

# CHAPTER I

## INTRODUCTION

### 1.1 Background

The role played by women in various sectors contributes very significantly to the economic development of many countries in the world. Women's economic rights have a favorable impact on growth, although the effect varies depending on the type of economy (Naveed et al., 2023). Women in this era have explored various professions that were previously usually carried out by men. In many sectors that were previously the domain of males, women have made significant progress in the last few decades in seeking education and finding jobs, and rates of work among mothers are high (Percheski, 2008). Although there has been a significant increase in women's labor force participation in various parts of the world, it is undeniable that there are still great challenges and obstacles to overcome in realizing this.

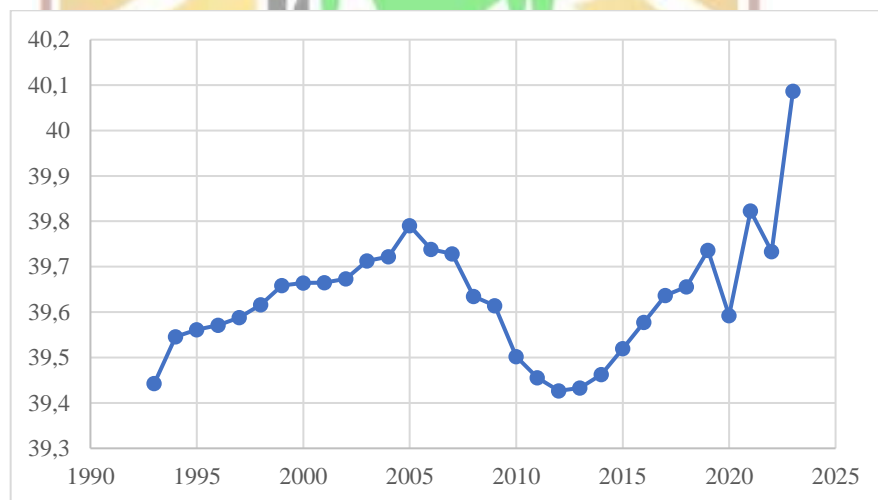


Figure 1. 1 World Women Labor Participation 1993 - 2023 (%)

Source: World Bank Data, 2023

Based on the figure 1.1 observe a gradual increase of world female labor participation from 1990 to early 2000, followed by fluctuation around the middle of 2000. Significant dip is noticeable around 2010, indicating a decrease in female labor participation in the world. However, the trend reversed in 2010 showing

steady increase with notable spikes, especially around 2020. The increase in female labor force participation reflects gender equality, sustainable economic growth, and household welfare.

Similarly, in Indonesia, women in the workforce have also witnessed a corresponding increase over time. Figure 1.2 illustrates the trend in female labor participation in Indonesia from 2018 to 2023. In 2018, the proportion of women in employment was marginally above 51.5%, and this figure remained broadly unchanged in 2019. However, in 2020 there was a marked increase, with participation reaching over 53%. The data for 2021 indicated a slight but significant increase in comparison to 2020, while 2022 also demonstrated an increase in comparison to the previous year. The most substantial increase was observed in 2023, with the participation rate reaching almost 55%. Overall, the data illustrate a clear and consistent upward trend in female labor participation in Indonesia.

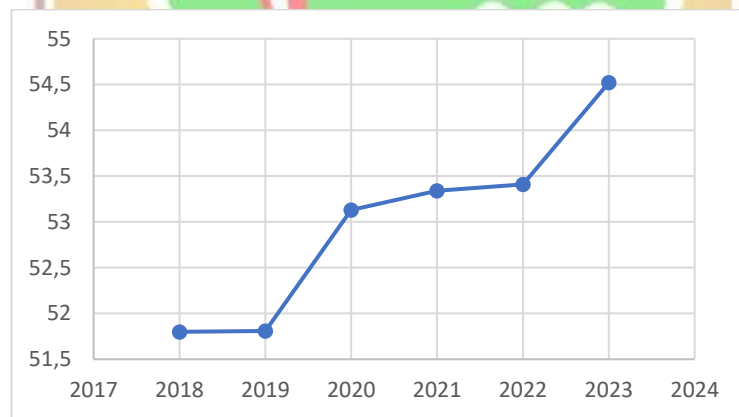


Figure 1, 2 Indonesia Women Labor Participation 2018 - 2023 (%)  
Source: BPS, 2023

Increases in female labor participation rates tend to rise with economic development (Verick, 2014). However, the increase does not necessarily mean that there are no challenges. There are still many barriers in the world of work that have not been fully overcome, and this is felt by women, especially women with disabilities. Figure 1.3 shows the number of Indonesian women with disabilities in 2022. The highest type of disability is physical disability, which reached 320,000 people. In addition, sensory disabilities recorded a number of about 100,000 people. Intellectual and mental disabilities have lower numbers, both around 40,000 people. From this data, it can be concluded that physical disabilities will be the most

prevalent among women in Indonesia in 2022, followed by sensory disabilities, with intellectual and mental disabilities at much lower numbers.

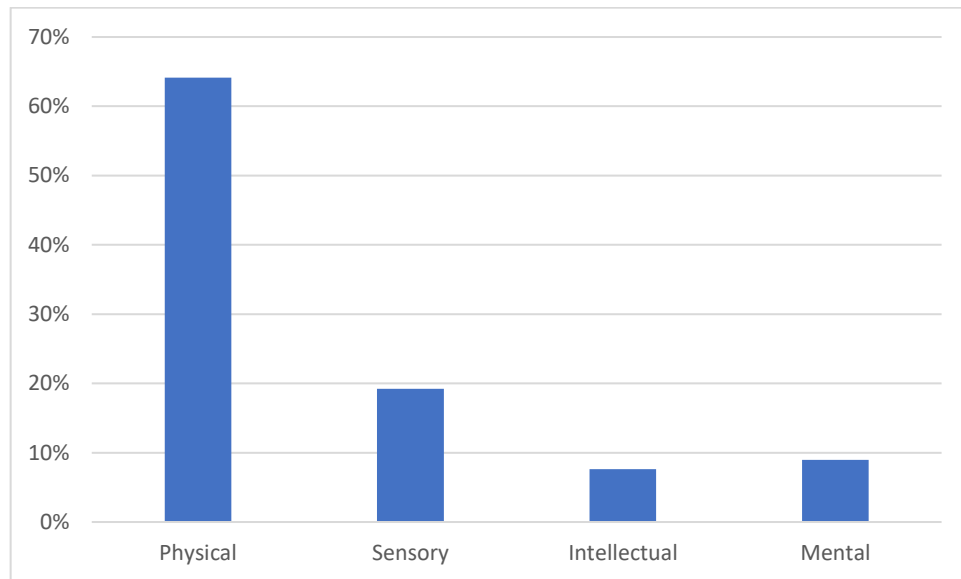


Figure 1. 3 Number of Women with Disabilities in Indonesia 2022 (%)  
Source: BPS, 2022

Women with disabilities in Indonesia continue to face significant challenges in the workforce, including discrimination, physical barriers and limited access to education. Even when medicine is used as a proxy for mental disorders, students with mental disabilities are less likely to enter and remain in paid work than their peers without mental disorders (Porru et al., 2023). The situation of women with disabilities has an impact on their low participation in the labor market compared to non-disabled women. Research in the Netherlands found that workers with inflammatory bowel disease or abdominal pain have a significant impact on labor market participation (Boonen et al., 2002). The ILO says that when people with disabilities work, they frequently face unfavorable employment opportunities, harassment and abuse based on their disability, hazardous working circumstances, and a higher likelihood of having part-time, low-paying, informal jobs or segregated workspaces. To take preventive action various international policies have been proposed to address these challenges.

International organizations such as the UN and ILO have encouraged various policies to increase the labor participation of women with disabilities, such as the protection of workers' rights and the promotion of inclusion. People with disabilities must be included in the creation of an inclusive green economy, which emphasizes the significance of including them in laws pertaining to social protection, occupational health and safety, and skill development (ILO, 2022). The UN focuses on improving the welfare of people with disabilities through technical cooperation, rehabilitation, and training programs. With the policies that have been issued by international institutions, there are clear standards for women workers with disabilities, including in Indonesia.

According to the Population Census 2020 by BPS, the prevalence of disability in Indonesia is 1.54% of the population aged 15 years and above, but only 0.55% are employed. Therefore, Indonesia wants to build an inclusive country for people with disabilities, which is stated in Law Number 8 of 2016 concerning Persons with Disabilities. In this law, Indonesia seeks to equalize the opportunities that can be obtained by people with disabilities everywhere. The existence of regulations issued by the Indonesian government is an effort to improve the statistics of workers with disabilities, including women with disabilities.

Education levels also play an important role in the labor supply of women with disabilities. The level of education is often a major factor in the labor supply of women with disabilities, with higher education they are more likely to work. Figure 1.4 shows the working conditions of people with disabilities according to their level of education. From this graph we can see that the percentage of people with disabilities who work increases with the level of education. Among people with tertiary education, about 20% work and about 80% do not work. At the level of upper secondary education, about 30% work and 70% do not work. At a lower secondary level, the proportion of people in work falls to around 20%, while around 80% are inactive. For people with primary education, the percentage of people in work is even lower, with around 15% in work and 85% not in work. Finally, among people with disabilities who are not in school, only about 10% are working, while about 90% are not working. It is clear from these data that the level of education

has a significant impact on the labor market participation of people with disabilities. The higher a person's level of education, the more likely he or she is to work.

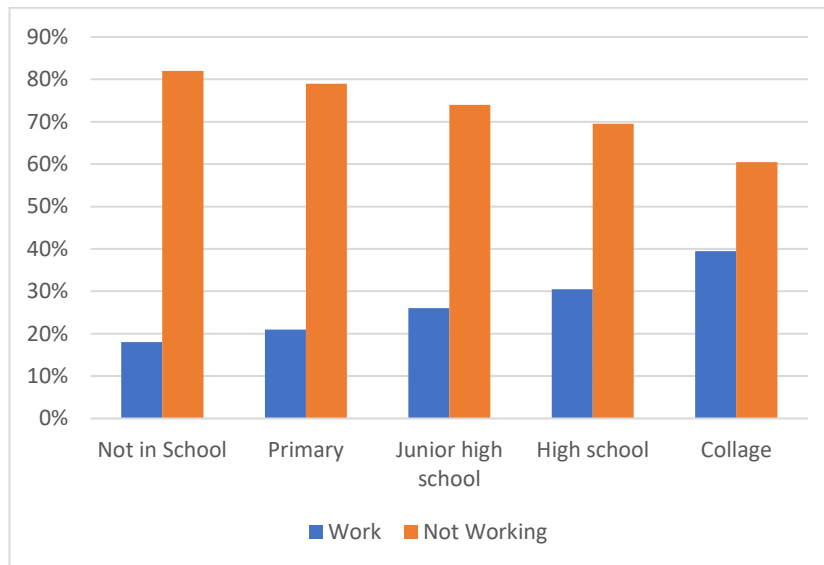


Figure 1. 4 Education Level of People with Disability Labor 2022 (%)

Source: BPS, 2022

Social and cultural norms often influence women to work, especially women with disabilities. Therefore, women with disabilities often experience double discrimination, namely social and professional discrimination based on their circumstances (Cyprysiak & Konarska, 2013). In social life women experience higher pressure than men, women are required to be able to carry out marriage and be able to take care of their husbands. In particular, women's access to the labor market is determined by rigid gender role ideologies, social and cultural restrictions on women's mobility and integration in the workplace, segmented labor markets, lack of skills and gender bias on the part of employers who place a lower value on women's labor because of their family responsibilities (Azid et al., 2010).

The absence of initiatives to reduce the burden of childcare, domestic responsibilities and housework on women results in a heightened level of stress, which in turn affects their performance and remuneration in the workplace. Furthermore, this has an adverse impact on long-term workforce planning, as evidenced by declining fertility rates and rising mortality rates (Ofer & Vinokur, 1983). Furthermore, marital status can influence women's involvement in the labor



market. Traditionally, married women have faced constraints in their employment compared to their unmarried counterparts.

The decision of women with disabling conditions to participate in the labor force is also influenced by the remuneration they receive. In the event that there are work opportunities available that do not necessarily require them to work, the wage factor will inform their decision. The results of a study conducted in nearly every county in the United States indicate that an increase in the minimum wage results in a greater number of individuals entering the labor force and, consequently, a higher number of unemployed individuals (Otterby et al., 2024). Employment opportunities and the desire to earn income, which vary depending on the type of person, determine the amount and pattern of labor force participation (Icilo, 2022). The decision of women with disabilities to enter the labor market is subject to influence from their level of income.

In addition to the factors previously discussed, such as education, marital status, and income, which impact women with disabilities, another crucial element is the area of residence. Usually, those who live in cities tend to participate in the labor force because of the greater job opportunities available. Although wages in rural areas tend to be higher, there is a contradiction between the general assumption about the influence of income and patriarchal culture on the work participation of urban women and the reality of high work participation rates in urban areas which generally have higher income levels (Rama & Bank, 2015.). However, a contradictory thing happened when the pandemic hit, rural disadvantage and indicate that, compared to urban labor markets, rural labor markets have generally fared better during the pandemic (Brooks et al., 2021). The area of residence can support work opportunities which can later contribute to the female labor force participation rate.

Given the above factors related to the area of residence, marital status, educational level and income, the present study holds much importance. Economic contributions by disabled women seem to exist but this is not statistically visible. Gender inequality (SDG 5) and the inclusion of women with disabilities in the labor

market (SDG 8) who are already in or out of it, requires an investigation of the factors that push or pull women with disabilities to work.

United Nations within its sustainable development goals stresses the urgency of female empowerment both in general and particularly for the most at-risk groups such as women with disabilities. It is critical for growth that full and productive employment is offered, and people acknowledge their worth and what they can do. Such a strategy will create a more balanced participation in the labor market by addressing the challenges such as culture and lack of facilities for disabled women. As informed members of society concerning the factors that push women with disabilities to work, we will be better scaffolding support. The proposed research examines the Locus of control, social support, and cultural factors that women with disabilities need to consider for their access to the Indonesian labor market.

Even though many laws have been signed in and around the globe to ensure that this does not happen, till now we see disabled people cannot access the things that able-people can do simply despite moving for accessibility due to different prejudices and stereotypes. Those attitudes culminate in bad treatment of people with disabilities. Everyone needs to do our part to ensure that people with disabilities feel welcomed and meaningfully included.

From the explanation that has been described, women labor supply with disability supported by several factors that have been mentioned. The female workforce also contributes as a driving factor to economic growth. The limitations of women in being fully involved in the labor market are an interesting topic to be researched with the title "**Analysis of Labor Participation on Women with Disability.**"

## **1.2 Problem Formulation**

Based on the describe above, formulation of the problems of this study are:

1. What are the characteristics of women labor with disability of labor participation

2. Does the level of education affect the labor participation of women with disabilities?
3. Do the characteristics of wages received affect the number of hours worked by women with disabilities?
4. Do characteristics of marital status affect the labor participation of women with disabilities?
5. Do characteristics of area of residence affect the labor participation of women with disabilities?
6. Do age characteristics affect the labor participation of women with disabilities in full-time hours?

### **1.3 Research Objectives**

The objective of this study is to ascertain the characteristics of women with disabilities in the Indonesian labor supply.

1. To determine the characteristics of women labor with disabilities that affect their opportunities to participate in labor participation.
2. To determine the effect of education level characteristics on the work participation of women with disabilities.
3. To determine the effect of wage characteristics on the work participation of women with disabilities.
4. To determine the effect of marital status characteristics on the work participation of women with disabilities.
5. To determine the effect of residence area characteristics on the work participation of women with disabilities.
6. To determine the effect of age characteristics on the work participation of women with disabilities.