



The Minimum Wages Act 1948

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BASICS

- Passed in 1948 to secure the welfare of the unorganized workers in certain industries by fixing the minimum rates of wages.
- The act empowers the appropriate Government for fixation of minimum wages in employments enumerated in the schedule of the act.
- The fixation of minimum of wages relates to the industries where sweated labor is most prevalent or where there is inevitable chance of exploitation.

Features

The act lays down the principles for fixation of :

- A minimum time rate of wages
- A minimum piece rate
- A guaranteed time rate

An overtime rate for different occupations, localities or classes of work and for adults, adolescents, children and apprentices.

The minimum wages may consist of:


- A basic rate of wages and a cost of living of allowances
- A basic rate of wages with or without the cost of living allowance and the cash value of the concessions in respect of essential commodities

DEFINATIONS

- Adult, Adolescents and child. [Sec 2(a)]
- Appropriate Government [Sec 2(b)]
- Competent Authority [Sec 2(c)]
- Cost of living index Number [Sec 2(d)]
- Employer [Sec 2(e)]
- Scheduled Employment [Sec 2(g)]
- Wages [Sec 2(h)]
- Employee [Sec 2(i)]

DEDUCTION

- The wages shall be paid without deduction of any kind except those allowed by rules and notifications.
- The deductions are:
 - fines,
 - Deduction for absence from duty,
 - Deduction for damage or loss caused on a/c of the neglect,
 - Deduction for house accommodation and amenities,
 - Deduction of income tax payable by the employee,
 - Provident fund subscription.

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- Payment to recovery society or life insurance premium,
 - Recovery or adjustment of excess wage paid under mistake,
 - Deduction made with the written consent of the employee, for the purchase of government securities etc.,..

FIXATION AND REVISION OF MINIMUM RATE OF WAGES..

Under sec 5, appoint as many

- Committees and sub-committees necessary to hold enquiries,
- By notification in the Official Gazette publish its proposals for the information of persons affected.
- After considering the advice of the said committee on the representations, the appropriate Government will by notification in the Gazette fix or revise the minimum rates of wages.

PAYMENT OF WAGES..

- Wages in kind(sec.11)- minimum wages under this Act must be paid in cash. but this section authorized the payment of minimum wages in kind.
- Custom to pay wages wholly or partly in kind.
- Authorization must be made by notification in the Official Gazette.
- Provision of essential commodities at concessional rates.

SEC 12...

- This section provides that where minimum wages have been in force in any scheduled employment, the employer shall pay wages to every employee engaged in such employment at a rate not less than the minimum rate of wages fixed under sec 5.
- The wages shall be paid to him without deduction of any kind.

OVERTIME WAGES... SEC 14

When workers works for more then nine hrs or for 48 hrs in any week .

WAGES FOR LESS NORMAL WORKING DAY.... SEC 15

Where his failure of work is caused by his unwillingness to work & not by omission of the employer .

WAGES FOR DIFFERENT CATEGORY OF WORK... SEC 16

Where to each employee a different minimum rate of wages is applicable as per his category of work.

TIME RATE WAGES FOR PIECE WORK SEC17

Employer shall pay to such an employee wages at not less than the minimum time rate .

Registers & Records (sec 18)

- Registers shall give particulars of employees by him.
- Work performed by them .
- Overtime work
- Gross wages ,deductions made etc

PENALTIES... (SEC22)

- An employer who pays to any employee less than the prescribed minimum rate of wages or infringes may be punished .
- Up to a time period of six months.
- With fine up to 500 Rs or both of them.



Thanking You