

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO. 84
TO BE ANSWERED ON 22.07.2024**

MINIMUM WAGE

**84. SHRI SUDHEER GUPTA:
SHRI DHAIRYASHEEL SAMBHAJIRAO MANE:**

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

- (a) the criteria/formula for determining the minimum wage in the country;**
- (b) whether the formula devised for determining the minimum wage in the country has not been revised since long time;**
- (c) if so, the details thereof and the reasons therefor;**
- (d) whether the Government proposes to replace the minimum wage formula with living wage and if so, the details thereof and the time by which it is likely to be done;**
- (e) whether the Government has held any deliberation or consultation with the stakeholders in this regard and if so, the details thereof and the outcome therefor; and**
- (f) whether the Government proposes to link wages with the inflation rate of industrial workers and if so, the details thereof and the time by which it is likely to be done?**

ANSWER

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

(a) to (f): The Minimum Wages Act, 1948 provides that minimum rate of wage may consist of, inter-alia, basic rate of wages and cost of living allowances.

The Central Government revises the cost-of-living allowance called as Variable Dearness Allowance (V.D.A.) on the 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.

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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.
