

# WEST PAKISTAN PAYMENT OF WAGES RULES, 1960

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# WEST PAKISTAN PAYMENT OF WAGES RULES, 1960<sup>1</sup>

## HEALTH WELFARE AND LOCAL GOVERNMENT DEPARTMENT

15<sup>th</sup> October, 1960

### NOTIFICATION

**No.IX-7-11(XI)/59.-** in exercise of the powers conferred on by sub-sections (2) and (3) of Section 26 of the Payment of Wages Act 1936 (Act IV of 1936), and in supersession of the Punjab Payment of Wages Rules 1937, the Sind Payment of Wages Rules 1937 and the Baluchistan payment of Wages Rules 1937, the Governor of West Pakistan is pleased to make the following rules a draft of which was published in the West Pakistan gazette dated the 8<sup>th</sup> January, 1960 mentioned number IX-7-11(X)/59 dated the 6<sup>th</sup> January 1960:-

### WEST PAKISTAN PAYMENT OF WAGES RULES, 1960

**1. Short title and commencement.—** (1) These rules may be called the <sup>2</sup>West Pakistan Payment of Wages Rules, 1960.

<sup>3</sup>[1-a. They shall extend to the whole of the Province of West Pakistan except the Tribal Areas.]<sup>4</sup>

(2) They shall come into force at once.

**2. Definitions.—** In these rules, unless the context otherwise requires the following expressions shall have the meanings hereby respectively assigned to them, that is to say-

- (a) **"the Act"** means the Payment of Wages Act, 1936;
- (b) **"the Authority"** means the Authority appointed under sub-section (1) of section 15;
- (c) **"Certifying Officer"** means the Certifying Officer appointed under clause (c) of section 2 of the Industrial Employment (Standing Orders) Act, 1946<sup>5</sup>;
- (d) **"the Chief Inspector of Factories"** means the Chief Inspector of Factories appointed under sub-section (2) of section 10 of the Factories Act, 1934.
- (e) **"Court"** means the Court mentioned in sub-section (1) of section 17;
- (f) **"deduction for breach of contract"** means a deduction made in accordance with the provisions of the provisions to sub-section (2) of section 9;
- (g) **"deduction for damage or loss"** means a deduction made in accordance with the provisions of clause (c) of sub-section (2) of section 7;

<sup>1</sup>Published under Noti. No. IX-7-II(XI)/59 dated 15<sup>th</sup> October, 1960 Gaz. of West Pak Extr., 18<sup>th</sup> October, 1960, pp.4067-4072.

<sup>2</sup>Words "West Pakistan" subs. by Sindh in its application to Sindh Province. Sindh Govt Gaz., Extr PT. -IV-A June 29th 1986 p. 14.

<sup>3</sup>Sub-rule (1-a) added by Noti. 4-14 (L-IV) 65 of 12th July 1967, Gaz of West Pak, Pt.I, 11 Aug. 1967, p. 997 -- see 1967 LLC III (Statutes).

<sup>4</sup>Sub-rule 1-a deleted in its application to Sindh Province.

<sup>5</sup>See now *West Pakistan Industrial and Commercial Employment (Standing Orders) Ordinance, 1968 (VI of 1968)*.

- (h) **"Form"** means a Form appended to these rules;
- (i) **"Inspector"** means an Inspector authorized under section 14;
- (j) **"person employed"** excludes all persons to the payment of whose wages the Act does not apply;
- (k) **"paymaster"** means an employer or other person responsible under section 3 for the payment of wages;
- (l) **"section"** means a section of the Act.

**3. Register of Fines.—** (1) In any factory regarding which the employer has obtained approval under sub-section (1) of section 8 to a list of acts and omissions in respect of which fines may be imposed, the paymaster shall maintain a Register of Fines in Form I.

(2) At the beginning of the Register of Fines there shall be entered serially numbered the approved purpose or purposes for which the fines realized are to be expended.

(3) When any disbursement is made from the fines realized, a debit entry of the amount so expended shall be made in the Register of Fines and a voucher of receipt in respect of the amount shall be affixed to the register. If more than one purposes has been approved the entry in respect of the disbursement shall also indicate the purposes for which it is made.

**4. Register of Deductions for Damage or Loss.—** In every factory in which deductions for damage or, loss are made the paymaster shall maintain the register required by sub-section (2) of section 10 in Form II.

**5. Register of wages.—** A Register of Wages shall be maintained in every factory and may be kept in such form as the paymaster finds convenient but shall include the following particulars:-

- (a) the gross wages earned by each person employed for each wage-period;
- (b) all deductions made from those wages, with an indication in each case of the clause of sub-section (2) of section 7 under which the deduction is made;
- (c) the wages actually paid to each person employed for each wage-period; and
- (d) the date of payment of wages in each case.

**6. Maintenance of Registers.—** The registers required by rules 3, 4, 5 and 17 shall be preserved for twelve months after the date of the last entry made in them.

**7. Weights and Measures.—** (1) All weights, measures or weighing machines which are used in checking or ascertaining the wages of persons employed in any factory shall be examined at least biennially by an Inspector who may prohibit the use of any weight, measure or weighing machine which he finds to register incorrectly.

(2) If the Inspector considers that any action should be taken under the Weights and Measures of Capacity Act, 1871, or the Pakistan Penal Code, in respect of any weight, measure or weighing machine used in checking or ascertaining the wages of persons employed, he may seize the article in question and after recording his opinion send the seized article to the District Magistrate for such action as he may think fit.

**8. Notice of dates of payment.—** The paymaster shall display, in a conspicuous place at or near the main entrance of the factory, a notice, in English and in the language of majority of the persons employed therein, showing for not less than two months in advance, the day on which wages are to be paid.

**9. Prescribed Authority.—** In the case of persons employed in an industrial establishment to which the Industrial Employment (Standing Orders) Act, 1946<sup>1</sup>, applies, the Certifying Officer, and in other cases the Chief Inspector of Factories, shall be the Authority competent to approve under sub-section (1) of section 8, acts and omissions in respect of which fines may be imposed and under sub-section (8) the purposes on which the proceeds of fines shall be expended.

**10. Application in respect of fines.—** Every employer requiring the power to impose fines in respect of any acts and omissions on the part of employed persons shall send to the Chief Inspector of Factories-

- (a) a list in English, in duplicate, clearly defining such acts and omissions; and
- (b) in cases where the employer himself does not intend to be the sole person empowered to impose fines a list, in duplicate, showing those posts in his factory the incumbents whereof may pass orders imposing fines and the class of establishment on which the incumbent of each such post may impose fine.

**11. Approval of list of acts and omissions.—** The authority appointed under rule 9 on receipt of the list prescribed in the preceding rule, may, after such enquiry as he considers necessary, pass orders either-

- (a) disapproving the list; or
- (b) approving the list either in its original form or as amended by him and the list in the form in which it has been approved shall be considered to be approved list; provided that no order disapproving or amending the list shall be passed unless the employer shall have been given an opportunity of showing cause, orally or in writing, why the list as submitted by him should be approved.

**12. Posting of list.—** The employer shall display, at or near the main entrance of the factory, a copy in English together with a literal translation in the language of the majority of the persons employed therein of the list approved under rule 11.

**13. Persons authorized to impose fines.—** No fine may be imposed by any person other than an employer, or a person holding a post shown in the list submitted under rule 10.

**14. Procedure in imposing fines and deductions.—** Any person desiring to impose fine on an employed person or to make deduction for damage or loss shall explain personally to the said person the act or omission, or damage or loss, in respect of which the fine or deduction is proposed to be imposed and the amount of the fine or deduction which it is proposed to impose, and shall hear his explanation in the presence of at least one other person.

**15. Information to Paymaster.—** The person imposing a fine or directing the making

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<sup>1</sup>Now see the West Pakistan Industrial and Commercial Employment (Standing Orders) Ordinance (VI of 1968).

of deduction for damage or loss shall at once inform the paymaster of all particulars required to be entered in the register prescribed under rule 3 or rule 4.

**16. Deduction for breach of contract.—** (1) No deduction for breach of contract shall be made from the wages of an employed person who is under the age of fifteen years or is a woman.

(2) No deduction for breach of contract shall be made from the wages of any employed person unless-

- (i) there is provision in writing forming part of the terms of the contract of employment, requiring him to give notice of the termination of his employment; and
- (ii) the period of this notice does not exceed fifteen days or the wage-period, whichever is less; and
- (iii) the period of this notice does not exceed the period of notice which the employer is required to give of the termination of that employment; and
- (iv) this rule has been displayed in English and in the language of the majority of the employed persons at or near the main entrance of the factory and has been so displayed for not less than one month before the commencement of the absence in respect of which the deduction is made; and
- (v) a notice has been displayed at or near the main entrance of the factory giving the names of the persons from whom the deduction is proposed to be made, the number of days wages to be deducted and the conditions (if any) on which the deduction will be remitted provided that where the deduction is proposed to be made from all the persons employed in any departments or<sup>1</sup> sections of the factory, it shall be sufficient, in lieu of giving the names of the persons in such departments or sections, to specify the departments or sections affected.

(3) No deduction for breach of contract shall exceed the wages of the person employed for the period by which the notice of termination of service given falls short of the period of such notice required by the contract of employment.

(4) If any conditions have been specified in the notice displayed under clause (v) of sub-rule (2), no deduction for breach of contract shall be made from any person who has complied with such conditions.

**17. Advances.—** (1) An advance of wages not already earned shall not, without the previous permission of an Inspector, exceed an amount, equivalent to the wages earned by the employed person during the preceding two calendar months, or if he has not been employed for that period, twice the wages he is likely to earn during the two subsequent calendar months.

(2) The advance may be recovered in installments by deductions from wages spread over not more than twelve months. No installment shall exceed one third, or where the wages for any wage-period are not more than twenty rupees, one-fourth of the wages for the wage-period in respect of which the deduction is made.

(3) The amount of all advances sanctioned and the re-payment thereof shall be entered in a register in Form III.

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<sup>1</sup>Printed in the Gazette Notification as “of”

**18. Annual Returns.—** In respect of every factory in which during the calendar year any fines have been imposed or any deductions for breach of contract or for damage or loss have been made from wages, a return shall be sent in Form IV so as to reach the Chief Inspector of Factories not later than the 15<sup>th</sup> of February following the calendar year to which it relates.

**19. Costs.—** (1) Where the Authority or the Court, as the case may be, directs that any costs shall not follow the event, it shall state its reasons for so doing in writing.

(2) The costs which may be awarded shall include:-

- (a) the charges necessarily incurred on account of court fees;
- (b) the charges necessarily incurred on subsistence money to witnesses; and
- (c) the pleader's fees, which shall ordinarily be rupees ten, provided that the Authority or the Court, as the case may be, in any proceedings; may reduce the fee to a sum not less than rupees five or increase, it to a sum not exceeding rupees thirty.

(3) When a party engages more pleaders than one to defend a case, he shall be allowed one set of costs only.

**20. Copies.—** The Authority or the Court, as the case may be, may fix fees on the payment of which any person entitled to do so may obtain copies of any documents filed with the Authority or the Court, as the case may be;

Provided that the Authority or the Court, as the case may be, may in consideration of the poverty of the applicant, grant copies free of cost.

**21. Fees.—** The fee payable in respect of proceedings under the Act shall be according to the following scale:-

(i) For every application to summon a witness.	<sup>1</sup> [25 paisa] in respect of each witness.
(ii) For every other application made by or on behalf of an individual person before the Authority,	<sup>2</sup> [50 paisa]
(iii) For every other application made by or on behalf of an unpaid group before the Authority,	<sup>3</sup> [25 paisa] for each member of the group subject to a maximum of five rupees.
(iv) For every appeal lodged with the Court.	Five rupees.

Provided that the Authority or the Court may, in consideration of the poverty of the applicant, reduce or remit this fee:

Provided further that no fee shall be chargeable in respect of an application presented by an Inspector.

**22. Abstract.—** The abstracts of the Act and of the rules thereunder to be displayed under section 25 shall be in Form V.

<sup>1</sup>Subs. for "Four annas" by Noti. XI-9-15(Lab. II)/60 Gaz of West Pak. Pt. I-A, 17 March 1961.

<sup>2</sup>Subs. for "Eight annas"; *ibid*.

<sup>3</sup>Subs. for "Four annas" by Noti. XI-9-15(Lab. II)/60 Gaz of West Pak. Pt. I-A, 17 March 1961.

**23. Penalties.—** Any breach of rules 3, 4, 5, 6, 8, 12, 15 and 18 of these rules shall be punishable with fine which may extend to two hundred rupees.

**<sup>1</sup>[24. Repeal.—** The Sindh Payment of Wages Rules, 1936, as applicable to Karachi, are repealed.]

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<sup>1</sup>Rule 24 added by Noti 4-14 (L-IV) 65 of 12th July 1967, Gaz. of West Pak. Pt. I, 11th Aug. 1967, p. 997, see 1967 LLC 111(Statutes).

**FORM I**

[Rule 3]

**Register of Fines**

Factory .....

Serial No.	Name	Father's Name	Department	Acts or omissions for which fine imposed	Whether workman showed cause against fine or not, if so, enter date.	Rate of wages	Date and amount of fine imposed.	Date on which fine realized.	Remarks
1	2	3	4	5	6	7	8	9	10



**FORM III**

[Rule 17]

**REGISTER OF ADVANCES MADE TO EMPLOYED PERSONS**

Factory.....

Serial No.	Name	Father's name	Department	Date and amount of advance made	Purpose(s) for which advance made.	Number of installments by which advance to be repaid.	Postponements granted.	Date on which total amount repaid	Remarks
1	2	3	4	5	6	7	8	9	10



## **FORM V**

### **[Rule 22]**

#### **ABSTRACTS OF THE PAYMENT OF WAGES ACT, 1936 AND THE RULES THEREUNDER**

##### **Whom the Act affects**

1. The Act applies to the payment of wages to persons in a factory receiving <sup>1</sup>less than Rs. 200 a month.
2. No employed person can give up by contract or agreement his rights under the Act.

##### **Definition of wages**

3. "Wages" means all remuneration payable to an employed person on the fulfillment of his contract of employment.

It includes bonus and any sum payable for want of a proper notice of discharge.

It excludes:-

- (a) the value of house accommodation, supply of light, water, medical attendance or other amenity, or of any service excluded by general or special order of the Provincial Government;
- (b) the employer's contribution to a pension or provident fund;
- (c) travelling allowance or concession or other special expenses entailed by the employment; and
- (d) any gratuity payable on discharge.

##### **RESPONSIBILITY FOR AND METHOD OF PAYMENT**

4. The manager of the factory is responsible for the payment under the Act of wages to persons employed under him, and any contractor employing persons is responsible for payment to the persons he employs.
5. Wage-periods shall be fixed for the payment of wages at intervals not exceeding one month.
6. Wages shall be paid on a working day within seven days of the end of the wage-period or within ten days if 1,000 or more persons are employed.

The wages of a person discharged shall be paid not later than the second working day after his discharge.

7. Payments in kind are prohibited.

##### **FINES AND DEDUCTIONS**

8. No deductions shall be made from wages except those authorized under the Act (see paragraphs 9-15 below).
9. (1) Fines can be imposed only for such acts and omissions as the employer may with the previous approval of the Chief Inspector of Factories, specify by a notice displayed, at or near the main entrance of the Factory, and after giving the employed person an opportunity for explanation.

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<sup>1</sup>Words "less than Rs. 200" subs, by "upto an average of one thousand and five hundred rupees" in its application to **Sindh Province**, Sindh Govt, Gaz., Extr., Pt. IV-A, June 29, 1986, p. 14.

- (2) Fines:-
  - (a) shall not exceed half an anna in the rupee of the wage payable;
  - (b) shall not be recovered by installments, or later than sixty days from the date of imposition;
  - (c) shall be recorded in register and applied to such purposes beneficial to the employed persons as are approved by the Chief Inspector of Factories;
  - (d) shall not be imposed on any employed person under the age of fifteen years.

10. (a) Deductions for absence from duty can be made only on account of the absence of the employed person at times when he should be working, and such deductions must not exceed an amount which is in the same proportion to his wages for the wage-period, as the time he was absent in that period is to the total time he should have been at work.

(b) If ten or more employed persons, acting in concert, absent them-selves without reasonable cause and without due notice, the deduction for absence can include wage for eight days in lieu of notice:

Provided:-

- (1) no deduction for breaking a contract can be made from a person under the age of fifteen year or a woman;
- (2) there must be a provision in writing which forms part of the contract of employment, requiring that a specific period of notice of intention to cease work, not exceeding fifteen days or the period of notice which the employer has to give to discharge a worker, must be given to the employer and that wages may be deducted in lieu of such notice;
- (3) the above provisions must be displayed at or near the main entrance of the factory;
- (4) no deduction of this nature can be made until a notice that such deduction is to be made has been posted at or near the main entrance of the factory; and
- (5) no deduction must exceed the wages of the employed person for the period by which the notice he gives of leaving employment falls short of the period for which he is required to give notice under the terms of his contract.

11. Deductions can be made for damage to, or loss of, goods expressly entrusted to an employed person or loss of money for which he is required to account, where such damage or loss is due to his neglect or default.

Such deduction is not to exceed the amount of the damage or loss caused and can be made only after giving the employed person an opportunity for explanation.

12. Deductions can be made, equivalent to the value thereof, for house accommodation, amenities or services (other than tools and raw material) supplied by the employer; provided that they are accepted by the employed person as a part of the terms of his employment and have in the case of amenities and services been authorized by order of the Provincial Government.

- 13. (a) Deductions can be made for the recovery of advances or for adjustment of over payment of wages.
- (b) Advances made before the employment began can only be recovered from

the first payment of wages for complete wage period, but no recovery can be made of advances given for travelling expenses before employment began.

- (c) Advances of unearned wages can be made at the paymaster's discretion during employment but must not exceed the amount of two months wages without the permission of the Inspector. Such advances can be recovered by installments, spread over not more than twelve months and the installments must not exceed one-third, or if the wages are not more than rupees twenty, one-fourth of the wages for any wage-period.

14. Deductions can be made for subscriptions to, and for repayment of advances from, any recognized provident fund.

15. Deductions can be made for payments to co-operative societies approved by the Provincial Government or to the postal insurance, subject to any conditions imposed by the Provincial Government.

### **INSPECTIONS**

16. An Inspector can enter any premises, and can exercise powers of inspection (including examination of documents and taking of evidence) as he may deem necessary for carrying out the purposes of the Act.

### **COMPLAINTS OF DEDUCTIONS OR DELAYS**

17. (1) Where irregular deductions are made from wages, or delays in payment of wages take place, an employed person can make an application in the prescribed form within six months to the Authority appointed by the Provincial Government for the purpose. An application delayed beyond this period may be rejected unless sufficient cause for the delay is shown.

(2) Any legal practitioner, official of a registered trade union, Inspector or other person acting with the permission of the Authority can make the complaint on behalf of an employed person.

(3) A single application may be presented by or on behalf of any number of persons employed in the same factory the payment of whose wages has been delayed.

### **ACTION BY THE AUTHORITY**

18. (1) The Authority may award compensation to the employed person in addition to ordering the payment of delayed wages or the refund of illegal deductions.

(2) If a malicious or vexatious complaint is made, the Authority may impose a penalty not exceeding Rs. 50 on the applicant and order that it be paid to the employer.

### **APPEAL AGAINST THE AUTHORITY**

19. An Appeal in the prescribed form against a direction made by the Authority may be preferred within thirty days to the District Court:-

- (a) by the paymaster, if the total amount directed to be paid exceeds Rs.300;
- (b) by an employed person, if the total amount of wages withheld from him or his co-workers, exceeds Rs.50; and
- (c) by a person directed to pay a penalty for a malicious or vexatious application.

### **PUNISHMENTS FOR BREACHES OF THE ACT**

20. Any one delaying the payment of wages beyond the due date, or making any unauthorized deductions from wages, if his prosecution is sanctioned by the Authority or

the appellate Court, is liable to a fine up to Rs. 500.

- 21.** (1) A paymaster who:-
- (a) does not fix a wage-period; or
  - (b) makes payment in kind; or
  - (c) fails to display at or near the main entrance of the factory this abstract in English and in the language of the majority of the employed persons; or
  - (d) commits a breach of the rules framed under the Act, is liable to a fine not exceeding Rs. 200.
- (2) A complaint to this effect can be made only by the Inspector or with his sanction.

By Order of the Governor of West Pakistan

Secretary to the Government of West Pakistan  
Health, Welfare and Local Government.

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