

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

STARRED QUESTION NO:86

ANSWERED ON:04.03.2013

FLOOR LEVEL MINIMUM WAGES

Adhalrao Patil Shri Shivaji;Danve Shri Raosaheb Patil

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

- (a) the current rate of minimum wages in each State/Union Territory (UT);
- (b) whether the Government proposes to make National Floor Level Minimum Wage statutory and universal and if so, the details thereof;
- (c) whether many States have not been revising the minimum wages on a regular basis;
- (d) if so, the details of such States/UTs and the reasons therefor and the reaction of the Government thereto;and
- (e) the steps taken by the Government to address the issue and to ensure uniform minimum wages in the country?

Answer

MINISTER OF LABOUR AND EMPLOYMENT (SHRI MALLIKARJUN KHARGE)

(a) to (e) A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE LOK SABHA STARRED QUESTION NO. 86 FOR 04.03.2013 BY SHRI ADHALRAO PATIL SHIVAJI: SHRI RAO SAHEB DANVE PATIL: REGARDING NATIONAL FLOOR LEVEL MINIMUM WAGES.

(a) A statement indicating range of minimum wages for workers in the Centre and State/UTs based on information available in the Ministry is given at Annexure I.

(b) Yes, Sir/Madam. The Government has approved the proposed amendments to the Minimum Wages Act, 1948 which, inter-alia, includes making National Floor Level Minimum Wage (NFLMW) statutory and universal.

(c) & (d): Under the provisions of the Minimum Wages Act, 1948, both Central and State Governments are appropriate Governments to fix, review and revise the minimum wages in respect of workers employed in the scheduled employments under their respective jurisdictions.

According to the provisions contained in the Minimum Wages Act, 1948, the appropriate Governments are required to revise the minimum wages in all the scheduled employments under its jurisdiction at an interval not exceeding five years. Considering five years period as too long to protect the wages against price escalation, the concept of Variable Dearness Allowance (VDA) in addition to the basic minimum wages was mooted in the Labour Ministers' Conference held in 1988. Accordingly, VDA was introduced as a part of minimum wage on a voluntary basis in 1989. At present, VDA is revised twice a year effective in April and October. However, some of the States/UTs have not adopted VDA so far. The States/UTs who have adopted/yet to adopt VDA so far is given in Annexure – II.

(e) From time to time suggestions have been received to ensure uniform wage rate in the country. Since fixation of wages depends on a number of factors such as local conditions, cost of living, paying capacity of the employers etc which vary from State to State, it would not be possible to maintain uniformity in wages. However, with a view to reduce disparity the concept of NFLMW has been introduced. The Government has recently approved inter-alia, the proposal to make NFLMW statutory and to make it applicable to all employments irrespective of the number of workers engaged.