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Government Plans to Extend Subsidy to Women

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To encourage employers to hire more women, the Ministry of Labour & Employment has planned to extend the Pradhan Mantri Rojgar Protsahan Yojana (PMRPY) for women to five years.

- Launched in August 2016, the subsidy to employers is currently available for three years against all skilled and unskilled workers across all sectors with monthly salary up to Rs 15,000 who have joined since April 2016.
- The move comes in the wake of sharp decline being observed in employment of women in the workforce.
- Small and medium enterprises as well as micro businesses would be incentivised to hire more women as the government would pay the employer's contribution of 12% towards the employees' pension and provident fund for five years for fresh talent who join the workforce.
- India's low female workforce participation rate is amongst the worst in South Asia. According to the 2018 Economic Survey, employment of women has declined to 24% from 36% in 2005-2006.

NOTE: Pradhan Mantri Rojgar Protsahan Yojana

- The Pradhan Mantri Rojgar Protsahan Yojana is a scheme to incentivise employers registered with the Employees' Provident Fund Organisation (EPFO) for job creation by the Government.
- The Government pays the 8.33% contribution of employers to the Employee Pension Scheme (EPS) with respect to the new employees who have a new Universal Account Number (UAN).
- For the textile (apparel) sector, the Government will also be paying the 3.67% Employees Provident Fund (EPF) contribution of the eligible employer for these new employees.

Reasons for Low Participation

- With the recent expansion of secondary education, as well as rapidly changing social norms in India, more working age young females (15 to 24 years) are opting to continue their education rather than join the labour force early.
- **Stability in family income** had also led female family members to choose dropping out of the labour force. As incomes have increased, women who worked only out of necessity have retreated to their homes.
- As agriculture has come under stress and rural women have been squeezed out of their farm jobs on the one hand, educated urban women haven't moved into the workforce in considerable numbers on the other.
- The **pressures of urbanization, social norms and biases, and infrastructure** issues are some of the other reasons contributing to the low LFPR. **Lack of conducive work environment** is another significant deterrent in the women's participation in the labourforce.
- Lack of jobs overall with men taking up most of the share along with the lower quality of jobs offered to women reduce their share in the workforce. There are many jobs to which women's access is restricted by law, such as those in mines and hazardous industries.

Steps Taken by Government to Improve the Labour Force Participation of Women

- **Sexual Harassment Electronic-Box (SHe-box)**
 - The Ministry of Women and Child Development (WCD) has launched an online platform to enable women employees working in both the public and private organisations to file complaints related to sexual harassment at the workplace.
 - It has been launched to ensure the effective implementation of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013.
 - Once a complaint is submitted to the portal, it will be directly sent to the Internal Complaints Committee of the concerned Ministry or department.
- **Women Entrepreneurship Platform**
 - NITI Aayog launched the Women Entrepreneurship Platform (WEP) on the occasion of International Women's Day on March 8, 2018.
 - WEP is built on three pillars: Ichha Shakti (motivating aspiring entrepreneurs to start their enterprise), Gyaan Shakti (providing knowledge and ecosystem support to women entrepreneurs to help them foster entrepreneurship) and Karma Shakti (providing hands-on support to entrepreneurs in setting-up and scaling up businesses).

- **The Maternity Benefit (Amendment) Act 2016**
 - The amendment **extends the period of maternity benefit from 12 weeks to 26 weeks** of which not more than eight weeks can precede the date of the expected delivery.
 - The Act requires establishments having 50 or more employees to have a **crèche facility**, either separately or along with common facilities. Further, employers should allow the woman to visit the crèche four times a day, which shall also include the interval for rest allowed to her.
 - The Act gives discretion to employers to allow women to **work from home** after the period of maternity benefit on mutually agreeable conditions. This would apply if the nature of work assigned to the woman permits her to work from home.

Way Forward

- **Long-term, structural reforms** are needed but in the **short term targeted policy measures** can deliver specific goals even when the rest of the infrastructure (such as ease of doing business, access to credit facilities and affordable childcare) may not be in place.
- **Better transport infrastructure** can alleviate a major constraint for female entrepreneurs in accessing markets as women face greater constraints in geographic mobility imposed by safety concerns and social norms.
- Policymakers in India should take a comprehensive approach to improve labour market outcomes for women through improving access to and relevance of education and training programs, skills development, access to child care, maternity protection, and provision of safe and accessible transport, along with the promotion of a pattern of growth that creates job opportunities.
- Ultimately, the goal is not merely to increase female labour force participation, but to provide opportunities for decent work that will, in turn, contribute to the economic empowerment of women.
- Economic growth and development depend upon successfully utilizing the workforce, both male and female. India's future growth escalators are in creating a robust platform for growth, and successfully utilizing its workforce, both male and female.
- Empowering women to engage in productive employment is critical to achieving not only the UN based SDG but is also pivotal to economic growth, poverty eradication, reducing child mortality, improving maternal health, and attaining universal primary education.