



SHRI VISHWAKARMA SKILL UNIVERSITY

(1st Government Skill University of India, Setup by Government of Haryana)

THE MINIMUM WAGES ACT 1948



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The Minimum wages

Minimum Wages Bill was introduced in the Central Legislative Assembly on 1.04.1946 and came into force with effect from 15.03.1948.

The minimum wages Act 1948, was to secure the welfare of workers in certain industries by fixing the minimum rates of wages. The Act contemplates that minimum wages rates must ensure for him not only his subsistence and that of his family but also preserve his efficiency as a workman.

Objectives of the act.

- To provide minimum wages.
- To stop exploitation.
- To empower the government to take steps for fixing minimum wages and
- To revising it in a timely manner.
- To apply this law on most of the sections in organized sector.

Interpretation/Definition (sec.2)

‘Adult’, ‘Adolescent’ and ‘Child’

Adult - who has completed his eighteen years of age.

Adolescent - completed his fifteen years but not eighteen years of age.

Child –who has not completed his fifteen years of age

Appropriate government - India has federal form of Government at the centre and state level .The minimum wages act provide separate areas of jurisdiction for both centre and state government.

Employer means any person who employs one or more employees in any schedule of employment.

Wages means all remuneration capable of being expressed in terms of money.

Employee means any person employed for hire or reward and includes an out -worker.

fixing of minimum rates of wages (sec.3)

- The minimum rates of wages will be reviewed/ revised, for every five years, by the appropriate govt.
- Appropriate govt. can add any employment, to the schedule(part-I or part – II), wherein one thousand or more employees are found working.
- Different minimum rates of wages may be fixed for different scheduled employments/ different classes of work /different localities.

Minimum rates of wages (sec.4)

- **Basic + Special Allowance** (Which varies with the cost of living index).
- **Basic + Cash value** of concessional supply of materials like food, clothes, etc.
- An all inclusive rate which includes **Basic + Cost of living Allowance + Cash value** of concessional supply of materials.

Advisory board (sec.7)

- Appointed by appropriate government.
- To co-ordinate the work of committees and sub committees

Central Aadvisory board (sec.8)

- To advise the **Central and State Governments** in fixation and revision of minimum rates of wages.
- To co-ordinate the work of the Advisory Boards.

Payment of minimum rate of wages (sec. 12)

Payment of **wages less than minimum wages** on the ground of less performance or output is **illegal**.

Fixing hours of work (sec. 13)

For an Adult Worker working in Factories:

- Number of Working Hours should not exceed 48 Hours in a week with a weekly Holiday.
- The Daily Hours should not exceed more than 9 Hours with 1 Hour Rest Interval.
- Provision of Compensatory Holiday/Overtime Wages if working on holiday.

Overtime wages (sec. 14)

- If the person has worked for more than 48 hours in a week then, the excess hours worked will be treated as Overtime.
- Overtime wage rate will be twice of the normal wage rate .

Wages for a person who has worked less than normal working hours (sec. 15)

Employer could not provide the activities of the job then, the employee is entitled to receive **full salary**.

Employee has not worked due to his unwillingness then, the employee is **not entitled to receive full salary**.

Records to be maintained (sec. 18)

The Registers should contain the following particulars-

- particulars of employed persons
- the work performed by them
- the wages paid to them
- the receipts given by them

Claims (sec. 20)

- A Labour Commissioner or any other appointed authority is authorized to hear claims regarding non-payment of minimum wages.
- Any aggrieved person may apply to the authority for settling his claims within 6 months.

THANK YOU
