

CONFIDENTIAL

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PROVINCIAL ASSEMBLY OF THE PUNJAB

REPORT OF THE SPECIAL COMMITTEE NO.1 REGARDING THE PROVINCIAL EMPLOYEES' SOCIAL SECURITY (AMENDMENT) BILL 2013 (BILL NO. 19 OF 2013)

The Provincial Employees' Social Security (Amendment) Bill 2013 (Bill No. 19 of 2013) was referred to Special Committee No.1 on 29 November 2013. The Committee considered the bill in its meeting held on 2 December 2013.

2. The following were present:-

1.	Mian Naseer Ahmad, MPA (PP-155)	Convener
2.	Raja Ashfaq Sarwar Minister for Labour & Human Resources, Punjab	<i>ex-officio</i> Member
3.	Mian Tariq Mehmood, MPA (PP-113)	Member
4.	Rana Muhammad Arshad, MPA (PP-171)	Member
5.	Mr Mahmood Qadir Khan, MPA (PP-246)	Member
6.	Mian Muhammad Kazim Ali Pirzada, MPA (PP-273)	Member
7.	Mr Muhammad Khurram Gulfam, MPA (PP-162)	Member
8.	Mrs Ayesha Javed, MPA (W-317)	Member
9.	Dr Murad Raas, MPA (PP-152)	Member

3. Mr Muhammad Yousaf, Secretary to Government of the Punjab, Labour and Human Resource Department and Mr Mohsin Abbas Syed, Director, Law and Parliamentary Affairs Department represented their Departments. Hafiz Muhammad Shafiq Adil, Additional Secretary (Legislation), Provincial Assembly of the Punjab functioned as Secretary to the Committee.

4. The Secretary to Government of the Punjab, Labour and Human Resource Punjab apprised the Committee that Finance Act, 2008 had provided upper cap wage ceiling for secured workers as Rs. 10,000/-PM or Rs.400/- daily and minimum wage as Rs.6,000/- PM. In the aftermath of the 18th constitutional amendment, the Government of Punjab had fixed minimum wage of Rs.10,000/- w.e.f. July 2013. The cap of Rs.4,000/- between minimum wage (Rs.6,000/-) and upper cap (Rs.10,000/-) was effectively eliminated which adversely affected the coverable scope for employees. The scenario led to depriving the employees of the PESSI benefits. In order to address the situation, the Governing Body of PESSI, in exercise of its powers under section 71 of the Ordinance recommended enhancement in upper cap wage ceiling from Rs.10,000/- to Rs.12,500/- and its recommendations were approved by

the Government and notified on 18.10.2012. As required by section 71, Governing Body of PESSI again reviewed and recommended further rise in upper cap wage to Rs.15,000/- in January of the current year which was also approved and notified by the Government on 03.01.2013. There was, however, a significant gap in the law because both section 20 and section 2(8)(f) provided for a fixed figure of Rs.10,000/- which was inconsistent with the changes in the upper cap wage brought about by Governing Body, PESSI. He said that to provide legal cover to these actions, the PESSI had proposed amendments in its law to bring its provisions in consonance with the changing scenario. The proposed law also provided for a savings clause to safeguard the interests of the employees already benefited through the notifications *ibid* and had also provided cover to the institution for setting up a medical college at Faisalabad on public-private partnership basis.

5. After detailed discussion on the aims and objects and clauses of the bill, the Committee unanimously decided to recommend that the bill may be passed by the Assembly subject to the following amendment:-

AMENDMENT IN THE BILL

CLAUSE 7

Clause 7 of the bill be substituted as under:-

"7. Amendment in section 37 of Ordinance X of 1965.- In the said Ordinance, in section 37-

- (i) the existing marginal heading shall be substituted by "Funeral grant"; and
- (ii) for subsection (1), the following shall be substituted:-
 - (1) "(1) On the death of a secured person receiving or entitled to receive injury or sickness benefit, or medical care at the time of his death, the surviving widow, widows or needy widower, or if there is no surviving widow, widows or needy widower, the person who provided for the funeral, shall, subject to regulations, be entitled to such funeral grant as may be provided in the regulations."

6. A copy of the bill as introduced in the Assembly is at Annexure-A and a copy of the bill as recommended by the Committee is at Annexure-B.

SPECIAL REPORT UNDER RULE 65 OF THE RULES OF PROCEDURE OF PROVINCIAL ASSEMBLY OF THE PUNJAB, 1997

7. On 2 December 2013, during the consideration of the Bill titled "The Provincial Employees' Social Security (Amendment) Bill 2013 (Bill No. 19 of 2013), by the Special Committee No.1, the Secretary to the Government of the Punjab, Labour and Human Resource Department apprised the Special Committee that current funeral grant was approximately Rs.15,000/-. The Committee unanimously recommended that the current funeral grant of Rs.15,000/- may be enhanced to Rs.20,000/-. The Committee also directed the Department to look into the matter for further enhancement in the funeral grant keeping in view the current inflation.

Lahore
2 December, 2013

MIAN NASEER AHMAD
Convener
Special Committee No.1

Lahore
2 December, 2013

Mumtaz Hussain
(RAI MUMTAZ HUSSAIN BABAR)
Secretary

PROVINCIAL ASSEMBLY OF THE PUNJAB

(Bill No.19 of 2013)

THE PROVINCIAL EMPLOYEES' SOCIAL SECURITY (AMENDMENT) BILL 2013

A
Bill

Whereas it is expedient further to amend the Provincial Employees' Social Security Ordinance, 1965 (*X of 1965*) for purposes hereinafter appearing;

It is enacted as follows:-

- 1. Short title and commencement.**— (1) This Act may be cited as the Provincial Employees' Social Security (Amendment) Act 2013.
(2) It shall come into force at once.
- 2. Amendment in section 1 of Ordinance X of 1965.**— (1) In the Provincial Employees' Social Security Ordinance, 1965 (*X of 1965*), hereinafter referred to as the said Ordinance, in section 1, in subsection (2), for the word "Pakistan", the words "the Punjab" shall be substituted.
- 3. Amendment in section 2 of Ordinance X of 1965.**— In the said Ordinance, in section 2—
 - (a) in clause (8), for sub-clause (f), the following shall be substituted:-
“(f) any person employed on wages exceeding the wages determined by the Government under section 71;”;
 - (b) for clause (14), the following shall be substituted:
“(14) “Government” means Government of the Punjab;” and
 - (c) in clause (25a), for the words “three hundred and sixty rupees”, the words “six percent of the wage limits determined by the Government under section 71” shall be substituted.
- 4. Amendment in section 15 of Ordinance X of 1965.**— In the said Ordinance, in section 15, for the word “Government”, the words “the Institution” shall be substituted.
- 5. Amendment in section 20 of Ordinance X of 1965.**— In the said Ordinance, in section 20, in subsection (1)—
 - (a) for the words “at such rate not more than six percent”, the words “at the rate of six percent” shall be substituted; and
 - (b) in the proviso, for the words “four hundred rupees per day or ten thousands rupees per month”, the expression “the wages determined by the Government under section 71” shall be substituted.
- 6. Amendment in section 20A of Ordinance X of 1965.**— In the said Ordinance, in section 20A—
 - (a) in subsection (1), for the words “three hundred and sixty rupees”, the words “six percent of the wage limits determined by the Government under section 71” shall be substituted; and
 - (b) in subsection (3), for the word “twenty”, the word “forty” shall be substituted.
- 7. Amendment in section 37 of Ordinance X of 1965.**— In the said Ordinance, in section 37, for subsection (1), the following shall be substituted:-
“(1) On the death of a secured person receiving or entitled to receive injury or sickness benefit, or medical care at the time of his death, the surviving widow, widows or needy widower, or if there is no surviving widow, widows or needy widower, the person who provided for the funeral, shall, subject to regulations, be entitled to such death grant as may be provided in the regulations.”

8. Amendment in section 42 of Ordinance X of 1965.— In the said Ordinance, in section 42, after subsection (2-A), the following subsection (2-B) shall be inserted:-

“(2-B) Where only father or mother is entitled to the survivor’s pension and the recipient dies leaving behind the other parent, such surviving parent shall be entitled to the survivor’s pension equal to the amount being received by the other parent at the time of the death of that parent subject to the condition that the surviving parent is the real father or mother of the deceased secured worker.”

9. Addition of section 47-A in Ordinance X of 1965.— After section 47, the following section 47-A shall be inserted:-

“**47-A. Establishment of medical and other institutions.**— The Institution may, through the public-private partnership mode, establish medical, dental, nursing, allied health or training institutions and, for the purpose, incur expenditure from the Fund.”

10. Amendment in section 54-A of Ordinance X of 1965.— In the said Ordinance, in section 54-A, for the words “two hundred rupees per day or five thousand rupees per month”, the words “the wages determined by the Government under section 71 of the Ordinance” shall be substituted.

11. Amendment in section 62 of Ordinance X of 1965.— In the said Ordinance, in section 62, in subsection (5), for the word “fifty”, the words “five thousand” shall be substituted.

12. Amendment in section 66 of Ordinance X of 1965.— In the said Ordinance, in section 66, for the words “not exceeding one thousand rupees”, the words “up to ten thousand rupees but not less than two thousand rupees” shall be substituted.

13. Amendment in section 70 of Ordinance X of 1965.— In the said Ordinance, in section 70, in subsection (2), for the words “one hundred and twenty rupees per day or three thousand rupees per month”, the words “the wages determined by the Government under section 71 of the Ordinance” shall be substituted.

14. Amendment in section 71 of Ordinance X of 1965.— In the said Ordinance, in section 71, the words, brackets and figures “specified in clause (f) of subsection (8) of section 2”, wherever occur, shall be omitted.

15. Savings.— Notwithstanding anything contained in the Provincial Employees’ Social Security Ordinance, 1965 (X of 1965), any contribution received or benefits released or purported to have been received or released under the said Ordinance immediately before the commencement of this Ordinance shall be deemed to have been validly received or released under the Ordinance.

16. Repeal.— The Provincial Employees’ Social Security (Amendment) Ordinance 2013 (V of 2013) is hereby repealed.

MINISTER INCHARGE

NOVEMBER 2013

RAI MUMTAZ HUSSAIN BABAR
SENIOR SECRETARY

ANNEXURE – B

**(BILL AS RECOMMENDED BY THE
SPECIAL COMMITTEE NO.1)**

**A
Bill**

Whereas it is expedient further to amend the Provincial Employees' Social Security Ordinance, 1965 (*X of 1965*) for purposes hereinafter appearing;

It is enacted as follows:-

1. Short title and commencement.— (1) This Act may be cited as the Provincial Employees' Social Security (Amendment) Act 2013.

(2) It shall come into force at once.

2. Amendment in section 1 of Ordinance X of 1965.— (1) In the Provincial Employees' Social Security Ordinance, 1965 (*X of 1965*), hereinafter referred to as the said Ordinance, in section 1, in subsection (2), for the word "Pakistan", the words "the Punjab" shall be substituted.

3. Amendment in section 2 of Ordinance X of 1965.— In the said Ordinance, in section 2—

(a) in clause (8), for sub-clause (f), the following shall be substituted:-

"(f) any person employed on wages exceeding the wages determined by the Government under section 71;"

(b) for clause (14), the following shall be substituted:

"(14) "Government" means Government of the Punjab;" and

(c) in clause (25a), for the words "three hundred and sixty rupees", the words "six percent of the wage limits determined by the Government under section 71" shall be substituted.

4. Amendment in section 15 of Ordinance X of 1965.— In the said Ordinance, in section 15, for the word "Government", the words "the Institution" shall be substituted.

5. Amendment in section 20 of Ordinance X of 1965.— In the said Ordinance, in section 20, in subsection (1)–

(a) for the words "at such rate not more than six percent", the words "at the rate of six percent" shall be substituted; and

(b) in the proviso, for the words "four hundred rupees per day or ten thousands rupees per month", the expression "the wages determined by the Government under section 71" shall be substituted.

6. Amendment in section 20A of Ordinance X of 1965.— In the said Ordinance, in section 20A–

(a) in subsection (1), for the words "three hundred and sixty rupees", the words "six percent of the wage limits determined by the Government under section 71" shall be substituted; and

(b) in subsection (3), for the word "twenty", the word "forty" shall be substituted.

7. Amendment in section 37 of Ordinance X of 1965.— In the said Ordinance, in section 37–

(i) the existing marginal heading shall be substituted by "Funeral grant"; and

(ii) for subsection (1), the following shall be substituted:-

"(1) On the death of a secured person receiving or entitled to receive injury or sickness benefit, or medical care at the time of his death, the surviving widow, widows or needy widower, or if there is no surviving widow, widows or needy widower, the person who provided for the funeral, shall, subject to regulations, be entitled to such funeral grant as may be provided in the regulations."

8. Amendment in section 42 of Ordinance X of 1965.— In the said Ordinance, in section 42, after subsection (2-A), the following subsection (2-B) shall be inserted:-

“(2-B) Where only father or mother is entitled to the survivor’s pension and the recipient dies leaving behind the other parent, such surviving parent shall be entitled to the survivor’s pension equal to the amount being received by the other parent at the time of the death of that parent subject to the condition that the surviving parent is the real father or mother of the deceased secured worker.”

9. Addition of section 47-A in Ordinance X of 1965.— After section 47, the following section 47-A shall be inserted:-

“**47-A. Establishment of medical and other institutions.**— The Institution may, through the public-private partnership mode, establish medical, dental, nursing, allied health or training institutions and, for the purpose, incur expenditure from the Fund.”

10. Amendment in section 54-A of Ordinance X of 1965.— In the said Ordinance, in section 54-A, for the words “two hundred rupees per day or five thousand rupees per month”, the words “the wages determined by the Government under section 71 of the Ordinance” shall be substituted.

11. Amendment in section 62 of Ordinance X of 1965.— In the said Ordinance, in section 62, in subsection (5), for the word “fifty”, the words “five thousand” shall be substituted.

12. Amendment in section 66 of Ordinance X of 1965.— In the said Ordinance, in section 66, for the words “not exceeding one thousand rupees”, the words “up to ten thousand rupees but not less than two thousand rupees” shall be substituted.

13. Amendment in section 70 of Ordinance X of 1965.— In the said Ordinance, in section 70, in subsection (2), for the words “one hundred and twenty rupees per day or three thousand rupees per month”, the words “the wages determined by the Government under section 71 of the Ordinance” shall be substituted.

14. Amendment in section 71 of Ordinance X of 1965.— In the said Ordinance, in section 71, the words, brackets and figures “specified in clause (f) of subsection (8) of section 2”, wherever occur, shall be omitted.

15. Savings.— Notwithstanding anything contained in the Provincial Employees’ Social Security Ordinance, 1965 (X of 1965), any contribution received or benefits released or purported to have been received or released under the said Ordinance immediately before the commencement of this Ordinance shall be deemed to have been validly received or released under the Ordinance.

16. Repeal.— The Provincial Employees’ Social Security (Amendment) Ordinance 2013 (V of 2013) is hereby repealed.