News: 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.

Prelims and Mains focus: about WEF, its various reports and India’s performance, issues related to gender disparity in India

Context:

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.

While India fared better in wage equality for similar work indicator, on which it held the 72nd position, it ranked 142nd in the economic opportunity and participation subindex.

This dichotomy can be explained by the difference between unequal pay and the gender pay gap.

UNEQUAL PAY VERSUS GENDER PAY GAP

Unequal pay refers to situations where women are paid less than men for doing the same work. To counter this, equal pay is legally enforced in most organized sectors. The gender pay gap, on the other hand, is a measure of the gap in the overall earnings of men and women. It is calculated by considering several parameters applied to the total number of employed members of both genders. This means that it does not account for women who have voluntarily stayed out of the workforce or have taken a sabbatical.

WHAT IS GENDER PAY GAP?

While the gender pay gap is essentially the average difference between the remuneration received by working men and women, there is more nuance here. There are two distinct numbers: the unadjusted pay gap and the adjusted pay gap. The former simply differentiates between mean and median wages of the two genders, the latter takes into account differences in factors like occupation, education and job experience. So the difference is starker if you consider the unadjusted figure.

An often-cited number in this context is the unadjusted salary of the average female in the US,
which is supposed to be 78% of the average male salary, whereas the adjusted figure is 80-98%.

The gender pay gap stems from the difference in the number of men versus women who work. It also arises from differences in work tenures and the need for sabbaticals.

**WHAT CONTRIBUTES TO THE GAP IN INDIA?**

In a country like India, gender pay gap is a little more complicated and can be linked to reasons ranging from the socio-economic to the structural. Girl children are sometimes kept out of schools or made to drop out of school early. Even if they are educated, many women are not allowed to work by their families. Women who do join the workforce often need to take extended leaves for maternity and childcare, and even the healthcare of other family members. All these factors lead up to women as a whole falling well behind men when it comes to their earnings over time. In India, therefore, the gender pay gap is still quite wide.

According to the **Monster Salary Index (MSI)** published in March 2019, women in the country earn 19% less than men. The survey revealed that the median gross hourly salary for men in India in 2018 was ₹242.49, while it was ₹196.3 for women, meaning men earned ₹46.19 more than women.

According to the survey, the gender pay gap spans across key industries. **IT services showed a sharp pay gap of 26% in favour of men, while in the manufacturing sector, men earn 24% more than women.**

However, this is only part of the picture. Across the unorganized sector and especially in areas like agriculture, women are routinely paid significantly less than men, citing differences in capability.

Until India’s social stigma against women in the workforce and the general environment of social injustice against women is tackled, the gender pay gap may not show any sign of closing.

**About World Economic Forum (WEF):**

1. It was established in 1971 by Klaus Schwab as a not-for-profit foundation
2. headquartered in **Geneva, Switzerland**
3. Formerly called **European Management Forum**

**Motto** : Committed to improve the state of the world

- It is the **International Organization for Public-Private Cooperation.** The Forum engages the foremost political, business and other leaders of society to shape global,
regional and industry agendas.

- It is independent, impartial and not tied to any special interests.

- The Forum strives in all its efforts to demonstrate entrepreneurship in the global public interest while upholding the highest standards of governance. Moral and intellectual integrity is at the heart of everything it does.

**Governance**

- **Chairperson**: Founder and Executive Chairman Professor Klaus Schwab

- **Board of Trustees**: exceptional individuals who act as guardians of its mission and values, and oversee the Forum’s work in promoting true global citizenship. Its membership is divided equally between representatives of the business community and leaders from international organizations and civil society.

- **Managing Board**: acts as the executive body of the WEF & acts as its representative to outside parties.

- The organization also convenes some six to eight regional meetings each year in locations across Africa, East Asia, and Latin America, and holds two further annual meetings in China, India and the United Arab Emirates.

- Until 2012, it had observer status with the United Nations Economic and Social Council; it is under the supervision of the Swiss Federal Council.

**Publications**

- Global risk report, 2018
- Readiness for the future of production
- Global gender gap report
- Inclusive development index
- Global competitiveness report (index)
- Global human capital report (index)
- Travel and tourism competitiveness report (index)
- Global energy architecture performance index report