

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

UNSTARRED QUESTION NO:1038

ANSWERED ON:04.03.2013

DAILY WAGES OF LABOURERS

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

- (a) whether the Government has any proposal to hike the daily wages of labourers in the unorganised sectors;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) the details of mechanism evolved to ensure payment of minimum wages fixed by the Government;
- (d) whether the Government is paying wages to such workers through banks and post offices; and
- (e) if so, the details thereof and if not, the reasons therefor?

Answer

MINISTER OF STATE FOR LABOUR AND EMPLOYMENT (SHRI KODIKUNNIL SURESH)

(a) & (b) According to the provisions contained in the Minimum Wages Act, 1948, which primarily concerns the workers from the unorganized sector, the appropriate Government is required to revise/hike 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) was introduced in 1989. VDA is revised twice a year on 1st April and 1st October and added to the minimum wages fixed for various scheduled employments.

(c) The implementation of the Act is carried out by the centre as well as the States in respect of their respective jurisdiction. In the Central Sphere, the enforcement is secured through the Inspecting Officers of the Chief Labour Commissioner (Central) commonly designated as Central Industrial Relations Machinery (CIRM), the compliance in the State sphere is ensured through the State Enforcement Machinery. They conduct regular inspections and in the event of detection of any case of non-payment or under-payment of minimum wages, they advise the employers to make payment of the shortfall of wages. In case of non-compliance, penal provisions against the defaulting employers are invoked. The details of the enforcement of Minimum Wages Act, 1948 for the year 2010-11 is annexed.

(d) & (e) As per the provision contained in the Section 6 of the Payment of Wages Act, 1936 all wages are to be paid in current coin or currency notes or in both. However, the employer may, after obtaining the written authorization from the employed person, give his/her wages either by cheque or crediting the wages in his bank account.