

# Minimum Wages Act, 1948

The object of the Minimum Wages Act, 1948, as stated in the "Statement of Object and Reasons" appended to the Minimum Wages Bill, 1946, is to provide for fixation of minimum wages in certain employments to prevent exploitation of ignorant or less organised or less privileged members of society by the capitalist class. In an under developed country which faces the problem of unemployment on a very large scale, it is not unlikely that labour may offer to work even on starvation wages. For the purpose of achieving its object, the Act empowers the Central and State Governments to fix minimum rates of wages payable to employees in selected number of 'sweated' (labour intensive) industries.

The Minimum Wages Act, 1948 came into force on 15th March, 1948. The Act has been amended several times so far. Local amendments have been notified by almost every State Government from time to time.

The Act applies to the whole of India.

## Some Important Definitions

1. **Appropriate Government** [Sec. 2(b)]. Appropriate Government, in relation to any scheduled employment (*i.e.*, employments, specified in the Schedule to the Act) carried on by or under the authority of the Central Government or a railway administration, or in relation to a mine, oilfield or major port, or any corporation established by a Central Act, means the Central Government [Sec. 2(b)(i)], and

Appropriate Government in relation to any other scheduled employment (*i.e.*, employments specified in the Schedule to the Act) means the State Government [Sec. 2(b)(ii)].

2. **Employer** [Sec. 2(e)]. 'Employer' means any person who employs, whether directly or through another person, or whether on behalf of himself or any other person, one or more employees, in any scheduled employment in respect of which minimum rates of wages have been fixed under the Act. It includes :

(i) in a factory where there is carried on any scheduled employment in respect of which minimum rates of wages have been fixed under the Act, any person named as manager of the factory under Section 7(1)(f) of the Factories Act, 1948;

(ii) in any scheduled employment under the control of any Government in India



in respect of which minimum rates of wages have been fixed under the Act, the person or authority appointed by such Government for the supervision and control of employees or where no person or authority is so appointed, the head of the department;

(ii) in any scheduled employment under any local authority in respect of which minimum rates of wages have been fixed under the Act, the person appointed by such authority for the supervision and control of employees or where no person is so appointed, the chief executive officer of the local authority;

(iii) in any other case where there is carried on any scheduled employment in respect of which minimum rates of wages have been fixed under the Act, any person responsible to the owner for the supervision and control of the employees or for the payment of wages.

**3. Scheduled employment [Sec. 2(g)].** It means an employment specified in the Schedule<sup>1</sup> to the Act, or any process or branch of work forming part of such employment.

Vanaspati ghee is oil. The vegetable oil is subjected to various processes such as neutralization, bleaching, deodorisation, hardening and hydrogenation for conversion into vanaspati ghee. The employment in various processes of vanaspati manufacturing is therefore a scheduled employment [*Champak Lal H. Thakkar vs. State of Gujrat* (1980) 4 SCC 329].

**4. Wages [Sec. 2(h)].** 'Wages' means all remuneration, capable of being expressed in terms of money, which would, if the terms of the contract of employment, express or implied, were fulfilled, be payable to a person employed in respect of his employment or work done in such employment. It includes house rent allowance but does not include—

(i) the value of  
 (a) any house accommodation, supply of light, water, medical attendance, or  
 (b) any other amenity or any service excluded by general or special order of the appropriate Government;

(ii) any contribution paid by the employer to any Pension Fund or Provident Fund or under any scheme of social insurance;

(iii) any travelling allowance or the value of any travelling concession;

(iv) any sum paid to the person employed to defray special expenses entailed on him by the nature of his employment; or

(v) any gratuity payable on discharge.

**5. Employee [Sec. 2(i)].** 'Employee' means any person who is employed for hire or reward to do any work, skilled or unskilled, manual or clerical, in a scheduled employment in respect of which minimum rates of wages have been fixed. The term includes an out-worker to whom any articles or materials are given out by

<sup>1</sup>The Schedule to the Act has been reproduced at the end of the Chapter in the Appendix.



another person to be made up, cleaned, washed, altered, ornamented, finished, repaired, adapted or otherwise processed for sale for the purpose of the trade or business of that other person where the process is to be carried out either in the home of the out-worker or in some other premises not being premises under the control and management of that other person. The term also includes an employee declared to be an employee by the appropriate Government. It does not however include any member of the Armed Forces of the Union.

## FIXATION AND REVISION OF WAGES

### Fixing of Minimum Rates of Wages (Sec. 3)

The responsibility of fixing the minimum rates of wages is that of the appropriate Government. Section 3 provides that the appropriate Government—

(a) shall fix the minimum rates of wages payable to employees employed in an employment specified in Part I or Part II of the Schedule (reproduced at the end of the Chapter) and in an employment added to either Part by notification in the Official Gazette [Sec. 3(1)(a)];

(b) may, in respect of employees employed in an employment specified in Part II of the Schedule, instead of fixing minimum rates of wages for the whole State, fix such rates for a part of the State or for any specified class or classes of such employment in the whole State or part thereof [Proviso to Sec. 3(1)(a)];

(c) shall review at such intervals not exceeding 5 years, the minimum rates of wages so fixed and revise the minimum rates if necessary [Sec. 3(1)(b)].

**Minimum number of employees.** The appropriate Government may refrain from fixing minimum rates of wages in respect of any scheduled employment in which there are in the whole State less than 1,000 employees engaged in such employment. But if at any time, the appropriate Government comes to a finding after an inquiry that the number of employees in any scheduled employment has risen to 1,000 or more, it shall fix minimum rates of wages payable as soon as may be after such finding [Sec. 3(1-A)].

**Minimum rates.** The appropriate Government may fix minimum rate of wages in the following ways :

(a) **Minimum time rate** : a minimum rate of wages for time work.

(b) **Minimum piece rate** : a minimum rate of wages for piece work.

(c) **Guaranteed time rate** : a minimum rate of remuneration to apply in the case of such employees employed on piece work for purpose of securing to such employees a minimum rate of wages on a time work basis.

(d) **Overtime rate** : a minimum rate (whether a time rate or a piece rate) to apply in substitution for the minimum rate which would otherwise be applicable, in respect of overtime work done by employees [Sec. 3(2)].

**Different minimum rates.** In fixing or revising minimum rates of wages,



different minimum rates of wages may be fixed for—

- (i) different scheduled employments;
- (ii) different classes of work in the same scheduled employment;
- (iii) adults, adolescents, children and apprentices; and
- (iv) different localities [Sec. 3(3)(a)].

Further in fixing or revising minimum rates of wages under Section 3, minimum rates of wages may be fixed by any one or more of the following wage-periods, namely :

- (i) by the hour,
- (ii) by the day,
- (iii) by the month, or
- (iv) by such other larger wage-period as may be prescribed.

Where such rates are fixed by the day or by the month, the manner of calculating wages for a month or for a day, as the case may be, may be indicated [Sec. 3(3)(b)]. Also where any wage-periods have been fixed under Section 4 of the Payment of Wages Act, 1936, minimum wages shall be fixed in accordance therewith [Proviso to Sec. 3(3)(b)].

#### **Composition of Minimum Rate of Wages (Sec. 4)**

Any minimum rate of wages fixed or revised by the appropriate Government in respect of scheduled employments under Section 3 may consist of—

(i) a basic rate of wages and a special allowance (hereinafter referred to as the 'cost of living allowance' or 'dearness allowance'). The rate of cost of living allowance shall be adjusted at such intervals and in such manner as the appropriate Government may direct. The rate shall accord as nearly as practicable with the variation in the cost of living index number applicable to such workers; or

(ii) a basic rate of wages with or without the cost of living allowance, and the cash value of the concessions in respect of supplies of essential commodities at concessional rates, where so authorised; or

(iii) an all inclusive rate allowing for the basic rate, the cost of living allowance and the cash value of the concessions, if any [Sec. 4(1)].

The cost of living allowance and the cash value of the concessions in respect of supplies of essential commodities at concessional rates shall be computed by the competent authority at such intervals and in accordance with such directions as may be specified or given by the appropriate Government [Sec. 4(2)].

#### **Procedure for Fixing and Revising Minimum Wages (Sec. 5)**

In fixing minimum rates of wages in respect of any scheduled employment for the first time or in revising minimum rates of wages so fixed, the appropriate Government shall follow either of the following two methods :

(a) **Appointment of committees.** The appropriate Government shall appoint



as many committees and sub-committees as it considers necessary to hold inquiries and advise it in respect of fixation or revision of minimum rates of wages, as the case may be [Sec. 5(1)(a)]; or

(b) **Publication of proposals in the Official Gazette.** The appropriate Government shall, by notification in the Official Gazette, publish its proposals for the information of persons likely to be affected by the fixation or revision of minimum rates of wages. It shall also specify a date on which the proposals will be taken into consideration. The date so specified shall not be less than 2 months from the date of the notification [Sec. 5(1)(b)].

After considering the advice of the committee or committees [under Sec. 5(1)(a)] or all representations received by it before the date specified in the notification [under Sec. 5(1)(b)], the appropriate Government shall, by notification in the Official Gazette, fix, or revise the minimum rates of wages in respect of each scheduled employment. The fixation or revision shall come into force on the expiry of 3 months from the date of the issue of notification, unless the notification otherwise provides [Sec. 5(2)].

**Consultation with Advisory Board.** Where the appropriate Government proposes to revise the minimum rates of wages by publication of proposals in the Official Gazette [*i.e.*, under the mode specified in Sec. 5(1)(b)], it shall also consult the Advisory Board (constituted under Section 7) [Proviso to Sec. 5(2)].

## ADVISORY BOARD AND CENTRAL ADVISORY BOARD

### Advisory Board (Sec. 7)

The appropriate Government shall appoint an Advisory Board for the purpose of co-ordinating the work of committees and sub-committees appointed under Section 5 and advising the appropriate Government generally in the matter of fixing and revising minimum rates of wages (Sec. 7).

**Composition of Committees and Advisory Board (Sec. 9).** Each of the committees, sub-committees and the Advisory Board shall consist of persons to be nominated by the appropriate Government representing employers and employees in the scheduled employments, who shall be equal in number, and independent persons not exceeding 1/3rd of its total number of members. One of the independent persons shall be appointed the Chairman by the appropriate Government.

**Power of appropriate Government to make rules.** According to Section 30(1) and (2)(a), the appropriate Government may, subject to the condition of previous publication, by notification in the Official Gazette, make rules prescribing the term of office of the members, the procedure to be followed in the conduct of business, the method of voting, the manner of filling up casual vacancies in membership and the quorum necessary for the transaction of business of the committees, sub-committees and the Advisory Board.



**Central Advisory Board (Sec. 8)**

The Central Government shall appoint a Central Advisory Board—

(a) for the purpose of advising the Central and State Governments in the matters of the fixation and revision of minimum rates of wages and other matters under the Act, and

(b) for co-ordinating the work of the Advisory Boards [Sec. 8(1)].

**Composition of the Central Advisory Board.** It shall consist of persons nominated by the Central Government representing employers and employees in the scheduled employments, who shall be equal in number, and independent persons not exceeding 1/3rd of its total number of members. One of the independent persons shall be appointed the Chairman of this Board by the Central Government [Sec. 8(2)].

**Power of Central Government to make rules.** According to Section 29, the Central Government may, subject to the condition of previous publication, by notification in the Official Gazette, make rules prescribing the term of office of the members, the procedure to be followed in the conduct of business, the method of voting, the manner of filling up casual vacancies in membership and the quorum necessary for the transaction of business of the Central Advisory Board.

**SAFEGUARDS IN PAYMENT OF MINIMUM WAGES****Wages in Kind (Sec. 11)**

Minimum wages payable under the Act shall be paid in cash [Sec. 11(1)]. But where it has been the custom to pay wages wholly or partly in kind, the appropriate Government may, by notification in the Official Gazette, authorise the payment of minimum wages either wholly or partly in kind [Sec. 11(2)].

The appropriate Government may also by notification in the Official Gazette authorise the provision of the supply of essential commodities at concessional rates [Sec. 11(3)].

The cash value of wages in kind and of concession in respect of supplies of essential commodities at concessional rates shall be estimated in the prescribed manner [Sec. 11(4)].

**Payment of Minimum Rate of Wages (Sec. 12)**

Where in respect of any scheduled employment minimum wages have been fixed, the employer shall pay to every employee wages at a rate not less than the minimum rate of wages fixed for that class of employees in that employment. Such wages shall be paid without any deductions except as may be authorised.

Section 12 does not affect the provisions of the Payment of Wages Act, 1936.



**Fixing Hours for a Normal Working Day, etc. (Sec. 13)**

In regard to any scheduled employment where minimum rates of wages have been fixed, the appropriate Government may—

- (a) fix the number of hours of work which shall constitute a normal working day, inclusive of one or more specified intervals;
- (b) provide for a day of rest in every period of 7 days, and for payment of remuneration in respect of such day of rest;
- (c) provide for payment for work on a day of rest at a rate not less than the overtime rate [Sec. 13(1)].

**Aforestated provisions to apply subject to conditions in case of certain class of employees.** In relation to the following classes of employees the provisions stated above shall apply only to such extent and subject to such conditions as may be prescribed :

- (a) employees engaged on urgent work, or in any emergency which could not have been foreseen or prevented;
- (b) employees engaged in work in the nature of preparatory or complementary work which must necessarily be carried on outside the limits laid down for the general working in the employment concerned;
- (c) employees whose employment is essentially intermittent;
- (d) employees engaged in any work which for technical reasons has to be completed before the duty is over;
- (e) employees engaged in work which could not be carried on except at times dependent on the irregular action of natural forces [Sec. 13(2)].

**Intermittent employment.** The employment of an employee is essentially *intermittent* when it is declared to be so by the appropriate Government. The appropriate Government declares an employment as intermittent on the ground that the daily hours of duty of the employee normally include periods of inaction during which the employee may be on duty but is not called upon to display either physical activity or sustained attention [Sec. 13(3)].

**Rates of Overtime (Sec. 14)**

Where an employee, whose minimum rate of wages is fixed under this Act, by the hour, by the day or by such a longer wage-period as may be prescribed, works overtime (in excess of the number of hours constituting a normal working day) the employer shall pay him for every hour or for part of an hour so worked in excess, wages at the rates fixed for overtime work under the Act or under any law of the appropriate Government in force, whichever is higher [Sec. 14(1)].

Nothing in this Act shall prejudice the operation of the provisions of Section 59 of the Factories Act, 1948 in any case where those provisions are applicable [Sec. 14(2)].



**Wages of Worker Who Works for Less Than Normal Working Day****(Sec. 15)**

Sometimes an employee whose minimum rate of wages has been fixed by the day may work on any day on which he was employed for a period less than the requisite number of hours constituting a normal working day. In that case he is entitled to receive wages in respect of work done by him on that day as if he had worked for a full normal working day except—

- (1) where his failure to work is caused by his unwillingness to work and not by omission of the employer to provide him with work, and
- (2) in such other cases and circumstances as may be prescribed.

**Wages for Two or More Classes of Work (Sec. 16)**

Where an employee does two or more classes of work to each of which a different minimum rate or wages is applicable, the employer shall pay to such employee in respect of the time respectively occupied in each such class of work, wages at not less than the minimum rate in force in respect of each such class.

**Minimum Time Rate Wages for Piece Work (Sec. 17)**

Where an employee is employed on piece work for which minimum time rate and not a minimum piece rate has been fixed under the Act, the employer shall pay to such employee wages at not less than the minimum time rate.

**Maintenance of Registers and Records (Sec. 18)**

Every employer shall maintain registers and records giving particulars of employees employed by him, the work performed by them, the wages paid to them, the receipts given by them and such other particulars and in such form as may be prescribed [Sec. 18(1)]. He shall also keep exhibited notices in the prescribed form containing prescribed particulars in the prescribed manner in the factory, workshop or place where the employees in the scheduled employment may be employed. In the case of out-workers, he shall keep these notices exhibited in such factory, workshop or place as may be used for giving out-work to them [Sec. 18(2)].

The appropriate Government may, by rules made under the Act, provide for the issue of wage books or wage slips to employees employed in any scheduled employment in respect of which minimum rates of wages have been fixed. It may also prescribe the manner in which entries shall be made and authenticated in such wage books or wage slips by the employer or his agent [Sec. 18(3)].

**ENFORCEMENT OF THE ACT****Inspectors (Sec. 19)**

The appropriate Government may, by notification in the Official Gazette, appoint



Inspectors for the purposes of the Act, and define the local limits within which they shall exercise their functions [Sec. 19(1)]. The Inspectors have to see that the provisions of the Minimum Wages Act are complied with;

**Powers of Inspectors.** An Inspector may—

(a) enter at all reasonable hours, with such assistants, being persons in service of the Government or any local or other public authority, as he thinks fit, any premises or place where employees are employed or work is given out to out-workers in any scheduled employment in respect of which minimum rates of wages have been fixed, for the purpose of examining any register, record of wages or notices required to be kept or exhibited by or under the Act or rules made thereunder, and require the production thereof for inspection;

(b) examine any person whom he finds in any such premises or place and who, he has reasonable cause to believe, is an employee employed therein or an employee to whom work is given out therein;

(c) require any person giving out-work and any out-workers, to give any information, which is in his power to give, with respect to the names and addresses of the persons to, for and from whom the work is given out or received, and with respect to the payments to be made for the work;

(d) seize or take copies of such register, record of wages or notices as he may consider relevant in respect of an offence under the Act which he has reason to believe has been committed by an employer; and

(e) exercise such other powers as may be prescribed [Sec. 19(2)].

Any person required to produce any document or thing or to give any information by an Inspector under Sec. 19(2) shall be deemed to be legally bound to do so within the meaning of Secs. 175 and 176 of the Indian Penal Code, 1860 [Sec. 19(4)].

Every Inspector shall be deemed to be a public servant within the meaning of the Indian Penal Code, 1860 [Sec. 19(3)].

The Central Government have appointed the officers (namely, Chief Labour Commissioner, Chief Advisor (Labour Welfare)), Assistant Labour Commissioners, etc.) to be Inspectors for the purposes of this Act and have specified the areas of their jurisdiction.

### Claims (Sec. 20)

The appropriate Government may, by notification in the Official Gazette, appoint:

- (i) any Commissioner for Workmen's Compensation, or
- (ii) any officer of the Central Government exercising functions as a Labour Commissioner for any region, or
- (iii) any officer of the State Government not below the rank of a Labour Commissioner, or
- (iv) any other officer with experience as a Judge of a Civil Court or as a stipendiary



Magistrate,

to be the Authority to hear and decide for any specified area all claims—  
 (a) arising out of payment of less than the minimum rates of wages; or  
 (b) in respect of the payment of remuneration for the days of the rest [under Sec. 13(1)(b)] or for work done on days of rest [under Sec. 13(1)(c)]; or  
 (c) in respect of wages at the overtime rate (under Sec. 14), to employees employed or paid in that area [Sec. 20(1)].

**Who may apply?** Where an employee has any claim, any of the following persons may apply to the Authority for hearing and deciding the case :

- (i) the employee himself, or
- (ii) any legal practitioner, or
- (iii) any official of a registered Trade Union authorised in writing to act on his behalf, or
- (iv) any Inspector, or
- (v) any person acting with the permission of the Authority [Sec. 20(2)].

Every such application shall be presented within 6 months from the date on which the minimum wages or other amount became payable [Proviso 1 to Sec. 20(2)]. It may be admitted after 6 months when the applicant satisfies the Authority that he had sufficient cause for not making the application within such period [Proviso 2 to Sec. 20(2)].

**Amount of compensation.** When any application is entertained, the Authority shall hear the applicant and the employer or give them an opportunity of being heard. After such further inquiry, if any, as it may consider necessary, the Authority may direct—

(i) in the case of a claim arising out of payment of less than the minimum rates of wages, the payment to the employee of the amount by which the minimum wages payable to him exceed the amount actually paid, together with the payment of such compensation as the Authority may think fit, not exceeding 10 times the amount of such excess;

(ii) in any other case, the payment of the amount due to the employee, together with the payment of such compensation as the Authority may think fit, not exceeding ₹ 10.

The Authority may direct payment of such compensation in cases where the excess or the amount due is paid by the employer to the employee before the disposal of the application.

Any amount directed to be paid under Section 20 may be recovered by the Authority as if it were a fine imposed by the Authority as a magistrate [Sec. 20(5)].

Every direction of the Authority under Sec. 20 shall be final [Sec. 20(6)].

**Malicious or vexatious application.** If the authority hearing any application is satisfied that it was either malicious or vexatious, it may direct that a penalty not



exceeding ₹ 50 be paid to the employer by the person presenting the application [Sec. 20(4)].

**Powers of the Authority.** The Authority shall have all the powers of a Civil Court under the Code of Civil Procedure, 1908, for the purpose of—

(i) taking evidence,

(ii) enforcing the attendance of witnesses, and

(iii) compelling the production of documents.

Every such Authority shall be deemed to be a Civil Court for all the purposes of Section 195 and Chapter XXXV of the Code of Criminal Procedure, 1898 (now 1973) [Sec. 20(7)].

**Single application in respect of a number of employees** (Sec. 21). Subject to such rules as may be prescribed, a single application may be presented under Section 20 on behalf or in respect of any number of employees employed in the scheduled employment in respect of which minimum rates of wages have been fixed. In such cases the maximum compensation which may be awarded under Section 20(3) shall not exceed 10 times the aggregate amount of such excess or ₹ 10 per head, as the case may be.

### **Penalties for Certain Offences** (Sec. 22)

Any employer who—

(a) pays to any employee less than the minimum rates of wages fixed for that employee's class of work, or less than the amount due to him under the provisions of the Act, or

(b) contravenes any rule or order made under Section 13, shall be punishable with imprisonment for a term which may extend to 6 months, or with fine which may extend to ₹ 500, or with both (Sec. 22).

In imposing any fine for an offence under Section 22, the Court shall take into consideration the amount of any compensation already awarded against the accused in any proceedings taken under Section 20 (Proviso to Sec. 22).

### **General Provision for Punishment of Other Offences** (Sec. 22-A)

Any employer who contravenes any provision of the Act or of any rule or order made thereunder shall, if no other penalty is provided for such contravention by the Act, be punishable with fine which may extend to ₹ 500.

*Just read once*

#### **APPENDIX**

#### **The Schedule**

[See Sections 2(9) and 27]

#### **Part I**

*Learn 10-15*

*Try to remember & keep in mind*

1. Employment in any woollen carpet making or shawl weaving establishment.
2. Employment in any rice mill, flour mill or dal mill.



3. Employment in any tobacco (including *bidi* making) manufactory.
4. Employment in any plantation, that is to say, any estate which is maintained for the purpose of growing cinchona, rubber, tea or coffee.
5. Employment in any oil mill.
6. Employment under any local authority.
7. Employment on the construction or maintenance of roads or in building operations.
8. Employment in stone-breaking or stone-crushing.
9. Employment in any lac manufactory.
10. Employment in any mica works.
11. Employment in public motor transport.
12. Employment in tanneries and leather manufactory.
13. Employment in gypsum mines.
14. Employment in barytes mines.
15. Employment in bauxite mines.
16. Employment in manganese mines.
17. Employment in the maintenance of buildings and employment in the construction and maintenance of runways.
18. Employment in china clay mines.
19. Employment in kyanite mines.
20. Employment in copper mines.
21. Employment in clay mines covered under the Mines Act, 1952.
22. Employment in magnesite mines covered under the Mines Act, 1952.
23. Employment in white clay mines.
24. Employment in stone mines.
25. Employment in steatite mines (including the mines producing soapstone and talc).
26. Employment in ochre mines.
27. Employment in asbestos mines.
28. Employment in fire clay mines.
29. Employment in chromite mines.
30. Employment in quartzite mines.
31. Employment in quartz mines.
32. Employment in silica mines.
33. Employment in graphite mines.
34. Employment in felspar mines.
35. Employment in laterite mines.
36. Employment in dolomite mines.
37. Employment in redoxide mines.
38. Employment in wolfram mines.
39. Employment in iron ore mines.



40. Employment in granite mines.
41. Employment in rock phosphate mines.
42. Employment in hematite mines.
43. Employment in loading and unloading in—
  - (i) railways, goods sheds,
  - (ii) docks and ports.
44. Employment in asphalt cleaning on railways.
45. Employment in marble and calcite mines.
46. Employment in uranium mines.
47. Employment in mica mines.
48. Employment in lignite mines.
49. Employment in gravel mines.
50. Employment in slate mines.
51. Employment in laying of underground cables, electric lines, water supply lines and sewerage pipelines.
52. Employment of sweeping and cleaning excluding activities prohibited under the Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993.

## PART II

Employment in agriculture, that is to say, in any form of farming, including the cultivation and tillage of the soil, dairy farming, the production, cultivation, growing and harvesting of any agricultural or horticultural commodity, the raising of livestock, bees or poultry, and any practice performed by a farmer or on a farm as incidental to or in conjunction with farm operations (including any forestry or timbering operations and the preparation for market and delivery to storage or to market or to carriage for transportation to market of farm produce).