

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

STARRED QUESTION NO:160

ANSWERED ON:07.03.2013

MINIMUM WAGES UNDER MGNREGS

Khairi Shri Chandrakant Bhaurao;Singh Shri Ratan

Will the Minister of RURAL DEVELOPMENT be pleased to state:

(a) whether the Government proposes to give minimum wages to the labourers working under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) equivalent to the minimum wages for unskilled agricultural labourers fixed under the Minimum Wages Act, 1948;

(b) if so, the details thereof and if not, the reasons therefor;

(c) whether the Government has constituted any committee to increase rates of wages and other facilities provided to the labourers under the scheme;

(d) if so, the details thereof and the recommendations made by the said committee;and

(e) the action taken/being taken by the Government on the above recommendations?

Answer

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

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

Statement as referred to in reply to parts (a) to (e) of Lok Sabha Starred Question No. 160 for answer on 07.03.2013.

(a) & (b) Wages for workers under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) are fixed by the Central Government under Section 6(1) of the MGNREG Act, which states that notwithstanding anything contained in the Minimum Wages Act 1948, the Central Government may by notification specify the wage rate for the purposes of this Act. Hence, for works in MGNREGS, applicable wage rates are different from wages fixed by State Governments under the Minimum Wages Act.

(c)to(e) In pursuance to announcement by Union Finance Minister in his budget speech-2009 to provide a real wage of Rs. 100/- a day as an entitlement under the Mahatma Gandhi National Rural Employment Guarantee Act, Government has constituted a committee under the Chairmanship of Dr. Pronab Sen, Principal Adviser, Planning Commission to develop a mechanism to evolve a framework to create a separate index for updation of MGNREGA wages. The Committee has representatives from Ministry of Rural Development as Members along with representation from other Ministries & Departments to ensure that MGNREGA workers wages are protected against inflation, the Central Government decided that till such time that a satisfactory index is proposed by the aforesaid Committee and considered by the Government, wages would be indexed with the Consumer Price Index for Agriculture labourers (CPIAL). On January 14, 2011, the Ministry of Rural Development issued a notification revising MGNREGA wage rates by linking it to the CPIAL. It has also been decided to increase the wage rate annually. The wage rates have been last revised in 2013 vide notification dated 26.02.2013 effective from 1st April, 2013. No report has been received from the Committee.