

Union Orgument

1. As per the minimum wage act, the statutory minimum wages for a notified industry has to be revised at the appropriate interval not exceeding 5 years (Minimum wage act Karnataka Sec 3)
2. The previous revision of minimum wages was done in 2001; accordingly the present revised notification was due latest by 2006. Therefore the Government had constituted the minimum wage committee which had issued the draft notification (KE 46 LMW 2006) in 2007, and accordingly taken the DA for calculation of revised Minimum wage, as the DA applicable for the previous year 2005-2006 (CPI OF 2004 OF 2703 points)
3. The delay in issuing the final notification by two years as totally the fault of the Karnataka Government. This resulted in workers in the garment industry being derived their rightful revised minimum wage for 2007 and 2008, and was a direct benefit to the employers.
4. This was the context in which when the final notification was issued in 2009, the DA is taken in the draft notification of 2007 (CPI OF 2703) was retained. There was no error in the calculation, as it was bringing into force a legal right of workers from 2007 with delay of two years in 2009.
5. We would like to state that, if the Government now allowed to use the CPI of 3196 (CPI of 2008-2009) the cut off it is tantamount to doubly punishing the workers for the deficiency of the Government in delaying the implementation of the new Minimum wage notification by denying workers their rightful benefit of raised waged for 2007 and 2008, and by further denying them benefit of wage increase based on the appropriate DA for calculation of revised Minimum wage in 2006.
6. We add here that the plea of the respondents that the CPI of the previous year is the cut-off CPI used for any minimum wage notification is in error. For instance the minimum wage notification in 1995 took into account the CPI for 1991 (1167 points), while the notification for 2001 took in to account CPI of 2000 (2329 points).
7. We finally state that the Minimum wage notification in 2009 for a number of other industries like, Synkona, Tea, Rubber Coffee plantation, Automobile Engineering, Printing press, Oil mill, Veneer, Ceramic stone ware, pottery work, Ice factory and cold storage, . . . used the same cut off DA of 2703 points as used in the gazette of 2009 for garments industry.