**Payment of Wages (Air Transport Services) Rules, 1968**

**FORM XI**

[Rule 20]

***Abstract of the Payment of Wages Act, 1936 and the rules made thereunder***

1. The Act applies to the payment ol` wages to persons employed in air transport services receiving less than Rs 400 a month.

2. No employed person can give up by contract or agreement his rights under the Act.

*Definition of wages*

3. ‘Wages’ means all remuneration whether salary, allowances or otherwise payable to a person employed in respect of his employment or of work done in such employment.

It includes-

(a) any remuneration payable under any award or settlement between the parties or order of a court;

(b) any remuneration to which the person employed is entitled in respect of overtime work or holidays or any leave period;

(c) any additional remuneration payable under the terms of employment;

(d) any sum which by reason of the termination of employment of the person employed is payable under any law, contract or instrument which provides for the payment of such sum, whether with or without deductions, but does not provide for the time within which the payment is to be made;

(e) any sum of which the person employed is entitled under any scheme framed under any law for the time being in force.

It excludes-

(1) any bonus which does not form part of the remuneration payable under the terms of employment or which is not payable under any award or settlement between the parties or order of a court;

(2) the value of any house—accommodation, or of the supply of light, water, medical attendance or other amenity or of any service excluded from the computation of wages by an order of the Central Government;

(3) any contribution paid by the employer to any pension or provident fund, and the interest which may have accrued thereon;

(4) any travelling allowance or the value ol` any travelling concession;

(5) any sum paid to the employed person to defray special expenses entailed on him by the nature of his employment; or

(6) any gratuity payable on the termination of employment in cases other than those specified in sub-clause (d) [Section 2(vi) of the Act].

*Responsibility for and method of payment*

4. The employer is responsible for the payment under the Act of wages to persons employed under him, and any contractor employing persons is responsible for payment to the persons he employs.

5. Wage-periods shall be fixed for the payment ot` wages at intervals not exceeding one month.

6. Wages shall be paid on a working day within 7 days of the end of the wage-period (or within 10 days if 1000 or more persons are employed).

The wages of a person discharged shall be paid not later than the second working day after his discharge.

7. Payment in kind is prohibited.

*Fines and deductions*

8. No deductions shall be made from wages except those authorised under the Act (see Paragraphs 9-18 below).

9. (1) Fines can be imposed only for such acts and omissions as the employer may, with the previous approval of the Regional Labour Coinmissioner, specify by a notice displayed at or near the entrance of the workplace or places at the establishment and after giving the employed person an opportunity for explanation.

(2) Fines—

(a) shall not exceed three paise in the rupee.

(b) shall not be recovered by instalments or later than sixty days of the date of imposition,

(c) shall be recorded in a register and applied to such purposes beneficial to the employed persons as are approved by the Inspector.

(d) shall not be imposed on an employed person who is under the age of fifteen years.

10. (a) Deduction for absence from duty can be made only on account of the absence of the employed person at times when he should be working and such deductions must not exceed an amount which is in the same proportion to his wages for the wage—period as the time he was absent in that period is to the total time he should have been at work.

(b) lf ten or more employed persons, acting in concert, absent themselves without reasonable cause and without due notice, the deduction for absence can include wages for eight days in lieu of notice, but-

(i) no deduction for breaking contract can be made from a person under 15 or a woman;

(ii) there must be a provision in writing which forms part of the contract of employment or the certified Standing Orders, requiring that a specific period of notice of intention to cease work not exceeding 15 days or the period of notice which the employer has to give to discharge a worker, must be given the employer and that wages may be deducted in lieu of such notice;

(iii) the above provision must be displayed at or near the entrance of the workplace or places at the establishment or workplace;

(iv) no deduction of this nature can hc made until a week’s notice that this deduction is to be made has been posted at or near the main entrance of the workplace or places at the establishment or workplace or places at the establishment or workplace;

(v) no deduction must exceed the wages of the employed persons for the period by which the notice he gives of leaving employment, is less than the notice he should have given under his contract.

11. Deductions can be made for damage to or loss of goods expressly entrusted to an employed person or for loss of money for which he is required to account, where such damage or loss is due to his neglect or default.

Such deduction cannot exceed the amount of the damage or loss caused and can be made only after giving the employed persons an opportunity for explanation.

12. Deductions can be made, equivalent to the value thereof, for house-accommodation supplied by the employer or by Govemment or any housing board set up under any law for the time being in force (whether the Government or the board is the employer or not) or any other authority engaged in the business of subsidising house—accommodation which may be specified in this behalf by the Central Government amenities and services (other than tools and raw material) supplied by the employer:

provided these are accepted by the employed person as a part of the terms of his employment and have in the case of amenities and services been authorised by order of the Central Government.

13. (a) Deductions can be made for the recovery of advance or for adjustment of over—payment of wages.

(b) Advances made before the employment began can only be recovered from the first payment of wages for a complete wage-period.

(c) Advances of whatever nature can he made at the employer’s discretion during the employment.

14. Deductions can be made for subscription to and for repayment of advances from any recognised provident fund.

15. Deductions can be made for payment to cooperative societies approved by the Central Government or to the postal insurance, subject to any conditions imposed by the Central Government.

16. Deductions can be made for repayment of loans granted to the employed persons from funds constituted for welfare of labour.

17. Deductions can also be made for repayment of loan granted for house building and other purposes.

18. Deductions can be made with the written authorisation of the person employed for payment of any premium on his life insurance policy to the Life lnsurance Corporation of India or for the purchase of securities of the Government of India or of any State Government or for being deposited in any Post Office Savings Bank in furtherance of any saving scheme of any such Government.

19. Any loss of wages resulting from withholding of increment or promotion, reduction to a lower post or time-scale or to a lower stage in a time-scale or suspension does not constitute deduction from wages within the meaning of the Act. For this purpose the rules framed by an employer in the establishment for the purpose of any of the aforesaid penalties shall provide that -

(i) any such penalty as aforesaid, except the penalty of suspension, shall not be imposed unless the person concerned -

(a) has been informed for the charges in respect of which it is proposed to impose the penalty;

(b) has been given a reasonable opportunity of showing cause why the proposed penalty should not be imposed;

(ii) the person concerned is given a right of appeal against any order imposing the penalty.

*Inspections*

20. An Inspector can enter on any premises and can exercise the powers of inspection (including examination of documents and taking of evidence) as he may deem necessary for carrying out the purposes of the Act.

*Complaints of deductions or delays*

21. (a) Where irregular deductions are made from wages, or delays in payment take place, an employed person can make an application in the prescribed form within 12 months to the Authority appointed by the Central Government for the purpose. An application delayed beyond this period may be rejected unless sufficient cause for delay is shown.

(b) Any legal practitioner, official of a registered trade union, Inspector under the Act or other person acting with the authority can make the complaint on behalf of an employed person.

(c) A single application may be presented by, or on behalf of any number of persons belonging to the same establishment, the payment of whose wages has been delayed.

*Action by the Authority*

22. The Authority may award compensation to the employed person in addition to ordering the payment of delayed wages or the refund of illegal deductions.

If a malicious or vexatious complaint is made, the Authority may impose a penalty not exceeding Rs 50 on the applicant and order that it be paid to the employer.

ln a case in which compensation is directed to be paid under Section l5(3) the Authority may direct that a penalty not exceeding fifty rupees be paid to the State Government by the employer or any other person responsible for the payment of wages.

*Appeal against the Authority*

23. An appeal against an order dismissing either wholly or in part an application or against a direction may be preferred within 30 days in Calcutta to the Chief Judge, Court of Small Causes and elsewhere to the District Court-

(a) by the employer if the total amount directed to be paid exceeds Rs 300;

(b) by an employed person or any legal practitioner or any official of a registered trade union authorised in writing to act on his behalf, or any Inspector under the Act or any other person permitted by the Authority to make an application, if the total amount of wages withheld from him exceeds Rs 20 from unpaid group to which he belongs or belonged exceeds fifty rupees;

(c) by a person directed to pay a penalty for a malicious or vexatious application.

*Punishments for breaches of the Act*

24. Anyone tried for delaying the payment of wages beyond the due day, or making any unauthorised deduction from wages is liable to zi fine up to Rs 500 but only if prosecuted with the sanction of the Authority or the appellate Court.

25. The employer who—

( 1) does not fix a wage—period, or

(2) makes payment in kind, or

(3) fails to display at or near the main entrance of the workplace or places at the establishment or workplace this abstract in English and in the language of the majority of the employed persons, or

(4) breaks certain rules made under the Act, is liable to fine not exceeding Rs 200.

A complaint to this effect can be made only by the lnspector or with his sanction.