ALL INDIA TRADE UNION CONGRESS

Karnataka State Committee
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PRESS RELEASE

AITUC condemns the cabinet review of Minimum wages

AITUC Karnataka condemns the decision of the Cabinet of the Karnataka State Government to review the revision of Minimum Wages in Karnataka. The finance department of the Government has raised concerns about the quantum of the revision, due to which a cabinet sub-committee has been formed. This is a retrograde and illegal action.

1. The revision of minimum wages by statute has to be revised at least once in five years, and the revision of minimum wages in Karnataka is pending for 8 years now. The recent revision in minimum wages has been done according legal and scientific norms as per the Reptakos Brett Supreme Court order.

2. The process of revision of wages began in April 2025, when the same wages were published in the Draft notification by the Labour department. Subsequently two advisory board meetings (consisting of employees, employers and government) were held in July and August 2025. The Representatives from the Finance department and Commerce & Industry department failed to appear in the meetings in 2025 even though more than 15 days' notice was provided for the meeting.

3. The objection of the Finance department is that the burden of revised wages is high on the state exchequer as there are over a lakh contract and outsourced workers. This is a complete falsehood, as the revised wages will attract state GST to the tune of Rs.2000 crores annually, which will easily cover the costs of increased wages for the state exchequer. The Government and the Finance department have happily accepted the recommendations of the seventh state pay commission, where the burden of increased wages for permanent government employees is over Rs. 20,000 crores and they are grudging the payment of minimum wages (with a burden of paltry 1500 crores) to Government contract employees. This is highly discriminatory.

4. The fact of the matter is also that several departments and corporations of the Government such as Labour Department, KPTCL, Water boards etc have already implemented the revision of minimum wages, creating a discriminatory work environment in the Government.

5. The employers' associations have already filed various writ petitions in the Karnataka High Court challenging the minimum wages notification dated 22nd May 2026. The High court of Karnataka has not granted any stay order on the notification. Despite the absence of any stay order, the refusal of the Finance Department to implement the order is a blatant violation of the Minimum Wages Act, 1948.

6. Instead of acting as a model employer, the government has acted in a discriminatory and illegal manner. The actions of the Finance department and the Cabinet decision to review the minimum wages has only emboldened the private sector employers to openly refuse the implementation of minimum wages.

AITUC Karnataka State Committee condemns the anti-worker decisions of the Finance Department and the Government of Karnataka. We will move the High court against the illegal actions of the Finance department along with intensive campaigns and protest actions until the revision of minimum wages is implemented by the Government.

Yours Sincerely



(Babu Mathew)
President



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General Secretary

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