

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
RAJYA SABHA
UNSTARRED QUESTION NO. 83
TO BE ANSWERED ON 02.02.2023**

LIVING WAGE IN PLACE OF MINIMUM WAGE FOR ALL WORKERS

83. SHRI JAGGESH:

Will the Minister of Labour and Employment be pleased to state:

- (a) whether it is a fact that Government is considering shifting from the minimum wages to living wages to pull millions of people out of poverty;**
- (b) whether Government is weighing pros and cons of living wage on its huge financial implications for India Inc and Government is indexed to inflation;**
- (c) whether the members of the International Labour Organisation (ILO) have reportedly requested the United Nations to help them with a better understanding of living wages by undertaking peer-reviewed research; and**
- (d) if so, the details thereof?**

ANSWER

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT
(SHRI RAMESWAR TELI)**

(a) & (b): Provision of minimum wages under the Minimum Wages Act, 1948 provides for cost of living allowance as a component of minimum wages. Accordingly, the Central Government revises the cost of living allowance called as Variable Dearness Allowance (V.D.A) on basic rates of minimum wages under the Minimum Wages Act, 1948, every six months effective from 1st April and 1st October every year on the basis of Consumer Price Index for Industrial workers to protect the minimum wages against inflation.

Recently the provisions of the Minimum Wages Act, 1948, have been rationalized and subsumed under the Code on Wages, 2019 and the components of minimum wages stipulated therein also provide for cost of living allowance. Further, the Code makes minimum wages universally applicable across employments and thus moves ahead from restrictive applicability of minimum wages limited to scheduled employments as provided for under the Minimum Wages Act, 1948.

(c) & (d): No specific information is available in the matter.
