

**GOVERNMENT OF INDIA
MINISTRY OF LABOUR AND EMPLOYMENT
LOK SABHA
UNSTARRED QUESTION NO. 4060
TO BE ANSWERED ON 18.08.2025**

MINIMUM WAGE

4060. SHRI RAO RAJENDRA SINGH:

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

- (a) whether the Government proposes to replace minimum wages enforced by law with living wages; and**
(b) if so, the number of workers expected to impact with such a move and the nature of impact shall have on working/living conditions of workers in the country?

ANSWER

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

(a) & (b): The Minimum Wages Act, 1948 provides for cost of living allowance as a component of minimum wages. Accordingly, the Central Government revises the cost of living allowance called as Variable Dearness Allowance (V.D.A) on 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.

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. 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.
