

Circular No – 039/2026

Date: 30-06-2026

To
All Members of The Association

NEWS REPORT

GOVERNMENT OF KARNATAKA REVIEWING MINIMUM WAGE NOTIFICATION DATED 22.05.2026

1. Members are aware that the Karnataka Employers' Association (KEA) has filed Writ Petition No. 16145/2026 (L-MW) before the Hon'ble High Court of Karnataka. This petition challenges the final notification dated 22.05.2026, under which huge increase in minimum wages was made across scheduled employments. The matter is currently pending adjudication. As noted in our previous Circular Nos. 032/2026 (dated 02.06.2026) and 037/2026 (dated 09.06.2026), our application for interim stay relief is also awaiting consideration.
2. A news report in today's edition of The Hindu indicates that the Government of Karnataka is considering reviewing these revised minimum wages. The Labour Department has reportedly been instructed to draft a Cabinet Note on this matter. According to the report, this proposal follows intense pushback from industry bodies regarding the steep wage hikes and certain procedural irregularities in issuing the notification.

3. Members may please note that this update is currently based solely on media reports. The State Government has not issued an official notification, Government Order (GO), or Cabinet decision to withdraw, modify, or suspend the final notification dated 22.05.2026.
4. Consequently, the legal challenge initiated by Karnataka Employer's Association remains fully active and pending before the Hon'ble High Court. We are closely tracking all executive and judicial developments and will update members as formal changes occur.

News Link: <https://www.thehindu.com/news/national/karnataka/state-government-to-revisit-minimum-wages-notified-for-84-scheduled-employments/article71162123.ece>

For KARNATAKA EMPLOYERS' ASSOCIATION

**Sd/
[B C Prabhakar]
President**

Govt. to revisit minimum wages notified for 84 scheduled employment?

Labour Department asked to prepare a Cabinet note, the contention being that revised wages were notified without Cabinet approval; industry bodies have also termed the hike to be too steep

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Just over a month after the revision of minimum wages for 84 scheduled employment was notified, the Karnataka government is learnt to be keen on revisiting the revised minimum wages in light of opposition from industry bodies.

Preliminary meeting

The proposed minimum wages are expected to be revisited by the Cabinet, which will discuss the consequences of the minimum wage revision and legal standing before a decision is made. It is learnt that a preliminary meeting to this effect has already taken place involving officials from the departments of Finance, Commerce and Industries, and Labour, following which the Labour Department is learnt to be preparing a Cabinet note.

The proposed minimum wages per month range from ₹19,300 for an unskilled worker in Zone 3 to ₹31,114 for a highly skilled worker in Zone 1. Over the past few months, Haryana and Uttar Pradesh, which witnessed labour unrest, have revised minimum wages.

The notification for revised wages, which came after a gap of nine years, was issued on May 22,



The proposed minimum wages per month range from ₹19,300 for an unskilled worker in Zone 3 to ₹31,114 for a highly skilled worker in Zone 1. FILE PHOTO

2026, and has been widely welcomed by trade unions. The revised wages, around 40% higher, are expected to provide relief to over one crore households affected by price rise in Karnataka. However, the industry bodies have termed the hike to be too steep and expressed fear of flight of capital from Karnataka. Petitions against the notification are currently being heard by the Karnataka High Court. The court, however, has not stayed the notification.

The Labour Department and trade unions pointed out that the last revision in 2016-17, when minimum wages were revised for 37 scheduled employment, was in the range of 71% and

91%, which had been upheld by the High Court.

Grey area

"The contention is that the minimum wages were notified without Cabinet approval. That is why the matter is going to the Cabinet. However, the Labour Department's contention is that it has gone through the minimum wages committee, which is independent. Whether it should have been brought before the Cabinet or not is in a grey area," sources from the department explained.

Speculations have been rife about the review of the notified minimum wages for the past few weeks, and it is yet to be implemented in majority of private sec-

tor industries. According to the Labour Department, the revised wages have been implemented by State-run boards and corporations while unions claim that a number of industries are expected to implement minimum wages in July.

After consultations

"The minimum wages revision has been a long and thoughtful consultative process involving all stakeholders, including employers, employees, trade union and government representatives, including Labour, Commerce and Industries, and Finance departments. Opportunities were given to every stakeholder involved to raise objections in the State Minimum Wages Advisory Committee," said All India Trade Union Congress secretary M. Satyanand.

He pointed out that the rates were arrived at after studying the price rise data on food, clothing and housing across 16 centres in the State as per the norms laid down by the Supreme Court in the Raptakos Brett case. "Any move to review or withdraw the final notification will be blatantly illegal as per an earlier High Court division bench order. We will take to the streets if the hard-fought benefits are affected," he said.