

PAYMENT OF WAGES ACT, 1936
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PAYMENT OF WAGES (PUNJAB) RULES, 1937

Objective: It has been enacted to ensure the fixation of wage period and that the payment of wages to the workmen are made in time, without unauthorised deductions, in current coins and currency and in case of non-payment or unauthorised deductions, to enable the workers to make a claim.

Applicability: The Act is applicable to the persons employed in any factory, railway administration, industrial or other establishments i.e. tramway service, motor and air transport service, plantation, workshop of other establishment in which articles are produced, adapted or manufactured, with a view to their use, transport or sale, establishments in which any work relating to the construction, development or maintenance of buildings, roads, bridges or canals, or relating to operations connected with irrigation or supply of water or relating to generation, transmission and distribution of electricity.

Wage period and date of payment: Wage period is not to exceed one month. In an establishment where less than 1000 persons are employed, payment has to be made by 7th day of the next month otherwise by 10th day.

Authorised deductions : fines, absence from duty, damage to or loss to goods in custody, house-accommodation, advance, recovery of loans, house-building loan, income tax, order of court, payment to cooperative society; advance from Provident Fund, payment of insurance premia on fidelity guarantee bond, deduction authorised by the person employed.

Complaints : An employed person can make a complaint with regard to the non-payment or unauthorised deductions can be made to the Labour Inspector Grade-I or II of the area.

Claims : A claim application in duplicate can be made in Form A by any employed person, in Form – B by a group of employed persons or in Form - C by an Inspector or person permitted by the Authority u/s 15 for non-payment or unauthorised deductions made by the employer. The application should be presented to the Authority appointed under the Act i.e. the Assistant Labour Commissioner or the Labour-cum-Conciliation Officer of the concerned area.

Bar to Suit : Civil Courts are barred to entertain the suit for recovery of wages once a claim has been lodged with the Authority under the Act or an appeal in its regard is pending with the Appellate Authority.

Contracting out: Any contract or agreement whereby an employed person relinquishes or reduces his right to receive wages from his employer is null and void to that extent.

Maintenance of Records & annual return : The employer is required to maintain registers for attendance, wages, fines, deductions, advances in respect of the persons employed and to file annual return for the year ending on 31st December by 15th February of the next year.

Penalties: For non compliance of the provisions of the Act, an employer can be fined from Rs. 200/- up to Rs. 2000. For a subsequent offence, the punishment is minimum one month but may extend to six months imprisonment and with minimum fine of Rs. 500/- which may extend to Rs. Rs. 3,000/-. For a continuing offence, additional fine of Rs. 100/- per day shall be imposed.