

**PASSED ON 01.08.2022**

**[AS PASSED BY THE 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), in its application to the Islamabad Capital Territory 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, 2022.

(2) It shall come into force at once.

**2. Substitution 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. Means of payment of wages.-** 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 Federal 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 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. However, 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. The bill will also enable the employer to pay the wages by cheque or crediting it to the employed person's bank account. Hence, this bill.

**SENATOR MOHSIN AZIZ**

Member-in-charge