

# Wage hike official despite protests

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**N**EW DELHI: The government on Wednesday cleared a proposal to increase minimum wages in Delhi, reinforcing its official status as the highest paying city in the country.

Once the revised wages are notified, an unskilled labourer in Delhi will get Rs 14,052—a little less than double of what a labourer in Haryana is entitled to. Trade unions and industrialists have opposed the decision, saying businesses will move to neighbouring states as cost of manufacturing will rise in Delhi.

While announcing the decision after a cabinet meeting, chief minister Arvind Kejriwal appealed to traders to support the move to improve living standards of the poor. "The minimum wage of unskilled labour has gone up from Rs 9,568 to Rs 14,052, for semi-skilled it has been revised from Rs 10,582 to Rs 15,471 and for skilled, from Rs 11,622 to Rs 17,033. This is around a 50% increase. This is also the highest increase in minimum wages across the country and I would appeal to Prime Minister Narendra Modi to implement a similar scale across India," he said.

The revision was recommended by a tripartite committee formed in April with employers, employees and government officials as its members. The committee submitted its report on August 4.

"The aam aadmi has been struggling to run their households and the most poor are the worst affected. It is the government's responsibility to look after them. The revision is a sound economic step as the model of development in place till now has failed. The rich has become richer but nothing has managed to trickle down to the lowest level of people," Kejriwal said, adding

that the rise would ensure that more money reach the poor directly and, in turn, spur demand.

The CM will also write to the Centre to ask for an increase in eligibility for ESI and PF to Rs 21,000. "Unless this is done, nobody will benefit from the policy since while their salaries may go up, they will end up losing on benefits like PF," said Kejriwal.

Sources said the last time minimum wages were revised in Delhi was in 1994. There has been an increase in dearness allowance twice a year since then, based on the all-India consumer price index number.

Trader union representatives, who have threatened a Delhi bandh, will submit a memorandum to the CM on Friday and try to meet him. "We would not have a problem if the increment was 10-15% but an almost 50% increment is too much. Delhi's minimum wages were already 30% higher than those in the neighbouring states. Now we will end up losing all our business to these states," said Brijesh Goyal, convener of AAP's Delhi trade wing.

However, the government has so far failed in implementing the norm. There is no mechanism to ensure that employers disburse the basic salaries and very rarely is action taken against offenders. Acknowledging it, Kejriwal said that while government employees would benefit immediately, the government will look into strengthening the monitoring of wages.