

Bill to Fix Minimum Wages Gets LS Nod

Wages to be decided based on geography and skills; move to benefit 500 m workers

Our Bureau

New Delhi:

The Lok Sabha passed the Code on Wages Bill, 2019, which allows the Centre to set a minimum statutory wage, a move expected to benefit 500 million workers across the country.

This is the first of four codes proposed in the government's labour reform initiative. The minimum wage fixed by the Centre will no longer be based on employment but on geography and skills.

"It is a historic bill which aims to transform the old and obsolete labour laws into more accountable and transparent ones, which is the need of the hour," labour and employment minister Santosh Gangwar said.

As many as 17 labour laws are over 50 years old and some even belong to the pre-Independence era.

"The code ensures minimum wages along with timely payment of wages to all employees and workers. Many unorganised sector workers like agricultural workers, painters, persons working in restaurants and dhabas and chowkidars, who were outside the ambit of minimum wages, will get legislative protection of minimum wages after the bill becomes an Act," Gangwar said.

According to him, the bill will ensure that employees getting a monthly salary are paid by the 7th of the following month. Those working on a weekly basis will be paid on the last day of the week and daily wagers should get them on the same day.

Gangwar has already tabled labour codes on occupational safety, health and working conditions in the lower house for consideration and passing in the ongoing monsoon session.

The push to merge labour laws comes on the back of finance minister Nirmala Sitharaman's budget statement that the government proposed to streamline the multiple labour laws.