

**GOVERNMENT OF INDIA
LABOUR AND EMPLOYMENT
LOK SABHA**

UNSTARRED QUESTION NO:551
ANSWERED ON:14.07.2014
INCREASING MINIMUM WAGES
Singh Shri Sunil Kumar

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

- (a) the norms fixed by the Government to hike the minimum wages based on increase in price-index;
- (b) whether the Government has made any mechanism to link minimum wages with price rise;
- (c) if so, the details thereof along with the occasions on which minimum wages have been increased from time-to-time based on price-rise during the last three years and the current year; and
- (d) if not, the reasons for not increasing the minimum wages inspite of the sky rocketing price rise during the said period?

Answer

MINISTER OF STATE FOR STEEL, MINES, LABOUR & EMPLOYMENT (SHRI VISHNU DEO SAI)

(a) to (d): In order to protect the minimum wages against inflation, the Central Government mooted the idea of Variable Dearness Allowance (VDA) as one of the recommendations of the Labour Ministers' Conference held in 1988. Accordingly, the Central Government revises the minimum rates of wages for Central Sphere periodically as per the provisions of the Minimum Wages Act, 1948 taking into account the rise in Consumer Price Indices. A statement showing increase in minimum wages based on price-rise during last three years and the current year is annexed.