

**GOVERNMENT OF INDIA  
MINISTRY OF LABOUR AND EMPLOYMENT  
RAJYA SABHA  
UNSTARRED QUESTION NO. 3145  
TO BE ANSWERED ON 19.03.2026**

**IMPLEMENTATION OF LABOUR CODES**

**3145. SHRI GOLLA BABURAO:**

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

- (a) how beneficial has been the implementation of Labour Codes;**
- (b) whether one of the biggest shifts, after coming into force of the Labour Codes, is about payment of salaries and calculation of statutory benefits;**
- (c) whether industry has come before Government for discussion on the above issues and, if so, details thereof; and**
- (d) what constitutes as 'wages' for various statutory benefits under the new Labour Codes?**

**ANSWER**

**MINISTER OF STATE FOR LABOUR AND EMPLOYMENT  
(SUSHRI SHOBHA KARANDLAJE)**

**(a) to (d): The Central Government has formulated the four Labour Codes; viz; the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020 after amalgamation, simplification and rationalisation of existing 29 Central Acts and the same have come into force w.e.f. 21.11.2025.**

**The four Labour Codes strengthen the protection available to workers, including unorganized workers in terms of statutory minimum wage, social security and healthcare of workers. The Codes reduce multiplicity of definitions & authorities, facilitate use of technology in enforcement of labour laws, bring transparency & accountability in enforcement which will promote setting up of more enterprises, incentivize economic growth, labour welfare and facilitate employment generation.**

**The term "Wages" for statutory calculation has been defined under Section 2(y) of the Code on Wages, 2019 which specifies that "wages" means; all remuneration whether by way of salaries, allowances or otherwise, expressed in terms of money or**

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**capable of being so expressed which would, if the terms of employment, express or implied, were fulfilled, be payable to a person employed in respect of his employment or of work done in such employment, and includes: (i) basic pay; (ii) dearness allowance; and (iii) retaining allowance, if any.**

**However, it does not include the components specified in clauses (a) to (k) of the said definition. Provided that, for the purpose of calculating wages under this definition, where the payments made by the employer to the employee under clauses (a) to (i) exceed one-half of the total remuneration, the amount exceeding such one-half, shall be deemed to form part of the wages and shall accordingly be added thereto.**

**This unified definition provides a consistent basis for the computation of statutory benefits, as provided under the Labour Codes; such as provident fund, gratuity, bonus, and overtime etc.**

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