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GENDER INEQUALITIES OF WAGES IN INDIA: AN IMPACT ANALYSIS IN LEGAL PERSPECTIVE

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Abstract: *The paper throws light on the underlying causes of pay discrimination embedded within the organization of the labor market and structures of pay and reward. It compares minimum wage policies to more targeted equal pay policies as a tool to reduce the gender inequalities in wages. It explores attitudes towards minimum wages among the major actors in order to identify potential obstacles to or support for such policies. It reviews experiences with the use of a minimum wage instrument in specific countries, identifies gaps in knowledge and the need for both new approaches to research and policy monitoring. The paper briefly focus on current the World Inequality Report 2022.*

Key Words: *minimum wage, Fair wage, Living wage, inequalities of wage, the labour market, organizational inequality, vertical inequalities, horizontal inequalities*

INTRODUCTION

In the decades and years before the pandemic, different forms of inequality, including vertical inequalities between rich and poor and horizontal inequalities between different groups in society, had generally been on the increase or remained stubbornly high in many countries. Progress in reducing gender pay and employment gaps had also stalled in many places, and the extent of gender-based violence had become increasingly visible. The sudden COVID-19 crisis has highlighted, and in many instances deepened in a dramatic way, some of these pre-existing inequalities. Looking across multiple forms of disadvantage in the labour market, it appears that the global pandemic tends to aggravate inequality and division in a quite extraordinary way. The existence of high levels of inequality means in practice that millions of people are unable to meet their needs or those of their families, save for retirement or enjoy protection when they fall sick. It means that access to labor market opportunities is unfairly divided among men and women, the old and the young, and indigenous peoples, migrants, people with disabilities and other groups. It means that jobs around the world are segmented by level of reward and by level of social and employment protection. Discrimination takes many forms and has multiple outcomes. One of the most evident outcomes is to reduce the rewards for effort and skill paid in the form of wages to those groups who are discriminated in the labour market. This form of discrimination has been found to affect women in all countries, although to varying extents. Reduction of the gender pay gap has been identified as a major objective of anti-discrimination and pro equal opportunities campaigns. It is an essential element of the ILO's programme to reduce discrimination, in line with the Declaration on Fundamental Principles and Rights at Work – namely freedom to organize and negotiate conditions of work, freedom from forced or

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compulsory labour, freedom to protect children from requirements to work and freedom from discrimination in employment and occupation. This paper aims to contribute to our understanding of the forms of labour market organisation which may be compatible with the promotion of non-discrimination and decent work by identifying the role that minimum wages can play in reducing gender pay discrimination in particular and discrimination in the labour market more generally. Levels of global inequality remain extreme, with persistent high numbers of people in absolute poverty. According to the World Bank, in 2012 nearly 13 percent of the world's population received less than $1.90 per day, and some 2.1 billion people, about 35 percent, lived on less than $3.10 per day. Such poverty produces low levels of education, sanitation, nourishment, and medical care and high rates of child labour and exploitation as well as child and infant mortality. Approximately 29,000 children die daily from mainly preventable causes. Wealth is even more unequally distributed. The richest 1 percent of the world's population owns more wealth than the rest of the world combined. The assets of the 10 richest billionaires are greater than the GDPs of most countries, including Norway, Austria, and Belgium.

Wages and incomes in India have been rising over time; however, the gender inequalities have not been bridged. Changes in women's workforce participation have influenced the remuneration and returns due to them; however the wage imbalances across men and women remain. An examination of the trends in the economy reflects the stubborn persistence of the structure of inequalities in the sphere of occupational concentration, where women continue to be concentrated at lower end jobs, thereby receiving lower wages. 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. This paper highlights the weak potential of economic growth and increasing women's economic participation towards eliminating these inequalities, unless supported by concerted efforts at altering attitudes towards women's roles and contribution that are harboured by different agents within the labour markets.

INEQUALITY AT WORK AND IN SOCIETY

Hierarchy at work or in society are different representations of the same phenomenon: inequality. The 18th-century French philosopher, Rousseau, offers a provocative perspective on inequality that explains why we accept unequal conditions at work and in the society, why we accept institutional inequality. In 1755, he argued that equality (lack of hierarchy) was the natural condition of mankind, which would subsequently, with the rise of societies, be sacrificed to the acceptance of a social contract. Rousseau's (1755, 1886) notion of moral and political inequality was not merely concerned with wealth or income but also with abuse of power, prevarications against the weakest and quality of life. In short, organizational culture, psychological bias or institutional work may contribute to the justification and perpetuation of growing levels of inequality in organizations. Or, in other words, national culture has justified the surrender to government, politics and management, and consequently to inequality. As Rousseau

(1755-1772) noted with reference to private property, man became inured to the idea as soon as the first person enclosed a plot of land and said, 'this is mine'. Similarly, any given degree of inequality can become generally accepted through processes of institutionalization and subtle domination at either national or organizational level. Different wage rates define job hierarchies, and the presence of varied labour use forms accommodates different wage systems and modes of payments. Multiple wage rates prevail simultaneously for different sectors, occupations and tasks within any local labour market, be it in rural villages or urban towns and cities. The organised, public sector, government jobs have a predetermined wage scale structure, and in the private sector organised jobs, payments are closely and loosely tied to these wage scales. In the village rural labour market context, the daily wage rates for casual labourers in agriculture are closely tied to the daily wages paid in non-agricultural activities. Wage determination is in fact a complex phenomenon which abounds in informal contracts and arrangements, peculiar to particular employment contexts. Varying degrees of power in the social, political and economic arena, segregation and segmentation, collusion among employers, and group formation or bargaining by labourers, directly or indirectly through their impact on the forces of supply and demand may exert the dominant influence on wage movements

THE RISE OF INEQUALITY IN CONTEMPORARY SOCIETIES

In the past decades, western economies have experienced a phenomenon called financialization: 'a contemporary drive to subordinate and reconstitute all forms of economic activity – consumption as well as production – in relation to its financial relevance and significance'. Most definitions of financialization agree on the identification of the financialization process as a phenomenon where there is a growing dominance of capital financial systems over bank-based financial systems; or, more broadly, where there is an increasing role of financial motives, financial markets, financial actors, and financial institutions in the operation of domestic and international economies. The assumption of gender neutrality in spheres of employment, remunerations and related calculations implicit in economic thinking being erroneous, the comparisons and assessments of gender inequalities remain inappropriate. Women being exceedingly employed in low productivity, low value tasks on the one hand, and the active choice of employers in hiring women for these tasks at times to prevent wage costs from increasing, on the other hand, dictate the gendered context of labour use in India. The subordination of women and patriarchal mindsets as operative in the system of social organisation serves to reinforce the structure of wages in the productive spheres. Thus, increasing women's participation, the rising levels of education and skill content over time have not been able to eliminate the gender imbalances in wages and incomes in India. Indian economic growth accelerated significantly since the early 1990s, but this acceleration has been accompanied by rising inequality, even if it reduced significantly the incidence of poverty. The distribution of households classified by their per capita expenditure and its shift over time show clearly how this occurred.

ORGANIZATIONAL INEQUALITY

Organizational inequality concerns all possible forms of divergence in the treatment of and opportunities for workers in the same organization. Finance plays a role in increasing the divergence of treatment of members of organizations and in justifying the acceptance of inequality. The evolution of human-resource management practices towards individualization of employment relations can also contribute to the institutionalization of inequality among workers. Some national institutions whether systems of industrial relations or models of welfare state, may be able to slow down or accelerate organizational inequality. The managerial rhetoric on flexibility, but also organizational and national cultures provide a justification for the acceptance of growing levels of inequality in organizations. Moreover, both macroeconomic and organizational inequality is based on the same discourse: policymakers (national level) and managers (organizational level) face inescapable decisions, actions that modernity makes unavoidable. As Rousseau might frame it, inequality is the consequence of accepting a social/organizational contract where, supposedly, progress is traded with equality and freedom as a mandatory path towards modernity. While Rousseau focused on the specialization of roles in the society (political, military, religious, administrative, etc.), Marx focused on the division of labour at work. In both cases, the acceptance of inequality resides in the acceptance as necessary of those hierarchical divisions, be these different roles in the society or different tasks in a factory, and the consequent income and wealth inequalities. Class is being accepted as a necessary characteristic of modern nation states and functional to capitalism. Inequality is being accepted as a characteristic of both capitalism and class. Organizational inequality is not in itself an explanation of macro inequality, which has to do with macro trends such as the increasing divergence between the remuneration of capital and the remuneration of labour. However, macro and organizational inequality have the same causes: reforms of labour-market regulation and weakening of trade unions. As such, both forms of inequality warrant greater joint attention from economists and organizational scholars. Inequality is arguably among the core concepts of the social sciences, pivotal to the contemporary relevance of economic, sociological, political and cultural analysis. Yet, organizational inequality has been rarely acknowledged, let alone adequately conceptualized within the academy. This article is conceived as a modest contribution to the opening up of an important debate concerning the contribution of organizations, their dynamics and their modus operandi, to the reproductive capacity of contemporary forms of capitalism. Further study of the nature of organizational inequality, its causes, and its alignment with macroeconomic inequality, will enhance our conceptual and theoretical understanding of the economic dynamics and socio-political consequences of a capitalist Bernardi and Tridico 451 model in which macroeconomic inequality and organizational inequality appear to have taken on an increasingly symbiotic role and significance. We have focused on the effects of inequality, be it macro or micro disparity in pay or wealth. But the true inequality is the cause of those effects, our tolerance, acceptance of diversity of treatment and social and political hierarchy. Rousseau told us that we tolerate it because we accepted the social pact, as today we accept the corporate, organizational pacts. Marx would argue that the problem is the base, not the effects of the superstructure. Welfare state can mitigate the effects of inequality but not the causes and not our customary acceptance of social and political hierarchy. The redistribution operated by the tax system and by public services still gives for granted the primary inequality. Hence, the studies on macro and organizational inequality should focus not on the effects (and their partial mitigation) but on the origin (the base), and the economic, social and political institutions (the superstructure) that defend inequality as necessary and overall convenient in modern and complex societies.

DIMENSIONS OF WOMEN'S WORK AND GENDER INEQUALITIES:

In order to understand or examine gender inequalities in wages and incomes, the context of women's labour market participation as compared to that of male workers and all the varied dimensions associated with it have to be considered. The difficulties associated with recognising women's contribution to economic activities on the one hand, and their participation in labour market activities on the other hand define the widespread spectrum and nature of women's work. Factors determining women's labour supply are not adequately explained by the individual oriented work, effort, leisure or even wage remuneration based considerations. In fact, in most cases labour supply decisions especially for women need to be seen from the household point of view, since women have the additional responsibility as domestic care givers. Women's labour supply behaviour is distinct from that observed for male labour in terms of age of entry, inherent human capital attributes, marital status and social class position affecting their mobility in public spaces, fertility or reproduction and so on. Despite the increasing work participation among women over time, far fewer women than men enter the labour market as workers and the age of entry among women is later than that noted for men. The reasons for such behaviour relate to the socially defined roles within the household and the gender division of labour. A substantial number of women enter the labour markets in their thirties, generally after completion of their reproductive roles of child bearing and rearing.

Causes of gender pay inequality and their implications for a minimum wage policy:

Despite the continued efforts of activists and policymakers, in many ways, gender equality is still a pipe dream. Research shows gender discrimination mostly against women and in favour of men in many realms, including the workplace. According to the latest World Economic Forum's (WEF) Global Gender Gap Report 2018, India ranked 108th out of 149 countries on the gender gap index. The global list was topped by Iceland for the 10th consecutive year, having closed more than 85.8% of its overall gender gap.

Labour Laws in the Formal Sector

Labour Legislation has been traditionally at the top of the list of the proximate causes of the phenomenon, and its importance persists as the reforms have not touched this body of regulations in a determined way. The present legal framework consists of major acts, and a number of minor state-level laws. Most of these laws apply to all units under the umbrella of The Factory Act, which cover all workers in the registered sector employing 10 or more workers using power, or 20 or more not using power. Additionally, the Industrial Employment Act, with its job security legislation section kicks in for units with employment size of 100 or more workers. Both types of legislation would impose costs on units increasing beyond the threshold sizes. The Factories Act, 1948 governs the health, safety, and welfare of workers in factories. The Act extends to the whole of India, and includes service sector units employing intellectual labour. In 1987, a major amendment incorporated elements of occupational health and safety in the Act. The Industrial Employment (Standing Orders) Act (IDA) 1946 . Specifies the form of the employment contract. The Contract Labour (Regulation and Abolition) Act, 1970 seeks to control the use of non-regular workers. The Payment of Wages Act, 1937 a central law applying to workers earning below a certain amount in the formal sector. The Minimum Wages Act 1948 was enacted for specified occupations/industries mostly in the informal sector. For Social Security and Insurance, The Workmen's Compensation Act, 1923 Specifies compensation that the employers need to pay on account of injury by accident at work-site or occupational diseases. The Employees State Insurance Act, 1948 requires contributions from both employers and employees to be paid for insurance against sickness, maternity, funeral, and disablement. The Employees State Insurance Act, 1948 applies primarily to factories and specifies deposit-linked provident fund or pension scheme.

Laws Affecting Wages and Benefits

The basic wage scales in the formal sector have been typically set by industry-wide wage boards which provide a tripartite framework for the setting of occupation-specific wage scales in major industries. Actual earnings include supplementary benefits, some of which are negotiated by employers and labour unions, but others are legislated by a number of Acts which are revised from time to time. These include the Workmen's Compensation Act dating back to 1923, the Employees State Insurance Act first enunciated in 1948 and the Employees Provident Fund Act which has been ion the books since 1952. The Labour courts backing up this legislative framework of wage setting has been reasonably strong, and pro-labour. The net result has been that average earnings (including benefits) in the formal sector have been substantially in excess of those in the informal. Not all of the wage differential can be traced to Institutional impact. Workers in the formal manufacturing sector obviously have higher skills and human capital. In fact, it has been established that the wage differential in favour of modern large scale factories had been established well before the coming of institutions or state intervention in Indian labour markets. Thus difference in efficiency wages between the informal and the formal sectors would be much smaller than the observed gross differential. Further, the chicken-and egg problem vitiates any partitioning of the causal effect of institutions and of efficiency wage considerations on earnings. The desire to select higher quality workers might partly precede the institutional intervention, but on the other had night be prompted as a response to the elevation of wages by institutional factors. It can, however, be legitimately argued that while larger firms can neutralize at least part of the higher cost of institutionally determined wages by selecting a higher quality of workers, this is likely to be possible only over a period of time by established units. Smaller units, wanting to increase the size, could indeed be deterred from expansion by the prospect of higher gross wages in the near to medium term.

Laws Affecting Security of Employment

It has been maintained that the laws relating to job security in the formal sector has been more important in raising the effective cost of labour in the formal sector. It has been instrumental in slowing down employment growth in this sector, and discouraging small firms from graduating from the informal sector. The Industrial Disputes Act of 1948, as modified over time, provides that units employing more than 100 workers require authorization from the government for retrenchment and layoff, as it does for closure of the unit. The legislation adds to the fixed cost of employment of regular workers in formal manufacturing units. Many firms have to maintain an administrative wing who can deal with the problem of retrenchment with inspectors, labour boards, and ultimately the judiciary. Clearly the burden of such costs would vary inversely with firm size. The possibility of such dealings with labour courts would be a significant deterrent for small firms to expand beyond the point where they would come under the coverage of the job security legislation. Thus it has been a well-known practice among small-scale entrepreneurs to expand horizontally by setting up more units than by expanding the employment size of their enterprise. The administration of the Act is the joint responsibility of the central government and the States. In fact individual States have introduced their own modifications about the provision of job security, and the implementation has also varied from state to state. Apart from the varying effectiveness of inspection, the most important means of easing the grip of the job security legislation has been the treatment of contract labour. Contract labour, temporaries (with less than 240 days of work in any 365 day period) and substitute labour are exempt from the provisions of the legislation. The Contract Labour Regulation and Abolition Act' was enacted to control the use of non-permanent workers but under section 10 of the act individual states were given the opportunity to introduce their own regulations about the industries in which the Job security law were to be applied strictly. The result has been a substantial increase in the use of contract labour in recent years, and what is more the proportion of contract labour used in formal manufacturing has varied significantly from state to state. Thus Kerala and West Bengal with their communist governments have only a small fraction of contract labour in the sector, but around 40 % of workers have been used as contract labour in states such as Gujarat, Orissa or Andhra Pradesh. The research exploited the inter-state variations in amendments to the labour laws to use the degree of strictness of the labour laws to study their impact on economic outcomes (valued added or employment growth) in formal manufacturing. On other hand the service sector was seen to expand more quickly than the industrial sector in states that amended labour regulations in favour of workers, mainly as the Industrial Disputes Act applies to manufacturing workers, but not to service workers. The slower growth of the manufacturing sector is partly due to the discouragement of the graduation of small-scale establishments to expand into the formal sector. A relatively faster service sector growth is inimical to growth with equity, this result supports the conclusion that labour regulation, even if it might have increased security for the minority of workers finding employment in the formal manufacturing sector, has actually created negative effects for the low income earners in the country. There has indeed been some liberalization of the provisions of the IDA in particular at the State level. (e.g., the reforms announced by the Maharashtra government in 2000). But some other states have amended the Act in the direction of making it more stringent in the direction of more protection of formal sector workers (World Bank, 2006). There has also been some liberalization in the de facto implantation of the laws, including a less rigid interpretation by the labour courts. But weak implementation is not without its costs. It leads to uncertainty among employers about the outcome of labour practices and disputes, and increases corruption and transaction costs of employment by increasing the power of inspectors. More importantly, in the absence of serious attempt to overhaul the entire bundle of legislation, labour laws remain, in the words of the Second National Commission for Labour, —ad hoc, complicated, mutually inconsistent, if not contradictory, lacking in uniformity of definitions and riddles, with clauses that become outdated and anachronistic (Government of India, 2002). It is small wonder that small-scale firms have strong discouragement from entering the world of the formal sector, especially if they are lacking in resources to invest in the apparatus to combat this bureaucratic structure. The ultimate result is the discouragement of labour finding foothold in the formal sector from two angles. First, the reluctance of small firms just mentioned to cross the threshold at which the Factory Act applies. Secondly, the increase in the fixed costs of employing regular workers in the formal sector firms reduces the elasticity of employment with respect to output in these firms. Detailed work on this topic has shown that the elasticity of employment in formal manufacturing in India is low, and has a strong cyclical component, increasing to modest but positive level only when the expectations of output expansion are strong. It is however, wrong to conclude from this evidence that labour laws are the only, or even the primary, cause of the discouragement of the informal sector to expand into the formal, giving rise to the phenomenon of the‘ missing middle‘ analyzed above., first, In an international comparison of 50 or so countries, India was the sixth from the top in terms of ranking of labour regulations as a binding constraint. But, classified by size groups of firms, small firms found several types of problems to be somewhat more important than labour laws. The highest score for 1-9 workers were electricity and corruption problems (the latter presumably the corrupt administration of fiscal and land-use laws affecting the businesses. Labour regulation was scored to be most important by firms employing 100 or more workers (evidently reflecting the threshold of coverage by the Industrial Disputes Act.

Minimum wages

The policy recommendations of the National Commission for Enterprises in the

Unorganized Sector (NCEUS) aimed at lifting the living standards of the unorganized sector worker fall broadly into two categories: strengthening and enforcing the minimum wage is viewed as the most important issue; and increasing the productivity of labour through measures that would ease the various types of constraints faced by small farms in agriculture and micro-enterprises in non-agriculture. (i.e. inadequacy of credit; low level of technology; difficulty in arranging critical raw materials; marketing of products; lack of skills). The two prongs of policy are clearly interrelated. Any success on either front should increase the income of workers. There is, however, a basic difference between the minimum wage and the productivity-enhancing policies. While the latter unambiguously increases household income and then the demand for labour, the policy of increasing the minimum wage, however, might bring about a reduction in the demand for labour. This would have the effect of decreasing employment, and would, in a casual labour market, reduce the number of days of work secured by an average worker during a year (or season). If the dampening effect on employment is sufficiently strong, the minimum wage has the adverse effect of actually decreasing the incomes of poor households in the economy as a whole. Minimum wages in India in law and practice The Minimum Wage Act has existed in India since 1948, but ―the procedures for fixing and revising of minimum wages are vague. The State government is the authority to fix minimum wages for a give employment through an official notification, although the Central government has also taken a hand in setting minimum wages for some groups of workers. While recommendations from Central advisory bodied like the NRCL are common, no legislative criteria exist for fixing the level of the wages at the state level, the power to grant exemptions to certain types of employment, or penalties for violations. There is a proliferation of minimum wages in place (40 or more) varying not only by states and broad employment groups, but also by activities within a major group like agriculture. In the construction industry, stone breaking has eight minimum wages set by the Central government, differentiated by the thickness around an inch of the stone broken. As a result of the complexity if the system, minimum wages are not well administered.

The individual Sates do have a floor level of minimum wages for unskilled labour, but these have been generally at low levels. It showed that several states had statutory minimum wages at well below poverty levels. Given this low level of the ―minimum floor wage- it is not surprising that the distribution of casual wages by states showed a spike, in rural and urban areas separately, around the state floor wage for casual workers. It is possible that the floor wage in fact reflected the modal wage in the states actually established in the market for casual labour. These data also show an important correlation between casual wages for agricultural and urban workers and minimum wages across regions and over the periods 1993-1994 and 1999-2000. This is the case even after controlling for some fixed effects that can take into account other factors that determine minimum wages. This finding suggest that the minimum wages, at least at the state-wise floor levels, might be supporting unskilled wages and do not create unemployment differences across states at these levels.

Employment guarantee and the minimum wage

It has been recognized in the literature that, even if sensible formulated, legislating for such a wage is not effective by itself in raising low incomes, or lifting households above the poverty level. The costs of enforcement as discussed and the ease of evasion imply that to make any minimum wage effective it has to be backed up by a guarantee of employment by the state—to provide the days of work by which the demand for an average worker's services per unit of time falls short of his supply at the stipulated wage. The days of work for which the state offers to be the residual employer must be related to the level of the minimum wage; and secondly, the minimum wage should not be too high to avoid making the state carry the burden of providing for the loss of employment in the private sector caused by the high minimum wage. The Indian Employment Guarantee Scheme Employment Guarantee Schemes have had a long history in India, with a succession of schemes since the 1970s both at the State level and centrally sponsored. Figure 9 shows spending for recent years on works schemes as a share of total central government expenditure and GDP, and in real terms. There was a clear fall in total spending as a share of GDP and government spending between 1995 and 2003-04, to around a third of their spending shares in the early 1990s. Spending in real terms tracked the decline in government spending share. While this trend has reversed in most recent years, spending shares remain well below their high point. While the decline and recent reversal is the most notable feature, it is interesting to note the upticks in 1993-94 and 2003-04, i.e. years preceding national elections. A similar upsurge has occurred in 2009.

The World Inequality Report 2022

This report is again showing alarming situation regarding gap between poor and elite class in India. As per the 'World Inequality Report 2022', India is among the most unequal countries in the world, with rising poverty and concentration of the wealth in the hand of limited numbers of haves. The report highlights that the top 10% and top 1% in India hold 57% and 22% of the total national income respectively while the bottom 50% share has gone down to 13%. The report observes that over the past three years, the quality of inequality data released by the government has seriously deteriorated that has made it particularly difficult to assess recent inequality changes. The report focuses that the share of public wealth across countries has been on a decline for decades presently. Public assets typically include public buildings, housing administrations, schools, universities, hospitals and other public services. It observes previous position and compares that the income inequality in India under the British colonial rule (1858-1947) was very high, with a top 10% income share around 50%. When India got freedom, due to socialist-inspired five-year plans, this share was reduced to 35-40%. Owing to poor post-Independence economic conditions, India embarked upon deregulation and loosening controls in the form of liberalization policies after 1995. The report argues that these policies have led to one of the most extreme increase in income and wealth inequality observed in the world. It says that while the top 1% has largely benefited from these economic reforms, the growth among low and middle-income groups has been relatively slow and poverty persists. The report discusses about wealth inequality. The average household wealth in India is around Rs 9,83,010. The bottom 50% of the nation can be seen to own almost nothing, with an average wealth of Rs 66,280 or 6% of the total pie. The middle class is relatively poor with an average wealth of Rs 7,23,930 or 29.5% of the total. The top 10% owns 65% of the total wealth, averaging Rs 63,54,070 and the top 1% owns 33%, averaging Rs 3,24,49,360. In 2021, the wealthiest 10% of the population own 65% of total household wealth in India. Gender inequality in India is also considerably on the higher end of the spectrum. The share of female labor income share in India is equal to 18% which is significantly lower than the average in Asia (21%, excluding China) & is among the lowest in the world. Although, the number is slightly higher than the average share in Middle East(15%). However, a significant increase has been observed since 1990 but it has been insufficient to lift women's labor income share to the regional average. Countries across the world have become richer over the past 40 years, but their governments have become significantly poorer. The report shows that the share of wealth held by public actors is close to zero or negative in rich countries, meaning that the totality of wealth is in private hands. Following the outbreak of Covid-19 pandemic, governments borrowed the equivalent of 10-20% of GDP, essentially from the private sector. The relatively lower wealth status of the governments can have an impact in curbing inequality in the future.

CONCLUDING OBSERVATION

There is no one panacea for restoring workers' leverage and bargaining power in labor markets. Policymakers must be committed to working on every available margin, including restoring genuine full employment as a macroeconomic policy priority; reforming labor law so that workers who want to form a union to collectively bargain to improve their wages and working conditions are able to do so; raising the minimum wage; and strengthening enforcement of labor standards and 1 workplace civil rights laws. To conclude, Indian economic growth in the pots-reform period had been characterized by a decline in the incidence of poverty along with an increase in inequality. Another feature of the growth process has been that the reallocation of labour and value added from the traditional agricultural sector has been led, by the tertiary sector. It has been shown that rising inequality in the economy is a direct result of this tertiary sector led development. Further, the relatively faster growth of employment in the tertiary sector is not predominantly due to either the emergence of the finance-business service as a major part of the sectoral reallocation, nor to the substantial entry of surplus labour from agriculture entering the tertiary sector as a sector of _last refuge‘. It has been argued that it is the peculiarity of the manufacturing sector – with its dualistic development with a _missing middle‘ which has contributed both to the slower growth of manufacturing relative to the tertiary and to the increase in inequality in both the two non-agricultural sectors. While the persistence of the _missing middle‘ in Indian manufacturing can be partly traced to labour laws discouraging vertical mobility of firms into the formal sector, this is by no means the only or even major factor. Problems in infrastructure development and education policies along with the historical hangover from the post-colonial pattern of development are equally important.

There are lots of ways to combat inequality in the workplace. Some are the followings, they may be useful specially for employers and they can accept them as directives to reduce gender inequalities in wages:

- Assuring minimum wages will help hardworking women better support their families. It will improve outcomes of the companies.
- The Companies need to consider their current practises and question their decision-making process when it comes to pay
- There needs to be an increase in awareness.
- A woman will never be able to ask for an equitable pay raise if she has no idea what her male counterparts are earning. When pay is treated as a closely guarded secret, women are the ones to suffer the most.
- By publishing the wage ranges for all levels of roles, you are equalling the playing field. Transparency is proven to shrink the gender inequalities in wages.
- One simple way companies can remedy the gender inequalities in wages is to conduct pay equity audits.
- Start ensuring that high achieving women in your workplace are recognized equitably in your succession planning.
- The employer's core values should always support diversity and closing the gender inequalities in wages. Therefore they should make diversity part of their core values.

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The World Inequality Report 2022- The report was authored by Lucas Chancel and co-ordinated by renowned economists Thomas Piketty, Emmanuel Saez and Gabriel Zucman.

What labor market changes have generated inequality and wage suppression? Employer power is significant but largely constant, whereas workers' power has been eroded by policy actions Report • By Josh Bivens and Heidi Shierholz • December 12, 2018, Economic Policy Institute,