

Fourteenth Kerala Legislative Assembly

Bill No. 248

**THE KERALA LABOUR WELFARE FUND
(AMENDMENT) BILL, 2020**

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further to amend the Kerala Labour Welfare Fund Act, 1975.

Preamble.—WHEREAS, it is expedient further to amend the Kerala Labour Welfare Fund, Act, 1975 (11 of 1977) for the purposes hereinafter appearing;

BE it enacted in the Seventy first Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Kerala Labour Welfare Fund (Amendment) Act, 2020.

(2) It shall be deemed to have come into force on the 16th day of January, 2020.

2. *Amendment of section 15.*—In the Kerala Labour Welfare Fund Act, 1975 (11 of 1977), (hereinafter referred to as the principal Act) in sub-section (1) of section 15,—

(i) for the words “four rupee”, the words “forty five rupees” shall be substituted;

(ii) for the words “eight rupees”, the words “forty five rupees” shall be substituted.

3. *Repeal and saving.*—(1) The Kerala Labour Welfare Fund (Amendment) Ordinance, 2020 (8 of 2020) is hereby repealed.

(2) Notwithstanding such repeal, anything done or any action taken under the principal Act as amended by the said Ordinance shall be deemed to have been done or taken under the principal Act, as amended by this Act.

STATEMENT OF OBJECTS AND REASONS

Sub-section (1) of section 15 of the Kerala Labour Welfare Fund Act, 1975 provides that every employee shall contribute four rupee per half year to the Fund and every employer shall in respect of each such employee contribute eight rupees per half year to the Fund.

At present the income of the Fund is too insufficient. In order to enhance the financial resource of the Board, the Government have decided to enhance the contribution paid by the employee to forty five rupees, from four rupees and contribution paid by the employer from eight rupees to forty five rupees. Hence it is decided to bring suitable amendment to the Act.

As the Legislative Assembly of the State of Kerala was not in session and the above said proposal had to be given effect to immediately, the Kerala Labour Welfare Fund (Amendment) Ordinance, 2020 was promulgated by the Governor of Kerala on the 16th day of January, 2020 and the same was published as Ordinance No. 8 of 2020 in the Kerala Gazette Extraordinary No. 115 dated 16th day of January, 2020.

The Bill seeks to replace Ordinance No. 8 of 2020 by an Act of the State Legislature.

FINANCIAL MEMORANDUM

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

T. P. RAMAKRISHNAN.

EXTRACTS FROM THE KERALA LABOUR WELFARE FUND,
ACT, 1975
(11 OF 1977)

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15. *Contribution to the Fund by employees and employers.*—(1) Every employee shall contribute four rupee per half year to the Fund and every employer shall in respect of each such employee contribute eight rupees per half year to the Fund.

(2) Every employer shall pay to the Fund both the employer's contribution and the employee's contribution before the 15th day of July and 15th day of January of every year.

(3) Notwithstanding anything contained in any other law for the time being in force, the employer shall be entitled to recover from the employees the employee's contribution by deduction from his wages or in such other manner as may be prescribed, and such deduction shall be deemed to be a deduction authorised by or under the Payment of Wages Act, 1936 (Central Act 4 of 1936).

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