

Govt suggests 9-hour working day, but avoids fixing a minimum wage in draft rule

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- The number of hours which shall constitute a normal working day...shall be of nine hours, said the draft rules now available in public domain for comments
- The draft rule also said HRA will be 10% of the minimum wage but will not classify whether it will be based on the category of the cities people live in

NEW DELHI: The Indian government has suggested a nine-hour normal working day in its draft wage code rules, but has stayed away from fixing a national minimum wage. The draft reiterates most of the old rules except suggesting three geographical classifications for deciding wages in future.

"The number of hours which shall constitute a normal working day...shall be of nine hours," said the draft rules now up for public comments.

However, the draft rule creates ambiguity while underlining that eight hours of daily work will be calculated for 26 days of work in a month for fixing monthly salary, an existing rule for decades.

"Some factories are already pushing people to do nine-hour normal workday. What these wage code rule is trying to achieve is institutionalise it for all. We have opposed the wage code and we shall oppose the rule because they are not talking about workers welfare," said A.K. Padmanabhan, vice president of Centre for Indian Trade Union.

Like the Labour Code on Wages, the draft rule on wages is still silent on spelling out a minimum wage. It says experts committees will suggest the central government in future. An internal panel of the Union labour ministry had said in its report in January that "the single value of the national minimum wage for India should be set at Rs. 375 per day as of July 2018". In addition to the minimum monthly wage of Rs.9,750, the seven-member panel had also suggested that a housing allowance of Rs. 1,430 should be provided for city-based workers.

C.K. Saji Narayanan, president of the RSS affiliate Bharatiya Mazdoor Sangh (BMS) said 70 years after independence "the country is still talking about floor wage which is even below the minimum wage. There has to be three classification of wage: minimum wage, fair wage and living wage. in 2019 we should have spoken about living wage for better living standards. The wage code rule lacks vision for a new India. We shall oppose it". Narayanan says he favours six hour work day instead of an eight hour or nine hour work day.

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The draft also suggests that the floor wage will be revised every five years or less. To be sure, the draft rule will be finalized in December after it receives public comments for a month.

Besides, the draft rules says that while deciding the minimum wage the country will be divided into three geographic categories -- metropolitan area having population of 40 lakhs or more, non-metropolitan area having a population of between 10 lakhs to 40 lakhs and rural areas. The draft rule says house rent will be 10% of the minimum wage but does not classify whether it will be higher based on the category of the cities people live. As economic migration –from rural to urban areas is an increasing reality in India, housing rent at 10% of food and clothing expenditure does not reflect the present day realities.

The draft rule also says that expenditure on fuel, electricity and other miscellaneous items will constitute 20% of minimum wage, an existing rule.

Besides, the draft rule says while calculating wage, an intake of 2,700 calories per day, 66 meters clothe per annum for a standard family will be taken into account. All these are part of the minimum wage calculation first done in 1957.

The standard family consumption has been defined as three units – the working member as one, the spouse (0.8 unit) and two children (0.6 unit each). This is however, is a deviation from what its internal committee had suggested earlier this year – to increase the consumption unit to 3.6 instead of three. “We have told labour ministry earlier during discussion phase that they must calculate minimum wage based on six units - worker, spouse, two kids and parents," Narayanan said..