



THE MINIMUM WAGES ORDINANCE, 1961



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PREAMBLE.

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THE MINIMUM WAGES ORDINANCE, 1961

¹ORDINANCE NO. XXXIX OF 1961

[29th September, 1961]

An Ordinance to provide for the regulation of minimum rates of wages for workers employed in certain industrial undertakings.

WHEREAS it is expedient to provide for the regulation of minimum rates of wages for workers employed in certain industrial undertakings, and for matters ancillary thereto ;

NOW, THEREFORE, in pursuance of the Proclamation of the seventh day of October, 1958, and in exercise of all powers enabling him in that behalf, the President is pleased to make and promulgate the following Ordinance :—

1. Short title, extent and commencement.—(1) This Ordinance may be called the Minimum Wages Ordinance, 1961.

(2) It extends to the whole of Pakistan.

(3) It shall come into force at once.

2. Definitions. In this Ordinance, unless there is anything repugnant in the subject or context, -

(1) “adult” has the same meaning as in clause (b) of section 2 of the Factories Act, 1934 ([XXV of 1934](#)) ;

(2) “Board” means a Minimum Wages Board established under section 3 ;

(3) “Council” means the Minimum Wages Council constituted under section 8 ;

(4) “employer” means any person who employs either directly or through another person, whether on behalf of himself or any other person, any person for whom a minimum rate of wages may be declared under this Ordinance, and includes—

(a) in relation to a factory, a managing agent or other person who has ultimate control over the affairs of the factory ; and

(b) in other cases, any person responsible to the owner for supervision and control of such worker or for payment of his wages ;

(5) “factory” means a factory as defined in clause (j) of section 2 of the Factories Act, 1934 ([XXV of 1934](#)), and includes any place deemed to be a factory under sub-section (3) of section 5 thereof ;

¹ This Ordinance has been applied to the Provincially Administered Tribal Areas or to the parts of those areas to which it does not already apply see, Regulation No. 1 of 1972, s. 2 and Sch.

(6) “ industry”, with its grammatical variations and cognate expressions, means an industry as defined in ¹[clause (xiv) of section 2 of the Industrial Relations Ordinance, 1969 (XXIII of 1969), and includes a plantation- as defined in clause (iii) of section 2 of the Payment of Wages Act, 1936 ([IV of 1936](#)) ;

(7) “ juvenile worker” means a worker who is not adult ;

(8) “wages” means all remuneration capable of being expressed in terms of money, which would, if the terms of contract of employment, express or implied, were fulfilled, be payable to a person employed in respect of his employment or of work done in such employment, but does not include—

- (a) any contribution paid by the employer in respect of such person under any scheme of social insurance or to a pension fund or provident fund ;
- (b) any travelling allowance or the value of any travelling concession ;
- (c) any sum paid to such person to defray special expenses incurred by him in respect of his employment ;
- (d) any sum paid as annual bonus ; or
- (e) any gratuity payable on discharge ; and

(9) “worker” means any person including an apprentice employed in any industry to do any skilled or unskilled, intellectual, technical, clerical, manual or other work, including domestic work, for hire or reward, but does not include—

- (i) persons employed by the ²[Federal Government] or a Provincial Government ;
- (ii) persons employed in coal mines in respect of whom minimum wages may be fixed under the Coal Mines (Fixation of Rates of Wages) Ordinance, 1960 ([XXXIX of 1960](#)); and
- (iii) persons employed in agriculture.

3. Establishment of Minimum Wages Boards.—(1) As soon as may be after the commencement of this Ordinance, the Provincial Government shall establish a Minimum Wages Board for the Province consisting of the following four members to be appointed by it, namely :—

- (a) the Chairman of the Board ;

¹Subs. by the Federal Laws (Revision and Declaration) Ordinance, 1981 (27 of 1981), s. 3 and Sch., II, for certain words.

²Subs. by F.A.O., 1975, Art. 2 and Table, for “Central Government”.

(b) one independent member ;

¹[(c) three member to represent the employers of the Province, including atleast one women;]
and

[(d) three member to represent the workers of the Province, including atleast one women;]

Provided that for the purpose of discharging the function of a Board specified in section 5 the following two more members appointed by the Provincial Government shall be added, namely :--

(i) one member to represent the employers connected with the industry concerned ; and

(ii) one member to represent the workers engaged in such industry.

(2) The Chairman of the Board and the independent member shall be appointed from persons with adequate knowledge of industrial, labour and economic conditions of the Province who are not connected with any industry or associated with any employers' or workers' organization.

(3) The member to represent the employers of the Province and the member to represent the workers of the Province under sub-section (1) shall be appointed after considering nominations, if any, of such organizations as the Provincial Government considers to be representative organizations of such employers and workers respectively.

(4) The members referred to in the proviso to sub-section (1) to represent the employers connected with and the workers engaged in the industry concerned shall be appointed after considering nominations, if any, of such organizations as the Provincial Government considers to be representative organizations of such employers and workers respectively.

(5) The term of office of the members of the Board, the manner of filling casual vacancies therein, the appointment of its committees, if any, the procedure and conduct of the meetings of the Board and its committees and all matters connected therewith, including the fees and allowances to be paid for attending such meetings, and other expenses, including expenses for the services of experts and advisers obtained by the Board, shall be such as may be prescribed by rules made under section 17.

4. Recommendation of minimum rates of wages for unskilled and Juvenile Workers.—(1) A Board shall, upon a reference made to it by the Provincial Government, recommend to such Government, after such enquiry as the Board thinks fit, the minimum rates of wages for adult unskilled workers and juvenile workers employed in industrial undertakings in the Province.

¹Subs. Sr. 4. SEction 3 Act, XXXIX of 1962 for Punjab only.

(2) In its recommendations under sub-section (1), the Board shall indicate, whether the minimum rates of wages should be adopted uniformly throughout the Province or with such local variations for such localities as are specified therein.

5. Recommendation of minimum rates of wages for workers with respect to particular industries. —(1) Where in respect of any particular industry in the Province for which no adequate machinery exists for effective regulation of wages, the Provincial Government is of the opinion that, having regard to the wages of the workers employed in the undertakings engaged in such industry, it is expedient to fix the minimum rates of wages of such workers, it may direct the Board to recommend, after such enquiry as the Board thinks fit, the minimum rates of wages either for all such workers or for such of them as are specified in the direction:

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(2) In pursuance of a direction under sub-section (1), the Board may recommend minimum rates of wages for all classes of workers in any grade and, in such recommendation, may specify-

- (a) the minimum rates of wages for-
 - (i) time work ;
 - (ii) piece work ;
 - (iii) overtime work ; and
 - (iv) work on the weekly day of rest and for paid holidays ; and
- (b) the minimum time rates for workers employed on piece work so as to guarantee minimum wages on a time basis for such workers.

(3) The time rates recommended by the Board may be on hourly, daily, weekly or monthly basis.

(4) The rates recommended under this section for overtime work and work on paid holidays shall not be less than the minimum rates fixed for such work under any other law for the time being in force.

6. Power to declare minimum rates of wages.—(1) Upon receipt of a recommendation of the Board under section 4 or section 5, the Provincial Government may,—

- (a) by notification in the official Gazette, declare that the minimum rates of wages recommended by the Board for the various workers shall, subject to such exceptions as may be specified in the notification, be the minimum rates of wage for such workers ; or

¹ The original proviso was omitted by A.O., 1964, Art. 2 and Sch.