

Women and Wage Discrimination in India: A Critical Analysis **March 19 - 2013**

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ABSTRACT: *One of the harsh realities of the 21st century is the existence of a persistence gap between the wages of men and women around the world. Wage difference on gender basis has been a great global concern for over a century now. Yet progress made to check the problem has been very slow. Even advanced industrialized countries like United States and Western Europe are struggling and fighting very hard to achieve a fair wage balance between men and women workers. But, when it comes to case of developing countries like ours i.e. India, the wage disparities on the basis of gender is far more striking. Among the BRIC (Brazil, Russia, India, and China) economies India ranks lowest on gender parity, this includes pay parity (i.e. difference between wages of men and women). This fact was revealed in the Global Gender Gap Report of 2010. The recent survey by the World Economic Forum (WEF) put the point out the Indian situation, ranking India among the bottom 10 countries in the world in terms of women's participation in the economy. The WEF report exposed a very a shocking result regarding the disparity in wages between men and women in corporate India. The average annual income of a woman engaged in cooperate sector in India is US\$ 1,185, where as that of her male counterpart is US\$ 3,698. This clearly brings out the fact that an average woman's is paid less than one-third of the average man's pay in India. The WEF report further bring out in terms of "economic participation and opportunity" for women, India has fared worse than last year, pushing the country among the bottom 10 countries on the WEF list. Overall, in terms of gender equality India achieves a score of 59.4%, but in terms of economic participation and opportunity, it scores 39.8% which is very dismal. India's general participation of women in the workforce stands at 36%, where as for professional and technical workers, the figure is 21%. As per the report of the Annual Survey of Industries for the year 2004-05, the gender wage gap for regular workers in the formal was 57%, where as for casual workers in the formal sector it is 35-37%. In agriculture sector, where the women participation rate is more than estimated 60%, the hourly wage rates of women in 50 to 75% of male rates. The discrimination and biases against women witnessed in social spheres gets mirrored on to economic spaces not only through direct, legitimate routes but also via the resilience in perceptions and mindsets among the agents of the labour markets that reconfigure to retain elements of gender imbalances.*

Keywords: - Wage, women, discrimination, gender.

I. INTRODUCTION

The term "wage" applies to a payment which is paid to workers as remuneration for the work done by them. It is generally a monetary amount. In the words of Benham, "Wages are a sum of money paid under contract by an employer to a worker for the services rendered." Whether taking developed or developing countries the gender discrimination among women is more identified in terms of wage rate differentials (Collier, 1994). The existence of a discrepancy in wage payments between men and women in the labor market is a universal phenomenon regardless of the economic structure of the country (Newell and Reilly 2001). There have been various theoretical analysis which have been made so as to explain the wage determination in the labour market but most of these analysis have proved to be inadequate and thus still many challenges are still their regarding wage discrimination and wage inequalities (Remesh, 2000).

Women population constitutes half of the country's population accounting for 496 million in absolute number as per 2001 census. The women population in India is characterized by low literacy rate (54.16%), low work participation rate of 25.68% and low level of development participation during 2001 census. More than 90% of the women in rural areas and 69% in urban areas were found having no technical skills. Women continued to be "treated as a source of cheap and secondary labor that can be hired and fired to suit the requirements of the employer". After independence, the development of nation has been directly related to women development. Women play a very decisive role in the economic development of the country. But still

both in developed as well as in developing nations, the discrimination against women continues to occur. In labour market, women are not only put in low wage jobs but also paid less remuneration than the men.

Gender is considered to be the most important factor as far as Indian labour market is concerned. Discrimination among women laborers in terms of wage payments is a very common phenomenon in India. Wages earned by women are generally lesser than their male counterparts. According to SEWA (Self Employed Women's Association 2000) the wages of women workers were below the minimum wages in some cases and at the same time the average monthly income of women workers was Rs1815 compared to 3842 for male workers. It is said that various reasons are there due to which the wages of women labour is less than male labour. Some of the main reasons are:

1. Women mostly work in light industries as they are unsuitable for work in heavy industries. Also, most of the women work in unorganized sector where the wages tend to be very low. About 94% of the total working women are in unorganized sector (ICSSR, Status of Women in India, 1971-74, p.63.).
2. Physically women are weaker than male and thus are unable to work for longer hours, which results in a decreased wage rate.
3. Finally, male workers improve their productivity by undergoing long on the job trainings but women have many other priorities like looking after family and child care and thus are not able to undergo such trainings.

Even after the formation of equal remuneration act which guarantees equal rights to women in terms of wages as compared to male counterparts, it is clearly visible that the women labour is still paid fewer wages than male counterparts even for the same type of work. During the past few years an increasing trend has been observed both in wages and income of the people but when it comes to wage differentials we do not find any significant change (Dev, 2002). Further analysis has shown that at higher education levels women rate is not only increasing but they are also outperforming men but when one looks at the gender disparity as per education level we find that this gap is still widening (Rustagi, 2003). Various studies on the labour market in India which have linked wage rate with the average productivity of labour and have tried to determine the wage rate differentials through these facts but all these studies have proved to be inadequate to explain variations in wage rates across India (Bhalla, 2000). As per NSSO report the Gender Pay Gap has seen an increasing trend after liberalization as the GPG has increased from 24% in 1991 to about 32% in 2004 whereas residual gap has increased from 53% to 78% (Menon and Rodger 2009).

Laws Regarding Gender Wage Discrimination

Both at the national and international levels various laws have been made with main focus on preventing women workers from discrimination. The International Covenant on Economic, Social and Cultural Rights (ICESCR) has passed a law asking states to ensure that men and women have equal social, religious and cultural rights. The law of covenant also focuses on the fact that the remuneration should be equal for equal work and there should not be any kind of discrimination on the basis of sexes (CESCR, 1990). The International Labour Organisation has framed Conventions (laws) to protect the women labour from discrimination. In case of wages it has formed Equal Remuneration Convention (No. 100) which ensures equal remuneration to both male and female labourers. This Convention has been ratified by 163 countries (C100, 1951). Further to reduce the wage gaps the ILO has a policy of setting minimum wages, which is widely used by ILO (ILO, 2003a). If one looks at the Indian scenario, there are many provisions in the constitution which clearly talk about women labour equality. Although article 15 of the Indian constitution guarantees that states will not discriminate on the basis of sex but still discrimination can be seen in every part of the country. The equal remuneration act also known as TERA was passed in 1976. It was basically the first legislation which prohibits discrimination on the basis of sex in India. As per TERA, male and female employees who are performing "same work" will be paid equal remuneration. "Same Work" has been defined as one which requires similar skills, efforts and responsibilities which are performed under similar condition.

Article 39 as defined by the Indian constitution also guarantees the principle of equal pay for equal work for both men and women. The fair wage committee established in 1948 accepts the principle of equal wages. As per this committee, the equal pay principle does not apply when "Male Work" and "Female Work" is distinguished.

TABULAR ANALYSIS

TABLE-1

1. Percentage share of male and female in total workers – rural and urban areas

States	CENSUS 2001			
	Males		Females	
	RURAL	URBAN	RURAL	URBAN
Andhra Pradesh	62.96	82.27	37.04	17.73
Assam	81.42	86.76	18.58	13.24
Bihar	82.46	90.23	17.54	09.77
Gujarat	73.87	89.16	26.13	10.84
Haryana	75.80	87.52	24.20	12.48
Jammu & Kashmir	83.75	89.40	16.25	10.60
Karnataka	68.29	79.66	31.71	20.34
Kerala	77.97	79.66	22.03	20.34
Madhya Pradesh	70.29	84.80	29.71	15.20
Maharashtra	61.90	84.43	39.10	15.57
Orissa	82.72	87.48	17.28	12.52
Punjab	79.28	87.53	20.72	12.47
Rajasthan	69.98	88.34	30.02	11.66
Tamil Nadu	63.25	76.72	36.75	23.28
Uttar Pradesh	86.34	90.96	13.66	09.04
West Bengal	84.13	85.92	15.87	14.08
India	73.78	84.76	26.22	15.24

Source: Population Census Reports.

2. Average wage/ salary earnings per day received by regular wage/ salaried employees (2009-10)

STATE	RURAL		URBAN	
	MALE	FEMALE	MALE	FEMALE
Andhra Pradesh	198.31	93.84	341.63	248.05
Assam	248.31	95.00	491.19	380.92
Bihar	252.59	271.76	338.31	500.75
Gujarat	187.02	178.08	306.58	221.35
Haryana	299.11	202.04	316.91	330.10
Himachal Pradesh	360.08	224.78	487.56	435.70
Jammu & Kashmir	328.11	335.82	379.61	321.86
Karnataka	195.08	112.60	414.95	293.37
Kerala	290.79	213.29	450.76	320.61
Madhya Pradesh	154.03	138.15	325.15	230.33
Maharashtra	293.76	164.51	439.30	391.71
Orissa	293.87	151.72	358.89	238.48
Punjab	263.01	136.72	342.35	374.49
Rajasthan	261.55	112.99	374.42	317.85
Tamil Nadu	256.49	161.47	319.60	277.23
Uttar Pradesh	235.60	148.11	360.29	285.54
West Bengal	180.21	97.29	391.77	277.08
All India	249.15	155.87	377.16	308.79

Source: NSSO66th Round (July 09 – June 2010) CSO, Ministry of Statistics & Programme Implementation, GOI.

Source: Labour Bureau, RLE Reports on wages and Earnings of Rural Labour Households, 2009-10, Shimla.

3. Wage rates (Rs.) per day for persons of age 15-59 years (2009-20 10) (66)

ALL INDIA	RURAL		URBAN	
CATEGORY OF WORKERS	MALE	FEMALE	MALE	FEMALE
Casual labour in MGNREGA public works	90.93	87.20	-	-
Casual labour in other public works	98.33	86.11	-	-
Casual labour in other type of works	101.53	68.94	131.92	76.73
Regular wage/ salaried Persons	249.15	155.87	377.16	308.79

Source: NSSO 66th Round (July 09 – June 2010) CSO, Ministry of Statistics & Programme Implementation, GOI.

4.AVERAGE SALARYPER DAY RECEIVED ACCORDING TO EDUCATION LEVEL(2009-10)(66)

ALL INDIA	RURAL		URBAN	
GENERAL EDUCATION LEVEL	MALE	FEMALE	MALE	FEMALE
NOT LITERATE	135.72	65.47	156.60	92.56
LITEARTE UPTO MIDDLE	160.04	80.32	183.80	114.38
SECONDARY AND HIGHER SECONDARY	267.14	151.54	293.26	237.61
DIPLOMA / CERTIFICATE	355.48	291.01	481.26	369.73
GRADUATE AND ABOVE	403.05	285.98	634.92	499.98
ALL	249.15	155.87	377.16	308.79

Source: NSSO 66th Round (July 09 – June 2010) CSO, Ministry of Statistics & Programme Implementation, GOI.

Source: NSSO 66th Round (July 09 – June 2010) CSO, Ministry of Statistics & Programme Implementation, GOI.

EDUCATION LEVEL	MALE				FEMALE			
	1993-94	1999-2000	2004-05	2009-10	1993-94	1999-2000	2004-04	2009-10
NOT LITERATE	444	400	338	280	785	739	664	578
UP TO PRIMARY	294	274	294	281	142	155	184	226
MIDDLE	134	161	181	198	43	62	87	106
SECONDARY	72	92	93	126	19	28	36	49
HIGHER SECONDARY	31	41	46	63	6	9	14	21
DIPLOMA / CERTIFICATE	-	-	10	9	-	-	5	4
GRADUATE & ABOVE	25	32	38	44	4	6	9	15
ALL	1000	1000	1000	1000	1000	1000	1000	1000

Source: GOI (2010) NSS, 66 Round 2009-2010, Employment and Unemployment position in india

**6. All-India Annual Average Daily Wage Rates in Agricultural Occupations
During the year 2008-2009 (Occupation-wise)(RLE)**

S.No.	OCCUPATION	MEN	WOMEN
1.	Ploughing	102.90	55.43
2.	Sowing	90.00	65.00
3.	Threshing	85.06	67.66
4.	Weeding	80.15	68.02
5.	Picking	81.02	66.37
<p><i>Source: Labour Bureau, RLE Reports on wages and Earnings of Rural Labour Households, 2009-10, Shimla</i></p> <p><i>Source: Price & Wage in Rural India (New series) NSSO</i></p>			

Source: Labour Bureau, RLE Reports on wages and Earnings of Rural Labour Households, 2009-10, Shimla
Source: Price & Wage in Rural India (New series) NSSO

Table 1. Since from the above analysis it has been found that gender disparity plays a very significant role in Indian labour market, so table 1 analyses the sex wise distribution of main workers across whole of India using the data from 2001 census. A study of the table brings out the clear proof of gender disparity. It is clear from the table that in all states the female workers employed are very less as compared to their male counterpart. Table 2 gives a very clear picture regarding the wage rate across whole of India. When whole of the table is analyzed it becomes evident that women are facing wage discrimination across whole of India. When a comparison of both rural and urban areas is done it is concluded that in urban areas the discrimination among women is more pronounced. The only one positive point in whole table is the state of Bihar. It is the only state where in both rural and urban areas the wages of women labour are more than male workers. In Bihar the women are getting about 8% more wage than men in rural areas but in urban areas the women wage are almost 50% more than the male wages. There are few other states where in either in rural or in urban areas the wages of women are more than men. These states are Haryana, J&K and Punjab.

In the table 3 we have try to analyze the wage rate differentials among men and women in both the rural and urban areas. A general analysis of the table clearly reveals that the wages which are received by the women are fairly less than their male counterparts. If we look at the worker engaged in MGNREGA which is only in rural areas and which is supposed to constitute about 80% women labour force is really very surprising. Even after having 80% women employer in the wages which women get are an average equal to Rs 87.30 but whereas male who constitute only 20% work force ,their wage is about 90.93s. The difference in wage is about 5%. Now, if we look towards salaried class which is available in both rural and urban area. In case of salaried employees in rural areas the wage differentials is about 62% whereas in urban areas the difference tends to be about 32%. So, it become clear that the wage differentials in much more pronounced in rural areas.

In table 4 reveals the fact regarding the wage by the level of education. The first thing revealed by the table is that the difference in wage of illiterate's workers is not very much, urban areas have more wage differentials than rural areas. In case of rural areas the wage differentials is around 48% whereas in urban areas it is around 50%. But as the level of education increases the wage differentials starts to decline in urban areas whereas in rural areas this difference tends to increase. In case of worker who are grade and above the wage difference in urban areas in around 27% but with same education level the wage difference in rural areas is too high to about 70%. If we do an average of all the education level and then see the wage difference it become evident that wage difference in rural areas is more than in urban areas which are 62% and 32%.

The table 5 gives us the employment situation in India as per education level. The most shocking fact which came to be analyzed from the table is that among women all level of employment among women, the most employed are the illiterates and unskilled women labourers. But out of this good significant fact which is revealed by the table is that the level of employment over the past 15 years among educated women has increased and the employment among uneducated women has shown a decreasing trend. In case of illiterate women the employment rate has decreased from 785 in 1994-95 to about 578 in 2009-2010 which is around 27% whereas in case of men the decrease is about 37%. In case of educated women (graduation above) the employment has increased from 5 in 1994-95 to 15 in 2009-10 which an healthy increased of 375% but still when equal with male in absolute terms is less.

This table 6 analyze the wage structure in different forms of agricultural occupations in India in all the five main forms of agricultural occupation which are taken into consideration it becomes clearly evident that women tends to get less wages than men.

FINDINGS

One of the main findings of the whole study is that though gender disparity and wage discrimination is found across whole India both in rural as well as urban areas. But when one looks at the comparative analysis between rural and urban areas it becomes evident that rural areas tends to have more disparity then urban areas. The main reason for this is the lack of knowledge, awareness and illiteracy among the rural women. In urban areas women are getting education and thus are becoming more and more aware of their rights and thus we see in urban areas the disparity has somehow shown a declining trend but the rural women are still illiterate and she has no idea regarding the schemes launched by government foe their welfare. Further being illiterate and thus unskilled, they are not able to get skillful jobs and are confined to low skilled jobs, which further increase disparity in rural areas.

IV. CONCLUDING REMARKS

The increasing participation levels of women in the paid labour market activities is viewed as a positive outcome for improving women's status by bridging the hiatus in this crucial sphere of economic involvement. However, mere increases in participation remain inadequate in altering the gender inequalities unless these are supported by the nature of work they undertake being decent, lucrative, equally remunerative and secure. If illiterate women are crowding into unskilled, manual labour requiring jobs, that are low paying and hazardous to their health and safety, such a situation can barely be lauded or appreciated. Yet, if more women's labour supplies are being deployed and there exists a demand for their labour, it is of interest to consider the circumstances leading towards this employment. To some extent these may be due to heightening desperation and poverty induced compulsion that women are forced to enter paid labour markets, while at another end of the spectrum these may be outcomes of better educational attainments providing women with the opportunity to undertake jobs hitherto not accessible.

The consideration of women's participation in paid spheres of the labour market differs from that of males due to the stereotypical traditional notion that women's roles are limited to the private, domestic spheres. Since this kind of patriarchal role stereotyping precedes any deliberation on women's contribution to the economy, the space for unbiased consideration and gender based comparison becomes non-existent. A similar constriction or lack of viable options to assess and compare women's efficiency or productivity with that of their male counterparts within employed spheres limits an unbiased assessment of wage inequalities in India. This is further delimited by lack of adequate information to make such wage and income comparisons across equals feasible.

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