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අංක 1674/7 – 2010 ඔක්තෝබර් 05 වැනි අඟහරුවාදා – 2010.10.05

No. 1674/7 – TUESDAY, OCTOBER 05, 2010

(Published by Authority)

PART I: SECTION (I) – GENERAL

Government Notifications

My No. CI/24.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Ceylon Tobacco Company Limited, No. 178, Srimath Ramanathan Mawatha, Colombo 15 of the one part and Food Beverages & Tobacco Industries Employees' Union, No. 513 1/2, Elvitigala Mawatha, Colombo 05 of the other part on 26th March, 2010, regarding the Technical Assistants, Technicians, Junior Technicians and Clerical and Allied Categories 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,
19th September, 2010.

Collective Agreement No. 57 of 2010

COLLECTIVE AGREEMENT 2010

TECHNICAL ASSISTANTS, TECHNICIAN, JUNIOR TECHNICIANS AND CLERICAL AND ALLIED CATEGORIES

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COLLECTIVE AGREEMENT 2010

BETWEEN

CEYLON TOBACCO COMPANY PLC

AND

FOOD BEVERAGES & TOBACCO INDUSTRIES EMPLOYEES'S UNION

THIS COLLECTIVE AGREEMENT made and entered into on the Twenty Sixth day of March, Two Thousand Ten between CEYLON TOBACCO COMPANY LIMITED having its Registered Office at No. 178, Srimath Ramanathan Mawatha, Colombo 15 (hereinafter referred to as the 'Employer') of the ONE PART and FOOD BEVERAGES AND TOBACCO INDUSTRIES EMPLOYEES' UNION, being a Trade Union duly registered under the Trade Unions Ordinance and having its Registered office at No. 513 1/2, Elvitigala Mawatha, Colombo 5, (hereinafter referred to as the 'Union') of the OTHER PART Witnesseth:

WHEREAS the Union has shown to the satisfaction of the Employer that it represents a majority of the Technical Assistants, Technicians and Junior Technicians employed by the Employer at Colombo.

AND WHEREAS it is the desire of both the Union and the Employer to enter into an Agreement which will ensure the peaceful adjustment and settlement of all disputes which may arise between the Employer and its Employees and/or the Union and promotion of industrial peace, productivity and quality.

NOW THEREFORE for and in consideration of the above premise and the mutual terms and conditions hereinafter set out, the Union and the Employer agree as follows:

1. **Title.**— This Agreement shall be known and referred to as “**THE TECHNICAL ASSISTANTS, TECHNICIANS, JUNIOR TECHNICIANS’ AND CLERICAL AND ALLIED CATEGORIES COLLECTIVE AGREEMENT – 2010**”.

2. **Date of Operation and Duration.**— This Agreement shall come into force as from the First day of January, 2010 and shall thereafter continue in force unless it is determined by either party giving six (6) months notice in writing to the other party. Provided, however, that neither party shall give such notice to the other party before Thirty First day of December, 2012 and such notice shall not expire before the Thirtieth day of June, 2013.

3. **Persons covered and bound.**— This Agreement shall cover and bind the Employer, the Union and all the Technical Assistants, Technicians and Junior Technicians including Clerical and Allied Categories only who are employed on monthly contracts of employment by the Employer at its work place in Colombo and who are members of the Union.

4. **Earlier Collective Agreements.**— The provisions of this Agreement shall supersede and replace the provisions of the “The Technical Assistants, Technicians and Junior Technicians’ Collective Agreement 2007” and shall stand terminated with effect from the date on which this Agreement takes effect.

5. **Declaration of Principle.**— (a) Both the Company and the Union accept the principle that the special consideration affecting the company are such that wage and salary rates are a proper subject for collective bargaining between the Company and the Union, and that the actions of other employers including Government Corporations and the Government of Sri Lanka in their capacity as employers of labour, regarding the amount and timing of wage increases are not automatically relevant in the context of the company except where otherwise provided by legislation.

(b) In cases in which Government does provide by legislation for benefits including increases in wages, gratuity, bonus etc., the following shall apply—

- (i) When such benefits are more favorable to the benefits stipulated only the difference between such benefits provided by such legislation and the benefits stipulated herein, shall be added to the said benefits stipulated herein,
- (ii) When such benefits are equal or less favorable to the benefits stipulated herein, they shall not be added to or compounded with the said benefits stipulated herein,

(c) The stipulations contained in para (b) above are without prejudice to the principle contained in para (a) above.

6. **Management’s Rights and Responsibilities.**— The workmen agree that *inter alia* selection, placement, distribution, transfer and promotion of personnel, laying down of working hours and working programs, planning and control of factory operations, introduction of new machinery or new product type or improved production methods, expansion of production facilities, establishment of quality and production standards, maintenance of efficiency, the consequence thereof, maintenance of discipline in the factory and other workplaces in Colombo and for that purpose taking necessary disciplinary action against workmen within the framework of the existing law, regulations and standing orders, are exclusively the rights and responsibilities of the Management.

7. **General Terms and Conditions of Employment.**— The terms and condition of this Agreement shall as from the date hereof and during the continuance in force of this Agreement be deemed to be included in all the contracts of employment between the Employer and the Employees covered and bound by this Agreement, whether such contract of employment be written or oral or whether employment was subsisting as at the date hereof or shall come into being at any time after the date hereof but during the continuance in force of this Agreement. Provided, that in the event of any conflict or inconsistency between the terms and condition of this Agreement and any preexisting terms and conditions or practices, the terms and condition of this Agreement shall prevail.

8. **Variation of Terms and Conditions of Employment or Benefits.**— (a) 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 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 workers covered and bound by this Agreement, other than by mutual agreement.

(b) Subject to the provisions of clause 34, the Employer agrees with the Union 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 the Agreement other than by mutual agreement.

(c) Any dispute or difference arising from negotiations under the provisions of sub-clauses (a) or (b) 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.

9. **Wages.**– (a) As from the First Day of January 2010 the company will grant an increase in wages on the following basis:

(i) Ten percent (10%) on the consolidated wage applicable to each employee as at the end January 2010, and thereafter,

(ii) The wage for January 2010 shall be a consolidated wage and shall include all allowances.

(b) The wage range as from the First Day of January 2010 shall be as set out in the First Schedule hereto. These wage ranges are also applicable for persons newly recruited.

(c) As from the First Day of January 2011 the Company will grant an increase in wages of Five percent (5%) calculated on the consolidated rates as at December 2010 and the 1% annual increment due in January 2011 and the said wage for January 2011 shall be a consolidated wage and shall include all allowances. The First Schedule hereto shall thereafter be amended accordingly for the purpose of new recruitments.

(d) As from the First Day of January 2012 the Company will grant an increase in wages of Five percent (5%) calculated on the consolidated rates as at December 2011 and the 1% annual increment due in January 2012 and the said wage for January 2012 shall be a consolidated wage and shall include all allowances. The First Schedule hereto shall thereafter be amended accordingly for the purpose of new recruitments.

10. **Increments.**– The annual increment of 1% of the basic salary shall be granted on the normal incremental rate in January 2011, January 2012 and January 2013 respectively, unless as a measure of disciplinary action or on account of unsatisfactory work, an increment is suspended, stopped or deferred. The annual increment for 2010 will be paid in January 2011, and the annual increments for 2011 and 2012 shall be paid in January 2012 and January 2013 respectively.

In addition to the above, an increment shall be paid to all persons covered and bound by this Agreement, in September each year, taking into consideration the impact or rising cost of living. The basis for this shall be either 2% increment on the basic salary OR an increment based on the calculation of the Colombo Consumers Price Index (CCPI (N)) computed by the Department of Census and Statistics for the applicable period each year (September to March), whichever is higher.

11. **Non – Recurring Cost of Living gratuity.**– (a) The existing practice of consolidating the wages with effect from First day of September of each year shall continue during the operation of this Agreement. In consequence of such consolidation each year, the base index figure for purposes of the Non–Recurring Cost of Living Gratuity will be altered accordingly.

(b) Every employee shall receive in each year in respect of the preceding 12 month (First day of March to Twenty Eighth day February, hereinafter referred to as “the qualifying period”) a Non–Recurring Cost of Living Gratuity on the basis of Rupees Eighty Three and Cents Seventy Five (Rs.83.75) for each completed point by which the average of the Colombo Consumers’ New Price Index (CCPI (N)) Figure (computed as at the basis employed at the time of payment by the Department of Census and Statistics) for the qualifying period exceeds the relevant index figure in the manner calculated at present. If the Index calculation or any guide lines in that regard change in the future to a more favourable calculation for the employees such calculation will apply.

(c) The Non–Recurring Cost of Living Gratuity also be payable to an employee who is in employment only during a part of the qualifying year, either due to the fact that he joined the Company’s service during the qualifying year or is not in the Company’s service at the end of the qualifying year, in respect of the completed months he was in service.

(d) The Non–Recurring Cost of Living Gratuity shall not be taken into account for purposes of Provident Fund, Overtime, Bonus or any other payment of whatever nature.

(e) No Non–Recurring Cost of Living Gratuity shall be payable to any employee for any period in respect of which he receives no wages for any reason whatsoever.

12. **Shift Allowance.**– (a) Whilst the manner and basis on which Shift Allowances are paid remain unaltered, the quantum of such allowance in respect of the Second Shift only shall be Rupees Six Hundred and Eighty (Rs. 680/=) for Junior Technicians and Technicians, and Rupees Seven Hundred and Five (Rs. 705/=) for Technical Assistants, from the date of this Agreement.

(b) Employees on the First Shift will not be entitled to a Shift Allowance. However, those who are scheduled for First Shift work on a permanent basis will be entitled to a payment of Rupees One Hundred (Rs. 100/=) per day on which he so reports to work.

13. **Provident Fund.**-(a) As from the effective date of this Agreement the Company will contribute on behalf of each employee to the Provident Fund at the rate of Fifteen percent (15%) of the wage in respect of each employee.

(b) The wage for the purposes of calculating the contributions to the Provident Fund will be the consolidated wage as set out in the First Schedule hereto (as amended) as set out in Clauses 9 (c) and (d) of this Agreement.

14. **Retiring Gratuity.**-(a) A permanent employee who retires from the services of the Company on attaining the age of retirement having completed a minimum of Ten (10) years service as a permanent employee on a monthly contract of employment with the company, will be paid a Gratuity of One (01) month's salary for each completed year of service. For those who have completed Five (5) to Nine (9) years service, gratuity will be paid according to the Gratuity Act No. 12 of 1983.

(b) The wage for the purposes of calculating the gratuity will be the consolidated wage payable to the employee in the last month of his employment prior to retirement.

15. **Leave.**-

(i) LEAVE YEAR (Technical Assistant, Technician and Junior Technician)

Leave Year shall be from the First day of July of one year to Thirteenth day of June of the following year.

(ii) LEAVE YEAR (Clerical)

Leave Year shall be from the First day of January to Thirty First day of December each year.

(iii) ANNUAL LEAVE

Employees will be entitled to earned Annual Leave of Fourteen (14) days per year and such leave will be allowed at times mutually convenient to the Company and the employees subject to the conditions that at least Seven (7) days have to be taken consecutively on the basis of a roster prepared at the beginning of each leave year. In the case of employees who complete Twenty Five (25) years of service (or attain 50 years of age with a minimum of 5 years service) they will be entitled to Seven (7) days extra annual leave in the succeeding years. From date of completion until the end of the initial leave year annual leave will be on pro rata basis as per the grid below.

Annual leave has to be applied for and approved in advance. On recruitment to the Company employees will be entitled to annual leave in the following year proportionately on the following basis.

RECRUITMENT		ENTITLEMENT
Between 1 July	and 30 September	14 days
Between 1 October	and 31 December	10 days
Between 1 January	and 31 March	07 days
Between 1 April	and 30 June	04 days

(iii) CASUAL LEAVE

Employees will be entitled to Seven (7) days casual leave per year. Casual Leave will normally be granted on application without the Employee being required to state the reason for the application. Where an Employer finds it difficult to grant an application for casual leave, his difficulty shall be notified to an 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 him casual leave.

(iv) SICK LEAVE

Employees covered by this Agreement shall be entitled to Twenty One (21) days sick leave for a year. In the case of infectious diseases the company agrees to grant special leave up to Fourteen (14) days provided the employee concerned submits a Medical Certificate from the Medical Officer of Health or the District Medical Officer of the area in which the employee resides.

16. **Holiday Advance, Holiday package and Holiday Bungalow Facilities.**-

(a) HOLIDAY ADVANCE

Each employee who avails himself of Five (5) days leave on consecutive days as provided for in this Agreement will be granted an advance of Rupees Three Thousand (Rs. 3,000/-) which shall be deducted from the monthly wages or other dues.

(b) HOLIDAY PACKAGE

As from the operative date of this Agreement, the Company will pay each Employee a Holiday package of Rupees Four Thousand Two Hundred and Fifty (Rs. 4,250/-) per leave year (July to June), which hereafter is referred to as Holiday Package subject to the condition that it shall be paid only when an Employee avails himself of Five (5) days annual leave on consecutive days as rostered during the leave year in question.

(c) HOLIDAY BUNGALOW FACILITIES

Employees who have completed 25 years of service and Employees in the Technical Assistants category will have the right to use the No. 28 Bungalow in Kandy and the Sigiriya Bungalow under the Company Bungalow Policy. All other Employees will be able to use the Sigiriya Bungalow under the Company Bungalow Policy.

17. Recreational Allowance and Excursion Payment.–**(a) RECREATIONAL ALLOWANCE**

As from the operative date of this Agreement, the Company will pay each Employee a Recreational Allowance of Rupees One Thousand Seven Hundred and Fifty (Rs. 1,750/-) per leave year (July to June), which hereafter is referred to as Recreational Allowance subject to the condition that it shall be paid only when an Employee avails himself of Five (5) days annual leave on consecutive days as rostered during the leave year in question. The Company will pay each Employee with over Fifteen (15) years of service a Recreational Allowance of Rupees Two Thousand Five Hundred (Rs. 2,500/-).

(b) EXCURSION PAYMENT

As from the operative date of this Agreement, the Company will pay an Allowance of Rupees One Thousand Five Hundred (Rs. 1,500/-) per leave year (July to June), per Employee for the years 2010, 2011 and 2012, which hereafter is referred to as Excursion Payment in connection with the Annual Excursion. In addition to this, if and when the possibility exists the Company shall endeavour to meet reasonable other expenses, including the cost of the bus fare, subject to the present limitations.

18. Holidays.– The present system of holidays will continue subject to the Company's right at its discretion to declare any Saturday as a normal working day without the payment of any enhanced remuneration in respect of such day, in which event the Company will pay the Employee eight hours wages and grant a day off in lieu. The Company will consult the Union prior to arriving at a decision in regard to the declaration of any Saturday as a normal working day.

19. Overtime and Work on Holidays.– If required by the Company, an Employee shall work reasonable overtime authorized by the Company in excess of his normal working hours and shall work on any holidays if called upon to do so by the Company. Refusal to work such overtime or on such holiday in the absence of a satisfactory explanation acceptable to the Company shall render an Employee liable to disciplinary action. Overtime work or work on holidays shall be remunerated at rates presently in force.

20. Bonus Plan.–**(a) ANNUAL BONUS**

(i) Without prejudice to existing bonus schemes and without prejudice to the Company's claim that Bonus payments by the Company in the past and as provided in this Agreement are ex-gratia, the Company will subject as hereinafter provided, continue to pay each Employee a bonus which will not be less than the sum of money paid to him as his bonus for the year immediately preceding the signing of this Agreement. If in any year the Company at its discretion reduces the bonus to an amount less than the sum of money paid to each Employee as bonus for the year immediately preceding the signing of this Agreement, the Union may canvass such reduction of the bonus with the Company. If the Union is not satisfied with the decision of the Company in the matter, the Union may pursue the matter with the Employer's Federation of Ceylon of which the Company is a member. If the dispute as to the reduction of the bonus is not settled with the Employer's Federation the same shall be referred to a Committee of three persons (hereinafter referred to as a "Bonus Committee") which shall be constituted in accordance with the provisions of sub - clause (ii) hereby for settlement in the manner hereinafter set forth;

(ii) At the request of the Company or the Union or both parties with notice thereof to the other made in writing to the Commissioner of Labour, the Honourable Minister of Labour will constitute a Bonus Committee that shall be bound in settling the dispute as to reduction of bonus;

If the decision of the Bonus Committee is unanimous, such decisions shall be final and binding on the parties to the dispute and the Union and/ or its members shall not pursue the matter further by any form of Trade Union action or

therwise during the continuance in force of this Agreement. If, however, the Bonus Committee is divided in its decision Then the decision of the Commissioner - General of Labour on the matter shall be final and binding on the parties to the dispute and the Commissioner's decision shall be communicated in writing by the Commissioner - General of the Labour to the Federation and the Union/ or its members shall not pursue the matter further by any form of Trade Union action or otherwise during the continuance in force of this Agreement;

- (iii) The payment of a bonus exceeding the sum of money paid as bonus to Emoloyees in the year immediately preceding the signing of this Agreement, shall be at the sole discretion of the Company and shall not be called in question by the Union nor shall the Company's failure or refusal to pay such bonus be the subject of any dispute;
- (iv) An Employee who resigns or retires or who joins the services of the Company during the course of the bonus year will receive a proportionate bonus in terms of the practice presently prevailing. An Employee who is dismissed by the Company during the course of the bonus year will not receive any proportionate bonus in respect of that year.

(b) PERFORMANCE BASED BONUS

performance based bonus payment will be granted within the effective period of this agreement and shall apply as follows:

- (i) performance based bonus payment is based on the existing Finished Product Inspections System (FPI) and performance on productivity;
- (ii) For the computation of Productivity, Modular output as per the Table indicated below and Manufacturing Accuracy Dash board will be considered.
- (iii) For the computation of Quality, Manufacturing Quality Index (MQI) of All Brands and Centrally Managed Brands (CMB) will be included.
- (iv) The minimum level to qualify for the monthly payment shall be, T1 of the Second Schedule, Ninety Five (95) percent of the Dashboard performance, minimum quality level of Eighty (80) and Eighty One (81) for All Brands and Centrally Managed Brands (CMBs) respectively.
- (v) In the event a new manufacturing system or a product quality evaluation method is introduced during the continuance of this Agreement, the Management with the agreement of the Union shall adjust the mode of payment given below.
- (vi) New products/brand extensions/discontinuation of existing brands manufactured at the factory during the continuance of this Agreement will be taken into consideration with the agreement of the Union.
- (vii) In the event the Centrally Managed Brands (CMBs) are not produced during a particular month, the performance of the previous month will be considered.

Average Modular O/P

M/C	T1		T2		T3		T4	
GDR 1	3.8 – 3.9	240	3.91– 4	265	4.01 – 4.3	290	> 4.31	320
GDK 1	3.7 – 3.8	240	3.81 – 3.9	265	3.91 – 4	290	> 4.01	320
GDK 3	3.7 – 3.8	240	3.81 – 3.9	265	3.91 – 4	290	> 4.01	320
HL F	0.9 – 0.96	240	0.961 – 1.02	265	1.021 – 1.08	290	> 1.081	320
AMF 598	0.9 – 1.0	240	1.01 – 1.1	265	1.11 – 1.25	290	> 1.26	320
AMF 67	0.7 – 0.75	240	0.751 – 0.79	265	0.791 – 0.85	290	> 0.851	320

AMF 59 targets will be changed when AMF 6,000 machine is in operation.

Quality and Production Schedule Attainment

CPMH	Mod O/P Dashboard		T1 90%-96%	620	T2 96.1%-97%	675	T3 97.6%-99%	760	T4 100%	840
Quality	MQI	All Brands	80-82	770	83-85	850	86-89	950	90 and above	1050
		CMB	81-83	770	84-86	850	87-89	950	90 and above	1050

(c) *Attendance Bonus:*

- (i) The Company will pay an Attendance Bonus of Rupees five hundred (Rs. 500) per week to every employee subject to the conditions set out herein.
 - (ii) This bonus will be calculated on a weekly basis and paid once a month.
 - (iii) An employee who is on Annual/Casual/Sick Leave within his entitlement on two days will entail the complete loss of the Attendance Bonus for that week. In a given month within his leave entitlement, an employee who avails himself to a part of a day (half day) within a month on more than two occasions will entail complete loss of attendance bonus for that week.
 - (iv) Unauthorised absence of any form or leave in excess of his entitlement for any period of time will result in the loss of the total Attendance Bonus for that week.
 - (v) Accident, Lieu Leave and Company Holidays will, for this purpose be reckoned as days present.
- (d) *Profit Bonus.* – A profit Related Bonus payment will be made to employees at the sole and unfettered discretion of the employer based on the BAT/Regional guidelines. The performance of the Company will be rated on the profits made and on such other key business parameters as determined by the Employer which may be reviewed and revised as per the BAT Regional Guidelines at the sole discretion of the Employer.

Basis of payment will be as follows:

Company Performance Measures	Weightage %	Company Bonus Allocation based on overall company performance (months of salary)			
		Threshold	Target	Normal Max	Extra Max
Operating Profit	16	–	0.16	0.33	0.5
Volume Share	16	–	0.16	0.33	0.5
Cash Flow	16	–	0.16	0.33	0.5
GDB Volume	16	–	0.16	0.33	0.5
Net Turnover	16	–	0.16	0.33	0.5
Cost	16	–	0.16	0.33	0.5
Total	100	–	0.17	0.33	0.5

Threshold – the performance point has to be exceeded to attract any incentive award.

Target – company plan/budget objectives achieved.

Normal Maximum – Company plan objectives surpassed by a wide, but achievable margin.

Extra Maximum – maximum stretch.

To reinforce balanced delivery, performance above the Normal Maximum can only be realised where all measures are delivered at the Target level as a minimum.

- (i) The profit for this payment will be calculated based on the accounts for the period 1 January 2010 to 31 December 2010, 1 January 2011 to 31 December 2011 and 1 January 2012 to 31 December, 2012. The respective payments as applicable will be made in April 2010, April 2011 and April 2012 on salaries received as in December 2009, December 2010 and December 2011 respectively.
 - (ii) Employees retiring or joining the Company during the bonus year will be paid their proportionate share of the bonus on a basis identical as that of the Annual Bonus. No bonus will be paid to anyone who resigns from the company at anytime during the bonus year.
 - (iii) No bonus will be paid to an employee whose performance for the year is evaluated as unsatisfactory.
- (e) *Government Action on Bonus.* – If at any time during the continuance in force of this Agreement the Government introduces by legislation or otherwise any scheme for bonus or payment under any attendance incentive or production scheme, the workmen will not be entitled to the benefits of such scheme in addition to the bonus or bonuses provided for in this

Agreement– In the event of such Government action, the workmen shall be entitled to the more favourable scheme of bonus or incentive or production payments.

21. **Death of Employees whilst in Service.**– (a) Where an employee dies while in the employment of the Company, the Company will make an ex-gratia payment of Rupees One Hundred and Twenty Five Thousand (Rs. 125,000/=) to the deceased's next of kin.

The next of kin will also be paid a special gratuity of Sixty (60) month's salary or One (01) month's salary for each month of future service whichever is lower.

(b) The Company will reimburse the monetary value of 800 Players Gold Leaf Cigarettes to the next of kin of the deceased.

(c) Where the funeral of a deceased employee takes place on a normal working day, the Company depending on the necessity may release, a reasonable number of employees with pay, nominated by the Union representing its membership at all the workplaces in Colombo to enable such employees to participate at such funeral.

(d) The selection of the employee representatives referred to in sub clause (c) hereof will be on the following basis:

- (i) If the Company cannot release a particular employee due to exigencies of service, the Union shall be entitled to nominate another representative from any other Department / Section in his place.
- (ii) The duration of the period employees will be released with pay will be at the discretion of the Company whose decision will be on the merits of each case.
- (iii) Provided that in any event such period not exceed half a day and any period in excess of half a day will be deemed to be leave without pay.
- (iv) In addition to the leave prescribed herein for the purpose of attending the funeral of a deceased employee, the Company will grant employees not covered by (ii) herein the normal quota of leave applicable to each Department / Section against their leave entitlement on the day of the funeral of the deceased employee.

22. **Death of a Member of Employee's Family.**– In the event of a death of a member of an employee's family the Company will grant the monetary value of 400 Players Gold Leaf Cigarettes and also will permit such employee to purchase from the Company 500 cigarettes and the purchase price of these cigarettes will be recovered from such employees in Five (5) monthly instalments. In addition, the company will make a monetary contribution of Rs. 24,000/- in such an instance. "Family" for this purpose shall have the same meaning as in the Death Mutual Benefit Scheme.

23. **Marriage of an Employee.**– On the occasion of one marriage of an employee such employee will receive from the Company a gift of Rupees Twenty Thousand (Rs. 20,000/=), the monetary value of 200 Pall Mall cigarettes and 400 Players Gold Leaf cigarettes, but he shall not receive any transport facility in connection with such marriage.

24. **Schemes for Children of Senior Employees.**–

EMPLOYMENT OPPORTUNITY

The Company will, as far as possible, endeavour to provide employment for the children of employees without prejudice to the Company's rights in the matter of recruitment.

SCHOLARSHIP SCHEMES

Where an employee has over five (5) years (completed) service with the Company, the Company will provide a scholarship for one of his children to undergo technical training apprenticeship course in a recognised Institute in Sri Lanka, which would lead to a Diploma / Certificate or Professional Courses in Affiliated Universities.

25. **Seniority Award.**– (a) An employee who has been employed by the Company continuously on a monthly contract of employment for a period of Fifteen (15) years service, will be granted a Seniority Award of Rupees Thirty Five Thousand (Rs. 35,000/=) and a medal with one Gold Sovereign. Such employees at retirement will be entitled to a Rupees Seventy Five Thousand (Rs. 75,000/=) gift voucher from a recognised dealer to purchase a LCD Television set.

(b) An employee who has been in the Company continuously on a monthly contract of employment for a period of Twenty Five (25) years of service will be granted an award of Rupees Twenty Five Thousand (Rs. 25,000/=). Such employees will be entitled to a Rupees Seventy Five Thousand (Rs. 75,000/=) gift voucher from a recognised dealer to purchase a LCD television set and in addition, a Sewing Machine which they can claim at time of completion of Twenty Five years of service or at retirement.

(c) An employee who has been in the Company continuously on a monthly contract of employment for a period of Twenty (20) years of service will be entitled to a Rupees Seventy Five Thousand (Rs. 75,000/=) gift voucher from a recognised dealer to purchase a LCD television set and in addition, a Sewing Machine which they can claim at retirement.

26. **Payment for Unutilized Leave.**– The Company will continue to pay in respect of each leave year for unutilised Casual, Sick or Annual Leave (in the latter case not exceeding 9 days) on the same basis as at present.

The Company will also grant the monetary value of 20 Players Gold Leaf cigarettes for each day of unutilised leave (minimum of 12 days required) and will grant the monetary value of 40 Players Gold Leaf cigarettes for each day of unutilized leave if the number of days are sixteen (16) or more, provided number of leave days does not exceed 30.

27. **Travelling Allowance.**– With effect from the date of operation of this Agreement, the monthly Travelling Allowance will be Rupees Three Thousand Five Hundred (Rs. 3,500/=) for Junior Technicians and Technicians, and Rupees Three Thousand Eight Hundred (Rs. 3,800/-) for Technical Assistants.

28. **Work During Official Meal Interval.**– Whenever it becomes necessary to work during the official meal interval so as to maintain production due to machine breakdown earlier in the day, or for any other reason employees will work during the official (nomal) lunch / dinner interval provided that they are given an interval between 11.00 a.m. and 12.30 p.m. on the First Shift or an interval between 7.30 p.m. and 9.00 p.m. on the Second Shift or an interval between 11.00 a.m. and 1.00 p.m. on the Common Shift.

29. **Work Arrangements.**– (Refer clause 2.b of “Team Work Agreement 2010”) The Union and the Employer agree that Technical Assistants, Technicians, Junior Technicians and Trainee Junior Technicians will be responsible for:

- (a) Overall performance of the machines including volume, quality, renewability and maintenance
- (b) will assist each other in training and transferring knowledge to enhance the skill levels of the above categories
- (c) will be responsible for overall house keeping of their respective areas

30. **Check-Off.**– (a) This clause shall apply to the employer so long as the Union maintains a membership in the workplace of the employer of not less than Forty percent (40%) of the employees covered and bound by this Agreement and so long as this Agreement subsists.

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

(c) Every employee who agrees to the deduction of Union dues from his wages shall sign an “authorization” and forward it to Employer.

(d) Every employee shall be entitled to withdraw his agreement to check off at any time by signing a statement to that effect and forwarding it to the employer.

(e) As far as practicable deduction under an authorization shall cease from the date of receipt of revocation cancelling such authorization provided however–

- (i) that the employer shall not be liable in any manner whatsoever to the Union or the employee concerned for failure to comply with subclause (d) or (e);
- (ii) that at its discretion the employer shall be entitled not to make deductions by way of checkoff will together with all other deductions from an employee’s wage in that month, exceed the deductions permitted by Law.

31. **Grievance and Disputes Procedure.**– Subject to the provisions of clause 8 in the event of any dispute or grievance other than a dispute or grievance in relation to any kind of bonus by whatsoever name it may be called, arising between an employee or employees and the Company, or between the Union and the Company, the following procedure shall be followed for the settlement of such dispute, or in resolving such grievance.

- (a) The employee or the Branch Union Departmental Representative will, in the first instance discuss the dispute or grievance with the Departmental Executive.
- (b) If the grievance or dispute is not satisfactorily resolved the employee or the Departmental Union Representative may then discuss the matter with the Departmental Union Representative may then discuss the matter with the Departmental Manager. The Department Manager, will if necessary in consultation with the Factory Management endeavour to arrive at satisfactory solution in respect of the grievance or dispute.
- (c) In the event of the grievance or dispute not being resolved at the level of the Department manger, the issue in dispute will then be dispute will then be discussed by the employee or Branch Union Secretary and the Departmental Union Representative with the Departmental Human Resource Manager or with his representative.

- (d) If no satisfactory solution is arrived at, then the issue in dispute will be discussed by the Branch Union and the Factory Management. At such discussion, the number of representatives on each side shall not exceed Four (4). Such discussion will be arranged by the Departmental HR Managers office, as far as possible within Five (5) working days of a request being made by the Branch Union Secretary.
- (e) The Branch Union Secretary or the Departmental Union Representative who wishes to discuss any matter with the Production Departmental Manager will do so by prior appointment except where the matter is very urgent.
- (f) If the dispute or grievance remains unresolved, the Branch Union may then raise the issue for discussion with the Company through the Parent Union. The Company will then, within Ten (10) days of a request being made by the Parent Union, arrange to discuss the issue in dispute with the Parent Union in association with the Employer's Federation of Ceylon.
- (g) In the event of a dispute or grievance not being resolved or settled under the preceding sub-clauses then provided that both parties agree they shall refer such dispute or grievance to voluntary arbitration in terms of section 3 (i) (d) of the Industrial Disputes Act (1950) for settlement. If both parties agree to voluntary arbitration they shall agree on a statement of the matter in dispute and if there is no agreement on such statement they shall request the Commissioner of Labour to determine the statement of the matter in dispute after affording the parties an opportunity to state their case in regard to the statement of the matter in dispute. If the parties are unable to jointly nominate an Arbitrator he shall be nominated by the Commissioner of Labour.
- (g) An award made by an Arbitrator in a voluntary arbitration referred in subclass (g) hereby shall be final and binding on the parties.

32. **Trade Union Action.**— The Union and the workmen covered and bound by this Agreement jointly and severally agree with the company that during the continuance in force of this Agreement they shall not engage in any strike or other form of trade union action in respect of any dispute whether or not such dispute is related to this Agreement.

Provided however that where such dispute has been caused by an act of the employer which in the opinion of the Executive committee of the Parent Union is male fide and / or vindictive or calculated to threaten or undermine the existence of the legitimate activities of the Union and / or its members or is grossly unfair or seriously detrimental to the interests of the Union and / or its members, then the Union shall be entitled to engage on a strike or other form of trade union action after tallest Seven (7) working days notice in writing is given by the Union to the employer, The Employers' Federation of Ceylon and Commissioner of Labour before the date of commencement of such strike. Provided further that in the event of any such strike or trade union action by the union and / or its members it shall be without prejudice to the Company's right to dispute the justification for such action.

The Company for its part undertakes during the currency of this Agreement, not to enforce any lockout against its employees.

33. **Extension of Benefits to other Techniciela Assistants, Technicians and Junior Technicians.**— The Company reserves to itself the right to extend the benefits accruing under this Agreement to employees referred to in clause 3 of this Agreement, to all Technical Assistants, Technicians and Junior Technicians or any other categories of employees (Refer Section 3 - Persons covered and bound and Section 36 definitions) in the employment of the Company on such terms and conditions as the Company may determine.

34. **Breaches of the Agreement by the Union and / or its Members.**— If in the opinion of the Employers, Federation of Ceylon the Union or its members have committed a breach of this Agreement, then and in such event the Company reserves to itself the right to withdraw all or any of the facilities or benefits granted to the employees, or Union, without prejudice to the Company's right to restore such facilities or benefits upon such terms and conditions as the Company and Employers' Federation of Ceylong may decide. The Union will be entitled to dispute the justification of such withdrawal.

35. **Interpretation of Agreement.**— Any dispute over the interpretation of this Agreement shall be settled by voluntary arbitration under section 3 (i) (d) of the Industrial Disputes Act (1950).

36. **Definitions.**— Unless the context otherwise requires the following words shall have the following meaning.

- (a) "Employee" or "Workmen" shall mean an employee in the permanent establishment and covered and bound by this Agreement.
- (b) "Dispute" shall have the same meaning as an "Industrial Dispute" in the Industrial Disputes Act (1950) as amended or in any Act enacted by the Parliament to replace the Industrial Disputes Act subject to the *proviso* that a dispute involving a variation of this Collective Agreement shall be dealt with in the manner set out in clause 8 (c) hereof.

Words importing the masculine gender shall include the ferminine gender.

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

FIRST SCHEDULE

SALARY RANGES EFFECTIVE

1 JANUARY 2010

TECHNICAL ASSISTANTS, TECHNICIANS AND JUNIOR TECHNICIANS

GROUP 4 (A)

Rs. 9,900.00 - Rs. 55,020.00

GROUP 3 (a)

Rs. 11,880.00 - Rs. 58,280.00

GROUP 2

Rs. 13,860.00 - Rs. 62,149.00

GROUP 4 (B)

Rs. 10,890 - Rs. 56,748.00

GROUP 3 (b)

Rs. 12,870 - Rs. 59,876.00

GROUP 1

Rs. 14,850 - Rs. 64,768.00



THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Addendum to the Collective Agreement entered into between the Bank of Ceylon, No. 04, Bank of Ceylon Mawatha, Colombo 01 of the one part and The Ceylon Bank Employees' Union, No. 20, Temple Road, Colombo 10 of the other part on 31st May, 2010, for the period from 01st January, 2009 to 31st December, 2011, related to the Collective Agreement entered into on 10th November, 2009 for the said period 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. WIJAYAWEEERA,
Commissioner General of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05,
19th September, 2010

Addendum to the Collective Agreement No. 47 of 2010

ADDENDUM TO THE COLLECTIVE AGREEMENT
(For the period 01.01.2009 - 31.12.2011)

Between

The Bank of Ceylon, No. 04, Bank of Ceylon Mawatha, Colombo 01
and
The Ceylon Bank Employees' Union, No. 20, Temple Road, Colombo 10

This Collective Agreement entered into in Colombo this 31st May, 2010 by the between the Bank of Ceylon and the Ceylon Bank Employees' Union, hereinafter referred to as the "Bank" of the one part and the "Union" on the other part respectively:

Whereas the Bank and the Union has entered into a Collective Agreement, dated 10th day of November, 2009, for the period of 01st January, 2009, to 31st December, 2011 (hereinafter referred to as the "Collective Agreement").

And whereas by the said Collective Agreement, the parties hereto agree to finalize the terms and conditions regarding Non-salary Benefits and other allowances of the employees of the Bank covered by the said Collective Agreement.

The First Schedule above Referred to Non-Salary Benefits

1. **Allowances and Incentives.**— The following Allowances/Incentives will come into effect from 01st January, 2009 in the case of categories of employees specified under each of the following sub categories.

- 1.1 *Payment of Risk Allowance to Tellers Including those involved in Pawning Service.*— Tellers and Staff Assistants who are called upon to bear the cash risk will be paid an allowance at Rs. 75 per day on which such work is performed.
- 1.2 *Telex Operator's Allowance.*— Where the Bank pays an allowance expressly as a "Telex Operator's Allowance" the Bank will pay Rs. 75 per day subject to a maximum of Rs. 1,500 per month provided such work is performed by Operators other than those who have been recruited for that purpose.
- 1.3 *Teller Authority Allowance.*— Those appointed as Tellers and are exercising such duties will be paid an Allowance of Rs. 75 per day subject to a maximum of Rs. 1,500 per month.
- 1.4 *Chief Teller Authority Allowance.*— An allowance of Rs. 100 per day subject to a maximum of Rs. 2,000 per month will be paid for the Chief Tellers who exercise such duties.
- 1.5 *Computer User Allowance (VDU Allowance).*— Computer user allowance Rs. 30 per day subject to a maximum of Rs. 600 per month only to those whose main or primary function as decided by the Management of the bank, is performed by the Operations of a VDU.
 - 1.5.1 Those who work on a VDU on relief or on part time basis will be entitled to this allowance, only if the employee performs such duty for 2 hours or more per day.
 - 1.5.2 A VDU shall mean an appliance incorporating Cathode Ray Tube, which is used to input or retrieve information to or from a Computer.
 - 1.5.3 Payment of this allowance to be continued at present rate until a final decision is taken within six months on continuity of this allowance.

1.5.4 Non receipt of two Allowances.- No employee shall be entitled to more than any one of the under mentioned allowances:

- * Telex Operator's Allowance.
- * Computer User's Allowance.

1.6 *Development Assistant's Allowance.*- Development Assistants will be paid an allowance of Rs. 1,500 per month.

1.7 *Difficult Stations Allowance.*- Employees who are serving in Branches categorized as uncongenial and highly uncongenial will be paid this allowance as given below on monthly basis subject to review and re-categorization of the existing difficult stations.

	<i>Highly Uncongenial</i>	<i>Uncongenial</i>
Grade of Manager and above	Rs. 2,250	Rs. 1,700
Other Officer Grades including Secretary III (Closed Service) -	Rs. 1,800	Rs. 1,400
Staff Assistants and Parallel Grades	Rs. 1,500	Rs. 1,100
Below Staff Assistant Grade	Rs. 1,100	Rs. 850

1.8 *Disturbance Allowance.*- Employees who are not on shift duty but called upon to report for duty before 6.30 a.m. will be paid a disturbance allowance as follows:

<i>Grade</i>	<i>Amount</i>
Assistant Manager and above	Rs. 250 per day
Staff Assistant to Executive Officer	Rs. 200 per day
Below Staff Assistant Grade	Rs. 150 per day

1.9 *Special Allowance for North and East.*- Employees attached to the branches located in the Northern and Eastern Provinces irrespective of the grade will be paid an allowance of Rs. 2,000 per month until conditions return to normal. Payment of this allowance to be continued at present rate until a final decision is taken within six months on continuity of this allowance.

1.10 *Key Holding Allowance.*- "B" Class Officers in charge of Kachcheri Branches and Extension Officers will be paid a Key Holding Allowance of Rs. 10 per day subject to a maximum of Rs. 200 per month.

1.11 *Out of Pocket Allowance.*- Officers in the Grade of Junior Executive Officer and above up to the Chief Manager Grade who are called upon to work on week days after normal office hours or on weekends/holidays will be paid at following hourly rates subject to a limit of 2 hours on week days and 8 hours on weekends/holidays subject to existing regulations:

<i>Grade</i>	<i>Rate per hour</i>
Chief Manager	390
Senior Manager	355
Manager	325
Assistant Manager	280
Executive Officer	240
Junior Executive Officer	215

The hourly rate paid for working on week-ends and holidays subject to a maximum of 8 hours will be 1 1/2 (one and half) times the above rate.

The Bank shall develop a system where day to day work could be finished within the normal working hours so that late hour work and week-end/holiday work are not encouraged.

The Second Schedule above referred to Medical Assistance Scheme

Reimbursement of Medical Expenses will be made in terms of existing regulations subject to the limits specified below which shall come into effect from 01.01.2009.

LIMITS

A. Hospitalization

	<i>Executive Grades(Rs.)</i>	<i>Officer Grades (Rs.)</i>	<i>Clerical Grades (Rs.)</i>	<i>Other Grades (Rs.)</i>
Medical (A1) & Surgical (A2) Maternity (A III)	127,500/=	112,500/=	97,500/=	90,000/=

(a) Normal / Forceps	24,000/=	21,000/=	18,750/=	18,750/=
(b) Caesarean	39,000/=	35,250/=	31,500/=	31,500/=

B. Non-Hospitalization

	<i>Executive Grades(Rs.)</i>	<i>Officer Grades (Rs.)</i>	<i>Clerical Grades (Rs.)</i>	<i>Other Grades (Rs.)</i>
(i) Treatment given by Specialists (C)	21,750/=	21,750/=	21,750/=	21,750/=
(ii) Routine (H)	19,500/=	19,500/=	18,000/=	18,000/=
(iii) Tests & Special Services (E)	15,000/=	15,000/=	15,000/=	15,000/=
(iv) Corrective Treatment/Appliances (D)	21,000/=	21,000/=	21,000/=	21,000/=

(Limitation of Spectacles Rs. 15,000/=)

If any one or more of categories B1, B2, B3 and B4 are exhausted, unutilized portion of B1 B2, B3 or B4 can be used

C. Special Categories

	<i>Executive Grades(Rs.)</i>	<i>Officer Grades (Rs.)</i>	<i>Clerical Grades (Rs.)</i>	<i>Other Grades (Rs.)</i>
Grave Illness	750,000/=	750,000/=	750,000/=	750,000/=

Once in life time to the staff member and to another family member so that the total claim either by the staff member or any other member of the family or both do not exceed Rs. 750,000/=

D. Continued Medication for Critical Illnesses under Special Category.

(i.e. Heart Surgery, Kidney, Liver, Lung Transplant, Brain Surgery or any other major surgery)

Annual Limit Rs. 50,000/=

E. Travelling (All Grades) (G) Rs. 3,750/=

F. Probationers Trainees (I) Rs. 9,000/=
(Total Medical entitlement)

G. Maternity in government Hospitals (All Grades)

Normal / Forceps	Rs. 18,000/=
Caesarian	Rs. 21,000/=

H. Treatment at Government Hospitals (All Grades)

General (per day)	Rs. 2,250/=
Surgical (per day)	Rs. 3,000/=

(Payment is limited to a maximum period of 30 days)

Disabled children will be enrolled with the Medical Assistance Scheme irrespective of age.

For and on behalf of

BANK OF CEYLON	CEYLON BANK EMPLOYEE'S UNION
 Gamini Wickramasinghe Chairman	 Sunil Jayalath AUG. President
 B A C Fernando General Manager	 M. Sukumaran Secretary
Witnesses to the above Signatories	
 W D F Wimalaratne Deputy General Manager (Human Resource)	 R Manasinghe President Bank of Ceylon Branch Union