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අති විශේෂ EXTRAORDINARY

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No. 1504/4 – MONDAY, JULY 02, 2007

(Published by Authority)

PART I : SECTION (I) – GENERAL

Government Notifications

My No.: CI/1027(A).

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between People's Bank, No. 75, Sir Chittampalam A. Gardiner Mawatha, Colombo 02, of the one part and People's Bank Officers' Association, No. 75, Sir Chittampalam A. Gardiner Mawatha, Colombo 02 of the other part on 29th June, 2006 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, Legislative Enactments of Ceylon (Revised Edition 1956).

D. SOMAWEERA EDIRISINGHE,
Commissioner - General of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
17th May, 2007.

Collective Agreement No. 03 of 2007

COLLECTIVE AGREEMENT

BETWEEN

People's Bank, No. 75, Sir Chittampalam A. Gardiner Mawatha, Colombo 02, of the one part

AND

People's Bank Officer's Association, No. 75, Sir Chittampalam A. Gardiner Mawatha, Colombo 02, of the other part.

This Collective Agreement made on this 29th day of June, 2006 by and between the People's Bank (hereinafter referred to as "the Bank") of the one part and the People's Bank Officer's Association (hereinafter referred to as "the Officer's Association") of the other part.

Title.– This Agreement will be known and referred to as "People's Bank Collective Agreement with the People's Bank Officers' Association for the period First January Two Thousand Six to Thirty First December Two Thousand Eight (01.01.2006 to 31.12.2008)."

1. **Employers to be Covered and Bound.**– This Agreement shall cover and bind the People's Bank, which is a party to this Agreement.

2. **Employees to be Covered and Bound.**— This Agreement shall cover and bind members of the People's Bank Officers' Association in employment with the Bank and who are employed in any of the categories for whom a salary scale has been prescribed in this Agreement in the Annexure attached hereto.

3. **Date of Operation and Duration.**— This Agreement is deemed to be in force from 1st January, 2006 and thereafter continue to be in force, unless it is determined by either party giving six months notice in writing to the other party, provided however, that no party shall give such notice to the other party before the 1st day of July, 2008 and such notice shall not expire before the 31st day of December, 2008.

4. **Matters Covered and Variation of Terms and Conditions of Employments and Benefits.**— (a) This Agreement shall be in full and final settlement of all matters covered herein as well as of all the matters raised by the Officers' Association in relation to 2006 - 2008 and in respect of which negotiations took place in between the parties before the conclusion of this Agreement and the Officers' Association agrees that it will not during the continuance in force of this Agreement raise any of the matters which were discussed and negotiated between the parties preceding this Agreement other than the matters relating to non salary benefits which shall be discussed by the Management of the Bank with the Union and the Officers' Association and reach finality on or before 30th September, 2006 after an agreement has been arrived at, as regards non salary benefits the terms and conditions of same shall be annexed to this agreement, which shall form an integral part thereof.

(b) The Officers' Association and its members shall not during the continuance in force of this Agreement seek to vary, alter or add to all or any of the terms and conditions of employment or benefits applicable or enjoyed as provided for in this Agreement other than by mutual agreement with the Bank.

5. **Salary Components.**— As from 01.01.2006 each employee covered and bound by this Agreement shall be paid upon and subject to the other terms and conditions herein contained a monthly salary which comprise of the following components:

- (i) Fixed component linked to "Basic Salary" and related allowances.
- (ii) Variable Component linked to performance.

FIXED COMPONENT.— The fixed component comprise the following items:

- (i) Revised Basic salary as set out in the Annex I hereto. (Those reaching the maximum of the salary scales of the highest grade in each category marked (f) against in the Annex I and all Officer Grades will be entitled for increments continuously not withstanding the maximum point given in the salary scales.)
- (ii) ALLOWANCES.— (a) In addition to the basic salary, the following allowances will be paid, effective from 01.01.2006:
 - (i) Cost of Living Allowance as per item (b) below.
 - (ii) Rent Allowances as per item (c) below.
 - (iii) 10% of Revised Basic Salary, Rent Allowance and Cost of Living Allowance.
- (b) The Cost of Living Allowance at the rate of Rs. 2.75 frozen as at December, 1999, at the index point of 2404.9. Commencing January, 2000, every one point change over and above the Colombo Consumer Price Index (CCPI) of December, 1999, only will be computed at Rs. 3. If the Index point drops below December, 1999, level i.e. 2404.9 the computation should be at the rate of Rs. 2.75 per point.
- (c) The Rent Allowance, which will be 20% of Basic Salary with a minimum of Rs. 1,400.

VARIABLE COMPONENT.— Basis of determination of Variable Component will be determined in the course of time.

6. **Tax on Emoluments.**— Payee Tax payment to be re-imbursed by the Bank without any effect to the take home salary.

7. **Conversion of the Basic Salary.**— (a) The Basic Salaries of all employees will be converted to the revised scale by applying the step for step (point by point) method of conversion.

e.g.— An employee who had been on the 5th step of the scale as at 31st December, 2005, will be placed on the 5th step of the relevant revised scale with effect from 01st January, 2006.

(b) Non-Banking Stream personnel shall also be placed at the appropriate revised salary scale on the same basis.

8. **Conversion Anomalies.**— Any anomalies that would arise consequent to this revision shall also be examined by a Committee comprising of representatives of the Bank and the Association and will be rectified suitably.

9. It is agreed by both parties to this Agreement that all allowances and other benefits enjoyed by the employees of Bank of Ceylon and People's Bank shall be equal.

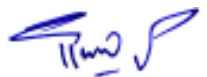
10. It is further agreed by the People's Bank Officers' Association that scales and various other allowances of the officers not covered by this Agreement shall be decided by the Board of Directors of the Bank.

11. The Officers' Association further agrees to assist and support the Management of the Bank in every manner to obtain the maximum contribution of its members to achieve the targets set out in the Business Performance Plan of the Bank. In this regard, the Association will mobilize its members on a voluntary basis, at least on 08 holidays, for projects mutually agreed upon by the Management of the Bank and the Association, in order to implement plans designed in that direction.

12. Where the existing terms and conditions of employment of an employee covered and bound by this agreement and any existing concessions extended to the members of the Officers' Association are more favourable than the terms and conditions provided for in this agreement, then nothing in this Agreement shall in any way affect or prejudice such existing terms and conditions of employment or such concessions and such terms and conditions of employment and concessions shall continue to exist, notwithstanding anything to the contrary contained herein.

13. Where an employee was immediately prior to the date hereof entitled to or becomes entitled on or after that date under or by virtue of any law, contract, agreement, award or custom to any rights or privileges more favourable than those to which he/she would be entitled under this agreement, nothing in this agreement shall be deemed or construed to authorise or permit the Bank to withhold, restrict or terminate such right or privilege.

THE COMMON SEAL OF THE PEOPLE'S BANK WAS AFFIXED HERETO AT COLOMBO ON THIS 29 TH DAY OF JUNE, 2006, IN THE PRESENCE OF DR. P. A. KIRIWANDENIYA, CHAIRMAN AND MR. ASOKA DE SILVA, CEO/GM OF PEOPLE'S BANK.



P. A. KIRIWANDENIYA,
Chairman



ASOKA DE SILVA,
CEO/General Manager.

PEOPLE'S BANK OFFICERS' ASSOCIATION

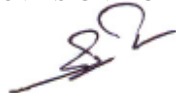


S. S. A. L. SIRIWARDENA,
President.



PIYASIRI WADUGE,
Secretary.

WITNESS TO THE ABOVE SIGNATURES:



T. KARUNASENA,
Senior Deputy General Manager.
(Business Support & Productivity Management)



AJITH WEERASINGHA,
Deputy General Manager (HR).

WITNESS TO THE ABOVE SIGNATURES:



SUMATHIPALA KARIYAWASAM



R. G. JAYATISSA

COLLECTIVE AGREEMENT OF STATE BANKS – 2006 – 2008

REVISED SALARY SCALES – PEOPLE'S BANK

| Grade | Present Scale 2003 | Revised Scale 2006 |
|---------|-----------------------------------|------------------------------------|
| GR – I | 22,575 – 33,300 <hr/> 715 × 15 | 33,870 – 49,950 <hr/> 1340 × 12 |
| GR – II | 18,250 – 30,350 <hr/> 605 × 20 | 26,645 – 44,245 <hr/> 880 × 20 |

| <i>Grade</i> | <i>Present Scale 2003</i> | <i>Revised Scale 2006</i> |
|--|-----------------------------------|-----------------------------------|
| GR - 3(I) | 15,150 - 25,750 <hr/> 530 × 20 | 21,970 - 37,370 <hr/> 770 × 20 |
| 3(II)/Dy. Finance Officer/ Asst. Law Off. -II/Asst. Secu. Sup-II/Con. Secretary - II (F) | 12,750 - 20,850 <hr/> 450 × 20 | 18,105 - 28,705 <hr/> 530 × 20 |
| 3 - III (BS)/Con. Sec. - 1 | 9,900 - 16,900 <hr/> 350 × 20 | 14,070 - 23,070 <hr/> 450 × 20 |
| 3 - (III)(NBS)/Asst. Fin. Off/ Asst. Law Off. -I/Asst. Secu. Sup-I/Jun. Con. Sec. | 9,900 - 15,600 <hr/> 285 × 20 | 14,070 - 21,570 <hr/> 375 × 20 |
| Gr. IV/Secu. Insp. Steno-Supra - (C) - (F) | 8,650 - 13,250 <hr/> 230 × 20 | 12,500 - 19,100 <hr/> 330 × 20 |

Allowances payable in Addition to the Basic Salary:- (i) Rent allowance (20% of basic salary) with a minimum of Rs. 1400/-

(ii) The Cost of Living Allowance at the rate of Rs. 2.75 will be frozen as at December 1999 at the point of 2404.9. Every one point over and above the Colombo Consumer's Price Index (CCPI) of December 1999 only will be computed at Rs. 3/-. If the Index point drops below December level *i.e.* 2404.9 the computation will be at the rate of Rs. 2.75 per point.

(iii) 10% of Basic Salary, Cost of Living Allowance and the Rent Allowance.

ADDENDUM TO COLLECTIVE AGREEMENT

(For the Period 01.01.2006 to 31.12.2008)

BETWEEN

People's Bank, No. 75, Sir Chittampalam A. Gardiner Mawatha, Colombo 02, (hereinafter referred to as the Bank) of the one part

AND

People's Bank Officer's Association, No. 75, Sir Chittampalam A. Gardiner Mawatha, Colombo 02, (hereinafter referred to as the Officers' Association) of the other part.

This Agreement is made and entered into at Colombo on this 13th day of February 2007 by and between the People's Bank and the Officers' Association.

WHEREAS the Bank and the Officers' Association has entered into a Collective Agreement dated 29th June, 2006 for the period 01.01.2006 to 31.12.2008. (hereinafter referred to as the "Collective Agreement".)

AND WHEREAS by the said Collective Agreement, the parties hereto agreed to finalise the terms and conditions regarding Non-salary benefits and other allowances of the employees of the Bank covered by the said Collective Agreement.

AND WHEREAS, the parties hereto agreed to the Non-salary benefits and other allowances and medical assistance which are included in this Addendum in the First and Second Schedules hereto respectively, which form an integral part of the said Collective Agreement.

THE FIRST SCHEDULE ABOVE REFERRED TO

1. **Non Salary Benefits.**– The following allowances will come into effect from 1st January, 2006 in the case of categories of employees specified under each of the following sub-categories:

1.1 CASHIER'S RISK ALLOWANCE.– Cashiers and Cashier cum Clerk who are called upon to bear the cash risk, will be paid an allowance of Rs. 55/- per day on which such work is performed.

1.2 VDU OPERATORS' ALLOWANCE.–

1.2.1 The Bank will pay an allowance of Rs. 30/- per day upto a maximum of Rs. 600/- per month, only to employees whose main or primary function, as decided by the Management of the Bank is the operation of a VDU and works on full time basis at a VDU. The Officers' Association will have the right to make representation to the Bank on the question whether, the main or primary function of an employee is the operation of a VDU.

1.2.2 Where a Cashier or Teller of the Bank operates a VDU and if such person is entitled to a Teller Allowance / Black Light Allowance, such Cashiers or Tellers will be entitled to only 50% of the VDU allowance.

1.2.3 Those employees who work on a VDU on relief or part time basis will be entitled to this allowance, only if the employee performs such duty for two hours or more per day.

1.2.4 A VDU shall mean an appliance incorporating Cathode Ray Tube, which is used to input or retrieve information to or from a Computer.

1.2.5 Non Receipt of Two Allowances.– No employee shall be entitled to more than any one of the undermentioned allowances:

(a) Telex Operators' Allowance.

(b) VDU Operators' Allowance.

1.3 DEVELOPMENT ASSISTANTS' ALLOWANCE.– Development Assistants will be paid an allowance of Rs. 1250/- per month.

1.4 TELLERS' ALLOWANCE / BLACK LIGHT ALLOWANCE.– Those appointed as Tellers' and are exercising such duties will be paid an allowance of Rs. 50/- per day worked subject to a maximum of Rs. 1,000/- per month. Those exercising authority on Black Light signature verification will be paid an allowance of Rs. 25/- per day subject to a maximum of Rs. 500/- per month, provided however, no employee shall be entitled to receive both these allowances for any one day.

1.5 MACHINE OPERATORS' ALLOWANCE.– Those who operate heavy electrical and mechanical accounting machines, such as NCR type 32 will be paid an allowance of Rs. 20/- per day on which such work is performed.

1.6 TELEX OPERATORS' ALLOWANCE.– Where the Bank as at the date of this Agreement, pays an allowance expressly as a Telex Operators' Allowance, the Bank will pay as from the effective date of this Agreement, Rs. 50/- per day subject to a maximum of Rs. 1000/- per month, provided such work is performed by Operators other than those who have been recruited for the purpose.

1.7 KEY HOLDING ALLOWANCE.– Clerks / Clerk cum Cashiers duly authorized to hold keys that would normally be handled by an officer will be paid a Key Holding allowance of Rs. 20/- per day.

1.8 DISTURBANCE ALLOWANCE.– Employees who are not on shift duty but called upon to report for duty before 6.30 a. m. will be paid a Disturbance Allowance as given below:

| Grade | | Amount |
|--|---|-------------------|
| Gr. III (2) and above | – | Rs. 175/- per day |
| Gr. III (3) & Gr. IV Clerical and allied | – | Rs. 150/- per day |
| Below Clerical | – | Rs. 110/- per day |

1.9 OUT OF POCKET ALLOWANCE.– Officers who are called upon to work on weekdays, after normal office hours or on holidays will be paid at following hourly rates subject to a limit of 2 hours on weekdays and maximum of 8 hours on holidays and subject to existing regulations :

| Grade | | Amount |
|-----------------|---|----------------|
| Gr. I and above | – | Rs. 300/- p.h. |
| Gr. II | – | Rs. 275/- p.h. |
| Gr. III (1) | – | Rs. 250/- p.h. |
| Gr. III (2) | – | Rs. 215/- p.h. |
| Gr. III (3) | – | Rs. 185/- p.h. |
| Gr. IV | – | Rs. 165/- p.h. |

The hourly rate paid for weekends and statutory holidays will be 1 1/2 (one and half) the normal rate. The entitlement for out of pocket allowance is based on a minimum one hour of work after the normal working hours. However the employees are entitled to claim out of pocket allowance for the work done beyond one hour for the following 15, 30 and 45 minutes too, proportionately and within the above limit.

- 1.10 SPECIAL ALLOWANCE FOR NORTH AND EAST.- Employees attached to the Branches situated in the Northern Province and Eastern Province irrespective of their grades will be paid an allowance of Rs. 2000/- per month until conditions return to normal. This allowance will be extended to the staff attached to Branches in the peripheral areas as per Public Administration Circular No. 29 / 95 And it's addenda. Additional Rs. 1000/- will be paid for staff attached to branches affected by war. These branches will be declared by a circular in future.

- 1.11 DEFFICULT STATION ALLOWANCE.- Employees who are serving in Branches categorised as uncongenial and highly uncongenial will be paid a Difficult Station Allowance as given below on a monthly basis:

Highly Uncongenial:

| | | |
|---------------------------------|---|----------------|
| Manager Gr. III (1) and above | — | Rs. 1950/-p.m. |
| Officers including Steno (C.S.) | — | Rs. 1500/-p.m. |
| Clerical and Allied grades | — | Rs. 1200/-p.m. |
| Below Staff Asst. grades | — | Rs. 800/-p.m. |

Uncongenial:

| | | |
|---------------------------------|---|----------------|
| Manager Gr. III (1) and above | — | Rs. 1400/-p.m. |
| Officers including Steno (C.S.) | — | Rs. 1100/-p.m. |
| Clerical and allied grades | — | Rs. 800/-p.m. |
| Below Clerical grades | — | Rs. 550/-p.m. |

(50% increase after two years, if a transfer is requested.)

- 1.12 ACTING ALLOWANCE.- An officer acting in a higher grade will be paid an Acting Allowance a sum equivalent to one half the difference between the initial of the salary scale of the acting grade and his grade, provided he has acted for more than 30 days at a stretch, subject to existing regulations.

- 1.13 PROPORTIONATE ANNUAL INCREMENT ON RETIREMENT.- It is also agreed to grant salary increments proportionately on the basis of completed months to those retiring prior to date of annual increment.

THE SECOND SCHEDULE ABOVE REFFERED TO

Medical Assistance Scheme.- Reimbursement of Medical Expenses will be made in terms of existing regulations subject to the limits specified below which shall come into effect from 01.01.2006 to 31.12.2008.

MEDICAL ASSISTANCE SCHEME - SUMMARY OF MEMBERS ENTITLEMENT

| Main and Sub Category | Executive Grade Rs. | Officer Grade Rs. | Clerical Grade Rs. | Other Grades Rs. |
|--------------------------|------------------------|----------------------|-----------------------|---------------------|
| A. Hospitalisation: | | | | |
| A (1) + (II) | 85,000 | 75,000 | 65,000 | 60,000 |
| (Amalgamate (I) + (II) | | | | |
| Hospitalisation for | | | | |
| Medical Treatment and | | | | |
| Surgical treatment) | | | | |
| (III) Maternity (F): | | | | |
| (a) Normal Forceps | 16,000 | 14,000 | 12,500 | 12,500 |
| (b) Caesarian | 26,000 | 23,500 | 21,000 | 21,000 |
| B. Non Hospitalisation: | | | | |
| (I) Treatments given by | 14,500 | 14,500 | 14,500 | 14,500 |
| Speicalists (c) | | | | |
| (II) Routine (H): | 13,000 | 13,000 | 12,000 | 12,000 |
| (On reimbursement basis) | | | | |

| Main and Sub Category | Executive Grade Rs. | Officer Grade Rs. | Clerical Grade Rs. | Other Grades Rs. |
|--|------------------------|----------------------|-----------------------|---------------------|
| (III) Tests and Special Services (E) | 10,000 | 10,000 | 10,000 | 10,000 |
| (IV) Corective Treatment/ appliances (a) | 14,000 | 14,000 | 14,000 | 14,000 |

(Excess amounts to be reimbursed under Routine Medical Expenses if a balance is available)

If any of categories B1, B III & B IV have exhausted, unutilised portion of B1, BIII or B IV can be used.

* C. Special Categories
Grave Illness 500,000/- 500,000/- 500,000/- 500,000/-

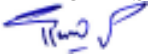
*Once in a life time to the staff member and to another family member so that the total claimed either by the staff member or any other member of the family or both do not exceed Rs. 500,000/-.


A Pensioner and his/her spouse will be entitled to this facility.

| Main and Sub Category | Executive Grade Rs. | Officer Grade Rs. | Clerical Grade Rs. | Other Grades Rs. |
|---------------------------------|------------------------|----------------------|-----------------------|---------------------|
| D. Travelling (G) | 2,500 | 2,500 | 2,500 | 2,500 |
| E. Probationers (I) | 6,000 | 6,000 | 6,000 | 6,000 |
| F. Maternity in Govt. Hospitals | | | | |
| Normal/Forceps | 12,000 | 12,000 | 12,000 | 12,000 |
| Caesarian | 14,000 | 14,000 | 14,000 | 14,000 |
| G. Treatment at Govt. Hospitals | | | | |
| General | 1,500/-p.d. | 1,500/-p.d. | 1,500/-p.d. | 1,500/-p.d. |
| Surgical | 2,000/-p.d. | 2,000/-p.d. | 2,000/-p.d. | 2,000/-p.d. |
| (Maximum period 30 days only) | | | | |

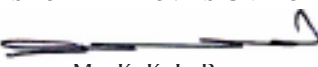
Disabled children will be enrolled irrespective of their age limit.

For and on behalf of
THE PEOPLE'S BANK


DR. P. A. KIRIWANDENIYA,
Chairman.



MR. ASOKA DE SILVA,
CEO / General Manager.

WITNESSES TO THE ABOVE SIGNATURES:


MR. K. K. L. PIYASENA,
Senior Dv. General Manager (Bs and Pm).

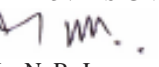

MR. H. S. DHARMASIRI,
Dy. General Manager (Hr).


PEOPLE'S BANK OFFICERS' ASSOCIATION


MR. R. G. JAYATISSA,
President.


MR. PIYASIRI WADUGE,
Secretary.

WITNESSES TO THE ABOVE SIGNATURES:


MR. N. R. JAYATILAKE,
Vice President.


MR. K. B. S. KULASINGHE,
Asst. Secretary.

Colombo, on this 13th day of February, 2007.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Ceylon Leather Products Limited, 141, Church Road, Colombo 15 of the one part and Inter Company Employees Union, No. 158/18, E. D. Dabare Mawatha, Colombo 05, Jathika Sevaka Sangamaya, No. 416, Kotte Road, Pitakotte, Sri Lanka Nidahas Sevaka Sanagamaya, No. 301, T. B. Jayah Mawatha, Colombo, United Corporations and Mercantile Union, No. 457, Dr. Kolvin R. de Silva Mawatha, Colombo 2 of the other part on 1st March, 2007 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, Legislative Enactments of Ceylon (Revised Edition 1956).

D. SOMAWEERA EDIRISINGHE,
Commissioner - General of Labour.

Department of Labour,
Labour Secretariat,
Colombo 5,
17th May, 2007.

Collective Agreement No. 05 of 2007

Ceylon Leather Products Ltd., 141, Church Road, Colombo 15.

COLLECTIVE AGREEMENT

2006/2009

CC:

Director General-Employers' Federation of Ceylon.
General Secretary-Inter Company Employees Union.
General Secretary-Jathika Sevaka Sangamaya.
General Secretary-Sri Lanka Nidahas Sevaka Sangamaya.
General Secretary-United Commercial and Mercantile Union.

COLLECTIVE AGREEMENT

This Collective Agreement entered into between Ceylon Leather Products Limited, a Company duly registered and having its registered office at 141, Church Road, Colombo 15 and hereinafter referred to as the Employer on the one part and the Inter Company Employees Union, a Trade Union duly registered and having its registered office at No. 158/18, E. D. Dabare Mawatha, Colombo 5, the Jathika Sevaka Sangamaya, a Trade Union duly registered and having its registered office at No. 416, Kotte Road, Pitakotte, the Sri Lanka Nidahas Sevaka Sangamaya a Trade Union duly registered and having its registered office at No. 301, T. B. Jayah Mawatha and the United Corporations and Mercantile Union, a Union duly registered and having its registered office at No. 457, Dr. Kolvin R. de Silva Mawatha, Colombo 2, hereinafter referred to as the "Unions" as the parties of the other part. Whereas the Unions made representations to the Employer for the revision of salaries of their members employed by the Employer and the parties have, after discussions arrived at the following terms of settlement.

(1) **Employees Covered and Bound.**— This Agreement shall cover and bind the Employer, the Unions and Employees of the Employer who are members of such Unions employed on permanent contract of service not in executive grades and who are in service at the time of signing this Agreement. This Agreement shall not apply to probationers.

(2) **Effective Date of Operation.**— This Agreement shall take effect from 1.4.2006 and shall otherwise terminated by either party giving one month's written notice to the other, shall continue to remain in force provided however that neither party shall give such notice prior to 28th of February, 2009 and the Agreement shall not stand terminated prior to 31.3.2009.

(3) **Wage Increase.**— The Employer would grant the following wage increases:

- (a) Rs. 800/- for the period 1.4.2006 to 31.3.2007
- (b) Rs. 800/- for the period 1.4.2007 to 31.3.2008
- (c) Rs. 600/- for the period 1.4.2008 to 31.3.2009

The Employer and Unions agree that for the period 1.4.2006 to 31.1.2007 that is for the period of 10 months and employee would be paid up to a maximum of Rs. 800/- per month as notional arrears, which would not attract EPF, ETF, overtime or any other statutory benefits.

If during the continuance in force of this Agreement, the government prescribes increases in salary by any written law, applicable to the Company, the Employer shall be entitled to take credit for the increases granted.

(4) **Leave.**— Those Employees covered by the Shop and Office Employees Act would be granted leave as per the provisions of such Act and those Employees covered by the relevant Wages Board would be granted leave as per such Wages Board.

(5) **Annual Bonus.**— Employees covered by this Agreement will be given on annual bonus of Rs. 10,000/- in December. In calculation, the annual bonus, no pay absence in the year in question will be taken into consideration and for each day of no pay absence on amount equivalent to 1/20th of the monthly basic wage will be deducted.

(6) **Special Leave to Attend Annual General Meeting of Union.**— An employee who is a member of a recognized Union would be granted a day's special leave in the first Friday of December of each year to attend the Annual General Meeting.

(7) **Production Targets.**— From the effective date of this Agreement, the respective targets and incentives payable in respect of the shoe factory and tannery section will be as per Annexures X₁ and X₂ annexed to this Agreement. In the miscellaneous goods, factory all targets would increase by 10% from the date of this Agreement. Only goods manufactured to the stipulated quality standards would be taken into consideration in all targets mentioned above.

(8) **Disputes Settlement Procedure.**— The Union agrees to the following dispute settlement procedure:-


- Whenever there is a dispute, a written statement of the dispute should be forwarded by the relevant Union's Branch Committee to the Employer, and at least two weeks given for the Employer to resolve the dispute.
- If no satisfactory solution is found, the matter should be referred to the Parent Union and to the Employers' Federation of Ceylon (EFC) for the purpose of attempting to resolve the dispute.
- If after discussion, the matter cannot be resolved by the intervention of the EFC and the Parent Union, the conciliatory proceedings under the Industrial Disputes Act should be followed.
- If the conciliation has failed in the Labour Department, the Union wishes to take Trade Union action, written notice should be given of not less than 14 days to the Employer and to the EFC regarding such Trade Union action.


(9) The Employer, Unions and the Employees covered and bound by this Agreement hereby agreed that no party shall attempt to amend, vary or alter the terms of this Agreement during its period of operation and the Unions and the Employees agree that they shall not, either raise or demand or resort to any form of Trade Union action, whatsoever in relation to any matter covered and bound by this Agreement.

(10) The Unions and Employees agree that they would at all times give their fullest co-operation and support to achieve the required production targets and the Employees agree to perform work assigned to them within the purview of their duties at any location on the production floor.

(11) The Union and Employees agree that they would not demand and that there would be no increases whatsoever of a monetary nature during in respect of prevailing terms and conditions the pendency of this Agreement.

In witness whereof the parties have set their hands at Colombo on this 1st Day of March 2007.


SIDDASRI SITENDRA SENARATNE
For and on Behalf of
CEYLON LEATHER PRODUCTS LTD.


R. A. DON JAYATHILAKA
For and on Behalf of
INTER COMPANY EMPLOYEES' UNION

WITNESSES:


M. S. K. PERERA,
General Manager.

WITNESSES:



SARATH WIJESIRI,
Branch Chairman.


10 A

I කොටස: (I) පෙදිය - ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ අති විශේෂ ගැසට් පත්‍රය - 2007.07.02

PART I: SEC. (I) - GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA - 02.07.2007

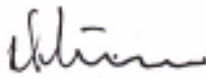

L. A. P. WIJETUNGA,
HR Manager.

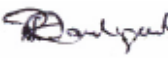

V. K. D. S. GUNASEKARA,
Branch Secretary.


HEMAPALA GURUSINGHE,
For and on behalf of,
JATHIKA SEVAKA SANGAMAYA.



WC Member.



WC Member.



RANJITH HETTIARACHCHI,
For and on behalf of
SRI LANKA NIDHAS SEVAKA SANGAMAYA.


H. D. DE SILVA,
BW Chairman.


H. D. DE SILVA,
BW Chairman.


M. Hemapala,
Commercial and Mercantile Union.


L. H. A. PRIYANTHA,
B/5.


L. G. PRIYANTHA,
Treasurer.

CEYLON LEATHER PRODUCTS LIMITED.

Annexture-X1

Existing Norms and proposed Norms for the forthcoming collective Agreement -2006/09 Shoe Factory

| Department / Operations | Target Norm | Expected Increase (%) | Total Increase | Target Production | Rate | | Higher Norm | Expected Increase (%) | Total Increase | Total Production |
|--|-------------|-----------------------|----------------|-------------------|----------|--------|-------------|-----------------------|----------------|------------------|
| | | | | | P/person | P/Pair | | | | |
| 240 A Lasting 241 A Lasting 241 C Finishing 233 Marking Skiving Zig Zag Stitch Toe Pasting Toe Attaching Eyeletting Lacing For Large shoes 725,HLU,205,706 For Small shoes 704,707,241,40 MRP Zig Zag Stitch Eyeletting Marking | 866 | - | - | 866 | 90.00 | | - | - | - | - |
| | 502 | 5 | 25 | 527 | 100.00 | | 652 | 5 | 33 | 685 |
| | 450 | 10 | 45 | 495 | 20.00 | | 800 | 10 | 80 | 880 |
| | | | | | | 0.45 | | | | |
| | | | | | | 0.4 | | | | |
| | 450 | 10 | 45 | 495 | | 0.75 | 666 | 10 | 67 | 733 |
| | | | | | | 0.2 | | | | |
| | | | | | | 0.5 | | | | |
| | | | | | | 0.75 | | | | |
| | | | | | | 0.25 | | | | |
| | | | | | | 0 | | | | |
| | | | | | | 0.5 | | | | |
| | 600 | 10 | 60 | 660 | | 0.5 | 800 | 10 | 80 | 880 |
| | | | | | | 0.2 | | | | |
| | | | | | | 0 | | | | |
| Skiving small shoe Back piece attaching Large shoe Back piece attaching Small shoe Tongue Attaching Trimming only Tongue Lin.Pasting (with helpers) Tongue Lin.Pasting (with out helpers) Large Shoe under Trimming stitching Small Shoe under Trimming stitching Lining Attaching Folding Vamping 240 Spew Trimming 240 DMS Moulding | 450 | 10 | 45 | 495 | | 0.4 | 666 | 10 | 67 | 733 |
| | 130 | 10 | 13 | 143 | | 1.5 | 160 | 10 | 16 | 176 |
| | 400 | 10 | 40 | 440 | | 0.6 | 500 | 10 | 50 | 550 |
| | 450 | 10 | 45 | 495 | | 0.75 | 550 | 10 | 55 | 605 |
| | | | | | | 0.5 | | | | |
| | 350 | 10 | 35 | 385 | | 0.8 | 480 | 10 | 48 | 528 |
| | 175 | 10 | 18 | 193 | | 1.05 | 240 | 10 | 24 | 264 |
| | 170 | 10 | 17 | 187 | | 0.75 | 235 | 10 | 24 | 259 |
| | 225 | 10 | 23 | 248 | | 0.5 | 275 | 10 | 28 | 303 |
| | 600 | 10 | 60 | 660 | | 0.3 | 800 | 10 | 80 | 880 |
| | 120 | 10 | 12 | 132 | | 2.4 | 150 | 10 | 15 | 165 |
| | 110 | 10 | 11 | 121 | | 2 | 130 | 10 | 13 | 143 |
| | 140 | 10 | 14 | 154 | 64.00 | | - | - | - | - |
| | 90 | 10 | 9 | 100 | | 2.45 | - | - | - | - |

Note:

- 01) 220 -Clicking and hand Clicking piece rates adjusted by 10%
02) IMS- Moulding piece rates adjusted by 10%

CEYLON LEATHER PRODUCTS LIMITED
ANNEXURE - X2
PROPOSED NORMS & INCENTIVE SCHEME FOR TANNERY - YEAR 2007

Page 1

| NO. | Operation | No. of People | Unit | NORM PER DAY | INCENTIVE PAYMENTS | | | | | | | |
|--|---|---------------|--------|--------------|--------------------|------------|---------|--------|---------|--------|---------|--------|
| | | | | | Qty. | Target | Payment | Target | Payment | Target | Payment | Target |
| 122 A DEPARTMENT | | | | | | | | | | | | |
| 1 | Putting Raw hides in pit for soaking | 2 | Kgs. | 9600 | 1000 Kgs. | 50.00 | | | | | | |
| 2 | Removing Raw hides from pit after soaking | 2 | Kgs. | 9600 | 1000 Kgs. | 50.00 | | | | | | |
| 3 | Slicing Raw Buffalo Heavy hides | 2 | Kgs. | 6600 | 1000 Kgs. | 70.00 | | | | | | |
| 4 | Loading, Soaking & Unloading and Cleaning (cow & buffalo hides) | 2 | Kgs. | 5200 | 6000 Kgs. | 65.00 | | | | | | |
| 5 | Unloading Pelt from paddledrum | 2 | Kgs. | 5200 | 6000 Kgs. | 65.00 | | | | | | |
| 6 | Fleshing & Cleaning the Fresh basket & tank | 2 | Kgs. | 4400 | 6000 Kgs. | 100.00 | | | | | | |
| 7 | Trimming pelt | 4 | Kgs. | 5200 | 6000 Kgs. | 65.00 | | | | | | |
| 8 | Splitting | 5 | Kgs. | 4950 | 6000 Kgs. | 75.00 | | | | | | |
| 9 | Preparing pits, Putting pelt after splitting in to pit and removal | 1 | Kgs. | 5600 | 1000 Kgs. | 70.00 | | | | | | |
| Note 1 - Although some norms have to be achieved by more than one person, the incentive would be paid to each employee in this department. | | | | | | | | | | | | |
| Note 2: For 3000 Kgs. batches sided after fleshing an additional Rs.25/- would be paid for the people at Trimming and Splitting operations. | | | | | | | | | | | | |
| 111 DEPARTMENT | | | | | | | | | | | | |
| 1 | Loading (with the help of fork lift), Chrome tanning & unloading - OPERATOR | 1 | Kgs. | 4000 | 5000 Kgs. | 48.00 | | | | | | |
| | Loading (with the help of fork lift), Chrome tanning & unloading - HELPER | 1 | Kgs. | 4000 | 5000 Kgs. | 48.00 | | | | | | |
| For batches over 8500 Kgs. An additional person would be provided. The norm would be 5500 Kgs. For all 3 persons. For additional 500 Kgs. Rs.22.00 per person would be paid as incentive | | | | | | | | | | | | |
| 2 | Wet blue Sorting - (Spilted) | 1 | Hides | 560 | Add. Hide | 0.60 | | | | | | |
| | Wet blue Sorting - (Un-spilted) | 2 | Hides | 522 | Add. Hide | 1.00 | | | | | | |
| 3 | W/B Sammying - Unspilt Hides (Maneghatt Machine) | 3 | Hides | 715 | >900 | 0.20/Hide | | | | | | |
| | W/B Sammying - Spilted Hides (Maneghatt Machine) | 3 | Hides | 825 | >1025 | 0.15/Hide | | | | | | |
| | W/B Sammying - Goat Skins (W/bhatt machine) | 3 | Skins | 1650 | Add. Skin | 0.10/Skin | | | | | | |
| | W/B Sammying - Spilted (W/bhatt Machine) | 3 | Places | 1650 | Add. Place | 0.10/Place | | | | | | |
| 4 | Cutting, Catgorsing and Piling | 3 | Hides | 880 | Add. Hide | 0.30 | | | | | | |
| 5 | W/B Shaving (M/T 361 Machine) - OPERATOR | 1 | Sides | 870 | > 936 | 0.40/Side | | | | | | |
| | W/B Shaving (M/T 361 Machine) - HELPER | 1 | Sides | 870 | > 936 | 0.30/Side | | | | | | |
| | W/B Shaving (800 mm. open end) - OPERATOR | 1 | Sides | 660 | >700 | 0.40/Side | | | | | | |
| | W/B Shaving (800 mm. open end) - OPERATOR | 1 | Hides | 396 | >400 | 0.60/Hide | | | | | | |
| | W/B Shaving (800 mm. open end) - OPERATOR | 1 | Places | 860 | Add. Place | 0.15/Place | | | | | | |
| | W/B Shaving (800 mm. open end) - HELPER | 1 | Skins | 792 | Add. Skin | 0.17/Skin | | | | | | |
| 6 | Trimming Shaved W/B | 1 | Sides | 870 | > 960 | 0.30/Side | | | | | | |
| 7 | Thickness Checking | 1 | Sides | 530 | >625 | 0.15/Side | | | | | | |
| 8 | Re - Sorting | 1 | Sides | 660 | >725 | 0.15/Side | | | | | | |
| 9 | Re - Sorting | 1 | Sides | 1650 | Add. 100 Sides | 0.30 | | | | | | |
| 9 | Re-tanning, Dyeing and Fatliquoring - OPERATOR | 1 | Kgs. | 1320 | Add. 100Kgs | 20.00/Kg. | | | | | | |
| 10 | Re-tanning, Dyeing and Fatliquoring - HELPER | 1 | Kgs. | 1320 | Add. 100Kgs | 12.50/Kg. | | | | | | |
| 11 | Unloading, Trimming and Cleaning (Goat Skins/Pelt) | 1 | Skins | 2475 | Add. 100 | 10.00 | | | | | | |
| 12 | Fleshing Goat skins | 1 | Skins | 825 | Add. Skin | 0.15/Skin | | | | | | |
| 13 | Trimming Pelt (Sole and Beeling) | 2 | Hides | 860 | >760 | 0.15 | | | | | | |
| 14 | Hanging & removal of sole leather (from / in pits) | 2 | Sides | 140 | Add. Hide | 1.50 | | | | | | |
| | | | | 220 | Add. Side | 2.00 | | | | | | |
| Note: (1) Re-tanning - Any special batch below 400 Kgs. Would be treated as equivalent to normal 400 Kgs. | | | | | | | | | | | | |
| (2) For Dancing shoe batches tanned in the drum - Each batch not less than 1200 Kgs. | | | | | | | | | | | | |
| A batch would be treated as equal to normal 1600 Kgs. Chrome tanning batch for a period of 5 days including loading and unloading. | | | | | | | | | | | | |
| (3) In W/B Sammying & Sorting operations - for sides norm would be Hide x 2, Incentive would be 50%. | | | | | | | | | | | | |
| (4) If the operation has to be handled by more than one person, the incentive payment would be divided among the employees involved in that operation. | | | | | | | | | | | | |

| 122 B DEPARTMENT | | | | | | | | | | Page 2 | |
|--|---|---|--------|--------------------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|
| | | | | | | | | | | | |
| 1 | Sammying (Re-tanned leather) T/Feed m/c | 1 | Sides | 693 > 780 | 0.20/Side | > 880 | 0.30/Side | > 1030 | 0.40/Side | Add. Side | 0.45/Side |
| | Sammying (Re-tanned leather) T/Feed m/c | 3 | Sides | 1155 Add. Side | 0.05/Side | | | | | | |
| | Sammying (Re-tanned Splits and goat Skins) | 1 | Pieces | 1650 Add. Side | 0.05/Skin | | | | | | |
| 2 | Sammying Bark Tanned Leather (3.5 mm and above) | 1 | Sides | 330 Each additional side | 0.75 | | | | | | |
| | Setting-Out | 1 | Sides | 693 > 780 | 0.20/Side | > 880 | 0.30/Side | > 1030 | 0.40/Side | Add. Side | 0.45/Side |
| | Setting out Bark Tanned Leather | 1 | Sides | 330 Each additional side | 0.75 | | | | | | |
| 3 | Setting-Out - Including Reverse Setting | 1 | Sides | 345 > 400 | 0.30/Side | > 550 | 0.40/Side | > 700 | 0.50/Side | Add. Side | 0.60/Side |
| | Toggle Drying | 2 | Sides | 280 Add. Side | 0.75/Side | | | | | | |
| | Nail Drying of leather over 1.8 mm | 2 | Sides | 120 Add. Side | 2.00/Side | | | | | | |
| | Nail Drying of leather below 1.8 mm | 2 | Sides | 150 Add. Side | 2.50/Side | | | | | | |
| 4 | Vacuum Drying (Hides&Sides) | 2 | Sides | 520 Add. Side | 0.30/Side | | | | | | |
| | (Splits, Curf, SSU-Large) | 2 | Pieces | 780 Add. Side | 0.15/Piece | | | | | | |
| | (Splits, Curf, SSU-Small) | 2 | Pieces | 1040 Add. Side | 0.10/Piece | | | | | | |
| 5 | Hang Drying (On poles) | 1 | Sides | 870 Add. Side | 0.10/Side | | | | | | |
| | Hang Drying of Sole / Belting / Darning | 3 | Sides | 275 Add. Side | 0.50 Side | | | | | | |
| 6 | Remove Hand Dried leather | 1 | Sides | 870 Add. Side | 0.10/Side | | | | | | |
| 7 | Rolling (Sole Leather) | 1 | Pieces | 220 Add. Piece | 0.70/Piece | | | | | | |
| | Rolling (Insole Leather) | 1 | Pieces | 330 Add. Piece | 0.50/Piece | | | | | | |
| 8 | De-Wrinkling (sole Leather) | 1 | Pieces | 220 Add. Piece | 0.70/Piece | | | | | | |
| 123 DEPARTMENT | | | | | | | | | | | |
| 1 | Spreading for drying | 1 | Pieces | 870 < 788 | 0.10/Piece | | | | | | |
| 2 | Trimming Crust | 1 | Sides | 605 Add. Side | 0.20/Side | | | | | | |
| 3 | Crust Sorting - | 1 | Sides | 660 Add. Side | 0.20/Side | | | | | | |
| | Only thickness measuring of crust | 1 | Sides | 1650 Add. Side | 0.05/Side | | | | | | |
| 4 | Numbering of ids | 1 | Sides | 870 Add. Side | 0.10/Side | | | | | | |
| 5 | Staking | 2 | Pieces | 870 Add. Side | 0.10/Piece | | | | | | |
| 6 | Buffing (completely-large m/c) | 1 | Pieces | 2310 Add. Side | 0.06/Piece | | | | | | |
| | Buffing (completely-small m/c) | 1 | Pieces | 870 > 1000 | 0.20/Side | > 1500 | 0.25/Side | Add. Side | 0.35/Side | | |
| | Buffing (Partly-small m/c) | 1 | Pieces | 870 Add. Side | 0.40/Side | | | | | | |
| 7 | Air Blast Dusting | 2 | Pieces | 870 Add. Side | 0.05/Side | | | | | | |
| 8 | Padding (Impregnation Pigment) | 1 | Sides | 435 > 569 | 0.40/Side | Add. Side | 0.60/Side | | | | |
| 9 | Roller Coating - Pigmenting | 1 | Sides | 660 Add. Side | 0.20/Side | | | | | | |
| | Roller Coating - Pigmenting | 1 | Sides | 660 Add. Side | 0.15/Side | | | | | | |
| | Roller Coating - Impregnation | 1 | Sides | 825 Add. Side | 0.15/Side | | | | | | |
| | Roller Coating - Impregnation | 1 | Sides | 825 Add. Side | 0.10/Side | | | | | | |
| 10 | Plain Plating - | 1 | Sides | 1260 Add. Side | 0.20/Side | | | | | | |
| | Plain Plating - | 1 | Sides | 1260 Add. Side | 0.20/Side | | | | | | |
| 11 | Embossing - | 1 | Sides | 630 Add. Side | 0.40/Side | | | | | | |
| | Embossing - | 1 | Sides | 630 Add. Side | 0.30/Side | | | | | | |
| 12 | Auto Spray M/C - | 1 | Sides | 990 Add. Side | 0.20/Side | | | | | | |
| | Auto Spray M/C - | 1 | Sides | 990 Add. Side | 0.20/Side | | | | | | |
| 13 | Hand spraying - | 1 | Sides | 693 Add. Side | 0.15/Side | | | | | | |
| | Hand spraying - | 1 | Sides | 693 Add. Side | 0.20/Side | | | | | | |
| 14 | Measuring (Pin Wheel m/c) - | 1 | Sides | 870 Add. Side | 0.10/Side | | | | | | |
| | Measuring (Pin Wheel m/c) - | 1 | Sides | 870 Add. Side | 0.20/Side | | | | | | |
| 15 | Grading Leather - | 1 | Pieces | 870 Add. Side | 0.20/Piece | | | | | | |
| | Grading Leather - | 1 | Pieces | 870 Add. Side | 0.20/Piece | | | | | | |
| 16 | Bundling leather - | 1 | Pieces | 870 Add. Side | 0.20/Piece | | | | | | |
| | Bundling leather - | 1 | Pieces | 870 Add. Side | 0.20/Piece | | | | | | |
| Note 1: For imported leather which have an average area of over 15 Sq.Ft. the norm would be 65% of the norm. Incentive payment would be twice as normal sides. | | | | | | | | | | | |
| Note 2: Operation No.10 & 11- For changing of plates Rs. 20.00 would be paid for both the operator and the helper (Rs.10.00 each) | | | | | | | | | | | |
| Note 3: For operation where more than one employee is involved incentive payment shown are for each employee. | | | | | | | | | | | |

Notes - General

1. Any employee is allowed to work in a different location if there is no work available in the first operation he was involved, he can complete his days norm in the second operation and earn incentive.

e. g.

At Department 122B

Available no. of sides for Sammying of re-tanned leather is 300 sides. After finishing the above 300 sides he can go to Toggle drying operation, complete his days norm and earn Incentive. Calculation of days norm to be completed as below.

| | |
|--|-----------|
| % worked at the Sammying operation = No. of pieces done/ days norm × 100 (300/693) | 43.30% |
| The balance to be completed at Toggling | 56.70% |
| Therefore no. of pieces to be toggled to achieve the days norm | 159 Sides |

2. If an employee has achieved his days norm and incentive by working in one or more operation still he can go to any other operation and earn incentives.

07 - 317

My No.: CI/1458.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Premium Exports Ceylon Limited, Ceytea, Agrapatana of the one part and Inter Company Employees Union, 158/18, E. D. Dabare Mawatha, Colombo 05 of the other part on 05th March, 2007 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, Legislative Enactments of Ceylon (Revised Edition 1956).

D. SOMAWEERA EDIRISINGHE,
Commissioner - General of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
17th May, 2007.

Collective Agreement No. 06 of 2007

COLLECTIVE AGREEMENT BETWEEN PREMIUM EXPORTS CEYLON LIMITED AND THE WORKMEN WHOSE NAMES ARE SET OUT IN THE SCHEDULE 1

This Agreement made on this 5th day of March, Two Thousand and Seven under the provisions of the Industrial Dispute Act between Premium Exports Ceylon Limited, Ceytea, Agrapatana, (hereinafter referred to as the COMPANY) of the one part and the Inter Company Employees Union (the Workmen whose names are set out in the Schedule) to this Agreement.

1. **Title.**— This agreement shall be referred to as the Premium Exports Ceylon Limited Assistant Production Workers Collective Agreement of 2006.

2. **Parties and Employees to be Covered.**— This Agreement shall cover and bind the Company and all employees whose names are set out in Schedule 1 of this Agreement and designated as Assistant Production Workers of the Company who are engaged on permanent monthly contracts of Employment (hereinafter referred to as “Workmen”).

3. **Registration.**— An application will be made by the Company to the Commissioner of labour for registration of this Agreement under the Industrial Disputes Act.

4. **Date of Operation and Duration.**— This Agreement shall be deemed to have come to effect on the 1st July, 2006 and shall thereafter continue in force, unless it is terminated by either party with six (6) months notice to the other, provided however, that neither party shall give such notice on or before 1st June, 2007.

Each party however may also on any day after the 1st June, 2007 give notice in writing, of their intention to enter into a fresh Agreement or modify the existing Agreement consequent to a termination of this Agreement as specified above. Parties shall then commence negotiations to that end.

In the event of the failure of the parties to conclude a fresh Agreement or modify the existing Agreement, within a period of six (6) months from the date of notice of intention to negotiate a fresh Agreement or modify the existing Agreement, the parties agree that either party may request the Commissioner of Labour to summon them to a discussion in an attempt to resolve any difference in reaching agreement. Parties agree to attend such a discussion that may be scheduled by the Commissioner of Labour.

In the meantime unless otherwise terminated or provided herein, the provisions of this Collective Agreement will continue to remain in force till 30th November, 2007.

5. **General Terms & Conditions** .- (a) The terms and conditions of this Agreement shall be deemed incorporated in all contracts of service between the Company and the employees covered and bound by this Agreement (whether such Contract service be written or oral), which are subsisting at the time of signing this Agreement.

(b) All employees of the Company are bound by the Standing Orders of the Company. Nothing in this Agreement shall change, vary or otherwise affect the Standing Orders of the Company. In the event of any conflict between this Agreement and the Standing Orders the Standing Orders will prevail.

(c) The Company agrees that during the continuance of this Agreement, the Standing Orders will not be amended so as to over-ride this Agreement unless it is so done with the agreement of the Union.

6. **Wage Scale** .- (a) The Company would grant a 40% increase in Salary to Assistant Production Workers Semi Skilled Grade and 30% increase in Salary to Assistant Production Workers with effect from 1st July, 2006 to the salary paid to an employee as at July 2004 of Rs. 6956/-. The Company agrees to pay a monthly salary of Rs. 9,042/80 to Assistant Production Workers and Rs. 9,738/40 to Assistant Production Workers – Semi Skilled Grade plus Non-Recurring Cost of Living Gratuity (NRCLG) payment to all Assistant Production Workers of the Company with effect from 1st July, 2006 to 31st December 2006. The NRCLG payment would be calculated on the basic salary consolidated at the CCPI figure of 2326 as on 1st July 2006. In addition, the Budgetary Relief Allowance of Rs. 1,000/- payable in terms of Act, No. 36 of 2005 would be paid separately with the salary.

(b) The Company would grant a 50% increase in Salary to Assistant Production Workers and 60% increase in Salary to Assistant Production Workers Semi Skilled Grade with effect from 1st January, 2007 to the salary paid to an employee as at July, 2004 of Rs. 6956/-. In addition a sum of Rs. 620/- to represent 310 points on the Colombo Consumer Price Index multiplied by Rs. 2/- per point would be added. The NRCLG payment would be calculated on the basic salary Consolidated at the CCPI figure of 2636 as on 1st January, 2007. The new salary to Assistant Production Workers with effect from 1st January, 2007 would be as follows: –

Assistant Production Workers – Rs. 11,054/00

Assistant Production Workers – Rs. 11,749/60

(Semi Skilled Grade)

In addition, the Budgetary Relief Allowance of Rs. 1,000/- payable in terms of Act, No. 36 of 2005 would be paid separately with the salary.

7. **Weekly Holidays**.– 1. In respect of each week every employee shall be allowed a holiday on the Sunday in that week as the weekly holiday. Provided however, that if any employee has not worked for a period of at least twenty eight (28) hours, exclusive of a period of overtime work during the week, he shall be liable to forfeit and the employer shall be entitled to deduct one day's wage in respect of the weekly holiday for the that week computed in accordance with the provisions of Clause 19(b) hereof.

2. In computing the period of twenty eight (28) hours referred to in Sub - clause (1) the employer shall include –

- (a) every holiday allowed by the employer to the employee as annual holiday;
- (b) every public holiday granted by the employer in terms of Clause 17 hereof; and
- (c) every day's absence on any ground approved by the employer.

3. The employer may employ any employee on a weekly holiday subject to the following conditions:

1. A day within the six (6) days next succeeding such weekly holidays shall be allowed to that employee as a holiday with remuneration. Provided however, that if any employee who is employed on a weekly holiday is liable to forfeit and the employer is entitled to deduct one day's wage in respect of that weekly holiday as provided in Sub- clause (1), then and in such event, that employee shall forfeit and the employer shall be entitled to deduct one day's wage computed in accordance with the provisions of Clause 19(b) hereof in respect of the holiday which shall be allowed to that employee within six (6) days of that weekly holiday.

Provided further that in respect of not more than two (2) such weekly holidays in any one calendar month an employer may with the consent of the employee –

- (a) instead of allowing an alternate holiday within six (6) days of the weekly holiday in respect of which that employee shall not be liable to forfeit and the employer shall not be entitled to deduct one day's wage as aforesaid pay him one day's wage computed in accordance with the provisions of Clause 19(b) hereof in lieu of such alternate holidays, or
- (b) in case that employee is entitled to an alternate holiday within six (6) days of the weekly holiday as aforesaid in respect of which alternate holiday, he shall be liable to forfeit and the employer shall be entitled to deduct a day's wage as aforesaid employ that employee on the alternate holiday.

4. That in respect of work done on such weekly holidays, the employee shall be paid as remuneration -

- (a) One and a half (1 1/2) times the normal hourly rate ascertain in accordance with the provisions of Clause 19 (a) hereof for the number of hours worked during the first nine (9) hours (exclusive of one hour for a meal); and
- (b) At double the normal hourly rate ascertain in accordance with the provisions of Clause 19(a) hereof for each subsequent hour of work.

8. **Arrears Payment.**- Arrears payment would be paid as applicable with effect from 1st July, 2006.

9. **Non- Recurring Cost of Living Gratuity.**- (a) (1) During the continuance in force of this an employee shall be entitled to receive and the employer shall be liable to pay in July every year in respect of the preceding twelve (12) months commencing the first day of July 2006 a Non - recurring Cost of Living Gratuity ascertained in terms of the undernoted formula:

THE FORMULA.- If the average of the Colombo Consumers' Price Index for the qualifying period exceeds the figure at which employee salaries are consolidated during the relevant period a sum computed at Rupees Two (Rs. 2/-) for each complete point (i. e. 1.0) by which such average exceeds such consolidated figure in respect of each month of service during the qualifying period (the qualifying period shall be 1st July to 30th June of the succeeding year).

- (2) As the salaries of the employees during the period 1st July, 2006 to 31st December, 2006 was consolidated at the Colombo Consumers' Price Index figure of 2326.0 the Non-Recurring Cost of Living Gratuity for such period shall be computed and paid at the base index figure of 2326.0.

The salaries of the employees during the period 1st January, 2007 to 1st June, 2007 was consolidated at the Colombo Consumers' Price Index figure of 2636.0 the Non-Recurring Cost of Living Gratuity for such period shall be computed and paid at the base index figure of 2636.0.

- (b) The payment of Non-Recurring Cost of Living Gratuity in the manner set out above, shall be subject to the following qualifications:-

- (i) Such Non-Recurring Cost of Living Gratuity shall also be payable by the employer to any employee who is entitled to receive same by virtue of his service under the employer during a part of the qualifying period and is not in the employer's service when the Non-Recurring Cost of Living Gratuity becomes payable in July of any year and such gratuity is also payable to an employee who joins the service of the employer during the qualifying period. In such event, the employee shall receive such gratuity only in respect of the number of completed months of service he has to his credit during the qualifying period.
- (ii) Non-Recurring Cost of Living Gratuity shall not be payable to an employee in respect of any day or month in respect of which he received no salary for any reason whatsoever.
- (iii) The employer shall be entitled to deduct from the Non-Recurring Cost of Living Gratuity any advance paid against the Non-Recurring Cost of Living Gratuity.
- (iv) The Non-Recurring Cost of Living Gratuity shall not be regarded as a part of an employee's salary for any reason including the payment of EPF, ETF, overtime, gratuity or bonus.

10. (a) **Shift Allowance.**- Shift Allowance will be as follows:-

| | |
|---------------------|-----------|
| 8 a. m./4 p.m. | Rs. 18.97 |
| 4 p. m./12 midnight | Rs. 28.02 |
| 12 midnight/8 a. m. | Rs. 75.90 |

(b) **Curfew Allowance.**- Rs. 75/- per 8 hour shift.

11. **Production.**- In consideration of the salary increase as referred to as Clause 6, the Union and the employees agree with the employer that the raw material feed (i.e. BMF) to the Factory extractor shall be 1600 kgs. per hour. It is further agreed that the green leaf feed per hour to the extractor shall also be increased as follows: -

| | |
|----------------------------|---|
| up to 30,000 kgs. | no payment. |
| 31,000 kgs. to 40,000 kgs. | Rs. 6/- for every 1,000 kg. of Green Leaf feed per day. |

This volume increase would be handled by the existing number of workers all the way from the BMF feed (to Conveyor) until the finished product is dispatched out of the Company premises.

12. **Contributions to Provident Fund.**- Contributions to Employees Provident Fund will be at the rates 12% and 3% to ETF by the Company and 8% by the employees.

13. **Medical Fund.**- The Employer and the Employee concerned would contribute Rs. 500/- each to the Medical Fund and the joint contribution of Rs. 1,000/- would be paid on the 21st of each month direct to their Bank Account with their monthly salary.

14. **Pilgrimage Allowance.**- The Employer agrees to pay each employee Rs. 1,750/- per year for the purpose of a pilgrimage.

15. **Transport for Funerals.**– The Company will provide transport to the Employees to attend a funeral of a fellow-employee.

16. **Leave Entitlement.**– Assistant Production Workers would be entitled to 28 days leave per annum from the commencement of employment. The basis of the 28 days would be 14 days annual leave, 7 days casual leave and 7 days medical leave. For annual leave and casual leave, prior approval should be obtained for same.

For medical leave the employee should inform immediately and if it exceeds two days it should be supported by a certificate from a registered medical practitioner (unless waived by the employer) and approved by the Company Medical Officer.

17. **Public Holidays.**– (1) The employer shall allow the following holidays normally applicable to the employees under the Shop & Office Employees Act:–

- (i) Thai Pongal Day
- (ii) Prophet Mohamed's Birthday
- (iii) National Day
- (iv) Day preceding Sinhala & Tamil New Year
- (v) Sinhala & Tamil New Year day
- (vi) May Day
- (vii) Day following Wesak Full Moon Poya Day
- (viii) Christmas Day

Provided however that an employee may be employed on a public holiday subject to the payment of overtime.

- (2) If any public holiday to which an employee is eligible under the provision of Sub-clause (1) falls on a Sunday, a day either in the six (6) days immediately preceding or in the six (6) days immediately succeeding such public holiday shall be granted to the employee as a weekly holiday.

18. **Unauthorised Absence.**– No unauthorised absence is allowed. It is agreed that the following provisions in relation to absence without due authority will apply. Where an employee is absent without due authority for more than ten (10) days cumulatively during any year, his services will be terminated. The Union agrees not to support in any way, a claim by such person for reinstatement or any other relief.

The Union shall be notified in each case of the proposed termination. If the Union disagrees with the Management that the absence was adequate reasons, the Union will be free to take up the matter with the Commissioner of Labour.

Absence on any grounds, other than the following will be considered as without adequate reasons: hospitalization, prolonged or chronic illness certified by a MBBS qualified medical practitioner accepted by the Company.

19. **Wages for Periods less than One Month.**– For the purpose of this Agreement the wages of any employee for period less than one month shall be computed in the following manner: —

- | | |
|--|---|
| (a) for one hour | – the monthly wage divided by the two hundred and forty (240) |
| (b) for one day | – the monthly wage divided by thirty (30) |
| (c) for one half day (either morning or afternoon) | – a day's wage ascertained as above divided by two (2) |
| (d) for one week | – a day's wage ascertained as above multiplied by Seven (7) |

20. **Lieu Leave.**– Lieu leave would be allowed only if an employee works on a weekly holiday (Sunday), with the consent of the Employer. No lieu leave would be allowed for working on Public Holidays (Poya).

21. **Hours of Work.**– The persons, after recruitment, would be required to work an 8 hours shift. They would continue to work where they are currently placed. However, as and when required they would also be required and be prepared to perform any other task assigned by the Factory Management cum Staff in other locations within the Company.

22. **Jobs Transferred from Contract Work to Permanent Work.**– Some of the contract work done by this category of employees previously have now been transferred to permanent work. Examples of same are given below. It is mutually understood by both parties that such jobs should be performed in similar volumes in quantitatively and qualitatively under this Agreement.

- (1) Cleaning filter press 4 times per day and sludge loading to lorries.
- (2) Cleaning ETP drain daily.
- (3) Transporting Factory/ETP Chemicals from Stores to Factory/ETP daily.
- (4) Unloading Chemicals and Packing Materials from Lorries and stacking same in Chemical/Packing Material Stores.

- (5) Unloading BMF Lorries daily and stacking same in BMF Stores.
- (6) Issuing BMF daily from BMF Stores to Factory.
- (7) Factory floor, roof and machinery cleaning.
- (8) Painting Factory walls and equipment.

23. **Attendance.** - (1) Unless otherwise specifically instructed by the Employer an employee shall present himself for work on every day (other than a Company holiday) at the usual starting time of the store, factory, laboratory or job as the case may be and shall there remain available for work throughout the normal working hours.

(2) If at the store, factory, laboratory or job work is temporarily not available for an employee in his own occupation he shall be deemed to be ready and willing to perform other work within his capacity and skill where such work is available within the Company.

(3) Irregular attendance or unpunctuality of an employee shall constitute neglect of duty for which he shall be liable to appropriate disciplinary action.

24. **Overtime.** - The workers recruited would have to perform reasonable overtime, when requested by the Management. It is mandatory to cover up absenteeism in the subsequent shifts.

25. **Probation.** - Every employee recruited by the employer shall serve an initial period of probation of not more than six (6) months, provided however, that if during six (6) months probationary period the employer is not satisfied with the progress of such employee, the probationary period may be extended for a further period of three (3) months and in that event the employer shall indicate to the employee in writing the reasons why the probationary period has been extended. During the period of probation or extended probation the employer shall have the right to terminate the services of the employee without notice. If the employee's services are not terminated for unsatisfactory service during the period of probation or extended probation and the employee has not been confirmed by the employer, the employee shall be deemed to be confirmed in his employer's service with effect from the day after the date on which the period of probation or extended probation as the case may be ended.

26. **Definitions.** - In this Agreement, unless excluded by the subject or context, the following words shall have the meaning set opposite to them -

| <i>Words</i> | <i>Meaning</i> |
|---|--|
| The Industrial Disputes | - The Industrial Disputes Act, No. 43 of 1950, as amended |
| Employee (for convenience Sometimes referred to "he" or its grammatical variations) | - An Employee covered and bound by this Agreement |
| Union | - The Union shall be a reference to the Inter Company Employees' Union |
| Dispute | - A dispute of difference between the Employer and an Employee or between the Employer and the Union on any matter covered by this Agreement or affecting the employees covered by this Agreement in relation to their employment under the Employer |
| Year | - A continuous period of twelve (12) months. |
| Week | - The period between midnight of any Saturday night and midnight on the succeeding Saturday night. |

Words imparting the masculine gender shall include the feminine. Words imparting the singular number shall include the plural and vice versa.

27. **Scholarship Scheme** - Employees' children who are either University students or who have obtained Year 5 Scholarship would be eligible for consideration. Only two children from a family are entitled for benefits under this scheme.

- (i) YEAR 5. - A Scholarship award of Rs. 1,000/- for students who successfully pass the Year 5 Scholarship examination in the previous year.
- (ii) FROM YEAR 6 TO YEAR 10. - (A) Scholarship award of Rs. 2,400/- for those students who have successfully passed the Year 5 Scholarship examination and whose last term performance in each year is above 75% of average.

A Scholarship award of Rs. 1,500/- for those students who have successfully passed the Year 5 Scholarship examination and whose last term performance in each year is between 50% to 74% of average.

- (iii) YEAR 11, 12 AND 13. - A Scholarship award of Rs. 3,300/- for any students who have successfully passed the GCE (O/L) examination obtaining 8 Distinctions in one sitting.

A Scholarship award of Rs. 3,300/- for the year for those students who have successfully passed the Year 5 Scholarship examination and who are successful in the GCE (O/L) examination in six (6) subjects with 5 credits in one sitting and continue to study in the GCE (A/L) class to prepare for the University entrance examination (the six passes should include Sinhala and Mathematics and in the case of Tamil Students, Tamil Language and Mathematics).

A Scholarship award of Rs. 1,800/- for those students who have successfully passed the Year 5 Scholarship examination and those who are successful in the GCE (O/L) examination in six (6) subjects with 3 credits in one sitting and continue to study in the GCE (A/L) class to prepare for the University entrance examination. The six passes should include Sinhala and Mathematics and in the case of Tamil students, Tamil Language and Mathematics.

- (iv) **UNIVERSITY STUDENTS.** – A Scholarship award of Rs. 7,000/- for those students who are successful in entering the University. (For this scholarship, a student is allowed to sit only twice for the University Entrance Examination).

Those employees who seek assistance under this scheme are required to produce a certificate from the Registrar of the University or the Principal of the school as the case may be, giving details of the students academic achievement.

28. **Warnings** .– If in the opinion of the employer an offence warrants a warning the same shall be conveyed to the employee by a letter, a duplicate of which shall be signed by the employee. If the employee refuses to sign the duplicate the warning may be given to the employee orally by the employer in the presence of two witnesses. Provided however that the Union disputes the warning imposed on the employee by the employer and requests the holding of an inquiry, the employer shall comply with such request and the provisions relating to the holding of an inquiry shall then apply subject the exception that the fact that the inquiry had not commenced within ten (10) working days after receipt of the employee's explanation shall not be material or relevant.

29. **Suspension:**– 1. An employee may be suspended without pay by his employer –

- (a) pending an inquiry to be held by such employer on a charge or charges of misconduct, insubordination which warrants dismissal;
- (b) in order to avoid a breach of peace or damage to the property or disturbance of the business of the employer;
- (c) as a punishment for misconduct for a period not exceeding seven (7) working days after due inquiry,

2. At the time of suspension under Sub-clause 1 (a) or within twenty four hours thereof the employer shall provide the employee with a written order of suspension specifying the reasons for such suspension and thereafter hold an inquiry into the charge or charges against him, if any.

30. **Disciplinary Action** .– Where the Employer proposes to proceed against an Employee then –

- (1) Irrespective of whether an employee has been suspended under Clause 29 hereof or not, the employee shall be furnished with a show cause notice which shall set out the particulars of the charge or charges of misconduct alleged against such employee and such show cause notice shall give the Employee not less than three (3) clear working days in which to give the answer or explanation to the charge or charges referred.
- (2) Within three (3) clear working days after the date of the show cause notice, the employee shall furnish in writing to the employer the answer or explanation to the charges preferred against such employee. Provided however that if in the circumstances it is reasonable the employee may ask the employer for an extension of time within which to furnish the written answer or explanation to show cause notice and where such request is made by an employee to the employer, the employer shall grant such request for such further period of time as is deemed necessary in the circumstances of the case.
- (3) If the employer is satisfied with the written answer or explanation of the employee, the employee shall if he is under suspension forthwith be reinstated and shall be paid all wages and entitlements due for the period of such suspension.
- (4) If the employer is not satisfied with the written answer or explanation of the employee to the show cause notice and such answer or explanation is rejected by the employer, the employer shall commence an inquiry within ten (10) days from the date of receipt by him of the written answer or explanation to the show cause notice.
- (5) After holding such inquiry the employer shall notify the employee of the findings on each of the charges in the show cause notice and the punishment, if any, imposed by the employer. Provided that if the employer fails to make an order except for reasons beyond the control of the employer on the charges in the show cause notice within thirty (30) working days from the conclusion of the inquiry into such charges, the employee shall not be liable to be punished there after in respect of such charges and no inference adverse to the employee in respect of such charges shall be drawn from such charges.

- (6) If the employee is under suspension and the employer after such inquiry makes order that.-
- (a) the employee shall not be dismissed then the employee shall resume employment forthwith and be paid all wages and entitlements due for the period of suspension irrespective of such other punishment less than dismissal that may be imposed by the employers on the finding as to the charges in the show cause Notice;
 - (b) the employee shall be dismissed, the employee's dismissal shall take effect from the date of the employee's suspension and accordingly the employee shall not be paid for the period such suspension;
 - (c) in view of the serious or involved nature of the charges in the show cause notice against the employee, the employer is unable to make a final order as it is necessary and desirable that the matter be referred to the Police or other authorities for further investigation or inquiries or if in view of the serious or involved nature of the charges preferred against the employee the matter had been previously referred to the Police or other authorities for investigations or inquires that the outcome of such investigations or inquiries be awaited, then in either of such circumstances the employee may remain suspended without pay.
- (7) If in any case where an employee is suspended as provided for herein the employer fails to make an order under paragraphs (a) to (c) of the preceding sub-clause for any reason other than that of the employee's own seeking within thirty (30) working days from the date of the employee's suspension, the employee shall be entitled to half his normal remuneration for the period of thirty (30) days from the date of such suspension and to his full remuneration for the period of suspension in excess of thirty (30) days up to the date on which the Employer makes an order under paragraphs (a) to (c) of the preceding sub-clause, irrespective of the outcome of the inquiry.
- (8) In any case where an employee is suspended as provided herein the employer shall make an order under paragraphs (a) to (c) of sub clause 6 within ninety (90) days of the date of suspension of the employee unless they are prevented from so doing by reason of the employee's own seeking or for reasons beyond the control of the employer or it is agreed between the employer and the Union that in the circumstances of the case the period of ninety (90) days be extended for such further time as may be agreed.

31. **Termination of Service.**-(1) Every contract, whether oral or written for the hire of any employee by the employer except for work usually performed by the day, or by the job, or by the journey, shall (subject to the provisions of Clause 24 hereof or unless otherwise expressly stipulated) be deemed and taken in law to be a contract for hire and service for the period of one (1) month and to be renewable, from month to month and shall be deemed and taken in law to be so renewed, unless one month's notice be given by either party to the other of his intention to determine the same and such month has expired.

(2) Where an employee is engaged for a particular job or period such as casual or temporary work he shall be informed thereof at the commencement of his employment and his contract of service will terminate on the completion of the job or period or on the failure of the employee to complete the job within a reasonable time.

32. **Retirement.**- On reaching the age of fifty five (55) years an employee shall *ipso facto* retire and cease to be employed by his employer and there shall be no obligation on the employer to give the employee any notice of such retirement, provided however, that an employee who has retired may, in the discretion of his employer, be employed after his retirement on a temporary basis on such terms as may be mutually agreed.

33. **Workmen's Compensation.**- All employees shall be entitled to the Workmen's Compensation under the Workmen's Compensation (Amendment) Act.

34. **Insurance (a) Medical Insurance.**- Employee and family will be covered by a surgical and hospital expenses insurance policy of Rs. 100,000 per annum. The employee's contribution towards this will be 47.5% of the premium.

(b) **Personal Accident Insurance.**- The Company will cover all assistant production workers with a 24 hour personal accident insurance policy equivalent to 48 times the monthly salary of each employee in the event of death or proportionately.

35. **Medical Inspections and Supply of Protective Clothing.**- The employer shall make arrangements for the inspection of the general health and sanitary conditions of the establishment by a qualified medical practitioner.

36. **Gratuity.**- All employees who have served in excess of Five years but less than ten years shall be entitled to gratuity in cessation of employment in accordance with the provisions of the Payment of Gratuity Act No. 12 of 1983. Employees who have served in excess of the years will be paid gratuity at the rate of one month's salary for each year of service up to a maximum limit of 30 months salary.

37. **Disputes Procedure.**-(1) in the first instance the employees shall submit any demand on behalf of its members to the employer and give the employer at least ten (10) working days' time within which to reply. If in the union's opinion the employer's reply is unsatisfactory the union and the employer shall explore the possibility of reaching a settlement.

- (2) When the union concludes that negotiations with the employer have been abortive, it shall ask the Department of Labour to intervene and give the Department not less than ten (10) working days to arrange conferences and/or discussions with a view to a settlement of the dispute. Negotiations under the aegis of the Department of Labour shall then proceed until the Department of Labour reports failure.
- (3) Subject to the provisions of Clause 44 hereof all disputes between the union and the employer shall be settled in accordance with the provisions of the Industrial Disputes Act and the regulations made there under.
- (4) Any party to this Agreement shall not instigate, support or engage in any unfair labour practice during the currency of this Agreement.

38. **How Anomalies in the Course of Implementing this Agreement shall be Dealt with.**– Any anomaly arising from the implementation of this Agreement shall be settled by negotiation between representatives of the employer and the Union, and if the matter cannot be settled by negotiation the matter shall be settled in accordance with the provisions of the Industrial Disputes Act and the regulations thereunder.

39. **Trade Union Action.**– The Union and its members and the employees covered and bound by this Agreement jointly and severally agree with the employer that during the continuance in force of this Agreement they shall not engage in any strike or other form of trade union action against the employer in respect of any dispute between the employer on the one hand and the union and/or its members and/or any employees covered and bound by this Agreement on the other hand whether or not such dispute is related to this Agreement, except where such dispute has been caused by an act of an employer which in the opinion of the controlling body (by whatsoever name called) of the employees is *mala fide* or vindictive or calculated to threaten or undermine the existence of the legitimate activities of the Union and/or its members or grossly unfair or seriously detrimental to the interest of the Union and/or its members. Provided however that at least seven (07) days notice in writing shall be given by the Union to the employer and the Commissioner of Labour before the date of commencement of any intended strike or other form of trade union action consequent to the act of an employer which in the opinion of the controlling body (by whatsoever name called) of the Union is *mala fide* or vindictive or calculated to threaten or undermine the existence of the legitimate activities of the Union and/or its members of is grossly unfair or seriously detrimental to the interest of the Union and/or its members.

40. **Domestic Inquiries.**– If an employee who is furnished with a show cause notice in terms of Clause 30 of part I hereof is a member of the Union, the following provisions shall apply to the inquiry held by the employer pursuant to such show cause notice–

- (a) The employer will, subject as hereinafter provided, allow another member of the Union (hereinafter referred to as “an observer”) to be present as an observer without loss of salary for absence from work.
- (b) If the employee who is served with a show cause notice desires an observer to be present at the inquiry to be held pursuant to such show cause notice, he shall forty eight (48) hours at least before the time appointed for the commencement of the inquiry submit to the employer the name of such observer.
- (c) An observer may answer any question which the person who conducts the inquiry may ask him, but an observer shall not be entitled to represent the employee who is served with a show cause notice or otherwise partake in the inquiry.
- (d) The person who conduct an inquiry shall be entitled to require an observer who obstructs such inquiry in any manner whatsoever to withdraw therefrom and an observer shall forthwith comply with such requirement.
- (e) The absence of an observer from the whole or any part of an inquiry for any reason whatsoever shall not vitiate such inquiry, nor the proceedings thereto, nor the findings pursuant thereto.

41. **Union Meetings.**– The following provisions shall apply to meetings of the Union –

- (a) In respect of each meeting which the employees desire to hold at the employer’s premises, an application for permission shall be previously made to the employer.
- (b) If the employer decides to grant permission, the employer shall be entitled to impose, *inter alia*, one or more of the undernoted conditions–
 - (i) that no person other than an employee in the service of the employer shall be present at a meeting of the Union;
 - (ii) On occasions such as the Annual General Meeting of the Union, the office bearers of the Union may with the prior approval of the Employer attend;
 - (iii) Fix a time limit within which a meeting of the Union shall be concluded or adjourned.
- (c) It shall be the duty of the Union and its office bearers to ensure that no damage is caused in the course of or in connection with a meeting of the Branch Union to the employers’ property or any other persons at the employer’s premises and the Union shall indemnify the employer and keep the employer indemnified against such damage.

42. **Duty Leave.**– (1) The following provisions shall apply to duty leave – without prejudice to the right of the employer to refuse to

grant permission if in his discretion the exigencies of the circumstances warrant refusal, the employer will generally grant permission for not less than two office bearers of the Union –

- (a) to be present at conferences held under the aegis of the Employers' Federation of Ceylon or the Department of Labour in connection with a dispute between the employees and the Employer,
- or
- (b) attend inquiries before Industrial Courts, Arbitrators of Labour Tribunals without loss of salary for such absence.

2. The employer, will in their discretion, grant leave without remuneration to an employee to attend a Trade Union Course or Seminar or Conference either in Sri Lanka or abroad on no pay leave unless the employee concerned is entitled to annual or other holidays which he wishes to utilize for the purpose.

43. **Check off.**– (1) In this clause “Employer” shall mean the employer bound by this Collective Agreement and in whose establishment the membership of the Union is not less than forty per cent (40%) of the employees covered and bound by this Agreement.

(2) The employer shall, on the written request of an employee, deduct from the wages due to such employee the current monthly Union dues as are specified by the employee to be payable monthly by the employee to the Union and remit the amount so deducted to the Union, in accordance with the procedure and upon and subject to the conditions hereinafter set forth.

(3) Every employee who agrees to the deduction of Union dues from his wages shall sign a statement to the effect in the form set out in Form No. 1 hereinafter referred to as an “Authorization” as set out in the Second Schedule hereto.

(4) Every employee shall be entitled to withdraw his agreement to that check off at any time by signing a statement to that effect in the form set out in Form No. 2 hereinafter referred to as a “Revocation” as set out in the Third Schedule hereto.

(5) As far as practicable, deductions under an authorization shall commence from the wages due immediately after the date of receipt of such authorization and shall continue thereafter until the authorization is cancelled by a revocation.

(6) As far as practicable, deductions under an authorization shall cease from the date of receipt of a revocation canceling such authorization. Provided however –

- (a) that the employer shall not be liable in any manner whatsoever to the Union or the employee concerned for failure to comply with paragraphs (5) or (6) above;
- (b) that, in his discretion, the employer shall be entitled not to make deductions by way of check off in any month in which the deduction by way of check off will together with all other deductions from an employee's wages in that month exceed the deductions permitted by law.

(7) The employer shall not later than the tenth day of each month remit the Union dues deducted from the wages of the employees in the month immediately preceding, to the Treasurer of the Union in accordance with the tenor of each Authorization by a cheque payable to the Treasurer thereof and cross “Account payee”.

(8) The cheque shall be sent at the risk of the Union and the employees concerned by post in a pre-paid envelope addressed to the Treasurer of the Union at its address for the time being.

(9) The treasurer of the Union shall promptly acknowledge receipt of the cheque.

(10) The employer shall not be liable to pay to the Union or to the Treasurer on its behalf, as aforesaid, any sum other than the actual deductions made.

44. **Variation of Terms and Conditions of Employment Benefits.**– (1) The Union and its members and the employees covered and bound by this Agreement jointly and severally agree with the employer that during the continuance in force of this Agreement they will not seek to vary, alter or add to all or any of the terms and conditions of employment presently applicable to any of the employees covered and bound by this Agreement as amended or altered in terms of this Agreement, or all or any of the benefits presently enjoyed by any of the employees covered and bound by this Agreement other than by mutual agreement.

(2) The employer agree with the Union and its members and the employees covered and bound by this Agreement that they shall not seek to vary, alter or withdraw all or any of the benefits presently enjoyed by the employees covered and bound by this Agreement other than by mutual agreement.

(3) Any dispute or difference arising from negotiation under the provisions of sub-clause (1) or (2) may be resolved by voluntary arbitration but only if both parties concerned to submit such dispute or difference for settlement by voluntary arbitration.

45. **Death of An Employee.**– In the event of a death of an employee, the Company agrees to make an *ex-gratia* payment of

Rs. 18,000 in respect of funeral expenses.

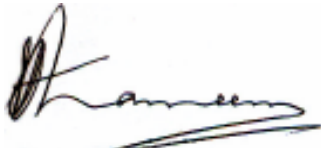
46. **Service Awards.**– (a) Employees who have completed 15 years of service will be presented with a half (1/2) sovereign gold coin.

(b) Employees who have completed 20 years of service will be presented with a three quarter (3/4) sovereign gold coin.

(c) Employees who have completed 25 years of service will be presented with one (1) sovereign gold coin.

47. **Interpretation.**– In the event of any discrepancy, inconsistency or other matter that may arise in there being a translation of this Agreement to Sinhala and Tamil version shall be authoritative and taken to have fully expressed the intentions of the Company and the workmen bound by this Agreement.

IN WITNESS HEREOF PARTIES HAVE HEREUNTO SET THEIR HANDS ON THIS 5TH DAY OF MARCH, 2007 AT THE EMPLOYERS' FEDERATION OF CEYLON, No. 385 J 3, OLD KOTTE ROAD, RAJAGIRIYA.



For & on behalf of
PREMIUM EXPORTS CEYLON LTD.

ISHRAZ THAMEEM,
Managing Director.

WITNESS:



F. V. L. SAMARASINGHE,
Factory Manager.



For & behalf of
INTER COMPANY EMPLOYEES' UNION

P. HETTIARACHCHI,
A / S I.C.E.U.

WITNESS:



N. NITHIYANANTAN,
President - I. C. U.

SCHEDULE I

| Serial No. | Name |
|------------|----------------------|
| 1. | R. N. Jayawardana |
| 2. | S. Gopalakrishnan |
| 3. | I. Jegatheeswaran |
| 4. | S. Sathivel |
| 5. | R. Siyam Rasdeen |
| 6. | A. M. Nalaka |
| 7. | S. M. Sunimalbandara |
| 8. | L. Basnayake |
| 9. | K. A. Chaminda |
| 10. | M. Muralitharan |
| 11. | A. M. Siriwardana |
| 12. | H. M. Priyantha |
| 13. | M. Muthukumar |
| 14. | R. M. Samarasena |
| 15. | P. Thirunavukarasu |
| 16. | S.. Savaridas |
| 17. | N. Nithiyandanan |
| 18. | V. Paramanathan |
| 19. | P. H. S. Jayathilake |
| 20. | I. Kalaichelvan |
| 21. | P. Samarakoon |
| 22. | A. Rajamohan |
| 23. | T. M. Hassan |

| <i>Serial No.</i> | <i>Name</i> |
|-------------------|-----------------------|
| 24. | M. Selambukumar |
| 25. | T. Kanagaraj |
| 26. | K. Durairaj |
| 27. | S. Manivannan |
| 28. | Abdul Majeed |
| 29. | G. Thirukeswaran |
| 30. | T. N. Noordeen |
| 31. | N. Sundaramoorthy |
| 32. | S. Visnuwardanan |
| 33. | T. Ramachandran |
| 34. | M. Rajan |
| 35. | M. Chandrabalan |
| 36. | K. Vijayakumar |
| 37. | U. G. Chaminda Gamage |
| 38. | A. Ronald Godwin |
| 39. | T. Balasubramaniam |
| 40. | Asoka Kumara |

THE SECOND SCHEDULE

FORM No. 1

Name of Employer*AUTHORIZATION*

As I am an employee covered and bound by this Collective Agreement and I desire to avail myself of the facility for check off contained in Clause 43 of the said Collective Agreement to which I am entitled as a member of the Inter Company Employees Union, please deduct from my wages each month a sum of Rupees..... (Rs.) in respect of my current monthly membership dues to the said Union and remit the same to the said Union on my behalf. The first payment should please be made from my wages next due immediately following the date hereof.

.....
(Date of signing).....
(Signature of Employee).....
(Full name of Employee)

Received On.....
(to be filled by the Employer)

THE THIRD SCHEDULE

FORM No. 2

Name of Employer*REVOCATION*

With reference to the authorization submitted by me, please cease to deduct from my wages any further membership dues in favour of the Inter Company Employees Union, with effect from the wages next due to me immediately following the date hereof.

.....
(Date of signing).....
(Signature of Employee).....
(Full name of Employee)

Received On.....
(to be filled by the Employer)