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**GOVERNMENT OF THE PUNJAB  
PUNJAB PROCUREMENT REGULATORY AUTHORITY  
SERVICES AND GENERAL ADMINISTRATION  
DEPARTMENT**

304-T, 3<sup>rd</sup> Floor Al-Falah Building, The Mall Lahore.  
Dated Lahore, the 18<sup>th</sup> May, 2023

**CIRCULAR**

000420

**No. L&M(PPRA)10-1/2011.** Punjab Procurement Regulatory Authority (PPRA) is frequently being approached by different institutions / procuring agencies as well as by the private firm/contractors for seeking advice and clarification as to what modus operandi shall be adopted for the application of revised minimum wage rates. In this scenario following questions were raised:

- i) If minimum wages rates are revised by the government, what will be its impact on the ongoing contracts (security services / janitorial services etc.) signed between the Procuring Agency based on previous minimum wages rates?
- ii) Many Procuring Agencies have already finalized their procurement process and are at contract awarding stage for the tender floated on the basis of previous minimum wages rates for Security / janitorial services. What modus operandi may be adopted to deal with this scenario?

2. The matter was discussed with Finance Department, Labor & HR Department and Law & Parliamentary Affairs Department at length. It is, accordingly clarified for the information convenience of all the procuring agencies that Government is empowered under Section 6 of Punjab Minimum Wages Act, 2019, to notify minimum rates of wages, recommended by the Minimum Wages Board for various categories of workers (as defined in Section 2(t) of the Act *ibid*). Any contravention of such minimum wage rate is an offence, punishable under Section 19 of the Act *ibid*. That being the case, the employers are bound to abide by the rates of minimum wages, notified by the Government. Therefore, the **rates of**

**minimum wages are not only to be applicable on the ongoing contracts, but also on those, at awarding stage.** To address this issue, procuring agencies may bridge the gap in contract price, resulted due to enhancement in the minimum wage rates.

3. In the wake of above, all procuring agencies are advised to ensure that rates of minimum wages (as and when revised by the government) are to be made applicable not only on the ongoing contracts but also on the tenders under consideration/under process at the time of revision of the rates. All the Procuring Agencies shall ensure the payment of revised contract price to the contractors for its onward disbursement to the employees/workers. It is further clarified that if the Procuring Agency does not pay the enhanced/revised wages/contract price to the contractor, the responsibility of this lapse/violation shall entirely rest with Procuring Agency.

**-Sd-**  
**(WAQAR AZIM)**  
Managing Director, PPRA

**No. & Date even.**

A copy is forwarded for information and necessary action to:-

1. The Senior Member, Board of Revenue, Punjab.
2. The Chairman, Planning & Development Board.
3. The Inspector General of Police, Punjab.
4. The Accountant General, Punjab.
5. All the Administrative Secretaries, Govt. of the Punjab.
6. All the Divisional Commissioner in Punjab.
7. All the Heads of Attached Departments, Punjab.
8. All the Heads of Autonomous Bodies, Punjab.
9. The Director General Anti-Corruption Punjab.
10. All the Deputy Commissioners in Punjab.
11. PSO to the Chairman PPRA/Chief Secretary, Punjab.
12. PSO to the Additional Chief Secretary, Punjab.
13. Web-Developer/Data Administrative, PPRA with the direction to immediately upload the same on the website of the PPRA.
14. PS to MD, PPRA.

*Abdus Salam*  
SENIOR LAW OFFICER  
PPRA S&GAD 18/5/2023

Cc:

1. The Registrar, Lahore High Court Lahore.
2. The Director General NAB, Lahore.
3. The Ombudsman, Punjab.