

**THE BONDED LABOUR SYSTEM (ABOLITION) ACT, 1992**  
**(III of 1992)**

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## TEXT

### **'THE BONDED LABOUR SYSTEM (ABOLITION) ACT, 1992 (III of 1992)**

[17<sup>th</sup> March 1992]

An  
Act

*to provide for abolition of <sup>2</sup>[bonded and forced labour] system*

**WHEREAS** clause (2) of Article 11 of the Constitution of the Islamic Republic of Pakistan prohibits all forms of forced labour;

**AND WHEREAS** it is necessary to provide for abolition of <sup>3</sup>[bonded and forced labour] system with a view to preventing the economic and physical exploitation of the labour class in the country and for matters connected therewith or incidental thereto;

It is hereby enacted as follows:—

**1. Short title, extent and commencement.**— (1) This Act may be called the <sup>4</sup>[Punjab] Bonded Labour System (Abolition) Act, 1992.

(2) It extends to the whole of <sup>5</sup>[the Punjab].

(3) It shall come into force at once.

**2. Definitions.**— In this Act, unless there is anything repugnant in the subject or context,—

(a) "advance (*peshgi*)" means an advance (*peshgi*), whether in cash or in kind, or partly in cash or partly in kind, made by one person (hereinafter referred to as the creditor) to another person (hereinafter referred to as the debtor);

<sup>6</sup>[(aa) "authorised officer" means an officer authorized under subsection (1) of section 9 of the Act;]

(b) "bonded debt" means an advance (*peshgi*) obtained, or presumed to have been obtained, by a <sup>7</sup>[bonded and forced labour] under, or in pursuance of, the bonded labour system;

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<sup>1</sup>This Act of Parliament received the assent of the President on 11 March 1992, and was published in the Gazette of Pakistan, Extraordinary, dated 17 March 1992. For statement of Objects & Reasons, see Gaz. of Pak. Extra. 12 Nov. 1992, p. 1421.

<sup>2</sup>Substituted for the words "bonded labour" by the Punjab Bonded Labour System (Abolition)(Amendment) Act 2018 (XXIV of 2018), published in the Punjab Gazette (Extraordinary), dated: 24 May 2018, pp. 8159-8163, s. 2.

<sup>3</sup>*Ibid.*

<sup>4</sup>Inserted *ibid.*, s. 3.

<sup>5</sup>Substituted for the word "Pakistan" by the Punjab Bonded Labour System (Abolition) (Amendment) Act 2012 (XXIV of 2012), w.e.f. 11.2.2012, s.2; and published in the Punjab Gazette (Extraordinary), pages 40169-40170.

<sup>6</sup>Inserted by the Punjab Bonded Labour System (Abolition) (Amendment) Act 2018 (XXIV of 2018), published in the Punjab Gazette (Extraordinary), dated: 24 May 2018, pp. 8159-8163, s. 4.

<sup>7</sup>Substituted *ibid.*, for the words "bonded labour".

- (c) "<sup>8</sup>[bonded and forced labour system]" means any labour or service rendered under the bonded labour system;
- (d) "bonded labourer" means a labour who incurs, or has, or is presumed to have, incurred, a bonded debt;
- (e) "bonded labour system" means the system of forced, or partly forced, labour under which a debtor enters, or has, or is presumed to have, entered into an agreement with the creditor to the effect that,—
  - (i) in consideration of an advance (*peshgi*) obtained by him or by any of the members of his family [whether or not such advance (*peshgi*) is evidenced by any document] and in consideration of the interest, if any, due on such advance (*peshgi*), or
  - (ii) in pursuance of any customary or social obligation, or
  - (iii) for any economic consideration received by him or by any of the members of his family;

he would—

- (1) render, by himself or through any member of his family, or any person dependent on him, labour or service to the creditor, or for the benefit of the creditor, for a specified period or for an unspecified period, either without wages or for nominal wages, or
  - (2) forfeit the freedom of employment or adopting other means of livelihood for a specified period or for an unspecified period, or
  - (3) forfeit the right to move freely from place to place, or
  - (4) forfeit the right to appropriate or sell at market value any of his property or product of his labour or the labour of a member of his family or any person dependent on him, and includes the system of forced, or partly forced, labour under which a surety for a debtor enters, or has or is presumed to have, entered, into an agreement with the creditor to the effect that, in the event of the failure of the debtor to repay the debt, he would render the bonded labour on behalf of the debtor;
- <sup>9</sup>[(ea) "designated officer" means an officer designated under subsection (2) of section 9 of the Act;
  - (eb) "employer" means a person owning or having charge of the business of an establishment and includes an agent or manager or any other person acting on behalf of such person for the general management or control of such establishment;
  - (ec) "establishment" means:

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<sup>8</sup>Substituted for the words "bonded labour system" by the Punjab Bonded Labour System (Abolition) (Amendment) Act 2018 (XXIV of 2018), published in the Punjab Gazette (Extraordinary), dated: 24 May 2018, pp. 8159-8163, s. 4.

<sup>9</sup>Inserted *ibid*.

- (i) an establishment as defined under the Punjab Shops and Establishments Ordinance, 1969 (*VIII of 1969*);
  - (ii) a factory as defined under the Factories Act, 1934 (*XXV of 1934*); and
  - (iii) a mine as defined under the Mines Act, 1923 (*IV of 1923*);]
- (f) "family" means,—
- (i) in the case of a male bonded labourer, the wife or wives, and in the case of a female bonded labourer, the husband of the bonded labourer; and
  - (ii) the parents, children, minor brother, and unmarried, divorced or widowed sisters of the bonded labourer wholly dependent on him;
- <sup>10</sup>[(fa) "forced labour" means the work extracted from a person under threat of penalty or the work for which a person has not offered himself voluntarily but does not include:
- (i) penalty imposed by a court;
  - (ii) compulsory military service;
  - (iii) action taken in an emergency;
  - (iv) normal civil and social obligations; and
  - (v) minor communal services;]
- <sup>11</sup>[(ff) "Government" means Government of the Punjab;]
- <sup>12</sup>[(ffa) "inspector" means any person appointed as inspector:
- (i) in case of a factory, under section 10 of the Factories Act, 1934 (*XXV of 1934*);
  - (ii) in case of an establishment, under section 25 of the Punjab Shops and Establishment Ordinance, 1969 (*VIII of 1969*); and
  - (iii) in case of a mine, under section 4 of the Mines Act, 1923 (*IV of 1923*);]
- (g) "nominal wages", in relation to any labour, means a wage which is less than,—
- (a) the minimum wages fixed by the Government, in relation to the same or similar labour, under any law for the time being in force; and
  - (b) where no such minimum wage has been fixed in relation to any form of labour, the wages that are normally paid, for the same or similar labour, to the labourers working in the same locality; and

<sup>10</sup>Inserted by the Punjab Bonded Labour System (Abolition) (Amendment) Act 2018 (XXIV of 2018), published in the Punjab Gazette (Extraordinary), dated: 24 May 2018, pp. 8159-8163, s. 4.

<sup>11</sup>Inserted by the Punjab Bonded Labour System (Abolition) (Amendment) Act 2012 (XXIV of 2012), w.e.f. 11.2.2012, s.3; and published in the Punjab Gazette (Extraordinary), pages 40169-40170.

<sup>12</sup>Inserted by the Punjab Bonded Labour System (Abolition) (Amendment) Act 2018 (XXIV of 2018), published in the Punjab Gazette (Extraordinary), dated: 24 May 2018, pp. 8159-8163, s. 4.

(h) "prescribed" means prescribed by rules made under this Act.

**3. Act to override other laws, etc.**— The provisions of this Act shall have effect notwithstanding anything contained in any other law for the time being in force or in any instrument having effect by virtue of any such law.

**4. Abolition of bonded labour system.**— (1) On the commencement of this Act, the bonded labour system shall stand abolished and every bonded labourer shall stand freed and discharged from any obligation to render any bonded labour.

(2) No person shall make any advance under, or in pursuance of, the bonded labour system or compel any person to render any bonded labour or other form of forced labour.

<sup>13</sup>[(3) An employer shall not make or receive any advance (*peshgi*) inconsistent with, or in violation of, any law for the time being in force or beyond the prescribed limit.

(4) The advance (*peshgi*) under subsection (3) shall be recovered in such manner as may be prescribed.

(5) The employer shall maintain a record in respect of the advance (*peshgi*) made or received by him under subsection (3) in such manner as may be prescribed.]

**5. Agreement, custom, etc., to be void.**— Any custom or tradition or practice or any contract, agreement or other instrument, whether entered into or executed before or after the commencement of this Act, by virtue of which any person, or any member of his family, is required to do any work or render any service as a bonded labourer, shall be void and inoperative.

**6. Liability to repay bonded debt to stand extinguished.**— (1) On the commencement of this Act, every obligation of a bonded labourer to repay any bonded debt, or such part of any bonded debt as remains unsatisfied immediately before such commencement, shall stand extinguished.

(2) After the commencement of this Act, no suit or other proceeding shall lie in any civil court, tribunal or before any other authority for the recovery of any bonded debt or any part thereof.

(3) Every decree or order for the recovery of bonded debt, passed before the commencement of this Act and not fully satisfied before such commencement, shall be deemed, on such commencement, to have been fully satisfied.

(4) Where, before the commencement of this Act, possession of any property belonging to a bonded labourer or a member of his family was forcibly taken by any creditor for the recovery of any bonded debt, such property shall be restored, within ninety days of such commencement, to the possession of the person from whom it was seized.

(5) Every attachment made before the commencement of this Act for the recovery of any bonded debt shall, on such commencement, stand vacated; and, where, in pursuance of such attachment, any movable property of the bonded

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<sup>13</sup>Inserted by the Punjab Bonded Labour System (Abolition) (Amendment) Act 2018 (XXIV of 2018), published in the Punjab Gazette (Extraordinary), dated: 24 May 2018, pp. 8159-8163, s. 5.

labourer was seized and removed from his custody and kept in the custody of any court, tribunal or other authority pending sale thereof, such movable property shall be restored, within ninety days of such commencement, to the possession of the bonded labourer:

Provided that, where any attached property was sold before the commencement of this Act, in execution of a decree or order for the recovery of a bonded debt, such sale shall not be affected by any provision of this Act.

(6) Subject to the proviso to sub-section (5), any sale, transfer or assignment of any property of a bonded labourer made in any manner whatsoever before the commencement of this Act for recovery of bonded debt shall not be deemed to have created or transferred any right, or interest in or encumbrance upon any such property and such property shall be restored, within ninety days of such commencement, to the possession of the bonded labourer.

(7) If restoration of the possession of any property referred to in sub-section (4) or sub-section (5) or sub-section (6) is not made within ninety days from the commencement of this Act, the aggrieved person may, within such time as may be prescribed, apply to the prescribed authority for the restoration of the possession of such property and the prescribed authority may, after giving the creditor a reasonable opportunity of being heard, direct the creditor to restore to the applicant the possession of the said property within such time as may be specified in the order.

(8) An order made by any prescribed authority under sub-section (7) shall be deemed to be an order made by a civil court and may be executed by the court of the lowest pecuniary jurisdiction within the local limits of whose jurisdiction the creditor voluntarily resides or carries on business or personally works for gain.

(9) Where any suit or proceeding for the enforcement of any obligation under the bonded labour system, including a suit or proceeding for the recovery of any advance (*peshgi*) made to a bonded labourer, is pending at the commencement of this Act, such suit or other proceeding shall, on such commencement, stand dismissed.

(10) On the commencement of this Act, every bonded labourer who has been detained in civil prison, whether before or after judgment, shall be released from detention forthwith.

**7. Property of bonded labour to be freed from mortgage, etc.—** (1) All property vested in a bonded labourer which was, immediately before the commencement of this Act, under any mortgage, charge, lien or other encumbrance in connection with any bonded debt shall, in so far as it is relatable to the bonded debt, stand freed and discharged from such mortgage, charge, lien or other encumbrance; and where any such property was, immediately before the commencement of this Act, in the possession of the mortgagee or the holder of the charge, lien or encumbrance, such property shall, except where it was subject to any other charge, on such commencement, be restored to the possession of the bonded labourer.

(2) If any delay is made in restoring any property referred to in sub-section (1) to the possession of the bonded labourer, such labourer shall be entitled, on and from the date of such commencement, to recover from the mortgagee or holder of

the lien, charge or encumbrance, such mesne profits as may be determined by the civil court of the lowest pecuniary jurisdiction within the local limits of whose jurisdiction such property is situated.

<sup>14</sup>[**7A. Eviction.**— (1) Notwithstanding the provisions of any other law, a bonded labourer, whether released, resigned, retired, retrenched, discharged, dismissed, terminated or otherwise, occupying residential accommodation provided by his employer, shall not be evicted by the employer for a period of two months from the date of occurrence of any of the above eventualities, failing which the employer, without prejudice to any other liability, shall pay to the labourer compensation at such rate as may be prescribed.

(2) If the employer fails to discharge his obligations or if a labourer fails to vacate any residential accommodation provided by the employer after the expiry of the period specified in subsection (1), the employer or, as the case may be, the labourer may lodge a complaint to the Magistrate of the first class having jurisdiction in the area where such residential accommodation is located.

(3) The Magistrate may, after hearing the parties, notwithstanding anything contained in any other law, summarily decide the case and may pass an order directing the employer to pay compensation to the labourer or directing the labourer to vacate the premises within such time as the court may determine.

(4) Where a labourer occupying a residential accommodation provided to him by the employer, dies, the provisions of subsections (1), (2) and (3) shall, with such modifications as may be necessary, apply to the dependents of the deceased labourer, occupying such accommodation.]

**8. Creditor not to accept payment against extinguished debt.**— (1) No creditor shall accept any payment against any bonded debt which has been extinguished or deemed to have been extinguished or fully satisfied by virtue of the provisions of this Act.

<sup>15</sup>[(2) A person, who contravenes the provisions of subsection (1), shall be punished with imprisonment for a term which may extend to three years or with fine which may extend to one hundred thousand rupees but which shall not be less than twenty thousand rupees or with both.]

(3) The court convicting any person under sub-section (2) may, in addition to the penalties which may be imposed under that sub-section, direct such person to deposit, in court, the amount accepted in contravention of the provisions of sub-section (1), within such period as may be specified in the order, for being refunded to the bonded labourer.

<sup>16</sup>[**9. Implementation of the Act.**— (1) The Government may, by notification, authorize any officer in a District to exercise such powers and perform such duties as may be necessary for the effective implementation of the Act.

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<sup>14</sup>Inserted by the Punjab Bonded Labour System (Abolition) (Amendment) Act 2018 (XXIV of 2018), published in the Punjab Gazette (Extraordinary), dated: 24 May 2018, pp. 8159-8163, s. 6.

<sup>15</sup>Substituted *ibid.*, s. 7.

<sup>16</sup>Substituted by the Punjab Bonded Labour System (Abolition) (Amendment) Act 2018 (XXIV of 2018), published in the Punjab Gazette (Extraordinary), dated: 24 May 2018, pp. 8159-8163, s. 8.

(2) The authorized officer may further designate any officer subordinate to him to perform such of his functions and duties as may be delegated to him and specify the local limits for the purpose.]

<sup>17</sup>[**10. Duties of Authorized Officer etc.**– (1) The authorized officer shall, as far as practicable, take necessary measures to promote the welfare of the persons freed from bonded or forced labour by securing and protecting the economic interests of such persons.

(2) The designated officer shall inquire whether any ongoing bonded labour system or any other form of forced labour is being continued by or on behalf of any person who is resident within the local limits of his jurisdiction and if, as a result of such inquiry, any person is found to be continuing the bonded labour system or any other system of forced labour, he shall forthwith submit the matter to the authorized officer for such action as may be necessary under the Act.

(3) An inspector shall, during the course of inspection of an establishment, inquire whether any bonded labour system or any other form of forced labour is being continued by or on behalf of the employer, within the local limits of his jurisdiction and if, as a result of such inquiry, any person is found to be continuing the bonded labour system or any other system of forced labour, the inspector shall forthwith submit the matter to the authorized officer for such action as may be necessary under the Act.

(4) The authorized officer may refer the matter to the District Vigilance Committee for resolution of the dispute, or may direct the designated officer or the inspector to lodge a complaint in the court of competent jurisdiction.

(5) If the emigrant labourers are involved in the bonded or forced labour, the authorized officer may refer the matter to the Federal Investigating Agency established under the Federal Investigation Agency Act, 1974 (*VIII of 1975*) for taking cognizance of the matter.]

**11. Punishment for enforcement of bonded labour.**– Whoever, after the commencement of this Act compels any person to render any bonded labour shall be punishable with imprisonment for a term which shall not be less than two years nor more than five years, or with fine <sup>18</sup>[which may extend to two hundred thousand rupees but] which shall not be less than fifty thousand rupees, or with both.

<sup>19</sup>[**12. Punishment for extracting bonded labour.**– (1) A person who enforces any custom, tradition, practice, contract, agreement or other instrument by virtue of which any person or any member of his family is required to render any service under the bonded labour system, shall be punished with imprisonment for a term which may extend to five years but which shall not be less than two years and with fine which may extend to one hundred thousand rupees but shall not be less than three hundred fifty thousand rupees.

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<sup>17</sup>Substituted *ibid.*, s. 9.

<sup>18</sup>Inserted *ibid.*, s. 10.

<sup>19</sup>Substituted *ibid.*, s. 11.



(2) The Government may make arrangements for payment to the bonded labourer at the rate of minimum wages notified by the Government for that category of work or similar work out of the fine recovered under subsection (1).]

**13. Punishment for omission or failure to restore possession of property to, bonded labourer.**— Whoever, being required by this Act to restore any property to the possession of any bonded labour, omits or fails to do so, within a period of ninety days from the commencement of this Act shall be punishable with imprisonment for a term which may extend to one year, or with fine which may extend to <sup>20</sup>[twenty thousand] rupees, or with both; and out of the fine, if recovered, payment shall be made to the bonded labourer at the rate of <sup>21</sup>[five hundred] rupees for each day during which possession of the property was not restored to him.

**14. Abetment to be an offence.**— Whoever abets any offence punishable under this Act shall, whether or not the offence abetted is committed, be punishable with the same punishment as is provided for the offence which has been abetted.

**Explanation.**— For the purpose of this section, "abetment" has the same meaning as is assigned to it in the Pakistan Penal Code (Act XLV of 1860).

**15. Vigilance Committees.**— (1) Vigilance Committees shall be set up at the District level in the prescribed manner, consisting, of elected representatives of the area, representatives of the District Administration, Bar associations, Press, <sup>22</sup>[social services organizations, representatives of recognized workers' organizations, representatives of recognized employers' organizations; and Public Prosecution and Labour and Human Resource Departments of the Government].

(2) The following shall be the functions of the Vigilance Committees, namely:—

- (a) to advise the District Administration on matters relating to the effective implementation of the law and to ensure its implementation in a proper manner;
- (b) to help in the rehabilitation of the freed bonded labourer;
- (c) to keep an eye on the working of the law; <sup>23</sup>[\*]
- (d) to provide the bonded labourers such assistance as may be necessary to achieve the objectives of the law <sup>24</sup>[;]
- [(e) to create awareness amongst the labourers and the employers about their rights and liabilities under this Act; and
- (f) to resolve the disputes amongst the labourers and the employers referred to it by the Authorized Officer.]

<sup>20</sup>Substituted for the words "one thousand" by the Punjab Bonded Labour System (Abolition) (Amendment) Act 2018 (XXIV of 2018), published in the Punjab Gazette (Extraordinary), dated: 24 May 2018, pp. 8159-8163, s. 12.

<sup>21</sup>Substituted for the words "one hundred" by the Punjab Bonded Labour System (Abolition) (Amendment) Act 2018 (XXIV of 2018), published in the Punjab Gazette (Extraordinary), dated: 24 May 2018, pp. 8159-8163, s. 12.

<sup>22</sup>Substituted for the words "recognized Social Services and Labour Department of the Government" by the Punjab Bonded Labour System (Abolition) (Amendment) Act 2018 (XXIV of 2018), published in the Punjab Gazette (Extraordinary), dated: 24 May 2018, pp. 8159-8163, s. 13.

<sup>23</sup>The word "and" was omitted *ibid*.

<sup>24</sup>Substituted *ibid.*, for the "full stop".

<sup>25</sup>[(3) A Vigilance Committee may constitute a Sub-Committee from amongst its members for carrying out the functions assigned to it under subsection (2).]

<sup>26</sup>**[15A. Provincial Vigilance Committee.–** (1) The Government shall constitute a Provincial Vigilance Committee consisting of such members as the Government may appoint.

- (2) The Provincial Vigilance Committee shall:
- (a) review the implementation of this Act and the action plan relating to abolition of bonded or forced labour and the rehabilitation of persons freed from bonded labour;
  - (b) monitor the working of the District Vigilance Committees constituted under the Act and the rules made thereunder; and
  - (c) address the concerns of national and international bodies on matters relating to the bonded or forced labour.]

**16. Offences to be tried by the Magistrate.–** <sup>27</sup>[(1) A Magistrate of the first class may, within the local area of his jurisdiction, try any offence under the Act.]

- (2) An offence under this Act may be tried summarily.

**17. Cognizance of offences.–** <sup>28</sup>[(1)] Every offence under this act shall be cognizable and bailable.

<sup>29</sup>[(2) An offence under the Act, except an offence punishable under section 12, shall be compoundable with the permission of the court of competent jurisdiction.]

**18. Offences by companies.–** (1) Where an offence under this Act has been committed by a company, every person who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, shall be deemed to be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

(2) Notwithstanding anything contained in sub-section (1), where any offence under this Act, has been committed by a company and it is proved that the offence has been committed with the consent or connivance of, or is attributable to, any neglect on the part of any director, manager or other officer of the company, such director, manager or other officer shall be deemed to be guilty of that offence and shall be liable to be proceeded against and punished accordingly.

**Explanation.–** For the purposes of this section,–

- (a) "company" means any body corporate, and includes a firm or other association of individuals; and

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<sup>25</sup>Added *ibid.*,

<sup>26</sup>Inserted *ibid.*, s. 14.

<sup>27</sup>Substituted *ibid.*, s. 15.

<sup>28</sup>Renumbered *ibid.*, s. 16.

<sup>29</sup>Inserted *ibid.*

(b) "director", in relation to a firm, means a partner in the firm.

**19. Protection of action taken in good faith.**— No suit, prosecution or other legal proceeding shall lie against Government or any officer of the Government for anything which is in good faith done or intended to be done under this Act.

**20. Jurisdiction of courts barred.**— Save as otherwise provided in this Act, no court shall have jurisdiction in respect of any matter to which any provision of this Act applies and no injunction shall be granted by any court in respect of anything which is done or intended to be done under this Act.

**21. Power to make rules.**— The <sup>30</sup>[\* \* \* \*] Government may, by notification in the official Gazette, make rules for carrying out the purposes of this Act.

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<sup>30</sup>Omitted the word "Federal" by the Punjab Bonded Labour System (Abolition) (Amendment) Act 2012 (XXIV of 2012), w.e.f. 11.2.2012, s.8; and published in the Punjab Gazette (Extraordinary), pages 40169-40170.