

**PROVINCIAL ASSEMBLY OF SINDH
NOTIFICATION
KARACHI, THE 17TH MAY, 2018**

NO.PAS/LEGIS-B-15/2018- The Sindh Employees Social Security (Amendment) Bill, 2018 having been passed by the Provincial Assembly of Sindh on 20th April, 2018 and assented to by the Governor of Sindh on 12th May, 2018 is hereby published as an Act of the Legislature of Sindh.

THE SINDH EMPLOYEES SOCIAL SECURITY (AMENDMENT) ACT, 2018

SINDH ACT NO. XVIII OF 2018

**AN
ACT**

to amend the Sindh Employees Social Security Act, 2016.

WHEREAS it is expedient to amend the Sindh Employees Social Security Act, 2016, in the manner hereinafter appearing; **Preamble.**

It is hereby enacted as follows:-

1. (1) This Act may be called the Sindh Employees Social Security (Amendment) Act, 2018. **Short title and commencement.**
(2) It shall come into force at once.

2. In the Sindh Employees Social Security Act, 2016, hereinafter referred to as the said Act, for the long title, the following shall be substituted:- **Substitution of long title of Sindh Act No.VI of 2016.**
“to introduce a scheme of social security for providing benefits to certain employees or their dependents in the event of sickness, maternity, employment injury or death, iddat and for matters ancillary thereto.”.

3. In the said Act, for the Preamble, the following shall be substituted:- **Substitution of long title of Sindh Act No.VI of 2016.**
“**Preamble. WHEREAS** it is expedient to introduce a scheme of social security for providing benefits to certain employees or their dependents in the event of sickness, maternity, employment injury or death, iddat and for matters ancillary thereto.”.

4. In the said Act, in section 2 – **Amendment of section 2 of Sindh Act No.VI of 2016.**
 - (i) for sub-section (5), the following shall be substituted:-
“(5) “contribution” means the sum of money payable to the Institution by an employer in respect of an employee and includes any amount payable by or behalf of the employee, in accordance with the provisions of this Act;”;

 - (ii) in sub-section (9), for clause (e), the following shall be substituted:-
“(e) any person employed on wages exceeding the upper wage limit determined under section 75:

Provided that an employee shall not cease to be an employee for the reason that his monthly wages exceed the upper wage limit determined under section 75;”;

- (iii) after sub-section (16), the following shall be inserted:-
“(16-A) “Department” means the Labour and Human Resources Department, Government of Sindh;”;
- (iv) for sub-section (17), the following shall be substituted:-
“(17) “Institution” means the Sindh Employees Social Security Institution established under section 3;”;
- (v) for sub-section (23), the following shall be substituted”-

“(23) “registered trade union” means a trade union as defined in the Sindh Industrial Relations Act, 2013 (Sindh Act No.XXIX of 2013);”;
- (vi) for sub-section (27), the following shall be substituted:-
“(27) “Self-Assessment Scheme” means a scheme of social security benefits, effective from the 1st July, 2001, with no intervention through checking by any staff member of the Institution, in respect of employees secured under this Act and the employer undertakes to pay a contribution in respect of them at the fixed rate of six percent of the lower wage limit determined under section 75 per month per secured employee;”;
- (vii) for sub-section (30), the following shall be substituted:-
“(30) “Social Security Court” means a court constituted under section 64;”;
- (viii) after sub-section (31), the following shall be inserted:-
“(31-A) “upper wage limit” means the upper wage limit determined under section 75;”;
- (ix) in sub-section (32), for the words and figures “Minimum Wages Ordinance, 1961 (XXXIX of 1961)” the words and figures “Sindh Minimum Wages Act, 2015 (Act No.VIII of 2016)” shall be substituted;

5. In the said Act, in section 3, in sub-section (1), for the words “Employees’ Social Security Institution” the words “Sindh Employees’ Social Security Institution” shall be substituted.

Amendment of section 3 of Sindh Act No.VI of 2016.

6. In the said Act, in section 5, in sub-section (1) -

Amendment of section 5 of Sindh Act No.VI of 2016.

- (i) for clause (b), the following shall be substituted:-
“(b) two persons to represent Government, one each respectively from the Labour and Finance Department;”;
- (ii) for clause (c), the following shall be substituted:-
“(c) four persons to represent employers, two persons from Karachi, one person from Nooriabad or Kotri and one person from Hyderabad or Sukkur:

Provided that the representation from

Nooriabad or Kotri and Hyderabad or Sukkur shall be on rotation basis for term of three years.”.

(iii) for clause (d), the following shall be substituted:-

“(d) four persons to represent secured persons, two persons from Karachi, one person from Nooriabad or Kotri and one person from Hyderabad or Sukkur:

Provided that the representation from Nooriabad or Kotri and Hyderabad or Sukkur shall be on rotation basis for term of three years.”; and

(iv) after clause (e), the following shall be added:-

“(f) the Chairman, Standing Committee on Labour and Human Resources in the Provincial Assembly, ex-officio.”.

7. In the said Act, in section 7, in sub-section (4), for the words “by the person elected for the purpose by the members present from amongst themselves” the words “by the Secretary of the Department in case he is not Chairman by virtue of clause (a) of sub-section (1) of section 5” shall be substituted.

Amendment of section 7 of Sindh Act No.VI of 2016.

8. In the said Act, in section 20, in sub-section (1), for the proviso, the following shall be substituted:-

Amendment of section 20 of Sindh Act No.VI of 2016.

“Provided that no contribution shall be payable on so much of an employee’s wages as is in excess of the upper wage limit determined under section 75:

Provided further that the rate of contribution shall be the minimum wage rate prevailing at the time of paying the contribution under the Sindh Minimum Wage Act, 2015.”.

9. In the said Act, in section 21, in sub-section (1), for the words “of the wage limit determined under section 75 per month per secured employee”, the words “of the lower wage limit per month per secured employee” shall be substituted.

Amendment of section 21 of Sindh Act No.VI of 2016.

10. In the said Act, in section 23, in clause (b), for the words “accounts, books”, the words “books of accounts” shall be substituted.

Amendment of section 23 of Sindh Act No.VI of 2016.

11. In the said Act, in section 26, for the words “An employer shall be entitled to refund to any contribution”, the words “An employer shall be entitled to the refund of any contribution” shall be substituted.

Amendment of section 26 of Sindh Act No.VI of 2016.

12. In section 32 –

(i) in sub-section (1), in clause (b), for the figures “28” the figures “29” shall be substituted; and

Amendment of section 32 of Sindh Act No.VI of 2016.

- (ii) in sub-section (5), in the last line, the words “or not” shall be omitted.
13. In section 38, for the margin “**Death grant**”, the margin “**Death grant and Iddat Benefits**” shall be substituted. **Amendment of section 38 of Sindh Act No.VI of 2016.**
14. In the said Act, in section 39, for sub-section (2), the following shall be substituted:- **Amendment of section 39 of Sindh Act No.VI of 2016.**
- “(2) A secured woman shall be entitled to prenatal confinement and post-natal medical care, in the manner and to the extent provided in the Regulations.”
15. In the said Act, in section 44, in sub-section (3), in clause (c), the word “child” appearing in the third line shall be omitted. **Amendment of section 44 of Sindh Act No.VI of 2016.**
16. In the said Act, in section 57, the following shall be substituted:- **Substitution of section 57 of Sindh Act No.VI of 2016.**
- “57. **Extent of benefits, etc.-** Notwithstanding anything contained in this Chapter, the wages of a secured person as are in excess of upper wage limits determined under section 75 shall not be accounted for the purpose of determining the rate of benefits provided under sections 36, 37, 38, 38-A, 41, 42, 43, 44 and 45.”
17. In the said Act, in section 61, in the proviso, after the word “provided”, the word “if” shall be inserted. **Amendment of section 61 of Sindh Act No.VI of 2016.**
18. In the said Act, in section 62, in the proviso, the word “so” shall be omitted. **Amendment of section 62 of Sindh Act No.VI of 2016.**
19. In the said Act, in section 74 – **Amendment of section 74 of Sindh Act No.VI of 2016.**
- (i) in sub-section (2), for the words “as determined by Government under section 75 per month”, the words “wages as are in excess of upper wage limit determined under section 75” shall be substituted;
- (ii) in sub-section (4), for the figures “21”, the figures “20” shall be substituted.
20. In the said Act, for section 75, the following shall be substituted:- **Amendment of section 74 of Sindh Act No.VI of 2016.**
- “75. **Determination of wage limits.** (1) For the purpose of determining the wage limit so specified for payment of social security compensation and rates of benefits payable under this Act, a lower wage limit and an upper wage limit shall be defined as sub-section (2) and (3).
- (2) The lower wage limit shall be equivalent to the

minimum wages determined by Government under the Sindh Minimum Wages Act, 2015 (Sindh Act No.VIII of 2016) prevailing at the time of paying contributions payable under this Act.

Illustration: If the minimum wage rate determined by Government is fifteen thousand rupees then the lower wage limit shall also be fifteen thousand rupees per month or rupees five hundred per day.

(3) The upper wage limit shall be five thousand rupees plus the minimum wages determined by Government under Sindh Minimum Wages Act, 2015 (Sindh Act No.VIII of 2016) at the time of paying contributions payable under this Act.

Illustration. If the minimum wage rate determined by Government is fifteen thousand rupees then the upper wage limit shall be rupees fifteen thousand plus five thousand rupees (**total rupees twenty thousand**) or rupees six hundred sixty six per day.”

21. In the said Act, in section 84, in sub-section (2) –

(i) in clause (xiv), for the figures “22”, the figures “23” shall be substituted;

(ii) in clause (xvii), after the word “sickness”, the word “benefits” shall be inserted.

**Amendment of section
84 of Sindh Act No.VI of
2016.**

**BY ORDER OF THE SPEAKER
PROVINCIAL ASSEMBLY OF SINDH**

**G.M.UMAR FAROOQ
SECRETARY
PROVINCIAL ASSEMBLY OF SINDH**