

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO. 1713
TO BE ANSWERED ON 10.03.2025**

IMPACT OF NON-COMPETITIVE WAGE RATES

1713. SHRI GAURAV GOGOI:

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

- (a) whether the Government has assessed the impact of non-competitive wage rates on employment, productivity and economic growth in the country, if so, the details thereof;**
- (b) the current average wage rate across key sectors compared to global benchmarks, particularly in industries with high informal employment;**
- (c) the age-wise breakdown of wage rates across formal and informal sectors and the manner in which they compare to the national minimum wage standards;**
- (d) the steps being taken by the Government to ensure fair and competitive wages, especially for contract and informal workers; and**
- (e) whether the Government has any plans to revise or implement policies to bridge wage disparities and enhance labour market competitiveness, if so, the details thereof?**

ANSWER

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

(a) to (e): Under the provisions of the Minimum Wages Act 1948, the Central Government and the State Governments, as appropriate Government, fix, review and revise the minimum wages of the employees employed in the Scheduled employments under their respective jurisdictions.

Accordingly, the minimum rates of wages in the Scheduled employments in the Central sphere were revised by the Central Government in 2017. Further, in order to take care of the rising prices, the Central Government revises the Variable Dearness Allowance (V.D.A) on basic rates of minimum wages every six months, effective from 1st April and 1st October of every year on the basis of Consumer Price Index for all scheduled employments in A, B and C areas. Latest V.D.A. as applicable from 01.10.2024 is at Annexure.

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The minimum wage rates are determined and revised according to the specific needs and economic conditions of each region, which results in variations across different States and sectors.

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. 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. 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.

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Annexure referred to in reply to part (a) to (e) of Lok Sabha Unstarred Question No.1713 for 10.03.2025.

Area wise Rates of Minimum Wages for Scheduled Employments in the Central Sphere (as on 01.10.2024)

Sr. No.	Scheduled Employment	Category of Workers	Rates of Wages including V.D.A per day (in Rs.)			
			Area A	Area B	Area C	
1.	Agriculture	Unskilled	500	457	452	
		Semi-skilled/Unskilled Supervisory	546	502	462	
		Skilled/Clerical	593	546	501	
		Highly-skilled	656	611	546	
2.	Sweeping and Cleaning +	Unskilled	783	655	526	
3.	Watch and Ward	Without Arms (Upgraded to skilled with training)	954	868	739	
		With Arms (Upgraded to highly skilled for supervision)	1035	954	868	
4.	Loading & Unloading #	Unskilled	783	655	526	
5.	Construction ^	Unskilled	783	655	526	
		Semi-skilled/Unskilled Supervisory	868	739	614	
		Skilled/Clerical	954	868	739	
		Highly-skilled	1035	954	868	
6.	Workers engaged in Stone Mines for Stone Breaking and Stone Crushing	1.Excavation & removal of over burden with 50 meters lead/1.5 meters lift:*				
		(a) Soft Soil	530			
		(b) Soft Soil with Rock	795			
		(c) Rock	1053			
		2. Removal and Staking of rejected stones with 50 metres lead/1.5metres lift*		426		
		3. Stone breaking or Stone Crushing for the stone size of category**				
		(a) 1.0 inch to 1.5 inches	3232			
		(b) Above 1.5 Inches to 3.0 Inches	2764			
		(c) Above 3.0 Inches to 5 Inches	1623			
(d) Above 5.0 Inches	1334					
7.	Non-coal Mines \$		Above Ground {Rates of Wages including V.D.A per day (in Rs.)}		Below Ground {Rates of Wages including V.D.A per day (in Rs.)}	
		Unskilled	526		655	
		Semi-skilled/Unskilled Supervisory	655		783	
		Skilled/Clerical	783		912	
		Highly-skilled	912		1020	

*Per 2.831 cubic meters or 100 cubic feet

** Per truck load of 5.662 cubic meters or 200 cubic feet

+ Employees engaged in the employment of Sweeping and Cleaning excluding Activities prohibited under the Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993.

Employees engaged in the employment of Loading and Unloading in (i) Goods Sheds, Parcel Offices of Railways; (ii) Other Goods Sheds, Godowns, Warehouses and other similar employments; (iii) Docks and Ports; and (iv) Passengers Goods and Cargo Carried out at Airports (Both International and Domestic).

^ Employees engaged in the employment of construction or maintenance of Roads or Runways or in Building Operations including laying down Underground Electric, Wireless, Radio, Television, Telephone, Telegraph and Overseas Communication Cables and similar other Underground Cabling Work, Electric Lines, Water Supply Lines and Sewerage Pipe Lines.

\$ Employees engaged in the employment of Gypsum Mines, Barytes Mines, Bauxite Mines, Manganese Mines, China Clay Mines, Kyanite Mines, Copper Mines, Clay Mines, Magnesite Mines, White Clay Mines, Stone Mines, Steatite Mines (including the mines producing Soap Stones and Talc), Ochre Mines, Asbestos Mines, Fire Clay Mines, Chromite Mines, Quartzite Mines, Quartz Mines, Silica Mines, Graphite Mines, Felspar Mines, Laterite Mines, Dolomite Mines, Red Oxide Mines, Wolfram Mines, Iron Ore Mines, Granite Mines, Rock Phosphate Mines, Hematite Mines, Marble and Calcite Mines, Uranium Mines, Mica Mines, Lignite Mines, Gravel Mines, Slate and Magnetite Mines.

(Contd/-)

Classification of Area

AREA – “A”					
Ahmedabad	(UA)	Hyderabad	(UA)	Faridabad complex	
Bangaluru	(UA)	Kanpur	(UA)	Ghaziabad	
Kolkata	(UA)	Lucknow	(UA)	Gurgaon	
Delhi	(UA)	Chennai	(UA)	Noida	
Greater Mumbai	(UA)	Nagpur	(UA)	Secunderabad	
Navi Mumbai		Pune	(UA)		
AREA – “B”					
Agra	(UA)	Gwalior	(UA)	Port Blair	(UA)
Ajmer	(UA)	Hubli-Dharwad	(M. Corpn)	Puducherry	(UA)
Aligarh	(UA)	Indore	(UA)	Raipur	(UA)
Allahabad	(UA)	Jabalpur	(UA)	Raurkela	(UA)
Amravati	(M.Corpn)	Jaipur	(M.Corpn)	Rajkot	(UA)
Amritsar	(UA)	Jalandhar	(UA)	Ranchi	(UA)
Asansol	(UA)	Jalandhar-Cantt.	(UA)	Saharanpur	(M.Corpn)
Aurangabad	(UA)	Jammu	(UA)	Salem	(UA)
Bareilly	(UA)	Jamnagar	(UA)	Sangli	(UA)
Belgaum	(UA)	Jamshedpur	(UA)	Shillong	
Bhavnagar	(UA)	Jhansi	(UA)	Siliguri	(UA)
Bhiwandi	(UA)	Jodhpur	(UA)	Solapur	(M.Corpn)
Bhopal	(UA)	Kannur	(UA)	Srinagar	(UA)
Bhubaneshwar	(UA)	Kochi	(UA)	Surat	(UA)
Bikaner	(M.Corpn)	Kolhapur	(UA)	Thiruvananthapuram	(UA)
Bokaro Steel City	(UA)	Kollam	(UA)	Thrissur	(UA)
Chandigarh	(UA)	Kota	(M.Corpn)	Tiruchirappalli	(UA)
Coimbatore	(UA)	Kozhikode	(UA)	Tiruppur	(UA)
Cuttack	(UA)	Ludhiana	(M.Corpn)	Ujjain	(M.Corpn)
Dehradun	(UA)	Madurai	(UA)	Vadodara	(UA)
Dhanbad	(UA)	Malappuram	(UA)	Varanasi	(UA)
Durgapur	(UA)	Malegaon	(UA)	Vasai- Virar City	(M.Corpn)
Durg-Bhilai Nagar	(UA)	Mangalore	(UA)	Vijayawada	(UA)
Erode	(UA)	Meerut	(UA)	Vishakhapatnam	(M.Corpn)
Firozabad		Moradabad	(M. Corpn)	Warangal	(UA)
Goa		Mysore	(UA)	Gorakhpur	(UA)
NandedWaghala	(M. Corpn)	GreaterVisakhapatnam	(M.Corpn)	Nasik	(UA)
Gulbarga	(UA)	Nellore	(UA)	Guntur	(UA)
Panchkula	(UA)	Guwahati	(UA)	Patna	(UA)
Area ‘C’ will comprise all areas not mentioned in this list.					
NB: U.A. stands for Urban Agglomeration.					
