

GOVERNMENT OF INDIA  
MINISTRY OF RURAL DEVELOPMENT  
DEPARTMENT OF RURAL DEVELOPMENT

**RAJYA SABHA**  
**STARRED QUESTION NO. 366**  
TO BE ANSWERED ON 02.04.2018

**IMPLEMENTATION OF MINIMUM WAGES UNDER MGNREGA**

**\*366. SHRI VIVEK GUPTA:**

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

- (a) whether it is a fact that in many States, Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) wages are lower than those fixed for unskilled agricultural labour under the Minimum Wages Act of States, if so, the details of the difference in the amounts, State-wise;
- (b) the detailed reasons for not accepting the recommendations of the Mahindra Dev Committee, which suggested a convergence of the wages paid under State Minimum Wages Act for unskilled agricultural labour and the MGNREGA wages; and
- (c) the estimated cost if MGNREGA wages are paid at a rate equal to the States Minimum Wages Acts ?

**ANSWER**  
**MINISTER OF RURAL DEVELOPMENT**  
**(SHRI NARENDRA SINGH TOMAR)**

- (a) to (c): A Statement is laid on the Table of the House.

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**Statement in reply to parts (a) to (c) of Rajya Sabha Starred Question No. 366 for 02.04.2018**

(a): As per Section 6(1) of the MGNREG Act, 2005, the Central Government may, by notification, specify the wage rate for the purpose of this Act.

The Central Government notifies the MGNREGA wage rates as per the provisions of the Act. 17 States/UTs had lower MGNREGA wages and 17 States/UTs had higher MGNREGA wages compared to Agriculture wages notified by States/UTs during 2016-17. The details of State Minimum Wages for Agricultural Labour and Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) Wages for FY 2016-17 are given at **Annexure**.

(b): Mahendra Dev Committee recommended the use of Consumer Price Index-Rural (CPI-R) against Consumer Price Index-Agriculture Labour (CPI-AL) as the index for revising MGNREGA wage rates every year. Also, the baseline for MGNREGA wage indexation from the year 2014 was recommended to be “ current minimum wage rate for unskilled agriculture labour fixed by the State under the Minimum wages Act, 1948” or the “ current MGNREGA wage rate” whichever is higher. The report was examined in consultation with Ministry of Finance, which did not agree to the proposal to change the base wage rate. The Ministry of Rural Development has constituted a Committee to look into the Schedule of Rates followed by different States for payment of MGNREGA wages. The Committee has submitted its report and the same is under examination in consultation with Ministry of Finance and other stakeholders.

(c): If MGNREGA wages were to be paid at a rate equal to the States Minimum Wages Act, the estimated cost on account of wages during the Financial Year 2016-17 would have been Rs.41120 crore (approx.).

Annexure referred in reply to part (a) of Rajya Sabha Starred Question No. 366 dated 02.04.2018.

S No.	State	2016-17			Remarks
		MGNREGA Wages	Min Agri. Wage	Difference between Min Agri. & MGNREGA Wages	
1	KARNATAKA	224	288.66	64.66	17 States/UTs have lower MGNREGA Wages compared to Agriculture Wages
2	PUNJAB	218	277.13	59.13	
3	ANDAMAN & NICOBAR	243	293	50	
4	JHARKHAND	167	212	45	
5	WEST BENGAL	176	216	40	
6	HARYANA	259	292.31	33.31	
7	MIZORAM	188	220	32	
8	UTTARAKHAND	174	204	30	
9	SIKKIM	172	200	28	
10	ANDHRA PRADESH	194	218	24	
11	TELANGANA	194	218	24	
12	MADHYA PRADESH	167	187	20	
13	DAMAN AND DIU	192	209.8	17.8	
14	RAJASTHAN	181	197	16	
15	BIHAR	167	177	10	
16	HIMACHAL PRADESH	170	180	10	
17	MEGHALAYA	169	170	1	
18	ARUNACHAL PRADESH	172	170	-2	17 States/UTs have higher MGNREGA Wages compared to Agriculture Wages
19	GOA	229	225	-4	
20	CHHATTISGARH	167	157	-10	
21	UTTAR PRADESH	174	161	-13	
22	LAKSHADWEEP	220	200	-20	
23	TRIPURA	172	150	-22	
24	DADRA & NAGAR HAVELI	208	185.4	-22.6	
25	JAMMU & KASHMIR	173	150	-23	
26	ODISHA	174	150	-24	
27	KERALA	240	200	-40	
28	ASSAM	182	120.3	-61.7	
29	GUJARAT	188	120	-68	
30	MANIPUR	197	122.1	-74.9	
31	PUDUCHERRY	203	115	-88	
32	MAHARASHTRA	192	100	-92	
33	NAGALAND	172	80	-92	
34	TAMILNADU	203	100	-103	