

Registrar amongst its members in the manner prescribed under the rules of the union or as laid down by the government.

Amalgamation of Trade Unions

Any registered trade union may amalgamate with any other union(s), provided that at least 50% of the members of each such union record their votes and at least 60% of the votes so recorded are in favour of amalgamation. A notice of amalgamation signed by the secretary and at least 7 members of each amalgamating union, should be sent to the registrar, and the amalgamation shall be in operation after the Registrar registers the notice.

Obligations of Registered Trade Unions

1. The general funds of a registered trade union should be spent only for the objects specified such as, payment of salaries, allowances and expenses of its office bearers, its administrative and audit expenses, prosecution or defence of any legal proceeding for securing or protecting its rights, conduct of trade disputes, compensation for loss arising out of trade disputes, compensation for loss arising out of trade disputes, provision of educational, social or religious benefits and allowances on account of death, old age, sickness, accident or unemployment to its members, publication of labour journals etc. The trade union may set up a separate political fund for furtherance of civic and political interest of members. Contribution to this fund is not compulsory.
2. The account books and membership register of the union should be kept open for inspection by any of its office-bearers.
3. A copy of every alteration made in the rules of the union should be sent to the Registrar within 15 days of making the alteration.
4. An annual statement of receipts and expenditure and assets and liabilities of the union for the year ending on the 31st December, prepared in the prescribed forms and duly audited should be sent to the Registrar within the prescribed time. This statement should be accompanied by a statement showing changes in office bearers during the year and a copy of the rules as amended upto date.

	Offence	Penalty
1.	If the registered trade union/ its office bearers or members fail to give any notice or send any statement as required under the Act.	Fine upto Rs. 5 plus additional fine upto Rs. 5 per week in case of continuing offence. (Maximum fine imposable Rs. 50)
2.	If any person wilfully makes any false entry in the annual statement of the union or its rules.	Fine upto Rs. 500.
3.	If any person, with intent to deceive, gives an incorrect copy of rules of the union to any member or a prospective member.	Fine upto Rs. 200.

4I. THE SHOPS AND ESTABLISHMENT ACT

The Shops and Establishment Act is a state legislation and each state has framed its own Act and Rules for the Act. The object of this Act is to provide statutory obligation and rights to employees and employers in the unauthorized sector of employment, i.e., shops and establishments. This Act is applicable to all persons employed in an establishment with or without wages, except the members of the employers' family.

This Act lays down the following rules:

- Working hours per day and week.
- Guidelines for spread-over, rest interval, opening and closing hours, closed days, national and religious holidays, overtime work.
- Employment of children, young persons and women.
- Rules for annual leave, maternity leave, sickness and casual leave, etc.
- Rules for employment and termination of service.

Generally under this Act, registration of shop/establishment is necessary within thirty days of commencement of work but in some states like Delhi, registration has been kept in abeyance. Hence the rules regarding registration of shops and establishment vary from state to state. Fifteen days of notice is required to be served before the closing of the establishment and State government can

exempt, either permanently or for specified period, any establishments from all or any provisions of this Act.

Bombay Shops & Establishment Act, 1948

This act is a social piece of legislation of the State Government enacted to prevent sweat labourers of Un-organized sector and to regulate the condition of work and employment and therefore to secure maximum benefits to the employees working in different categories of establishment viz. Shops, Commercial Establishments, residential hotels, restaurants, eating houses, theatres and other places of public amusement or entertainments for the jurisdiction of Greater Mumbai by virtue of the statutory provisions of Section 43 of the said Act subject to the overall supervisions of the State Government through the Commissioner of Labour, Mumbai. The shops & Establishments Department is headed by the Chief Inspector, Shops & Establishments. The Chief Inspector, Shops & Establishments is assisted by Four Deputy Chief Inspectors.

Forms and Formalities

- Form 'A': This form is prescribed for registration of the establishments under Bombay Shops & Establishments Act, 1948. Registration is made under Sec 7(1)(4) of the said act.
- Form 'B': This is prescribed for the periodical renewal of registration certificate say for one year or three years at a time. Renewal is made under Sec.7(2A) of the Bombay Shops and Establishments Act
- Form 'E': This form is prescribed for making any subsequent change in the information already submitted in form 'A'.
- The Registration Certificate is generally valid up to the end of the calendar year for which it is granted under Sec.7(2A) it is required to get every Registration Certificate renewed for next calendar year fifteen days before the date of expiry of Registration Certificate in hand by submitting prescribed form 'B' along with prescribed renewal fees to the concerned Shop Inspector.
- As per Sec. 7(2B), the renewal of Registration Certificate can be made for 3 calendar years at a time at the option of the employer by paying requisite for that period. In such cases the Registration Certificate will be valid up to the end of 3rd calendar year including and from the year to which it is granted or renewed as the case may be.
- If the renewal application is not made within the period prescribed but it is made within thirty days after the date of expiry of Registration Certificate or the renewed Registration

Certificate as the case may be, then in such cases an additional fee as late fee equal to half of the fee payable for normal renewal of Registration Certificate is charged.

Documents required for registration

- Memorandum of Articles of Association/Trust deed.
- Premises purchase Agreement.
- List of Directors/Managers.
- 1st Bank Account opening proof/Bank Account No. details.
- First Income Tax Assessment order/PAN
- BMC declaration
- Date of commencement of business

Compliance

- During the course of enforcement the inspectors visit various establishments and detect breaches of the provisions of the Act and rules framed there under and launch prosecutions on defaulters accordingly.
- The major breaches of the provisions of the Act consist of non-registration, non-renewal, opening of establishment before prescribed hours, closing of establishments later than prescribed hours, exceeding total hours, continuous work without rest interval, spread over, not granting privilege leave, keeping establishment open on weekly closed day, calling employees for work on their weekly offs, employing female employees after prescribed hours, employing child labour, not providing Identity Cards to certain class of employees, not paying wages as per rates prescribed under Minimum Wages Act etc.
- The major breaches of the provisions of rule are in the nature of procedural lapses. Viz. Not maintaining prescribed register of employment, leave register, visit book, lime washing register, not providing leave book to the employees or not making suitable entries therein, not producing requisite record register, notices for inspection on demand, not displaying name board in Marathi in Devnagari Script etc.

Maintenance of Registers

Generally the following Registers/ records/ notices etc. are to be kept by the different categories of work:

- Register of Employment by employers of Shop or Commercial Establishment in prescribed form 'H' or 'J' as the case may be.
- Register of leave in form 'M'.
- Leave Book in form 'N'.
- Notice in form 'L' specifying the days of holidays.
- Muster-Roll – Cum-Wage Register as laid down under Rule 27(1) of Maharashtra Minimum Wages Rules 1963.
- Notify to the Sr. Inspector (Shops & Establishments) at the beginning of the every calendar year regarding list of closed day of the respective year.
- The employer has to provide Identity Cards to the certain class of employees.
- The Employer has to apply for permission to maintain computerized records.
- The employer also has to obtain permission for ladies working beyond 8.30 p.m. under Sec 33 of the Act. (However as per the notification dated June 2002, Government has waived such conditions with respect to certain class of industries including CALL CENTRES.)

4m. THE PAYMENT OF WAGES ACT, 1936

Application of the Act:

The Act will apply to persons employed in any factory or employed (otherwise than in a factory) upon any railway by a railway administration or, either directly or through a sub-contractor, by a person fulfilling a contract with a railway administration, and to persons employed in an industrial or other establishment.

Here "factory" means a factory as defined in section 2(m) of the Factories Act, 1948 (63 of 1948) and includes any place to which the provisions of that Act have been applied under section 85(1) thereof.

"Industrial or other establishment" means any-

- (a) Tramway service, or motor transport service engaged in carrying passengers or goods or both by road for hire or reward;
- (b) Air transport service other than such service belonging to, or exclusively employed in the military, naval or air forces of the Union or the Civil Aviation Department of the Government of India;
- (c) Dock, Wharf or Jetty;
- (d) Inland vessel, mechanically propelled;

- (e) Mine, Quarry or Oil-field;
- (f) Plantation;
- (g) Workshop or other establishment in which articles are produced, adapted or manufactured, with a view to their use, transport or sale;
- (h) Establishment in which any work relating to the construction, development or maintenance of buildings, roads, bridges or canals, or relating to operations connected with navigation, irrigation, or to the supply of water or relating to the generation, transmission and distribution of electricity or any other form of power is being carried on.

2. This Act applies to wages payable to an employed person in respect of a wage period if such wages for that wage period do not exceed Rs 6500/- per month or such other higher sum which, on the basis of figures of the Consumer Expenditure Survey published by the National Sample Survey Organisation, the Central Government may, after every five years, by notification in the Official Gazette, specify."

Meaning of wages

"Wages" means all remuneration (whether by way of salary, allowances, or otherwise) expressed in terms of money or capable of being so expressed which would, if the terms of employment, express or implied, were fulfilled, be payable to a person employed in respect of his employment or of work done in such employment, and includes-

- (a) Any remuneration payable under **any award or settlement** between the parties or order of a court;
- (b) Any remuneration to which the person employed is entitled in respect of **overtime work or holidays or any leave period**;
- (c) Any **additional remuneration** payable under the terms of employment (whether called a bonus or by any other name);
- (d) Any sum which by **reason of the termination of employment** of the person employed is **payable under any law, contract or instrument** which provides for the payment of such sum, whether with or without deductions, but does not provide for the time within which the payment is to be made;
- (e) Any sum to which the person employed is **entitled under any scheme** framed under any law for the time being in force,

But **does not include-**

- (1) any bonus (whether under a scheme of profit sharing or otherwise) which does not form part of the remuneration payable under the terms of employment or which is not payable under any award or settlement between the parties or order of a court;
- (2) the value of any house-accommodation, or of the supply of light, water, medical attendance or other amenity or of any service excluded from the computation of wages by a general or special order of the State Government;
- (3) Any contribution paid by the employer to any pension or provident fund, and the interest which may have accrued thereon;
- (4) Any traveling allowance or the value of any traveling concession;
- (5) Any sum paid to the employed person to defray special expenses entailed on him by the nature of his employment; or
- (6) Any sum as gratuity payable on the termination of employment in cases other than those specified in sub-clause (d).]

Responsibility for Payment of wages

Every employer shall be responsible for the payment of all wages required to be paid under this Act to persons employed by him and in case of persons employed,-

- (a) In factories, if a person has been named as the manager of the factory under clause (f) of sub-section (1) of section 7 of the Factories Act, 1948 (63 of 1948);
- (b) In industrial or other establishments, if there is a person responsible to the employer for the supervision and control of the industrial or other establishments;
- (c) Upon railways (other than in factories), if the employer is the railway administration and the railway administration has nominated a person in this behalf for the local area concerned;
- (d) In the case of contractor, a person designated by such contractor who is directly under his charge; and
- (e) In any other case, a person designated by the employer as a person responsible for complying with the provisions of the Act, the person so named, the person responsible to the employer, the person so nominated or the person so designated, as the case may be,

shall be responsible for such payment.

It shall be the responsibility of the employer to make payment of all wages required to be made under this Act in case the contractor or the person designated by the employer fails to make such payment.

Wage period for payment of wages

The person responsible for payment of wages shall decide the wage period. But the period shall not exceed one month.

The wages of every person employed upon or in any railway, factory or industrial or other establishment upon or in which less than 1000 persons are employed, shall be paid before the expiry of the 7th day after the last day of the wage-period in respect of which the wages are payable

Any other railway, factory or industrial or other establishment that is where more than 1000 people are employed, shall be paid before the expiry of the 10th day, after the last day of the wage-period in respect of which the wages are payable.

In the case of persons employed on a dock, wharf or jetty or in a mine, the balance of wages found due on completion of the final tonnage account of the ship or wagons loaded or unloaded, as the case may be, shall be paid before the expiry of the 7th day from the day of such completion.

Where the employment of any person is terminated by or on behalf of the employer, the wages, earned by him shall be paid before the expiry of the 2nd working day from the day on which his employment is terminated.

But where the employment of any person in an establishment is terminated due to the closure of the establishment for any reason other than a weekly or other recognized holiday, the wages earned by him shall be paid before the expiry of the 2nd day from the day on which his employment is so terminated.

Deductions from Wages allowable under the Act

Deductions from the wages of an employed person shall be made only in accordance with the provisions of this Act, and may be of the following kinds only, namely:

(a) Fines: The total amount of fine which may be imposed in any one wage-period on any employed person shall not exceed an amount equal to 3% of the wages payable to him in respect of that wage-period. No fine shall be imposed on any employed person who is under the age of fifteen years. Every fine shall be deemed to have been imposed on the day of the act or omission in respect of which it was imposed. No fine imposed on any employed person shall be recovered from him by instalments or after the expiry of 90 days from the day on which it was imposed

(b) Deductions for absence from duty;

(c) Deductions for damage to or loss of goods expressly entrusted to the employed person for custody, or for loss of money for which he is required to account, where such damage or loss is directly attributable to his neglect or default;

(d) Deductions for house-accommodation supplied by the employer or by government or any housing board set up under any law for the time being in force (whether the government or the board is the employer or not) or any other authority engaged in the business of subsidizing house- accommodation which may be specified in this behalf by the State Government by notification in the Official Gazette;

(e) Deductions for such amenities and services supplied by the employer as the State Government or any officer specified by it in this behalf may, by general or special order, authorize.

Explanation: The word "services" in ²³[this clause] does not include the supply of tools and raw materials required for the purposes of employment;

(f) Deductions for recovery of advances of whatever nature (including advances for traveling allowance or conveyance allowance), and the interest due in respect thereof, or for adjustment of over-payments of wages. Recovery of an advance of money given before employment began shall be made from the first payment of wages in respect of a complete wage-period, but no recovery shall be made of such advances given for traveling-expenses.

(ff) deductions for recovery of loans made from any fund constituted for the welfare of labour in accordance with the rules approved by the State Government, and the interest due in respect thereof;

(fff) deductions for recovery of loans granted for house-building or other purposes approved by the State Government and the interest due in respect thereof;]

(g) Deductions of income-tax payable by the employed person;

(h) Deductions required to be made by order of a court or other authority competent to make such order;

- (i) Deductions for subscriptions to, and for repayment of advances from any provident fund to which the Provident Funds Act, 1925 (19 of 1925), applies or any recognized provident fund as defined or any provident fund approved in this behalf by the State Government, during the continuance of such approval;
- (j) deductions for payments to co-operative societies approved by the State Government or any officer specified by it in this behalf or to a scheme of insurance maintained by the Indian Post Office, and
- (k) deductions, made with the written authorization of the person employed for payment of any premium on his life insurance policy to the Life Insurance Corporation Act of India established under the Life Insurance Corporation Act, 1956 (31 of 1956), or for the purchase of securities of the Government of India or of any State Government or for being deposited in any Post Office Savings Bank in furtherance of any savings scheme of any such government.]]
- (kk) deductions, made with the written authorization of the employed person, for the payment of his contribution to any fund constituted by the employer or a trade union registered under the Trade Union Act, 1926 (16 of 1926), for the welfare of the employed persons or the members of their families, or both, and approved by the State Government or any officer specified by it in this behalf, during the continuance of such approval;
- (kkk) deductions, made with the written authorization of the employed person, for payment of the fees payable by him for the membership of any trade union registered under the Trade Union Act, 1926 (16 of 1926);
- (l) Deductions, for payment of insurance premium on Fidelity Guarantee Bonds;
- (m) Deductions for recovery of losses sustained by a railway administration on account of acceptance by the employed person of counterfeit or base coins or mutilated or forged currency notes;
- (n) Deductions for recovery of losses sustained by a railway administration on account of the failure of the employed person to invoice, to bill, to collect or to account for the appropriate charges due to that administration whether in respect of fares, freight, demurrage, wharfage and carnage or in respect of sale of food in catering establishments or in respect of sale of commodities in grain shops or otherwise;
- (o) Deductions for recovery of losses sustained by a railway administration on account of any rebates or refunds incorrectly granted by the employed person where such loss is directly attributable to his neglect or default;]

(p) Deductions, made with the written authorization of the employed person, for contribution to the Prime Minister's National Relief Fund or to such other Fund as the Central Government may, by notification in the Official Gazette, specify;]

(q) Deductions for contributions to any insurance scheme framed by the Central Government for the benefit of its employees.

The total amount of deductions which may be made above in any wage-period from the wages of any employed person shall not exceed-

(i) in cases where such deductions are wholly or partly made for payments to co-operative societies under clause (j) above, 75% of such wages, and

(ii) in any other case, 50% of such wages:

Where the total deductions authorized exceed 75% or, as the case may be, 50% of the wages, the excess may be recovered in such manner as may be prescribed.

Maintenance of registers and records

It is the responsibility of the employer to maintain such registers and records giving particulars of persons employed by him, the work performed by them, the wages paid to them, the deductions made from their wages and such other particulars. Every record and register maintained shall be preserved for a period of 3 years after the date of last entry made therein.

Rights of employees

Where contrary to the provisions of this Act any deduction has been made from the wages of an employed person, or any payment of wages has been delayed, than following persons may apply to such authority:

- (1) Such person himself,
- (2) Any legal practitioner or
- (3) Any official of a registered trade union authorized in writing to act on his behalf, or
- (4) Any Inspector under this Act, or
- (5) Any other person acting with the permission of the authority appointed by the state government.

Every such application shall be presented within 12 months from the date on which the deduction from the wages was made or from the date on which the payment of the wages was due to be made, as the case may be:

Any application may be admitted after the said period of 12 months when the applicant satisfies the authority that he had sufficient cause for not making the application within such period.

When any application made is entertained, the authority shall hear the applicant and the employer or other person responsible for the payment of wages, or give them an opportunity of being heard, and, after such further enquiry, if any, as may be necessary, may, without prejudice to any other penalty to which such employer or other person is liable under this Act, direct the refund to the employed person of the amount:

- (1) Deducted, or
- (2) The payment of the delayed wages, together with the payment of such compensation as the authority may think fit. The amount of such compensation shall:
 - a) Not exceeding 10 times the amount deducted in the case where deduction has been wrongly made from the wages and;
 - b) Not exceeding Rs 3000/- but not less than Rs 1500/- in the case where there is delay in payment of wages.

Even if the amount deducted or delayed wages are paid before the disposal of the application, direct the payment of such compensation, as the authority may think fit, not exceeding Rs 2000/-.

A claim under this Act shall be disposed of as far as practicable within a period of 3 months from the date of registration of the claim by the authority.

Also no direction for the payment of compensation shall be made in the case of delayed wages if the authority is satisfied that the delay was due to- (a) A bona fide error or bona fide dispute as to the amount payable to the employed person; or

(b) The occurrence of an emergency, or the existence of exceptional circumstances, the person responsible for the payment of the wages was unable, in spite of exercising reasonable diligence.

If the authority hearing an application under this section is satisfied-

(a) That the application was either malicious or vexatious, the authority may direct that a penalty not exceeding Rs 375/- to be paid to the employer or other person responsible for the payment of wages by the person presenting the application; or

(b) That in any case in which compensation is directed to be paid under the applicant ought not to have been compelled to seek redress under this section, the authority may direct that a penalty not exceeding Rs 375/- to be paid to the State Government by the employer or other person responsible for the payment of wages.

A single application can also be made by the unpaid group of the employed persons. Employed persons can be said to belong to Unpaid Group:

- (1) If they are borne by the same establishment, and
 - a. If deductions have been made from their wages for the same wage period in contravention of the Act, or
 - b. Their wages for the same wage period have remained unpaid after the day fixed by the Act.

An appeal can be made against an order dismissing either wholly or part of an application made. The appeal can be made within 30 days of the date on which the order or direction was made. The appeal has to be made before the court of small causes or the District Court by following persons:

- (1) By an employed person or any legal practitioner or any official of a registered trade union authorized in writing to act on his behalf or any Inspector under this Act, if the total amount of wages claimed to have been withheld from the employed person exceeds Rs 20/- or from the unpaid group to which the employed person belongs or belonged exceeds Rs 50, or
- (2) By the employer or other person responsible for the payment of wages, if the total sum directed to be paid by way of wages and compensation exceeds Rs 300/- or such direction has the effect of imposing on the employer or the other person a financial liability exceeding Rs 1000/-, or
- (3) By any person directed to pay a penalty.

Penalties

- (1) Whoever being required under this Act to maintain any records or registers or to furnish any information or return-
 - (a) Fails to maintain such register or record; or
 - (b) Willfully refuses or without lawful excuse neglects to furnish such information or return; or
 - (c) Willfully furnishes or causes to be furnished any information or return which he knows to be false; or
 - (d) refuses to answer or willfully gives a false answer to any question necessary for obtaining any information required to be furnished under this Act,

shall, for each such offence, be punishable with fine which shall not be less than Rs 1500/- one but which may extend to Rs 7500/-.

(2) Whoever-

- (a) Willfully obstructs an Inspector in the discharge of his duties under this Act; or
- (b) refuses or willfully neglects to afford an Inspector any reasonable facility for making any entry, inspection, examination, supervision, or inquiry authorized by or under this Act in relation to any railway, factory or industrial or other establishment; or
- (c) Willfully refuses to produce on the demand of an Inspector any register or other document kept in pursuance of this Act; or
- (d) prevents or attempts to prevent or does anything which he has any reason to believe is likely to prevent any person from appearing before or being examined by an Inspector acting in pursuance of his duties under this Act;

shall be punishable with fine which shall not be less than Rs 1500/-one but which may extend to Rs 7500/-.

- (3) If any person who has been convicted of any offence punishable under this Act is again guilty of an offence involving contravention of the same provision, he shall be punishable on a subsequent conviction with imprisonment for a term which shall not be less than one month but which may extend to six months and with fine which shall not be less than Rs 3750/- but which may extend to Rs 22500/-.
- (4) If any person fails or willfully neglects to pay the wages of any employed person by the date fixed by the authority in this behalf, he shall, without prejudice to any other action that may be taken against him, be punishable with an additional fine which may extend to Rs 750/- for each day for which such failure or neglect continues.

Payment in case of death of the employed person whose wages are not disbursed

Where the amount payable to an employed person as wages could not be paid on account of his death before payment or on account of his whereabouts not being known;

- (a) Be paid to the person nominated by him in this behalf.
- (b) Where no such nomination has been made or where for any reasons such amount cannot be aid to the person nominated, be deposited with the prescribed authority.

4m. MINIMUM WAGES ACT, 1948

The concept of Minimum Wages was first evolved by ILO in 1928 with reference to remuneration of workers in those industries where the level of wages was substantially low and the labour was vulnerable to exploitation, being not well organised and having less effective bargaining power. The need for a legislation for fixation of minimum wages in India received boost after World War – II when a draft bill was considered by the Indian Labour Conference in 1945. On the recommendation of the 8th Standing Labour Committee, the Minimum Wages Bill was introduced in the Central Legislative assembly on 11.4.1946 to provide for fixation of minimum wages in certain employments. The Minimum Wages Bill was passed by the Indian Dominion Legislature and came into force on 15th March, 1948. Under the Act both State and Central Government are “Appropriate Governments” for fixation/revision of minimum rates of wages for employments covered by the Schedule to the Act. The minimum rates of wages also include Special Allowance (Variable Dearness Allowance) linked to Consumer Price Index Number which are revised twice a year effective from April and October. The rates of wages once fixed are revised at an interval not exceeding of five years.

The National Minimum Wage has been considered at various for a in the past. However, State/UT Governments are not unanimous on the need of a National Minimum Wage as socioeconomic conditions vary from state to state, region to region and also from industry to industry due to different geographical, topographical and agro-climatic factors. The Six Regional Minimum Wages Advisory Committees set up in 1987 to reduce regional disparities among States have been broadened and renamed as Regional Labour Ministers’ Conferences.

Employer’s Checklist for Minimum Wages

The employer must pay every employee wages as fixed by the Government.

- (a) Wages must be paid in cash.
- (b) For the fixation of minimum wages, the employment must have been in Schedule originally or added to the Schedule by a notification under Section 27 of the Act.
- (c) The employer can take actual work on any day up to 9 hours in a 12 hours shift, but he must pay double the rate for any hour or part of an hour of actual work in excess of 9 hours or for more than 48 hours in any week.

(d) Once a minimum wage is fixed according to the provisions of the Act, the employer must pay to every employee engaged in a Scheduled employment, minimum wages notification for that class of employees.

(e) The employer should fix wage-period for the payment of wages at intervals not exceeding one month or such other larger period as may be prescribed.

(f) The employer should pay wages on a working day within seven days of the end of wage period or within 10 days if 1000 or more persons are employed in an establishment.

(g) The employer should pay the wages to a person discharged not later than the second working day after his discharge.

(h) Every employer should maintain a register of wages at workplace specifying the following particulars for each wage period in respect of each employed person:

- i. Minimum rate of wages payable;
- ii. The number of days in which overtime was worked;
- iii. The gross wages;
- iv. The wages actually paid and the date of payment.

(i) Every employer should get the signature or the thumb impression of every person employed on the wage book and the wage slips.

(j) The employer should exhibit at main entrance to the establishment and its offices, a notice in respect of the following in English and local language:

- i. Minimum rates of wages;
- ii. Abstracts of the Acts and rules made there under;
- iii. Name and address of the Labour Inspector/ Asst. Commissioner of Labour etc.

The minimum wages covers all workers in the sectors agricultural, industrial and small-scale sectors.

This means:

- farm labourers
- landless labourers
- factory workers
- people working in cottage industries
- Construction workers etc.

The issue of fixation of minimum wages is of primary importance in a country like India where 300 million people are employed in the informal sector with no collective bargaining power. This is 93 percent of the workers. The enactment of the Minimum Wages Act in 1948 is a landmark in the labour history of India. The Act provides for fixation of minimum wages for notified scheduled employment.

As per Government of India, for all the States, the minimum wages have been fixed at about Rs 40 to 60 per day per person, average about Rs 50 per day for 25 days per month.

There are 45 scheduled employments in the Central sphere and 1232 in the state sphere for which minimum wages have been fixed. To protect the wages against inflation they were linked to rise in the Consumer Price Index.

The variable dearness allowance (VDA) came into being in 1991 and the allowance is revised twice a year.

At present 22 states /Union Territories have these provisions. The states and Union Territories were further directed to ensure that minimum wages are not below Rs 45 per day for any scheduled employment.

Fixation of Minimum Wage Rate in India:

Minimum rate of the wages fixed or revised consists of the following:

- A basic rate of wages and a special allowance, viz., cost of living allowance ;
- A basic rate of wages with or without cost of living allowance and cash value of concessions for supplies of essential commodities ;
- An all inclusive rate, i.e. basic rate, cost of living allowance and cash value of concessions.

The Government may fix the minimum rates of wages either by the hour, by the day, by the month or by such wage period as may be prescribed.

The minimum wage rate may be fixed at

- a) Time rate,
- b) Piece rate,
- c) Guaranteed time rate and
- d) Overtime rate.

The Act provides that different minimum wage rate may be fixed for

- a) Different scheduled employments,
- b) Different works in the same employment,
- c) Adult, adolescent and children,
- d) Different locations or
- e) Male and Female.

Also, such minimum wage may be fixed by

- a) An hour,
- b) Day,
- c) Month, or
- d) Any other period as may be prescribed by the notified authority.

Norms for fixing minimum wage:

- Three consumption units per earner,
- Minimum food requirement of 2700 calories per average Indian adult,
- Cloth requirement of 72 yards per annum per family,

- Rent corresponding to the minimum area provided under the government's Industrial Housing Scheme and
- Fuel, lighting and other miscellaneous items of expenditure to constitute 20 per cent of the total minimum wage
- Fuel, lighting and other miscellaneous items of expenditure to constitute 20% of the total Minimum Wages,
- Children education, medical requirement, minimum recreation including festivals/ceremonies and provision for old age, marriage etc. should further constitute 25% of the total minimum wage.

Cost of Living Allowance:

The minimum basic wages fixed are linked to consumer price index as a counter measure against inflation. The cost of living is set twice in a year. The Commissioner of Labour notifies the rate 1st of April and 1st of October. The rates are fixed on the basis of the average rise in the State industrial workers consumer price index numbers for half year ending December and June respectively.

Variable Dearness Allowance:

Dearness Allowance is payable to monthly, daily and piece rate earners. Every six months the respective State Governments issues the Cost of Living Index number for each and every scheduled employment.

For checking the minimum wage rate log on to <http://www.paycheck.in/main/officialminimumwages>. It gives state wise updated minimum wage rate with their effective date.

4n. LAWS RELATED TO CHILD LABOUR

Background

The problem of child labour continues to pose a challenge before the nation. Government has been taking various pro-active measures to tackle this problem. Way back in 1979, Government formed the first committee called Gurupadswamy Committee to study the issue of child labour and to suggest measures to tackle it. The Committee made some far-reaching recommendations. It observed that as long as poverty continued, it would be difficult to totally eliminate child labour and

hence, any attempt to abolish it through legal recourse would not be a practical proposition. The Committee felt that in the circumstances, the only alternative left was to ban child labour in hazardous areas and to regulate and ameliorate the conditions of work in other areas. It recommended that a multiple policy approach was required in dealing with the problems of working children.

Based on the recommendations of Gurupadaswamy Committee, the Child Labour (Prohibition & Regulation) Act was enacted in 1986. The Act prohibits employment of children in certain specified **hazardous occupations and processes** and regulates the working conditions in others. The list of hazardous occupations and processes is progressively being expanded on the recommendation of Child Labour Technical Advisory Committee constituted under the Act.

In consonance with the above approach, a **National Policy on Child Labour** was formulated in 1987. The Policy seeks to adopt a gradual & sequential approach with a focus on rehabilitation of children working in hazardous occupations & processes in the first instance. The Action Plan outlined in the Policy for tackling this problem is as follows:

- **Legislative Action Plan** for strict enforcement of Child Labour Act and other labour laws to ensure that children are not employed in hazardous employments, and that the working conditions of children working in non-hazardous areas are regulated in accordance with the provisions of the Child Labour Act. It also entails further identification of additional occupations and processes, which are detrimental to the health and safety of the children.
- **Focusing of General Developmental Programmes for Benefiting Child Labour -**
As poverty is the root cause of child labour, the action plan emphasizes the need to cover these children and their families also under various poverty alleviation and employment generation schemes of the Government.
- **Project Based Plan of Action** envisages starting of projects in areas of high concentration of child labour. Pursuant to this, in 1988, the **National Child Labour Project (NCLP)** Scheme was launched in 9 districts of high child labour endemicity in the country. The Scheme envisages running of special schools for child labour withdrawn from work. In the special schools, these children are provided formal/non-formal education along with vocational training, a stipend of Rs.100