



CENTRAL BANK OF
TRINIDAD & TOBAGO

Female Labour Force Participation: The Case of Trinidad and Tobago

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Outline

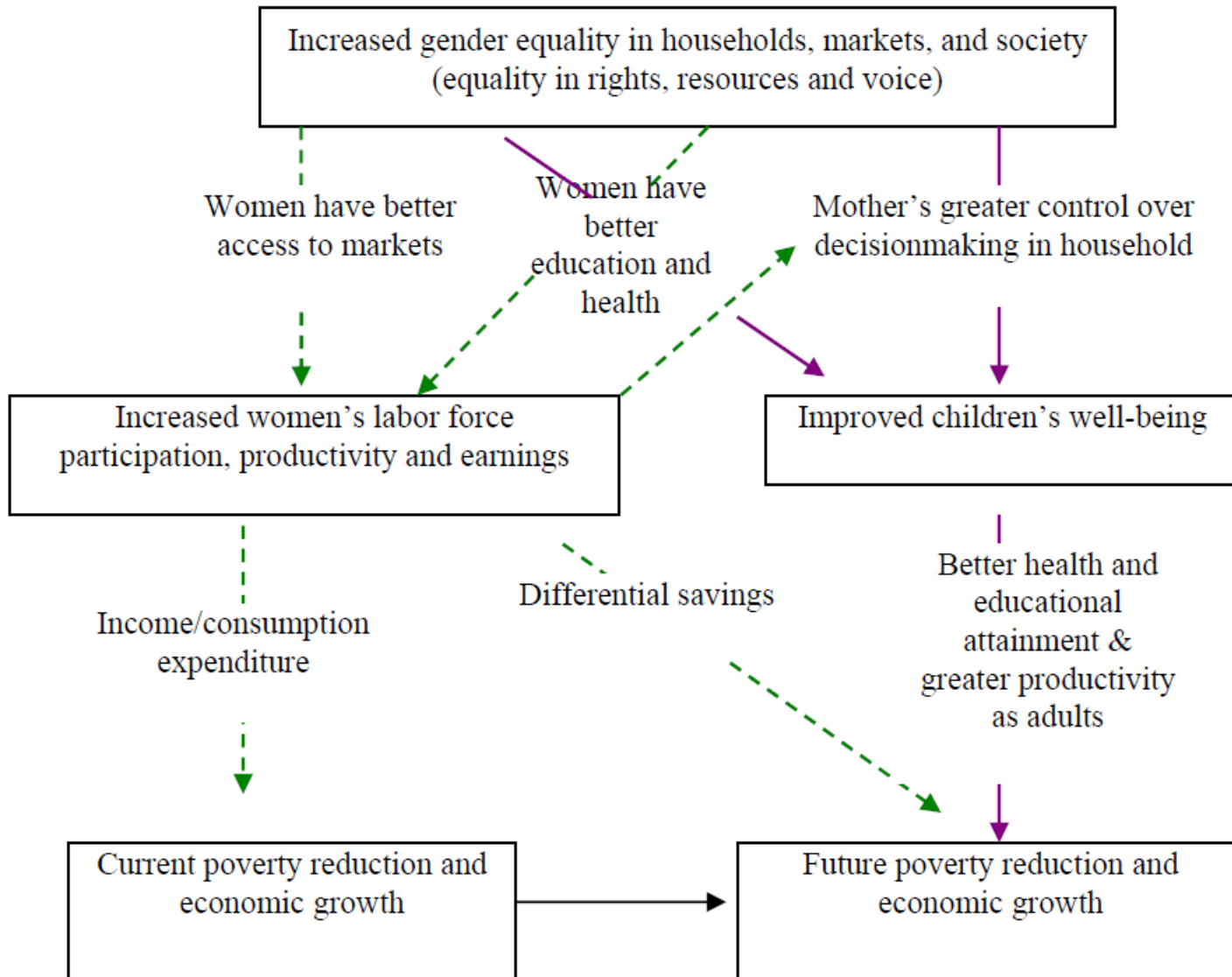
- Introduction
- Literature Review
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- Results
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- Future Research
- Policy Implications

Introduction

Significance of Topic:

- Since the 1970s to present various household surveys and surveys of living conditions have shown a **higher incidence of poverty among women than men in TnT.**

Figure 1. A framework for understanding the links between gender equality and growth/poverty reduction



Source: Morrison, Andrew *et al.* 2007.

Introduction

Significance of Topic:

- Female labour force participation rates (FLFPR) in TnT are substantially lower than male participation rates.
- Why is the FLFPR not higher?

Chart 1: Labour Force Participation Rates

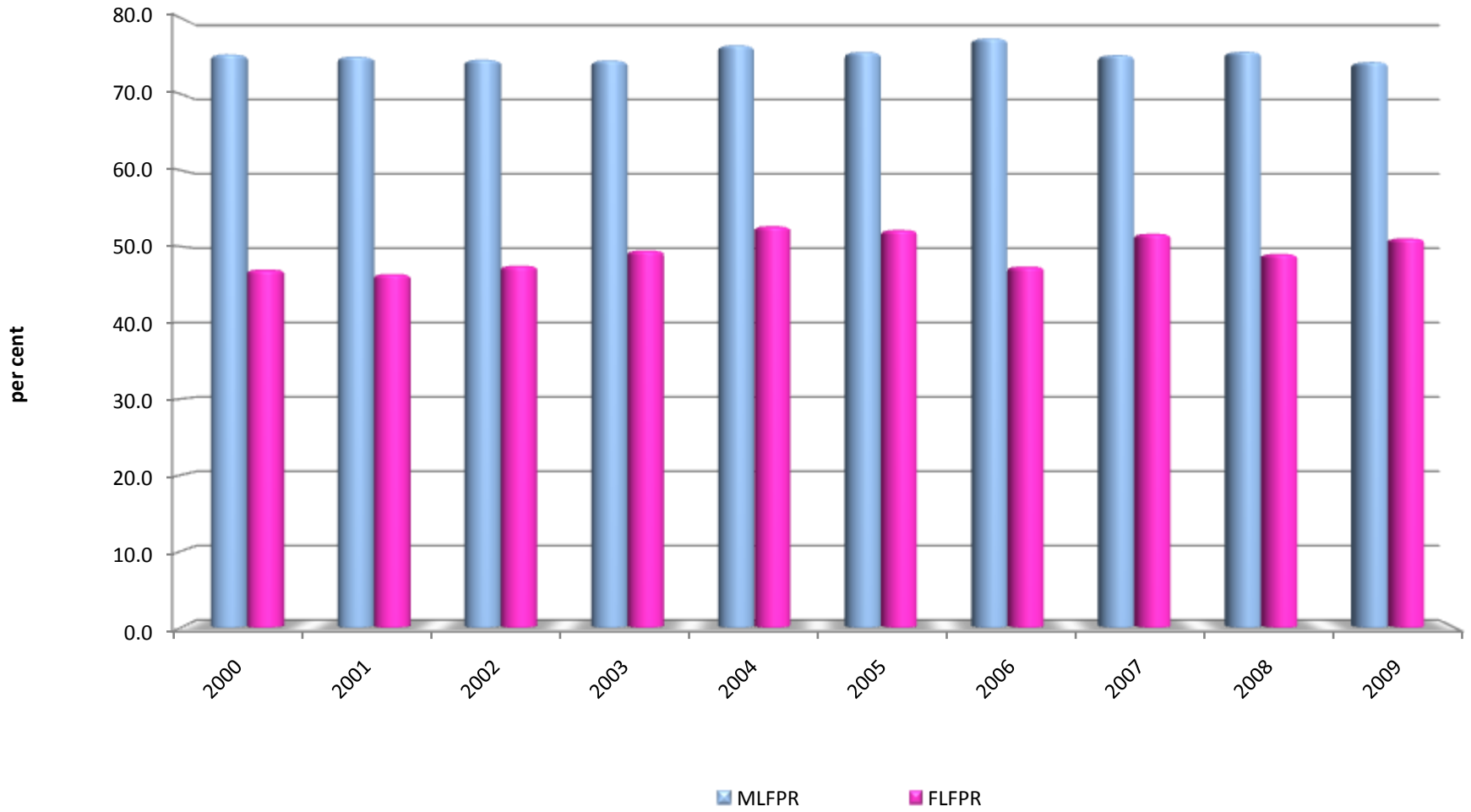
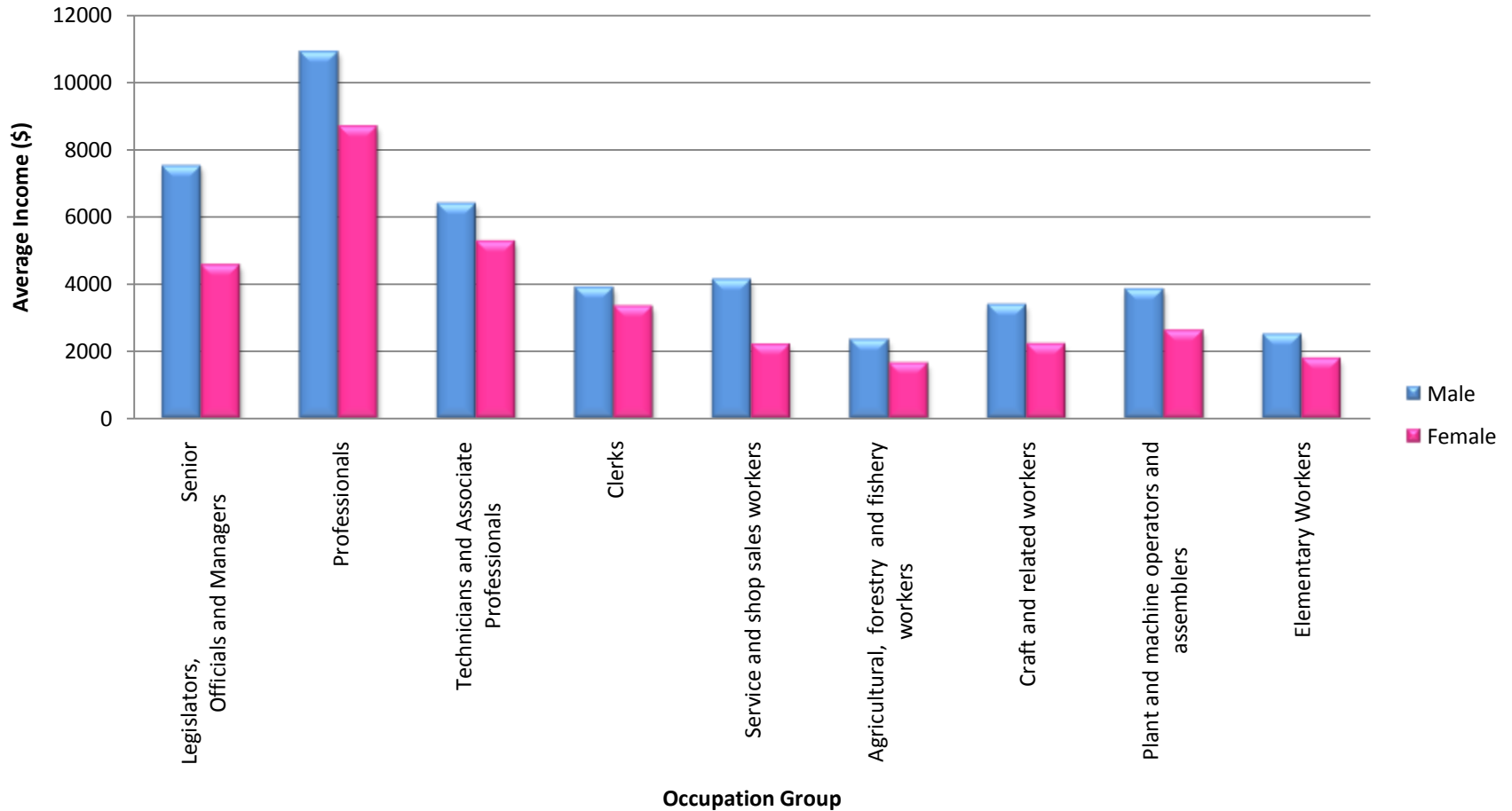
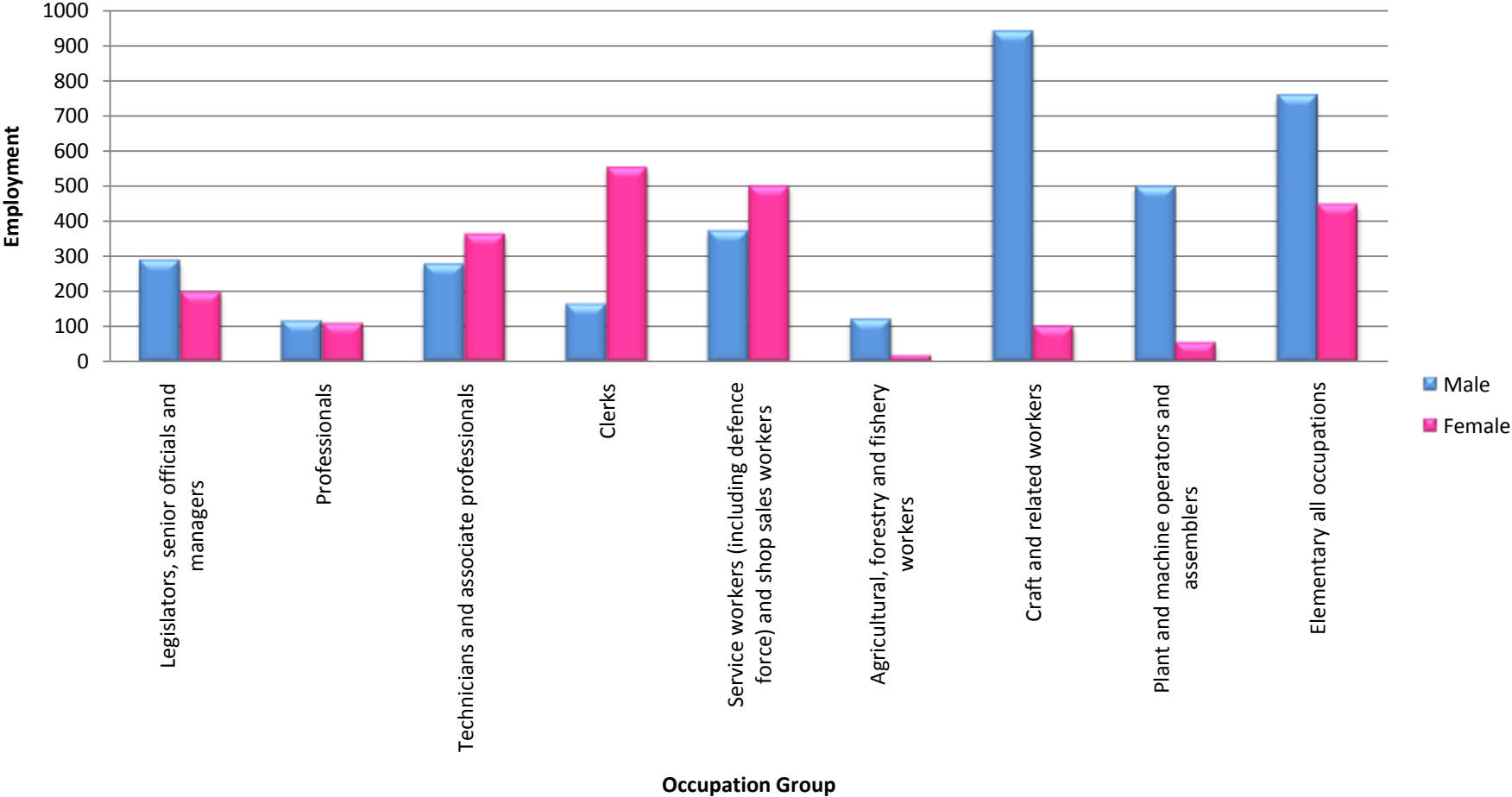


Chart 2: Average income by occupational group and gender



Source: Continuous Sample Survey of the Population, CSO Trinidad and Tobago.

Chart 3: Employment by occupational group and gender



Source: Continuous Sample Survey of the Population, CSO Trinidad and Tobago.

Research Question??

“What factors influence the ability and/or desire of a woman to join the labour force in Trinidad and Tobago (TnT)?”

Literature Review

Female Labour Force Participation Rate:

- Is a **broad indicator** of women's labour market activity.
- Can be **defined as** the percentage of working age women who are either working or looking for work.
- Will have a **direct** impact on the supply of labour.

Literature Review

Neoclassical Theory of the Allocation of Time:

- An Individual **values time** according to his/her preferences that **maximises utility**.
- The **value of market activities** depends on the prevailing wage rate.
- The **value of non-market activities** is determined by individual's tastes and preferences *plus* time demands for non-market activities.

Literature Review

Factors influencing female labour force participation:

- Average market wage rate
- Number of dependents living at home
- Educational attainment
- Marital status
- Household headship status
- Access to social security programmes
- Residence (rural vs. urban)
- Health

Methodology

Study Design:

- Literature Review.
- Analysis of secondary “published” data to guide expectations (CSSP, SLC and Census reports).
- Model estimation (probit) using dataset from HBS 2008/2009.
- Discussions on findings and possible explanations.

Methodology

Household Budgets Survey (HBS) 2008/2009:

- Nationally representative sample.
- Two Stage Cluster Sample.
- 12 monthly samples further divided into fortnightly sub-samples.
- Sample of 7,680 households.
- Interviewer-administered questionnaires and self-administered diaries.

Gender and Income

Income Area		Male	Female	Total
Low	% within Income Area	59.79	40.22	100.00
	% within Gender	26.44	25.10	25.89
Middle	% within Income Area	59.98	40.02	100.00
	% within Gender	52.19	49.13	50.92
High	% within Income Area	53.91	46.09	100.00
	% within Gender	21.37	25.77	23.19
Total	% within Income Area	58.52	41.49	100.00
	% within Gender	100.00	100.00	100.00

Source: Household Budget Survey 2008/2009

Location and Gender

Location		Male	Female	Total
Urban	% within Urban/Rural	55.57	44.43	100.00
	% within Gender	57.05	64.35	60.07
Rural	% within Urban/Rural	62.96	37.04	100.00
	% within Gender	42.95	35.65	39.93
Total	% within Urban/Rural	58.52	41.48	100.00
	% within Gender	100	100	100

Source: Household Budget Survey 2008/2009

Results- Probit Model

Variable	Coefficient	Marginal Effect*
Hindu	-0.0959	-0.0381
Roman Catholic	0.0940	0.0373
Head of Household	0.4131	0.1641
Presence of Children	-0.2391	-0.0950
Primary	0.3155	0.1253
Secondary	0.3519	0.1398
Tertiary	0.2127	0.0845
Urban	0.1744	0.0693
African	0.2596	0.1031
East Indian	-0.2607	-0.1035

*The Probability Density Function of 0.3972 was used in the calculation of the marginal effects.

Results- Probit Model Cont'd

Variable	Coefficient	Marginal Effect*
Single	0.1709	0.0679
Non-Labour Income	-0.3421	-0.1359
20-24	1.2040	0.4783
25-29	1.4147	0.5620
30-34	1.3744	0.5459
35-39	1.3475	0.5353
40-44	1.4307	0.5683
45-49	1.1721	0.4656
50-54	0.9522	0.3782
55-59	0.7321	0.2908
Chronic Illness	-0.1613	-0.0641

*The Probability Density Function of 0.3972 was used in the calculation of the marginal effects.

Special Focus- Education

		Work	Unable to find work	School	Retired	Disabled	House	Total
None	NPart	-	-	4	2	-	15	22
	Part	28	4	-	-	-	-	32
Primary	NPart	-	-	200	49	31	595	913
	Part	985	70	-	-	-	-	1055
Secondary	NPart			495	117	56	1449	2209
	Part	2620	176	-	-	-	-	2796
University	NPart	-	-	99	13	13	217	361
	Part	316	28	-	-	-	-	344

Special Focus- Education

Level of Education	Status	Per cent of Total
None	Not participating	40.7
	Participating	59.3
Pre-school	Not participating	51.7
	Participating	48.3
Primary	Not participating	46.4
	Participating	53.6
Secondary	Not participating	44.1
	Participating	55.9
University	Not participating	51.2
	Participating	48.8

Findings

- Results of the model broadly fell in line with *a priori* expectations...with a few surprises.
- *As expected*, level of schooling, age, household headship and being single all had **positive** influences on female participation.
- *Surprisingly*, women with **tertiary level education** were only 8% more likely to participate, compared to 13% for women with primary level education and 14% for women with secondary level education.

Findings

- **Negative** influences on female participation came from the presence of dependents (children) in the household, accessing social security programmes and chronic illness.
- **Positive** relationships were found between participation and women of African descent (10%) and Roman Catholic women (4%).
- **Negative** relationships exist between participation and women of East Indian origin (10%) and Hindu women (4%).

Future Research

- Do gender wage differentials impact female participation?
- Why is the marginal effect of female participation by those with tertiary level education much lower than the marginal effects for primary and secondary educated women?
- Deeper analysis needed on socio-cultural and historical factors and their impact on female participation.

Policy Implications

- Given the higher incidence of poverty among women in Trinidad and Tobago, women should remain a target group for intervention.
- Female labour force participation can possibly be improved through reform of the conditions of maternity leave.
- Promote public policy that reduces labour market discrimination.

