

Code on Wages Act, 2019 stipulates government to review minimum rates of wages at an interval not exceeding five years

Posted On: 23 MAR 2023 4:58PM by PIB Delhi

An Expert Group on fixation of Minimum Wages and National Floor Wages has been constituted by the Government of India in 2021 to provide technical inputs and recommendations on fixation of minimum wages and national floor wages to the Government. The terms of reference of Expert Group are inter-alia, to evolve the scientific criteria and methodology for fixation of wages.

Section 3(1) (b) of the Minimum Wages Act, 1948, mandates the Central Government and the State Governments to review the minimum rates of wages so fixed in the scheduled employments in their respective jurisdiction at intervals not exceeding five years and revise the minimum rates, if necessary.

Recently, the provisions of the Minimum Wages Act, 1948, have been rationalized and amalgamated in the Code on Wages Act, 2019, passed by the Parliament and notified on 08.08.2021. Section 8(4) of the Code stipulates that the appropriate Government shall review or revise minimum rates of wages ordinarily at an interval not exceeding five years.

Government have taken measures for monitoring of compliance in respect of minimum wages rate, such as publicity of minimum rates of wages in the Chief Labour Commissioner (CLC) websites, display of minimum rates of wages by contractors at work sites/places, display of minimum rates of wages by principal employers in their websites.

Besides above, regular inspections are conducted in the establishments under central sphere under Minimum wages Act, 1948 by the organization of Central Industrial Relations Machinery (CIRM) under the CLC (C). Special emphasis is given to the complaints received against any establishment. On finding any less payment of wages to workers, claim application is filed before the authority appointed to hear and decide the claim. As per the provision of Section 20 (2) of the Act, such claim can also be filed by the employee himself, or any legal practitioner or any official of registered trade union on behalf of the worker/s.

This information was given by the Minister of State for Labour and Employment, Shri Rameswar Teli in a written reply to the Rajya Sabha.

MJPS/SSV

(Release ID: 1909994)