

September 14, 2016

Industry opposes AAP govt.'s move for 'steep hike' in minimum wages

• [SOMESH JHA](#)



The Hindu

Question of survival: Each State can fix its own minimum wage level for industries based on spending estimates for a working class family.

Photo: S. Ramesh Kurup

The Aam Aadmi Party (AAP) government's endeavour to increase minimum wages in the capital by a steep 46 per cent to over Rs. 14,000 a month is overestimated as it is based on a flawed calorific arithmetic, industry has alleged in a missive to Lieutenant-Governor Najeeb Jung.

Industry representatives have approached his office for red-flagging the calculation methodology, which, they claim, has led to an overestimation of the revised wage threshold in the Arvind Kejriwal government's proposal.

However, the Delhi Labour Commissioner's Office has refuted the claim.

The Apex Chamber of Commerce and Industry, an association of industry in the National Capital Region, has also apprised Mr. Jung of its pending writ petition in the Delhi High Court challenging the constitution of the wage committee following which the Lieutenant Governor had sent the file back to the Delhi government earlier this month.

States on their own

Each State can fix its own minimum wage level for industries based on spending estimates for a working class family on 2,700 calories of food per person, 72 yards clothes, minimum housing rent and education and light and fuel, as prescribed by the Indian Labour Conference in 1957. In Delhi's case, industrial chambers wrote to Mr. Jung opposing the calculations adopted by the Delhi government to arrive at the proposed minimum wages. The State has proposed that unskilled workers should now get at least Rs. 14,052 a month from Rs. 9,568 at present, semi-skilled workers must be paid Rs. 15,471 as opposed to Rs. 10,582 and Rs. 17,033 a month for skilled workers, up from Rs. 11,622 now payable. Industry has argued that the food and beverages items for breakfast, lunch, tea and dinner meals taken into account to compute the minimum wage level for workers in Delhi had much higher calorific value of 3,447 calories than the minimum requirement of 2,700 calories per adult per day.

The expenditure on food, which constitutes around 65 per cent of the wage component, was overestimated, the industry body claimed. The Hindu has reviewed a copy of the documents submitted by an industry chamber to Mr. Jung. The body has also written to Delhi Labour Commissioner A.K. Singh.
