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PART I : SECTION (I) – GENERAL

Government Notifications

My No.: CI/1494.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Srilankan Airlines Limited, Level 19–22, East Tower, World Trade Centre, Echelon Square, Colombo 01, of the one part and The Srilankan Airlines Aircraft Technicians Association, 14, Mahawela Place, Kirulapone, Colombo 6 of the other part on 07th November, 2008, is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, Legislative Enactments of Ceylon (Revised Edition 1956).

W. J. L. U. WIJAYAWEERA,
Commissioner General of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
24th December, 2008.

Collective Agreement No. 18 of 2008**SRILANKAN TECHNICIANS COLLECTIVE AGREEMENT (2008)****1 ARRANGEMENT AND INDEX**

This Agreement is arranged as follows:

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2. **Title.**— This Agreement is the “Sri Lankan Airlines Aircraft Technicians Collective Agreement (2008)”, and hereinafter shall be known and referred to as the “Agreement”.

3. **Names of the Parties**

- 3.1 This Agreement is hereby made and entered into effective from 1st June 2008 between the following parties listed in sections 3.2 and 3.3 and 3.4 below. In this Agreement, the terms “Employees” and “Technicians” shall mean all those Employees covered by either sections 3.3 or 3.4 in this Agreement below:
- 3.2 Sri Lankan Airlines Limited, a Company incorporated in Sri Lanka with it’s official registered office address as Level 19 – 22, East Tower, World Trade Centre, Echelon Square, Colombo 01, Sri Lanka, hereinafter called the “Company” (which expression wherever the context so admits shall include and mean it’s successors and assigns).
- 3.3 The Sri Lankan Airlines Aircraft Technicians Association, a registered Trade Union registered in Sri Lanka under registration Number 5570, with it’s official registered office address as 14, Mahawela Place, Kirulapone, Colombo 6, Sri Lanka, hereinafter called the “SAATA” (which expression wherever the context so admits shall mean and include it’s successors, assigns, replacement and all Employees who are fully paid-up members of the SAATA and who are locally employed in a permanent capacity in grades T1 – T3 (formerly 5T – 7T) of the Technicians grade structure who are covered and bound by this Agreement).
- 3.4 Other individual Employees who are locally employed in a permanent capacity in grades T1 – T3 (formerly 5T – 7T) of the Technicians grade structure who are not members of the SAATA but who nevertheless wish to accept the terms and conditions of this Agreement by sign on an individual basis.

4. **Short recital and general agreement**

- 4.1 Whereas demands and requests were made by the SAATA for a revision of terms and conditions of employment of Employees employed by the Company (noting that the existing terms and conditions of employment of Technicians were previously recorded in the Collective Agreement between the Company and the SAATA dated 2nd April 2005, which was valid from 1st April 2005 and expired on 31st May 2008).
- 4.2 And Whereas the SAATA can verify to the satisfaction of the Company that it represents at least 51% of the Technicians employed in a permanent capacity by the Company in Sri Lanka in grades T1 – T3 (formerly 5T – 7T) of the Technicians grade structure of the Company.
- 4.3 And Whereas having received the demands and requests from the SAATA, the Management of the Company discussed and negotiated with the SAATA, and during the process of negotiations were able to finally reach agreement on the matters contained herein, on the understanding that any and all other matters raised would be regarded as having been withdrawn in favour of this finalised Agreement called the “Sri Lankan Airlines Aircraft Technicians Collective Agreement 2008”.
- 4.4 And Whereas the intention of both parties was that this Agreement would ensure operational and industrial peace and harmony, improved overall efficiency of the Company, an improvement in overall performance and productivity including the ability to rotate Employees between different areas (within the Engineering Division), co-operation between the Employer and Employee, and a contented and highly motivated workforce. The parties to this Agreement have a common objective in ensuring the proper and successful functioning of the Company, as only this can safeguard the welfare of both the Company and all the Employees.
- 4.5 And Whereas the parties have agreed that there would be strict compliance with all procedures, terms and conditions agreed in this Agreement, and it is agreed by the parties that they would honour and abide by their respective obligations, respecting the rights of each other as set out in this Agreement.
- 4.6 Now Know Ye and this Agreement Witnesseth that as a result of said discussions, and that for and in consideration of the above premises and the mutual terms and conditions set out in this Agreement, the SAATA and the Company have reached this Agreement, which includes clauses for the enhancement of salaries and various allowances to further improve the employment conditions offered by the Company.

- 4.7 And that the parties have agreed that there would be compliance with all existing procedures, processes and regulations that are not otherwise specified in this Agreement, and both parties agree that the Company may in due course publish an Employment Manual which would set out all major policies and regulations of the Company, some of which may be set out in this Agreement as the intended policies of the Company. The Company welcomes any positive suggestions from the SAATA on how existing procedures and processes may be improved for the mutual benefit of all parties. In the event of any conflict or inconsistency between the terms and conditions of this Agreement and any preexisting terms and conditions or practices, then the terms and conditions specified in this Agreement shall prevail.
- 4.8 And that this Agreement covers all the demands and claims of the SAATA contained in their original requests and demands and other issues brought for negotiation and discussions during the course of bargaining of the said demands in full and final settlement thereof, and that all demands, claims and requests raised by the SAATA are hereby withdrawn or settled or satisfied in terms of and/or in consideration of this Agreement.
- 4.9 And that in consideration of this Agreement, the SAATA and its members shall not during the continuance of this Agreement seek to vary, alter or add to, all or any of the terms and conditions of employment or benefits contained as provided for in this Agreement, other than by mutual agreement with the Company. Failure to reach mutual agreement shall not entitle the SAATA to raise a dispute thereon.
- 4.10 And that the terms and conditions of this Agreement effective from 1st June 2008 shall be deemed to be included in all the contracts of employment between the Company and all Employees covered and bound by this Agreement, whether such contract of employment be written or not, and which was subsisting as at 1st June 2008 or shall come into being at any time thereafter during the continuance of this Agreement.
- 4.11 And that if, and in so far as, any provisions contained in this Agreement are superseded by mandatory law in Sri Lanka, all other provisions not so superseded shall remain in full force and effect.
- 4.12 And that it is agreed that any dispute over the interpretation of this Agreement shall be settled by reference to the Commissioner of Labour, or where such decision is not acceptable by voluntary arbitration under section 3(1)(d) of the Industrial Disputes Act.
- 4.13 It is also agreed that the minimum terms and conditions of service which apply to all Technicians employed in a permanent capacity in grades T1 – T3 (formerly 5T – 7T) of the Technicians grade structure who are covered and bound by this Agreement shall be those provided for in this Agreement.

5. *Duration of Agreement.*—

- 5.1 This Agreement shall come into effect from 1st June, 2008, and shall remain in force and binding on all parties for a period of one year, from 1st June, 2008, until 31st May, 2009, and thereafter until amended by a new Agreement signed by all parties. This shall not preclude discussions taking place and commencing at any time after 1st January, 2009, between parties for a revision of the Agreement to be effective from 1st June, 2009.
- 5.2 Subject to Section 4.7 earlier this Agreement replaces in full the previous agreement between the Company and the SAATA, dated 2nd April, 2005, which was valid from 1st April, 2006, and expired on 31st May, 2008. Any clause that may have been in the previous Agreement is considered revoked unless repeated and carried-forward into this new Agreement.
- 5.3 Furthermore, subject to Section 4.7 earlier this Agreement replaces in full any other prior agreements, and replaces all prior working practices, and replaces all prior terms and conditions of employment for Employees employed in a permanent capacity in Grades T1-T3 (formerly 5T-7T) of the Technicians grade structure.

6. *Parties Covered and Bound.*—

- 6.1 This Agreement shall cover and bind the Company.
- 6.2 This Agreement shall cover and bind the SAATA and all Employees locally employed in a permanent capacity in grades T1-T3 (formerly 5T-7T) inclusive of the Technicians grade structure who are fully paid-up members of the SAATA.
- 6.3 This Agreement shall cover and bind all individual Employees locally employed in a permanent capacity in grades T1-T3 (formerly 5T-7T) of the Technicians grade structure who are not members of the SAATA but who nevertheless wish to accept the terms and conditions of this Agreement in full by signing on an individual basis.

- 6.4 Management will extend the following allowances to the Technicians in grade T1-T3 (formerly 5T-7T) covered by this agreement, in the event if there is an enhancement for Graded staff (Grades 1-7).

Uniform allowance, Tea allowance, Shift allowance, Long Service Allowance and Apron Driving Allowance.

7. **Recognition.**—

- 7.1 The Company recognises the right of the SAATA to represent the interests of, and when required negotiate on behalf of all categories of locally employed permanent Employees that are classified in grades T1-T3 (formerly 5T-7T) inclusive of the Technicians grading structure in Sri Lanka who are fully paid-up members of the SAATA.
- 7.2 The Company recognises the right of the SAATA to exercise the SAATA functions in accordance with the laws of Sri Lanka, and to manage the SAATA affairs without interference.
- 7.3 Such recognition by the Company of the SAATA shall continue as long as the SAATA holds the status of Collective Bargaining Agent of the Employees in grades T1-T3 (formerly 5T-7T) inclusive of the Technicians grading structure of the Company, and can verify that at least 51% of all locally employed Employees in grades T1-T3 (formerly 5T-7T) inclusive are fully paid-up members of the SAATA.
- 7.4 The SAATA recognises the right of the Company to plan, organise and manage the operation of each location in order to achieve maximum safety, efficiency and profitability in the operation. This right includes, *inter-alia*, the recruitment, engagement, control, discipline, termination, upgrading, promotion, demotion, transfer and dismissal of Employees (always in accordance with the laws of Sri Lanka and the procedures and manuals of the Company). This right also includes, *inter-alia*, the use of Employees on Fixed Term Contracts from time to time as operationally required. This right also includes, *inter-alia*, the determination of the rosters, working patterns and time, methods and manner of working, the introduction of technical improvements, and the decision to modify, extend, curtail or cease operations, and all safety aspects of the operation. The Company will always exercise the above mentioned rights within the limits prescribed under all applicable laws of Sri Lanka and in accordance with all applicable procedures and manuals of the Company and in accordance with the terms and conditions of this Agreement.

Provided however in respect of termination, upgrading, promotion, demotion, transfer and dismissal on employees, working patterns, and times, methods and manner of working, redundancy due to operational reason, the Union may if it is of such opinion, make representations to the management in accordance with the grievance/dispute procedure stipulated herein and/or in accordance with the law.

8. **Job Classifications and Technicians Grading Structure.**—

- 8.1 Grading structure and job classification system for Technicians are –

Old Grade	New Grade	Generic Title
5T	T1	Junior Aircraft Technician/Junior Aircraft Workshop Technician
6T	T2	Aircraft Technician/Aircraft Workshop Technician
7T	T3	Senior Aircraft Technician/Senior Aircraft Workshop Technician Certifying Aircraft Technicians/ Certifying Aircraft Workshop Technician.

* Certifying Aircraft Technicians/Certifying Aircraft Workshop Technicians designations will be assigned to approval holders as specified in the upgrade criteria in the Annexure.

- 8.2 Technicians will be strictly governed by the revised promotion criteria for Aircraft Technicians in grades T1-T3 (formerly 5T-7T) as explained in detail in *Appendix A* of this Agreement. In order for an Employee to be considered for upgrade or promotion to a higher grade, then the minimum job and grade requirements of that higher grade must be met as defined by *Appendix A* of this Agreement by that Employee. Any such upgrades or promotions are subject to budget and/or operational requirements and availability of vacancies.
- 8.2.1 It is the sole right of the Management of the Company to determine into which grade any new Employees will be classified, and the Management will base their job evaluation and grading decision on fair and equitable job evaluation techniques. All future jobs will be graded and placed in the grading structure based the job evaluation system.
- 8.3 In the event if the Management requires to recruit Ex-staff at a higher grade T1-T3 (formerly 5T - 7T) this will be done on a case by case basis. This will be done in consultation with the SAATA.

9. Monthly Basic Salary Scales.-

- 9.1 The monthly basic salary scales effective from **1st June 2008** until 31st May 2009 expressed in Sri Lankan Rupees (Rs.) per month are:

<i>Grade</i>	<i>Minimum</i>	<i>Midpoint</i>	<i>Maximum</i>
T1	20,395	32,672	44,950
T2	22,010	35,280	48,550
T3	29,895	48,907	67,920

- 9.2 **PERSONAL DIFFERENTIAL ALLOWANCE:-** Personal differential allowance is considered for 13th month, EPF, ETF, Gratuity, Overtime and Attendance Incentive.
- 9.3 All new Employees who will be taken on the payroll of the Company subsequent to the date of signing this Agreement will normally start at the minimum of scale. However, the Management reserves the sole right to offer a commencing salary at a higher level than the minimum of scale depending upon merits as considered appropriate by the Management.
- 9.4 The above revised salary scales, applicable allowances and other enhanced benefits (as given in this Agreement) will be applicable to those staff who are in employment as at the date of signing the Agreement.

10. Basic Salary Increases.-

- 10.1 **ANNUAL MERIT INCREMENT ON 1ST JUNE 2008.-** The actual individual monthly basic salaries as at 31st May 2008 of all Employees covered by this Agreement (except those under probation) will be increased by between 0.0% and 6.0% (with an average of 3.0%), depending upon individual performance, effective from **1st June 2008** as the annual increment. If an individual Employee is at (or will reach) the maximum of their basic salary scale, then the annual increment (or excess part) is not applicable, as under no circumstances may the monthly basic salary of an Employee exceed the prescribed limit maximum basic salary of their grade.
- 10.2 **FIXED INCREMENT ON 1ST JUNE 2008.-** The actual individual monthly basic salaries as at 1st June 2008 (after the Merit increase in June 2008) of all Employees covered by this Agreement (except those under probation) will be increased by 15.0% effective from **1st June 2008**. Thereafter there will be no further increases to actual individual monthly basic salaries during 2008.
- 10.3 Staff who have joined prior to June 2006 and are in permanent employment as at 01st June 2008, and who are covered by this Agreement will receive an increase of 12.8% on the basic salary in addition to the above increase, as a full and final adjustment to the individual salaries.

11. Special Premium Allowance.-

- 11.1 Effective from 1st June 2008, the categories of Employees that are deemed by the Company to be eligible for monthly special premium allowance are as follows:
- Technicians in grade T3 will receive Rs. 40,000 per month.
 - Technicians in grade T2 will receive Rs. 30,000 per month.
 - Technicians in grade T1 Rs. 2,500 per month. (On completion of one year T1)
- 11.2 Effective from 1st June 2008, for employees who use their personal mobile phones for official duty (as indicated by Engineering Management), Rs. 1,500 p.m. will be added to their applicable special premium. For Employees who use Head-Sets, Rs. 1,000 p.m. will be added to their applicable special premium.
- 11.3 The Company reserves the sole right to consider introducing new monthly special premium allowances for other particular jobs or category of jobs not already listed above, or increasing existing monthly special premium allowances, if the Company feels that changing employment market conditions so dictate such a requirement for further or increased monthly special premium allowances. Likewise the Company reserves the sole right to consider reducing the monthly special premium allowances for new Employees in those category of jobs already listed above if the Company feels that changing employment market conditions so dictate such a requirement for reduction of monthly special premium allowances.

12. 13th Month Incentive Payment.-

- 12.1 A 13th month incentive payment may be payable each year in the end-December payroll as per the rules and regulations that are announced each year per decision of the Board of Directors of the Company, to all Employees
- 12.2 Subject to the rules and regulations announced as per section 12.1 above, each Employee is eligible to receive any such 13th month incentive payment based upon their applicable monthly salary.
- 12.3 In the case of Technicians covered and bound by this Agreement, the applicable monthly salary for any 13th month incentive payment shall be a combination of monthly basic salary as defined in section 9 of this Agreement plus any applicable personal differential allowance plus any applicable monthly special premium allowance as defined in section 11 of this Agreement.
- 12.4 The 13th month incentive payment is only paid to those Employees who have completed nine months of service and are still in current employment with the Company on the payment date in December. Where service on the payment date is less than one year but more than nine months, then a pro-rata 13th month incentive payment will be paid.
- 12.5 However, if employment has terminated prior to the payment date due to retirement or due to contract-expiry, then the Employee will still be eligible and a pro-rata payment will be made.

13. Attendance Incentive Payment:

- 13.1 Effective from 1st June 2008, an attendance incentive payment will be payable to Technicians based upon their individual attendance in the calendar year (with payment based on the actual basic salary at the end of that calendar year on 31st December being made at the beginning of the subsequent calendar year split equally between the end-February and the end-March payrolls for tax-efficiency) depending upon the number of days of sickness leave and casual leave unutilised during the calendar year as follows:

<i>Days of sickness/casual leave Unutilised in the calendar year</i>	<i>Attendance payment</i>
18 or more	8.0 weeks
16 – 17 days	7.5 weeks
14 – 15 days	6.5 weeks
12 – 13 days	5.5 weeks
10 – 11 days	4.5 weeks
Less than 10 days	Nil

- 13.1a In addition to the above payment, if any employee has not utilised any sickness leave or casual leave during the calendar year (un-utilised sickness and casual leave balance of 21 days), he will be granted a one off payment of Rs. 1,500, with the end February payroll.
- 13.2 If an employee is marked as “unauthorised absence / approved no pay” then such days will also be included with the days of sickness leave and casual leave utilised for the purposes of calculating eligibility for this attendance incentive payment.
- 13.3 For the avoidance of doubt, in the case of Technicians covered and bound by this Agreement, the applicable monthly salary for any annual attendance payment shall be monthly basic salary plus Special Premium allowance only.
- 13.4 The staff to be entitled for this payment should have been in employment for the full calendar year ending 31st December.

14. All Other Allowances:

14.1 Long-Service Allowance.-

When an employee in grades T1-T3 (formerly 5T – 7T) has completed 10 years, 15 and 20 years of continuous service they will receive a long- service allowances follows :

June 2008

Rs. (per month)

Completed 10 yrs but less than 15 yrs	1250
Completed 15 yrs but less than 20yrs	1650
Completed 20 yrs and above	1950

For the avoidance of doubt, these long-service allowances are not considered to be part of basic salary, but are separate stand-alone allowances intended to reward long - service.

- 14.2 **Regular Shift Allowance.**— With effect from 01st June 2008, all Technicians covered by this Agreement who are on rostered shift patterns will receive a daily shift allowance for each shift actually worked, expressed in Sri Lankan Rupees (RS) per shift of:

Grades	At least 6 but less than 10 hours	10 or more hours
T1-13	Rs 110/= per shift	Rs 160/= per shift

This daily shift allowance applies to all types of shift work patterns and is based upon the scheduled rostered working hours (Excluding breaks) of the shift, regardless of the pattern of shifts (including early shifts and night shifts). This daily shift allowance is only paid if either the rostered shift is worked in full (or substituted by company provided training) or during annual leave based on notional shifts, but this daily shift allowance is not paid during sick leave or casual leave or any other type of leave or absence. If an employee is also required to work a full additional shift (of 6 hours or more) as overtime then the shift allowance will be paid as well as any applicable overtime payments. The normal core office hours of 08.15-6.45 on Mondays-Fridays inclusive is regarded as the regular day pattern, and is not a rostered shift pattern.

Shift allowances earned in one calendar month will be paid in the payroll at the end of the subsequent calendar month.

In exceptional circumstances, Employees may swap shifts with each other by mutual consent and with the prior written approval from the Manager (or Supervisor or Authorised Officer) on a case-by-case basis, subject to the shifts being swapped being identical in working hours, and maximum of three swaps per person per month.

- 14.3 **Peak-Shift Allowance.**— In order to improve productivity, the intention of the Company is to introduce a supplemental peak shift to handle higher workloads and produce greater productivity, and the Company will determine how many staff are needed on this shift based upon operational requirements. This peak shift will possibly be a night shift of about 8 working hours in duration (with a possible pattern of 5 on, 2 off) but the final plans have yet to be determined. All staff will be given the opportunity to volunteer to be rostered on this peak shift, and the Company will normally accept just those volunteer who are conveniently close to a major bus transportation route., to optimise the efficiency of providing additional transportation. If an employee does not live near to what the Company determines is a major transport route, but still wishes to volunteer for the peak shift, then they may do so but will have to be responsible for their own transport arrangements.

If an employee works one such “peak” night shift, then they will receive an additional peak shift allowance of Rs. 200 per shift actually worked, in addition to the normal shift payment described in section 14.2 earlier. Recall that shift allowances earned in one calendar month will be paid in the payroll at the end of the subsequent calendar month.

- 14.4 **Laundry Allowance.**— Effective from 1st June 2008, all Employees in grades T1 – T3 inclusive, who are required to wear a uniform full-time will receive Rs. 500 per month as a monthly laundry allowance to assist them in keeping their uniforms clean. This laundry allowance is intended to reimburse expenses to the Employee by paying part of their uniform cleaning bills and is intended as a subsidy rather than payment in-full of all laundry expenses.

This payment will immediately cease if any staff is presently getting this allowance, in spite of the fact that their uniforms have been withdrawn.

- 14.5 **Tea Allowance.**— Effective from 1st June, 2008, the monthly tea allowance for Technicians in grades T1-T3 (formerly 5T-7T) will be Rs. 350 per month.

- 14.5 **Warm Clothing Allowance.**—The warm-clothing allowance for Technicians in grades T1-T3 (formerly 5T-7T) who are required to perform duty-travel to overseas locations where warm-clothing is deemed necessary is US\$ 150 every five years.

- 14.6 **Approval Allowance.**— A detailed summary of all approval types and associated approval allowance payments that apply to locally employed permanent Technicians in grades T1-T3 (formerly 5T-7T) inclusive is provided in *Appendix B* to this Agreement.

The Company has the sole right to determine the number of Technicians who are required to have approval types to meet operational requirements for aircraft of both Sri Lanka and other airlines certified by Sri Lanka.

The underlying intention and philosophy of the Company is to pay a monthly approval allowance of Rs. 8,000 regardless of aircraft-type for each recognised and required full approval-type to any Technician who holds a recognised approval-type and is required to utilise that approval as part of their regular working duties on an aircraft that is part of the SriLankan fleet.

This same underlying philosophy of Rs. 8,000 per month per approval-type has also been used as the underlying philosophy in determining other types of license pay or approval pay on a relative pro-rata basis for other types of certifications and approvals.

Where the approval-type relates to a current approval on an aircraft that is in operation in the SriLankan fleet at the time of payment, then 100% of the relevant approval allowance shall be paid. However, such payment shall immediately cease to be payable if and when an aircraft type ceases to be in operation in the SriLankan fleet.

The Company may, if future business plans to determine, choose to phase-in or phase-out any other aircraft types at its sole discretion, and payment of approval allowances will apply in accordance with such phase-in and phase-out.

Likewise, payment of approval allowance shall immediately cease to be payable if and when the approval held by the Technician is no longer current or the validity of their approval expires.

Where the approval-type relates to a current approval on an aircraft that is in operation of another airline for whom SriLankan provides certification (but not in operation in the SriLankan fleet) at the time of payment, then 50% of the relevant approval allowance shall be paid. However, such payment shall immediately cease to be payable if and when an aircraft type ceases to be maintained for other airline by SriLankan. Likewise, such payment shall immediately cease to be payable if and when the Technician is no longer current or the validity of their approval expires.

The overall cumulative maximum monthly approval allowance that an individual Technician may receive in any one month shall be Rs. 64,000 per month.

14.7 **Transportation Allowance.**— There is no transportation allowance for Technicians in grades T1-T3 (formerly 5T-7T) inclusive. However, the company-provided bus transport system will be offered free of charge to all Technicians in grades T1-T3 (formerly 5T-7T) who wish to use the bus system as per the existing route structure.

14.8 **Job-Related Assignment Allowances.**— From time-to-time the Company may assign an Employee to perform additional duties, additional to their normal job activities as judged by the Company. Such assignments are of a temporary nature only and may be ceased at any time at the sole direction of the Company, and such allowances will only apply whilst the criteria for eligibility are met in full. Where such assignments are made as listed below, an additional assignment allowance (to be determined by the Company on the basis of the nature of the additional assignment) will be paid each month during the period of such active assignment.

The following assignment allowances will apply on a job-related basis to applicable qualified Technicians in grade T1-T3 (formerly 5T-7T) with effect from 01st June, 2008:

- (a) The **apron driving allowance** for all staff who are regularly required to use a current and valid apron driving permit (excluding those who are designated and/or paid as either Drivers or Equipment Operators or similar where their normal job duties include apron driving duty) will be Rs. 850 per month.
- (b) The **apron driving allowance** for all staff who are occasionally required to use a current and valid apron driving permit (excluding those who are designated and/or paid as either Drivers or Equipment Operators or similar where their normal job duties include apron driving duty) will be Rs. 275 per month.
- (c) The **tool box allowance** for staff required to keep maintained their own box of tools (which they can purchase from the Company by salary deductions) will be Rs. 2,500 per month.

14.9 **Overtime for Flying Spanner Duties.**— It is agreed that on occasions a Technician may be required to perform flying spanner duties by working extra overtime hours (either to extend a normal rostered working day or by working on a day-off), whereby they accompany an aircraft for the purposes of certification of that aircraft at an overseas on-line station. In these cases when a Technician works overtime hours to perform flying spanner duties, they shall receive overtime payments for actual overtime hours performed.

Calculations of hours worked for overtime purposes will commence at initial chocks-off in Colombo, and will finish at the final chocks-on back in Colombo. Actual qualifying time will then be rounded down or up to the nearest full hour. However, if the Technician is away from the aircraft (either whilst on a layover during a hotel stay away from Sri Lanka, or whilst the aircraft is grounded for any reason at the overseas destination), then the calculation of actual working hours ceases from the time the Technician leaves the aircraft at the overseas destination until returning to duty at the aircraft at the overseas destination.

14. **Meal Allowances as a Flying Spanner.**— When a Technician goes on duty as a flying spanner (both on a normal rostered working day, and on a day-off), meal allowances will be paid as follows:

Allowance	Payment	Timing
Breakfast	US\$ 20.00	07.30-8.30
Lunch	US\$ 20.00	12.30-13.30
Dinner	US\$ 20.00	19.30-20.30

All time schedules for applicability of meal allowances as listed above are shown in local times (LT). Technicians will be eligible for these meal allowances commencing one hour before scheduled departure and finishing half an hour after actual time of arrival.

In addition to meal allowances, for a flight departing from or returning to Colombo where an overnight stay is required at an overseas slip location in a hotel whilst on-duty as a flying Spanner, then a night stop allowance will be paid as follows:

Night stop		
T2, -T3	US\$ 18.00	On duty at 00.01 and layover included
T1	US\$ 15.00	On duty at 00.01 and layover included

14.11 **Other Allowances.**— There are no other allowances or payments that apply to Employees who are locally employed in grades T1-T3 (formerly 5T –7T) inclusive of the Technicians grade structure other than those listed in this Agreement.

14.12 Allowance adjustments/increases will come into effect from the date of signing of this agreement unless specified in this agreement.

15. **Income Tax and Statutory Deductions.**—

15.1 It is agreed by all parties that the individual Employee is at all times fully responsible for their own income tax liabilities and payments and for payment of any other statutory Employee contributions and deductions.

15.2 There will be no income tax subsidies or rebates or payments by the Company of any kind for any Employee of the Company.

16. **Uniforms.**—

16.1 Employee who are required to wear a uniform during duty hours must do so, and the Employee must ensure that the uniform is worn in compliance with the standards set by the Company. Uniforms will be issued according to Company requirements and regulations (and all Technicians will be provided with 5 sets of uniforms per annum). Uniforms will remain at all times the property of the Company. All uniforms are issued by the Company free of charge. Employees are fully responsible for keeping their uniform clean, presentable and in good condition at all times.

16.2 The Company will provide appropriate safety clothing and equipment for all Employees performing duties in operational areas such as Line Maintenance, Hangar, Workshops & Apron area.

17. **Letters of Appointment.**—

17.1 Upon successfully completing a medical examination conducted by a registered medical practitioner recognised/nominated by the Company, and upon successfully completing all other pre-employment formalities, each newly appointed Employee shall be issued with a letter of appointment in duplicate. Both parties will be required to sign this letter, and a copy shall be kept by each party for their individual records.

17.2 This letter of appointment shall state, *inter-alia*, the job title, grade, salary and other terms and conditions of employment, including the probationary period. It will also state that the Employee concerned will only be confirmed in their employment after the satisfactory completion of the necessary probation period.

18. **Probationary Period on Joining.** - For new Employees the period of probation on joining the Company is **Six months**. Employment may be terminated by either party at any time during the period of probation without notice and without any reason in accordance with the provisions of the applicable Labour Laws of Sri Lanka.

19. **Notice Period For Termination of Employment.** - For all Employees (except Employees under probation) the period of notice to terminate employment is **one month** for all Technicians in grades T1-T3 (formerly 5T-7T) inclusive from either party.

20. **Working Hours.**

20.1 The standard working week of the Company in Sri Lanka is 40 working hours (excluding breaks) per week and may be day work, split or rotating shift. The standard regular day pattern is composed of 5 working days, with 2 days -off per week. Consequently a standard working day is therefore defined as 8 working hours (excluding breaks). For example, the current regular working pattern is as follows (but the Company may change this pattern at its reasonable discretion):

Regular Day Pattern

- * Work time of regular day pattern of 08.15.-16.45
- * elapsed length of 8 hours and 30 minutes
- * contains one break of 30 minutes
- * hence actual working hours are exactly 8 hours
- * pattern is normally 5-on and 2-off,
- * this equates to 40.0 working hours per 7 day cycle

20.2 Alternatively for Employees on a 28-day roster cycle, standard working hours are expressed as 160 working hours (excluding breaks) per 28-day roster cycle. For such Employees on a 28-day roster cycle, the working cycle is normally composed of no more than 20 working days, and no less than 8 rostered days-off per 28-day cycle. Regardless of the type of roster, a standard working day is always defined as 8 working hours (excluding breaks).

21. **Rosters.**

21.1 All rosters will be constructed at the reasonable discretion of the Company in accordance with operational requirements after appropriate discussion and consultation with the SAATA. However the Company reserves the right to change the starting/finishing times for operational reasons as and when reasonably necessary. It is the sole right of the Company to determine the times, methods and manner of working, the introduction of technical improvements, the decision to modify, extend, curtail or cease operations, and all safety aspects of operations.

21.2 The Company may exercise reasonable discretion to determine when, where and how an Employee is detailed to work (including multi-tasking), or to transfer an Employee from one function or location to another.

21.3 All rosters will be constructed so that actual working hours per week (excluding breaks) are 40 working hours per week, or 160 working hours per 28 day roster cycle. As one illustrative example (but this is not an exhaustive list of all possible shift types):

Base Shift Pattern

- * day shift time of 08.00 – 19.25
- * elapsed length of 11 hours and 25 minutes
- * contains one break of 30 minutes and two breaks of 15 minutes each
- * hence actual working hours are 10 hours and 25 minutes
- * night shift time of 19.00 – 08.25
- * elapsed length of 13 hours and 25 minutes
- * contains one break of 30 minutes and two breaks of 15 minutes each
- * hence actual working hours are 12 hours and 25 minutes
- * pattern is normally 1- day plus 1- night plus 2- off, repeated 7 times in a 28 day roster
- * this equates to a total of 159 hours and 50 minutes per 28 day cycle

22. Overtime pay.-

22.1 As the aviation industry operates on a twenty-four cycle it is recognised that all Employees may on occasions be required to work additional hours beyond 40 working hours (excluding breaks) per week as and when requested by the Company to do so. An Employee if requested to work overtime shall not normally refuse overtime (except for reasons of sickness). Failure to accept a reasonable request to perform overtime by and Employee without a valid excuse shall amount to misconduct. All such requests from the Company for overtime to be worked will be in accordance with Labour Law requirements.

22.2 All Technicians in grades T1 - T3 (formerly 5T - 7T) inclusive are eligible to claim overtime payments on a weekly basis related to hours worked beyond 40 hours per week (excluding breaks), as well as for all overtime hours worked on a rostered day-off or public holiday. All overtime must be approved in advance.

22.3 Wherever overtime is worked then payment per hour of overtime worked will be as follows:

- * overtime to extend a working-day: 150% of the normal applicable hourly salary
- * overtime on a day-off or rest-day: 150% of the normal applicable hourly salary
- * overtime on a poya day: 150% of the normal applicable hourly salary
- * overtime on a statutory holiday: 200% of the normal applicable hourly salary

However, on occasion when it is deemed possible at the discretion of the Company, then instead of payment for overtime, time-off-in-lieu will be granted.

22.3a Work performed by an employee on a Poya day will be remunerated at the rate of 150% of the normal applicable hourly rate of payment.

22.4 When an Employee is called-in to perform overtime on a day-off or rest-day, then a minimum of four hours overtime work will be granted (and for the avoidance of doubt this minimum of four hours overtime does not apply to overtime to extend a working day).

22.5 The normal applicable hourly salary rate is calculated by dividing the applicable monthly salary by 240 as per Labour Law.

22.6 In the case of Technicians covered and bound by this Agreement, the applicable monthly salary for determining the applicable hourly salary shall be a combination of monthly basic salary as defined in section 9 of this Agreement plus any applicable personal differential allowance plus any applicable monthly special premium allowance as defined in section 11 of this Agreement.

23. Productivity.- All parties have agreed in principle that they will fully co-operate together to achieve the productivity goals of the Company. This co-operation will extend to improving efficiency through productive and flexible rosters, improved work practices and reduced absenteeism. The Company will conduct appropriate training for SAATA and all Employees on productivity issues and other related topics.

24. Leave Entitlements

24.1 DEBIT SYSTEM FOR ALL TYPES OF LEAVE EXPRESSED IN WORKING DAYS.-

For all Technicians in grades T1-T3 formerly 5T-7T) inclusive, all leave will be debited on the basis of 1.00 working day debit for each duty-day of leave regardless of the length of shift pattern actually worked. Hence for Technicians in grades T1-T3 (formerly 5T-7T) inclusive, all leave will simply be debited as:

- * 1.00 working day for the normal "8 hour shift".
- * 1.00 working day for the longer "12 hour shift".
- * 1.00 working day for the any shift regardless of shift length.

However, all parties to this Agreement agree in principle to hold detailed discussions after finalisation of the CBA at some stage in the subsequent year to discuss the method of debiting leave for Technicians, as the Company wishes to implement a fair and equitable system for debiting of leave for all employees.

The desire of the Company is that all leave debiting should be based on the underlying concept that one working day is defined as 8.0 working hours (excluding breaks) as detailed in *Appendix C* to this Agreement.

- 24.2 **Annual Leave.**— For all (Technicians in grades T1-T3 formerly 5T-7T) inclusive, the paid annual leave entitlement per calendar year is either 14 working days for staff on the regular day pattern or 18 days to be taken as 9 calendar days in one block plus 9 working days for staff on variable shift rosters. The entitlement to annual leave applies to the calendar year. Each Employee is required to utilise at least 50% of their annual leave entitlement in one continuous block and this period will be defined as the annual long-leave block. Annual leave not utilised in one year may be rolled-over to the next year only, but may not be encashed if unused.

For all Technicians in grades T1-7T (formerly 5T-7T), the debit system of annual leave will be based on the rule that one working day of annual leave is defined as one duty-day regardless of actual working hours as detailed in Section 24.1 in this Agreement.

- 24.3 **Casual Leave.**— For all Technicians in grades T1-T3 (formerly 5T-7T), inclusive, the paid casual leave entitlement per calendar year is 7 working days for all staff regardless of shift pattern. The entitlement to casual leave applies to the calendar year. Casual leave not utilised in one year may not be rolled-over and nor may it be encashed if unused.

For all Technicians in grades T1-T3 (formerly 5T-7T) inclusive, the debit system of casual leave will be based on the rule that one working day of casual leave is defined as one duty-day regardless of actual working hours as detailed in Section 24.1, in this Agreement.

- 24.4 **Leave for Accidents Occurring whilst on Duty.**— In the event of an accident whilst on duty which renders the Employee unable to perform their duties, then subject to approved medical certification by the Company Medical Officer (CMO) and after evaluation by the Safety Section, paid accident leave of up to 3 calendar months may be granted by the Company.

This paid accident leave will be paid on the basis of a combination of monthly basic salary as defined in Section 9 of this Agreement plus any applicable personal differential allowance plus any applicable monthly special premium allowance as defined in Section 11 of this Agreement. However, if there are any payments under the accident insurance policy (as defined in Section 30 later) then such insurance payments will be deducted from the accident leave pay to be paid by the Company.

At the discretion of the Company, accident leave may be extended beyond 3 calendar months based upon a medical review by a specialist doctor and the Company Medical Officer (CMO) and will normally continue to be paid. However in no circumstances will be Company extend the total leave for accident whilst on duty beyond 12 calendar months in total.

In this context if an accident occurs whilst travelling from residence to work or vice-versa, then such an accident will be treated in accordance with this section as an accident whilst on duty, only in instances where staff meet with an accident whilst travelling in Company transport. In the event of staff meeting with an accident whilst travelling in a vehicle, which is not a Company transport, then, the compensation will be made under Accident Insurance (Clause 30) or Workmen's Compensation (Clause 34) as determined by the Manger Insurance.

Further, in the event of staff meeting with an accident whilst travelling in a vehicle, which is not a Company transport, a committee comprising of the President or the Secretary of the Union, Human Resources Manager (Personnel Relations) and Security & Investigations Manager will determine, if the employee was travelling to work from home or vice versa and if so, whether the accident could be treated in accordance with this section as an accident whilst on duty.

During any approved period of accident leave, all reasonable associated medical expenses will be borne in full by the Company after appropriate evaluation by the Company Medical Officer (CMO). Such accident medical expenses are to be treated separately and outside from the normal limits of the medical benefits scheme detailed in Section 29 of this Agreement.

- 24.5 **Two-Year No-Pay Leave.**— The Company at its discretion may permit a period of upto two-years no-pay leave for the following purposes:

- (a) To pursue further training or a course of studies where such training or course of studies is relevant to the field of work in which the Employee is engaged, provided that the Departmental Manager recommends that the Employee can be released for the period of no-pay leave without replacement and the Head of Human Resources approves the recommendation.

- (b) For any other reasonable purpose, including overseas employment (but not for employment in Sri Lanka), if the Department at Manager recommends that the Employee can be released for the period of no-pay leave without replacement and the Head of Human Resources approves the recommendation.

A maximum of 4 Technicians in permanent employment in grades T1-T3 (formerly 5T-7T) inclusive may be permitted at any one time to be on no-pay leave as per the conditions of this section. In order to be considered for no-pay leave, an Employee must have completed at least ten years of continuous service with the Company and consideration for such no-pay leave will only be given once per employment lifetime per Employee.

During the period of no-pay leave, all benefits will be suspended as per the rules and regulations governing this policy for upto two-years no-pay leave also the period of no pay leave will not be considered as being part of active service.

The maximum period of no-pay leave is two years and under no circumstances will extensions be considered. Whilst on no-pay leave, the Employee will be required to sign a bond to the Company as per the rules and regulations governing this policy for upto two-years no-pay leave.

- 24.6 **Sick leave.** - The sick leave eligibility for all Employees in grades T1-T3 (formerly 5T - 7T) covered and bound by this Agreement is upto 14 working days of paid sick leave per calendar year. In exceptional circumstances, subject to the approval by the Company Medical Officer (CMO), additional unpaid sick leave of upto a further 90 calendar days may be granted.

For the purposes of calculating sick leave debits for Employees on the normal 8 hour day pattern, each 8 hour working day that they are sick is debited simply as 1 working day of sick leave.

For the purposes of calculating sick leave debits in working days for Employees on rostered shift patterns, the following procedure will apply:

- (a) First the total period of sickness will be determined in calendar days and this total period will commence from the time that the Employee reports sick and will end at the time that the Employee reports fit. If this total period includes any rostered days-off, then those days-off will also be fully included in this total period of sickness in calendar days.
- (b) Second, regardless of shift-type or shift-length in working hours, a pro-rata number of days-off will be deducted from this total period of sickness to aid the conversion of sick leave from calendar days to working days (based on the underlying philosophy for the regular day pattern that 7 calendar days equates to 5 working days). Thus the number of working days of sick leave that will be debited will be calculated as per the table below:

<i>Full Period of Sickness</i>	<i>Less Pro-Rata Days-Off</i>	<i>Debited Working Days</i>
1 calendar day	nil	debit as 1 working day
2 calendar days	nil	debit as 2 working days
3 calendar days	less 1 day-off	debit as 2 working days
4 calendar days	less 1 day-off	debit as 3 working days
5 calendar days	less 1 day-off	debit as 4 working days
6 calendar days	less 2 days-off	debit as 4 working days
7 calendar days	less 2 days-off	debit as 5 working days
8 calendar days	less 2 days-off	debit as 6 working days
9 calendar days	less 2 days-off	debit as 7 working days
10 calendar days	less 3 days-off	debit as 7 working days
11 calendar days	less 3 days-off	debit as 8 working days
12 calendar days	less 3 days-off	debit as 9 working days
13 calendar days	less 4 days-off	debit as 9 working days
14 calendar days	less 4 days-off	debit as 10 working days
15 calendar days	less 4 days-off	debit as 11 working days
16 calendar days	less 4 days-off	debit as 12 working days
17 calendar days	less 5 days-off	debit as 12 working days
18 calendar days	less 5 days-off	debit as 13 working days
19 calendar days	less 5 days-off	debit as 14 working days

- (c) Notice therefore that this above method of determining the debit for sick leave in working days is irrespective of the length of the underlying rostered working day.

Any sick leave not utilised in one year may not be rolled-over and may not be accumulated. Nor may unutilised sick leave be encashed.

- 24.7 **Sick Leave Certification.**— On the first day of any illness it is the duty of the Employee to inform the Company of their absence due to sickness, the nature of their illness and the expected duration of their absence.

On the first three occasions of sickness per annum, the first two days of sickness per occasions may be uncertified, but for each period of sickness exceeding two days an Employee is required to submit a medical certificate. On the fourth and subsequent occasion of sickness per annum a medical certificate is always required.

On the first three occasions of sickness per annum, if a medical certificate is required then it will be accepted from any recognised doctor. On the fourth and subsequent occasion of sickness per annum, only medical certificates issued by one of the doctors on the specified list of a panel of doctors will be accepted.

In areas of Sri Lanka where there is no appointed doctor on the panel of doctors reasonably accessible to the employee, the Company will accept medical certificates from any registered medical practitioner in that area. But in cases where the Company has reasonable doubt over the authenticity or credibility of a particular doctor, then the Company reserves the right to reject medical certificates from such doctors after prior advice to employees.

The SAATA recognise and agree that wherever practically possible, all employees who need to take sick leave will provide prior notification and apply for such leave as much as possible in advance, unless the reason for the absence is one which could not have been foreseen.

- 24.8 **Maternity Leave.**— All female Employees company-wide are entitled to 84 paid working days maternity leave for the first two children, then 42 paid working days for the third child onwards. This maternity leave will be paid on the basis of a combination of monthly basic salary as defined in section 9 of this Agreement plus any applicable personal differential allowance of this Agreement plus any applicable monthly special premium allowance as defined in section 11 of this Agreement. When a rostered female Employee goes onto maternity leave, then they should be taken off their usual roster and be placed instead on a regular day pattern (of 5 working days per calendar week), and then maternity leave debits in working days should be debited accordingly based upon the usual regular day pattern of 5 working days per calendar week. Thus 84 working days is one day short of 17 calendar weeks.

- 24.9 **Statutory and Poya Holidays.**— All Technicians in grades T1 – T3 (formerly 5T – 7T) inclusive are entitled to 8 statutory holidays per annum. If an Employee is required to work on a statutory holiday then overtime payments will be made or wherever possible (at the discretion of the Company) an alternative day-of-in-lieu will be granted. If a statutory holiday falls on a rest-day of day-off, then wherever possible (at the discretion of the Company) an alternative day-off will be granted, or overtime payment will be paid in relation to the shift hours.

In the event, an employee is required to report for work on his rest day, which also happens to be a statutory holiday, he will be paid in addition to the statutory holiday payment, the normal rate of overtime, depending on the number of hours he/she works.

All Technicians in grades T1-T3 (formerly 5T – 7T) inclusive are entitled to poya days as declared each year. If an Employee is required to work on a poya day then payments will be made accordingly (and there is no option of an alternative day-off-in lieu). If a poya holiday falls on a rest-day or day-off, then no alternative day-off will be granted (as per Labour Law).

If any statutory holiday and/or poya day falls during the annual long-leave block, then that statutory holiday and/or poya day will not be recorded or debited as part of annual leave.

- 24.10 **Leave for Natural Disasters.**— If an employee is unable to report to work due to a natural disaster in the country/area of their residence, he/she is required to apply for such leave at the first available opportunity, addressed to HR Services Manager, HR Services Manager will together with the relevant Line Manager investigate the situation and decide whether paid leave or alternate working day/s should be granted to the employee based on circumstances.

25. **Retirement Age.**— The retirement age of all Employees will be 60 years for all Employees employed by the Company in Sri Lanka per the Retirement policy. For all instents and purposes including the purpose of retirement., the date of birth given by the Employee at the time of appointment shall be the sole and conclusive date of their birth.

26. **Employee Provident Fund (EPF).**—

- 26.1 Contributions to the Central Government Employee Provident Fund (EPF) are mandatory for all Employees covered by this Agreement.
- 26.2 For locally employed Employees, the Company contribution rate shall be 15.0% of eligible monthly salary and the Employees contribution rate shall be 10% eligible monthly salary.
- 26.3 For the purposes of EPF contributions, eligible monthly salary for all Employees covered by this Agreement is a combination of monthly basic salary as defined in section 9 of this Agreement plus any applicable personal differential allowance plus any applicable monthly special premium allowance as defined in section 11 of this Agreement.

27. **Employee Trust Fund (ETF).**—

- 27.1 Contributions to the Central Government Employee Trust Fund (ETF) are mandatory for all Employees covered by this Agreement.
- 27.2 For locally employed Employees the Company contribution rate shall be 3.0% of eligible monthly salary and is non-contributory for the employee.
- 27.3 For the purpose of ETF contributions, eligible monthly salary for all Employees covered by this Agreement is a combination of monthly basic salary as defined in section 9 of this Agreement plus any applicable personal differential allowance plus any applicable monthly special premium allowance as defined in section 11 of this Agreement.

28. **End-of-Service Gratuity.**—

- 28.1 All locally employed Employees are entitled to end-of-service gratuity benefits provided they complete five continuous years of service with the Company. No gratuity is payable if the Employee does less than five completed years of continuous service. No is any gratuity payable if the Employee has their services terminated for reasons of fraud, negligence or misconduct. The gratuity payment shall be in accordance with the Gratuity Act No. 12 of 1983.
- 28.2 The end-of-service gratuity is 0.5 months of applicable salary for each completed year of service and the applicable monthly salary is the final salary in issue on the last day of service which shall be used to determine the full amount of the gratuity payable.
- 28.3 The applicable monthly salary for all Employees covered by this Agreement is a combination of monthly basic salary as defined in section 9 of this Agreement plus any applicable personal differential allowance plus any applicable monthly special premium allowance as defined in section 11 of this Agreement.

29 **Medical Benefits Scheme**

- 29.1 All locally employed Employees are covered by medical benefits scheme which apply to all Technicans in grades T1-T3 (fromerly 5T-7T) and equivalent parallel grades, subject to the terms and conditions and exclusions of the medical benefits scheme as described in the medical benefits handbook, which may be amended at any time at the discretion of the Company.
- 29.2 The medical benefits scheme covers the Employee and Family, where Family coverage is defined to the for spouse and unlimited children who are unmarried and un-employed upto their 24th birthday
- 29.3 Contributions per person covered are:

- (a) Employee: Rs. 500 per month
- (b) Spouse: Rs. 500 per month
- (c) Child: Rs. 500 per month

29.4 The main benefits of the medical scheme for all technicians are as follows:

(i) COMPANY CLINIC BENEFITS

The Employee only (and not Family dependants) may use the company clinic free of use without limit and all medicines from the clinic are free-of charge for the Employee.

(ii) PANEL OF DOCTORS

The Employee and Family dependants may get consultations free-of-charge from the specified list of a panel of doctors, but any medicines from this panel of doctors is deducted from the limit for out-patient benefits.

(iii) OUT-PATIENT TREATMENT

Coverage for out-patient treatment is Rs. 5,000 per annum per person covered. Benefits of one family member may be used by another covered family member.

However any high-cost special investigations performed as an out-patient would be fully reimbursed by deducting instead from the limit for in-patient benefits.

(iv) DENTAL CARE

Included in the limit for out-patient benefits are treatments for dental care. This includes consultations free-of-charge from the Company-appointed dentist for the Employee and Family members, but any medicines and any costs of procedures will be deducted from the limit for out-patient benefits.

(v) IN-PATIENT TREATMENT

Coverage for in-patient treatment including hospitalisation is upto Rs. 150,000 per annum per employee covered. Coverage for family members (spouse and children) is Rs. 100,000 per annum per person covered. The benefits of one Family member may be used by another covered Family member after appropriate medical evaluation by the Company Medical Officer (CMO).

All in patient bills are reimbursed 100% in full within the limit for in-patient benefits.

For hospitalization or planned surgeries, upon request, a credit letter will be issued by the medical Centre within a period of 24 hours, for Technicians covered & bound by this agreement.

Company will issue a credit letter to the value of the amount entitled by the employee or the family member covered and also as and when required for members of the SAATA company agrees to make a payment to the hospital up to a maximum of Rupees One million (including normal hospitalization quota available and the amount for Critical Care which is a life time payment-if applicable) only for staff. The company shall deduct the excess amount from the Technician concerned, in maximum of 24 instalments. The association will be responsible in recovering the excess amount to be paid by the Technicians.

However if the hospitalisation is in a Government hospital, then a supplemental allowance of double the monthly contribution of the person covered is paid for each day of such hospitalisation.

Standard Rooms-If a standard room is not available, the existing conditions will be extended up to 48 hours.

(vi) MATERNITY BENEFITS FOR NORMAL BIRTHS

A reimbursement of up to Rs. 5,000 for maternity expenses will be made to the Employee or their spouse for first two births if the hospitalisation is in a government hospital.

A reimbursement of up to Rs. 8,500 for maternity expenses will be made to the Employee or their spouse for the first two births if the hospitalisation is in a private hospital.

(vii) OPTICAL CARE

Coverage for optical care benefits is Rs. 15,000 every two years for each person covered, which provides 100% full reimbursement for approved spectacles frames and lensess within this limit. Benefits of one Family member may not be used by another covered Family member.

(viii) MEDICAL SCREENING

As an additional benefit, an annual medical screening of the Employee only (and not Family dependants) is performed free-of-charge at the Sri Jayawardenapura Hospital or the Nawaloka Hospital.

(ix) CHOLESTEROL TEST

For Technicians in T1-T3 (formerly 5T-7T) the age limit of conducting the Cholesterol Test with the annual medical screening, has been reduced to 30 years from 40 years. This will be done on the request of the employee and the Company Medical Officer will make the decision of allowing employees in grade T1-T3 (formerly 5T-7T) to undergo the test on case by case basis.

This will apply with effect from 01 January 2009.

- 29.5 The Company is firmly committed to improving safety and to ensuring that safe work practices are in place to protect its employees, its customers and its equipment, and committed to an increased focus in this important area of safety and to providing the necessary training and awareness to all Employees, including advice on regular medical check-ups and advice on proper nourishment as prescribed by industrial medicine qualified doctors.

30. *Accident Insurance Benefits*

- 30.1 All locally employed Employees are insured by the Company through an existing insurance policy under a very comprehensive "Group Personal/Accident/Inness and Travel Policy", for a capital-sum insured of 84 months applicable salary, subject to the terms and conditions and exclusions governing the policy. This policy may be amended at any time at the discretion of the Company, in consultation with the insurer.

- 30.2 For the purposes of this "Group Personal /Accident and Travel Policy", applicable monthly salary for all Employees covered by this Agreement is a combination of monthly basic salary as defined in Section 9 of this Agreement plus any applicable personal differential allowance plus any applicable monthly special premium allowance as defined in Section 11 of this Agreement.

- 30.3 The global coverage which operates 24-hours per day for accident insurance benefits is as follows:

(i) DEATH

Coverage for death from an accident is 100% of the capital sum-insured of 84 months applicable salary.

(ii) PERMANENT TOTAL DISABLEMENT

Coverage for permanent total disablement resulting from an accident is 100% of the capital sum-insured of 84 months applicable salary.

(iii) PERMANENT PARTIAL DISABLEMENT

Coverage for permanent partial disablement resulting from an accident is 100% of the capital sum-insured of 84 months applicable salary only for specific purposes of:

- * total and irrecoverable loss of sight of both eyes
- * total and irrecoverable loss of sight of one eye
- * loss of two or more limbs
- * loss of one limb

(iv) TEMPORARY TOTAL DISABLEMENT

Coverage of temporary total disablement resulting from an accident is:

- * 0.6% of capital sum-insured (of 84 months applicable salary) per week
- * subject to a maximum of 100% of average weekly salary

In nearly all cases, the maximum limit of average weekly salary per week (100%) comes into effect (as 0.6% of sum-insured is 0.6% of 84 months, which is 0.5 months salary per week, so the maximum of 100% of weekly wage is normally triggered).

This temporary total disablement insurance starts after 14 days, and continues thereafter until 104 weeks. Thus the first 14 days is covered by Company policy for sick leave, and then this insurance comes into effect for temporary total disablement.

(v) TEMPORARY PARTIAL DISABLEMENT

There is no coverage for temporary partial disablement resulting from an accident.

31. *Illness Insurance Benefits*

- 31.1 All locally employed Employees are insured by the Company through an existing insurance policy under a very comprehensive “Group Personal Accident/Illness and Travel Policy”, for a capital-sum insured of 84 months applicable salary, subject to the terms and conditions and exclusions governing the policy. This policy may be amended at any time at the discretion of the Company.
- 31.2 For the purposes of this “Group Personal/Accident and Travel Policy”, applicable monthly salary for all Employees covered by this Agreement is a combination of monthly basic salary as defined in Section 9 of this Agreement plus any applicable personal differential allowance plus any applicable monthly special premium allowance as defined in Section 11 of this Agreement.
- 31.3 The global coverage which operates 24-hours per day for illness insurance benefits is as follows:
- (i) DEATH
There is no coverage for death from an illness. However, whilst death from illness is not covered, it is instead covered by a scheme that provides benefits in the event of death due to natural causes (including illness) as described in Section 32 of this Agreement.
 - (ii) PERMANENT TOTAL DISABLEMENT
Coverage for permanent total disablement by paralysis from from an illness 100% of the capital sum-insured of 84 months applicable salary.
 - (iii) PERMANENT PARTIAL DISABLEMENT
Coverage for permanent partial disablement resulting from an illness is 100% of the capital sum-insured of 84 months applicable salary only for the specific purpose of total and irrecoverable loss of sight of both eyes.
 - (iv) TEMPORARY TOTAL DISABLEMENT
Coverage for temporary total disablement resulting from an illness is:
 - * 6% of capital sum-insured (of 84 months applicable salary) per week
 - * subject to a maximum of 75% of average weekly salary

In nearly all cases, the maximum limit of average weekly salary per week (75%) comes into effect (as 0.6% of sum-insured is 0.6% of 84 months, which is 0.5 months salary per week, so the maximum of 75% of weekly wage is normally triggered).

This temporary total disablement insurance starts after 14 days, and continues thereafter untill 104 weeks. Thus the first 14 days of a major illness is covered by Company policy for sick leave, and then this insurance comes into effect for temporary total disablement.

The insurance payment will come into effect only if the employee is placed on no-pay leave.
 - (v) TEMPORARY PARTIAL DISABLEMENT
There is no coverage for temporary partial disablement resulting from an illness.
- 31.4 Due to medical conditions, if a decision is made by the company to terminate an employee, prior to such termination it is agreed to have a discussion with the Union.

32. *Benefits in the Event of Death due to Natural causes.-*

- 32.1 All locally employed Employees are covered through a scheme that provides benefits in the event of death due to natural causes, which pays a capital sum of 60 months applicable salary in the event of death due to natural causes and applies 24-hours per day with global coverage, subject to the terms and conditions and exclusions governing the scheme. This scheme may be amended at any time at the discretion of the Company.

32.2 For the purposes of this scheme which provides benefits in the event of death due to natural causes, the applicable monthly salary for all Employees covered by this Agreement is a combination of monthly basic salary as defined in section 9 of this Agreement plus any applicable personal differential allowance plus any applicable monthly special premium allowance as defined in section 11 of this Agreement.

33. ***Group Travel Insurance on Company Business.-***

33.1 All locally employed Employees are insured by the Company through an Existing insurance policy with the Sri Lanka Insurance Corporation Limited under very comprehensive "Group Personal Accident/Illness and Travel Policy", subject to the terms and conditions and exclusions governing the policy. this policy may be amended at any time at the discretion of the Company, in consultation with the insurer.

33.2 This "Group Personal Accident/Illness and Travel Policy" provides group travel benefits for the Employee whilst travelling on business for and on behalf of the Company in respect of journeys which extend beyond the confines of Sri Lanka as follows:

- * medical expenses of upto US\$ 10,000
- * loss of money insurance of upto US\$ 1,000
- * personal liability insurance of upto US\$ 500,000
- * loss or destruction of or damage to baggage of upto US\$ 1,000
- * funeral and repatriation expenses of upto US\$ 350.

33.3 These group travel benefits also apply to Family members of the Employee including spouse and children (excluding children over age 16 years) and parents, whilst officially accompanying the Employee on business duty travel at the specific and prior request of the Company.

34. ***Workmen's Compensation.-***

34.1 All locally employed Employees have the benefit of the statutory "Workmen's Compensation Ordinance", subject to the terms and conditions and exclusions specified in the Ordinance.

34.2 However, where any payments are made to an Employee under the terms and conditions of the Workmen's Compensation Ordinance, then such payments will be deducted from any other payments due from the Company under other benefits and insurance policies described in sections 29-33 inclusive of this Agreement.

35. ***Staff Travel Benefits and Concessions.-***

35.1 All locally employed Employees shall be entitled to Privilege travels as per the company Travel policy.

36. ***Future Promotions.-***

36.1 It is intended that all future promotions will be job related subject to job vacancies and selection of the person to be promoted will be based upon an appropriate combination of factors including seniority, qualifications, merit, performance and job requirements. This principle is accepted by all parties.

36.2 If an Employee is promoted or upgraded to the next higher grade, the Employee will receive an increase of 6.0% on their existing monthly basic salary. However, if after this 6.0% increase the resulting basic salary is still lower than the minimum of the salary scale for the new grade, then the basic salary shall be further increased to that minimum level.

36.3 As per section 8.2 earlier in this Agreement, in order for an Employee to be considered for upgrade or promotion to a higher grade, then the minimum job requirements of that higher grade must be met in keeping with the promotion and recruitment procedures of the Company. Any such upgrades or promotions are subject to budget and/or operational requirements and availability of vacancies.

36.4 Management will make arrangements to advertise the vacancies in T1 - T3 internally, before recruiting from outside.

37. ***Training.-***

37.1 The Company will endeavour to ensure that all Employees are adequately and properly trained to perform all of their required job functions.

- 37.2 In addition, the Company will provide training opportunities wherever possible and operationally practical for career advancement. The philosophy of the Company is to give preference to internal candidates for promotional vacancies.
- 37.3 The selection of an Employee to attend a training course will be based upon an appropriate combination of factors including seniority, qualifications, merit, performance, current job requirements and future job/career requirements.
- 37.4 All existing applicable bonding policies of the Company will continue to apply to all Technicians.

38. **Bonding.**—

- 38.1 At the discretion of the Company, if an Employee is trained by the Company then he/she may be required to enter into a bonding agreements with two sureties which states, amongst other things, that he/she remains in the service of the Company for a stipulated period of time.
- 38.2 If an Employee is dismissed from service or resigns during the bonded period as specified in the bonding agreement, then the Employee or their guarantors will be liable to pay liquidated damages to the Company within 14 days of termination of employment.
- 38.3 If an Employee who has been dismissed or has resigned is subsequently unable to pay liquidated damages then there will be a surcharge by way of interest at the rate of 30% compound per annum for the period during which the sum due under the bonding agreement remains unpaid.

39. **Grievance and Dispute Procedure.**— In the event of any dispute or grievance arising between an Employee or Employees and the Company the following procedure shall be followed for the settlement of such dispute, or in resolving such grievance.

- (a) The Employee (or representative from the SAATA) will, in the first instance, discuss the dispute or grievance with their immediate Supervisor or Line Manager.
- (b) If the grievance or dispute is not satisfactorily resolved, then the Employee (or representative from the SAATA) may then discuss the matter with the Departmental Manager, who will endeavour to arrive at satisfactory solution in respect of the grievance or dispute.
- (c) In the event of the grievance or dispute not being resolved at the level of the Departmental Manager, the issue in dispute will then be discussed by the Employee (or a representative from the SAATA) with the Human Resources Manager (or their representative).
- (d) If no satisfactory solution is arrived at, then the issue in dispute will be discussed by the SAATA with the Company Management. At such discussion, the number of representatives on each side shall not exceed four (4). Such discussion will be arranged by the Human Resources Manager as far as possible within five(5) working days of request being made by the SAATA.
- (e) The SAATA who wishes to discuss any matter with the Human Resources Manager will do so only by prior appointment except where the matter is Urgent.
- (f) If the dispute or grievance remains unresolved, the SAATA may then raise the issue for discussion with the Company in SAATA with the Employer's Federation of Ceylon. The Company will, within ten (10) days of a request being made by the SAATA, arrange a discussion meeting in SAATA with the Employers' Federation of Ceylon.
- (g) In the event of a dispute or grievance not being resolved or settled under the preceding sub-sections within a period of three months then, by mutual consent of both parties, they shall refer such dispute or grievance to voluntary arbitration in terms of section 3(1)(d) of the Industrial Disputes Act for Settlement.
- (h) If both parties agree to arbitration they shall agree on a statement of the matter in dispute and if there is no agreement on such statement they shall request the Commissioner of Labour to determine the statement of the matter in dispute after affording the parties an opportunity to state their case in regard to the statement of the matter in dispute. If the parties are unable to jointly nominate an Arbitrator he shall be nominated by the Commissioner of Labour.

- (i) An award made by an Arbitrator in a voluntary arbitration referred in sub-section (h) above hereby shall be final and binding on the parties, save and except in a case where the finding is perverse or not consistent with the available evidence.

40. **Disciplinary Inquiry Procedure.**— All Technicians will be governed by the Disciplinary Procedure of the Company. The Company shall endeavour to complete all disciplinary inquiries within a period of 3 months from the serving of the charge-sheet. This time-limit shall not apply to cases of fraud and such matters which need to be investigated by outside agencies, departments and such like.

41. **Trade Union Action.**

- 41.1 The SAATA and all parties covered and bound by this Agreement jointly and severally agree with the Company that during the continuance of this Agreement they shall not engage in any strike or other form of Trade Union action in respect of any matters covered by this Agreement:
- 41.2 If, in the opinion of the Company, the SAATA or any of its members have committed a breach of this Agreement, then and in any such event the Company reserves the right to withdraw all or any of the facilities or benefits granted to the SAATA, without prejudice to the right of the Company to restore such facilities or benefits upon such terms and conditions as the Company may decide.

42. **Signatures of Agreement.**

- 42.1 This Agreement is signed in Colombo on 07 November 2008 and witnessed as follows:

- 42.2 For and on behalf of the Company:

Sri Lankan Airlines Ltd.
Mrs Pradeepa Dahanayake
Head of Human Resources

Mr. D. A. G. Jayasuriya
Acting Head of Engineering

Mr. M. M. Ali Kamil
Senior Manager Human Resources

Mr. S.P. G. Rose
Manager Aircraft Maintenance

- For and on behalf of the SAATA:

Mr. Nuresh Pereira
President, SAATA

Mr. Chandimal Perera
Secretary, SAATA

Mr. Asela Amerasekara
Treasurer, SAATA

APPENDIX A

MINIMUM JOB AND GRADE REQUIREMENTS FOR T1 – T3

All promotions, placements and recruitment to Technician grades T1 – T3 (formerly 5T – 7T) in all areas will be strictly governed by the minimum promotion and recruitment criteria set out in this appendix, and are at all times subject to budget/operational requirements:

Entry Qualifications to T1 as Junior Aircraft Technician/Junior Aircraft Workshop Technician

Must have successfully completed a 2 year approved training course.

Promotional criteria from T1 to T2 as Aircraft Technician/ Aircraft Workshop Technician

Must have at least 3 years experience in Grade T1

Promotional criteria from T2 to T3 as Senior Aircraft Technician/Senior Aircraft Workshop Technician

- (a) Must have at least 10 years experience in T2

Or

- (b) Must have at least 8 years experience in T2 + B1/B2/LWTR (A&C or E, I&R)

Or

- (c) Must have 5 years experience in T2+A1/B1/B2/LWTR (A&C or E, 1&R) + A1 approval on one type of A/C or 1 type of Engine (only for module shop) or Cabin Full Approval on one type of A/C. or Full work shop approval on one group of work shop approvals.

Or

- (d) Must have 3 years experience in T2+A1/B1/B2/LWTR (A&C or E, 1&R) + A1 approvals on at least 2 A/C types. or 2 types of Engines. (only for module shop) or Cabin Full Approval on two types of A/C or Full work shop approvals on two groups of work shop approvals.

Or

- (e) Must have 3 years experience in T2+B1/B2/LWTR+B1/B2 approvals on one type of A/C.

Criteria to be re - titled as Certifying A/C Technician/Certifying A/C Workshop Technician (T3)

- (a) A1/B1/B2/LWTR + must be in T3, exercising the authority in following approvals for 2 years A1 approvals on at least 2 A/C Types or 2 types of Engines (only for module shop) or Cabin full Approvals on two types of A/C or Full work shop approvals on two groups of work shop approvals.

Or

- (b) B1/B2/LWTR+must be in T3, exercising the authority in following approvals for 2 years B1/B2 Approvals on one type of A/C.

A1 Approvals will be applicable only to Line Maintenance.

CRITERIA TO DETERMINE JOB CATEGORISATION FOR GRADES T1 - T3

As detailed in section 8 of this agreement, the grading structure for Technicians of grades T1 - T3 (formerly 5T - 7T) covers all those employed as "Aircraft Technicians", which collectively covers both "Aircraft Technicians" and "Aircraft Workshop Technicians".

The criteria that will be used to determine job categorisation in grades T1 - T3 (formerly 5T - 7T) are as follows:

- (1) The job-holder will work in a controlled **aircraft environment**.
- (2) The job-holder will be required to handle **certified components**.
- (3) The job-holder will be required to handle **certified materials**.
- (4) The nature of the duties of the job-holder will be relevant to **air worthiness standards**.

Qualification for the above will be on successful completion of appropriate courses as determined by the Company.

Only those Employees who are performing the tasks that comply with the above four mentioned criteria may be considered for eligibility for grades T1 - T3 (formerly 5T - 7T).

But if an Employee used to be classified as a "Technician" and who was involved in routine servicing but does not meet the four criteria above, then they may not be placed in the Technician grades T1 - T3 (formerly 5T - 7T) even though they might meet some (but not all) of the criteria listed above.

APPENDIX B

SUMMARY OF ALL APPROVAL ALLOWANCES FOR APPROVAL HOLDERS

Full Details of each scheme are contained in the applicable approval scheme booklet.

(1) LICENSED AIRCRAFT ENGINEERS IN LINE AND HANGAR MAINTENANCE

(Also applies to Technicians and Executive with Full Approval)

A320 Cabin approval full	Rs. 5,000 per month
A320 A1 Mechanical	Rs. 6,000 per month
A320 A or C	Rs. 8,000 per month
A320 A & C Full without Run-up	Rs. 12,000 per month
A320 A & Full	Rs. 16,000 per month (Considered as two categories)
A320 Avionics (E&1&R)	Rs. 18,000 per month (Elect Rs. 8,000 Instrument Rs. 8,000, Radio Rs. 2,000)
A330 Cabin approval full	Rs. 5,000 per month
A330 A1 Mechanical	Rs. 6,000 per month
A330 A or C	Rs. 8,000 per month

A330 A& C Full without Run-up	Rs. 12,000 per month
A330 A & C Full	Rs. 16,000 per month (Considered as two categories)
A330 Avionics (E&I&R)	Rs. 18,000 per month (Elect Rs. 8,000 Instrument Rs. 8,000, Radio Rs. 2,000)

A340 Cabin approval full	Rs. 5,000 per month
A340 A1 Mechanical	Rs. 6,000 per month
A340 A or C	Rs. 8,000 per month
A340 Full without Run-up	Rs. 12,000 per month
A340 A & C Full	Rs. 16,000 per month (Considered as two categories)
A340 Avionics (E&I&R)	Rs. 18,000 per month (Elect Rs. 8,000 Instrument Rs. 8,000, Radio Rs. 2,000)

Note : an "A" approval includes all ATA chapters covered by a full Cabin approval.

(2) WORKSHOP ENGINEERS IN WORKSHOP

For each decimal point of 0.1, Rs. 600 per month

APPENDIX B

(3) ENGINEERS IN PRODUCTION PLANNING FOR PLANNING APPROVALS

Detailed below is the policy for payment for each sub-section as applicable to the following three different areas for Production Planning Approvals :

- (1) Aircraft Planning (APA)
- (2) Workshop Planning (WPA)
- (3) Component Control (CCA)

(1) APA. 1	(a) Rs. 2,000 per month (b) Rs. 2,000 per month (c) Rs. 2,000 per month
APA. 2	(a) Rs. 2,000 per month (b) Rs. 2,000 per month (c) Rs. 2,000 per month
APA. 3	(a) Rs. 2,000 per month (b) Rs. 2,000 per month (c) Rs. 2,000 per month
(2) WPA. 1	Rs. 6,000 per month
WPA. 2	Rs. 6,000 per month
WPA. 3	Rs. 6,000 per month
(3) CCA. 1	(a) Rs. 3,000 per month (b) Rs. 3,000 per month (c) Rs. 3,000 per month
CCA. 2	(a) Rs. 3,000 per month (b) Rs. 3,000 per month (c) Rs. 3,000 per month

APPENDIX B

(4) Engineers in Engineering Services for Design Approvals:

Each full design approval for A320	Rs. 8,000 per month
Each half design approval for A320	Rs. 4,000 per month
Each full design approval for A330	Rs. 8,000 per month
Each half design approval for A330	Rs. 4,000 per month
Each full design approval for A340	Rs. 8,000 per month
Each half design approval for A340	Rs. 4,000 per month

The main groupings and sub-grouping of full-design approval categorises are:

- A1. Structure
- A2. Interior

- B1. Aircraft Systems
- B2. Weight and Balance
- C1. Engine
- C2. Engine Systems and Health Monitoring
- D1. Radio
- D2. Radar
- E1. Electrical Systems
- E2. Instrument

(5) Technical Training Instructor Approvals:

Basic Instructor Approval	Rs. 8,000 per month	
A320 A or C	Rs. 8,000 per month	
A320 A and C Full	Rs. 16,000 per month	(considered as two categories)
A320 Avionics (E & I & R)	Rs. 18,000 per month	(equivalent to two categories)
A330 A or C	Rs. 8,000 per month	
A330 A and C Full	Rs. 16,000 per month	(considered as two categories)
A330 Avionics (E & I & R)	Rs. 18,000 per month	(equivalent to two categories)
A340 A or C	Rs. 8,000 per month	
A340 A and C Full	Rs. 16,000 per month	(considered as two categories)
A340 Avionics (E & I & R)	Rs. 18,000 per month	(equivalent to two categories)

APPENDIX C

COMPANY PROPOSALS FOR DISCUSSIONS ON LEAVE ENTITLEMENTS

C.1 *Proposed Debit System for Annual Leave and Casual Leave Expressed in Working Days.*— The Company has expressed a desire to implement a revised leave-debit system whereby the leave debit system will change to a more equitable system. Since one standard working day is defined in Section 20 as 8.0 working hours (excluding breaks) this means that where any leave entitlement is expressed in working days, then it shall mean a period of 8.0 working hours (excluding breaks) unless otherwise specified in these T and Cs. A few sample calculations of how the Company proposes that leave should be debited in working days are as follows:

(a) *Regular Day Pattern :*

- * shift time of regular day pattern of 08.15-16.45
- * elapsed length of 8 hours and 30 minutes
- * contains one break of 30 minutes
- * hence actual working hours are exactly 8 hours
- * thus this is therefore considered as 1.000 working day for all leave purposes

(b) *Long-Day Shift in Base Pattern :*

- * day shift time of 08.00-19.25
- * elapsed length of 11 hours and 25 minutes
- * contains one break of 30 minutes and two breaks of 15 minutes each
- * hence actual working hours are 10 hours and 25 minutes (or 10.42 hours)
- * thus this is therefore considered as 1.302 working days for all leave purposes

(c) *Lond-Night Shift in Base Pattern :*

- * night shift time of 19.00 – 08.25
- * elapsed length of 13 hours and 25 minutes
- * contains one break of 30 minutes and two breaks of 15 minutes each

- * hence actual working hours are 12 hours and 25 minutes (or 12.42 hours)
- * thus this is therefore considered as exactly 1.552 working days for all leave purposes

C.2 *Annual Leave.* - For all Technicians in grades T1-T3 inclusive, the Company proposes that the paid annual leave entitlement per calendar year should be 14 working days for all staff regardless of shift pattern, where 1 working day is defined as 8.0 working hours. Since one working day is defined in Section 20 as 8.0 working hours (excluding breaks) this means that annual leave entitlement is 112.0 working hours per annum for all Technicians in grades T1-T3. The desired debit system of annual leave is that one working day of annual leave is defined as 8.0 working hours (excluding breaks) as detailed in Section C.1 of this Appendix to these T and Cs.

C.3 *Casual Leave.* - For all Technicians in grades T1-T3 inclusive, the Company proposes that the paid casual leave entitlement per calendar year is 7 working days for all staff regardless of shift pattern, where 1 working day is defined as 8.0 working hours. Since one working day is defined in Section 20 as 8.0 working hours (excluding breaks) this means that casual leave entitlement is 56.0 working hours per annum for all Technicians in grades T1-T3. The desired debit system of casual leave will be based on the role that one working day of casual leave is defined as 8.0 working hours (excluding breaks) as detailed in Section C.1 of this Appendix to these T and Cs.

01 -768

My No.: IR/15/12/2006.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Award transmitted to me by the arbitrator to whom the Industrial Disputes, which has arisen between Mr. A. N. H. M. Musthabasheer *alias* Basheer, No. 28, Thakkiya Lane, New Street, Weligama and M. A. V. Industries, No. 16, Majeed Place, Orugodawatte, Wellampitiya was referred by order, dated 17th April, 2007, 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. 1500/6, dated 04th June, 2007, for settlement by arbitration is hereby published in terms of Section 18(1) of the said Act.

W. J. L. U. WIJAYAWEERA,
Commissioner-General of Labour.

Department of Labour,
Labour Secretariat,
Colombo. 05.
24th December, 2008.

My No.: IR/15/12/2006.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131 OF THE LEGISLATIVE ENACTMENTS OF CEYLON (1956 REVISED EDITION)

Order under Section 4(1)

WHEREAS an Industrial dispute arose between the parties and the matter was referred to me for arbitration. The parties were -

Mr. A. N. H. M. Musthabasheer *alias* Basheer, No. 28, Thakkiya Lane, New Street, Weligama

AND

M. A. V. Industries, No. 16, Majeed Place, Orugodawatte, Wellampitiya

The matter of dispute between the aforesaid parties were -

- (1) Whether there was an employer-employee relationship that existed between M. A. V. Industries and Mr. A. N. H. M. Musthabasheer *alias* Basheer who was said to have been employed as a sales representative of M. A. V. Industries by Messrs. Alappa Vengadathsalam and Vengadtatsaalam Murugesan.
- (2) If there was an employer-employee relationship as referred above whether Mr. A. N. H. M. Musthabasheer *alias* Basheer is entitled to receive statutory dues from M. A. V. Industries and if not, to what relief is he entitled to.

The applicant to this application filed his application and thereafter the respondent filed his statement of objections as the respondent had taken up a preliminary objection. In any case the objection was overruled and the applicant commenced his case.

The applicant gave evidence and marked several documents, thereafter he was cross-examined at length for several days. The applicant called A. J. M. Bandara labour officer to give evidence and produce certain documents which had been marked by the applicant. The applicant closed his case marking documents A1 to A15.

Thereafter the respondent commenced his case calling Vengadtatsaalam Murugesan the son of the proprietor. He was cross-examined by the applicant. The respondent closed his Case on 21st October, 2008, and the case was postponed to 13th November, 2008.

On 13th November, 2008, the respondent indicated to the arbitrator that the parties are willing to settle the matter. Hence I have not referred to all the documents that were marked by the applicant since it would be irrelevant.

The terms of settlement were as follows :

- (1) The applicant agrees to withdraw the application with no further claims.
- (2) The respondent agrees to pay the applicant a sum of rupees two lakhs as an *ex gratia* payment in lieu of which a cash cheque dated 13th November, 2008, drawn on Hatton National Bank cheque No. 173952 was handed to the applicant in open court.

A. W. Yusuf,
Attorney-at-Law,
Colombo.

18th November, 2008.