

June 1, 2026

Kerala's Women Workers: Gains, Gaps, and Growing Informalisation

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Kerala has made significant progress in women's regular wage employment with women earning more than before and securing better job terms than men. Yet, overall work participation remains low and job quality is deteriorating, with rising informalisation and erosion in worker benefits.

Kerala is widely recognised for its achievements in [human development](#) and its [efforts to reduce poverty](#). It also [ranks foremost](#) among Indian states in the achievement of Sustainable Development Goals (SDGs). Kerala has, however, lagged behind other southern states on women's work participation rates.

This is a paradox for a state that boasts [92% literacy among women](#) and a low fertility rate of [1.5 children per woman](#). Drawing from various rounds of the Periodic Labour Force Survey (PLFS) conducted by the Ministry of Statistics and Programme Implementation, this analysis examines the evolving labour market dynamics in Kerala with respect to women's work participation, earnings, and quality of jobs, and makes a comparative assessment of these key labour market indicators for Kerala and India as a whole.¹

Structural Transformation

Simon Kuznets theorised that as economies develop, they witness a structural transformation involving a movement of workers from the low-productivity agricultural sector to the high-productivity industrial and services sectors. What do we see as evidence for this transformation among women, both at the all-India level and in Kerala?

At the all-India level, the percentage of women workers-rural and urban combined-in the primary sector grew from nearly 54% to 61% between 2017-18 and 2023-24.² In Kerala too, the percentage of women workers in this sector increased from 15.5% to 29% during the same period. Pattnaik et al. (2018) have described the increase in women workers in agriculture not merely as the feminisation of agriculture but as the feminisation of distress.

The increase in the percentage of women workers in the agricultural sector was largely mirrored by a corresponding decline in the percentage of women workers in the services sector, both nationally and in Kerala. At the all-India level, 28% of women workers were employed in the services sector in 2017-18, declining to 23% by 2023-24. In Kerala, it decreased from 61% to 56% (PLFS, various rounds). Despite output growth in the industrial and services sectors, labour absorption has not kept pace, and the Covid-19 pandemic worsened the situation.

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It is important to note, however, that Kerala is predominantly a service-sector-oriented economy. It employed 56% of women workers in the tertiary sector in 2023-24, compared to the national average of only 23% in the same year. Kerala also had a larger proportion of its female workforce in the tertiary sector (56%) than its male workforce (51%) in 2023-24, and this has been the case since 2017-18. By contrast, at the all-India level, only 23% of female workers were employed in the tertiary sector in 2023-24, compared to 36% of male workers. The percentage of women in the secondary sector is quite low in India as a whole (16%), and Kerala (16%) is no exception to this trend (PLFS 2023-24).

Having examined the broad sectoral trends in female employment, the next section focuses on the distribution of women workers by broad employment status-that is, their distribution across regular wage or salaried employment, casual labour, and self-employment. Particular attention is paid to women's concentration in self-employment, a much-debated issue in relation to the trajectory of women's employment in the country.

Self-Employment Among Women

India has a very low female labour force participation compared to the rest of the world, and it has been declining continuously since 2004 (Deshpande and Kabeer 2024). The steady and consistent rise in female work participation-primarily in rural regions-from 20% in

2017-18 to 38% in 2023-24 has therefore been a subject of intense debate and scrutiny. The Union government showcases this increase as progress towards gender equality and a sign of rising economic opportunities for women.

Table 1 shows how the Worker Population Ratio (WPR) for females aged 15 years and above changed between 2017-18 and 2023-24 at the all-India level and in Kerala.³ It is evident from Table 1 that increases in WPR for both Kerala and at the all-India level are primarily driven by changes in rural areas.

Table 1: Proportion of Female Workers to Female Population (Percentage)

Year	Rural Female Worker Population Ratio (WPR)		Urban Female Worker Population Ratio (WPR)	
	All-India	Kerala	All-India	Kerala
2017-18	20.1	18.4	17.1	17.7
2018-19	20.9	23.1	17.4	22.1
2019-20	26.7	23.5	19.4	20.7
2020-21	28.6	23.9	19.0	21.2
2021-22	27.9	27.9	19.9	24.2
2022-23	33.2	30.0	21.8	24.4
2023-24	38.1	30.2	23.9	26.9

It is also evident from Table 1 that Kerala has lagged behind the national average in terms of increases in WPR between 2017-18 and 2023-24. While there is not much difference in the female WPR increase in urban areas, in rural areas the national average reveals an 18-percentage point increase, while in Kerala it is only around 12 percentage points.

However, this is only half the story. Several economists are critical of the claims of rising female work participation and have used disaggregated data to show that much of this increase is concentrated in the category of self-employment. This is not an encouraging development, given that self-employment in India-whether in the farm or non-farm sector-is largely distress-driven: informal, scattered, and small in size, with limited opportunities for scalability (Abraham 2009; Afridi 2025; Deshpande and Kabeer 2024).

Since a large proportion of women work as unpaid helpers in home-based enterprises, an increase in women's concentration in this type of work reflects the lack of viable alternative employment opportunities. It is the increase in regular wage and salaried work that provides an indication of better-quality jobs, while an increase in self-employment largely points towards distress. A more disaggregated analysis of the data is therefore necessary to uncover the source of increased female work participation.

Figure 1 shows that a majority of women workers at the all-India level are engaged in self-employment (67%), with far fewer in regular wage work (19%). In Kerala, by contrast, the percentage of women in self-employment (34%) is much lower than that in regular wage work (50%) (PLFS 2023-24).

Figure 1: Percentage Distribution of Female Workers by Broad Status of Employment in 2023-24

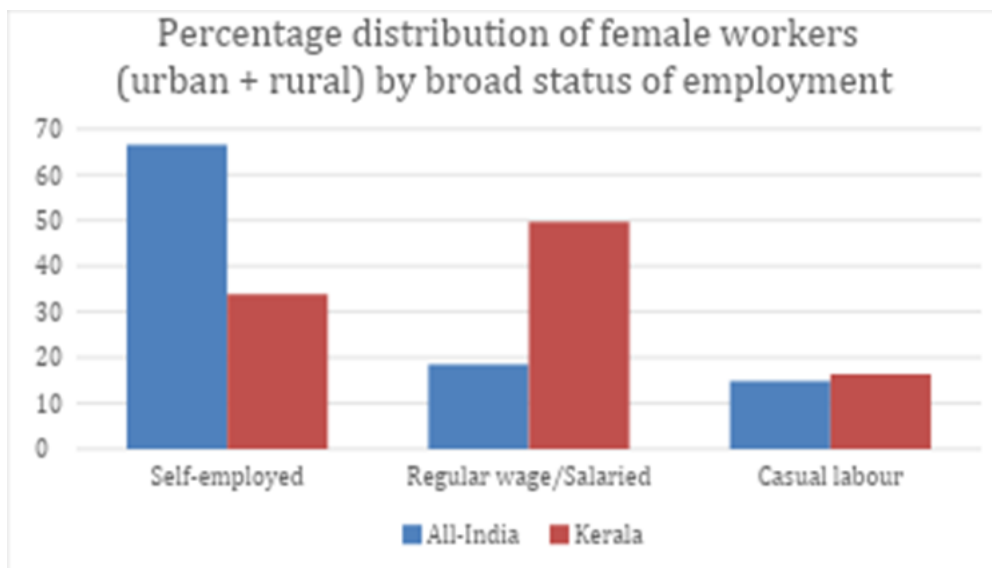


Table 2 compares the increase in self-employment among women over time in rural and urban areas between Kerala and the all-India level for the period 2017-18 to 2023-24. At the all-India level, the increase in self-employment in rural areas is particularly pronounced—an 18-percentage point increase over this period. In comparison, self-employment increased by only 7 percentage points in Kerala. Even in urban areas, the increase in self-employment in Kerala (3 percentage points) is lower than the all-India increase (7 percentage points).

Table 2: Percentage Distribution of Women in Self-employment in Kerala and All-India

Year	All-India		Kerala	
	Rural	Urban	Rural	Urban
2017-18	56.3	34.0	30.3	27.4
2018-19	57.8	33.4	35.5	30.5
2019-20	62.4	34.7	44.3	33.6
2020-21	64.3	37.5	41.0	32.3
2021-22	67.4	37.5	38.1	33.8
2022-23	70.8	39.0	39.1	31.2
2023-24	73.6	40.7	37.4	29.8

Even within the category of self-employment, Kerala has fared much better in terms of generating relatively better-quality avenues. Working as a helper in household enterprises is the least remunerative form of self-employment and often goes unpaid, while being an employer or an own-account worker is a relatively better role within the same category.

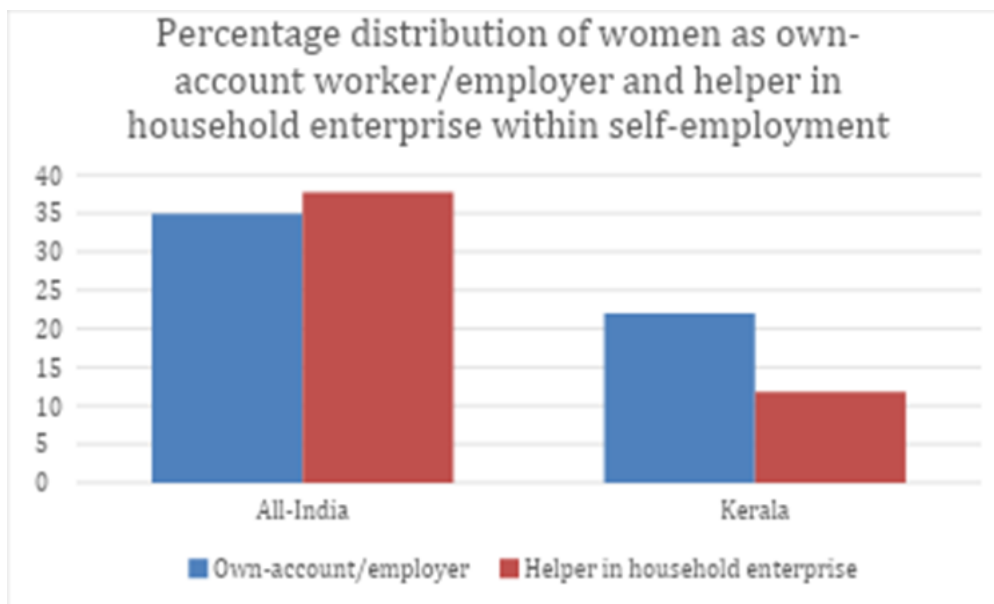
Since much of the growth in self-employment has been witnessed in rural areas, Figure 2 shows the distribution of female workers within self-employment in rural areas. Of the 74% of workers in self-employment at the all-India level in 2023-24, 38% are unpaid helpers—that is, nearly half are helpers in household enterprises. In Kerala, of the 37% of women in self-employment, only 12% are helpers, meaning only around one third are helpers in household enterprises.

The [Kerala Economic Review 2025](#) notes that following the launch of the "Year of Enterprises 1.0" in 2022-23 and its continuation through 3.0 in 2025, nearly one third of the newly formed enterprises are led by women. The Kudumbashree mission in Kerala, in

partnership with the Indian Institute of Management Kozhikode's Laboratory for Innovation Venturing and Entrepreneurship (IIM-K LIVE) business incubator, aims to support the scaling up of micro-enterprises through capacity building and mentorship for women entrepreneurs.

Similarly, the Kudumbashree home shop project aims to strengthen the marketing and distribution system for products by women entrepreneurs. Such initiatives hold the promise of generating profit-oriented business opportunities for women, going beyond poverty eradication and livelihood sustenance.

Figure 2: Percentage Distribution of Rural Women Within Self-employment



Women in Regular Wage Work

Among the different types of work, regular wage and salaried work is considered relatively better than self-employment and casual labour. This section therefore focuses on understanding the extent and quality of regular wage and salaried work in Kerala and at the all-India level.

When compared to the national average, Kerala has a much higher percentage of female workers in rural areas engaged in regular wage jobs (42%) compared to only 9% at the all-India level. In urban areas, the figure is close to 60% in Kerala, while the national average is 53% (PLFS 2023-24). At the all-India level there is a large disparity in rural and urban female work participation in regular wage and salaried jobs, while in Kerala it is not as pronounced. High educational attainments among women, combined with services-led growth in Kerala, have helped to absorb women in regular wage and salaried jobs in both rural and urban areas.

The next question is how women fare in relation to men in access to regular wage and salaried jobs, and how Kerala compares to the national level in this regard.

Table 3: Percentage Distribution of Workers by Gender in Regular Wage/Salaried Employment

Region	Regular wage/Salaried Employment (Rural + Urban)	
	Male	Female
All-India	25	19
Kerala	33	50

Table 3 shows a large disparity between Kerala and the all-India level with respect to gender differences in access to regular wage and salaried work, based on PLFS 2023-24 data. At the all-India level, one in four men holds a regular wage job compared to less than one in five women. In Kerala, by contrast, half the female workforce holds regular or salaried jobs while only one third of the male workforce does so. Women are thus better represented in regular wage jobs than men in Kerala.

Access to remunerative employment in regular jobs will provide the needed incentive to improve women's work participation, given that they face higher opportunity costs when engaging in any form of paid work outside the home. This is particularly important for a state that boasts significantly higher female enrolment in higher education compared to men-749,873 females against 554,572 males enrolled across various levels in Kerala (All India Survey on Higher Education 2021-22).

This rising precarity could be explained by the fact that that much of the increase in organised sector employment in Kerala has been driven by consistent private sector expansion, while public sector growth has remained relatively stable.

However, it must be kept in mind that while regular wage and salaried jobs are better than casual and self-employment work, they are not necessarily formal jobs. Kerala's performance has deteriorated in the creation of formal jobs with employment benefits and social protection. About 34% of regular wage and salaried women employees in usual status (principal status and subsidiary status) were not eligible for paid leave in 2017-18, and this figure increased to 44% by 2023-24-a 10-percentage point increase-for rural and urban areas combined. At the all-India level, by contrast, it decreased by 4 percentage points, from 50% to 46%.

With regard to social security benefits, the percentage of women salaried workers without any social security benefits increased from 45% to 55% in Kerala between the same period-again a 10-percentage point increase. This rising precarity could be explained by the fact that much of the increase in organised sector employment in Kerala has been driven by consistent private sector expansion, while public sector growth has remained relatively stable. At the all-India level, the corresponding figure increased by only 6 percentage points, from 52% to 58%.

In terms of salaried jobs with written contracts, however, both Kerala and the national figures are more encouraging. The percentage of women workers without written job contracts in Kerala fell from 59% in 2017-18 to 47% in 2023-24-a 12-percentage point decrease. At the all-India level, it dropped by 10 percentage points, from 67% to 57% (PLFS various rounds).

This analysis of the quality of regular wage and salaried work raises the further question of gender differences in access to better-quality jobs. Table 4 shows the comparative distribution of male and female workers at the all-India level and in Kerala, with respect to the provision of paid leave, social security benefits, and written job contracts in 2023-24.

Table 4: Percentage Distribution of Male and Female Workers in Regular Wage/Salaried Employment Without Employment Benefits and Protections (Urban + Rural Combined)

Region	With no written job contract		Not eligible for paid leave		Without any social security benefit	
	Male	Female	Male	Female	Male	Female
All-India	58	57	48	46	52	58
Kerala	55	47	53	44	60	55

It is notable from Table 5 that women are better represented in good-quality wage and salaried jobs than men in Kerala. Less than half the women in regular wage jobs (47%) have no written job contract, while the corresponding figure for men is 55%. Similarly, with regard to paid leave, 44% of women in regular wage jobs are not eligible, compared to 53% of men. On social security benefits, 60% of men in regular wage jobs have no social security entitlements, compared to 55% of women in Kerala.

This is not, however, sufficient reason to celebrate. Anywhere between 45% and 60% of workers in regular wage and salaried employment work without employment benefits and social protection-both in Kerala and at the all-India level-pointing to high levels of informalisation within regular wage and salaried work.

Returns from Labour Market Engagement

An important labour market outcome, apart from work participation rates, is the earnings associated with different forms of employment. Several studies and reports have pointed out that Kerala ranks at the top in India with regard to wages, owing to its high human development and active trade unions and labour boards.

Minimum wages have been guaranteed in 85 sectors in Kerala. This is extremely important since there are close links between employment created, income earned, and consumption realised (Jose 2020). But how do women fare in relation to men in terms of earnings from different types of work, and how does Kerala compare to the all-India level? Table 5 shows the gender differences in earnings and the earnings ratio.⁴

Table 5: Gender Differences in Average Earnings by Broad Status of Employment

Region	Avg. wage/salary from Regular Wage/Salaried Employment (in Rs.)		Earnings ratio (%)	Avg. wage earnings per day from casual labour work other than public works (in Rs.)		Earnings ratio (%)	Avg. gross earnings from self-employment in the last 30 days (in Rs.)		Earnings ratio (%)
	Male	Female		Male	Female		Male	Female	
All-India	22,092	16,498	75	450	297	66	16,007	5,497	34
Kerala	25,031	19,526	78	889	451	51	19,083	7,079	37

Table 5 indicates that female earnings across all three broad categories of employment are significantly higher in Kerala than at the all-India level. In terms of the female-to-male earnings ratio, however, Kerala is only marginally better than the all-India level in regular wage work and self-employment.

In casual wage labour alone, women in Kerala earn only 51% of male wages, while at the all-India level women earn 66% of male wages. It must be noted, however, that women at the all-India level earn only 66% of the wages earned by women in Kerala in casual labour work. Beyond this, the proportion of women engaged in regular wage and salaried work (42%) is almost double that of those engaged in casual labour work (21%) in Kerala, and the earnings ratio in regular wage work, at 78%, is encouraging.

Another area requiring policy attention is the rising precarity and informalisation observed in regular wage and salaried work, particularly with regard to social security benefits and paid leave provisions.

The foregoing analysis clearly highlights that, unlike the picture at the national level, Kerala has shown tremendous progress in improving the economic participation of women in regular wage jobs rather than in self-employment. Within self-employment, the proportion of women as own-account workers and employers is much higher than that of family helpers, showing the promise of an opportunity-driven entrepreneurship trajectory rather than a distress-driven one.

Women also have greater access to regular wage work and secure better terms of employment within it than men. Women in Kerala earn substantially more across all categories of employment compared to women at the all-India level. However, Kerala will have to continuously strive to increase the overall work participation of women, which remains low at 29%-rural and urban combined (PLFS 2023-24). Another area requiring policy attention is the rising precarity and informalisation observed in regular wage and salaried work, particularly with regard to social security benefits and paid leave provisions.

Scenario in 2025

From 2025 onwards, the annual PLFS results are released based on the calendar year (January to December). Before this, estimates for 2017-18 to 2023-24 were based on the agricultural year (July to June). The methodology and survey design of the revamped PLFS are not strictly comparable to those of the agricultural year rounds. However, to present the latest estimates, this section compares the main indicators for 2025 with 2023-24. All comparisons here are between these two years, unless otherwise indicated.

The structural transformation process that had slowed down even before the Covid-19 pandemic, and continued through 2023-24, now shows some signs of recovery. The proportion of women employed in the tertiary sector increased between 2023-24 and 2025-at the all-India level from 23% to 26%, and in Kerala by even more, from 56% to 61%.

The pace of job creation for women, in both rural and urban areas, is also progressing much better in Kerala than nationally. The all-India rural female Worker Population Ratio (WPR) decreased marginally from 38% to 37% between the two years. In Kerala, the rural WPR increased from 30% to 33%, indicating that rural job creation in the state is catching up with the all-India average. In urban areas, the female WPR in Kerala increased from 27% to 30%, while the all-India figure remained unchanged at 24%.

In terms of the percentage distribution of workers across broad categories of employment, Kerala continues to generate regular wage jobs at a faster pace-increasing from 50% to 54% between the two years-whereas nationally it grew from 19% in 2023-24 to just 21% in 2025.

It is evident that Kerala, while hugely successful in creating regular wage employment for women at salaries higher than the national average, has not been able to maintain the quality of such employment.

The percentage of women in self-employment, particularly in rural areas, remains high at 71% at the all-India level in 2025, with nearly half of them (34%) being helpers in household enterprises. In Kerala, only 35% of women are self-employed, of whom only 13% are helpers. While the percentage of workers in self-employment is thus much lower in Kerala than at the all-India level, the proportion of helpers and own-account workers or employers within self-employment remains roughly the same for both.

What has happened to the quality of regular and salaried jobs created between 2023-24 and 2025? In Kerala, regular jobs without eligibility for paid leave have increased from 44% to 46% in usual status (principal status and subsidiary status), while at the all-India level the figure has remained the same at 46%. The situation in Kerala has thus further deteriorated.

On the social security front too, Kerala's position has worsened. The percentage of workers without social security benefits stood at 55% in 2023-24 but increased to 59% in 2025. With regard to jobs without written contracts, 47% of workers in Kerala held such jobs in 2023-24; by 2025 this had increased to 57%. At the all-India level, the figure remained the same at 57%.

It is evident that Kerala, while hugely successful in creating regular wage employment for women at salaries higher than the national average, has not been able to maintain the quality of such employment. There has been a regression across all three indicators of job quality. With a well-educated female workforce and high levels of human capital, Kerala should focus on generating formal salaried employment without compromising on worker benefits and social protection.

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Footnotes:

- 1 All figures in this article are reported in terms of Current Weekly Status of Employment (CWS) unless otherwise specified.
- 2 The primary sector includes activities under Division 01-03 of the National Industrial Classification (NIC), 2008.
- 3 The Worker Population Ratio (WPR), also known as the Worker Participation Rate, is defined as the ratio of employed persons to total population, multiplied by 100. The definition can be modified for any specific population or social group. For women, it would be the ratio of employed women to total female population, multiplied by 100.
- 4 The earnings ratio is the ratio of average female earnings to average male earnings, expressed as a percentage.

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