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KARNATAKA EMPLOYERS' ASSOCIATION

NO.74, 2nd FLOOR, SHANKARA ARCADE, VANIVILAS ROAD, BASAVANAGUDI BENGALURU - 560 004 Reg. No. TU 507 / 20-3-1962

Date: 05-04-2019

CIRCULAR No.30/2019

To All Members of the Association

<u>Draft Notification Dated 04.02.2019 Proposing Revision of</u> <u>Minimum Wages for Employment in The Agriculture and</u> Other Related Employment.

- 1. The Govt. of Karnataka by notification No.-ID/228LWA 2018 dated 14.02.2019 has proposed upward revision of minimum wages for employment in the Agriculture and Other Related Employment. Objection and suggestions have been invited by the Govt. from the stakeholders within two-months from the date of publication of the notice in the gazette.
- 2. The Association has submitted suggestions/objections by letter dated 02.04.2019. A copy of the letter dated 02.04.2019 addressed to the Secretary Govt. of Karnataka Department of Labour, Vikas Soudha Bengaluru is enclosed.
- 3. The members who will be affected by the proposed revision of minimum wages in agriculture and other related employment may submit their suggestion/objection to the Govt. directly on the same line as sent by the Association.

for KARNATAKA EMPLOYERS' ASSOCIATION

sd/-(B.C. PRABHAKAR) PRESIDENT

Ofc

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B.C. Prabhakar, B.A. B.L

President

Date: 02-04-2019

To,

Secretary Government of Karnataka Department of Labour Vikas Soudha Bengaluru

Dear Sir,

Sub: Draft Notification Dated 04.02.2019 Proposing Revision of Minimum Wages for Employment in Agriculture and Other Related Employment.

- The Association has gone through the notification and find that the minimum wages payable for employment in agriculture and other related employments are proposed to be revised upwards.
- 2. Ministry of Labour and Employment, Government of India, has published a detailed "Report of the Expert Committee on Determining the Methodology for Fixing the National Minimum Wage" in January, 2019. We appreciate that the above report which has arrived at a national minimum wage of Rs. 9750.00 per month has been taken as the basis for revising the minimum wages in this draft notification.
- 3. Another important aspect is that there are several conditions which are same as those stipulated for employment in other sectors. The farmers will not be able to either understand or follow all the said conditions. The conditions stipulated itself may become tool in the hands of enforcement authorities to harass the farmers. These conditions may be removed for the following additional specific reasons:

- a) Condition No. 2: VDA calculated on CPI points these figures not being available to the farmers and they will have multiple difficulties in the matter. Therefore, it is better to lay down consolidated wages instead of attaching this condition.
- b) Condition No. 3: This condition regarding Service Seniority Allowance has been struck down by the Hon'ble High Court of Karnataka in its judgment dated 29.03.2019 in the batch of Writ Petitions filed against the minimum wages notifications dated 16.09.2016, 27.12.2016 and 30.12.2017. Therefore, this condition has to be removed.
- c) Condition No. 4: This condition is covered by other Acts covering the subject matter and therefore, this condition is superfluous and hence may be removed.
- d) Condition No. 5 and 6: Piece rate workers' wages and part time workers' wages to be in proportion to the number of hours worked in the same ratio as that of a full time worker this condition too requires to be removed as the farmers may find it difficult and impractical to maintain records and therefore this condition may be removed.
- e) Condition No. 8: Contract employees wages to be equal to the minimum wages: This condition is again superfluous and impractical and therefore may be removed.
- f) Condition No. 9 and 10: These condition is not applicable to farmers and therefore, may be removed.
- g) Condition No. 11: Farmers will have no means to access the figures with regard to enhanced VDA on the basis of CPI points. Therefore, it is better to simplify the payment process for farmers by prescribing consolidated wages. This condition therefore also may be removed.

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President

- 4. Further, the Minimum Wages proposed also contains the VDA calculated on the basis of the CPI points. These figures are not being available to the farmers and they will have multiple difficulties in the matter. It is better to lay down consolidated wages so that there will be no difficulties for calculating etc., without attaching so many conditions.
- 5. Finally, it may not be out of place to say that the Government Policy should focus on removing all unnecessary obstacles in the path of the farmer who is after all our "Anna Daata".

For KARNATAKA EMPLOYERS' ASSOCIATION

(B.C. PRABHAKAR)
PRESIDENT

CC: Labour Commissioner

Joint Labour Commissioner(Minimum Wages)

