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## The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 1462/2 - 2006 සැප්තැම්බර් 11 වැනි සඳුදා - 2006.09.11

No. 1462/2 - MONDAY, SEPTEMBER 11, 2006

(Published by Authority)

### PART I : SECTION (I) — GENERAL

#### Government Notifications

My No. : T23/CO/72/2005.

Award

#### THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE award transmitted to me by the Arbitrator to whom the Industrial Dispute which has arisen between Mr. Peter Lalith Pinto, No. 10, Hemasinghe Mawatha, Koswatta Road, Nawala and Trelleberg Lanka (Pvt.) Ltd., Levin Drive, Sapugaskanda, Makola was referred by order dated 08.12.2005 made under Section 4(1) of the Industrial Disputes Act, Chapter 131 (as amended) and published in *the Gazette of the Democratic Socialist Republic of Sri Lanka Extraordinary* No. 1423/20 of 16.12.2005 for settlement by arbitration is hereby published in terms of Section 18 (1) of the said Act.

D. S. EDIRISINGHE,  
Commissioner General of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05,  
14th August, 2006.

T23/CO/72/2005.

In the matter of an Industrial Dispute  
Between

Case No.:  
A/3148.

Peter Lalith Pinto,  
No. 10, Hemasinghe Mawatha,  
Koswatta Road, Nawala.

and

Trelleberg Lanka (Pvt.) Ltd.,  
Levin Drive, Sapugaskanda,  
Makola.

The Honourable Minister of Labour Relations and Foreign Employment by virtue of the powers vested in him by Section 4(1) of the Industrial Disputes Act, Chapter 131 of the Legislative Enactments of Ceylon (1956 Revised Edition) as amended by Act, Nos. 14 of 1957, 62 of 1957, 4 of 1962 and 39 of 1968 read with Industrial Disputes (Special Provisions) Act, No. 37 of 1968, appointed me as Arbitrator by his order dated 25.11.2005 and referred the dispute between the aforesaid parties to me for settlement by arbitration.

The matters in dispute between the aforesaid parties is - "whether the non-payment of bonus for the years 2001, 2002 and 2003 by Trelleberg (Pvt) Ltd., to Peter Lalith Pinto who was in the service of the said company is justified and if not to what he is entitled".

This is a case where the Employer Respondent has filed its statement under Regulation 21(1) of the Industrial Disputes Regulations 1958 as amended on 08.02.2006 but Peter Lalith Pinto the workman has failed to file the statement under Regulation 21(1) of the Industrial Disputes Regulations 1958 as amended although asked to do so.

When the case was taken up on 20.02.2006, Mrs. Pushpika Rajapakse, Attorney-at-Law appeared for the Respondent Company and the Human Resources Manager represented the company but the workman was absent. As the workman was absent at 3.45 p.m. an order was made by me directing the Registrar to notice the workman to be present on 02.03.2006 at 3.30 p.m.

Accordingly the workman was sent a notice on 22.02.2006 to be present on 02.03.2006. He was not present on 02.03.2006 also He has failed to communicate the reasons for his absence. He has failed to file the first statement under Regulation 21(1) of the Industrial Disputes Regulations. Registrar was directed to issue notice on the workman requiring his present on 27.04.2006. He was noticed by registrar but he was not present on 27.04.2006. He had not explained the reasons for his absence on 27.04.2006. He has failed to file his first statement up to 27.04.2006. He was sent another notice on 16.05.2006 asking him to be present on 01.06.2006. He was not present on 01.06.2006. He had not stated why he was absent on 01.06.2006. He has failed to file his first statement up to 01.06.2006. An Attorney-at-Law appeared for the Respondent on 01.06.2006.

Today is the 24th day of July, 2006. Up to now he has not taken any action in relation to his case. He has failed to be present despite notices sent to him repeatedly. It is quite clear that he is not interested in this case. As he has failed to help himself. I am unable to help him. Even God helps only those who helps themselves.

In these circumstances, I make no Award.

V. VIMALARAJAH,  
Arbitrator.

24th of July, 2006.

09-742

My No. : CI/1373.

### THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Polytex Garments Ltd., Minuwangoda Road, Ekala, Ja-ela of the one part and Polytex Ekamuthu Sevaka Sangamaya, IPZ, Koggala, Habaraduwa of the other part of 25th May, 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,  
24th July, 2006.

### Collective Agreement No. 14 of 2006

#### AGREEMENT

This Agreement made and entered into between Polytex Garments Ltd., an Employer duly registered in Sri Lanka and having its registered office at Minuwangoda Road, Ekala, Ja-ela and hereinafter referred to as "the Employer" and Polytex Ekamuthu Sevaka Sangamaya, a trade Union duly registered in Sri Lanka and having its registered office at IPZ Koggala, Habaraduwa, (affiliated to the All Ceylon Federation of Free Trade Unions) hereinafter referred to as "the Union" on this 25th day of May, 2006 at Colombo.

1. This Agreement shall cover and bind the Employer and the members of the Union who are in the permanent cadre of the Employer's Factory at Koggala, hereinafter referred to as "the employees".

2. *Salary increase.*—The Employer will grant the following salary increases to the employees with effect from 01st April, 2006:

- (a) All Machine Operators, Checkers and Ironing Operatives (Grade III employees) with more than one year's service as at 01st April, 2006 will receive a salary increase of Rs. 600;
- (b) All Helpers/Unskilled Workers (Grade IV employees) with more than one year's service as at 01st April, 2006 will receive a salary increase of Rs. 550;
- (c) In respect of the Employees in the staff categories revision of salaries will be based on each employee's Performance Appraisal. On the basis of the Performance Appraisal of each employee and the grading obtained, the revision for the current year will be considered effective 01st May, 2006. The Employees under this category who obtain a rating of C (3 rating) and above will be considered an increment not less than the increment granted to the Grade III category of employees.

3. *Union Facilities.*—The Employer agrees to grant the facility of union subscription dues "check off" to the Union in respect of its members subject to request forms being submitted by the employees concerned.

The Employer agrees to provide a notice board on the understanding that all notices which are to be displayed will have to be approved by the Employer.

Duty leave will be granted to two members of the Branch Committee to attend to the General Council Meetings of the Union once a month, provided however, prior notice is given to the Employer in advance in this regard.

The Branch Union may have Union Committee Meetings in the Company canteen. However, the Branch Union will have to notify the Employer in advance and obtain prior permission in this regard. The Committee Meetings will be held after normal working hours.

The employer further agrees to provide a document cabinet for the use of Branch committee.

The committee members will be granted 3 days paid leave annually to attend educational training programmes, subject to a maximum of 3 members at a given time. The Union is required to give at least 1 week notice for this purpose.

4. The union and the employees agree with the Employer that they shall not up to 31st March, 2007 raise any further issues/demands with regard to employee wages, bonuses or other related monetary benefits and shall not resort to any form of trade union action on such matters and any other matter which is covered by this agreement.

5. *Dispute settlement procedure.*—The Union and the employees further agree that in the event of any industrial dispute that may arise during the course of this Agreement, the following procedure shall be complied with :

- (a) The Branch Committee of the Union will initially raise the dispute with the Manager directly concerned and thereafter, if necessary, with the general management for resolution;
- (b) In the event of no satisfactory resolution after discussions with the Employer, the Branch Committee will refer the matter to the Union and the Union will raise it with the Employer direct or through the Employers' Federation of Ceylon for resolution through discussions;
- (c) In the event of no satisfactory resolution after discussions in terms of (b) above, the Union or the Employer may seek the intervention of the Department of Labour under the provisions of the Industrial Disputes Act for conciliation.

The Union and the employees undertake that they shall not resort to any form of trade union action without having

complied with the procedural steps in terms of (a), (b) and (c) above and in the event of any trade union action thereafter, they shall give at least 14 days notice to the Employer.

6. It is hereby agreed between parties to have an understanding with regard to transferability of employees from one line to another according to operational requirements.

7. *Production Bonus Scheme.*—The Employer will implement the production incentive scheme in terms of the targets set out in the attached Schedule I with effect from 01st May, 2006.

8. The union and the employees hereby agree to utilise annual leave in accordance with a roster covering a period of 4 consecutive days.

9. *Monthly Attendance Bonus Scheme.*—The Employer Agrees to implement the following monthly attendance bonus scheme with effect from 01st May, 2006 in place of the present scheme :

- (a) Employees who avail not exceeding 1 day of approved leave, per mensem - Rs. 1,000 per mensem;
- (b) Employees who avail not exceeding 2 days of approved leave, per mensem - Rs. 500 per mensem;
- (c) Employees who either avail exceeding 2 days approved leave or are placed on "no pay absence" will not qualify for the Attendance Bonus.

Leave approved on account of contagious diseases and employment related accidents, within the scope of the Workmen's Compensation Ordinance, shall be exempted under this scheme.

10. It is hereby agreed by the Union and the Employees that they will endeavour to increase the overall efficiency levels during the operational period of this agreement.

11. *Transport Facilities.*—The employer will make arrangements to provide transport facilities to the employees on a subsidized basis for areas agreed upon with effect from 01st June, 2006. The Employer's contribution will be 50% of the cost and balance 50% will have to be borne by the employees.

12. *Annual Bonus.*—The Employer agrees to make payment of an annual bonus on the following basis :-

*Years of Service*

*Quantum*

*Entitled Employees :*

- 1 - 3 years - 1 months' salary  
3 - 5 years - 1 1/2 months' salary  
over 5 years - 2 months' salary

MOs, Helpers, Checkers, QCs, Supervisors, Recorders and Mechanics are entitled to receive the efficiency payment according to the below schedule :

<i>New incentive system starting May, 2006</i>			
<i>Efficiency</i>	<i>Incentive (Rs.)</i>	<i>Efficiency</i>	<i>Incentive (Rs.)</i>
30%	15	66%	79
31%	16	67%	82
32%	17	68%	85
33%	18	69%	88
34%	19	70%	91
35%	20	71%	95
36%	21	72%	99
37%	22	73%	103
38%	23	74%	107
39%	24	75%	111
40%	25	76%	115
41%	26	77%	119
42%	27	78%	123
43%	28	79%	127
44%	29	80%	131
45%	30	81%	135
46%	31	82%	139
47%	32	83%	143
48%	33	84%	147
49%	34	85%	151
50%	36	86%	156
51%	38	87%	161
52%	40	88%	166
53%	42	89%	171
54%	44	90%	176
55%	46	91%	181
56%	49	92%	186
57%	52	93%	191
58%	55	94%	196
59%	58	95%	201
60%	61	96%	206
61%	64	97%	211
62%	67	98%	216
63%	70	99%	221
64%	73	100%	226
65%	76	101%	231

13. It is also hereby agreed that when there is an urgent need, the employees will be agreeable to work up to 10.00 p.m. voluntarily.

14. Both parties agree and undertake that they shall not resort to any form of unfair labour practices and will act in good faith with a view to maintaining industrial harmony and work efficiencies.

15. The employer agrees to increase the contribution to an equal amount as the employees' contribution towards the death donation scheme without any other changes to the present scheme effective from 01st June, 2006.

16. The Employer will organize a one day excursion or a get together annually.

17. This agreement shall take effect from 01st April, 2006 and continue to operate up to 31st March, 2007.

In witness hereof parties have hereunto set their hand on this 25th day of May, Two Thousand and Six.

For and on behalf of  
Polytex Garments Ltd.

For and on behalf of  
Polytex Ekamuthu Sevaka  
Sangamaya

# SCHEDULE

## INCENTIVE SCHEMES

*Sewing Dept. :*

Incentive payment is proportionate to the Efficiency.

$$\text{Line Efficiency} = \frac{\text{Daily Sewing Standard Minute Value} \times \text{Sewing Output (Pcs)}}{[(\text{Sewing Operators} + \text{Helpers} + \text{Supervisor}) \times \text{No. of Worked Minutes}]}$$

*Cutting :*

Incentive payment is based on the daily Targeted bundling numbering output

Incentive Target Output (10 Hrs)- 82.75 pcs.

All the Helpers (28), Supervisor (1), Cutters (2), Recorders (2) are entitled to receive Rs. 50 if they achieve the targeted output within the worked hours.

Since the company has planned to expand the cutting section, the Incentive target may be revised.

#### Finishing - Packing :

All the workers are considered as one group. Incentive payment is proportionate to daily sewing output.

Minimum production of 4000 pcs (10hrs) should achieve to entitle for incentive payment.

They will start receiving the Incentive once they have completed packing of 85% of the sewing production.

In case of delay of Finishing accessories and washed garments finishing section workers can exceed 100% target.

All the finishing Helpers (66) and Supervisors (02) are receiving the incentive according to the below chart :

Target	Rs.	Target	Rs.	Target	Rs.
85%	40	125%	60	163%	79
87%	41	127%	61	165%	80
89%	42	129%	62	167%	81
91%	43	131%	63	169%	82
93%	44	133%	64	171%	83
95%	45	135%	65	173%	84
97%	46	137%	66	175%	85
99%	47	139%	67	177%	86
101%	48	141%	68	179%	87
103%	49	143%	69	181%	88
105%	50	145%	70	183%	89
107%	51	147%	71	185%	90
109%	52	149%	72	187%	91
111%	53	151%	73	189%	92
113%	54	153%	74	191%	93
116%	55	155%	75	193%	94
117%	56	157%	76	195%	95
119%	57	159%	77	197%	96
121%	58	161%	78	199%	97
123%	59				

#### Finishing - Pressing :

Styles are categorized as Normal, Difficult and Samples.

Iron Operators (42) and Supervisors (2) will be entitled for the scheme. All the Iron Operators who achieve the Target will receive the Payments as follows :

Normal Orders		Difficult Orders		Samples	
Target	Rs.	Target	Rs.	Target	Rs.
24	30.00	16	30.00	12	30.00
25	32.00	17	34.00	13	36.00
26	34.00	18	38.00	14	42.00
27	36.00	19	44.00	15	50.00
28	40.00	20	50.00	17	56.60
29	44.00	22	55.00	19	63.20
30	50.00	24	60.00	21	69.80
32	53.20	26	65.00	23	76.40
34	56.40	28	70.00	25	83.00
36	59.60	30	75.00	27	89.60
38	62.80	32	80.00	29	96.20
40	66.00	34	85.00	30	100.00
42	69.20	36	90.00		
44	72.40	38	95.00		
46	75.60	40	100.00		
48	78.80				
50	82.00				
52	85.20				
54	88.40				
56	91.60				
58	94.80				
60	100.00				

Supervisors are getting only a percentage of the total incentive from number of total working Irons.

Target achieved Iron Tables \* 100

Total Iron Tables

According to the efficiency gained payments are given as below :

Percentage	Rs.
>= 40%	30.00
>= 50%	32.00
>= 60%	35.00
>= 70%	39.00
>= 80%	44.00
>= 90%	50.00

Other Sections - All are receiving a performance based incentive payment :

The Total Incentive payment is Rs. 400. The amount considered by monitoring the Attendance, Work Output and the Quality of the work.

Attendance - 50

Work Output - 200

Quality of work - 150

*Entitled Sections and No. of EMPs -*

Administration Dept - Peon (1)/Nurses (3)

Security - Internal O.I.C.s (3)

TED Dept.	-	Assistant (1)
Co-ordinator	-	Assistant (1)
Training School	-	Supervisor (1)
Transport	-	Driver (1)
Maintenance	-	Helpers (38)
EMB	-	M/O (8)/Supervisor (2)
QC	-	QCs (5) / QAs (3)

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