

Payment of Wages Act, 1936

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Payment of Wages Act, 1936 come in to force, 28 March 1927

Objects of this Act-

1. The payment of wages act, 1936 is a central legislation enacted.
2. Ensuring that wages payable to employed person covered by the Act were disbursed by the employers within prescribed time.
3. No deductions other than authorised by law
4. Regulate the payment of wages
5. Workers employed in certain specified industry and to ensure a speedy and effective remedy to them.
6. Enhancing the wages ceiling of Rs. 24000/- per month under this Act.
7. Ministry of Labour and Employment can revise wages within 5 years.
8. Removing the ambiguities/weakness from the extant provisions of the Act.
9. Prescribe more effective grievance redressal.
10. Strengthening compensation and penal provisions of the Act.

Sec-2 (i) Appropriate Government and Application

Central Government	State Government
➤ In relation to railways, Air transport service, mines and oilfield	(All other cases) (Power to make rules by state govt.)
➤ having branches in more than ne state	
➤ of a factory belonging to, or under control of, the central Govt.	
➤ Power to make rules by Central Govt.	

Wage Period

No wage-period shall exceed one month.

The mode at payment of wages:

All wages shall be paid in current coin or currency notes or in both.

Sec-7 Permissible Deduction

Deductions from wages of an employed person shall be made only in accordance with the provisions of this Act and may be of the following kinds only, namely: -

- (a) fines,

- (b) Deductions for absence from duty,
- (c) Deductions for damage to loss of goods expressly entrusted to the employed person for custody, or loss of money for which he is required to account.
- (d) Deductions for house accommodation supplied by the employer or by the Govt. or any housing board.
- (e) Deductions for such amenities and services supplied by the employer.
- (f) Deductions for recovery of advances of whatever nature (including advances for travelling allowance or conveyance allowance)
- (ff) Deduction for recovery of loans made from any fund constituted for the welfare of labour in accordance with rules approved by State Government.
- (fff) Deductions for recovery of loans granted for house-building or other purpose approved by State Govt.
- (g) Deductions for income tax payable by the employed person.
- (h) Deduction required to be made by order of a court or other authority competent to make such order.
- (i) Deductions for subscriptions to and for payment of advances from my provident fund.
- (j) Deductions for payment to co-operative societies as approved by appropriate Government.
- (k) Deductions, made with the written authorization of the person employed for payment of any premium on his life Insurance policy to the L.I.C. of India.
- (kk) Deductions made with the written authorisation of the employed person, for the payment of his contribution to my fund constituted by the employer or a Trade Union.
- (l) Deductions for payment of insurance premia on Fidelity Guarantee Bonds
- (m) Deductions for recovery of losses sustain by a railway administration on account of acceptance by the employed person of counterfeit or base coin or mutilated or forged currency notes.
- (n) Deductions for recovery or losses sustained by a railway administration on account of the failure of the employed person to invoice, to bill, to collect or to account for the appropriate charges due to that administration.
- (o) Deductions for recovery or losses sustained by a railway administration on account of any rebates or refunds incorrectly granted by the employed person.
- (p) Deductions made with the written authorisation of the employed person, for contribution to the Prime Minister's National Relief Fund or to such other Fund as the Central Government may, by notification in the Official Gazette.
- (q) Deductions for contributions to any insurance scheme framed by the Central Government for the benefit of its employees.