

## **Rate of Participation of Female in Labor Force: An Analysis on Recent Trends**

AlvyRiasat Malik<sup>1</sup>, Azizur Rahman<sup>2</sup>

<sup>1</sup>(Human Resource Management /Jatiya Kabi Kazi Nazrul Islam University, Bangladesh)

<sup>2</sup>(Department of Public Administration and Governance Studies/ Jatiya Kabi Kazi Nazrul Islam University, Bangladesh)

---

### **Abstract:**

**Background:** Participation of female in labor force plays a very significant role in attaining sustainable economic growth and development across the globe. As a matter of fact, it has turned out to be a serious issue of concern in labor market, labor organization, academia and media deliberation. The widely discussed fact is also largely interlinked with empowerment of women and gender balance in workforce and development. Keeping this in mind the present study attempts to analysis the pattern and nature of participation rate of female labor as well as tries to find out the reasons of gap between FLFP rate and MLFP rate followed by recommendations to improve it. **Materials and Methods:** Using a broad descriptive and comparative analytical approach this paper examines the existing nature and pattern of females' participation in labor force with special reference to the rate and hours on the basis of information drawn from secondary sources.

**Results:** The state and ratio of participation of women in labor force varies from country to country due to culture, socio-economic condition, institutional settings, laws protection and benefits. Equity of wages and other benefits, fair treatments, flexible working hours could motivate women to a large extent towards participation in labor force.

**Conclusion:** Changes in attitude and the mind-set of the employers undoubtedly will result in an influx of motivated women in the labor force.

**Key Word:** Labor Market; Female Labor Force Participation (FLFP); Male Labor Force Participation (MLFP); Gender Disparities; Feminization U Hypothesis.

---

Date of Submission: 15-08-2020

Date of Acceptance: 01-09-2020

---

### **I. INTRODUCTION**

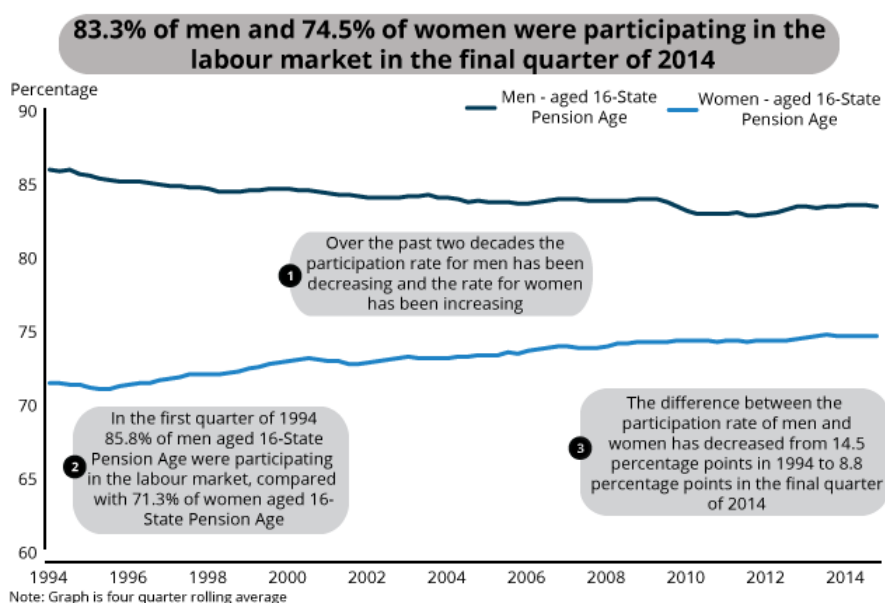
Labor force participation (LFP) rate has always been the heart of economic development and sustainability. The entry of women in the labor force can be regarded as one of the most unique economic transformation of twentieth century. Today women are increasingly seen as the major force of sustainable economic development. However, variation exists in labor force participation rates of male and female workers. Interestingly in most cases our cultural beliefs, social norms, education systems, attitudes, religions etc. are responsible for female labor force participation rate deviations and disparities. The empowerment and involvement of women in the labor force requires elimination of these impediments. Gradually in some cultures/countries female labor force participation to male labor force participation ratio is improving and labor market opportunities is frequently rising for women (Bayanpourtehrani&Sylwester, 2012). Gender disparities in the workplace in some cases have been narrowing down. This article examines the existing nature and pattern of female labor force participation rates and hours of work compare to male. Also, this study focuses on how well modern organizations and policy makers are contributing to eliminate any differences between the ratios of female labor force participation (FLFP) to male labor force participation (MLFP).

### **II. PATTERN OF LABOR FORCE PARTICIPATION RATE OF WOMEN**

Although the gap between male and female LFP rate varies in different countries but in general labor force participation rate of women relative to men are lower all over the world in almost every workplace. According to the world bank record in 2018 the ratio of female to male participation rate was 67.313%. Over the years numerous studies have been carried out to explore the FLFP rates. In 2011, Alessandra Fogli and Laura Veldkamp conducted a survey to find out the growth rate of female workers from 1940-2005 in USA. The study found that the growth rate is quite large: The portion of women in the labor force rose from one-third in 1940 to nearly three-fourths in 2005. And this increase largely comes due to the large participation of married women with children entering the workforce and closing the gap between MLFP and FLFP in USA. According to the

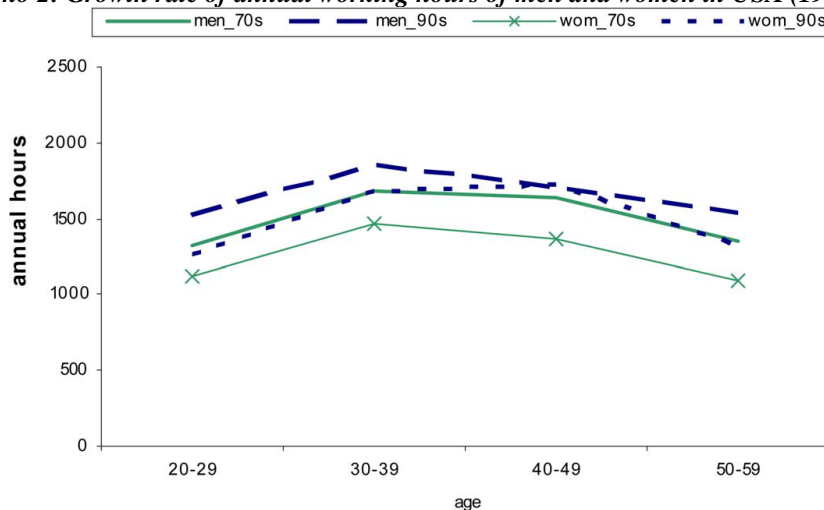
survey of Office for National Statistics, UK, (2014) 83.3% of men and 74.5% of women were participating in the UK labor market. The difference between men and women participation rate in UK has declined from 14% in 1994 to 8.8% in the last quarter of 2014.

**Figure no 1: Percentage of men and women in labor market in UK (2014)**



Similar pattern of female labor force participation growth rate is observed in other social liberal countries. Labor force in USA, Australia and Canada has become more ‘feminized’ (Ozdemir, Balcilar&Tanse, 2011). But growth of female workers varies from town to town, country to country. Number of women in a town, age structure, occupational structure, rates of marriage, level of dependency, income of family plays important role in female labor force participation rates (Hatton & Bailey, 1988). However, these variables of differentiation may not imply in the case of male participation rate. For example, in Japan 80% of women who were not in the labor force when their first child was one year old enter the labor force afterwards and which is very unlike of male labor market. (Raymo&Lim, 2009). With the increase of FLFP the annual hours of work also have seen an upward movement for women. In USA the growth rate of annual hours of work of women was faster than men during 1970-1990 period (Olivetti, 2005).

**Figure no 2: Growth rate of annual working hours of men and women in USA (1970-1990)**



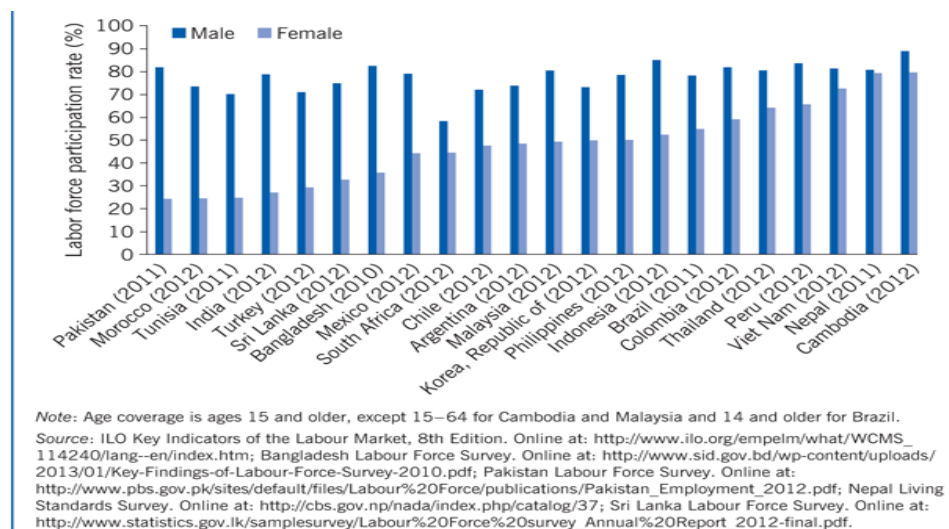
Unfortunately, above discussed growth rate scenario of women workers in the labor force is not the scenario in most of the countries. Specially countries with lower income, poor education system and conservative social practice still experiencing a huge gap between male and female labor force participation rate. In Nigeria, FLFP rate is very low as majority of employers (75 percent) choose to employ male labors over

female labors (Nwakeze, 2010). In Turkey, the male to female labor force ratio is also alarming. In 2009, only 26 percent of adult women participated in the labor market while the percentage for men was 71 (Ilkkaracan, 2012). The participation of female in the labor market is also not satisfactory in South Asian countries. In 2018 the ratio of female to male participation rate in south Asia was only 36.09%. In Bangladesh women suffers 4.7 percent more domestic violence than women who do not work (Heath, 2014). Even in developed countries the gap between FLFP rate and MLFP rate may be narrowing down but other hidden gaps and discrepancies still exist. Even in EU countries the percentage of women working in senior positions or in skilled jobs is very low. Also, in terms of wage-earning women face the similar kind of injustice. In UK the top 10% high earners ratio of female to male was 38% in 2012. In most of the Southern Mediterranean countries, young entrants into the labor force, particularly young women, face extremely high levels of unemployment. According to World bank’s World Development Report 2012, female unemployment rates are as high as 50% in many Southern Mediterranean countries.

### III. WHAT CAUSES THE LOW RATE OF FLFP?

As discussed, the pattern of female workers participation rates in the labor market is diverse and unique. It varies from culture to culture, country to country. However, by merging the pattern of female labor force participation rate conferred above some explanation can be easily made. In high-income developed countries the gap between MLFP rate and FLFP rate is relatively low in relation to developing countries.

**Figure no 3:** Gender disparities in labor force participation rates in selected developing countries(2010-2012).



The main reason behind this is economic growth/development and well explained in several literatures of 1960s. Sinha (1967) pointed out that there is a U-shaped relationship between female labor force participation and economic development which labelled as the feminization U hypothesis (Boserup, 1970). The theoretical underpinning of the feminization U hypothesis linking development and increased female labor force participation is as follows (Goldin, 1995): In the time of agrarian society with low income and economic development, the participation rate of women was high as women were forced to work for the sake of the family. As the society becomes richer, the structure of the economy shifts towards industrial production and a formal sector-based economy emerges, which tends to lower women’s participation in the labor market. It was due to low levels of female education and the incompatibility of wage work with child care as well as socio-cultural restrictions on female employment. As the society develops even further, female labor force participation increases once again. The expansion of post-primary education among females and the emergence of a white-collar service sector offer new, attractive employment opportunities for women, which are not subject to stigmatization (or the stigmas and restrictions erode over time). Moreover, the decline in fertility, the increasing availability of part-time jobs and greater access to child care facilities enable women to combine work outside the home with raising children. This U-shaped hypothesis concludes that countries and societies with higher economic growth, favorable structural changes as well as improve education system and declining fertility rate have more female in their labor market.

Better social system, positive value and norm practices of developed counties are also reasons behind this high FLFP. Women are also relatively well paid in their jobs in socio-economic developed countries. However, in developing countries access of female labors in the labor market is tougher and rigid. Conservative

attitude of the societies, lack of education and gender biasness of the employers are responsible in majority of the cases. Factors such as access to credit and other inputs, household and spouse characteristics, institutional setting (laws, protection, benefits) also plays vital role in bringing down the male to female labor participation ratio (Verick, 2014).

#### **IV. WHAT COMPANIES SHOULD DO?**

Without the high involvement of women in the labor force proper development of a country is not quite possible. Just by reducing the gap in employment between women and men, the International Labor Organisation estimated that an additional US\$1.6 trillion output could be generated. Modern managers also have realized the fact that a balance participation of both gender in the workplace increases the effectiveness and performance the organizations. At first companies should ensure gender equality in the workplace. A workplace where women can take part on equal terms increases the productivity level (Newton, 2012). In China for the same work men are paid 47% more than women (Chong, 2017). Equality of wages and other benefits, fair treatments all makes the organizations more attractive to the female. As women need to balance work and family more than men, flexible working hours are very useful for them. It gets difficult for women to remain in the workforce with limited flexible working hours (PigNatti, 2016). Safe and healthy working environment also encourages female to participate in the labor force. According to a survey, 1 out of 4 women have faced workplace harassment in USA in 2011. Employers should try to present safer workplace for working women for growth and development. Appreciation and recognition of female labors' work and impartial performance appraisal raises the motivation level of female labor force. Women workers should be considered fairly in promotion and up gradation. Policy makers should also allow the female work force to take part in the decision-making process so that women workers can feel as valuable for the goal attainments of the company. Childcare facilities at the office, tax facilities, maternity benefits, mentorship programmes are also some of the steps modern firms are now concentrating to attract non-working women back to the labor force.

#### **V. CONCLUSION**

Regardless of the recent improvement of the rate of women labor force participation in the labor market still the gap between MLFP and FLFP is quite large all over the world. This differences and disparities persist in different forms and nature. Especially this gap usually tends to grow high in underdeveloped countries. Nonetheless, labor market for female workers still represents a major concern (Castellano & Rocca, 2017). Social value system, attitude of the employers, security, and opportunity in most of the cases marks the female labor force participation ratio smaller than that of male labor force ratio. Sometime our conservative society's male centric philosophy, value and norm system transforms into the organizations to minimize the female labors empowerment and participation. However, modern organizations recognize that promoting gender equality that means empowering women in the workplace is closely linked up with organization's success, growth and development. Companies are becoming more women workers friendly by reducing pay gaps, retirement age gaps and so on. The recent changes in attitude and the mind-set of the employers undoubtedly will result in an influx of motivated women in the labor force.

#### **REFERENCES**

- [1]. Bayanpourtehrani, G., & Sylwester, K. (2012). Democracy and Female Labor Force Participation: An Empirical Examination. *Social Indicators Research*, 112 (3): 749–762.
- [2]. Boserup E (1970) *Woman's Role in Economic Development*. St. Martin's Press, New York
- [3]. Castellano, R., & Rocca, A. (2017). Gender disparities in European labor markets: A comparison between female and male employees. *International Labor Review*, 135(2).
- [4]. Chong, C. N. (2017). How best to increase women's participation in the workforce? Available: <https://www.scmp.com/business/companies/article/2077817/how-best-increase-womens-participation-workforce>. Last accessed 16th March 2019.
- [5]. Goldin C (1995). The U-Shaped Female Labor Force Function in Economic Development and Economic History. In: Schultz TP (ed) *Investment in Women's Human Capital and Economic Development*. University of Chicago Press, Chicago, pp 61-90
- [6]. Hatton, T., & Bailey, R. (1988). Female Labor Force Participation in Interwar Britain. *Oxford Economic Papers*, 40: 695-718.
- [7]. İlkkaracan, İ. (2012). Why so Few Women in the Labor Market in Turkey? *Feminist Economics*, 18:1, 1-37, DOI: 10.1080/13545701.2011.649358.
- [8]. Newton, A. (2011). How can policy makers encourage female labor force participation? Available: <http://go.worldbank.org/I5FQLELOG0>. Last accessed 17th March 2019.
- [9]. Nwakeze, N.M. (2010). Gender and Labor Force Participation in Nigeria: Issues and Prospects. *International Journal of Research in Arts and Social Sciences*, 2: 477-492.

- [10]. Olivetti, C. (2006). Changes in Women's Hours of Market Work: The Role of Returns to Experience. *Review of Economic Dynamics*, 9(4): 557-587.
- [11]. Ozdemie, Z.A., Balcilar, M., &Tansel, A. (2013). International Labor Force Participation Rates by Gender: Unit Root or Structural Breaks? *Bulletin of Economic Research*, 65: 141-164.
- [12]. PigNatt, N. (2016). Encouraging Women's Labor Force Participation in Transition Countries. *IZA World of Labor*, 264, DOI: 10.15185/izawol.264.
- [13]. Raymo. J.M., & Lim, S. J. (2011). A New Look at Married Women's Labor Force Transitions in Japan. *Social Science Research*, 40(2): 460-472.
- [14]. Sinha JN (1967). Dynamics of Female Participation in Economic Activity in a Developing Economy. In: United Nations, Department of Economic and Social Affairs. *Proceedings of the World 33Population Conference, Belgrade, 30 August – 10 September 1965, Vol. IV*. UN Publications, New York.
- [15]. Verick, S., (2014). Female Labor Force Participation in Developing Countries. *IZA World of Labor*.

AlvyRiasat Malik, et. al. "Rate of Participation of Female in Labor Force: An Analysis on Recent Trends." *IOSR Journal of Humanities and Social Science (IOSR-JHSS)*, 25(8), 2020, pp. 09-13.