

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:5314

ANSWERED ON:13.12.2010

COMPENSATION UNDER PAYMENT OF WAGES ACT, 1936

Jindal Shri Naveen

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) workers are required to receive compensation under the Payment of Wages Act, 1936 in case they do not get their wages within 15 days;
- (b) if so, the number of cases so far in which such compensation has been demanded and paid alongwith the amount paid; and
- (c) the steps taken/proposed to be taken by the Government to prevent such eventualities?

Answer

MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT (SHRI PRADEEP JAIN `ADITYA`)

(a): Para 30 of Schedule-II of Mahatma Gandhi NREGA provides that in case the payment of wages is not made within the period specified under the Scheme, the labourers shall be entitled to receive payment of compensation as per the provisions of the Payment of Wages Act, 1936.

(b): As per information available with the Ministry, under Mahatma Gandhi NREGA, a sum of Rs. 498000.00 has so far been paid to 249 workers as compensation due to delay in wage payment.

(c): The Ministry has taken the following steps with a view to prevent such eventualities.

(i) States have been asked to deploy adequate number of dedicated staff, including technical staff, with the implementing agencies for timely measurement of out put of MGNREGA workers. Administrative expenses, out of which salary of such dedicated staff is paid, have been enhanced from 4% to 6%.

(ii) In order to infuse transparency in wage disbursement, payment of wages to MGNREGA workers has been made mandatory through their accounts in Banks/Post Office.

(iii) Rolling out Biometric based ICT enabled real time transactions of MGNREGA workers to eliminate fake attendance and false payments.