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PART I: SECTION (I) – GENERAL Government Notifications

My No.: CI/586.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between the Coca Cola Beverages Sri Lanka Limited, Tekkawatta, Biyagama of the one part and Ceylon Mercantile Industrial & General Workers' Union, (CMU) No. 03, 22nd Lane, Colombo 03 of the other part on 06th April, 2010, is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

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

Department of Labour,
Labour Secretariat,
Colombo 05.
12th July, 2010,

Collective Agreement No. 39 of 2010

COLLECTIVE AGREEMENT

BETWEEN

COCA COLA BEVERAGES SRI LANKA LIMITED

AND

THE CEYLON MERCANTILE, INDUSTRIAL & GENERAL
WORKERS' UNION (CMU)
OF 2010

(MANUAL WORKERS)

This Collective Agreement made on this Sixth day of April, Two Thousand and Ten, pursuant to the Industrial Disputes Act, between the Coca Cola Beverages Sri Lanka Limited, a public limited liability Company and having its registered office at Tekkawatta, Biyagama, hereinafter referred to as "The Employer" which term shall where the context so requires or admits mean and include the said Coca Cola Beverages Sri Lanka Limited of the one part and Ceylon Mercantile Industrial & General Workers' Union, (CMU), duly registered

under the Trade Union Ordinance and having its registered office at No. 3, 22nd Lane, Colombo 3, hereinafter called and referred to as "the Union" which term shall mean and include the said the Ceylon Mercantile Industrial & General Workers' Union, (CMU), of the other part, witnesseth and it is agreed the parties as follows:

1. **Parties to be Covered and Bound.**— This Agreement shall cover and bind the Employer, The Union and members of the Union who are employed by the Employer on permanent contracts of employment in a Manual or Labouring capacity for whom salary scales are set out in the salary schedules annexed hereto.

2. **Earlier Collective Agreements.**— The provisions of this Agreement shall supersede and replace the provisions of all other Collective Agreements entered into by the Company in relation to the categories of employees covered and bound.

3. **Date of Operation and Duration.**— Unless otherwise expressly stated herein, this agreement shall be effective as from the First day of January, 2010 and shall thereafter continue in force unless it is determined by either party giving one month's notice in writing to the other party, provided however, that neither party shall give such notice to the other party before the Thirtieth day of November, 2011 and the Agreement shall not terminate before the thirty first day of December, 2011.

4. **General Terms and Conditions of Employment.**— (1) The terms and conditions of this Agreement shall from the date hereof and during the continuance in force of this Agreement, be deemed to be included in all the contracts of service between the Employer bound by this Agreement and permanent employees covered and bound by this Agreement, as well as other employees who are employed by the Employer on permanent monthly contracts of service in manual or labouring capacity whether such contracts of service be written or oral which are subsisting as at the date hereof or which come into being during the continuance in force of this Agreement.

(2) Other than terms and conditions revised through this collective agreement, and the memorandum of settlement in relation to supplementary terms and conditions will be entered into by the parties on a mutually agreed date in the future, all other terms and conditions applicable to employees covered and bound by this collective agreement, as at the date of signing, shall remain unchanged.

(3) Where an employee was immediately prior to the date hereof entitled or becomes entitled on or after that date under or by virtue of any law or under any contract, agreement, award or custom to any rights or privileges more favourable than those to which he would be entitled under this Agreement, nothing in this Agreement shall be deemed or construed to authorize or permit the Employer to withhold, restrict or terminate such rights or privileges.

(4) It is agreed by parties to continue with the operation of the 'night shift' on a 'normal roster' basis (i.e. without payment of overtime) on all three lines and that the 'night shift' would commence at 10.00 p.m. and conclude at 6.00 a.m. on the following day.

5. **Probation.**— (1) The Employer may require any employee who is engaged for employment to serve a period of probation of not more than six (6) months. Provided further that if during the said probationary period of six (6) months, the Employer is not satisfied with such employee, the Employer may extend the probationary period for a further period of not more than three (3) months, and in that event the Employer shall communicate to the employee, in writing, the reason for such extension.

(2) During the period of probation or extended probation as the case may be, where the Employer is not satisfied with the employee, the employer may terminate the employment of the employee without notice.

(3) Where the employment of an employee is not terminated during the period of probation or extended probation, as the case may be, and the employee has not been expressly confirmed by the Employer, the employee shall be deemed to be confirmed in employment with effect from the date of expiry of probation or extension of probation, as the case may be.

(4) On confirmation, the date of employment of an employee shall be deemed to be the date on which such employee was initially employed in terms of **sub-paragraph (1)** hereof.

6. **Attendance.**— (1) Unless otherwise specifically instructed by his Employer an employee shall present himself for work on every day (other than a holiday) at the usual starting time of the Store, Factory, Mill or job and shall there remain available for work throughout the normal working hours.

(2) If, at a Store, Factory, Mill or job, work is temporarily not available for an employee in his own occupation he shall be deemed to be ready and willing to perform work within the capacity and skill in any other occupation at the same work site or at any other work site of the Employer where work is available.

7. **Hours of Work and working arrangements.**— (1) The normal working hours shall be those hours which are customarily worked at a Store, Factory, Mill or Job in the establishment of the Employer bound by this Agreement, and would include a three shift operation (6.00 a.m. to 2.00 p.m., 2.00 p.m. to 10.00 p.m. and 10.00 p.m. to 6.00 a.m.) based on which employees shall be rostered for duty to meet production requirements of the company on the new manning levels as referred to in Clause 7(2) below:

(2) The current manning levels pertaining to the operations of the factory on a three shift working arrangement, including the night shift, shall be continued subject to the following changes agreed by parties.

- (i) Line 1 - In the Blow moulding section, it was agreed to remove the two helpers and that the task of perform feeding shall hereafter be carried out by the blow moulder operators themselves with the use of the high capacity preform transfer unit. Further the Company agreed to promote Assistant Operator in Blow moulding section to operator grade.

Line 1 shall be maintained by (i.e. manned with) one mechanic per shift

Apart from above, parties agree to discuss manning levels prior to upgrading the remainder of the line

- (ii) Line 2 - Reduction of employees related to the final inspection point shall be implemented with the installation of the 'fill height detector'.
- (iii) Line 3 - Reduction of employees related to the final inspection point shall be implemented with the installation of the 'fill height detector'.

In order to facilitate above, the duration of release of bottle inspectors other than those of wash bottles (after washer and before filler) is equal to inspection time. In other words, the current practice of 15 minutes inspection and 30 minutes release from inspection will change to 15 minutes inspection and 15 minutes release, for rotation of other work.

The manning levels shall be re-negotiated if improvements are made in relation to technology, automation of work procedures or increase competencies of employees.

(3) General Stores, Post Mix Department and Engineering Stores shall be operated on two shift work arrangement as set out below

(a) Shift one – 06.00 a.m. to 02.00 p.m.

(b) Shift two – 02.00 p.m. to 10.00 p.m.

Any further reduction of engineering cadre will be discussed with the improvements to the production lines and enhancement of capabilities and skills of employees

8. **Forfeiture of Salaries.**– Unless for good cause shown to the satisfaction of the Employer and employee fails to hold himself available for work through out the normal working hours of each working day he shall forfeit and his employer shall be entitled to deduct his salary for the period from the time at which such failure occurs until he is again available for work.

9. **Overtime.**– 1. Overtime work will be worked by an employee as and when and for such period as the Employer may reasonably require, provided there is no good reason for refusal by such employee.

2. Any work which is performed in excess of normal working hours shall be remunerated at one and one half (1 1/2) times the normal hourly rate ascertained in accordance with the provisions of **Clause 17 (a)** hereof.

10. **Weekly Holidays.**– 1. In respect of each week every employee shall be allowed a holiday in that week as the weekly holiday. Provided however that if any employee has not worked for a period of at least Twenty Eight (28) hours, he shall be liable to forfeit and the Employer shall be entitled to deduct one days wage in respect of the weekly holiday for that week computed in accordance with the provisions of **Clause 17 (b)** hereof.

2. In computing the period of Twenty Eight(28) hours referred to in **Sub-clause (1)** the Employer shall include:–

- (a) Every holiday allowed by the Employer to the Employee as annual holiday.
- (b) Every public holiday granted by the Employer in terms of **Clause 12** hereof, and
- (c) Every day's absence on any ground approved by the Employer.

3. The Employer may employ any employee on a weekly holiday as and when required for such period as the Employer may reasonably require provided there is no good reason for refusal by such employee subject to the following condition.

(i) A day within six days next Succeeding such weekly holidays be allowed to that employee as a holiday with remuneration. Provided however that if any employee who is employed on his weekly holiday is liable to forfeit and the Employer is entitled to deduct one day's wage in respect of the weekly holiday as provided in **sub-clause (1)** then and in such event that employee shall forfeit and the Employer shall be entitled to deduct one day's wage computed in accordance with the provisions of **Clause 17 (b)** hereof in respect of the holiday which shall be allowed to the employee within six (6) days of the weekly holiday. Provided further that in respect of not more than two (2) Such weekly holidays in any one calendar month the Employer may with the consent of the employee:

(a) instead of allowing an alternate holiday within six (6) days of the weekly holiday in respect of which that employee shall not be liable to forfeit and the Employer shall not be entitled to deduct one day's wage as aforesaid pay him one day's wage computed in accordance with the provisions of **Clause 17 (b)** hereof in lieu of such alternate holiday.

(b) in case that employee is entitled to an alternate holiday within six (6) days of the weekly holiday as aforesaid in respect of which alternate holiday he shall be liable to forfeit and the Employer shall be entitled to deduct a day's wage as aforesaid employ that employee on the alternate holiday.

(ii) That in respect of work done on such weekly holiday the employee shall be paid as remuneration:-

(a) One and one half (1 1/2) times the normal hourly rate ascertained in accordance with the provisions of **Clause 17 (a)** hereof for the number of hours work during the first nine (9) hours (inclusive of one hour for a meal) ; and

(b) At double the normal hourly rate ascertained in accordance with the provisions of **Clause 17 (a)** hereof for each subsequent hour of work.

The provisions of this sub-clause shall not apply to employees engaged on work outside the business premises of the Employer for periods exceeding twelve (12) days in respect of the duration of each such period.

11. **Annual Holidays.**- Fourteen days Annual leave shall be allowed to an employee in each year in accordance with existing practice.

12. **Public Holidays.**- 1. Public holidays shall be allowed to an employee in accordance with the decisions of the relevant Wages Board. Provided however that if an employee is not covered by the decisions of any Wages Board public holidays shall be allowed to that employee in the accordance with the decisions of the Wages Board public holidays shall be allowed to that employee in accordance with the decisions of the Wages Board for the Ice and Aerated water trade.

2. In the event of employer requiring an employee to work on a public holiday in which event that employee will be employed on that public holidays in accordance with the decisions of the relevant Wages Board. Provided however that if an employee is not covered by the decision of any Wages Board public holidays shall be allowed to that employee in accordance with the decisions of the wages board for the Ice and Aerated Water Trade.

3. If any public holiday to which an employee is eligible under the provision of **sub-clause (1)** hereof falls on a weekly holiday, a day either in the six (6) days immediately preceding or in the six (6) days immediately succeeding such public holiday shall be granted to the employee as a weekly holiday in accordance with the provision of **Clause 10** hereof.

4. If any public holiday to which an employee is eligible under the provision of **sub-clause (1)** hereof falls on a short working day, the number of hours constituting the normal working day (exclusive of one hour for a meal) on the day immediately preceding such public holiday shall be five (5) hours.

13. **Casual Leave.**- (1) In respect of each year of employment during which any employee has been continuously in employment that employee shall be entitled to take on account of private business or other reasonable cause including ill-health if that employee's entitlement of sick leave has been fully utilized, leave (hereinafter referred to as casual leave) with remuneration for the period or an aggregate of periods not exceeding seven (7) days and the Employer shall allow such casual leave and shall be liable to pay such remuneration. Provided however that not more than two (2) days casual leave shall be taken at any one time. Provided further that any employee shall not be entitled to take casual leave immediately preceding or immediately following any period of annual holidays.

(2) Casual Leave will normally be obtained with prior approval and will normally be granted on application without the employee being required to state the reasons for the application. Where the Employer finds it difficult to grant an application for casual leave, his difficulty shall be notified to the employee as soon as possible after the application is made, and in such case the employee may be required to state the reason for the application in order that the Employer may decide whether it is reasonable in the circumstances to grant casual leave.

(3) Provided further that any employee shall be entitled to casual leave on the basis of one (1) day for each completed period of two (2) months service during his probationary period. After confirmation he shall be entitled to casual leave for the remainder part of that calendar year on the following basis:

<i>Period of Service</i>	<i>Entitlement</i>
1 month	Nil
2 to 3 months	1 day
4 to 5 months	2 days
6 to 7 months	3 days
8 to 9 months	4 days
10 to 11 months	5 days
12 months	7 days

14. **Sick Leave.**– In any year an employee shall be entitled to sick leave not exceeding Twenty One (21) days provided that:

- (1) His illness is supported by a certificate from a registered Medical Practitioner unless waived by the Employer, subject to existing practice.
- (2) The employee shall not be on probation within the meaning of Clause 5 hereof provided however that an employee who has been on probation shall as from the date of confirmation in respect of the remainder of that calendar year be entitled to sick leave as shown below:

<i>Period of Service</i>	<i>Entitlement</i>
2 months	1 day
3 months	3 days
4 months	5 days
5 months	7 days
6 months	9 days
7 months	11 days
8 months	13 days
9 months	15 days
10 months	17 days
11 months	19 days
12 months	21 days

15. **Monthly Consolidated Salaries.**– (1) Subject to the provisions of Clause 17 hereof, the monthly consolidated salary of an employee in employment as at date hereof with effect from 1st April, 2010, shall be in terms of the salary scales set out in the First Schedule hereof.

(2) If during the continuance in force of the agreement the Government of Sri Lanka:

- (a) prescribed increase in salary by any written law applicable to categories covered by this agreement legally obliging the Employer to make such payment, the Employer will pay such increase in salary in accordance with the law.
- (b) recommends increase in salary, such recommendations will not be applicable to the employer whether or not such recommendations are applicable to categories covered by this agreement.

16. **Payment in Place of the Non-Recurring Cost of Living Gratuity (hereinafter referred to as Payment in Place of NRCLG).**– In view of the discontinuance of the publication of Colombo Consumers Price Index (Base year 1952), and in the absence of a mutually acceptable index and rate of payment, as agreed by parties the employer shall make a once and for all addition of a sum of Rupees Six Thousand (Rs. 6000/-) into salaries of employees covered and bound as at the date of signing this agreement as the payment in place of NRCLG, after the revision of salaries in the first year as set out in clause 17 below.

17. **Conversion to the salary scale set out in the First Schedule.**-(1) A sum equal to 6% of the salary payable to an employee as at 31st December 2009 shall be added to the salaries of the employees covered and bound by this Agreement with effect from 1st January 2010.

(2) To add a sum of Rs. 6000/- as the payment in place of NRCLG in respect of the permanent cadre as at the date of signing and covered by this agreement with effect from 1st January 2010 (i.e. after the revision of salaries as set out in clause 17(1) above.)

(3) An employee shall thereafter be placed on the corresponding point in the grade applicable to him in the salary scales set out in the 1st schedule hereof or in the event of there being no corresponding point on the next higher point in monetary terms in the said grade and the scale.

(4) With effect from 1st January 2011 the Employer will increase the monthly salaries of the employees covered by this Agreement by a sum equal to 5% of the monthly salary drawn by each employee as at 31st December 2010 and thereafter place each employee on the corresponding point, or if there is no such corresponding point on the next higher point on the salary scales given in the 1st schedule hereof or the grade applicable to such employee.

(5) **Notional Arrears**

An ex-gratia payment by way of notional arrears shall be made in consideration of the period 1st July 2009 up to 31st December 2009 taking into consideration the following.

(a) The Non Recurring Cost of Living Gratuity (NRCLG) payable in terms of Collective Agreement No. 12 of 2008 in consideration of the period 1st July 2009 to 31st December 2009.

(b) A sum equal to 6% of the salary payable to an employee as at 31st December 2009 in consideration of the period 1st July 2009 to 31st December 2009.

(c) This lump sum payment by way of notional arrears shall not constitute a part of an employee's earnings for any purpose whatsoever and shall not attract any consequential payments such as EPF, ETF, Gratuity, Overtime etc.

(6) **OT arrears** .- The payment of difference of overtime based on the salary increases granted as set out in clause 17(1) and (2) above in consideration of the period 1st January 2010 up to 31st March 2010, will be paid in April 2010.

(7) Parties agreed that no other payments are due to be paid by means of arrears.

18. **Salary for periods Less than one month.**-For the purpose of this Agreement the salary of any employee for periods less than one month shall be computed in the manner following:

- (a) For an hour - the monthly salary divided by Two Hundred and Forty (240)
- (b) For one Day - the monthly salary divided by Thirty (30)
- (c) For one-half day - a day's salary ascertained as above divided by two (2) (either morning or afternoon)
- (d) For one week - a day's salary ascertained as above multiplied by seven (7).

19. **Promotions.**-The following shall be the principle which will guide the Employer in respect of promotions.

(1) In case of employees who satisfactorily complete Twelve (12) years of service in Unskilled Grade of the Ice and Aerated Water Trade or the Engineering Trade however, they will if up to then otherwise not promoted, automatically be entitled to promotion to the Semi-skilled Grade II as provided in the First Schedule hereto, in the trade in which they are employed. Upon promotion to Grade II, the employee will receive a wage increase of Rs. 250/- to the monthly salary.

(2) In case of employees who have satisfactorily complete eight (8) years of service in Semi-Skilled II as provided in the First Schedule hereto in either of the trades mentioned at (2) above, they will if up to then otherwise not promoted, be entitled automatically to promotion to Skilled Grade I in their respective trades as provided in the First Schedule hereto. Upon promotion to Grade I, the employee will receive a wage increase of Rs. 250/- to the monthly salary.

(3) However, mere length of service shall not be the sole criterion for promotions from one grade to the next. The Employer shall be entitled to take into account skills, efficiency, performance, educational qualifications, NVQ certificate; Assessments recommended by the group and other similar criteria and the cadre requirements in deciding on promotions. In the event where an employee is found not suitable to be upgraded as per above, review of his performance and suitability would be done within a period not less than two years.

20. **Provident Fund.**– (1) The Employer and the employee shall contribute to the Provident Fund at the rates prescribed by the Employees Provident Fund Act, No. 15 of 1958.

(2) Subject to the provisions of the Employees' Trust Fund Act, No. 46 of 1980, where the Employer and employee as at the date hereof were contributing to a Provident Fund at rates more favourable than those prescribed by the Employees' Provident Fund Act, the more favourable rates of contribution will continue.

21. **Terminal Benefits.**– (1) The Employer will subject as hereinafter provided pay terminal benefits to employees in accordance with the scheme of terminal benefits set out in this clause.

(2) As and by way of terminal benefits the Employer shall pay an employee a sum equivalent to half month's salary for each year of service up to twenty (20) years and one month's salary for each year of service over and above twenty (20) years of service. The employees who do not complete five (05) years of uninterrupted service are not entitled to terminal benefits under this provision.

(3) The salary on which the said terminal benefits under Sub-clause (2) hereof shall be payable will be the last monthly salary receivable by an employee on which Provident Fund is payable and shall not include any Non-recurring Cost of Living Gratuity.

(4) For the purpose of calculating terminal benefits under this Clause an year of service shall be a period of not less than six (06) months.

(5) If at the date of cessation of an employee's service there is due to the Employer from the employee any sum on account of fraud, misappropriation or any other account and the same cannot be recovered from the amount in the employee's credit in the Provident Fund the same shall be recovered from the terminal benefits provided for herein.

(6) On the death of an employee whilst in service, who is eligible to receive terminal benefits under this Clause, the Employer shall pay such terminal benefits in the manner and to the persons hereinafter set forth:

(a) If there is a valid nomination in force for the purpose of the deceased employee's Provident Fund at the date of his death, to the nominee, or nominees of such employee in conformity with the form of nomination where such nominee is surviving and of full age.

(b) Where there is no valid nomination or in the event of the nominee of any one or more of the nominees having predeceased the employee, or in the event of a nominee being a minor at the time that the payment of the terminal benefits become due, the Employer shall make payment only after the person or persons entitled to the payment have established their claim in law and furnished proof thereof.

(7) In the event of any written law providing for payment of gratuity or terminal benefits the more favourable scheme shall apply but not both.

(8) No employee shall be entitled to any gratuity or terminal benefits in addition to the terminal benefits provided for in this Clause or by any written law as the case may be.

22. **Bonus.**– The Employer will make a payment of bonus to each employee covered and bound by this Agreement on the following basis during the period of this Agreement, provided however only employees who have completed 12 months service at the time of payment of bonus will qualify for payment in terms hereof and an employee who has not completed 12 months but in service for more than 6 months at such time will be entitled to receive only a proportionate payment of the bonus having regard to his period of service.

(1) A payment of bonus equivalent to one month's monthly salary will be paid on 15th March, 2010 (based on December, 2009 salaries). The Union acknowledges that this payment has already been made.

(2) A payment of bonus equivalent to one month's monthly salary will be paid on 15th December, 2010.

(3) A further payment of bonus equivalent to one month's salary will be paid in January, 2011, provided that the company achieves its budgeted annual volumes and cash operating profits declared for the year 2010.

(4) A payment of bonus equivalent to one month's monthly salary will be paid on 15th March, 2011 (based on December, 2010 salaries).

(5) A payment of bonus equivalent to one month's monthly salary will be paid on 15th December, 2011.

(6) A further payment of bonus equivalent to one month's salary will be paid in January, 2012, provided that the company achieves its budgeted annual volumes and cash operating profits declared for the year 2011.

23. **Annual Increments.**— The annual increments provided in each grade of the scales of consolidated wages in the first Schedule hereto shall be automatic unless as a matter of punishment for general inefficiency including irregular attendance or un-punctuality or disciplinary action on account of serious misconduct an increment is *suspended, stopped or deferred*, in which case where an increment is:

- (a) *deferred*, the loss of increments shall be continuous throughout the year;
- (b) *stopped*, the loss of increments shall only be for the period of stoppage during the year;
- (c) *suspended*, the increment is suspended pending a decision to defer or stop an increment, such decision being dependent upon a consideration of the factors giving rise to the suspension. Where on such decision an increment is neither stopped nor deferred, then the suspension shall be treated as waived and the full increment from the date of suspension thereof shall accrue to the employee concerned.

Deferment, stoppage or suspension of an increment shall only be effected in cases where the employee has been notified in writing of a complaint against such employee and has been found guilty after due inquiry of inefficiency, fraud or misconduct, which in the circumstances does not merit termination of employment.

24. **Warning.**— If in the opinion of the Employer an offence warrants a warning the same shall be conveyed to the employee by a letter, a duplicate of which shall be signed by the employee.

25. **Suspension.**— (1) An employee may be suspended without pay by the Employer:—

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

(2) At the time of suspension under *sub-clause (1) (a)* or within twenty four (24) hours thereof the Employer shall provide the employee with a written order of suspension specifying the reasons for such suspension and thereafter hold an inquiry into the charge or charges in terms of *Clause 26* hereof.

26. **Disciplinary Action.**— Where the Employer proposes to proceed against an employee then:—

(1) irrespective of whether an employee has been suspended under *Clause 25* hereof or not, the employee shall be furnished with a show cause notice which shall set out the particulars of the charge or charges of misconduct alleged against such employee and such show cause notice shall give the employee not less than five (5) clear working days in which to give the answer or explanation to the charges preferred.

(2) within five (5) clear working days after the date of show cause notice, the employee shall furnish in writing to the Employer the answer or explanation to the charges preferred against such employee. Provided however that if in the circumstances it is reasonable the employee may ask the Employer for an extension of time within which to furnish the written answer or explanation to the show cause notice and where such request is made by an employee to the Employer, the Employer shall grant such request for such further period of time as is deemed necessary in the circumstance of the case.

(3) if the Employer is satisfied with the written answer or explanation of the employee, the employee shall if he is under suspension forthwith be reinstated and shall be paid all wages and entitlements due for the period of such suspension.

(4) if the Employer is not satisfied with the written answer or explanation of an employee to the show cause notice and such answer or explanation is rejected by the Employer, the Employer shall commence an inquiry within fourteen (14) working days from the date of receipt by him of the written answer or explanation to the show cause notice.

(5) after holding such inquiry the Employer shall notify the employee of the findings on each of the charges in the show cause notice and the punishment, if any, imposed by the Employer. Provided that if the Employer fails to make an order except for reasons beyond the control of the Employer on the charges in the show cause notice within thirty (30) working days from the conclusion of the inquiry into such charges, the employee shall not be liable to be punished thereafter in respect of such charges and no inference adverse to the employee in respect of such charges shall be drawn from such charges.

6. If the employee is under suspension and the employer after such inquiry makes order that:-

- (a) the employee shall not be dismissed then the employee shall resume employment forthwith and shall subject to the provisions of sub-clause 25 (1) (c) hereof be paid all wages and entitlements due for the period of suspension irrespective of such other punishment less than dismissal that may be imposed by the Employer on the findings as to the charges in the show cause notice;
- (b) the employee shall be dismissed, the employee's dismissal shall take effect from the date of the employee's suspension and accordingly the employee shall not be paid for the period of such suspension;
- (c) in view of the serious or involved nature of the charges in the show cause notice against the employee the Employer is unable to make a final order as it is necessary and desirable that the matter be referred to the Police or other authorities for further investigation or inquiry and that the matter be therefore referred to the Police or other authorities or if in view of the serious or involved nature of the charges preferred against the employee the matter had been previously referred to the Police or other authorities for investigation or inquiry be awaited, then in either of such circumstances the employee may remain suspended without pay.

7. If in any where an employee is suspended as provided for herein the employer fails to make an order under *paragraph (a) to (c)* of the preceding sub clause for any reason other than that of the employee's own seeking within thirty (30) working days from the date of the employee's suspension, the employee shall be entitled to half of his normal remuneration for the period of thirty (30) days from the date of such suspension in excess of thirty (30) days up to the date on which the employer makes an order under paragraphs (a) to (c) of the preceding sub-clause, irrespective of the outcome of the inquiry.

8. In any case where an employee is suspended as provided herein the employer shall make an order under *paragraph (a) to (c) of sub-clause 6* within ninety (90) days of the date of suspension of the employee unless he is prevented from so doing by reason of the employee's own seeking or for reasons beyond the control of the employer or it is agreed between the Employer and the Union that in the circumstances of the case the period Ninety (90) days be extended for such further time as may be agreed.

9. The Employer shall not be required to hold an inquiry as referred to in *sub-clauses 4 and 5* hereof where the employer proposes to warn the employee or where the employee admits to the charge or charges. Provided however that if the Union disputes the warning or punishment imposed on the employee by the employer and request the holding of an inquiry the employer shall comply with such request and the provisions relating to the holding of an inquiry shall then apply subject to the expectation that the fact that the inquiry had not commenced within fourteen (14) working days after receipt of the employee's explanation shall not be material or relevant.

27. **Retirement.**- On reaching the age of sixty (60) years an employee shall *ipso facto* retire and cease to be employed by the employer and there shall be no obligation on the employer to give the employee any notice of such retirement. The employee however has the option to retire at the age of fifty five (55) years or thereafter by given three months notice to the employer.

28. *Disputes Procedure*

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

29. **How Anomalies in the Course of Implementing this Agreement, shall be dealt with.**- Any anomaly arising from the implementation of this Agreement shall be settled by negotiation between representatives of the Employer and the union of which the Employee is a member and if the matter cannot be settled by negotiation the matter shall be settled in accordance with the provisions of the Industrial Disputes Act and the regulations made thereunder.

30. **Trade Union Action.**- The Union and its members covered and bound by this Agreement jointly and severally agree with the Employer that, during the continuance in force of this Agreement, they shall not engage in any strike or other form of Trade Union action against the Employer in respect of any dispute between the Employer on the one hand and/or the Union and /or its members and/or any employee or Employees covered and bound by this Agreement on the other hand, whether or not such dispute is relative to this Agreement, provided, however, that this clause shall not apply in respect of any dispute arising out of any breach by the Employer of the provisions of **Clause 26, 28 and 32** hereof.

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

2. Subject to the terms of this Collective Agreement, the Employer agrees that it will not seek to vary or add to all or any of the terms and conditions of employment presently applicable to any of the employees covered and bound by this Agreement, all or any of the benefits presently enjoyed by the employees covered and bound by this Agreement, other than by mutual agreement.

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

32. **Unfair Labour Practice.**- 1. Any person bound by this agreement shall not instigate, support or engage in any unfair labour practice.

2. The Employer will not take any action which is calculated to undermine the existence of the Union in the establishment of the Company.

33. **Retrenchment.**- Without prejudice to the right of the Employer to introduce voluntary separation schemes subject to requirements of the company. The employer will not, during the pendency of this Agreement, retrench employees unless with the consent of the union. Any variation of the manning levels in any operation in the Employer's factory will be made in consultation with the union and by mutual agreement.

PART II

CONTAINING THE FACILITIES AND CONCESSIONS GRANTED BY THE EMPLOYER TO THE UNION

1. **Breaches of collective Agreement.**-If in the opinion of the Employer the Union shall commit a breach of any of the terms of this Collective Agreement, then and in any such event the Union committing such breach shall cease to be entitled to enjoy the facilities and concessions granted by the Employer in the succeeding clauses of this part and same shall stand withdrawn without prejudice to the Employer's right to restore such facilities and concessions, upon such terms and conditions as the Employer may decide.

2. **Domestic Inquiries.**-If an employee who is furnished with a show cause notice in terms of *clause 25* is a member of the Union, the following provisions shall apply to the inquiry held by the Employer pursuant to such show cause notice.

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

3. **Union Meetings.**—(1) The following provisions shall apply to meetings of the Branch Union.

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

(2) The following provisions shall apply to meetings of the General Council of the Union—

- (a) Without prejudice to the right of the Employer to refuse to grant permission if in his discretion the exigencies of the circumstances warrant refusal, the Employer will generally grant permission to a member of the General Council of the Union in order to attend a meeting of the General Council, to leave office not earlier than 3 O'clock in the afternoon on not more than one occasion in a month without loss of salary for such absence if an application for permission to attend is made at least forty eight (48) hours before the time appointed for holding the meeting of the General Council.
- (b) For the purpose of paragraph (a) above the Union shall forth with furnish each Employer in whose service there are members of the General Council of the Union with a list of such members and keep such Employer informed of all charges therein which may be made from time to time.

(3) The provisions of the preceding *sub-clauses (1) and (2)* shall not be in derogation of any existing concessions or facilities granted by the Employer to a Branch Union regarding union meetings.

4. **Duty Leave.**—(1) The following provisions shall apply to duty leave. Without prejudice to the right of the Employer to refuse to grant permission if, in their discretion, the exigencies of the circumstances warrant refusal, the Employer will generally grant permission for not less than two office bearers of the Union:—

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

(2) The Employer will, in his discretion, grant without remuneration to an employee to attend a Trade Union Course or Seminar or Conference either in Sri Lanka or abroad unless the employee concerned is entitled to annual, customary or statutory holidays which he wishes to utilize for the purpose.

5. **Check Off.**—(1) The Employer shall, on the written request of an employee, deduct from the salary due to such employee the current monthly Union dues as are specified by the employee to be payable monthly by the employee to the Union and remit the amount so deducted to the Union, in accordance with the 'check off' agreement, procedure applicable and upon and subject to the conditions hereinafter set forth.

(2) Every employee who agrees to the deduction of Union dues from his salary shall sign a statement to that effect in the form set out in Form No. 1 hereinafter referred to as an 'Authorization'.

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

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

(5) As far as practicable deduction under an authorization shall cease from the date of receipt of a revocation canceling such authorization. Provided however -

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

(6) The Employer shall not later than the tenth day of each month remit the Union dues deducted from the salaries of the employees in the month immediately preceding, to the Treasurer of the Union in accordance with the tenor of each authorization by a cheque payable to the Treasurer thereof and crossed 'Account Payee'.

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

(8) The Treasurer of the Union concerned shall promptly acknowledge receipt of the cheque.

(9) The Employer shall not be liable to pay the Union or to the Treasurer on its behalf, as aforesaid, any sum other than the Union dues actually deducted.

Form No. 1

Name of Employer:

AUTHORIZATION

As I am an employee covered and bound by this Collective Agreement affecting employees employed in the Trade bearing No. and I desire to avail myself of the facility for check off contained in the Collective Agreement of which I am eligible as a member of the Union, please deduct from my wages each month a sum of Rupees (Rs.) in respect of my current monthly membership dues to the said Union and remit the same to the said Union on my behalf. The first payment should please be made from my wages next due immediately following the date hereof.

.....
(Date of Signing)

.....
(Signature of Employee)

Full Name of Employee:

Received on (To be filled in by the Employer):

Form No. 2

Name of Employer:

REVOCATION

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

.....
(Date of Signing)

.....
(Signature of Employee)

Full Name of Employee:

Received on (To be filled by Employer):

PART III

CONTAINING DEFINITIONS OF CERTAIN WORDS

Parts I and II of this Agreement unless excluded by the subject or context the following words shall have the meaning set opposite to them.

WORDS	MEANING
Industrial Disputes Act	The Industrial Disputes Act No. 43. of 1950
The Act	The Shop and Office Employees (Regulation of Employment and Remuneration) Act No. 19 of 1954.
The Federation	The Employers' Federation of Ceylon.
The Union	The Inter Company Employees Union.
Branch Union	The Branch Union of the Inter Company Employees Union in the establishment of an Employer.
Employer (for convenience sometimes referred to as 'he' or its grammatical variations)	The Employer bound by this Agreement.
Employee (for convenience sometimes referred to as 'he' or its grammatical variations)	The Employee covered and bound by this Agreement.
Week	The period between midnight on any Saturday night and midnight on the succeeding Saturday night.
Weekly full holiday in respect of any week.	Shall have the meaning as "weekly holiday" under the Shop and Office Employees Act.
Two such weekly holidays	Two full holidays or four half holidays or any combination of full or half holidays which does not exceed two full holidays.
Salary	The monthly salary according to the scales of consolidated salaries in the First Schedule hereto.
Normal Incremental date	The date on which the employee would normally receive an increment.
Dispute	A dispute or difference between the Employer and employee or between a Branch Union and the Employer or between the Union and the Federation on any matter covered by this Agreement or affecting the employees covered by this Agreement in relation to their employment under the Employers covered by this Agreement.
Cheek Off	The act of the Employer deducting, at the request of the Union, subscriptions payable to the Union by an employee from the latter's pay with his concurrence.

Words importing the singular number shall include the plural and *vice versa*.

Words importing the masculine gender shall include the feminine.



Mr. Patrick Pech
Country Manager

For & on behalf of
Coca-Cola Beverages Sri Lanka Limited



Mr. Bala Tampoe
General Secretary
For & on behalf of Ceylon

Mercantile, Industrial & General workers
Union (CMU)

Witnesses to the above signature



1.
Name : **Mr. Kanishka Weerasinghe**
Designation: **Deputy Director General**
Employers' Federation of Ceylon



1.
Name : **Mr. N.S.K Silva**
Designation : **Branch Secretary**



2.
Name : **Mr. Rohitha Amarapala**
Designation : **Human Resources Dev & ER Manager**



2.
Name : **Mr. W.M.A Karunapala**
Designation: **Branch President**

Dr. PP

COCA-COLA BEVERAGES SRI LANKA LIMITED



DIRECTOR



DIRECTOR

First Schedule

23

Salary Scales Applicable with effect from 1st January 2010

ICE & AERATED WATER TRADE

Grade	Salary Minimum	Increment	Salary Maximum
Unskilled Grade III	12,000.00	192x90	29,309
Semi- Skilled Grade II	12,693.00	206x90	31,189
Skilled Grade I	12,977.00	241x90	34,638
Machine Operator			
Grade C	12,443.00	200x90	30,447
Grade B	12,731.00	212x90	31,801
Grade A	13,020.00	250x90	35,542
Enginerring Trade			
Unskilled Grade III	12,624.00	199x90	30,543
Semi- Skilled Grade II	12,763.00	212x90	31,835
Skilled Grade I	13,098.00	253x90	35,911
Motor Transport Trade			
Grade I	12,913.00	226x90	33,235
Grade II	13,098.00	253x90	35,911

Entry Point for new Employees who are required after 01st January 2010 will be Rs. 12,000/- per month and thereafter they will be placed on an appropriate scale

1

118-233

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Ceylon Oxygen Limited, No. 50, Sri Pannananda Mawatha, Colombo 15 of the one part and the Jathika Sewaka Sangamaya, No. 416, Kotte Road, Pitakotte of the other part on 19th April 2010 regarding the Factory Staff is hereby published in terms of Sections 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

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

Department of Labour,
Labour Secretariat,
Colombo 05,
12th July, 2010.

COLLECTIVE AGREEMENT No. 42 OF 2010

COLLECTIVE AGREEMENT
BETWEEN
CEYLON OXYGEN LIMITED
AND
JATHIKA SEWAKA SANGAMAYA
(FACTORY STAFF)
(01.01.2010 - 31.12.2012)

Collective Agreement entered into between ceylon Oxygen Limited having its registered office at No. 50, Sri Pannananda Mawatha, Colombo 15, a company duly registered in Sri Lanka and The Jathika Sewaka Sangamaya a trade union duly registered in Sri Lanka and having its registered office at No. 416, Kotte Road, Pitakotte.

Whereas the Jathika Sewaka Sangamaya (hereinafter referred to as 'the Union') raised with Ceylon Oxygen Limited (hereinafter referred to as 'the Company, Certain demands relating to the revision of terms and conditions of employment of their members employed in the Company and the said parties have, after negotiations arrived at the following terms of settlement.

1. This agreement shall cover and bind the Company, the union and the members of the Union, who are in employment in the Company as at 01st January 2010 on permanent monthly contracts of employment in a category of employment for which salary scales have been stipulated in Schedule 1 applicable till 31st of March 2010 and Schedule 2, applicable thereon, both of which is annexed hereto.

2. The salaries payable to the employees covered and bound by this Agreement, with effect from 1st, January 2010 shall be on the basis of the salary scales stipulated in Schedule I hereto till the 31st of March 2010 and thereafter would be on the basis of salary scales in Schedule 2 till the completion of said period of this agreement.

- (a) The salary scales in Schedule 2 hereto have been arrived at by revising the salary Scales applicable to the employees as at 31st March 2010, So that there will be a salary point in the scales in respect of the scales pertaining to all the under mentioned grades, which would show an increase of 81% or more, from the Salary points existed as at 31st March, 2010.

Un - Skilled
Semi - Skilled
Skilled Grade 111
Skilled Grade 11
Skilled Grade 1
Skilled Special

3. To ascertain the salary payable to and employee with effect from 1st January 2010 on the basis of the Salary Scales provided in Schedule 1 and Schedule 2 hereto the following provisions shall apply:

- (a) The basic monthly salary as at 31.12.2009 of all employees in the above mentioned grades, covered and bound by this Agreement shall be increased by 12% and shall thereafter be placed on the corresponding rupee point in the scales provided in Schedule 1 hereto, If there is one or at the next higher point.

- (b) With effect from 1st January 2011 the monthly salaries of all employees will be further revised by the addition of 10% to their salaries as at 31st December 2010, and shall thereafter be placed on the corresponding rupee point in the scales provided in Schedule 2, if there is one or at the next higher point.
- (c) With effect from 1st January 2012 the monthly salaries of all employees will further be revised by the addition of 08% to their salaries as at 31st December 2011 and shall thereafter be placed on the corresponding rupee point in the scales provided in Schedule 2, if there is one or at the next higher point.

4. Parties agree that, with effect from 1.4.2010, the payment of monthly cost of Living allowance to employees shall be made, in the following manner.

- (a) The payment of monthly Cost of Living allowance shall hereafter be made in terms of the New Colombo Consumers' Price Index {hereinafter referred to as CCPI(N)} - base year 2002.
- (b) The rate of payment per point shall hereafter be LKR 67/-
- (c) During the continuance in force of this agreement in respect of each succeeding 3 months period commencing 1.4.2010 the monthly Cost of Living allowance payable to employees will be revised by adding to the amount paid in respect of the preceding 3 months period a sum equal to the difference in the CCPI (N) for such 3 months period multiplied by LKR. 67/-.
- (d) In order to convert and ascertain the base index figure in terms of the CCPI(N), the monthly Cost of Living allowance of Rs. 11,238 per mensem paid to employees for the quarter ending March 2010 in terms of the old Colombo Consumers' Price Index (CCPI – base index 1952) shall be divided by LKR 67/-. Accordingly, parties agree that the new base index in terms of the CCPI(N) shall be 168/- (the actual being 167.73 rounded up to 168).
- (e) To ascertain the amount payable per mensem to each employee, the following formula shall apply:

$$\begin{array}{lcl} \text{E.g: CCPI(N) Index for the 1st month in the quarter} & = & \mathbf{N} \\ \text{CCPI(N) Index for the 3rd month in the quarter} & = & \mathbf{N1} \end{array}$$

Therefore, in order to ascertain the variance between the index figure the Cost of Living index figure for the 1st month shall be deducted from the index figure of the third month i.e. \mathbf{N} minus $\mathbf{N1}$. That difference shall thereafter be added to the base index and multiplied by LKR 67/- to ascertain the Cost of Living payment per mensem for the following quarter.

E.g: To ascertain the Cost of Living index figure payable for the quarter commencing 1.4.2010, the CCPI(N) for Dec. 2009 of 213.5 less figure for Mar 2010 of 214.8 = variance 1.3

Therefore, in order to ascertain the payment the difference shall be added to the base index of 168 multiplied by LKR. 67/-. Accordingly, the monthly Cost of Living payment payable for the quarter April to June 2010 shall be LKR 11,343.10 in the event of an increase of a payment of the monthly Cost of Living for each quarter the increase index points based on which the Cost of Living payment was made shall be added to base index which in turn shall be considered as the new index.

- (f) In the event of a reduction of the CCPI(N) during any 3 month period, for which the monthly Cost of Living allowance was calculated in terms of this Agreement, an amount equal to the difference in the CCPI(N) in respect of such 3 month period multiplied by LKR 67/- shall be deducted from the monthly Cost of Living allowance payable in respect of the previous 3 months and the Cost of Living allowance shall be calculated and paid accordingly.

$$\begin{array}{lcl} \text{E.g: CCPI(N) December 2011} & = & 220 \\ \text{CCPI(N) March 2011} & = & 210 \\ \text{(CCPI(N) figures are hypothetical)} & & \end{array}$$

The difference is therefore minus 10 points.

- * To ascertain the amount to be deducted as set out above, the difference of 10 points shall be multiplied by LKR 67/- and deducted from the allowance paid in respect of the previous 3 month period.

- (g) The union specifically agrees that the monthly Cost of Living allowance paid in terms of the foregoing provisions shall only be applicable to those employees who were in receipt of such payment as at the date of signing this Agreement and whose names are set out in **Schedule 3-(Factory)** to the Agreement.

- (h) The union also agrees that with the exception of employees referred to in clause (g) above, all other employees covered by this Agreement shall not receive the Cost of Living payment.

5. The Annual Increment date of all the employees will be the **1st of April each year.**

6. **Schedule 2.**— Effective 1st April, 2010 annual increments would be granted as per the revised scale stipulated in Schedule 2 hereto. This scale has been revised by increasing the lowest increment of LKR 55 to LKR 100 and the rest of the scales by same percentage being 81.81 (rounded up).

7. **Meal Allowance.**— Meal Allowance given to employees will increase to LKR 50 from the existing LKR 25 which would be effective from 1st January, 2010.

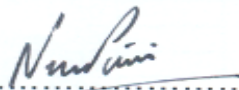
8. The union and the workmen covered by this agreement, jointly and severally agree that they shall not, during the operation of this agreement, resort to trade union action of any sort on any matter that is covered by this agreement.

9. In the event that a dispute may arise in respect of any matter not covered by this agreement the union and the workmen covered by this agreement agree that such dispute will be settled/resolved in the manner provided below:

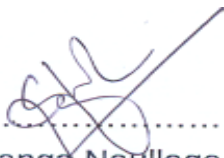
- (a) Whenever there is a dispute that is not covered by this agreement, a written statement of the dispute should be forwarded by the Union's Branch Committee to the Company, and at least two weeks given for the Company to resolve the dispute.
- (b) If no satisfactory solution is found, the matter should be referred to the Parent Union and to the Employers' Federation of Ceylon (EFC) for the purpose of attempting to resolve the dispute.
- (c) If after the discussion, the matter cannot be resolved by the intervention of the EFC and the Parent Union, the conciliatory proceedings under the Industrial Disputes Act shall be followed and parties shall endeavour to settle such dispute in accordance with the provisions of the Industrial Disputes Act.

10. The provisions of this Agreement shall be effective from the 1st day of January, 2010 and continue in force unless it is terminated by either party giving one month's notice in writing to the other provided however that neither party shall give such notice to the other before the 30th November, 2012 and the provisions of the Agreement shall not stand terminated until the 31st December, 2012.

In witness whereof the parties hereunder have set their hands on this 19th day of April, Two thousand and Ten.



 Niran Pieris
 Chief Executive Officer
 For and on behalf of
Ceylon Oxygen Limited



 Suranga Naullage
 Chief Organizer
 For and on behalf of the
Jathika Sewaka Sangamaya.

Witnesses:

1 

Name: Ms S. Thevarapperuma
 Designation: Finance manager

2 

Name: L. Sumith de Silva
 Designation : Branch President
 JSS/ Ceylon Oxygen Ltd

I කොටස: (I) ඡේදය - ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ අති විශේෂ ගැසට් පත්‍රය - 2010.07.28

Schedule - 2 (Factory Collective Agreement)

2

	Unskilled		Semiskilled		Skilled III		Skilled II		Skilled I		Skilled Spec.	
	55		66		77		88		99		110	
51	13550		14228		15009		15848		16770		17780	
52	13605		14294		15086		15936		16869		17890	
53	13660		14360		15163		16024		16968		18000	
54	13715		14426		15240		16112		17067		18110	
55	13770		14492		15317		16200		17166		18220	
56	13825		14558		15394		16288		17265		18330	
57	13880		14624		15471		16376		17364		18440	
58	13935		14690		15548		16464		17463		18550	
59	13990		14756		15625		16552		17562		18660	
60	14045		14822		15702		16640		17661		18770	
61	14100		14888		15779		16728		17760		18880	
62	14155		14954		15856		16816		17859		18990	
63	14210		15020		15933		16904		17958		19100	
64	14265		15086		16010		16992		18057		19210	
65	14320		15152		16087		17080		18156		19320	
66	14375		15218		16164		17168		18255		19430	
67	14430		15284		16241		17256		18354		19540	
68	14485		15350		16318		17344		18453		19650	
69	14540		15416		16395		17432		18552		19760	
70	14595		15482		16472		17520		18651		19870	
71	14650		15548		16549		17608		18750		19980	
72	14705		15614		16626		17696		18849		20090	
73	14760		15680		16703		17784		18948		20200	
74	14815		15746		16780		17872		19047		20310	
75	14870		15812		16857		17960		19146		20420	
76	14925		15878		16934		18048		19245		20530	
77	14980		15944		17011		18136		19344		20640	
78	15035		16010		17088		18224		19443		20750	
79	15090		16076		17165		18312		19542		20860	
80	15145		16142		17242		18400		19641		20970	
81	15200		16208		17319		18488		19740		21080	
82	15255		16274		17396		18576		19839		21190	
83	15310		16340		17473		18664		19938		21300	
84	15365		16406		17550		18752		20037		21410	
85	15420		16472		17627		18840		20136		21520	
86	15475		16538		17704		18928		20235		21630	
87	15530		16604		17781		19016		20334		21740	
88	15585		16670		17858		19104		20433		21850	
89	15640		16736		17935		19192		20532		21960	
90	15695		16802		18012		19280		20631		22070	
91	15750		16868		18089		19368		20730		22180	
92	15805		16934		18166		19456		20829		22290	
93	15860		17000		18243		19544		20928		22400	
94	15915		17066		18320		19632		21027		22510	
95	15970		17132		18397		19720		21126		22620	
96	16025		17198		18474		19808		21225		22730	
97	16080		17264		18551		19896		21324		22840	
98	16135		17330		18628		19984		21423		22950	
99	16190		17396		18705		20072		21522		23060	
100	16245		17462		18782		20160		21621		23170	
	100x55		100x66		100x77		100x88		100x99		100x110	

Schedule 2 - Factory Staff Salary Scales - 2010

	100	120	140	160	180	200
	Unskilled	Semiskilled	Skilled III	Skilled II	Skilled I	Skilled Spec.
	Scale	Scale	Scale	Scale	Scale	Scale
1	10800	10928	11159	11448	11820	12280
2	10900	11048	11299	11608	12000	12480
3	11000	11168	11439	11768	12180	12680
4	11100	11288	11579	11928	12360	12880
5	11200	11408	11719	12088	12540	13080
6	11300	11528	11859	12248	12720	13280
7	11400	11648	11999	12408	12900	13480
8	11500	11768	12139	12568	13080	13680
9	11600	11888	12279	12728	13260	13880
10	11700	12008	12419	12888	13440	14080
11	11800	12128	12559	13048	13620	14280
12	11900	12248	12699	13208	13800	14480
13	12000	12368	12839	13368	13980	14680
14	12100	12488	12979	13528	14160	14880
15	12200	12608	13119	13688	14340	15080
16	12300	12728	13259	13848	14520	15280
17	12400	12848	13399	14008	14700	15480
18	12500	12968	13539	14168	14880	15680
19	12600	13088	13679	14328	15060	15880
20	12700	13208	13819	14488	15240	16080
21	12800	13328	13959	14648	15420	16280
22	12900	13448	14099	14808	15600	16480
23	13000	13568	14239	14968	15780	16680
24	13100	13688	14379	15128	15960	16880
25	13200	13808	14519	15288	16140	17080
26	13300	13928	14659	15448	16320	17280
27	13400	14048	14799	15608	16500	17480
28	13500	14168	14939	15768	16680	17680
29	13600	14288	15079	15928	16860	17880
30	13700	14408	15219	16088	17040	18080
31	13800	14528	15359	16248	17220	18280
32	13900	14648	15499	16408	17400	18480
33	14000	14768	15639	16568	17580	18680
34	14100	14888	15779	16728	17760	18880
35	14200	15008	15919	16888	17940	19080
36	14300	15128	16059	17048	18120	19280
37	14400	15248	16199	17208	18300	19480
38	14500	15368	16339	17368	18480	19680
39	14600	15488	16479	17528	18660	19880
40	14700	15608	16619	17688	18840	20080
41	14800	15728	16759	17848	19020	20280
42	14900	15848	16899	18008	19200	20480
43	15000	15968	17039	18168	19380	20680
44	15100	16088	17179	18328	19560	20880
45	15200	16208	17319	18488	19740	21080
46	15300	16328	17459	18648	19920	21280
47	15400	16448	17599	18808	20100	21480
48	15500	16568	17739	18968	20280	21680
49	15600	16688	17879	19128	20460	21880
50	15700	16808	18019	19288	20640	22080

Schedule 2 - Factory Staff Salary Scales - 2010

	100	120	140	160	180	200
	Unskilled	Semiskilled	Skilled III	Skilled II	Skilled I	Skilled Spec.
	Scale	Scale	Scale	Scale	Scale	Scale
51	15800	16928	18159	19448	20820	22280
52	15900	17048	18299	19608	21000	22480
53	16000	17168	18439	19768	21180	22680
54	16100	17288	18579	19928	21360	22880
55	16200	17408	18719	20088	21540	23080
56	16300	17528	18859	20248	21720	23280
57	16400	17648	18999	20408	21900	23480
58	16500	17768	19139	20568	22080	23680
59	16600	17888	19279	20728	22260	23880
60	16700	18008	19419	20888	22440	24080
61	16800	18128	19559	21048	22620	24280
62	16900	18248	19699	21208	22800	24480
63	17000	18368	19839	21368	22980	24680
64	17100	18488	19979	21528	23160	24880
65	17200	18608	20119	21688	23340	25080
66	17300	18728	20259	21848	23520	25280
67	17400	18848	20399	22008	23700	25480
68	17500	18968	20539	22168	23880	25680
69	17600	19088	20679	22328	24060	25880
70	17700	19208	20819	22488	24240	26080
71	17800	19328	20959	22648	24420	26280
72	17900	19448	21099	22808	24600	26480
73	18000	19568	21239	22968	24780	26680
74	18100	19688	21379	23128	24960	26880
75	18200	19808	21519	23288	25140	27080
76	18300	19928	21659	23448	25320	27280
77	18400	20048	21799	23608	25500	27480
78	18500	20168	21939	23768	25680	27680
79	18600	20288	22079	23928	25860	27880
80	18700	20408	22219	24088	26040	28080
81	18800	20528	22359	24248	26220	28280
82	18900	20648	22499	24408	26400	28480
83	19000	20768	22639	24568	26580	28680
84	19100	20888	22779	24728	26760	28880
85	19200	21008	22919	24888	26940	29080
86	19300	21128	23059	25048	27120	29280
87	19400	21248	23199	25208	27300	29480
88	19500	21368	23339	25368	27480	29680
89	19600	21488	23479	25528	27660	29880
90	19700	21608	23619	25688	27840	30080
91	19800	21728	23759	25848	28020	30280
92	19900	21848	23899	26008	28200	30480
93	20000	21968	24039	26168	28380	30680
94	20100	22088	24179	26328	28560	30880
95	20200	22208	24319	26488	28740	31080
96	20300	22328	24459	26648	28920	31280
97	20400	22448	24599	26808	29100	31480
98	20500	22568	24739	26968	29280	31680
99	20600	22688	24879	27128	29460	31880
100	20700	22808	25019	27288	29640	32080

SCHEDULE 3

FACTORY STAFF ENTITLED FOR COST OF LIVING

PF NO.	NAME	DESIGNATION
138	B.G. PREMATILLAKE	PLANT OPERATOR - SK-SPECIAL
150	W.S.M.D.G. JAYASIRI	COMPRESSOR ATTENDANT-SK-11
158	L.S. DE SILVA	PLANT OPERATOR - SK-SPECIAL
161	R.S.P. PERERA	PLANT OPERATOR - SK-11
163	D.U.D. SENEVIRATH	PLANT OPERATOR - FITTER- SK-SPECIAL
165	K.S. WILSON	CYLLINDER EXAMINER - SK-11
181	P. JAMSON	COMPRESOR ATTENDANT - SK-1
182	K.K. PREMASIRI	PLANT OPERATOR - SK-SPECIAL
239	M.D.N. AMARASIRI	FILLER - SK -111
289	K.A.D. UBEYSIRI	ASSISTANT MACHINE OPERATOR - SK-111
320	N.D.R. NANAYAKKARA	PLANT OPERATOR - SK- 111
323	K.G.A. PALITHA	FITTER - SK -111
340	H.M.R. FERNANDO	CYLINDER INSPECTOR - SK - III
398	K.D.J. THILAKARATHNE	PLANT OPERATOR -SK -111
438	V.M.P. DE MEL	PLANT OPERATOR - SK-SPECIAL
439	A.K. ELVITIGALA	PLANT OPERATOR - SK-SPECIAL
440	J.A.D.R.J. NOEL	ELECTRICIAN - SK-SPECIAL
454	C.C.P. FERNANDO	TECHNICAL ASSISTANT - SK-SPECIAL
473	W.E.J. FERNANDO	PLANT OPERATOR - SK - III
495	H.A.P. PERERA	FILLER SK -111
513	S.R.M. GUNARATHNE	FILLER SK -111
521	B.D.S. PERERA	PLANT OPERATOR - SK-SPECIAL
525	H.D. WIJEDASA	HELPER - S-SKILLED
526	M.H.S.A. TISSERA	FILLER - S-SKILLED
532	G.H.N. RANJHI	HELPER - SK-111
619	P. DHARMASENA	CY.TESTER - SK - 111
627	W.D. SAMAN	LIFTING MACHINE OPERATOR - SE -SKILLED
629	P.J.R. SIGERA	PUMP OPERATOR - SK-111
634	H.J. PERERA	FILLER -S-SKILLED
636	S.M.D. PERERA	FITTER - SK-111
639	H.D.G.N. SAMARANAYAKE	LIFTING MACHINE OPERATOR - SE-SKILLED
640	K. ANURA PREMALAR	HELPER - S-SKILLED
650	K.A. SUNIL	CYLINDER EXAMINER MEDICAL - SK-2
654	H.A. CHANDRALAL	HELPER - SE- SKILLED
663	M. KARUNADASA	MACHINE TOOL OPERATOR - SK-12
665	S.A. SARATH	HELPER - S-SKILLED
670	E.M.M.H. SILVA	WELDER SK - 11
674	K.M. PERERA	FORK LIFT OPERATOR - SK-11
691	G.U. PERERA	FILLER - S-SKILLED
707	M.L. NIHAL	PLANT OPERATOR - SK - 111
716	G.D.S. WEERASINGHE	ELECTRICIAN FITTER - SK -11
746	S.V.K. AMBEGODA	ELECTRICIAN - SK- 111
783	K P NISSANKA	HELPER - S-SKILLED
785	M H MOHIDEEN	FILLER - S-SKILLED
786	RUWAN SRIKANTHA	FILLER - S-SKILLED
794	A.H.M.T. ABEYSINGHE	HELPER - S-SKILLED

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

The Collective Agreement entered into between Perera & Sons Bakers (pvt) Ltd, No. 122, 123, M. D. H. Jayawardana Mawatha, Madinagoda, Rajagiriya of the one part and the Food Beverages and Tobacco Industries Employees' Union No. 513-2/1, Elvitigala Mawatha, Colombo 05 of the other part on 11th March 2010 is hereby published in term of Section 06 of the Industrial Disputes Act. Chapter 131 of the Legislative Enactments of Ceylon (Revised Edition 1956).

W. J. L. U. Wijayaweera
commissioner General of Labour

Department of Labour,
Labour Secretariat,
Colombo 05,
07th December, 2010.

Collective Agreement No. 43 of 2010**COLLECTIVE AGREEMENT**

BETWEEN

PERERA & SONS BAKERS (PVT) LTD

AND

THE FOOD, BEVERAGES & TOBACCO
INDUSTRIES EMPLOYEES' UNION (2010)

THIS COLLECTIVE AGREEMENT made on this Eleventh day of March Two Thousand and Ten, to take effect from the First day of January Two Thousand and Ten, pursuant to the Industrial Disputes Act.

Between

Perera & Sons Bakers (Pvt), Ltd. (hereinafter referred to as "the Employer") of the One part.

And

The Food, Beverages & Tobacco Industries Employees' Union (hereinafter referred to as "the Union") representing its members who are employed in the aforesaid Company, of the Other part.

Witnesseth, and it is hereby agreed between the parties as follows:-

1. **Employers covered and bound.**- This Agreement shall bind Perera & sons Bakers (pvt) Ltd., (hereinafter referred to as the Employer) in respect of members of the Union falling within the classes of employees covered under the Wages Boards for the Bakery Trade, Motor Transport Trade, and Minor Staff employed by the Employer specifically referred to in Schedule I hereto.

2. **Employers covered and bound.**- This Agreement shall cover and bind the members of the Union falling within the classes of employees covered under this Collective Agreement and employed by the Employer on monthly contracts of employment.

3. **Earlier Agreements.**- The provisions of this Agreement shall supersede and replace the provisions of the Collective Agreement entered into between the Union and the Employer on the 12th day of March 2007, and the parties agree that the aforementioned Collective Agreement stands terminated as from the effective date of this Agreement.

4. **Date of operation and duration.**- This Agreement shall be effective as from the First Day of January Two Thousand and Ten and shall thereafter continue in force unless it is determined by either party giving six months notice in writing to the other. Provided, however, that neither party hereto shall give such notice to the other party before the First day of July in the year Two Thousand and Twelve (2012).

5. **Hours of Work.**- The working hours shall be subject to the operation of a shift, system according to a roster formulated by the Employer. In accordance with same, the following shifts shall be operative at present.

a)	5:00 p.m.	—	2:00 a.m.	—	Main shift
b)	7:00 a.m.	—	4:00 p.m.	—	Main Shift
c)	2:00 a.m.	—	10:00 a.m.	—	Interim Shift
d)	3:00 a.m.	—	11:00 a.m.	—	Interim Shift
e)	12:00 m.n.	—	8:00 a.m.	—	Interim Shift
f)	5:00 a.m.	—	2:00 p.m.	—	Interim Shift
g)	11:00 a.m.	—	10:00 p.m.	—	Interim Shift

In accordance with the operation of the shift system the Employer agrees to pay a shift allowance on the following basis:

					1st Year	2nd Year	3rd Year
a)	5:00 p.m.	—	2:00 a.m.	—	Rs.95/- p.s.	Rs. 120/- p.s.	Rs. 125/- p.s.
b)	7:00 a.m.	—	4:00 p.m.	—	—	—	—
c)	2:00 a.m.	—	10:00 a.m.	—	Rs.65/- p.s.	Rs. 90/- p.s.	Rs. 95/- p.s.
d)	3:00 a.m.	—	11:00 a.m.	—	Rs.60/- p.s.	Rs. 85/- p.s.	Rs. 90/- p.s.
e)	12:00 m.n.	—	8:00 a.m.	—	Rs.80/- p.s.	Rs. 105/- p.s.	Rs. 110/- p.s.
f)	5:00 a.m.	—	2:00 p.m.	—	Rs.50/- p.s.	Rs. 75/- p.s.	Rs. 80/- p.s.
g)	11:00 a.m.	—	10:00 p.m.	—	Rs.50/- p.s.	Rs. 75/- p.s.	Rs. 80/- p.s.
h)	Workers who report for work at 7.00 a.m. and continue to work till 12.00 m.n.			—	Rs.60/- p.s.	Rs. 85/- p.s.	Rs. 90/- p.s.

The employees restored to work on a particular shift should present himself/herself for work at the particular department at the starting time of that particular shift.

6. Forfeiture of wages.— Unless for good cause shown to the satisfaction of the Employer, an employee fails to hold himself/herself available for work throughout the normal working hours of each working shift, he/she shall forfeit and the Employer shall be entitled to deduct his/her wages for the period from the time at which such failure occurs until he/she is again available for work.

7. Overtime.— (i) If required by the Employer an employee shall work reasonable overtime subject to the authorization of same by the Employer. Refusal to work reasonable overtime in the absence of a satisfactory explanation, which is acceptable to the Employer, shall constitute neglect of duty for which an employee shall be liable to appropriate disciplinary action.

(ii) Overtime work (i.e. work performed in excess of normal working hours) shall be remunerated in accordance with rates stipulated under the Wages Boards for the Bakery and Motor Transport Trade, and in respect of Sales Assistants and Minor Staff, in accordance with the rates stipulated in the Shop and Office Employees' Act.

(iii) Notwithstanding the operation of a shift system in accordance with Clause 5 hereof, workers who report for work in respect of the interim shifts would be offered work till 4:00 p.m. and overtime paid in respect of work done over and above the respective shift.

8. Annual leave.— Annual leave shall be allowed to employees in accordance with the decisions of the Wages Boards for the Bakery and Motor Transport Trades and in respect of Minor Staff in accordance with the Shop and Office Employees' Act. Annual leave must always be with prior permission, and in no circumstances will such leave be granted subsequent to absence without prior permission. An employee who wishes to utilize his/her annual leave should tender a duly completed leave application form through his/her superior to the Bakery Administration Manager and obtain approval before the utilization of such leave.

9. Casual/Sick leave.— In respect of each year of employment during which any employee has been continuously in employment, that employee shall be entitled to utilize 14 days leave on account of illness or sudden unforeseen circumstances. Leave other than in the case of sickness, can only be utilized 2 days at a time at most and should not precede or succeed annual leave or sick leave. Sick leave should be

utilized only if an employee is unable/unfit to perform his/her duties on account of illness. In cases of absence due to illness of an employee, unless otherwise previously informed in writing, the Bakery Administration Manager should be informed thereof at the earliest possible opportunity, and not later than 24 hours after the commencement of absence from duty. Further, where absence on account of illness exceeds 2 days, a medical certificate from a registered medical practitioner in respect of such absence must reach the Human Resources Manager not later than the third day of absence along with an application for leave.

Any absence without leave would be regarded as unauthorized and without pay and shall amount to misconduct liable to disciplinary action.

10. **Public holidays.** - Public holidays shall be allowed to an employee in accordance with the relevant statutory provision applicable in respect of the employees concerned.

11. **Salaries.** - The Employer agrees to revise the salaries of all employees covered and bound by this Agreement on the following basis during the pendency of this Agreement.

(a) Salaries of employees will be increased by Rs. 1200 with effect from 01.01.2010.

(b) Salaries of employees will be increased by a further 8% with effect from 01.01.2011.

(c) Salaries of employees will be increased by a further 8% with effect from 01.01.2012.

The granting of the above salary increases is subject to the condition that during the pendency of this Agreement, if and when salaries prescribed under the Wages Board for the Bakery and Motor Transport Trades are revised, the Employer will not be bound to grant such increases determined by the Wages Boards except in so far as to conform to the minimum wages stipulated under the respective Trades.

Provided, however, that during the pendency of the Agreement, if and when the Government grants any salary increase or an interim allowance by law, applicable to the private sector, and only if such salary increase/interim allowance exceeds the increases granted in 2011 and 2012 in terms of (b) and (c) above, the Employer agrees to adjust salaries in keeping with such law. If not, by making payment of the difference. This would, however, be only applicable in respect of the 2nd and 3rd years of this Agreement.

The Employer agrees to increase the annual incremental rates in respect of employees covered and graded under the Bakery Trade as follows:-

Grade	Annual Increment		
	2010	2011	2012
A Special Grade	Rs. 190	Rs. 210	Rs. 210
A	Rs. 160	Rs. 180	Rs. 180
B	Rs. 130	Rs. 150	Rs. 150
C	Rs. 100	Rs. 120	Rs. 120

12. **Attendance bonus.** - The Employer agrees to pay an attendance bonus of one month's gross wages excluding overtime and other allowances, if any, as per the wages applicable as at December 2010, 2011 and 2012 respectively, to workers under the Bakery and Motor Transport Trades and the Minor Staff, provided that a worker has worked a minimum of 150 days in the preceding year. This attendance bonus will be subject to a deduction of 12 1/2% in respect of every day of absence without pay for whatever reason. This attendance bonus will be paid on 31.01.2011, 31.01.2012, and 31.01.2013, in respect of each preceding year.

13. **Bonus.**— The Employer agrees to pay an annual bonus to all employees covered and bound by this Agreement on the following basis:

The bonus payment equivalent to 3 months' salary will be paid in each financial year during the pendency of the Agreement.

In addition the Employer agrees to make a pro rata payment of bonus in respect of employees who have commenced employment during the financial year in the following manner:—

<i>Date of Appointment During the Financial year</i>	<i>Quantum</i>	<i>Date of payment</i>
On or before 1/4/10)	2 months	June 2011 (10/11 Financial year)
On or before 1/4/11)		June 2012 (11/12 Financial year)
On or before 1/4/12)		June 2013 (12/13 Financial year)
Between 2/4/10 and) On or before 1/7/10)	1 1/2 months	June 2011 (10/11 Financial year)
Between 2/4/11 and) On or before 1/7/11)		June 2012 (11/12 Financial year)
Between 2/4/12 and) On or before 1/7/12)		June 2013 (12/13 Financial year)
Between 2/7/10 and) On or before 1/10/10)	1 month	June 2011 (10/11 Financial year)
Between 2/7/11 and) On or before 1/10/11)		June 2012 (11/12 Financial year)
Between 2/7/12 and) On or before 1/10/12)		June 2013 (12/13 Financial year)
On or after 2/10/10)	No Payment	
On or after 2/10/11)		
On or after 2/10/12)		

Provided, however, the payment of bonus will be subject to proportionate deductions of one day's wage in respect of everyday of unauthorized absence over and above 8 days in the preceding calendar year. Unauthorized absence would mean everyday of absence without authority and/or everyday of absence over and above an employee's leave entitlement. In this regard the Employer will follow the definition stipulated under the Wages Board for the Bakery Trade in determining "days worked".

14. **Festival advance.**— The Employer agrees to pay an annual festival advance on the following basis:

1st year - 2010	—	Rs. 8,500/-
2nd year - 2011	—	Rs. 9,000/-
3rd year - 2012	—	Rs. 10,000/-

Provided, however, the Employer agrees to revise the quantum of this advance in the event recommendations are made to that effect by the EFC, in future.

15. **Promotions.**— The present system of promotions in respect of the bakery Trade employees, viz placement at a point on the higher grade/scale will continue to operate as hitherto practiced.

16. **Meals.**— (a) Bakery and Motor Transport Trades workers will be provided with a rice meal on 6 days of the week. Minor Staff will be provided a rice meal on 6 days of the week or be paid the value of same, in lieu.

b) In addition to the above, all workers who work on the following shifts will be provided with the following meals:

- (i) 5:00 a. m. – 2:00p.m. – At 6:15 a.m. one bun and one roll;
At 10.00 a.m. one bun or one roll;
- (ii) 7:00 a. m. – 4:00p.m. – At 10.00 a.m. one bun or one roll;
- (iii) 5:00 p. m. – 2:00p.m. – At 10.30 a.m. one bun and ore roll.

c) Minor Staff reporting for duty at 6.30 a.m. will receive one roll and one bun and others who report for duty after 6:30a.m. will receive one roll or one bun

d) All employee will be given a cup of tea/coffee at 6.40 a.m.

17. **Warnings.**— If in the opinion of the Employer an offence warrants a warning, the same shall be conveyed to the employee by a letter, a duplicate of which shall be signed by the employee. If the employee refuses to sign the duplicate, the warning may be given to the employee orally by the Employer, in the presence of two witnesses.

18. **Suspension.**— (i) An employee may be suspended without pay by his Employer

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

19. **Disciplinary action.**— Where the Employer proposes to proceed against an employee then

- (i) irrespective of whether an employee has been suspended under Clause 18 hereof or not, the employee shall be furnished with a show cause notice which shall set out the particulars of the charge or charges of misconduct alleged against such employee and such show cause notice shall give the employee not less than three (3) clear working days in which to give the answer or explanation to the charge or charges preferred;
- (ii) within three (3) clear working days after the date of the show cause notice, the employee shall furnish in writing to the Employer the answer or explanation to the charges preferred against such employee. Provided, however, that if in the circumstances it is reasonable the employee may ask the Employer for an extension of time within which to furnish the written answer or explanation to the show cause notice and where such request is made by an employee to the Employer, the Employer shall grant such request for such further period of time as is deemed necessary in the circumstances of the case;
- (iii) if the Employer is satisfied with the written answer or explanation of the employee, the employee shall, if he is under suspension forthwith, be reinstated and shall be paid all wages and entitlements due for the period of such suspension;
- (iv) if the Employer is not satisfied with the written answer or explanation of the employee to the show cause notice and such answer or explanation is rejected by the Employer, the Employer shall commence an inquiry within ten (10) working days from the date of receipt by him of the written answer or explanation to the show cause notice;
- (v) after holding such inquiry the Employer shall notify the employee of the findings on each of the charges in the show cause notice and the punishment, if any, imposed by the Employer. Provided that if an Employer fails to make an order except for reasons beyond the control of the Employer on the charges in the show cause notice within thirty (30) working days from the conclusion of the inquiry into such charges, the employee shall not be liable to be punished thereafter in respect of such charges and no inference adverse to the employee in respect of such charges shall be drawn from such charges;
- (vi) if the employee is under suspension and the Employer after such inquiry makes order that

- (a) the employee shall not be dismissed then the employee shall resume employment forthwith and shall, subject to the provisions of Sub-Clause 18(i)(c) hereof, be paid all wages and entitlements due for the period of suspension, irrespective of such other punishment less than dismissal that may be imposed by the Employer on the findings as to the charges in the show cause notice;
 - (b) the employee shall be dismissed, the employee's dismissal shall take effect from the date of the employee's suspension and accordingly the employee shall not be paid for the period of such suspension;
 - (c) in view of the serious or involved nature of the charges in the show cause notice against the employee, the Employer is unable to make a final order as it is necessary and desirable that the matter be referred to the Police or other authorities for further investigations or inquiries and that the matter be therefore referred to the Police or other authorities, or if in view of the serious or involved nature of the charges preferred against the employee the matter has been previously referred to the Police or other authorities for investigations or inquiries that the outcome of such investigations or inquiries be awaited, then in either of such circumstances the employee may remain suspended without pay.
- (vii) if in any case where an employee is suspended as provided for herein an Employer fails to make an order under paragraphs (a) to (c) of the preceding Sub-Clause for any reason other than that of the employee's own seeking within thirty (30) working days from the date of the employee's suspension, the employee shall be entitled to 1/2 his normal remuneration for the period of thirty (30) days from the date of such suspension and to his full remuneration for the period of suspension in excess of thirty (30) days up to the date on which the Employer makes an order under paragraphs (a) to (c) of the preceding Sub-Clause, irrespective of the outcome of the inquiry;
- (viii) in any case where an employee is suspended as provided herein, the Employer shall make an order under paragraphs (a) to (c) of Sub-Clause (vi), within ninety (90) days of the date of suspension of the employee unless he is prevented from so doing by reason of the employee's own seeking or for reasons beyond the control of the Employer or it is agreed between the Employer and the Union that in the circumstances of the case the period ninety (90) days be extended for such further time as may be agreed;
- (ix) the Employer shall not be required to hold an inquiry as referred to in Sub-Clauses (iv) and (v) hereof where the Employer proposes to warn the employee or where the employee admits to the charge or charges. Provided however that if the Union disputes the warning or punishment imposed on the employee by the Employer and requests the holding of an inquiry the Employer shall comply with such request and the provisions relating to the holding of an inquiry shall then apply subject to the exception that the fact that the inquiry had not commenced within ten (10) working days after receipt of the employee's explanation shall not be material or relevant.
20. **Disputes procedure.**-(i) In the first instance the Union shall submit any demand on behalf of its members to the Employer and give the Employer at least ten (10) working days time within which to reply. If in the Union's opinion the Employer's reply is unsatisfactory the union and the Employer shall explore the possibility of reaching a settlement.
- (ii) When the Union concludes that negotiations with the Employer have been abortive it shall ask the Department of Labour to intervene and give the Department not less than ten (10) working days to arrange conferences and/or discussions with a view to a settlement of the dispute. Negotiations under the aegis of the Department of Labour shall then proceed until the Department of Labour reports failure.
- (iii) Subject to the provisions of Clause 22 hereof all disputes between the Union and the Employer shall be settled in accordance with the provisions of the Industrial Disputes Act and the regulations made thereunder.
- (iv) Any party to this Agreement shall not instigate support or engage in any unfair labour practice during the pendency of this Agreement.

21. **Trade Union Action.**- The Union and its members and the employees covered and bound by this Agreement jointly and severally agree with the Employer that during the continuance in force of this Agreement they shall not engage in any strike or other form of Trade Union action against the Employer in respect of any dispute between the Employer on the one hand and the Union and/or its members and/or any Employees covered and bound by this Agreement on the other hand whether or not such dispute is related to this Agreement, except where such dispute has been caused by an act of an Employer which in the opinion of the controlling body (by whatsoever name called) of the Union is *mala fide* or vindictive or calculated to threaten or undermine the existence or the legitimate activities of that Union and or its members or is grossly unfair or seriously detrimental to the interests of the Union and/or its members. Provided

however that at least seven(7) days notice in writing shall be given by the Union to the Employer concerned, the Federation and the Commissioner of Labour before the date of action consequent to an act of an Employer which in the opinion of the controlling body (by whatsoever name called) of the Union is *mala fide* or vindictive or calculated to threaten or undermine the existence or the legitimate activities of the Union and/or its members or is grossly unfair or seriously detrimental to the interests of that Union and/or its members.

22. Variations of Terms and Conditions of Employment, Benefits

- (i) The Union and its members and the employees covered and bound by this Agreement jointly and severally agree with the Employer that, during the continuance in force of this Agreement they will not seek to vary, alter or add to all or any of the terms and conditions of employment presently applicable to any of the employees covered and bound by this Agreement as amended or altered in terms of this Agreement, or all or any of the benefits presently enjoyed by any of the employees covered and bound by this Agreement other than by mutual agreement.
- (ii) The Employer agrees with the Union and its members and the employees covered and bound by this Agreement, that it shall not seek to vary, alter or withdraw all or any of the benefits presently enjoyed by the employees covered and bound by this Agreement, other than by mutual agreement.

23. Domestic Inquiries.—If an employee who is furnished with a show cause notice in terms of clause 19 is a member of the Union, the following provisions shall apply to the inquiry held by the Employer pursuant to such show cause notice:

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

SCHEDULE I

Categories of employees covered and bound by this Collective Agreement.

- (a) All employees covered under the Wages Board for the Bakery Trade on monthly contracts of Employment.
- (b) All employees covered under the Wages Board for the Motor Transport Trade on Monthly contracts of employment
- (c) Minor Staff on Monthly contracts of employment.


In witness hereof parties hereunto set their hands on this Eleventh day of March Two Thousand and Ten at Colombo.



For and on behalf of
PERERA & SONS BAKERS (PVT) LTD

Name : **UNESA ROHAN KODAGODA**


Designation : **DIRECTOR**


For and on behalf of
**THE FOOD, BEVERAGES &
TOBACCO INDUSTRIES
EMPLOYEES' UNION**

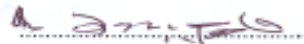
Name : **Don Wimalasiri Subasinghe**

Designation : **General Secretary**

Witnesses to the above signatures:

1. 
Name: **Chandradasa Ratnayake**
Designation: **Branch President**


cd/-



For and on behalf of
PERERA & SONS BAKERS (PVT) LTD

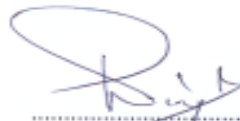
Name : **P. Dassanayake**

Designation : **Director /g/17**


For and on behalf of
**THE FOOD, BEVERAGES &
TOBACCO INDUSTRIES
EMPLOYEES' UNION**

Name : **Dayanawansa Malavisuriga**

Designation : **Deputy General Secretary**


Name: **Kapila Dissanayake**
Designation: **Asst. Director General
Employers' Federation
of Ceylon**

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between the Indian Bank, No. 57, Sir Baron Jayathilaka Mawatha, Colombo 01, Indian Overseas Bank, No. 139, Main Street, Colombo 11, State Bank of India, No. 16, Baron Jayathilaka Mawatha, Colombo 01 and Habib Bank Ltd., No. 140-142, 2nd Cross Street, Colombo 11 of the one part and the Ceylon Bank Employees' Union, No. 20, Temple Road, Colombo 10 of the other part on 03rd May, 2010 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

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

Department of Labour,
Labour Secretariat,
Colombo 05,
15th July, 2010.

Collective Agreement No. 40 of 2010**COLLECTIVE AGREEMENT****BETWEEN**

INDIAN BANK
INDIAN OVERSEAS BANK
STATE BANK OF INDIA
HABIB BANK LTD

AND**CEYLON BANK EMPLOYEES UNION****2009**

This Collective Agreement made on this Third day of May, 2010 between Indian Bank, Indian Overseas Bank, State Bank of India and Habib Bank Ltd., having their offices at No. 57, Sir Baron Jayathilaka Mawatha, Colombo 01, 139, Main Street, Colombo 11, No. 16, Baron Jayathilaka Mawatha, Colombo 01 and No. 140-142, 2nd Cross Street, Colombo 11, respectively (hereinafter referred to as "The Banks" or "the Bank" or "the employer" as relevant) of the one part and Ceylon Bank Employees' Union, a Trade Union duly registered in Sri Lanka and having its registered office at No. 20, Temple Road, Colombo 10, (hereinafter referred to as "the Union") of the other part.

Whereas the Union made demands for re-negotiation of the Collective Agreement of 2006, which came into effect on 01st April, 2006, and subsequent to negotiations between the Banks and the Union, agreement has now been reached between the said two parties for the purpose of ensuring better employee terms and conditions, co-operation between the Banks, the Union and the employees and maintaining an efficient and productive working environment, the matters agreed upon are set out hereunder:

1. **Parties to be Covered and Bound.**— This Agreement shall cover and bind Indian Bank, Indian Overseas Bank, State Bank of India and Habib Bank Ltd. (the Banks), the Ceylon Bank Employees' Union (the Union) and members of the Union employed on monthly contracts of employment by the Banks and who are employed in any of the categories as at the date of this Agreement and for whom a salary scale has been prescribed in this agreement in the First Schedule hereto (hereinafter referred to as "the employees"). This Agreement shall not cover and bind any employee who is an Officer, Staff Officer, Secretary, Executive and any other Staff on special rates of pay.

2. **Date of Operation and Duration.**— Unless otherwise stated elsewhere, this Agreement shall come into force on the 01st day of April, 2009 and shall continue until either party terminates it by written notice in terms of the Industrial Disputes Act, but no such notice shall be given before the 31st day of March, 2012. The Union shall, however, have the right to commence negotiations for a revised Collective Agreement at any time on or after 01st July, 2011.

3. **Earlier Agreements.**— This Agreement shall supersede any other Collective Agreement entered into or binding on the parties hereto and such earlier Agreements including the Agreement of 2006 shall stand repudiated in respect of the parties hereto.

4. **Matters Covered and Bound.**— (a) This Agreement shall be in full and final settlement of all matters covered herein as well as of all the matters raised by the Union and in respect of which negotiations took place between the parties before the conclusion of this Agreement and the Union agrees that it will not during the continuance in force of this Agreement raise any of the matters which were discussed and negotiated between the parties preceding this Agreement except to the extent agreed.

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

5. **Consolidated Salary.**— Every employee covered by this Agreement in service as at the date of this Agreement shall, from the 01st April, 2009 be placed on the salary scale set out in the First Schedule hereto, which salary has been consolidated at the New Colombo Consumers' Price Index [CCPI(N)] base figure of 71 [which is equal to the base figure of 2400 in terms of the Old Colombo Consumer Price Index (CCPI)].

6. **Immediate Increase and Conversion of Salary Scales.**— For the placement of an employee on the salary scale applicable in the First Schedule, the following provisions shall apply:

- (i) A sum equal to 17% of the gross salary (salary plus cost of living allowance) payable to an employee as at 31st March, 2009 shall be added to the salary of an employee as at such time.
- (ii) Every employee in employment as at the date of this Agreement shall also receive a further 3% increase calculated on the gross salary as at 31st March, 2009 with effect from the 1st April, 2010, and thereafter placed on the appropriate point on the scale in the First Schedule at the corresponding Rupee point or if there is no such corresponding point, on the next higher point of the said scale.
- (iii) There will no revision of employee salaries in the third year, commencing 1st April, 2011.

7. **Allowances.**—

(a) *Cost of Living Allowance:*

- (i) The cost of living allowance shall be paid to employees from the 01st April, 2009 at Rs. 92.125 cents per point increase beyond the base figure of 71. Any sum paid in excess by way of cost of living allowance for the period 01st April, 2009 onwards, shall be set off against the arrears payable to an employee.

(b) *Cashiers' Risk Allowance and Tellers' Allowance:*

- (ii) With effect from 1st December, 2009, where a Cashier is Called upon to bear the risk, he shall be paid a monthly, allowance of Rs. 950, subject to his
- (iii) With effect from 1st December, 2009, any employee who has to bear the risk of authorising payment of cash against cheques in his capacity as a Teller shall be entitled to a Tellers' Allowance on the under-mentioned formula:

(a) Where the limit of authorisation is Rs. 25,000/- or more the daily allowance shall be Rs. 100/- up to a maximum of Rs. 1200/- per month. Provided, however, that a person will be entitled to the maximum payment if he has worked for not less than 15 days as a Teller, during the month.

(b) Where the limit of authorisation is less than Rs. 25,000/- the daily allowance shall be Rs. 90/- up to a maximum of Rs. 1100/- per month. Provided, however, that a person will be entitled to the maximum payment if he has worked for not less than 15 days as a Teller, during the month.

- (iii) No employee who in the course of a single month has acted both as a cashier and a teller and is eligible for the above allowances shall be entitled to a sum in excess of Rs. 1200/- or Rs. 1100/-, as the case may be, depending on his level of responsibility as specified in (ii) (a) and (b) above.

- (iv) The Cashier's Risk Allowance and the Tellers' Allowance will not be included for the purpose of computing consequential benefits.

- (v) No person who functions as a Teller shall, in addition, be entitled to the Cashier's Risk Allowance for the days on which he so functioned as a Teller.

(c) *Telex Operator's Allowance:*

Where the Banks, as at the date of this Agreement, pays an allowance expressly as a Telex Operator's Allowance, such Bank will pay, as from the date of this Agreement, Rs. 25/- per day subject to maximum of Rs. 450/- per month.

(d) *VDU Operator's Allowance.*

- (i) With the exception of Habib Bank Ltd, the other Banks will pay an allowance of Rs. 10/- per day up to a maximum of Rs. 200/- per month, only to employees who were in employment on 1st August 1988 and whose main or primary function is the operation of a VDU. For purposes of this Agreement a person who regularly works not less 3 hours per day on a VDU will fall within the definition of a person whose main or primary function is the operation of a VDU.
- (ii) The Union will have the right to make representations to the Bank on the question whether the main or primary function of an employee is the operation of a VDU provided that no industrial dispute can be raised on this issue.
- (iii) The Allowance referred to in (i) above will be paid by the Bank to Cashiers who normally operate a VDU during banking hours notwithstanding that the Banks do not agree that the main or primary function of such Cashiers is the operation of a VDU. This Allowance will not be payable to a relief Cashier who performs a Cashier's function for a short period of time during normal banking hours. The allowance will also not be applicable to an employee drawing a Teller's Allowance.
- (iv) The provisions of (iii) above will not entitle any person whose main or primary function is not the operation of a VDU to make any claim on the basis of the payment of the Allowance to a Cashier as aforementioned.
- (v) A VDU shall mean an appliance incorporating a Cathode Ray Tube which is used to input or retrieve information to or from a computer.
- (vi) The provisions of this clause (d) as well as those set out in Schedule 3 hereto shall not be applicable to Habib bank Ltd.
- (e) *Non - receipt of Two Allowances*
No employee will receive the Telex Operator's Allowance plus the VDU Operator's Allowance and shall receive only one of the said Allowances.
- (f) *Disturbance Allowance*
An employee called upon to report for work before 7.00 a.m. shall receive with effect from December 2009 Rs. 250/- per day, and if required to report before 6.30 a.m. shall receive Rs. 350/- per day.

8. **Incremental Date.**—This Agreement shall not have the effect of changing the annual incremental date of an employee.

9. **Pension Payments to Employees who have retired from service.**—Any employee who has retired from service between 1st April 2009 and the date hereof shall be entitled to his pension calculated on the basis of the salary in terms of clause 6 (i) hereof.

10. **Promotion to Grade II.**—Subject to provisions of clauses 11, 12, 13 and 14 hereof, an employee in service as at 1st April 2009 who completes 7 years in Grade 1 shall automatically be promoted to Grade 11 in his category, subject to the right of the Bank to defer such promotion for a period of one year by way of punishment for misconduct after an inquiry and an employee so promoted shall receive not less than the value of two increments in Grade 1 when placed in Grade 11.

11. **Accelerated Promotion.**—(i) *From Grade 1 to Grade 11.*—Employees who sit for and successfully pass the Institute of Bankers Examination will be considered for placement on Grade 11, subject to the conditions referred to at (a) and (b) hereunder, provided, however that their past record of overall performance, attendance and conduct as assessed by the Bank justifies such consideration.

- (a) On successful completion of examinations leading to the full Associateship of the Chartered Institute of Bankers (London) or the Institute of Bankers of Sri Lanka plus three complete years of service with the Bank in which such employee serves, or
- (b) On successful completion of examinations leading to Stage 1/Banking Certificate of the Chartered Institute of Bankers (London) or Intermediate Examinations of the Institute of Bankers of Sri Lanka plus four complete years of service with the Bank in which such employee serves.

12. **Promotion from Grade II to III.**—The following principles shall apply to the promotion of an employee from Grade 11 to Grade 111 of the basic salary scales in the First Schedule hereto:

- (a) All promotions to Grade 111 will be after an application is made by an employee to his employer. Promotion consequent upon an application will be effective from the first of the month succeeding the month in which the application is made.
- (b) an employee eligible to make such application will be
 - (i) An employee who has served for a minimum period of seven years in Grade 11, or
 - (ii) An employee who has successfully completed Part 1 of the Chartered Institute of Bankers (London) or the Institute of Bankers, Sri Lanka Examination in which event the minimum period of service will be seven years in Grade 11 or five years post-qualification experience in Grade 11 whichever is lower, or
 - (iii) An employee who has completed all stages of the Examination Leading to the full Associateship of the Chartered Institute of Bankers (London) or the Institute of Bankers, Sri Lanka in which event the minimum period of service will be seven years in Grade II or three years post-qualification experience in Grade II, whichever is lower.
- (c) Promotion to Grade III will not be automatic but will depend on a consistently good record of work, conduct, attendance and punctuality.
- (d) The Union will have the right to make representations to the Bank in respect of any particular non-promotion although such cannot be the subject matter of an industrial dispute.
- (e) On promotion to Grade III an employee will be placed on a point which will result in an increase of not less than the value of two increments on Grade II.

13. **Promotions from Grade III to Grade IV.**— (a) All promotions to Grade IV will be after an application is made by an employee to his employer. Promotion consequent upon an application will be effective from the first of the month succeeding the month in which the application is made.

(b) Employees who are eligible as at 1st April, 2009 to apply for promotion to Grade IV will, if promoted, be so promoted as from that date. Their applications should be submitted within one month from the date of the signing of this Collective Agreement, failing which any such promotion will be effective in accordance with Sub-clause (a) above.

(c) An employee eligible to make such application will be –

- (i) An employee who has served for a minimum period of seven years in Grade III, or
- (ii) An employee who has successfully completed Part I of the Chartered Institute of Bankers (London) or the Institute of Bankers, Sri Lanka Examination in which event the minimum period of service will be seven years in Grade III or five years post-qualification experience in Grade III, whichever is lower, or
- (iii) An employee who has completed all stages of the Examination leading to the full Associateship of the Chartered Institute of Bankers (London) or the Institute of Bankers, Sri Lanka, in which event the minimum period of service will be seven years in Grade III or three years post-qualification experience in Grade III, whichever is lower.

(d) Promotion to Grade IV will not be automatic but will depend on a consistently good record of work, conduct, attendance and punctuality.

(e) The Union will have the right to make representations to the Bank in respect of any particular non-promotion although such cannot be the subject matter of an industrial dispute.

(f) On promotion to Grade IV an employee will be placed on a point which will result in an increase of not less than the value of two increments on Grade III.

14. **Re-designation of Typist to Clerk.**— A typist shall be considered for re-designation as Clerk provided he possesses the following eligibility requirements:

- (a) Three years service and passing Part I of the Institute of Bankers Sri Lanka Examination.
- (b) On completion of the Final Examination of the Institute of Bankers.

- (c) Six years service and the relevant qualifications for entry as a Clerk.
- (d) Six years service without requisite qualifications for entry as a Clerk but subject to success at a written examination conducted by the Bank.

Provided that where a Typist is promoted as a Clerk under this Clause, he shall have 4 years service and the required qualifications or have 8 years service as a Clerk to be considered for promotion thereafter.

15. **Minor Staff Promotions.** - Without prejudice to the right of each Bank to recruit staff at their discretion, the Banks will consider minor staff for promotions subject to the following criteria:

(a) *Peon to Clerk:*

- (i) The number of vacancies in the clerical cadre will be announced internally by advertisement by Staff Notice annually. Such notice shall stipulate the job requirements of the vacancy advertised, *i.e.* - educational qualifications, age, and any other particular criteria required for such job as determined by the Banks.
- (ii) Any peon or labourer whose record of service, conduct and attendance has been satisfactorily, with more than four years of service with the Banks who has necessarily completed the first part of the Chartered Institute of Bankers (London) or Institute of Bankers of Sri Lanka will be eligible to apply and will be considered for such clerical position. The selection process will include medical examinations, interviews, written tests etc., as determined by the Banks.
- (iii) Any peon whose record of service and conduct has been satisfactory, with more than eight years' service with the Banks, shall be exempt from the minimum education qualifications stipulated in the Notice and may apply for such vacancy and will be considered in the manner specified at para (ii) above.
- (iv) Any peon promoted in the manner specified above will be required to serve a period of probation of twelve months which may be extended by the Banks for a further period of up to six months during which, or at the end of which, the Banks may at their discretion revert such peon to his earlier position and salary.
- (v) The basic salary payable to any peon promoted in the manner specified above shall be the nearest higher point in the Clerical Salary Scale in relation to his basic salary received at such time as a peon, which will result in an increase of not less than the value of two increments on the peon scale. Provided further that such promote shall *not* be placed at Grade II of the salary scale unless he has completed a minimum period of four years on Grade I on the Clerical Salary Scale.
- (vi) Any peon or Labourer who conforms to the above requirements shall be promoted if there are vacancies.
- (vii) The decision of the Banks in respect of selection for promotion shall be final and conclusive.

(b) *Labourer to Peon:*

- (i) The number of vacancies in the Peon Cadre will be announced internally by advertisement by Staff Notice annually. Such notice shall stipulate the job requirements of the vacancy advertised, *i.e.* - educational qualifications, age, etc., and any other particular criteria required as determined by the Banks.
- (ii) Any labourer with more than four years service whose record of service, conduct and attendance has been satisfactorily will be eligible to be considered for the post of peon in response to the above mentioned notice. The selection process will include medical examinations, interviews and written tests to assess among other things the knowledge of written/spoken language as appropriate in such manner as shall be determined by the Banks.
- (iii) Any labourer promoted in the manner specified above will be required to serve a period of probation of twelve months which may be extended by the Banks for a further period of up to six months during which, or at the end of which, if the performance of such labourer is found to be unsatisfactory, the Banks may at their discretion revert such peon to his earlier position and salary.
- (iv) The basic salary payable to any labourer promoted in the manner specified above shall be the nearest highest point in the Peon Salary Scale in relation to his basic salary received at such time as a labourer, which will result in an increase of not less than the value of two increments on the labourer scale. Provided further that such promotee shall not be placed at Grade II of the salary scale unless he has completed a minimum period of four years on Grade I on the Peon Salary Scale.

- (v) Any labourer who conforms to the above requirements shall be promoted if there are vacancies.
- (vi) The decision of the Banks in respect of selection for promotion shall be final and conclusive.
- (c) Where the Union is dissatisfied with regard to a non-promotion concerning minor staff, it is agreed that the Bank concerned would discuss the issue in the Monitoring Committee to be set up under this Collective Agreement.

16. **Provident Fund Rate of Contribution.**— The rates of contribution to the Provident Fund by the Banks shall be:

Bank's contribution	—	12% (twelve per cent) of salary
Employee's contribution	—	8% (eight per cent) of salary

Provident Fund contributions shall be on the consolidated salary referred to at Clause 5 hereof and the amount paid for that month as cost of living allowance subject to the Rules of the Provident Fund.

(b) **Interest on Provident Fund Contributions held by Banks.**— Where Provident Fund monies are invested in the Banks, the Banks shall continue to pay the rate of interest paid on 12 months' fixed deposits for a sum of Rs. 100,000/- published by the N.S.B. prevailing as at the 1st January for the first half of the year and on the rate prevailing on the 1st July for the second half of the year on the net Provident Fund monies invested at the Bank.

(c) **Deficiency In Bank's Contributions to Provident Fund to an Employee not entitled to a Pension.**— Where an employee shall cease to be employed by the Banks in circumstances which do not entitle him to a pension or payment in lieu of pension as the case may be, such employee shall be entitled to the difference between the Bank's contributions made to the Fund during his period of service and the employer's minimum rate of contribution he would have been entitled to, in terms of the Employees' Provident Fund Act and its amendments from time to time as a contribution to the Fund by the employer on behalf of such employee. Such deficiency will be the difference between the following minimum rates of contribution under the Act and 10% of basic salary actually contributed by the Banks up to 31st March 1992.

From 1.1.71 to 31.12.80	—	9% of gross salary
From 1.1.81 onwards	—	12% of gross salary

Prior to 31.12.70 the employer's minimum rate of contribution was 6% of total earnings (gross salary) which was less than 10% of basic salary and therefore no deficiency arises.

17. **Terminal Benefits.**— (a) **Pensions.**— An employee shall, upon reaching the retirement age of the Bank and who is in the permanent employment of the Bank at such time, and shall have completed not less than 10 years of actual continuous service (excluding absence/leave without pay), be entitled to a monthly pension computed on the following basis:

No. of completed years Service (max. 35 years) plus 5 Retirement age of the Bank	×	Monthly salary payable in the month of retirement + COLA
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(b) **Premature Retirement on Medical Grounds / disability** .— An employee who is found to be unable to continue to perform his duties as a result of infirmity / disability, as certified by the Bank's Doctor/Medical Specialist / Government Medical Board, and who is in the permanent employment of the Bank at such time, and shall have completed not less than 10 years of actual continuous service (excluding absence/leave without pay) shall be entitled to a pension computed on the same basis referred to at clause 17(a) above. Provided, however, that where an employee is entitled to compensation by the Bank under any laws in force at the time or an Award of Court, such employee shall only be entitled to a pension or such compensation as opted by him, but not to both. Provided further that in the case of an employee whose premature retirement occurred in consequence of an accident which entitled him to compensation, the pre-acceptance of pension as provided herein will not restrict the right of such employee in subsequently claiming any balance compensation under any written law.

(c) **Lump Sum Gratuity in Lieu of Pension Rights.**— An employee who is entitled to receive a pension in terms of (a) or (b) above may at his discretion opt for the payment of a lump sum gratuity in lieu of his pension and any other payments arising therefrom. The payment will be computed on the following basis:

No. of completed years Service (max. 35 years) plus 5	×	1 month's salary plus 1 month's Cost of Living Allowance calculated for the month of retirement
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The above payment shall constitute a settlement in full and final satisfaction of all claims against the Bank on account of the cessation of employment in respect of gratuity, pension, deficiency, if any, in the Bank's contribution to Provident Fund to an employee not paid a pension in terms of Clause 17.

(d) **Death Gratuity.**— On the death of an employee who has been confirmed and is in the permanent employment of the Bank, the Banks will make a compassionate payment of two months gross salary for each year of completed service subject to a minimum of nine months' gross salary to the legitimate dependents of the deceased employee, as may be determined by the Bank at its sole discretion on the basis of information supplied to them. In the case of the death of an employee who is not confirmed in employment the amount payable will be 50% of that payable to a confirmed employee provided that in the case of an employee has not been confirmed. consequent upon a promotion to a higher grade, the gratuity payable will be calculated as in the case of a confirmed employee. The gross salary for this purpose shall be the last drawn salary plus Cost of Living Allowance.

Provided, however, that in the event of death arising out of and in the course of employment, the dependents shall be entitled to and receive either the death gratuity referred to herein or payment by way of compensation under any laws in force at the time on account of Employees' Compensation or under any other law or an Award of Court, whichever is higher. Provided further that in the case of an employee whose death occurred in consequence, the pre-acceptance of death gratuity as provided herein shall not restrict the right of such dependents in subsequently claiming any balance compensation due to them under any written law.

(e) **Gratuity on Resignation / Termination Prior to Retirement.**— An employee shall, upon resignation / termination of employment prior to retirement in circumstances which do not entitle him to the terminal benefits referred to at the aforementioned Clauses (a), (b), (c) and (d) be entitled to a gratuity computed in terms of the Payment of Gratuity Act (1983), which shall be paid within 30 days of the cessation of employment.

The salary for this purpose shall comprise the salary referred to at Clause 5 and the Cost of Living Allowance referred to at Clause 7(a) hereof.

(f) Completed years of actual service shall include only actual continuous service worked excluding absence/leave without pay, but subject to the provisions of the payment of Gratuity Act (1983) and Clause 20 thereof.

(g) Commuted Pension

- (i) At the option of the employee at the time of retirement on or after 1st April 2009, 25% of the monthly pension into 120 will be paid to employees who are entitled to a pension, who do not opt for a lump sum payment as provided for in the agreement and who opt for such commuted pension.
- (ii) Where an employee commutes his monthly pension in the manner aforesaid, the monthly pension payable to him during the first ten years of retirement will be 75% of the monthly pension he would have been entitled to at the time of retirement if he had not so commuted his pension. After the expiry of the said ten years the amount of the monthly pension so commuted will be restored and added to the monthly pension then being paid.

18. Medical Scheme.— Reimbursement of Medical Expenses for Non-Hospitalisation Expenses

With effect from 1st December 2009, the Banks will reimburse an employee up to a maximum of Rs. 12,000 per annum in respect of medical expenditure incurred by him on his own behalf, on behalf of his spouse or unmarried legitimate children under the age of 18 in respect of routine non-hospitalisation/non-surgical and specialist treatment, and subject to the following:

- (a) All medical claims shall be supported by valid and relevant prescriptions, bills and receipts.
- (b) Prescriptions or Doctor's bills are from a Registered Medical Practitioner.
- (c) The unutilised portion of the allocation for the year could be utilised during a period of three years subject to valid bills being submitted as aforesaid.

(ii) **Special Non - Hospitalisation and Non- surgical Expenditure.**— The bank will reimburse an employee on a non - cumulative basis a further sum up to a maximum of Rs. 7000/- per annum on account of special non-hospitalisation and non-surgical expenses covering the following items, only incurred on behalf of the employee and not on behalf of the employee and not on behalf of his family members:

- (a) Spectacles
- (b) Dentures
- (c) Hearing Aids

Subject to valid documentation as in the case of (i) above and subject to the proviso that no claim is made in relation to any particular item more than once in three years and in the case of spectacles it must be supported by a prescription from a Medical Eye Specialist.

(iii) *Surgical and Hospitalisation Expenditure.*— Employees will be reimbursed on account of surgical and hospitalisation (whether Government or Private) expenses incurred on behalf of the employee, his spouse and unmarried legitimate children under 18 years of age, subject to the production of valid documentation covering every claim or expenditure, up to the following limits per annum:

(a) Hospital or Nursing Room Charges:	Rs.	350
Daily Limit		
Government Hospital Allowance	Rs.	1000
(b) Emergency Treatment Travel expenses (maximum)	Rs.	1,400
The rate is Rs. 30/- per kilometer		
(c) Overall Limit for any one event	Rs.	90,000
(d) Over all limit for any one year	Rs.	110,000/-

Provided, however, that in the case of a recurrent illness, i.e., of the same kind, the Bank will made payment on this account only if an employee has not exhausted his full limit for the year in respect of the reimbursement.

The rates given above will be effective from 1st December 2009.

The Second Schedule hereto sets out the terms on which reimbursement of medical expenditure will be effected.

(iv) *Maternity Grant* (a) With effect from the date hereof an employee who is married will be entitled to a grant of Rs. 11,000 in respect of each of two births of children. If both spouses are employed in the Bank only one shall be entitled to this grant.

- (b) In the case of reimbursement under surgical and hospitalization expenses, the maximum deduction for normal child birth shall be Rs. 900 The age of retirement shall be 55 years, or any other age mutually agreed to between the Banks and its employees, and on reaching the age of 55, or any other age mutually agreed upon, an employee shall ipso facto retire and cease to be employed by the Banks and there shall be no obligation on the Banks to give such employee any notice of such retirement.

19. *Retirement.*— (a) The age of retirement shall be 55 years or only other age Mutually agreed to between the banks and its employers, and on reaching the age of 55, or any other age mutually agreed upon, an employee shall ipso facto retire and cease to be employed by the banks and there shall be no obligation on the banks to give such employee any notice such retirement.

- (b) An employee may also be retired and be eligible for retirement benefits if he is not less than 50 years and has 10 or more years of service, subject to mutual agreement between the employee, his Union and the employer that he should be given such concession and subject to the condition that the refusal by any party to agree to such premature retirement shall not constitute an industrial dispute.

20. *Bonus.*— Without prejudice to the claim of the Banks that bonus payments are ex-gratia, the Banks will each year pay to every employee covered by this Agreement a bonus of two months' salary as drawn by such employee for the month of December in respect of one complete year of service meaning January to December and proportionately for service less than one year at the rate of one-twelfth of such entitlement in respect of each complete month of service. The salary for this purpose shall include the cost of living allowance payable for that month.

21. Probation.— Every employee recruited by the Banks will serve a period of nine months probation subject to the right of the Banks to extend the period of probation by a period of three months.

22. Release of Parent Union Office Bearers.— Officer bearers of the Union shall be released for Union work without payment of any salary, allowance or any other payment of whatever nature on the following basis:

- (a) The total number of Office Bearers so released shall not exceed one.
- (b) No employee shall be released for more than two years on a single occasion during a period of six years.
- (c) On resumption of work by an Office Bearer who has been released for Union work, he shall receive incremental credit for the period of his absence from work and such absence shall not affect his rights under Clause 17 hereof.

23. Concessions to Branch Union Office Bearers and General Councilors.— (a) The Banks shall at their discretion permit the release of not more than two Branch Union Office Bearers at any one given occasion without loss of pay exclusively to enable such Branch Union Office Bearers to be present at inquiries before the Labour Department, Labour Tribunal, Arbitrations, Industrial Courts and with their respective Bank Managements – exclusively on matters pertaining to the Banks.

- (b) It is agreed that Central Committee Members (General Council) of the Union will be permitted to leave at 12.30 p.m. on 12 days in a year for meetings. In the case of outstation General Council Members, they would be permitted leave for the whole day for 12 General Council Meetings in a year.
- (c) It is agreed that a day's paid leave shall be granted on two occasions per year to General Councillors to attend Parent Union General Council meetings.
- (d) It is agreed that Executive Committee members will be released at 3.00 p.m. for meetings of the Executive Committee of the Union. These meetings will not usually be more than on a monthly basis.

24. Special Leave to Visit Outstation Branches.— The Banks shall permit office bearers of the Union employed by the Banks paid leave to visit outstation branches calculated on the basis of a day's leave available for each such branch, i.e. if there are X branches the total number of days paid leave available shall also be X. For this purpose an outstation Branch is one situated more than 30 miles from Colombo.

25. Overtime.— (a) If required by his employer an employee shall work reasonable overtime which has been authorised by the employer, subject to the provisions of any law for the time being in force.

- (b) Overtime work shall be remunerated in accordance with the provisions of the Shop and Office Employees Act.

26. Annual, Medical and Casual Leave.—

(a) ANNUAL LEAVE

(i) **Entitlement**

In respect of each year of employment (which means the period January to December) during which an employee has been in continuous employment he shall be entitled to take in the following year 21 working days paid leave. He shall avail himself of at least 7 days out of the 21 days on successive days and shall in respect of each year avail himself of not less than 14 days out of the said 21 working days.

- (ii) At the end of the first year of employment the employee qualifies for proportionate leave as follows:

- (a) The full annual holiday of 21 days if his employment commenced on or after 1st January but before 01st April.
- (b) A holiday of 15 days if his employment commenced on or after 01st April but before 01st July.
- (c) A holiday of 11 days if his employment commenced on or after 01st July but before 01st October, and
- (d) A holiday of 6 days if his employment commenced on or after 01st October.

(iii) **Availment**

The availment of all annual leave shall be by prior authorisation of the Banks upon the employee's application, giving sufficient notice to the Banks, so as to ensure availment at times mutually convenient.

(iv) **Accumulation**

Annual leave may be accumulated by an employee exclusively for the following purposes:

- (a) For availment in full, immediately preceding retirement by mutual arrangement with the Banks.
- (b) For the purpose of attending on a family member who is seriously ill.
- (c) For travel abroad for which purpose one month's prior notice shall be given.
- (d) For marriage of the employee.
- (e) Prolonged illness of the employee.
- (f) On account of the death of a family member provided that the employee has exhausted his current year's leave.
- (g) For purposes of nursing third and fourth children beyond the Maternity Leave entitlement.

Provided that in the case of (b) to (d) above the approval of such leave shall be at the discretion of the Management. Family member for purposes of (b) above shall mean spouse, children or parents.

Provided also that such accumulation will be restricted up to a maximum of seven (7) days per year and provided further that such total accumulation shall be restricted to a maximum of ninety (90) days.

(b) **MEDICAL LEAVE**

(i) **Entitlement**

An employee shall be entitled to not less than twenty four (24) days leave exclusive of weekly or other holidays in any one year, in case of sickness on full pay, subject to the conditions in sub-clause (ii) hereof.

(ii) **Availment**

A Bank will be entitled to refuse to grant pay for any days of absence on grounds of sickness not supported by a Certificate from a Registered Medical Practitioner.

- (a) where such period of absence exceeds two consecutive days including weekly or other holidays, or
- (b) where the number of days already allowed on full pay on grounds of sickness, uncertified by a Medical Practitioner, is in excess of twelve (12) days.

(iii) **Accumulation**

An employee who takes less than his entitlement in any one year as prescribed above shall be entitled to avail himself of the balance of his entitlement for such year in any succeeding year or years, subject to the following provisions:

- (a) in no case shall the entitlement to medical leave on full pay, by reason of such accumulation, exceed ninety (90) days, and
- (b) the accumulated medical leave may only be availed of on account of prolonged illness, hospitalisation or similar circumstances, supported by a Certificate from a Registered Medical Practitioner,
- (c) where an employee has exhausted his current year's sick leave as a result of prolonged illness such as an infectious disease or prolonged hospitalisation an employer may permit him to set off any further absence on grounds of ill health against such accumulated sick leave up to the extent of the leave taken for such earlier prolonged illness.

- (iv) The Banks will be entitled, after inquiry and advising the employee concerned, to refuse to pay and/or take any action as appropriate in situations where the absence on grounds of sickness *not* supported by an Certificate from a Registered Medical Practitioner, occurs in the following circumstances:

- (a) where the Banks have reasonable cause to suspect the *bona fides* of the application and/or reason for absence of an employee, or

- (b) where the absence of the employee on grounds of sickness immediately follows or precedes any weekly or other holiday and the Banks have reasonable cause to suspect the *bona fides* of the application and/or reason for absence of the employee.

(c) **Casual Leave**

An employee shall be entitled to a maximum of seven (7) days casual leave in each year of employment whereof *not* more than two (2) days shall be taken at any one given time and such leave shall not precede or follow any period of annual leave. All casual leave shall be by prior approval of the Banks, unless the reason for such absence is justified to the satisfaction of the Banks as being in circumstances that could not have been foreseen by such employee.

27. **Suspension**– (i) Where an employee is suspended pending a disciplinary inquiry on investigations, he will, subject to the provisions of sub-clauses (ii) and (iii) below, receive half his salary from the date of suspension up to six months and full pay thereafter, subject to the condition that the delay was not due to the employee concerned.

(ii) Where the suspension is on account of charges involving financial dishonesty such as fraud or misappropriation, the employee will not be entitled to any salary during the period of suspension unless the inquiry is not concluded within six months of the date of suspension in which event he will receive half his salary (salary plus cost of living allowance) during his suspension beyond the said six months period. Provided that if the delay beyond six months is due to the employee's own conduct or due to the employee being in custody or remand thereby making it impossible for the Banks to hold or conclude the inquiry, half such salary as aforementioned will not be payable.

(iii) In cases not involving financial dishonesty as aforementioned, where the employer is prevented from concluding the inquiry within six months of suspension for reasons beyond the employer's control such as where the employee makes repeated requests for postponements or where he is remanded or in Police custody or where the matter is under investigation by the Police, the employee will continue to receive half his salary and will not receive full pay in these circumstances.

28. **Disciplinary Procedure**– Where the Banks propose to take disciplinary action against an employee except, however, in the case of oral warning, letters of advice, caution or warnings for minor offenses, the following procedure shall apply:

- (a) Irrespective of whether such employee has been suspended, the employee shall be furnished with a show cause letter which shall set out the particulars of the charges against such employee and such show cause letter shall give the employee not less than ten (10) calendar days within which to tender his explanation in writing to the charges preferred.
- (b) Within ten (10) calendar days after the date of the show cause letter the employee shall tender in writing to the Banks his explanation to the aforesaid charges provided however that if in the circumstances it is reasonable the employee may request the Banks for an extension of time within which to tender the written explanation and where such request is made, the Banks shall normally grant such request for such further period of time as is considered necessary by the Banks in the circumstances.
- (c) if where the employee tenders his explanation within the period of time allowed to the employee to show cause and the Banks are satisfied with such explanation, the Banks shall withdraw the charge/s against the employee and if the employee is under suspension, the Banks shall forthwith reinstate the employee and shall pay to such employee his salary and entitlements in respect of the period of such suspension.
- (d) Where the employee tenders his explanation within the time allowed to him to show cause and the Banks are not satisfied with such explanation, the Banks shall, subject to sub-clause (k) (iii) hereof, hold an inquiry into the charges against such employee.
- (e) The Banks shall commence an inquiry as referred to in sub-clause (d) hereof within 21 working days from the date of receipt by them of the written explanation to the show cause letter unless it is not possible to do so for reasons beyond the Banks' control, or by reason of the employee's own conduct or seeking, or by reason of unforeseen circumstances.

(f) The Banks will permit a member of the Branch Union of the same Grade or of a Higher Grade than the accused employee or an office bearer of the Branch Union irrespective of grade (in which case the Bank reserves to itself the right to prevent the person carrying on the defence for unacceptable conduct) or a Central Committee Member of the Union employed in the Banks to defend the accused employee at a domestic inquiry provided the defending employee has not obtained a legal qualification. The defending employee will not suffer any loss of salary for absence from work on this account. The Banks will further allow another member of the Branch Union to be present at the inquiry as an Observer without loss of salary for absence from work. The accused employee shall submit to the Banks in writing the name of the defending employee and Observer not less than 48 hours before the time appointed for the commencement of the inquiry. The defending employee shall be entitled to examine the witnesses for the accused employee and cross examine witnesses for the Banks. The Inquiring Officer will be entitled to require a defending employee or Observer who obstructs the inquiry to withdraw therefrom and the defending employee or Observer shall forthwith comply with such requirement. The absence of a defending employee or Observer from the whole or any part of an inquiry for any reason whatsoever shall not vitiate such inquiry, not the proceedings thereat, nor the findings pursuant thereto. The Observer shall not be entitled to participate in the proceedings but he may answer any question which the Inquiring Officer may ask him.

(g) The Union will be entitled to a copy of the proceedings of the inquiry conducted subject to the Observer and the accused employee signing proceedings as a correct record. After the proceedings have been certified and a copy issued to the accused employee for all purposes thereafter the proceedings shall be taken as a true copy of such proceedings before the Inquiring Officer.

(h) The Inquiring Officer shall maintain his impartiality and shall not attempt to act the role of the prosecution as well.

(i) Within thirty (30) working days after the conclusion of the inquiry the Banks shall inform the employee, in writing, of the findings in respect of the charges and of the punishment, if any, imposed by the Employer.

(j) Where the Banks fail to inform the employee as aforesaid within the said period of thirty (30) working days except for reasons beyond the control of the Banks or by reason of the conduct of the employee, such employee shall not be punished thereafter in respect of such charges and no inference adverse to the employee shall be drawn in respect of such charges.

(k) Notwithstanding the preceding provisions, the Banks shall not be required to hold a domestic inquiry in any of the following circumstances:

(i) Where the employee fails to tender his written explanation before the expiry of the time allowed to show cause in which event the Banks shall be entitled to take disciplinary action on the basis that such employee had no cause to show.

(ii) Where the employee makes a written admission of the charges against him.

(iii) Where the Banks proposes to warn an employee, but without prejudice to the Union's right to request the Employer thereafter to hold an inquiry in which event the fact that the inquiry did not commence within twenty one (21) working days after receipt of the employee's explanation shall not be material or relevant.

(l) The findings of a domestic inquiry and the punishment if any imposed by the Banks shall be final and binding on the Banks and the employee and the Union, unless the employee or the Union shall within three (3) months from the date on which the Banks had notified such employee of the findings or punishment, raises a dispute in respect of such findings and/or punishments.

(m) Where an employee is under suspension and the Banks make order that—

(i) the employment of the employee shall be terminated, then the termination of such employment shall take effect as

from the date of suspension or such later date as the Banks may determine, provided further that the Banks shall not be entitled to recover from the employee any payment made in respect of salary to the employee in respect of such period of suspension, if any such payment has been made.

- (ii) the employment of the employee shall not be terminated, then the employee shall be employed forthwith and shall be paid the entirety of his salary in respect of the period of suspension without prejudice to the right of the Banks to impose such other punishment other than termination, which may include the whole or part of the period of suspension pending inquiry, on the basis of the findings of the inquiry.
- (n) The observance by the Banks of sub-clauses (e), (i) and (j) shall not be necessary where an inquiry is not held in view of the fact that the matter under inquiry is being referred, or has been referred, to the Police or other authorities for investigation or inquiries or in view of the fact that criminal charges are pending against the employee.
- (o) The above provisions shall only apply in respect of inquiries that commenced after the date of signing of this Agreement.

29. Technology

- (i) The Third Schedule hereto contains matters relating to new Computer Based Banking Technology agreed upon between the parties.
- (ii) The Banks will furnish the Union on request information relating to new computer hardware to be introduced by the Banks, i.e., published manufacturer's specifications relating to equipment. The Banks will be under no obligation to provide information relating to software.
- (iii) The Union will be free to make representations on matters relating to the introduction of new Computer Based Banking Technology in the Banks other than on matters covered in this Agreement and subject to sub-clause (ii) above.
- (iv) Notwithstanding the provisions of (iii) above, the Union will not be entitled to raise any industrial dispute on matters relating to Computer Based Banking Technology, will not resort to any industrial action in that regard and any representations/dispute in that connection shall not fall within the meaning of an industrial dispute under the laws of Sri Lanka.
- (v) it is agreed that any matter raised by the Union relating to the adverse effects of the use of computers shall be referred to the Monitoring Committee set up under the Collective Agreement for resolution. In the event of the Monitoring Committee not being able to satisfy the Union, such matter shall be referred to the Department of Health and Safety of the Labour Department and the recommendation given by the Doctor-in Charge shall be accepted by both parties and where changes are necessary in terms of such recommendation the Monitoring Committee shall prevail on the Bank concerned to implement such changes.

30. Trade Union Action.- (a) Matters Related and Covered in the Agreement.- The Union and its members covered and bound by this Agreement jointly and severally agree with the Banks that during the continuance in force of this Agreement they shall not engage in any strike or other form of Trade Union action including go-show, boycott or demonstrations or picketing or any form of collective action against the Banks in respect of any dispute related to this Agreement.

(b) *Matters Not Related and Not Covered in this Agreement.*- The Union and its members covered and bound by this Agreement jointly and severally agree with the Banks that during the continuance in force of this Agreement they shall not engage in any strike or other form of Trade Union action including go-slow, boycott or demonstrations or picketing or any form of collective action against the Banks in respect of any dispute that may arise on any matter not related to this Agreement until-

- (i) The Branch Unions of the Banks has exhausted all forms of conciliation to resolve such dispute amicably with the Banks, at which stage the Branch Union shall notify the Banks in writing of its intention to refer such matter to the Parent Union (the Ceylon Bank Employees' Union).

- (ii) The Parent Union (the Ceylon Bank Employees' Union) has intervened in the matter and has exhausted all forms of conciliation to resolve such dispute amicably with the banks and/or the Employers' Federation of Ceylon.
- (iii) In the event of there being no settlement at the level of conciliation aforesaid, the Parent Union has to give notice in writing of not less than fourteen (14) days of the fact that there has been no satisfactory settlement of the dispute and that it wishes to resort to trade union action. Such notice shall be given to the Banks, the Employers' Federation of Ceylon and to the Commissioner of Labour.

31. Union Check-off Facilities.— During the continuance in force of this Agreement and provided the Union has not less than forty (40) percent membership among the employees covered by this Agreement the Banks shall continue to grant check-off, provided, however, that the Banks reserve the right to stop, suspend, or discontinue such facility in the event of the Union violating any of the provisions of this Collective Agreement in relation to the Banks.

32. Implementation and Interpretation of this Agreement.—

- (i) Where either the Union or the Banks are dissatisfied with the manner in which the Collective Agreement is being implemented or where there is a complaint regarding the adverse effects of computer technology change such matter shall be dealt with by a Monitoring Committee set up by the Banks consisting of two representatives from the Banks and two representatives from the Union. The Banks or the Union may request that a matter be placed before the Monitoring Committee by communication addressed to the Employers' Federation of Ceylon setting out the cause of complaint.
- (ii) Any dispute over the interpretation of the Agreement shall be settled by voluntary arbitration under Section 3 of the Industrial Disputes Act, 1950.

33. Consequences of Termination of Agreement.— On the termination of this Agreement all terms, conditions, benefits, facilities and concessions enjoyed by the Union and/or its members shall *ipso facto* cease.

34. Definitions.— In this Agreement, unless the context otherwise requires, the following words and phrases shall have the following meanings:

Banks/Bank/Employer

Indian Bank
Indian Overseas Bank
State Bank of India
Habib Bank Ltd.

Employee – An employee covered and bound by this Agreement.

Cost of Living Allowance – The Cost of Living Allowance calculated in the manner set out in Clause 7 hereof on the Cost of Living Index [CCPI(N)] Figure published by the Department of Census and Statistics each month.

Cost of Living Index – The New Cost of Living Index published monthly by the Department of Census and Statistics [CCPI(N)]

Parent Union – The Ceylon Bank Employees' Union

Branch Union – The Branch Union of the Ceylon Bank Employees' Union at any of the Banks covered by this Agreement.

Dispute – A dispute shall have the same meaning as an Industrial Dispute in the Industrial Disputes Act and shall include any dispute arising between any of the Banks who are parties to this Agreement and the Branch Union of the Ceylon Bank Employees' Union at such respective Bank.

Salary – Shall mean the consolidate salary as defined in Clause 5.

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

In witness hereof the parties have set their hands hereunto on 3rd day of May 2010

.....
 For and on behalf of
 Indian Bank
 Name: A.Dhandapani
 Designation: Chief Executive Officer



.....
 For and on behalf of
 Ceylon Bank Employees' Union
 Name: M.Sukumaran
 Designation: General Secretary

.....
 For and on behalf of
 Indian Overseas Bank
 Name: C.Rajachandramohan
 Designation: Country Head



.....
 For and on behalf of
 Ceylon Bank Employees' Union
 Name: Asoka Dharmasiri
 Designation: Assistant Secretary

.....
 For and on behalf of
 State Bank of India
 Name: B.Mahapatra.
 Designation: Chief Executive Officer



Witness:

.....
 Name: Bandula Perera
 Designation: Executive Committee
 Member, Ceylon Bank Employee's
 Union.

.....
 For and on behalf of
 Habib Bank Ltd
 Name: M. Nadeem Aslam
 Designation: Operations Manager



Witness:

.....
 Kanishka Weerasinghe
 Deputy Director-General
 The Employers' Federation of Ceylon

SCHEDULE 1

PEONS AND WATCHERS

Scales Consolidated at COL Base Index Figure of 71

GRADE 1	GRADE 2	GRADE 3	GRADE 4
21610	22470	23250	25090
21715	22610	23415	25265
21820	22750	23580	25440
21925	22890	23745	25615
22030	23030	23910	25790
22135	23170	24075	25965
22240	23310	24240	26140
22345	23450	24405	26315
22450	23590	24570	26490
22555	23730	24735	26665
22660	23870	24900	26840
22765	24010	25065	27015
22870	24150	25230	27190
22975	24290	25395	27365
23080	24430	25560	27540
(15x105)	24570	25725	27715
	24710	25890	27890
	24850	26055	28065
	24990	26220	28240
	25130	26385	28415
	25270	26550	28590
	25410	26715	28765
	25550	26880	28940
	25690	27045	29115
	25830	27210	29290
	25970	27375	29465
	26110	27540	29640
	26250	27705	29815
	26390	27870	29990
	26530 (30x140)	28035 (30x165)	30165 (30x175)

SCHEDULE 1

Drivers

Scales Consolidated at COL Base Index Figure of 71

GRADE 1	GRADE 2	GRADE 3	GRADE 4
21980	22850	23630	25460
22090	22995	23790	25635
22200	23140	23950	25810
22310	23285	24110	25985
22420	23430	24270	26160
22530	23575	24430	26335
22640	23720	24590	26510
22750	23865	24750	26685
22860	24010	24910	26860
22970	24155	25070	27035
23080	24300	25230	27210
23190	24445	25390	27385
23300	24590	25550	27560
23410	24735	25710	27735
23520 (15x110)	24880	25870	27910
	25025	26030	28085
	25170	26190	28260
	25315	26350	28435
	25460	26510	28610
	25605	26670	28785
	25750	26830	28960
	25895	26990	29135
	26040	27150	29310
	26185	27310	29485
	26330	27470	29660
	26475	27630	29835
	26620	27790	30010
	26765	27950	30185
	26910	28110	30360
	27055 (30x145)	28270 (30x160)	30535 (30x175)

SCHEDULE 1

Electricians

Scales Consolidated at COL Base Index Figure of 71

GRADE 1	GRADE 2	GRADE 3	GRADE 4
21980	22850	23630	25460
22090	22995	23790	25635
22200	23140	23950	25810
22310	23285	24110	25985
22420	23430	24270	26160
22530	23575	24430	26335
22640	23720	24590	26510
22750	23865	24750	26685
22860	24010	24910	26860
22970	24155	25070	27035
23080	24300	25230	27210
23190	24445	25390	27385
23300	24590	25550	27560
23410	24735	25710	27735
23520 (15x110)	24880	25870	27910
	25025	26030	28085
	25170	26190	28260
	25315	26350	28435
	25460	26510	28610
	25605	26670	28785
	25750	26830	28960
	25895	26990	29135
	26040	27150	29310
	26185	27310	29485
	26330	27470	29660
	26475	27630	29835
	26620	27790	30010
	26765	27950	30185
	26910	28110	30360
	27055 (30x145)	28270 (30x160)	30535 (30x175)

SCHEDULE 1

Banking Assistants

Scales Consolidated at COL Base Index Figure of 71

GRADE 1	GRADE 2	GRADE 3	GRADE 4
22240	23330	24520	26740
22400	23530	24730	27015
22560	23730	24940	27290
22720	23930	25150	27565
22880	24130	25360	27840
23040	24330	25570	28115
23200	24530	25780	28390
23360	24730	25990	28665
23520	24930	26200	28940
23680	25130	26410	29215
23840	25330	26620	29490
24000	25530	26830 (12x210)	29765 (12x275)
24160	25730	27065	30070
24320	25930	27300	30375
24480	26130	27535	30680
24640	26330	27770	30985
24800	26530	28005	31290
24960	26730	28240	31595
25120	26930	28475	31900
25280	27130	28710	32205
25440 (20x160)	27330	28945	32510
	27530	29180	32815
	27730	29415	33120
	27930	29650	33425
	28130	29885	33730
	28330	30120 (14x235)	34035 (14x305)
	28530		
	28730		
	28930		
	29130		
	29330 (30x200)		

SCHEDULE 1

Labourers

GRADE 1	GRADE 2	GRADE 3	GRADE 4
21350	22195	23000	24745
21455	22305	23140	24895
21560	22415	23280	25045
21665	22525	23420	25195
21770	22635	23560	25345
21875	22745	23700	25495
21980	22855	23840	25645
22085	22965	23980	25795
22190	23075	24120	25945
22295	23185	24260	26095
22400	23295	24400	26245
22505	23405	24540	26395
22610	23515	24680	26545
22715	23625	24820	26695
22820	23735	24960	26845
22925 (15x105)	23845	25100	26995
	23955	25240	27145
	24065	25380	27295
	24175	25520	27445
	24285	25660	27595
	24395	25800	27745
	24505	25940	27895
	24615	26080	28045
	24725	26220	28195
	24835	26360	28345
	24945	26500	28495
	25055	26640	28645
	25165	26780	28795
	25275	26920	28945
	25385	27060	29095
	25495 (30x110)	27200 (30x140)	29245 (30x150)

Second Schedule

1. (a) The benefits of the Scheme will accrue to the employee but will cover those persons specified in Clause 18(iii) of the Agreement. It shall be the duty of the employee to enroll members of his family immediately on becoming eligible to be included in this Scheme.

(b) No reimbursements will be made in respect of members of the family who have not been enrolled.

2. Reimbursements will only be effected on hospitalization involving at least one night's stay in a hospital.

3. Banks must be notified promptly, and in any event not later than on the first business day following admission to hospital.

4. Banks will be entitled to take out Insurance Policies covering reimbursements under this Scheme and the employee shall be required to make declarations (including completion and signing of Insurance Proposal forms) and submit documentation required by Bank/ Insurers in a proper form and timely manner to enable Banks to obtain reimbursement from the Insurance Companies. Banks will advise by internal circular issued from time to time the documentary requirements and time limits within which documents should be submitted. Where an employee does not comply, he will not be entitled to benefits under this Scheme.

5. Employees shall uphold the principle of *uberrima fides* when making declarations and submitting claims under this Scheme and any deviation would disqualify the employee from receiving any benefit under this Scheme. In addition, the employee will be liable to disciplinary action in accordance with the provisions set out in this Agreement.

6. (a) Banks will circulate by internal circular published from time to time a list of hospitals/nursing homes, expenses incurred at which, will be eligible for reimbursement under the Scheme. Additions and/or deletions to this list will also be made by internal circular.

(b) If for reasons of geographical location any employee believe he may not be in a position to use any of the Institutions given in the list, he may apply to the Bank in writing within 30 days of publication of the list of amendments to the list referred to in the preceding sub-paragraph, requesting special dispensation to use a named Institution or Institutions and the Banks shall consider such application on a case by case basis and, where deemed appropriate, will grant such special dispensation, provided however, that the decision of the Bank on this matter shall be final and conclusive.

7. *Exclusions.* - The Scheme shall not cover benefits/expenses:

(a) Arising from an injury sustained or a sickness contracted outside Sri Lanka or for treatment outside Sri Lanka.

(b) Occasioned by or happening through:

(i) The participation by the employee or other eligible family members in War, Invasion, Act of Foreign Enemy, Hostilities (Whether war be declared or not), Civil War, Rebellion, Revolution, Insurrection, Mutiny or Usurped Power, Military, Popular Rising or while serving as a member of any Defence, Police, Security Force, Home Guard etc.

(ii) Attempted Suicide, Alcoholism, Venereal Disease, Insanity and illnesses resulting from Acquired Immune Deficiency Syndrome.

(iii) Normal child birth or pregnancy subject to Clause 18(i). Provided that if an employee has been employed for a continuous period of twelve months, the Bank will pay the medical expenses incurred for any abnormality of maternity which is in excess of what a normal child birth would have cost. The responsibility for furnishing the Bank with the required proof of the extra cost involved, such as a letter from the Doctor/Hospital, will be on the employee who makes the claim.

(iv) Earthquake, Volcanic Eruption or Tidal Wave.

(c) Incurred whilst travelling in an aircraft other than as a ticket holding passenger in a fully licensed standard type of civil aircraft operated by a recognized Airline on a regular route or in a fully licensed standard type of civil aircraft having two or more engines operated by a recognized Air Charter Company or owned by a commercial or industrial firm and piloted by a Pilot holding a Commercial Pilot's License.

(d) In respect of Eye Tests or Dental treatment.

(e) Arising from any physical defect or infirmity which existed prior to confirmation in the Bank's service.

8. The benefits under this Scheme shall not be cumulative and the world's "any one Year" in Clause 18(iii) of the Agreement shall be deemed to be the period 01st January to 31st December. In the case of employees who join during the course of a year the overall limit and event limit up to the period ending the next 31st December will be pro-rated to the number of full months of service up to 31st December.

9. In respect of claims for hospitalization which span the end of any year, reimbursement will be made out of the entitlement of either or both years, subject, however, to the event limit specified in Clause 18(iii) of the Agreement.

10. (a) In respect of 2009, the full limits specified in Clause 18(iii) of the Agreement or the pro-rata limits as specified in Clause 8 of this Schedule, whichever is lower, will apply subject to the provisions of paragraphs (b) and (c) hereunder.

(b) The balance entitlement available for 2009 will be arrived at after deducting claims which have been reimbursed or which are accepted for reimbursement in the future with respect to hospitalization occurring between 01st December, 2009, and the effective date of this Agreement.

(c) In respect of hospitalization commencing prior to the effective date of this Agreement, the benefits accruing to the employees will be in accordance with the provisions of the Collective Agreement of 2006.

Third Schedule

The parties agree to the following conditions in relation to the introduction of new Computer Based Banking Technology by the Banks covered and bound by this Agreement.

(1) Wherever practical, the Banks will endeavour to ensure that jobs are designed to include a mix of VDU/non VDU tasks which seek to provide variation in visual and mental demands upon the operator.

(2) The work load of operators of VDUs will be regularly reviewed by Management for the purpose of ensuring proper safety and effectiveness of the operation.

(3) The Banks agree to provide VDU operators with adequate training within the parameters of their job description to ensure the safety and health of employees.

(4) (a) In selecting VDUs the Banks will attempt to obtain equipment which will ensure the following:

- (i) Screens that give clear stable images.
- (ii) Proper sitting of keyboards so as to ensure the reduction of stress and improved maneuverability.
- (iii) Equipment which is quiet in operation so that the level of noise is kept to a reasonable limit.

(b) The Banks will undertake proper servicing and maintenance to ensure optimum functioning of the VDUs.

(c) The Banks will pay attention to the proper positioning of screens, keyboards and provide facilities for placing documents and ancillary equipment in a manner to facilitate the work of employees.

(d) The Banks will endeavour to provide lighting facilities to minimize visual fatigue in the operation of VDUs.

(e) Employees whose main or primary function, as decided by the Managements of the banks, is the operation of a VDU, will be permitted to visit, at the cost of the Bank, an Optician selected by the Bank to have his eyesight examined prior to his commencing employment on a VDU. In the event of an adverse report being obtained from the Optician, the employee should inform the Bank immediately.

(f) Where an employee whose main or primary function, as decided by the Managements of the Banks, is the operation of a VDU, and he is already using spectacles, when he is called upon to operate a VDU for the first time, he will be permitted, at the expense of the Bank, to be examined by an Optician nominated by the Bank for the purpose of obtaining an opinion as to whether any modification is necessary to his lenses. The cost of such examination and modification to the lenses if necessary, will be borne by the Bank on the following basis:

- (i) The cost of the examination will be met by the bank outside the limits prescribed by the Medical Assistance Scheme herein.
- (ii) The cost of modification of the lenses will be met within the Medical Assistance Scheme, but if such cost should exceed the limits prescribed by the Scheme, the Bank will bear such additional cost as well.

5. Accepting the fact that continuous work at a terminal by a data entry operator causes a certain amount of strain, the Banks are agreeable to a reasonable pause in entering information at or about the end of each period of 2 hours so long as there is no disruption of the smooth flow of work and so long as such pause does not exceed 10 minutes.

6. The provisions of this Agreement will apply to employees whose main or primary function, as decided by the Managements of the Banks, is operating a VDU. Provided however the Union will be entitled to make representations as to whether the main or primary function is the operation of a VDU subject to there being no industrial dispute being raised on this issue.

7. The Banks agree that they will not seek to retrench employees who become redundant solely and exclusively in consequence of the introduction of new Computer Based Banking Technology. Instead, the Banks may avail themselves of any one or more of the following options:

- (a) The aforementioned excess employees may be transferred to other sections/departments to perform work which is within their skill and capacity without reduction in salary and allowances which are in force at such time in relation to such employees. This option refers to a transfer other than within the scope of employment which the Banks would under normal circumstances be entitled to effect.
- (b) The Banks may, on a transfer within the scope of (a) above, re-train an employee if the employers consider it necessary.
- (c) The Banks will be entitled to negotiate with employees who are redundant for the reasons contemplated in this Agreement, with a view to achieving a cessation of employment on terms mutually agreed upon and this will not amount to retrenchment within the meaning of this Schedule.

8. For the purpose of this Agreement retrenchment will mean an involuntary termination of the employees made redundant consequent upon the introduction of new Computer Based Banking Technology. It will not include a situation where such redundant employees voluntarily leave the service of the employer on terms mutually agreed upon.