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Thirteenth Kerala Legislative Assembly

Bill No. 356

**THE MINIMUM WAGES (KERALA AMENDMENT)
BILL, 2015**

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further to amend the Minimum Wages Act, 1948.

Preamble.—WHEREAS, it is expedient further to amend the Minimum Wages Act, 1948 (Central Act 11 of 1948) in its application to the State of Kerala for the purposes hereinafter appearing;

BE it enacted in the Sixty-sixth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Minimum Wages (Kerala Amendment) Act, 2015.

(2) It extends to the whole of the State of Kerala.

(3) It shall come into force at once.

2. *Amendment of Section 20.*—In section 20 of the Minimum Wages Act, 1948 (Central Act 11 of 1948) (hereinafter referred to as the principal Act),—

(a) in sub-section (1), for the words “or any officer of the State Government not below the rank of a Labour Commissioner” the words “or any officer of the State Government not below the rank of a Deputy Labour Commissioner” shall be substituted;

(b) in sub-section (4), for the words “fifty rupees” the words “one thousand rupees” shall be substituted;

(c) in sub-section (5), for clause (b), the following clause shall be substituted, namely:—

“(b) if the Authority is not a Magistrate, by the Authority, as if it were arrears of revenue due on land, without prejudice to any other mode of recovery.”

3. *Amendment of Section 22.*—In section 22, for the words “five hundred rupees” the words “five thousand rupees” shall be substituted.

4. *Amendment of Section 22A.*—In section 22A, for the words “five hundred rupees” the words “five thousand rupees” shall be substituted.

STATEMENT OF OBJECTS AND REASONS

As per sub-section (1) of section 20 of the Minimum Wages Act, 1948, at present the claims under this Act are to be heard and decided by an Officer of the State Government at the level of Labour Commissioner. As there are practical difficulties in enforcing this provision in different areas of the State, Government have decided to appoint officers of the State Government not below the rank of a Deputy Labour Commissioner in the place of Labour Commissioner for deciding the claims under the Act. At present the claim petition of an employee under the Minimum Wages Act, 1948 is decided by the procedure prescribed under section 20 of the said Act. As per sub-section (5) of section 20 of the said Act any amount directed to be paid by the authority can only be recovered through Magistrates. This procedure causes unnecessary delay in recovering the amounts due. Therefore, Government have decided to amend the said provision in the Act in its applicability to the State of Kerala so as to enable the authority to recover the amount as arrears of revenue due on land from the employer or such other person who has been directed to pay the amount.

The rates of fine prescribed under various provisions in the Act have also become obsolete and need to be enhanced for the effective implementation of the provisions of the Act. Hence it is also decided to amend sub-section (4) of section 20, sections 22 and 22A of the Act, suitably by enhancing the amount of fines prescribed under these sections.

The Bill seeks to amend the Minimum Wages Act, 1948 in its application to the State of Kerala, to achieve the above object.

FINANCIAL MEMORANDUM

The Bill, if enacted and brought into operation would not involve any additional expenditure from the Consolidated Fund of the State.

SHIBU BABY JOHN

EXTRACT OF THE RELEVANT PORTIONS FROM THE
 MINIMUM WAGES ACT, 1948
 (CENTRAL ACT 11 OF 1948)

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20. *Claims.*—(1) The appropriate Government may, by notification in the Official Gazette, appoint any Commissioner for Workmen's Compensation or any officer of the Central Government exercising functions as a Labour Commissioner for any region, or any officer of the State Government not below the rank of Labour Commissioner or any other officer with experience as a Judge of a Civil Court or as a stipendiary Magistrate to be the Authority to hear and decide for any specified area all claims arising out of payment less than the minimum rates of wages or in respect of the payment of the remuneration for days of rest or for work done or such days under Cl. (b) or Cl. (c) of sub-section (1) of Sec. 13 or of wages at the overtime rate under Sec. 14, to employees employed or paid in that area.

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(4) If the authority hearing any application under this section is satisfied that it was either malicious or vexatious, it may direct that a penalty not exceeding fifty rupees be paid to the employer by the person presenting the application.

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(5) Any amount directed to be paid under this section may be recovered—

(a) if the authority is a Magistrate, the authority as if it were a fine imposed by the authority as a Magistrate, or

(b) if the authority is not a Magistrate, by any Magistrate to whom the authority makes application in this behalf, as if it were a fine imposed by such Magistrate.

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22. *Penalties for certain offences.*—Any employer who,—

(a) pays to any employee less than the minimum rates of wage fixed for employee's class of work, or less than the amount due to him under the provisions of this Act, or

(b) contravenes any rule or order made under Sec. 13, be punishable with imprisonment for a term which may extend to six months or with fine which may extend to five hundred rupees, or with both:

Provided that in imposing any fine for an offence under this section, the Court shall take into consideration the amount of any compensation already awarded against the accused in any proceedings taken under Sec. 20.

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22A. *General provision for punishment of other offences.*—Any employer who contravenes any provision of this Act or of any rule or order made thereunder shall, if no other penalty is provided for such contravention by this Act, be punishable with fine which may extend to five hundred rupees.

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