

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

UNSTARRED QUESTION NO:3048

ANSWERED ON:10.02.2014

VARIATION IN MINIMUM WAGES

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

- (a) whether there is large variation in wages to various types of unskilled labourers including regular and contractual workers in the States;
- (b) if so, the reasons therefor and the action taken in this regard;
- (c) whether the Union Government has received feedback from the State Governments in this regard;
- (d) if so, the details thereof along with the reaction of the Government thereto; and
- (e) the details of mechanism in place to ensure that all the provisions of law with regard to minimum wages are strictly followed?

Answer

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

(a) & (b): There is variation in rates of minimum wages in various regions of the country. This is due to differences in socio-economic and agro-climatic conditions, prices of essential commodities, paying capacity, productivity and local conditions influencing the wage rate.

Further, it is informed that no separate wage is fixed for contractual workers. The minimum rates of wages fixed for a regular worker are also applicable for workers on contract basis for similar work.

In order to reduce the variation in minimum wages across the country, concept of National Floor Level Minimum Wage was introduced on the recommendations of the National Commission on Rural Labour (NCRL). National Floor Level Minimum Wage was last revised upwards to Rs. 137/- per day with effect from 1.07.2013. The State Governments are persuaded to fix minimum wages such that in none of the scheduled employments, the minimum wage should be less than National floor level minimum wage.

(c) & (d): The Central and the State Governments are the appropriate government to fix, revise and enforce minimum wages in scheduled employments in their respective jurisdictions under the Act. The area wise rates of minimum wages for scheduled employments in the Central sphere is given in the Annexure.

(e): Under the Minimum Wages Act, 1948, in the Central Sphere, the enforcement is ensured 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 by the State Enforcement Machinery. They conduct 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.