

Extended Abstract

International Symposium of Sabaragamuwa University of Sri Lanka (ICSUSL) - 2017

<< Why a Large Share of Women Opt to Stay at Home: an Exploratory Study >>

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1. Abstract

In Sri Lanka, despite education gender parity favouring females and positive outcomes in female education two thirds of the working age women opt out of the labour force to stay at home. The largest share of those who opt at home without participating in the labour force are those who dropped at the upper secondary level. This study sought to explore the factors which are likely to affect labour force participation of women and that of upper secondary school dropout women. We carried out a quantitative data analysis using data generated by the Department of Census & Statistics' Labour Force Survey 2014 and Household Expenditure Survey 2012/13 and an analysis of qualitative data collected from labour market experts. In with the reviewed literature, the quantitative data suggests, education, marital and maternal status, are main supply side factors, and on the demand side the labour market factors affect the women's labour participation choice. The data nonetheless revealed that where employability is high the role of marital status play only a minor role. The qualitative data suggests that the reservation wages of women secondary education are likely to be high compared to that of the lower educated, but the absence of skills required to access jobs meeting their reservation wage levels and absence of adequate employment are likely to be important factors discouraging labour force participation.

Keywords: Enter maximum 5 keywords organized alphabetically and separated by commas.

1. Introduction and research problem/issue

In Sri Lanka, despite education gender parity favouring females and with very positive outcome education, a large share of the working age women opt out of the labour force to stay at home. Over the two thirds of the working age¹ women in Sri Lanka did not participated in the labour force⁴. Out of those non participation, two thirds did not participate because they chose to stay at home, while a third further education or training or they were unable to participate because they were old, disabled or sick female labour force participation is an important driver of economic development.

⁴ Labour force consists of all individuals 15+ years of age who are working or seeking work. More detailed definition is given in the Annual Labour Force Survey Reports of the Department of Census & Statistics.

development especially from a household wellbeing perspective, why a large share of women opt to stay without participating in the labour force is a facet requiring analysis. Literature notes an inverted relationship between education and non-participation, and argue that lowest educated are from the households and seek employment for survival and higher educated seek employment due to high opportunity of leisure arising from higher employment opportunities and higher wages. The studies which centre on

¹ All women above 15+ years of age.

affecting the labour force participation choice of women who are with a middle level education are scarce this study addresses two main research questions:

1. what are the supply side and demand side characteristics affecting labour force participation choice of women?
2. why a large share of upper secondary school dropout women opt to stay at home participating in the labour force?

3. Research Methodology

The study focuses on prime working age women (women who are 25-54 years of age)³ who were neither disabled, nor pursuing further academic or vocational education or training, but who stayed at home participating in the labour force.

The study used both quantitative and qualitative research methods to address the research questions: the supply side and demand side characteristics affecting labour force participation choice of women large share of upper secondary school dropout women opt to stay at home without participating in the labour force. The variables to describe the women's supply side characteristics and the demand side characteristics of women were identified based on the theoretical framework of labour force participation choice and findings from the related literature. Thus the supply side variables selected are the level of education, marital status, ethnicity of the woman and the woman's access to other incomes. The woman's provincial residential location were taken as proxy variables representing labour market characteristics of the woman. Logistic regressions were used to examine the choice of prime working age women to participate in the labour force (=0) or to stay at home (=1).

4. Results and findings

We examined the statistical significance of variables, representing the supply and demand side factors, on the choice of opting out of the labour force to stay at home or joining the labour force using Logistic Regression estimated for the three educational groups: (i) those who had only primary, lower secondary education or went to school, (ii)

International definition of prime working age e.g. OECD Factbook 2011

those who had upper secondary education only, and (iii) those who completed tertiary education. Except for those who had completed tertiary, for the other two groups, all variables in the logistic regression turned out to be significant at 99% level of confidence, gave very little information to address our research question "how many upper secondary dropouts opt to stay at home?". What it implies is that all factors considered in the models have an effect on the labour force participation choice. But for the tertiary the only variable that turned out to be significant is the marital status of the woman.

However for all three regressions, compared with the logistic regressions run for marital and maternal including the ethnicity, sector and province variables made only a very marginal change in the predicted of the regression. Which means irrespective of education level marital and maternal status, especially status is the variable which has the most significant impact on the labour force participation choice of women. In conformity with the findings under

the exploratory data analysis, the lowest share of stay at home women are those who were in tertiary education or who had completed tertiary education. Women with less than of education showed more participation than that of the upper secondary dropouts. Around 47% of women were those who dropped out before sitting GCE O/L examination⁴ or failing GCE O/L ex disqualifying to continue to GCE A/L⁶. Around 66% of women are upper secondary dropouts.

As discussed hitherto, both marital status and maternal status are important determinants for the labour participation choice. The largest share(71.5%) of women who stay at home are those who are mothers of children⁷. Out of all stay at home women, 19.1% were primary or lower secondary dropouts married with children, 51.8 % were upper secondary dropouts married with children, but only 0.5% was tertiary educated mothers of children.

5. Conclusions, implications and significance

In conformity with the analysis, data suggests that marital and maternal status, ethnicity, location in estate sectors, and market factors are important determinants of the labour force participation choice. Marital and maternal status are important factors affecting labour force participation choice, opportunity income apparently play a more

GCE OL : Government Certificate of Education Ordinary Level Examination

Those who dropped out at Years 10 & 11

GCE AL : Government Certificate of Education Advanced Level

Examination, passing which qualifies for university education Children 10 years old or below

important role in the labour force participation decision. Data showed that among tertiary education participation being high irrespective of marital status.

The qualitative data suggests that, beyond the mismatch of skills posited in the literature, absence of so skills demanded by the market is likely to be a key reason for women's non participation in the labour findings indicate that, diversification of vocational training focusing on current and future demand market, expansion for vocational training intakes, development of soft skills training facilities, development of career guidance, are key areas requiring policy focus.

6. References (Selected)

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Labour Force Participation, upper-secondary dropouts, women.

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