GOVERNMENT OF INDIA MINISTRY OF LABOUR AND EMPLOYMENT LOK SABHA UNSTARRED QUESTION NO. 1748 TO BE ANSWERED ON 31.07.2023

WPI INFLATION

1748. SHRI DEEPAK BAIJ:

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

- (a)whether the Government is aware that WPI inflation has reached 15.88 percent in May, 2022 which was highest during the last thirty years from April 1992;
- (b)if so, the details thereof, if not, the reasons therefor;
- (c) the basis on which weightage of food and beverages, fuel and light and clothing and footwear had been reduced in CPI-IW-2016 in comparison to CPI-IW 2001, which has resulted in lesser DA for Government employees;
- (d)whether reduction in weightage of fruits and vegetables from time to time since 2021 is the main reason for lesser Dearness Allowance (DA); and
- (e)if so, the details thereof and steps taken/being taken to prevent such manipulation of weightage?

ANSWER

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

- (a) & (b): The All India Wholesale Price Index (WPI) based Inflation figure for May, 2022 is 16.63%. The corresponding figures for May, 2021 and April, 1992 are 13.11% and 13.91% respectively. The reason for inflation in May, 2022 is primarily due to rise in prices of mineral oils, crude petroleum & natural gas, food articles, basic metals, non-food articles, chemicals & chemical products and food products etc., as compared to the corresponding month of the previous year.
- (c) to (e): The Consumer Price Index for Industrial Worker (CPI-IW) with base 2016=100 replaced the CPI-IW (2001=100) series. The new series reflects the latest consumption pattern of target population. Weights of items under different groups/sub-groups are fixed during the base year and do not undergo a change on month to month basis. However, weights of seasonal items under fruits and vegetables sub-group which are not available during a particular month are proportionately distributed among other available items while maintaining the same weight at sub-group level. Therefore, there is no reduction in overall weight of fruits and vegetables over successive months.
