SUPREME COURT OF PAKISTAN

(Appellate Jurisdiction)

PRESENT:

Mr. Justice Gulzar Ahmed Mr. Justice Yahya Afridi

Civil Petition Nos.4719, 4752-4759, 4791-4795 of 2017

[on appeal against Order dated 17.10.2017 passed by the Lahore High Court, Rawalpindi Bench in Writ Petitions No.2803 to 2806 & 3000 to 3002 of 2014 and 303 to 309 of 2015]

Phoenix Security (Pvt) Limited	[in all cases]
	Petitioner(s)

VERSUS

Pir Muhammad & others	[in CP.4719&4759]
Nabi Ahmed & others	[in CP.4752]
Muhammad Arif & sons	[in CP.4753&4793]
Muhammad Abdullah & others	[in CP.4754&4791]
Noor Khan & others	[in CP.4755&4794]
Muhammad Afzal & others	[in CP.4756&4795]
Nabi Ahmed & others	[in CP.4757]
Amjad Hussain & others	[in CP.4758&4792]
•	Respondent(s)

For the Petitioner(s) : Mr. Shahid Anwar Bajwa, ASC

[in all cases]

For Respondent No.1 : Mr. Abdul Rehman Qadir, ASC

(in all cases) Kh. Muhammad Arif, ASC

Mr. Muhammad Sharif Janjua, AOR

Date of Hearing : 30.04.2019

JUDGMENT

GULZAR AHMED, J.— By these Civil Petitions for leave to appeal, the petitioner-Phoenix Security (Private) Limited has challenged the order dated 17.10.2017, passed by the learned Judge in Chambers of the Lahore High Court, Rawalpindi Bench by which the writ petitions filed by the petitioner were dismissed, while writ petitions filed by the private respondents were allowed

by setting aside the judgment of the Punjab Labour Appellate Tribunal dated 18.09.2014 and restoring/maintaining the decision of the Labour Court dated 14.09.2012.

The facts of the matter are that the private 2. respondents (the respondents) were employed by the petitioner as Security Guards. They all retired on attaining the age of superannuation. The dispute arose between the petitioner and the respondents regarding final settlement of their dues pursuant to which the respondents filed their respective application under Section 15 of the Payment of Wages Act, 1936, before the Authority under the said Act, wherein they claimed various dues as unpaid wages. These applications were contested by the petitioner before the Authority. The evidence was recorded and ultimately vide order dated 13.02.2012, the Authority allowed the claims of the respondents for unpaid wages. The petitioner filed appeal against this order of the Authority before the Labour Court, which after hearing the appeal vide its judgment dated 14.09.2012 modified the order of the Authority and decreased the amount of unpaid wages payable to the respondents. Not being content, the petitioner filed revision petitions before the Punjab Labour Appellate Tribunal (Appellate Tribunal). The said revision petitions were heard and thereafter the Appellate Tribunal passed the judgment dated 18.09.2014, whereby further relief was granted to the petitioner and the amount of unpaid wages payable to the respondents was further reduced. Against this judgment of the Appellate Tribunal both the petitioner as well as the respondents filed writ petitions before the Lahore High Court, Rawalpindi Bench. All the

aforementioned writ petitions were heard and decided by the impugned order dated 17.10.2017, passed by the learned Single Judge by which as noted above the writ petitions filed by the petitioner were dismissed while the writ petitions filed by the respondents were allowed by maintaining the judgment of the Labour Court.

- 3. We have heard the arguments of the learned counsel for the parties at substantial length and have also gone through the record of the case with their assistance. We have also gone through the case law relied upon by both the learned counsel for the parties.
- 4. It may be noted that while the Authority under the Payment of Wages Act has determined a number of claims of the respondents as unpaid wages and found them to be payable by the petitioner to the respondents, but before us learned counsel for both the parties conceded that except for two items of respondents' claim, all other claims of the respondents towards unpaid wages stand resolved as the petitioner has paid such unpaid wages and even the amount of Rs.25,000/- as additional compensation has also been paid to the respondents. The two items that were agitated before us and on which decision was sought by the learned counsel for the parties is with regard to payment of wages for weekly holidays and also for overtime. The claim of the respondents is that they have been paid wages for weekly holidays and also overtime but not at double the rate of wages, which is provided in the West Pakistan Shops & Establishments Ordinance, 1969 (Ordinance, 1969).

5. Learned counsel for the petitioner at the very outset contended that the petitioner is a commercial establishment, where it employs 20 or more workmen and the service benefits to be paid to its workmen are those which are provided in the Industrial and Commercial Employment (Standing Orders) Ordinance, 1968 (Ordinance, 1968) and such service benefits are being paid under this Ordinance to its workmen. He also contended that the Ordinance of 1968 does not contain any provision for requiring payment of wages for weekly holidays nor does it contain any provision requiring payment of overtime. He further contends that both the items i.e. 'weekly holidays' and 'overtime' being not provided in the Ordinance, 1968, thus the rate of wages payable for weekly holidays and overtime is also not provided in the Ordinance of 1968. He also contended that the very term wages has not been defined in the Ordinance, 1968. However, the rates of wages in terms of Standing Order 5 of the Schedule to the Ordinance of 1968 were duly specified and respondents never challenged such rates of wages so specified until their retirement on attaining the age of superannuation. He further contended that the respondents have based their claim in terms of the Ordinance of 1969, which Ordinance is not applicable to the respondents and for this he read before us the provision of Section 5(1) (ix) of the Ordinance, 1969. He contended that Section 5 of the Ordinance of 1969 lays down the list, which enumerates the establishments and persons to whom the Ordinance shall not apply and item (ix) ibid excludes persons employed as "watchman". He contended that the respondents were admittedly employed as Security Guards and as

Security Guards they were doing the work of a watchman and thus were excluded from the application of the Ordinance of 1969. In support of his submissions learned counsel for the petitioner has relied upon the case of *Zain Packaging Industries Limited, Karachi* **vs.** *Abdul Rashid and 2 others* (1994 SCMR 2222).

6. On the other hand, learned counsel appearing for the respondents contended that the respondents were Security Guards and not watchmen and thus were not excluded from the application of the Ordinance, 1969. He further contended that for the payment of wages, the respondents were entitled to have their wages calculated, as per the term wages defined in the Payment of Wages Act, 1936 and the term 'wages' as defined therein includes payment of wages for 'weekly holidays as well as 'overtime' wages and the rate applicable would be that as provided in the Ordinance, 1969. He also relied upon the Standing Order 8 of the schedule to the Ordinance of 1968, to contend that this Standing Order also provides for payment of wages for weekly holidays and also overtime wages at double the rate of wages. In support of his submission he has relied upon the cases of Aurangzaib vs. Medipak (Pvt.) Ltd. and others (2018 SCMR 2027), General Manager, Pakistan Railways and another vs. Anwar Ahmed Khan and others (1995 SCMR 810) and the General Newspaper Employees Union, Karachi vs. M/s General Newspaper (Private) Limited, Karachi (1993 PLC 428). Learned counsel for the respondents further argued that the very writ petitions filed by the petitioner before the High Court were not maintainable for that they were not verified and signed by the competent official i.e.

General Manager (North). To this last submission of the learned counsel for the respondents, the learned counsel for the petitioner has contended that in the title of the writ petition the word General Manager (North) was erroneously mentioned but actually, the Company's Resolution dated 17.05.2013 authorized Manager Administration and IR to file the writ petition and not the General Manager. He contended that the writ petition as also the affidavit in its support was signed by Mr. Mehboob Alam Siddiqui, who was the Manager Administration and IR and such has been specifically mentioned in the said affidavit. At the outset we have looked at this very aspect of the matter and have found that the Resolution authorizing filing of writ petition was in favour of Manager Administration and IR and in fact it was the Administration and IR, who has signed the writ petition and also the affidavit in support of the said writ petition, thus this objection of the learned counsel for the respondents does not hold much weight and the same is answered in negative.

- 7. At the outset we may take up the point argued by the learned counsel for the petitioner that the very Ordinance of 1969 was not applicable to the respondents, who were employed as watchmen. In this regard it will be pertinent to mention here the provision of Section 5 (1)(ix) of the said Ordinance, which reads as follows: -
 - **"5. Ordinance not applicable to certain establishments and persons.** (1) Nothing in this Ordinance shall apply to----

(i)	
(ii)	

(iii)	
(i∨)	
(v)	
(vi)	
(vii)	
(viii)	

(ix) Any person employed as manager, travelling agent, canvasser, messenger, watchman, care-taker or conservancy staff or any person employed exclusively in connection with the collections, dispatch, delivery, and conveyance of, or custom formalities on goods." [emphasis supplied]

8. The contention of the learned counsel for the petitioner is that person employed as watchman in fact performs the work of a Security Guard and in any case the term Security Guard and watchman are synonymous in that its meaning and work is one and the same. In order to understand such submission of the learned counsel for the petitioner, which obviously as noted above is disputed by the learned counsel for the respondents, we have examined the Ordinance of 1969 to find definition of the term 'watchman' but such definition is not available in the said Ordinance. No other definition of the word 'watchman' was referred to us by either of the counsel for the parties, which perhaps may be found in any of the labour laws. In the absence of the definition of term 'watchman' in the very Ordinance of 1969 and in any other law, to ascertain its meaning resort has to be made to the dictionary meaning and in this regard reference is made to the Black's Law Dictionary, Sixth Edition, where the term 'watchman' has been given the following meaning: -

"Watchman. One whose general duties consist of guarding, patrolling, and overseeing a building, group of building, or other property."

Furthermore the Oxford Advanced Learner's Dictionary, New 8th Edition, has given the meaning of 'watchman' and it is as follows: -

"Watchman. A man whose job is to guard a building, for example a bank, an office building or a factory, especially at night."

In the Oxford Thesaurus of English Third Edition, the word 'watchman' has been given the following meaning: -

"Watchman. Security guard, security man, guard, custodian, doorman; caretaker, janitor, superintendant, warden, steward, curator."

9. On reading of the above meanings given by the three dictionaries, the common feature of it is that it is defined by its nature of duties and in all three dictionaries the duty of watchman has been given that of guarding, patrolling and overseeing the building, group of buildings or other property or a man whose job is to guard a building, for example, a Bank, an office building or a factory, especially at night and in the Oxford Thesaurus of English Dictionary a 'watchman' has been given a meaning that of security guard, security man, guard, custodian, doorman, caretaker, janitor, superintendant, warden, steward, curator. Thus in all the three meanings given in the noted dictionaries the word 'quard' is common and in our view the term 'watchman' will include a security guard, as both the terms, watchman and security guard, are synonymous to each other and in the nature of their duties also. It is an admitted fact that respondents were employed as security guards and by the very nature of their duties they were working as a watchman, which term is synonymous to that of a security guard and by virtue of the expressed provision of Section 5(1)(ix) ibid, the respondents apparently stand excluded from the application of the Ordinance of 1969 and thus they cannot claim any benefit provided in the said Ordinance.

- 10. Learned counsel for the respondents has argued that the term wages, as defined in the Payment of Wages Act, 1936 (the Act of 1936), includes the wages payable for weekly holidays so also overtime wages at double the rate of wages. It will be advantageous here to reproduce the definition of term 'Wages' as given in the Act of 1936, which is as follows: -
 - "(vi) "wages" means all remuneration, capable of being expressed in terms of money, which would, if the terms of the contract of employment, express or implied, were fulfilled, be payable, whether conditionally upon the attendance, good work or conduct other behaviour of the person employed or otherwise, to a person employed in respect of his employment or of work done in such employment and includes any bonus or other additional remuneration of the nature aforesaid which would be so payable and any sum payable to such person by reason of the termination of his employment, but does not include:
 - (a) the value of any house-accommodation, supply of light, water, medical attendance or other amenity, or of any service excluded by general or special order of the Government
 - (b) * * * *
 - (c) any travelling allowance or the value of any travelling concession;
 - (d) any sum paid to the person employed to defray special expenses entailed on him by the nature of his employment; or
 - (e) * * * * "
- 11. The perusal of the definition of wages as given in the Act of 1936 apparently shows that it means all remuneration, capable of being expressed in terms of money, which would, if the

terms of the contract of employment, express or implied, were fulfilled, be payable, whether conditionally upon attendance, good work or conduct or other behaviour of the person employed or otherwise, to a person employed in respect of his employment or of work done in such employment and includes any bonus or other additional remuneration of the nature aforesaid which would be so payable and any sum payable to such person by reason of the termination of his employment. Although the definition of the term 'wages' as defined in the Act, comprehensive and inclusive of all types of remuneration capable of being expressed in terms of money, which would, if the terms of the contract of employment, express or implied, is fulfilled, be payable to the employee. This will in our view include the wages for weekly holidays and also overtime wages but the difficulty which is apparent is that the Act does not provide the rate at which wages of weekly holidays or overtime have to be paid and for that the only thing referred to by this definition is that of a contract of employment. The respondents have not shown any contract of employment where provision may have been made for payment to them wages of weekly holidays and overtime wages at double the rate of wages. Earlier we have also noted that the employer is required to publish the rate of wages in term of Standing Order 5 of the Schedule to the Ordinance of 1968 and even the respondents have not been able to demonstrate or show to us that such publication of rate of wages provided for payment of weekly holidays and overtime wages at double the rate of wages. The respondents, as is apparent from the record, have performed work

on weekly holidays and have also performed overtime work but in the very evidence they have admitted that they have been paid wages for these weekly holidays so also overtime wages. Even otherwise in the case of Zain Packaging Industries Limited (Supra) a three member bench of this Court while examining the term wages appearing in the Standing Order 12(6) of the Schedule to the Ordinance of 1968, has specifically held as follows: -

"From the preceding discussion, it follows that 'wages' have been defined differently in various statutes relating to labour matters keeping in view the object of each legislation. Therefore, the definition of 'wages' given in one statute cannot be called in aid to interpret the provisions of another statute unless the two statutes are in pari materia or the legislature has expressly provided that the words and expressions defined in one statute shall have the same meaning in the other statute. The word 'wages' has not been defined in the Ordinance. The legislature has also not provided that the 'wages' will have the same meaning as defined in the Act. In these circumstances, the word 'wages' used in Standing Order 12(6) of the Ordinance could not be interpreted with the help of definition of 'wages' as given in the Act. The word 'wages' therefore, has to be interpreted according to its ordinary meaning. In its ordinary sense 'wages' would include all payments made to a workman by his employer on a regular and permanent basis periodically in lieu of his services. As a corollary, therefore, payments made to a workman which are contingent in nature would not form part of the 'wages'. Therefore, in order to determine whether a particular payment received by a workman is part of his wages, it is necessary to ascertain the nature of such payment. The fact that

the payment made to a workman is described as an allowance of one kind or the other is not a determinative factor to make such payment or to exclude it from being treated as part of the 'wages'. If a is receiving certain payments on workman permanent basis, regularly, not dependent upon any contingency or existence or otherwise of certain conditions, then notwithstanding the fact that such payment may be described as an allowance of some kind, will be treated as part of his wages. However, if it can be shown that certain payments made to a workman are dependent on existence of certain contingency or conditions and such payments could be discontinued when the contingency or the condition disappear, the payment cannot be treated as part of the 'wages' of the workman. Therefore, the question whether a particular payment to the workman is part of his wages' or not is to be decided with reference to the facts and evidence in each case.'

Thus, the very definition of the term wages, as given in the Act of 1936 in terms of the judgment as noted above, could not be taken into consideration while dealing with the payment of wages to the employees working under the Ordinance of 1968.

12. Learned counsel for the respondents has heavily relied upon the provision of Standing Order 8 of the Schedule to the Ordinance of 1968 to contend that under this provision also the respondents are entitled to payment of wages for weekly holidays and overtime wages at double the rate of wages and in this regard has made reference to the cases of *Aurangzaib* (supra), *Anwar Ahmed Khan* (supra) and the *General Newspaper Employees Union, Karachi* (supra), but incidentally none of the cited judgments deal

with the question that has been raised by the learned counsel for the respondents before us. However, in order to fully appreciate the argument of the learned counsel for the respondents, the provision of Standing Order 8 of the Schedule to the Ordinance of 1968 is reproduced below: -

- "8. **Leave.—**(1) Holidays and leave with pay shall be allowed as hereinafter specified: -
- (a) annual holidays, festival holidays casual leave and sick leave as provided for in Chapter IVA of the Factories Act, 1934 (XXV of 1934); and
- (b) other holidays in accordance with the law, contract, custom and usage.
- 2."
- above, deals with the subject of leave and it provides that holidays and leave with pay shall be allowed as specified therein i.e. annual holidays, festival holidays, casual leave and sick leave as provided in Chapter IVA of the Factories Act, 1934 (the factories Act) and other holidays in accordance with law, contract, custom and usage. So for as the first item dealt with by Standing Order 8 ibid is concerned, it is in respect of annual holidays, festival holidays, causal leave and sick leave, as is provided in Chapter IVA of the Factories Act. As reference to Chapter IVA of the Factories Act has been made, we have gone through such Chapter and for ease of reference it is reproduced as follows:

"Chapter IV-A - Holiday with Pay

- 49-A. Application of Chapter. (1) The provisions of this Chapter shall not apply to a seasonal factory.
- (2) The provisions of this Chapter shall not operate to the prejudice of any rights to which a worker may

be entitled under any other enactment, or under the terms of any award, agreement or contract of service.

- 49-B. Annual holidays. (1) Every worker who has completed a period of twelve months continuous service in a factory shall be allowed, during the subsequent period of twelve months holidays for a period of fourteen consecutive days, inclusive of the day or days, if any, on which he is entitled to a holiday under sub-section (1) of section 35.
- (2) If a worker fails in any one such period of twelve months to take the whole of the holidays allowed to him under sub-section (1), any holidays not taken by him shall be added to the holidays to be allowed to him under sub-section (1) in the succeeding period of twelve months, so however that the total number of holidays which may be carried forward to a succeeding period shall not exceed fourteen.
- (3) If a worker entitled to holidays under subsection (1) is discharged by his employer before he has been allowed the holidays, or if, having applied for and having been refused the holidays, he quits his employment before he has been allowed the holidays, the employer shall pay him the amount payable under section 49-C in respect of the holidays.

Explanation. - A worker shall be deemed to have completed a period of twelve months continuous service in a factory notwithstanding any interruption in service during those twelve months brought about by sickness, accident or authorised leave not exceeding ninety days in the aggregate for all three, or by a lock-out, or by a strike which is not an illegal strike, or by intermittent periods of involuntary unemployment not exceeding thirty days in the aggregate; and authorised leave shall be deemed not to include any weekly holiday allowed under section 35 which occurs at beginning or end of an interruption brought about by the leave.

49-C. Pay during annual holiday. - Without prejudice to the conditions governing the day or days, if any, on which the worker is entitled to a holiday under subsection (1) of section 35, the worker shall, for the remaining days of the holidays allowed to him under section 49-B, be paid at a rate equivalent to the daily average of his wages as defined in the Payment of Wages Act, 1936 (IV of 1936), for the days on which he actually worked during the preceding three months, exclusive of any earning in respect of overtime.

- 49-D. Payment when to be made. A worker who has been allowed holidays under section 49-B shall, before his holidays begin, be paid half the total pay due for the period of holidays.
- 49-E. Power of Inspector to act for worker. Any Inspector may institute proceedings on behalf of any worker to recover any sum required to be paid under this Chapter by an employer which the employer has not paid.
- 49-F. Power to make rules. (1) The Provincial Government may make rules to carry into effect the provisions of this Chapter.
- (2) Without prejudice to the generality of the foregoing power, rules may be made under this section prescribing the keeping by employers of registers showing such particulars as may be prescribed and requiring such registers to be made available for examination by Inspectors.
- 49-G. Exemption of factories from the provisions of this Chapter. –

Where the Provincial Government is satisfied that the leave rules applicable to workers in a factory provide benefits substantially similar to those for which this Chapter makes provision, it may, by written order exempt the factory from the provisions of this Chapter.

- 49-H. Casual leave and sick leave. -
- (1) Every worker shall be entitled to casual leave with full pay for ten days in a year.
- (2) Every worker shall be entitled to sixteen days sick leave on half average pay in a year.
- 49-I. Festival Holidays. (1) Every worker shall be allowed holidays with pay on all days declared by the Provincial Government to be festival holidays.
- (2) A worker may be required to work on any festival holiday but one day's additional compensatory holiday with full pay and a substitute holiday shall be allowed to him in accordance with the provisions of section 35."

This Chapter IVA in Section 49B deals with annual holidays, in Section 49C deals with pay during annual holidays, in Section 49D

deals with payment when to be made, in Section 49E empowers Inspector to act for worker, Section 49F gives powers to the Government to make rules, Section 49G provides for exemption of factories from the provisions of this Chapter, Section 49H deals with causal leave, sick leave and Section 49I deals with festival holidays. Nowhere, in this Chapter, there is a provision for making payment of wages of weekly holidays or that of overtime, as it concerns itself only to the annual holidays, casual leave, sick leave and festival holidays. The second item, i.e. clause (b) of Standing Order 8(1) ibid, provides other holidays in accordance with law, contract, custom and usage. In the evidence available on the record it is clear that the respondents were entitled to payment of wages for weekly holidays so also overtime wages in that such an assertion has been made by the respondents in their evidence and they have also stated that they have been paid wages by the petitioner for the work performed by them on weekly holidays and also they have been paid overtime wages. This assertion of the respondents in their evidence, in our view, could be considered as a contract between the petitioner and respondents or a custom and usage where the petitioner has been obtaining from the respondents work on weekly holidays and have also been paying to the respondents wages for the weekly holidays and similarly the petitioner has been obtaining from the respondents overtime work and at the same time has been paying wages to the respondents for such overtime. The respondents, however, in their evidence have not stated anywhere that there was a contract between the petitioner and respondents or there was a custom or usage of

paying double the rate of wages by the petitioner to the respondents for working on weekly holidays or for overtime. The respondents have, through their evidence, succeeded establishing the fact of payment to them of wages by the petitioner for weekly holidays so also for overtime but at nowhere they have been able to establish the factum of the rate at which such wages were paid to them by the petitioner except the one which was actually paid by the petitioner to the respondents. apparently there seems to be no non-compliance of the petitioner of Standing Order 8(1)(b) of the Schedule to the Ordinance of 1968 for that wages for weekly holidays and overtime were paid by the petitioner to the respondents and they have accepted such payment without raising any objection while in service. No law apart from the Ordinance of 1969 was relied upon by the learned counsel for the respondents for calculation of double the rate of wages and it has already been noted above that the Ordinance of 1969 is not applicable to the respondents as they stand specifically excluded from its application and thus any benefit extended by the Ordinance of 1969, the petitioner in law will not be liable to pay the same to the respondents. No contract, custom or usage was either pleaded or asserted in the evidence by the respondents nor was any such thing shown to us by the learned counsel for the respondents, except what is asserted by the respondents in their evidence is that they worked on weekly holidays and wages for that was paid to them and that they worked overtime and overtime wages were paid to them. The rate of wages of the weekly holidays and the rate of overtime wages that is double the rate of wages,

was not established by the respondents in their evidence to be payable to them either by contract, custom or usage and thus in the absence of such evidence, we cannot assume that the petitioner was required to pay wages to the respondents for weekly holidays and overtime at double the rate of wages. For doing so, the respondents ought to have established this factum either through contract, custom or usage, and none of these three items were at all proved. We have noted that the rate of wages was required to be published by the petitioner in terms of Standing Order 5 of the Schedule to the Ordinance of 1968 and it is not the case of respondents that such wages were not published by the petitioner. The respondents by failing to produce such published rate of wages have not been able to establish that the rate so published contain in them the rate of wages for weekly holidays and overtime at double the rate of wages. In any case it is not the case of the respondents that they have not been paid wages as was published by the petitioner in terms of Standing Order 5 ibid.

14. From the over all discussion, as made above, it is amply established that the respondents have worked for weekly holidays and performed overtime work but at the same time they have been paid wages for both weekly holidays and overtime and that their case that they be paid double the rate of wages, the same apparently is not established on record nor the law provides for the same for that nothing was cited before us. Thus, the only conclusion we can reach is that the respondents were not entitled

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to claim wages for weekly holidays and overtime wages at double the rate of wages, as was claimed by them.

15. The two questions posed to us have been answered with the finding that the respondents are not entitled to payment of wages for weekly holidays and overtime at double the rate of wages, as claimed by them. Thus, the impugned order of the High Court to this extent is not sustainable. These petitions are, therefore, converted into appeals and are allowed to the extent that the impugned order of the High Court stands modified in that the respondents are not entitled to payment of wages for weekly holidays and overtime wages at double the rate of wages as claimed by them.

JUDGE

Bench-II <u>ISLAMABAD</u> <u>APPROVED FOR REPORTING</u> Rabbani*/ **JUDGE**

Announced in open Court on 03.10.2019.

JUDGE