

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO. 2034
TO BE ANSWERED ON 13.03.2023**

SHIFTING FROM MINIMUM WAGES TO LIVINGWAGES

2034. MS. NUSSRAT JAHAN:

Will the Minister of LABOUR AND EMPLOYMENT be pleased to state:

- (a) whether the Government is considering shifting from the minimum wages to living wages to pull millions of people out of poverty and if so, the details thereof;**
- (b) whether there is an increasing pressure on Government and the corporate sector to address low wages and take action to ensure a living wage for all the workers and if so, the details thereof;**
- (c) whether the Government proposes to consult with all the stake holders to introduce a living wage in place of the minimum wage, that would enable workers and their families to meet their basic needs and live with dignity; and**
- (d) if so, the details thereof and if not, the reasons therefor?**

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SHRI RAMESWAR TELI)**

(a) to (d): Provision of minimum wages under the Minimum Wages Act, 1948 provides for cost of living allowance as a component of minimum wages. Accordingly, the Central Government revises the cost of living allowance called as Variable Dearness Allowance (V.D.A) on basic rates of minimum wages under the Minimum Wages Act, 1948, every six months effective from 1st April and 1st October every year on the basis of Consumer Price Index for Industrial workers to protect the minimum wages against inflation.

Recently the provisions of the Minimum Wages Act, 1948, have been rationalized and subsumed under the Code on Wages, 2019 and the components of minimum wages stipulated therein also provide for cost of living allowance. Further, the Code makes minimum wages universally applicable across employments and thus moves ahead from restrictive applicability of minimum wages limited to scheduled employments as provided for under the Minimum Wages Act, 1948.
