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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 1,522/2 - 2007 නොවැම්බර් 05 වැනි සඳුදා - 2007.11.05

No. 1,522/2 - MONDAY, NOVEMBER 05, 2007

(Published by Authority)

PART IV (A) — PROVINCIAL COUNCILS

Provincial Councils Notifications

PROVINCIAL COUNCIL OF NORTH WESTERN PROVINCE

Statute of No.....2007, North Western Provincial Co-operative Employees Pension Scheme
of Provincial Council of North Western Province

I hereby notify that the statute No.2007, North Western Provincial Co-operative employees pension scheme of North Western Provincial Council of North Western Province will be forwarded to the Provincial Council of North Western Province after elapsing 21 days from the date this statute was published.

If any one has anything or any comments regarding the contents of the provisions of this statute should be forwarded to me within the said 21 days.

PIYASIRI RAMANAYAKE,
Minister of Co-operative, Social Welfare,
Probation and Childcare, Electricity, Housing and Construction,
North Western Province.

Ministry of Co-operative, Social Welfare,
Probation and Childcare, Electricity, Housing and Construction,
2nd Floor, North Western Provincial Council Complex,
Kurunegala,
22nd of October, 2007,

CO-OPERATIVE EMPLOYEES' PENSION SCHEME STATUTE OF No.....2007
OF THE NORTH WESTERN PROVINCIAL COUNCIL

A Statute to provide for the establishment of a pension scheme for the Co-operative employees of the North Western Province ; to provide for the operation of the scheme in the North Western Province by the Commissioner ; and the Registrar of Co-operative Development, and to provide matters connected therewith or incidental thereto.

Be it enacted by the North Western Provincial Council as follows :

Short title and date of operation. 01. This Statute may be cited as the Co-operative Employees' Pension Scheme Statute, No. of 2007 of the North Western Province and shall come into operation on such date as the Governor of the North Western Provincial Council may appoint.

PART I

ESTABLISHMENT OF THE CO-OPERATIVE EMPLOYEES' PENSION SCHEME

Establishment of the Co-operative Employees' Pension Scheme 02. There shall be established a scheme which shall be called the Co-operative Employees' Pension Scheme to be operated in compliance with the provisions of this Statute.

Administration of the Co-operative Employee's Pension Scheme 03. (1) The pension holding the post of Commissioner of Co-operative Development of the North Western Province shall be the Director of the Co-operative Employees' Pension Scheme for the purpose of administration of the Scheme.

(2) The Director shall be held responsible for the supervision and control of the duties and functions of the scheme.

Advisory Committee 03. (3) The Minister may appoint an Advisory Committee which shall consist of the following seven members, to advise and make recommendations to the Director with regard to the management and administration of all matters connected with the scheme.

Composition of the Advisory Committee 04. (3) The Advisory Committee shall consist of :

- (a) the Secretary to the Ministry in charge of the subject of Co-operatives ;
- (b) the Deputy Chief Secretary (Finance) ;
- (c) the Commissioner of Labour or an executive officer of his Department ;
- (d) the Secretary to the North Western Provincial Co-operative Employees; Commission ;
- (e) a serving or retired co-operative employee possessing over 20 years of service experience ;
- (f) a co-operative chairman possessing over 05 years of service experience ; and
- (g) the Chairman of the North Western Provincial Rural Bank Association.

Qualifications and term of office of the members of the Advisory Committee 04. (1) Every appointed member of the Advisory Committee shall, unless he vacates office earlier by reason of death or resignation or removal or he ceases to hold the official post, hold office for a period of three years.

(2) Where an appointed member vacates office as foresaid, some other person shall be appointed in his place having regard to the provisions of Sub-section 3(3) and the member so appointed shall hold office for the unexpired period of the term of office of his predecessor.

(3) Where an appointed member is temporarily unable to perform the duties of his office due to ill health, absence from Sri Lanka or other cause, the Minister may appoint another person to act in his place.

- (4) The Minister may, if he considers it expedient to do so, by a written notice addressed to such member, remove any appointed member of the Advisory Committee.
- (5) Any appointed member of the Advisory Committee may at any time, resign from office by letter in that half addressed to the Minister.
- (6) Any appointed member who vacates office other than a member who is removed from office shall be eligible for reappointment.

05. The Advisory Committee may exercise all or any of the following powers :

Functions of the
Advisory
Committee

- (a) to advise the Director on matters relating to the management, operation and implementation of the scheme as may from time to time be referred to it by the Advisory Committee ;
- (b) to advise the Director with regard to formulating rules of the scheme ;
- (c) to formulate policies under the scheme for the purpose of efficient management ; operation and implementation of the scheme ; and
- (d) to review the work of the scheme with regard to the management, operation and execution of the scheme.

06. (1) The Secretary to the Ministry in charge of the subject of Co-operatives shall chair every meeting to the Advisory Committee, where the secretary is absent from any meeting of the Advisory Committee, any person shall be elected from and among the members of the Advisory Committee to chair such meeting.

Meeting of the
Advisory
Committee

(2) The Director shall be the Secretary to the Advisory Committee. He shall convene the meetings of the Advisory Committee and such meetings shall be convened regularly as may be required for the purpose of execution of functions of the scheme under this Statute.

(3) The quorum of any meeting of the advisory Committee shall be four members.

(4) Regulations may be made to regularize the procedures to be followed in respect of conveyance of meetings and the conduct of business of the Advisory Committee meetings in compliance with the provisions of this Statute.

07. (1) Such remuneration as determined by the Minister may be paid to the Director for implementation and execution of the scheme.

Remuneration to
the director and
the members of
the Advisory
Committee.

(2) The Director may, with the approval of the Minister, pay remuneration to the members of the Advisory Committee for attending the meetings of the Advisory Committee. The director shall, with the approval of the Advisory Committee reimburse to each of the member such traveling and other expenses as he may incur for purposes connected with the work of the Advisory Committee.

PART II

Implementation of the Scheme and qualifications and categories of Co-operative employees to contribute.

IMPLEMENTATION OF THE CO-OPERATIVE EMPLOYEES' PENSIONS SCHEME

08. The Minister in -charge of the subject of Co-operative may, having regard to the capability to administer the Scheme and by an order published in the *Gazette*, determine :

- (a) categories of Co-operative employees who will be entitled to contribute to the scheme ; and
- (b) qualifications of the co-operative employees who will be entitled to contribute to the scheme.

Eligibility to join the Scheme.

- 09. (a) Any permanent co-operative employees who possesses prescribed qualifications and is not less than 18 years and not more than 60 years of age shall be entitled to join the Scheme.
- (b) every Co-operative employee, who joins the permanent employment on or after the date of coming into operation of this Scheme, shall compulsorily contribute to the pension Scheme.

Benefits under the Scheme.

- 10. (1) A Co-operative employee who joins the scheme (hereinafter referred to as the "contributor") shall be entitled to following benefits, under the scheme on such basis as may prescribed by regulations :
 - (a) A periodical pension as may be prescribed ;
 - (b) a death gratuity.
- (2) The basis of payment of a pension or gratuity shall be prescribed having regard to *inter alia* the period of contribution, age of the contribution and the contribution made by the contributor.

When pension is payable.

- 11. (1) The contributor shall be entitled to a pension once he attains 60 years of age. Provided that, any contributor who has started making contributions, irrespective of the fact that he has completed the payment of required total contribution, shall be entitled to the pension after the elapse of 10 years from the approval of the scheme.
- (2) The pension shall be paid up to end of the month in which the contributor die.

Death gratuity.

12. In the event of the death of a contributor before he becomes entitled to receive his pension, a death gratuity on such basis as may be required by regulations, shall be paid to the surviving dependents.

Non-entitlement to the pension.

13. Where it has been established through a legal examination that, any contributor, before he becomes entitled to receive his pension, has caused any damage to the co-operative society or to the union, such contributor shall not be entitled to any benefit or pension under this Statute. Provided, such contributor shall be entitled to remain in the Scheme by reimbursing the damage to the society or to the union in terms of the regulations which so require and the provisions of Section 14.

The director to issue a policy to each contributor.

- 14. (i) The director shall on enrollment of any co-operative employee as a contributor to the scheme, issue him with a policy setting out the contribution to be made by him and by the co-operative society or the union, the terms and conditions of the policy and the benefits to which he is entitled under the policy issued to him.

<p>(ii) The date, prior to which it shall be deemed that the contributor has made the contribution in accordance with the regulations, shall be specified in the policy and any contributor who fails to pay three consecutive installments, shall forfeit the benefits under the policy issued to him.</p> <p>(iii) Where any contributor has forfeited the benefits under the certificate issued to him, the Director shall issue such contributor a notice to that effect.</p> <p>(iv) The contributor shall have the right to make an appeal in such manner as required by regulations to the Director to validate his policy and the director shall validate the policy if he is satisfied that the reasons for failure to pay the installment were beyond the control of the contributor.</p> <p>(v) Where the Director decides to validate a policy, the contributor shall be informed of the date, prior to which the arrears in instalments will have to be paid. The date of such payment shall be the date of validation of the policy.</p>	<p>Forfeiture of policy.</p>
<p>15. The contributor and the co-operative society or the union concerned shall make the contributions under this scheme as may be required by regulations. The co-operative society or the union shall collect the contributions made by the contributors of this scheme who are employees of such society or establishment and shall remit same to the scheme in such manner as may be prescribe by regulations. The date, prior to which the contributions have to be made as per such regulation, shall be specified and any co-operative society or union which fails to make contributions on the specified date, shall be liable to a fine prescribed by the regulations.</p>	<p>The Contribution.</p>
<p>16. (1) Where the registration of any co-operative society or union has been cancelled for the purpose of liquidation by law, and the contributor has made contributions up to the date of such cancellaton the payments shall be made on such basis as prescribed by regulations.</p> <p>(2) When any co-operative society or union has been integrated or amalgamated with another co-operative society or union by law, it shall not be construed as a forfeiture of the pension of the contributor under this scheme but be construed as the contributor continues to be in the scheme through his employer society or union.</p>	<p>The pension not to be forfeited by reason of liquidation, integration or amalgamation.</p>
<p>17. The Director shall in accordance with the scheme, determine the award of benefits under the scheme to any contributor.</p>	<p>The director to determine the award of benefits.</p>
<p>18. (1) The Minister may appoint a Board of Appeal consisting of the following three members for any contributor who is not satisfied with the determinatin of the Director to make an appeal.</p> <p>(2) The composition of the Board of Appeal is as follows :</p> <p>(a) Secretary to the Ministry in charge of the subject of Co-operatives ;</p> <p>(b) Secretary of the Co-operative Employees' Commission ;</p> <p>(c) An executive officer of the Department of Labour.</p>	<p>Board of Appeal.</p> <p>Composition of the Board of Appeal.</p>
<p>(3) Any contributor who is not satisfied with the determination of the Director may, within thirty days of receiving the notice of such determination, make an appeal to the Board of Appeal stating the ground of his appeal.</p>	<p>Appeals to be made within thirty days.</p>
<p>(4) The decision of the Board of Appeal on such appeal shall be final and effective.</p>	

Pension gratuity or allowance not to be assigned or levied upon.

19. No pension, gratuity or allowance payable from the scheme shall be assigned or transferred, and every assignment or transfer shall be absolutely null and void and of no effect. No such pension or gratuity or allowance shall be attached or taken in execution on account of any debt or payment due by the person to whom such pension or gratuity or allowance is payable.

PART III

CO-OPERATIVE EMPLOYEES' PENSION FUND

Co-operative Employees' Pension Fund.

20. (1) There shall be established a Co-operative Employees' Pension Fund (hereinafter referred to as the "Fund").

(2) There shall be paid into the Fund : -

- (a) such sums of money as may be voted from time to time by the North Western Provincial Council for the operation of the scheme ;
- (b) such sums of money as may be advanced to the director from time to time by the North Western Provincial Minister in charge of the subject of Finance ;
- (c) all sums of money as may be received annually from the North Western Rural Bank Union Ltd., the North Western Consumer Union Ltd. from time to time ;
- (d) all sums of money received in the exercise, performance and discharge of its powers, duties and functions under this Statute ;
- (e) all sums of money received from any source as gifts and donations ;
- (f) all sums of money paid as contributions to the scheme by the contributors to the scheme ;
- (g) all sum of money earned as interest or profits from investments ;
- (h) all sum of money as may be received from any source of any Co-operative Society or Union to the Fund and such sums of money as may be advanced to the director by Co-opetive Societies or Unions in the discharge of functions of this Scheme.

(3) There shall be paid out of the Fund all sums of money required to defray any expenditure incurred by the Advisory Committee or the director in the exercise, performance and discharge of the powers, duties and functions of the Advisory Committee and the Director under this Statute and the sums of money required to be paid out of the fund by or under this Statute.

Investment of Funds

21. All moneys in the Fund, which are not immediately required by the Director under this Statute, may be invested by the Director with the concurrence of the Advisory Committee as the case may be.

Borrowing power of the Director.

22. The Director may with the concurrence of the Advisory Committee borrow by way of bank overdraft or otherwise, or negotiate and obtain from any co-operative society, union or institution on credit terms such sums as the Director may require for the meeting the obligations of the Director or carrying out the objects of the Scheme under this Statute.

23. (i) The financial year of the scheme shall be the calendar year. Financial year &c.
- (ii) The Director shall cause books of the scheme to be balanced as on the 31st day of December in each year and shall before 31st day of March next cause to be prepared an income and expenditure account and balance sheet containing a summary of the assets and liabilities of the scheme made up to the first-mentioned date.
- (iii) The income and expenditure account and the balance sheet shall be signed by the member of the Advisory Committee authorized to do so by a resolution of the Advisory Committee.
- (iv) The Director shall sign income and expenditure account and the balance sheet.

PART IV

GENERAL

24. (i) The Minister may make regulations in respect of all matters which are stated or required by this Statute to be prescribed or for which regulations are required by this Statute to be made, including : - Regulations.
- (a) the regulation, administration and management of the scheme ;
- (b) the qualification, conditions and circumstances in which and the restrictions subject to which any co-operative employee shall be eligible to join the scheme ;
- (c) the determination of the amount of contribution to be made by the contributor and by the co-operative societies or unions for such contributor ;
- (d) the determination of the basis on which pensions, gratuities or allowances are payable to contributors ;
- (e) conditions governing the default of payment of contributions, surrender of policy and loss of eligibility of a contributor ;
- (f) regulation of the procedure and transaction of business of the Director and the Advisory Committee ;
- (g) the termination or forfeiture of the policy ;
- (h) the determination of the basis of payment and the amount of death gratuity ; and
- (i) the prescription of relevant forms.
- (ii) Every regulation made by the Minister shall be published in the *Gazette* and come into operation on the date of such publication or such later date as may be specified in the regulation.
- (iii) Every such regulation shall as soon as convenient after its publication in the *Gazette* be brought before the Provincial Council for approval. Any regulation, which is not so approved, shall be deemed to be rescinded as from the date of such disapproval but without prejudice to anything previously done thereunder. Notification of the date on which a regulation shall be deemed to be rescinded shall be published in the *Gazette*.

25. (1) No suit or prosecution shall lie : -

Protection for
action taken under
this Statute or on
direction of the
Director.

- (a) against the Director or the Advisory Committee for any act which in good faith is done by the Director or any member of the Advisory Committee under this Statute,
or ;
- (b) against any member of the Advisory Committee or the Board of Appeal or any officer or employee who assists the implementation of the scheme for any act which in good faith is done or purported to be done by him under this Statute or on the direction of the Director.

Offences.

26. Every person who contravenes or fails to comply with any provision of this Statute, or of any regulation made thereunder shall be guilty of an offence and shall on conviction after summary trial before a Magistrate be liable to imprisonment of either description for a term not exceeding six months or to a fine of rupees One Thousand or to both such imprisonment and fine.

Interpretation.

27. In this Statute unless the context otherwise requires : -

“a union” means a registered co-operative union consisting of several registered Co-operative societies ;

“Minister” means the North Western Provincial Minister in charge of the subject of Co-operatives ;

“Co-operative” means any Co-operative Society/Union registered within the North Western Province, under laws applicable to Co-operative Societies Unions ;

“Employee” means a permanent employee-employees of a co-operative society/union within the meaning of the Co-operative Employees’ Commission Act No. 12 of 1972 and North Western Provincial Co-operative Employees’ Commission Statute No. 05 of 1995.

“Legal inquiry” means a formal disciplinary inquiry/an inquiry conducted in pursuance of the provisions of the Co-operative Societies Act No. 5 of 1972 as amended by the Amendments Acts No. 11 of 1992 and No. 32 of 1983.

Sinhala text to
prevail in case of
inconsistency.

28. In the event of any inconsistency between the Sinhala, Tamil and English texts of this Statute the Sinhala text shall prevail.