

Thirteenth Kerala Legislative Assembly
Bill No. 260

THE PAYMENT OF WAGES (KERALA AMENDMENT)
BILL, 2014

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further to amend the Payment of Wages Act, 1936, in its application to the State of Kerala.

Preamble.—WHEREAS, it is expedient further to amend the Payment of Wages Act, 1936 in its application to the State of Kerala for the purposes hereinafter appearing;

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

1. *Short title, extent and commencement.*—(1) This Act may be called the Payment of Wages (Kerala Amendment) Act, 2014.

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

(3) It shall come into force at once.

2. *Amendment of section 6.*—In the Payment of Wages Act, 1936 (Central Act 4 of 1936), in section 6, after the existing proviso, the following proviso shall be inserted, namely:—

“Provided further that notwithstanding anything contained in this Act, the State Government may, by notification in the Gazette, specify the industrial establishments, the employers of which shall pay to the person employed therein, the wages either by cheque or by crediting the wages in his bank account, without obtaining any authorisation of the employed person.”.

STATEMENT OF OBJECTS AND REASONS

The proviso to section 6 of the Payment of Wages Act, 1936 provides for the payment of wages by the employer either by cheque or by crediting in the bank account of the employee after obtaining the written authorisation of the employee. In order to provide legal security to the e-payment under the Wage Protection Scheme in the State, Government have decided to amend section 6 of the Payment of Wages Act, 1936 (Central Act 4 of 1936) by inserting a

new proviso after the proviso to section 6, to incorporate a provision to empower the State Government to specify the industrial establishments, the employers of which shall pay wages to the persons employed therein, either by cheque or by crediting to his bank account without obtaining any authorisation of the employee.

The Bill is intended 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.

EXTRACTS FROM THE RELEVANT PORTION OF THE PAYMENT OF
WAGES ACT 1936
(CENTRAL ACT 4 OF 1936)

** ** ** **

6. *Wages to be paid in current coin or currency notes.*—All wages shall be paid in current coin or currency notes or in both:

Provided that the employer may, after obtaining the written authorization of the employed person, pay him the wages either by cheque or by crediting the wages in his bank account.

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