

[AS INTRODUCED IN SENATE]

A

BILL

further to amend the Payment of wages Act, 1936

WHEREAS it is expedient further to amend the Payment of Wages Act, 1936 (IV of 1936), for the purposes hereinafter appearing;

It is hereby enacted as follows:-

1. Short title and commencement.- (1) This Act may be called the Payment of Wages (Amendment) Act, 2017.

(2) It shall come into force at once.

2. Amendment of section 6, Act IV of 1936.- In the Payment of wages Act, 1936 (IV of 1936) for section 6, the following shall be substituted, namely:-

"6. All wages shall be paid in current coin or currency notes or by cheque or by crediting the wages in the bank account of the employee:

Provided that the appropriate Government may, by notification in the Official Gazette, specify the industrial or other establishment, the employer of which shall pay to every person employed in such industrial or other establishment, the wages only by cheque or by crediting the wages in his bank account."

STATEMENT OF OBJECTS AND REASONS

The Payment of wages Act, 1936 (IV of 1936) regulates the payment of wages of certain classes of employed persons. Section 6 of the Act provides that all wages shall be paid in current coin or currency notes or in both.

With the passage of time, technology has changed and a large section of the employed persons have their bank accounts. The payment of wages through cheque or crediting it in the bank account of employed persons will reduce the complaints regarding non-payment or less payment of minimum wages, besides serving the objectives of digital and less cash economy.

It is, therefore, necessary to amend the Payment of Wages Act, 1936 in order to enable the employer to pay the wages to the employed person also by cheque or crediting it to his bank account and also to enable the appropriate Government to specify the industrial or other establishments, by notification in the Official Gazette, which shall pay to every employed person, the wages only by cheque or by crediting in his bank account; and accordingly, introduced the Payment of Wages (Amendment) Bill, 2017.

SENATOR MUHAMMAD JAVED ABBASI
Member-in-charge