



# KARNATAKA EMPLOYERS' ASSOCIATION

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To  
All Members of the Association

## HUGE WAGE COST DUE TO REVISION OF MINIMUM WAGES

1. The proposal of the Government of Karnataka to revise the Minimum Wages for 37 Scheduled Employments listed below was circulated vide KEA Circular No.70 of 2017 dated 24.5.2017.

SI.No.	Scheduled Industry
01	Areca Nut
02	Bakeries
03	Biscuit Industry
04	Brass Copper & Aluminium Industry
05	Bricks Industry
06	Cardamom Malais & Cardamom Gardens
07	Chemical Industry
08	Cinchona Rubber, Coffee, Tea or Coffee Plantations
09	Cinchona Rubber, Coffee, Tea or Coffee Plantations(Non Staff)
10	Cloth Dyeing & Printing
11	Confectionary Industry
12	Co-operative Societies
13	Cotton Ginning
14	Crystal Cutting
15	Employment not Covered in any of the Industries
16	Engineering Industry
17	Granite Stone & Marbles

18	Khandasari Sugar Factory
19	Mandakki Batti
20	Metal Rolling & Re-Rolling(Ferrous) Industry
21	Metal Rolling & Re-Rolling (Non – Ferrous) Industry
22	Mosaic Tiles, Flooring Tiles or Glazing tiles
23	Petrol & Diesel Oil Pump Industry
24	Plywood Industry
25	Pulp Paper, Card Board, Straw Board, Newsprint.
26	Rubber Products (Including Foam & Coir Rubberised Products)
27	Rice Flour Or Dhal Mills
28	Sericulture (1)
29	Sericulture (2)
30	Shops & Commercial Establishments
31	Spinning Mills Industry
32	Stone Breaking
33	Textile Silk Industry
34	Tiles Industry
35	Tobacco Processing
36	Toddy Tapping
37	Wood Work Including Carpentry & Saw Mill Industry

2. The Government of Karnataka has issued a Final Notification revising the Minimum Wages of 37 Scheduled Employments effective from 30.12.2017. The salient features of the Minimum Wages and other conditions pertaining to Unscheduled Employments is given below. More or less, the same wage rates are applicable to other Scheduled Employments except Plantations, which is in the range of Rs.7930 to 8144 Per Month. However, all other conditions are uniform.

### **2.1. WAGE:-**

Highly Skilled : Basic Rs.15,423.40 + VDA  
 Skilled : Basic Rs.14,021.27 + VDA  
 Semi Skilled : Basic Rs.12,746.61 + VDA  
 Unskilled : Basic Rs.11,587.83 + VDA

**2.2 VDA :**

VDA payable @ 4 paise per point increase over and above CPI 6537 effective from the date of the Notification i.e., 30.12.2017. VDA payable will be Rs.367.20, in addition to the above wages.

**2.3 SERVICE WEIGHTAGE :**

One-time Service Weightage @ 1% of the Basic Wages to the Employees who have completed 10 years or more service with the Employer.

**2.4 EQUAL WAGE :**

Women Employees shall be given same Wages for discharging the similar or same work at par with Male Workers.

**2.5 PROTECTION OF EXISTING WAGES :**

If the Employees are drawing higher wages in accordance with the Agreement or Settlement, under the Industrial Disputes Act, the said wages shall continue to be payable.

**2.6 MINIMUM WAGES TO THE PIECE-RATED WORKMEN :**

The Workmen who are paid on Piece Rate basis, the Payment of Wages made to them shall not be less than the Minimum Wages fixed under the Notification.

**2.7 PAYMENT OF WAGES THROUGH BANK ACCOUNT ONLY :**

The Payment of Wages shall be through Bank Account.

**2.8 CONTRACT LABOURERS :**

Payment to Contract Labourers, shall not be less than the Minimum Wages notified.

**2.9 CONTRIBUTION TOWARDS PROVIDENT & ESI :**

The Employer's Contribution under these Schemes, shall not be less than the Minimum Wages fixed under the Notification.

**2.10 TRAINEES :**

Trainees engaged in accordance with the Certified Standing Orders / Model Standing Orders, shall be paid 75% of the Minimum Wages fixed under the Notification.

3. The above Revision of Wages and the conditions stipulated therein, will impose huge additional wage cost and several implications on Pay Roll Administration and Restructuring of Wages.

4. KEA would be organising Seminar on the impact of the Revision of Minimum Wages on Pay Roll, EPF, Bonus, Gratuity and consequent restructuring of Salary. Separate information will be sent to the Members in this behalf.
5. The Members may collect the copy of the Notification from the Office of the KEA, during working hours on any day. Further, the Notification may be seen in the Website of the Department of Labour and the Members may download the Notification applicable to them.

for KARNATAKA EMPLOYERS' ASSOCIATION

sd/-  
**(B.C. PRABHAKAR)**  
**PRESIDENT**