

**GOVERNMENT OF INDIA
MINISTRY OF RURAL DEVELOPMENT
DEPARTMENT OF RURAL DEVELOPMENT**

**LOK SABHA
UNSTARRED QUESTION NO. 4245
ANSWERED ON 19/08/2025**

INCREASE IN MINIMUM WAGE RATE

4245. Com. Selvaraj V:

Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether it is a fact that the Expert Committee on Fixing National Minimum Wage has suggested to increase the minimum wage rate under Mahatma Gandhi National Rural Employment Guarantee Scheme from Rs. 267 a day in financial year 2024 to Rs. 375 a day; and**
- (b) if so, the details thereof and the reaction of the Government thereto?**

**ANSWER
MINISTER OF STATE IN THE MINISTRY OF RURAL DEVELOPMENT
(SHRI KAMLESH PASWAN)**

(a)&(b): Mahatma Gandhi National Rural Employment Guarantee Scheme (Mahatma Gandhi NREGS) is a demand driven wage employment Scheme. It provides livelihood security, i.e. fall back options for livelihood for the rural households, when no better employment opportunity is available.

Regarding fixation of wage rate of Mahatma Gandhi NREGS workers it is stated that as per Section 6 (1) of Mahatma Gandhi National Rural Employment Guarantee Act (Mahatma Gandhi NREGA), 2005, the Central Government may, by notification, specify the wage rate for its beneficiaries. Accordingly since FY 2011-12 the Government of India has been determining the wage rates of Mahatma Gandhi NREGS workers using the Consumer Price Index for Agricultural Labour (CPI-AL).

The Ministry of Rural Development revises the wage rate every financial year based on change in Consumer Price Index for Agricultural Labour (CPI-AL). The index is different for different States/UTs as notified by Labour Bureau, Shimla. If the calculated wage rate of any State/UT as per the index for the current year results in lower wage rate than the wage rate of previous year, it is being protected by maintaining the previous year's wage rate. The revised wage rate is made applicable from 1st April of each financial year. However, each State/UT can provide wages over and above the wage rate notified by the Central Government.

Using the above methodology, Central Government has revised the notified wage rate for FY 2025-26 which is around 5% (average) more than of FY 2024-25.
