

An Analysis of Gender Disparities Of Daily Wages On Labour Market

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Abstract- *Particularly in emerging nations the informal labour market is vital to the creation of jobs. Nonetheless gender differences in daily pay continue to be a barrier to social advancement and economic equality. This study examines the gender pay gap in informal work by examining discriminatory practices, educational inequalities, and occupational segregation. Because of their lack of legal protection, social standards and restricted access to resources, women in the informal sector frequently earn less money. They are paid substantially less than their male counterparts, even if they do comparable or even greater workloads. In order to overcome these gaps, the study also emphasizes the effectiveness of governmental interventions like wage controls, social security benefits, and skill development initiatives.*

Keywords- Gender wage gap, Gender disparities, informal labour market, male, female, regulations, policies, learning and skills.

I. INTRODUCTION

Since it offers job opportunities to a sizable section of the workforce, the informal labour market is vital to many economies, especially those in developing nations. Nevertheless, it is also distinguished by a lack of social security, unstable working conditions, and salary disparities. Among these disparities, women frequently receive much lower pay than males for equivalent work, which is still a chronic problem. This salary disparity is caused by a number of causes, such as social norms that undervalue women's labour occupational segregation, discrimination, and limited access to education and skill development. Furthermore, women in the informal sector usually work in low-paid, precarious occupations with little to no wage negotiation, like domestic work, street vending and agriculture labour.

Furthermore, women's participation in higher-paying job is limited by unpaid care responsibilities that they bear disproportionately. Addressing gender wage disparities in the informal labour market requires a multifaceted approach that includes legal protections, skill development programs, policy interventions, and greater social recognition of women's

economic contributions. Closing this gap is not only a matter of fairness but also a critical step toward economic growth and poverty reduction. Because of stereotypes, women are typically denied equal pay for equal work. The gender pay gap is a measurable indicator of inequality between men and women. Most governments have passed laws to ensure that men and women receive the same treatment in terms of compensation. The gender pay gap is frequently a result of the different patterns of workforce engagement by men and women.

II. STATEMENT OF THE PROBLEM

In order to comprehend and alleviate systemic inequities that impact millions of workers, especially women, it is imperative to investigate gender differences in daily pay in the informal labour market. Designing successful policies and interventions to advance gender equality and economic justice requires an understanding of the causes and effects of this wage gap. Studying these differences helps uncover the core reasons and provide solutions. Policies to strengthen legal frameworks and enforcement mechanisms can be informed by an understanding of pay discrepancies. Informally employed women's lower pay impedes economic growth and adds to household poverty. Closing the gender wage gap can reduce poverty and increase economic output overall. Researching gender differences in informal market daily salaries is crucial to building more equitable and inclusive economies.

III. REVIEW OF LITERATURE

Sophie and Dominique Meur (2005) in their paper decomposed the gender monthly wage gap, with particular focus on the components of the parts of the gap due to differences in characteristics. The analysis was done for 10 countries in EU using Oaxaca & Ransom decomposition technique and finally they used Heckman two steps method for selectivity correction. This result suggested that differences in working hours between men and women are crucial in all countries. Further on an average, public sector appeared more favorable to women.

Marwa Biltagi (2014) estimated wage differences male and female workers in Egypt to understand the determinants of gender wage gap and control of this variations using Oaxaca decomposition technique. They ascertained that overall gap was attributed to discrimination against women in 2006 and 2012.

S. Madheswaran and Basudeb Guha Khasnobis (2007)¹ in their study focused on wage differentials between male and female and estimated the extend of discrimination against females in the urban labour market. This study used nationally representative employment survey data (NSSO, 1983, 1994, 2000 data). They decomposed the wage differential among gender using Oaxaca, Reimer, Cotton and Neumark method. In a subsequent study Madheswaran (2010) has done descriptive analysis in order to observe the gender wage gap in regular urban labour market. He found evidence of Glass Ceiling and Sticky Floor in market.

IV. RESEARCH GAP AND OBJECTIVES OF THE STUDY

The informal labour market often lack official records, comprehensive wage data's. There is a lot of discrimination between men and women in setting wages. Even though women do extra work, men are paid higher wages. Historically many societies have assigned household responsibilities primarily to women, which has limited their participation in the workforce. This in turn has led to men receiving more job opportunities and higher wages. Efforts like equal pay laws, workplace policies supporting work life balance, and changing societal attitudes are helping bridge the gap. This research is based on the following objectives,

- i. To Analyze the influence of labour market regulations and enforcements on gender disparities in informal wages.
- ii. To evaluate the effectiveness of training programs designed to enhance the skills of female Evidence from India sponsored by Wider, Heisinki, Finland.
- iii. To examine the variations in the gender wage gap based on caste, ethnicity and marital status within the informal labour market.
- iv. To find out policy interventions to promote equal pay for equal work in the informal sector.
- v. To suggest policy recommendations and strategies to mitigate gender wage gaps in the informal labour market.

V. METHODOLOGY

This research is based on both doctrinal and non-doctrinal research. The sources of data collected from various Newspapers, Magazines, Books, Reports and E-Resources. Sample size of the respondent is 80. In this research based on stratified random sampling. In this research used some of the important statistical tool is percentage method and average method.

VI. SIGNIFICANCE OF THE STUDY

By drawing attention to wage disparities, the study can promote equal pay and improved working conditions for women. The survey aids in evaluating the efficacy of current labor regulations and pinpointing areas for reform.

VII. HYPOTHESIS

This research is based on the following Hypothesis,

H1 Lack of education and training is the most significant barrier preventing women from earning equal wages in the informal labor market.

H2 There is no efficient role of government and initiatives in our area to address gender-based wage gaps in the unorganized labor sector.

VIII. LIMITATIONS OF THE STUDY:

Since informal labor markets frequently lack official records, it can be challenging to gather precise and thorough salary statistics. Surveys could be partial or prejudiced. Direct wage comparisons can be difficult since men and women may be concentrated in various forms of informal work. Accurately measuring discrepancies is made more difficult by the fact that wage- setting practices and discriminations may not be publicly recognized because informal laborers are frequently exempt from regular labor laws. Unpaid household duties may cause women in informal labor markets to put in less hours, which if not taken into account when comparing wages, can skew the results. It might be challenging to separate out pure wage discrimination from gender wage discrepancies because of the ways in which men and women work in the informal sector.

IX. RESULT AND DISCUSSIONS:

Gender wage gap is often found among different industries and sectors of developing countries the wage gap also expected to persist across different levels of educational

attainment of workers and across urban or rural region. Most of the studies on gender differentials have supported the existence of gender inequality in wages. These studies have emphasized that the public sector pays better wages as compared to the private sector and women are unequally remunerated as compared to male counterparts. In some activities women are getting higher wages than men mainly because of longer years of work or experience (Mishra 1999).

Table No.1: Gender Pay gap in India by sector, 2011-12

SECTOR	GENDER PAY GAP
Legal and market consultancy, business activities	24.20
Information and communication technology	43.00
Health care, earning services, social work	26.00
Education, Research	22.00
Transport, logistic, communication	17.70
Construction, and technical consultancy	25.30
Manufacturing	34.90
Financial services, Banking, Insurance	17.70

Source: Employment and Unemployment in India, NSSO⁸, GOL, 2011-12(Edited on 20th Dec 2017)

The reason for gender wage gap is very continuous issue and various schools of thought have endeavored to ascribed reasons for the same. Further women's work in agriculture is largely manual it is considered unskilled and hence less productive. On the basis women are invariably paid less wage despite their working harder and for longer hours. Occupational segregation in agriculture is a major impediment to women since they are given employment in basic divisions of agriculture which are underpaid. Women are also considered as secondary workers with very less bargaining power. Low wages for women leads to economic dependence and thereby their lower social status and decision-making position in society. This paper is divided into the following three sectors:

Equal Remuneration Act, 1976:

Women have been entering activities considered to be the preserves of men only and in contemporary India women are no longer restricted to minimal jobs or the traditional works. They are employed at par with men and to protect their interest and to ensure gender justice statutory recognition is given through different legislations like The

Workmen Compensation Act, Payment of wages Act, Factories Act, Minimum Wages Act, The Equal Remuneration Act, Maternity Benefits Act and so on. One major legislation among this is the Equal Remuneration Act which was passed by the parliament in 1976.

In India there was no specific provision directing payment of equal wages for women till 1975, though the ILO Equal Remuneration Convention, 1951, was ratified by the Government of India in 1958. In 1975 the equal Remuneration Ordinance was promulgated to commemorate the International Women's Year, and was later replaced by the Equal Remuneration Act in 1976 (hereafter ERA).

The ERA is "An act to provide for the payment of equal remuneration to men and women workers and for the preventions of discriminations, on the ground of sex, against women in the matter of employment and for matters connected therewith or incidental thereto. The Indian law places a duty on the employer to pay "Equal remuneration to men and women for the same work of similar nature" in an establishment or employment, and is commonly referred to as the "Equal Wages for Equal Work" law.

Occupational segregation:

Among all the gender inequalities that persist in every sphere of life occupational gender segregation is the most enduring one. It is one of the significant aspects of gender inequality around the world, despite the fact of increasing participation of women in the labour market. In 1948 a minimum wage act was enacted in India. The main features of this act were as follows:

1. No difference in the wages paid to men and women doing the same type of work.
2. Wage differential should be based on a scientific appraisal of skill, experience and training required for a particular job. Strain, fatigue, hazards and the disagreeable nature of certain work tasks should be taken into account.

Notions pertaining to women's work:

The difference in the wages between men and women are justified not only by gendered segregation of occupation but there are certain notions which people hold pertaining to the work done by women. This notion stems from the consideration of women's work as just complementing to their household's income. The consideration of women's participation in paid spheres of the labor market differs from that of male's 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. (Javeed & Anupam, 2013) It has been observed that even in programs which vow for equal wages for both men and women like the MGNREGA there is a clear discrepancy in wages of men and women with women receiving comparatively lesser wage for the work of similar nature.

Women paid less than Men for same work in towns and villages: This story is from **March 19, 2023**, market determined wages for similar work are significantly lower for women compared with those of men in both rural and urban India. What is worse is that the gap has widened in rural areas over the decade though it has narrowed in the towns. These are survey findings just released by the national statistical office in the form of a report, women and men in India 2022. During April- June 2022, the time of the latest survey, the female wage rate ranged across states from just over half to 93.7percentage of male wages in rural India and just under half to 100.8percentage in cities.

A comparison of these wages with NSSO'S 68th round (July 2011 – June 2012) shows that for most states, the gender divide in wages has increased in the rural areas. Urban areas on the other hand have witnessed a narrowing of this gap in the past decade. Among large states, the gap is the highest for both rural and urban regions of Kerala. The average wage rate of rural males is RS 842 a day, also the country's highest. Female workers of the state's rural areas are paid RS 434 a day. While this too is the highest among large states, it is only 51.5percentage of men's wages. Among large states, gap in wages for similar work between men and women is the highest for both rural and urban regions of Kerala. The average wage rate of rural areas are paid RS 842 a day, also the country's highest. Female workers of the state's rural areas are paid RS 434 a day.

The periodic Labor Force Surveys (PLFS) have been monitoring the gender earnings gap across various forms of employment from **April-June 2019 to 2023**. This latest round has introduced a crucial focus on weekly hours worked, revealing that the inequality in total earnings might not capture the full picture. Women on average work fewer hours than men, attributed to a combination of social pressures and personal choices, highlighting the complex interplay between societal norms and individual decisions in shaping gender disparities in the workforce. The Nobel prize winning work of Claudia Goldin focused on the technological, social and institutional factors determining inequalities between men and

women in America. Such work has resonance for India as well, where there exists a vast literature by Indian scholars examining the many disparities in work participation and wages affecting working women. In 2023 the gap in work hours was largest for self-employed workers, where men worked 50percentage more hours than women and lowest for regular workers (19percentage). Though the gap was the smallest, men and women in regular wage workers the longest hours, at 51 and 43 hours per week respectively.

The Workmen's Compensation Act of 1923 was enacted to provide financial relief to the dependent of the deceased/injured if any accident or injury happened to the workmen as a result of the negligence of the employer. The Minimum Wages Act of 1948 was enacted with the aim of the welfare of laborers. The Act secured a minimum wage for the laborers in certain employments to protect them from exploitation by the capitalists and earn a respectable standard of living.

The Equal Remuneration Act of 1976 was enacted to bring pay parity among men and women. The main objective of the act was to eliminate discrimination in the workplace based on gender and provide equal remuneration for equal work to employees irrespective of their gender. The notable point of this act is that if the rate of remuneration before this act were high, then the employer cannot reduce the rate of remuneration to comply with the provisions of this act and the highest of the rates are payable.

Code on Wages 2019 replaced the Equal Remuneration Act (ERA). It has made huge progresses by extending the application of the principle of equal pay for equal work beyond the binary of men and women. Thus the people of the LGBTQI+ community are also extended the benefit of equal remuneration for work of equal value.

Judicial pronouncements:

The judiciary has applied and interpreted the doctrine of "Equal pay for equal work" in a series of decisions from the year 1980s. The court has initially given a wider interpretation to the phrase "same work or work of similar nature".

Case laws: **Randhir Singh v. Union of India**

The supreme court of India took a fair and balanced approach, deviating from a rigid interpretation of laws in order to support employees. The court considered the Preamble of the Constitution specifically examining the concept of "Socialist" as envisioned by the framers. The principle of equal pay for equal work is derived from Articles 14 and 16 of

the Constitution. It can be applied to cases where employees doing identical work under the same employer are paid unequally based on classification. The court highlighted the importance of ensuring fairness in compensation for similar work, as it aligns with the principles outlined in Articles 14 and 16. Additionally the court referred to the directive principle under Article 39(d) and drew guidance from the Preamble.

Table.1: Government policies or initiatives in our area address gender-based wage disparities in the informal labor market

Particulars	Yes	No	Total
Male	14 (17.50)	14 (17.50)	28 (35.00)
Female	25 (31.25)	25 (31.25)	50 (62.50)
Transgender	0 (0.00)	2 (2.50)	2 (2.50)
Total	39 (48.75)	41 (51.25)	80 (100.00)

Source: Primary Date

Table No.1 presents data on perceptions of whether government policies or initiatives address gender- based wage disparities in the informal labor market. Out of 80 respondents, 48.75 percentage agreed that such policies exist, while 51.25 percentage disagreed. Among males, responses were evenly split, with 50 percentage represents 17.5 percentage of total respondents saying yes and 50 percentage saying no. Similarly, among females, 50 percentage represents 31.25 percentage of total respondents believed such policies exist, while the remaining 50 percentage disagreed. Notably, the transgender respondents represent 2.5 percentage of total respondent mostly felt that no such policies exist, with only 0 percentage agreeing and 2.5 percentage disagreeing. These findings suggest a nearly equal division in public perception, highlighting the need for clearer policy communication or further interventions to address wage disparities in the informal sector.

Table.2: The most significant barrier preventing women from earning equal wages in the informal labour market

Particulars	Male	Female	Transgender	Total
Gender stereotypes	7 (8.75)	10 (12.50)	1 (1.25)	18 (22.50)
Lack of education and training	4 (5.00)	10 (12.50)	0 (0.00)	14 (17.50)
Limited job opportunities	7 (8.75)	18 (22.50)	0 (0.00)	25 (31.25)
Lack of awareness about wages	10 (12.5)	12 (15.00)	1 (1.25)	23 (28.75)
Total	28 (35.00)	50 (62.5)	2 (2.50)	80 (100.00)

Source: Primary Data

Table No.2 highlights the most significant barriers preventing women from earning equal wages in the informal labor market. The most commonly cited barrier is a lack of awareness about wage rights, affecting 28.75 percentage of

respondents. Limited job opportunities follow closely at 31.25 percentage, showing that restricted access to employment is a major concern. Gender stereotypes account for 22.5 percentage, indicating deep-rooted societal biases. Lastly, 17.5 percentage of respondents believe that a lack of education and training hinders wage equality. These findings suggest that while multiple factors contribute to wage disparities, improving job access and wage rights awareness could be key to bridging the gap.

TESTING OF HYPOTHESIS:

A Hypothesis test was conducted on that Statement H1 that the most significant barrier preventing women from earning equal wages in the informal labor market. At the beginning of the research, it was assumed that it was due to lack of education and training. After conducting the survey, the results shown in table 2 said that limited job opportunities are the most significant barrier preventing women from earning equal wages in the informal labor market. The limited was respondent 31.25 percentage out of 100 percentage. Therefore, the hypothesis was rejected. So, it is Alternative hypothesis.

A Hypothesis test was conduct on that statement H2 that there is no efficient role of government and initiatives in our area to address gender- based wage gaps in the unorganized labor sector. At the beginning of the research, it was assumed that there is no role of government and initiatives to address gender-based disparities. After conducting the survey, the result shown in table 1 said that there is no effective government role or initiatives in our area region to address gender-based wage disparities in unorganized labor sector. The respondent given 51.25 percentage out of 100 percentage. Therefore, the hypothesis was accepted. So it is null hypothesis.

X. CONCLUSION

Final thoughts on gender differences in informal labour market daily wages in the informal labour market, gender differences in daily pay continue to be a major problem on a global scale. Despite doing comparable or even more labour- intensive occupations, women are often paid less than males. The undervaluation of work usually done by women, societal norms, restricted access to education and skill development, and gender-based discrimination are some of the factors that contribute to this wage disparities. Wage disparities are further exacerbated by the fact that women in informal labour frequently endure unstable working circumstances, have no social safety and have little negotiating power. Enforcing minimum wage legislation, offering skill

training programs, enhancing social security benefits, and advocating for gender-inclusive labour policies are all crucial policy initiatives to alleviate these inequities reducing disparity in pay in informal labour market.

- [9] NSSO 68th round employment-unemployment report (2014)
 [10] The Times of India, updated: March 19, 2023

XI. SUGGESTION

1. Compare gender wage gaps across different informal sectors like domestic work, agriculture, street vending and construction.
2. Conduct interviews and focus group discussions with informal workers to understand the lived experiences behind wage disparities.
3. Examine the effectiveness of minimum wage policies and analyze labour laws and social security benefits available to informal workers.
4. Encourage unionization and collective bargaining among informal women workers to negotiate fair wages
5. Provide vocational training and digital literacy programs to improve women's access to better-paying informal jobs.
6. Engage community leaders and policymakers to promote equal pay and workplace protections.

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