

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

UNSTARRED QUESTION NO:2476  
ANSWERED ON:27.08.2012  
AMENDMENT IN MINIMUM WAGES ACT, 1948  
Lingam Shri P.

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

(a) whether the Government is considering a proposal to amend the Minimum Wages Act, 1948 to link annual increment rate of workers to the Consumer Price Index (CPI); and

(b) if so, the details thereof and by when the Bill for the purpose is expected to be introduced?

**Answer**

MINISTER OF LABOUR AND EMPLOYMENT (SHRI MALLIKARJUN KHARGE)

(a) & (b): As per the existing provision of Minimum Wages Act, minimum wages are revised quinquennially in the Central Sphere. Further, the provision of Variable Dearness Allowance (VDA) is in place since 1989 under which wages are revised twice a year to offset the impact of inflation. The VDA is revised on the basis of rise in the Consumer Price Index.