

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO. 1038
TO BE ANSWERED ON 10.02.2025**

COMPARISON OF SALARIES IN COST-TO-COMPANY MODEL

†1038. SHRI HANUMAN BENIWAL:

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

- (a) the details of the estimated rates of pay cuts of low salary earners in comparison to people with high salaries in cost-to-company model;**
- (b) whether the Government proposes to bring any improvement in this regard; and**
- (c) if so, the details thereof and if not, the reasons therefor?**

ANSWER

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

(a) to (c): Government has subsumed and rationalised the provisions of the Payment of Wages Act, 1936, the Minimum Wages Act, 1948, The Payment of Bonus Act, 1965 and the Equal Remuneration Act, 1976 under the Code on Wages, 2019. The code inter-alia provides for rationalisation of the definition of wages as well as for minimum wage across employments in organised and unorganised sector. Further, the Code mandates the Central Government to fix floor wage applicable across the Central and the State sphere and the minimum rates of wages fixed by the appropriate Government shall not be less than the floor wage. In addition, the Code also provides for the authorised deduction which can be made from the wages.
