

## **Govt clears road to amending wages Act**

The government today cleared a proposal to make the minimum wages announced by the Centre for workers in the unorganised sector statutory for all states, so as to bring parity in wages paid.

At present, the national floor level minimum wage is Rs 115 a day but since it is not binding on state governments and employers, the Centre merely advises the states to raise wages so that these are at par with the national floor. The Union Cabinet, which met here today, cleared the proposal to bring in amendment to the Minimum Wages Act, 1948, for incorporating the statutory provision. Sources said currently, 15 states were paying workers less than the national floor level minimum wage.

Assam, Uttar Pradesh, Maharashtra, Tamil Nadu, Odisha and Chattishgarh are among the states where the minimum wages paid are less than national floor level minimum wages.

The labour and employment ministry had taken the proposal to the Cabinet as early as 2009 but because of differences it was referred to a committee of secretaries.

Sources said the agriculture ministry had reservations about putting in place a legally enforceable minimum wage, arguing that it would be difficult to enforce it and that it would put additional financial burden on states. Besides, fears were expressed that higher wage could entice labour away from farming and plantation, where daily wages are low.

The CoS had finally cleared the proposal in August last year following which it was put before the state labour ministers' conference in September.

*(Business Standard)*