

**GOVERNMENT OF INDIA  
RURAL DEVELOPMENT  
LOK SABHA**

STARRED QUESTION NO:66

ANSWERED ON:08.08.2013

WAGES UNDER MGNREGS

Bundela Shri Jeetendra Singh;Pandurang Shri Munde Gopinathrao

**Will the Minister of RURAL DEVELOPMENT be pleased to state:**

(a) the minimum wages prescribed for the workers under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS), State/UT-wise;

(b) whether the workers under MGNREGS are reportedly not being paid the minimum wages under the scheme and if so, the details thereof;

(c) whether the Government has constituted a committee to create a separate index for updation of wages under MGNREGS, if so, the details thereof and the recommendations made by the said committee including the steps taken/being taken by the Government on the said recommendations;

(d) Whether the Government has received suggestions from social organisations/States and other stakeholders in this regard; and

(e) if so, the details thereof and the action taken/being taken by the Government in this regard?

**Answer**

MINISTER OF RURAL DEVELOPMENT (SHRI JAIRAM RAMESH)

(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. 66 for answer on 08.08.2013.

(a) Wage rates for workers under the Mahatma Gandhi National Rural Employment Guarantee Act(MGNREGA), 2005 are notified and periodically revised by the Central government in accordance with the provisions of Section 6(1) of the Act. The latest revision of wage rates under MGNREGA was made vide notification dated 26.02.2013 in respect of all States/Union territories and became effective from 1st April 2013. The revised wage rates under MGNREGA are in the Annexure.

(b) Wages are linked to the quality of work and wage rates notified under section 6(1) of the Act. Further, wages are calculated according to the Schedule of Rates fixed by the State Governments for different types of work. The Schedule of Rates of wages for various unskilled labourers are required to be so determined that an adult person working for nine hours, including an hour of rest, would normally earn a wage equal to the wage rate. No instance of MGNREGA workers being denied wages, which are calculated on the basis of a wage rate lower than the wage rate notified by the Central Government under Section 6(1) of the Act, has come to the notice of Ministry of Rural Development from any State/Union Territory.

(c) Yes Madam, the Government of India has constituted a committee under the Chairmanship of Dr. Pronab Sen, Chairman, National Statistical Commission(NSC), Ministry of Statistics & Programme Implementation to develop a mechanism to evolve a framework to create a separate index for updation of MGNREGA wages. The report of the Committee is awaited. Pending the report from the Committee, the Ministry has decided to index the wages with the Consumer Price Index for Agricultural labourers (CPIAL) each year. The CPIAL indexed wage rates have been last revised in 2013 vide notification dated 26.02.2013 effective from 1st April, 2013.

(d) Yes Madam, the Government has received suggestions/recommendations from several individuals/ organisations and States/UTs, viz., Bihar, Karnataka, Jharkhand, Rajasthan and Andaman & Nicobar Islands stating that MGNREGA wages should not be less than the minimum wages notified by the State Governments for unskilled agricultural labourers under the Minimum Wages Act, 1948.

(e) The Hon'ble High Court of Karnataka in its Order dated 23.09.2011 had ruled that MGNREGA wage rates cannot be less than the minimum wage rate for unskilled agricultural labourers fixed under the Minimum Wages Act and directed the Central Government to make payment of arrears. In a Special Leave Petition(Civil) No. 379-390 of 2012 filed by Government of India against the aforesaid judgement of Hon'ble Karnataka High Court, the Hon'ble Supreme Court has granted interim stay to the orders of the Karnataka High Court. On a Writ Petition on similar issue filed in the High Court of Andhra Pradesh, the Hon'ble court has reserved its judgement. The matter is, thus, sub-judice.