going to be a challenge. But if there was ever a time to be able to solve this problem, it's probably now when I want to talk about the tailwinds there with you on the entrepreneurship side, you know, as you said, there is the mindset issue of not really looking at the scale and employing people. There is also the challenge of access to credit capital and the normative challenges there. There are also other external factors and

internal skilling needs. So the level of uncertainty in entrepreneurship is probably the highest among the three pathways that we discussed.

You started by saying it's a very strong engine of jobs and I would love to understand from you, have you seen any pockets where it's working well, where, you know, either in a state or in a sector or in a value chain or in a country outside of India, which is in the developing context, a comparable social milieu where entrepreneurship has created a significant value in terms of labour force participation of women because I think, as you rightly said, the potential is great. But my only concern as I was listening to you is the challenges seem far more than the first and the second pathway that we discussed.

SM: [00:48:12] So what we see is a large part of women's businesses are actually homebased businesses. They are operating from their own home or adjacent home or homestead lands in the homestead of where there is a workshop and they are just working from there. If the scale is slightly larger, otherwise they are working from their home. And what is this business about? Predominantly it is part of the food processing culture. It is part of the history in which women have actually processed their own produce. Here what we find is women making pickles, women making *papad* and women rolling *aggarbattis*. But these women are actually doing a whole lot of these businesses, and they do it with the help of self-help groups. There is a whole connection between the power of women's collectives and how well women get networked in terms of sustaining their businesses, these smallscale businesses. They are very willing to be part of networks, very willing to be part of collectives, and do not really operate by themselves because the networks, the collectives give them that financial security. Here we are talking about the large section of women-led small businesses that cannot be classified as entrepreneurs. But that is what we have small businesswomen. This is where we are and this is where our energies should be in terms of training, and what we find are manufacturing, retail, food, packaging, and education. All of these sectors are the ones where we have women operating.

So sector-wise, if you're asking me what are the areas where women are working, as you know, in businesses are manufacturing and retail trade. Now, what does retail trade? Again, women, are petty retailers like owning, owning a cart, owning a little space in a market or owning a little space on the roadside where they are selling their vegetables or fish.

Then women into education, like, you know, women have set up businesses of private tuition. So these are sectors where we find these small businesses. If you talk about exceptions here. Now, the exception is a woman who would lie actually in the medium to the large. So we have examples of the likes of Indra Nooyi or Kiran Majumdar Shaw or our very own Nykaa owner (Falguni Nayar) and they are, again, at a very large scale. What can be done, actually, is to inflate the middle and really help those small women businesses to move into that middle. To transcend that nano and micro scale and move into the medium scale. That is going to really help to scale up and therefore create more job opportunities for others because as I said, that examples women's enterprises have a tendency of hiring more women. So that can then become an engine of labour force participation.

**RB:** [00:51:58] We've been talking through this conversation about women as an individual acting the in the economy. So I think pathway number one is women working as individual contributors, either as a person in a job or so on.

Number two was women leveraging the gig economy. Pathway number three is where we looked at women as a network-like collective enterprise that can be formed. Is there a pathway number four where the family is the unit of engagement and livelihood and women are an integral part of it, where their rights are recognised, where we don't solve for women to join work as an individual, but a family to join? Work where a woman is an equal participant in economic activity. I know this has been thought, you know, in certain parts where landholdings, where women are equal participants at work, but they're not often recognised.

In my own experience, when I know that in traditional business families when men start jobs, women often start to contribute to that as well. What is the gender thinking around looking at these models where a family is a unit that's participating in livelihood? That in turn means women join the work as well. I'd love to hear your thoughts on both the upsides of such an idea and also potential downsides as well.

SM: [00:53:11] So we do have a large share of women who are actually contributing to the family enterprises. Those women are classified by the official statistics as unpaid family helpers and the share of that within the total employment of women is almost around 30%. So that's a huge share, right? This actually means that there are ways in which women are contributing to productive economic gains. But the downside of that is actually, earnings from family businesses or earnings for their own contribution to the family business is something that they do not really get, which is also a fact that has come out from the surveys, it goes into the family. The earnings are family earnings, not individual earnings. And what we see here is that women getting individual earnings has a very, very different impact on the overall well-being of a household and challenging the norms within cultural practices within the household which has a very important impact on children. And therefore the people like us who have spent a lot of time thinking about women's agency empowerment linked to labour contributions have not really been enthused by the whole concept of unpaid family workers because the earnings do not come to the women. They do not have control over those earnings because when we see women have control over their own incomes, the expenditure patterns and the consumption patterns of households change. The expenditures are more on healthcare, children's care, and children's education, which doesn't really happen when they do not have control over their earnings or income. And that is why I did not talk about that unpaid family work thing. It is a very personal opinion of mine, but an opinion which is endorsed by many.

**RB:** [00:55:29] So we started by saying how countries with similar cultural milieu as us, such as Sri Lanka, and Bangladesh, have over the last few decades been able to create opportunities for women. Part of what they were able to do was to identify sectors of growth for their country, which were women-friendly, and they created very specific pathways across training, enablement, etc., that enabled the women to unlock those opportunities when the demand was available. A classic example is a point you made about domestic

help in Sri Lanka working abroad, and how the state enabled pathways for them to be able to do it. Women in garment industries working in Bangladesh and so on. We made the point around how there are traditional industries that are ideally friendly for women and how in India we've missed the boat in helping those industries grow that have had a direct impact on women's labour force participation.

We then moved on to say that there are nontraditional industries that are actually ideal for women to work in, like the gig workers and so on, where access to specific skills and services can actually help them unlock those opportunities at scale. And the digital economy today is a great example of that.

We then moved on to talking about collective enterprises and saying how looking at entrepreneurship as a model in cases where formal markets stop working is a great opportunity and how these businesses might be dwarf businesses, they might not grow, but creating them at scale helps. And number two, there are the highest-end unicorn models, and then there are super nano models. How do we create a middle layer of enterprises that can actually create jobs for women, I think is critical.

The last part we discussed was home-based models. And you know, you highlighted very clearly, while that is 30% of the workforce today, there is an inherent system which disadvantages women in terms of growth, calling on capital that they can call their own, calling out work and standards of work that they have to maintain there and so on. Where I think, like I've been informally mentioning to you, maybe there's a part two to this conversation as well.

Now, even if we sort of stick to the first three pathways, Sona, what we can do? One point you've constantly made, and I want to summarise a few things you've said so that you can build on it. Meaningful Skilling is going to be very important- skilling in technical roles and skills, skilling on digital, skilling on business and accounting, skilling on various aspects that enable women to be effective. So that's one critical recommendation that you've highlighted multiple times in the conversation today, which I think is very relevant.

Second, you highlighted the idea of pathways when we spoke about girls from Odisha coming to Kerala or coming to Karnataka. You talked about how apprenticeship models that are connected to industry sort of ease to the transition from training to apprenticeship towards formal employment, towards outward migration, which ensured that there was a proper continuity between training and actual jobs and so creating such pathways, especially in non-traditional industries, probably is going to be very important. I also wanted to get your thoughts on what other critical things and priorities you think we should focus on as a country when we think about this problem so that we have a more holistic solution than piecemeal ideas at work individually.

**SM:** [00:58:57] We did not touch upon the most important thing that actually enables women to access the labour force and that is actually something around, it is not exactly the part of the cultural practices or norms it is, but they are very much linked to each other. And it is the entire model of women as primary caregivers of the economy. That kind of increases the whole I would rather say there is this moral thing associated with women having to take

care of all the household responsibilities. Now, even if a woman is actually running her own business, is empowered in her own right, managing the household, taking care of children, deciding on the daily activities, planning for the day, planning for the meals, everything is something that a woman does. And that role is something that has not really changed over the years. That is where we come to the thing about women's unpaid work, the time spent on doing these household management and household duties and the duties of the elderly, sick and children within the household takes away a whole lot of time for women. Our time can be reduced effectively by certain measures, and can actually provide some more time, free time to women in order to be able to contribute meaningfully to the economy. And therefore, that is going to really raise the labour force participation of women. Unpaid work has come up as a big barrier and a major issue for women to be able to access labour markets seamlessly.

**RB:** [01:00:55] You said the unpaid work and I'm saying that's such a longer, a much longer conversation with you that I'd love to have at some point, which is the supply side. I think it's important that you raised it. I was also wondering since we've had a very strong demand focus so far, are there other demand-side interventions that can come in? We talked about skilling, we talked about pathways. Are there other things that we need to do? For example, I know access to credit has come up but is there something that industry has to do, others have to do as well? And I think just touching upon that.

**SM:** [01:01:27] There's something there are quite a few things that can be done other than unpaid work, but you know, in order to expand and include more women into the labour force, I think one of the important things that we keep talking about is women-friendly policies to expand employment. What could be those women-friendly policies? Because the moment we talk about women-friendly policies, one of the important things that come up is to provide women with maternity benefits, but it is not only about maternity leave, it is also about industries, especially small businesses being able to incur the cost of maternity leaves when they employ women - it acts as a disincentive for enterprises to employ women.

While we have legislative protections for providing women workers with their due rights on maternity entitlements, for those entitlements to be implemented successfully by industries, there have to be policies which have to be backed by legislation or suitably backed by government interventions. And here I'm really saying that if we want and these are things that need a start from the government and intervention from them, where the intervention would actually be able to successfully prove that they not harming the enterprises. For example, what I'm trying to say is the idea that if I employ a woman and the woman goes on 26 weeks of leave after one childbirth, then that is going to incur a huge cost but if I am able to sustain that cost and keep the woman for a longer period of time and show that there is a high rate of returns by having employed that woman, that those and those are longer-term things and those need interventions from government. The kind of interventions are we talking about are incentivising- incentivising industries and incentivising sectors which can come in many forms, actually - short tax breaks for employing more women, providing subsidies in some forms for including more women into their own sectors or into those

industries. Now, it is not for all industries. It can be for specific industries where we do have the potential of including women. Now that is one part.

The second is women-friendly infrastructure. So if we have proper water, sanitation, and hygiene conditions in the office and the factory premises for women, those are actually one of the important factors which kind helps women take decisions, whether to work in that workplace or in the factory or not. Workplace safety - now we have legal provisions in the workplace legal provisions to back to save women from sexual harassment at the workplace. The (POSH) Act is there, the 2013 Act, but the implementation has to be there. Successful implementation, making workplaces free from sexual violence. Making workplaces free of any kind of violence and also making the commute to work seamless by providing proper safe transport facilities, and continuous regular transport facilities.

So there is a whole lot of women-friendly infrastructure that can be in place in terms of bringing in or attracting more women into the workforce. There are always specific times for commutes for office goers or factory goers. And if in those times there are the transport facilities actually are hiked to employ to provide safe spaces for women, that actually helps because otherwise, women do not want to access public transport because of the level of harassment, the level of violence in public transport is often so high that one is women do not really want to travel and second, the members of the household also do not really want women to travel in those spaces unless and until it is terribly required.

So, of course, one is providing women with their maternity entitlements and the second is providing women-friendly infrastructure, women-friendly policies, the providing flexibility of timings to women, because women really prefer flexible timings for their work. So if there is a woman who has a child who goes to school and would like to really have time off from work when the child returns from school, and that may fall under the normal office hours, but if there are flexible timings, the woman can take off from that part and then add those hours later in the time when she's available for office work or productive work. So these are some of the things that can be done.

**RB:** [01:07:20] Thank you, Sona. And I think all of these are very valid points. As we near the end of the conversation, one of the thoughts that are staying with me is a lot of these seem obvious in terms of what needs to be done to make it work. But the incentives in the system to make it happen across industry and government and others is really the challenge today. And I also wonder, you know, the sequence with which we need to do this. You know, I once went to a cement factory plant recently and I saw that there were no toilets for women. And a colleague of mine who travelled with me had to use a gents toilet to be able to do it because they had just no women.

So I was also wondering, in what order do these changes happen for us to make it work, for us to hit that right sequence of dominoes for it to hit? But I know that we are at the end of time. And one of the things that I'm going to go back with after our conversations, really knowing all that we know about this, how do we sequence this right, so that the incentives of the market, incentives of the government and the incentives for the individuals actually align for us to make this change happen? There is so much more that I wanted to actually discuss with you, you know, from the point of decent work that you had maintained earlier. And I think the difficult trade-offs that we often have in ensuring decent work and ensuring employment at scale for women, which I think multiple countries even that have employed women at scale continue to face, there is the supply side constraint. We talked about unpaid work. That's really the tip of the iceberg. There is this entire conversation around agency and aspiration of women. How does it change and how? As it evolved in rural and urban India. There is a conversation on the sectors themselves that I wanted to go deeper into, which only means that we definitely have to do part two of this conversation at some point.

I really want to thank you for your time. It's really great to have someone who's thought so much about this issue and can bring these nuances to these conversations, and highlight the possibilities and the challenges as well. And I do hope that the folks listening to the podcast enjoyed this conversation as much as I did.

SM: [01:09:22] Thank you so much. I hope it is useful and I hope it is enjoyable as well.

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