

**GOVERNMENT OF INDIA  
PLANNING  
LOK SABHA**

UNSTARRED QUESTION NO:4266  
ANSWERED ON:02.05.2012  
DECLINE IN POVERTY  
Ram Shri Purnmasi

**Will the Minister of PLANNING be pleased to state:**

- (a) whether nearly 30 per cent population is still in poor category as per the Planning Commission;
- (b) if so, the details of programmes implemented to bring them out of poor category and the success achieved therein;
- (c) the minimum wages as on date and the criteria for fixing minimum wages;
- (d) whether persons earning less than minimum wages are not poor;
- (e) if so, the details thereof; and
- (f) the proposed programme to give financial aid/free foodgrains to citizens under poor category?

**Answer**

MINISTER OF STATE FOR PLANNING, SCIENCE & TECHNOLOGY AND EARTH SCIENCES (DR. ASHWANI KUMAR)

(a): Planning Commission has recently computed estimates of poverty for the year 2009-10 based on the data of large scale survey on household consumer expenditure collected by National Sample Survey Office (NSSO) in its 66th round conducted during 2009-10. The State-wise poverty lines and poverty ratio for 2009-10 have been computed following the extant Tendulkar methodology. Based on the said methodology the Planning Commission has released the estimates through a Press Note issued on 19th March 2012. As indicated in the Press Note, the poverty ratio in the country has come down from 37.2% in 2004-05 to 29.8% in 2009-10.

(b): The Government has taken various measures to improve the quality of life of the people and to reduce poverty in the country through direct intervention by implementing specific poverty reduction and mitigation programmes such as: Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), Swarnjayanti Gram Swarozgar Yojana (SGSY), Swarna Jayanti Shahari Rozgar Yojana (SJSRY), National Rural Health Mission (NRHM), Sarva Shiksha Abhiyan (SSA), Mid Day Meal Scheme (MDMS), Jawaharlal Nehru National Urban Renewal Mission (JNNURM), Integrated Child Development Services (ICDS) Scheme, Rajiv Gandhi Drinking Water Mission, Indira Awaas Yojana (IAY), National Social Assistance Programme (NSAP) and Total Sanitation Campaign etc. All other policy initiatives of the government which have led to higher GDP growth in the country have individually and collectively contributed to raising the living standards of people over time and to the decline of absolute poverty and destitution.

(c): The minimum wage rates are fixed/revised by the appropriate Governments (State and Centre) in respect of scheduled employments under their respective jurisdiction under the Minimum Wages Act, 1948.

The norms for fixation/revision of minimum wages include:

- (a) 3 consumption units for one earner.
- (b) Minimum food requirements of 2700 calories per average Indian adult.
- (c) Clothing requirements of 72 yards per annum per family.
- (d) Rent corresponding to the minimum area provided for under Government's Industrial Housing Scheme.
- (e) Fuel, lighting and other miscellaneous items of expenditure to constitute 20% of the total Minimum Wages.
- (f) Children education, medical requirement, minimum recreation including festivals/ceremonies and provision for old age, marriage etc. should further constitute 25% of the total minimum wage.

The norms at (a) to (e) above have been recommended by the Indian Labour Conference in its session held in 1957 and at (f) by the Hon'ble Supreme Court in the Reptakos Brett and Co. Ltd case in 1991. However, in order to have a uniform wage structure and to reduce the disparity in minimum wages across the country, the Central Government prescribes National Floor Level Minimum Wage (NFLMW). While this is not statutory, the appropriate Governments are requested to fix the minimum wages at least at par with NFLMW. The NFLMW presently stands at Rs.115/ per day with effect from 1st April, 2011.

(d) & (e): The criteria for defining poverty line and fixation of minimum wages are different.

(f): The Government has introduced the National Food Security Bill in Lok Sabha in December 2011 and the Bill is currently under examination by the Parliamentary Standing Committee on Food, Consumer Affairs and Public Distribution. The Bill, inter alia, provides legal entitlements for free or affordable meals for certain categories viz. pregnant/lactating women, children or other special groups such as destitutes, homeless, disaster and emergency affected persons and persons living in starvation. The Bill also contains provision for payment of food security allowance to eligible persons, in case of non-supply of the entitled quantities of foodgrains or

meals, within the time and manner prescribed by the Central Government.