# WAGE RATES IN RURAL INDIA

*Average Daily Wage Rates - A Brief*

## 1. Overview

The Labour Bureau, an attached office of the Ministry of Labour & Employment, Government of India, compiles and releases monthly data on Average Daily Wage Rates in Rural India. It is one of India's oldest, most consistent, and most widely cited official data sources on rural labour wages. It provides occupation-specific, sex-disaggregated, daily wage rate data at the State level and All-India level across 25 occupations spanning both agricultural and non-agricultural activities.

The programme traces its origins to the recommendations of the Technical Working Group on Rural Retail Prices constituted by NSSO in 1974, which recognised the fundamental link between wages and prices in rural labour markets and recommended that systematic wage data be collected from the same sample villages used for the Consumer Price Indices for Agricultural Labourers and Rural Labourers (CPI-AL/RL). Formal data collection commenced in July 1986, and regular dissemination to users began in December 1998.

| Parameter | Details |
|---|---|
| **Data Series Name** | Average Daily Wage Rates in Rural India |
| **Compiled & Released by** | Labour Bureau, Ministry of Labour & Employment, Government of India |
| **Data Collection Agency** | Field Operations Division (FOD), National Statistical Office (NSO), MoSPI |
| **Programme Origin** | Technical Working Group on Rural Retail Prices, NSSO, 1974 |
| **Formal Collection Start** | July 1986 |
| **Regular Dissemination** | From December 1998 (monthly, through Indian Labour Journal and website) |
| **Occupations Covered** | 25 - 12 Agricultural & 13 Non-Agricultural |
| **Sample Villages** | 787 representative villages across 34 States/UTs (CPI-AL/RL: 2019=100 base) |
| **Data Disaggregation** | Sex-wise (Male/Female) for each occupation |
| **Standard Working Day** | 8 hours (all wages normalised to 8-hour day) |
| **Release Frequency** | Monthly |
| **Publication Threshold** | Minimum 5 valid quotations for publication of State/All-India averages |

## 2. Programme History and Evolution

The WAGE RATE IN RURAL INDIA programme has undergone significant expansion and modernisation since its inception, reflecting both improvements in statistical methodology and the evolving structure of the rural labour market.

| Year / Period | Key Development |
|---|---|
| **1974** | NSSO constitutes the Technical Working Group on Rural Retail Prices; the Group recognises the link between wages and prices and recommends systematic wage data collection from the same sample villages used for CPI-AL/RL. |
| **July 1986** | Formal commencement of rural wage rate data collection; initial framework covers 11 agricultural and 7 non-agricultural occupations (18 total) from 600 sample villages across 20 States. |
| **1995–96** | Labour Bureau commences regular processing and compilation of rural wage rate data. |
| **December 1998** | Labour Bureau begins regular dissemination of monthly wage rate data through the Indian Labour Journal and its website. |
| **2013** | Following PMO observations and recommendations of the Working Group under Dr. T.S. Papola (constituted by CSO on advice of the National Statistical Commission), the framework is expanded from 18 to 25 occupations-12 agricultural and 13 non-agricultural, effective November 2013. |
| **Post-2019** | Concurrent with the CPI-AL/RL base year revision (2019=100), sample villages expanded from 600 to 787 and geographic coverage extended from 20 States to 34 States and Union Territories. |
| **Ongoing** | Annual Reports on Average Daily Wage Rates in Rural India are published by Labour Bureau, consolidating full-year data with State-wise and All-India tables disaggregated by occupation and sex. Latest available: 2024-25. |

## 3. Occupations Covered

The WAGE RATE IN RURAL INDIA currently collects wage data for 25 occupations-12 agricultural and 13 non-agricultural. This expanded list was adopted in November 2013 following the recommendations of the Working Group under the Chairmanship of Dr. T.S. Papola, constituted by the Central Statistical Office (CSO) on the advice of the National Statistical Commission (NSC), acting on PMO observations regarding the adequacy of the occupation coverage in the earlier 18-occupation framework.

| Sl. | Agricultural Occupations (12) | Sl. | Non-Agricultural Occupations (13) |
|---|---|---|---|
| **1** | Ploughing / Tilling Workers | **1** | Carpenter |

| | | | |
|---|---|---|---|
| **2** | Sowing (incl. Planting, Transplanting, Weeding workers) | **2** | Blacksmith |
| **3** | Harvesting / Winnowing / Threshing Workers | **3** | Mason |
| **4** | Picking Workers (incl. Tea, Cotton, Tobacco and other commercial crops) | **4** | Weavers |
| **5** | Horticulture Workers (incl. Nursery growers) | **5** | Beedi Makers |
| **6** | Fishermen-Inland | **6** | Bamboo / Cane Basket Weavers |
| **7** | Fishermen-Coastal / Deep-Sea | **7** | Handicraft Workers |
| **8** | Loggers and Wood Cutters | **8** | Plumbers |
| **9** | Animal Husbandry Workers (incl. Poultry workers, Dairy workers & Herdsmen) | **9** | Electrician |
| **10** | Packaging Labourers (Agriculture) | **10** | Construction Workers (for Roads, Dams, Industrial and Project construction work & well diggers) |
| **11** | General Agricultural Labourers (incl. Watering/ Irrigation workers etc.) | **11** | LMV & Tractor Drivers |
| **12** | Plant Protection Workers (applying pesticides, treating seeds etc.) | **12** | Non-Agricultural Labourers (incl. Porters, Loaders) |
| **13** | — | **13** | Sweeping / Cleaning Workers |

Data for each occupation is collected separately for Male and Female workers, ensuring the series captures gender dimensions of rural wage differentiation. For each occupation-sex-State combination, wage averages are published only where five or more valid quotations are received, to ensure statistical reliability.

## 4. Sample Design

The WAGE RATE IN RURAL INDIA programme shares its sample frame with the CPI-AL/RL series, ensuring methodological consistency and operational efficiency between the two flagship data programmes of Labour Bureau. This co-location of wage and price data collection from the same villages is a distinctive feature of the programme, enabling integrated analysis of rural living standards.

| Parameter | Details |
|---|---|
| **Sample Frame** | Same 787 representative villages used for CPI-AL/RL (Base: 2019=100) |
| **Stratification** | States divided into NSS regions based on agro-climatic conditions and population density |

| | |
|---|---|
| **Sample Allocation** | Proportional to rural population within each State; allocated in multiples of three |
| **Geographic Coverage** | 34 States and Union Territories |
| **Number of Sample Villages** | 787 (expanded from 600 villages/20 States under the earlier CPI-AL/RL base of 1986-87) |
| **Collection Staggering** | Four weeks per month-approximately one-fourth of sample villages surveyed each week |
| **Primary Informants** | Village officials: Panchayat Secretary, Patwari, Progress Assistant, and Block Officials etc. Other prominent village persons. |

### 4A. Geographical Coverage-States and Union Territories

Wage rate data are currently collected from 787 representative sample villages spread across 34 States and Union Territories, as listed below:

| Sr. | State / Union Territory | Sr. | State / Union Territory |
|---|---|---|---|
| **1** | Andaman & Nicobar Islands | **2** | Andhra Pradesh |
| **3** | Arunachal Pradesh | **4** | Assam |
| **5** | Bihar | **6** | Chhattisgarh |
| **7** | Daman & Diu, Dadra & Nagar Haveli | **8** | Delhi |
| **9** | Goa | **10** | Gujarat |
| **11** | Haryana | **12** | Himachal Pradesh |
| **13** | Jammu & Kashmir | **14** | Jharkhand |
| **15** | Karnataka | **16** | Kerala |
| **17** | Lakshadweep | **18** | Madhya Pradesh |
| **19** | Maharashtra | **20** | Manipur |
| **21** | Meghalaya | **22** | Mizoram |
| **23** | Nagaland | **24** | Odisha |
| **25** | Puducherry | **26** | Punjab |
| **27** | Rajasthan | **28** | Sikkim |
| **29** | Tamil Nadu | **30** | Telangana |
| **31** | Tripura | **32** | Uttar Pradesh |
| **33** | Uttarakhand | **34** | West Bengal |

## 5. Data Collection Methodology

Data are collected monthly through the Field Operations Division (FOD) of the National Statistical Office (NSO), Ministry of Statistics & Programme Implementation (MoSPI). FOD field investigators visit sample villages and obtain wage information from designated village-level officials. The collection is staggered across four weeks of the month, with approximately one-fourth of the sample villages surveyed in each week.

| Aspect | Description |
|---|---|
| **Sex Disaggregation** | Data collected separately for Male and Female workers for each of the 25 occupations |
| **Variables Collected** | (i) Normal working hours; (ii) Wage rates in cash; (iii) Wage rates in kind |
| **Normalisation Standard** | All reported wages adjusted to an 8-hour standard working day |
| **In-Kind Wage Conversion** | Wages paid in kind are converted to cash using prevailing local retail prices. Commodities include: foodgrains (rice, wheat, other cereals), cooked food, tea, fuel (wood, coal, kerosene), bidi, fodder, and other locally relevant items. |
| **Threshold for Publication** | State-level and All-India averages published only when ≥ 5 valid quotations are received, to avoid unreliable estimates from thin samples |

The use of village officials (Panchayat Secretary, Patwari, Progress Assistant, and Block Officials) as primary informants ensures that data capture the prevailing village-level wage.

## 6. Computation of Average Wage Rates

The computation of average wage rates follows a standardised methodology applied uniformly across States and at the All-India level:

| Computation Level | Formula / Description |
|---|---|
| **State-Level Average Wage** | $W = (1/n) \times \Sigma W_i$ where W = average daily wage rate; n = number of quotations received; $W_i$ = normalised daily wage rate from village i |
| **In-Kind Wage Conversion*** | Converted to cash using prevailing local retail prices. Commodities include: foodgrains, cooked food, tea, fuel, bidi, fodder, etc. |
| **All-India Average Wage** | Sum total of wages across all States ÷ Total number of quotations received at the national level |
| **Publication Threshold** | Averages published only when the number of valid quotations ≥ 5 (State-level and All-India) |

| | |
|---|---|
| **Deflation (for real wages)** | Agricultural occupations deflated by CPI-AL; Non-agricultural occupations deflated by CPI-RL; both compiled and published by Labour Bureau |

## 7. Uses and Policy Relevance

The WAGE RATE IN RURAL INDIA series is among the most extensively used official labour statistics in India, serving a wide range of policy, planning, legal, and analytical purposes:

- Central and State Governments (especially CACP for MSP calculation, RBI for Rural Monetary Policy);
- Policy makers and planners;
- Researchers and academic institutions;
- International organisations; and
- Other stakeholders interested in rural employment and wage dynamics.

The data facilitate analysis of wage movements across occupations, regions and gender, and help assess developments in the rural economy.

## 8. Data Availability and Access

Data from the WAGE RATE IN RURAL INDIA programme is disseminated through multiple channels to ensure accessibility to policymakers, researchers, and the public:

| Channel / Format | Details |
|---|---|
| **Annual Reports** | Annual Reports on Average Daily Wage Rates in Rural India published on the Labour Bureau website. Each report contains full-year State-wise and All-India tables for all occupations, disaggregated by sex. |
| **Monthly Data** | Month-wise State-level and All-India averages released through the Labour Bureau website on the last working day of the next month. |
| **Release Calendar** | An Advance Release Calendar for Average Daily Wage Rates in Rural India is published on the Labour Bureau website at the beginning of each calendar year, specifying the scheduled release dates for monthly data throughout the year. |
| **Website Access** | https://labourbureau.gov.in |