

**GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA**

UNSTARRED QUESTION NO:1584

ANSWERED ON:08.03.2010

MINIMUM WAGES AND PENSION TO BEEDI WORKERS

Ponnam Shri Prabhakar

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

(a) whether the Government has received any representations from Unions/associations of beedi workers regarding mandatory minimum wage of Rs. 100 and minimum pension of Rs. 1500 to be paid by companies; and

(b) if so, the details thereof and the action taken by the Government in this regard?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI HARISH RAWAT)

(a): Yes, Madam.

(b): Under the provisions of the Act, both the Central Government and the State Governments are the appropriate Governments to fix, revise, review and enforce the payment of minimum wages to workers in respect of scheduled employments under their respective jurisdictions. The schedule employment of beedi making falls under the State sphere.

Uniform wage rate for beedi workers is not feasible in the country due to wide spread inter-state disparity in the minimum wages across States due to variations in socio-economic and agro-climatic conditions, income, prices of essential commodities, paying capacity, productivity and local conditions etc. In order to have a uniform wage structure and to reduce the disparity in minimum wages across the country, a concept of National Floor Level Minimum Wage was mooted on the basis of the recommendations of the National Commission on Rural Labour

(NCRL) in 1991. Keeping in view the recommendation of NCRL and subsequent rise in Consumer Price Index, the Central Government raised the National Floor Level Minimum Wages from Rs. 66/- to Rs. 80/- per day with effect from 01.09.2007.

It is, however, clarified that the National Floor Minimum Wage, is a non-statutory measure to ensure upward revision of minimum wages in different States/Union Territories. Thus, the State Governments are persuaded to fix minimum wages such that in none of the scheduled employments, the minimum wage is less than National Floor Level Minimum Wage. This method has helped in reducing disparity among different rates of minimum wages.

Regarding minimum pension, the Central Government has constituted an Expert Committee under the Chairmanship of Additional Secretary, Ministry of Labour & Employment for overall review of the Employees' Pension Scheme, 1995. This Committee shall review rates of minimum pension along with other issues of all the workers including beedi workers.