



ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ගැසට් පත්‍රය The Gazette of the Democratic Socialist Republic of Sri Lanka

අති විශේෂ EXTRAORDINARY

අංක 1862/10 – 2014 මැයි 13 වැනි අඟහරුවාදා – 2014.05.13

No. 1862/10 – TUESDAY, MAY 13, 2014

(Published by Authority)

PART I: SECTION (I) – GENERAL

Government Notifications

My No.: CI/1787

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

The Collective agreement entered into between Unilever Sri Lanka Limited, 258, M. Vincent Perera Mawatha (Grandpass Road), Colombo 14 of the one part and the Commercial and Industrial Workers' Union, No. 17, Barracks Lane, Colombo 2 of the other part on 5th day of March 2011 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956)

V. B. P. K. WEERASINGHE,
Commissioner of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05,
8th, May, 2014.

Collective Agreement No. 13 of 2011

AGREEMENT BETWEEN UNILEVER SRI LANKA LIMITED AND THE COMMERCIAL AND INDUSTRIAL WORKERS' UNION

THIS AGREEMENT made on this 5th day of March, Two Thousand and Eleven under the provisions of the Industrial Disputes Act between Unilever Sri Lanka Limited of 258, M. Vincent Perera Mawatha (Grandpass Road) Colombo 14 (hereinafter referred to as the COMPANY) of the one part the Commercial and Industrial Workers' Union of No. 17 Barracks Lane, Colombo 02 (hereinafter referred as the UNION) and the members of the permanent workforce of the company witnesseth as follows:



01. **Title.**— This agreement shall be referred to as the Unilever Sri Lanka Limited Grandpass/Horana Factories Employees' Collective Agreement 2011.

02. **Parties and Employees to be Covered.**— This Agreement shall cover and bind the Company, the Union and its members and all tally numbered permanent employees of the Grandpass factory who will relocate to the Horana Factory of the company in terms of this agreement, who are currently engaged on permanent monthly contracts of employment.

03. **Finality.**—During the period of its validity, this agreement will be final and conclusive of all the matters covered therein.

The minutes of the meetings between the Company and the Union in negotiations which resulted in this Collective Agreement will be used in explaining, and/or interpreting this Agreement.

The minutes also record some of the matters that have been agreed between the Company and the Union which have not been included in this Agreement and would form part and parcel of this Collective Agreement, and would be implied terms in the contract of employment.

In matters not specifically covered by this Agreement, or the minutes referred to above, the current terms, practices and conditions applicable will continue to apply for the duration of this Agreement.

The Branch Union may make representations regarding any changes in the present terms, practices and conditions, and management agrees to discuss such representations with the Branch Union. However, the Management's decision will be final.

04. **Date of Operation.**—This agreement shall be deemed to have come to effect on the 01st day of February 2011 and shall thereafter continue in force for a minimum period of four years, unless it is terminated by either party with six (6) months notice to the other, provided however, that neither party shall give such notice on or before 31st day of July, 2014.

Each party however may also on any day after the 1st day of August, 2014 give notice in writing, of their intention to enter into a fresh Agreement or modify the existing Agreement consequent to a termination of this Agreement as specified above. Parties shall then commence negotiations to that end.

In the event of the failure of the parties to conclude a fresh Agreement or modify the existing Agreement, within a period of six (06) months from the date of notice of intention to negotiate a fresh Agreement or modify the existing Agreement, the parties agree that either party may request the Commissioner of Labour to summon them to a discussion in an attempt to resolve any difference in reaching agreement.

Parties agree to attend such a discussion that may be scheduled by the Commissioner of Labour.

In the meantime unless otherwise terminated or provided herein the provisions of this Collective Agreement will continue to remain in force.

05. **General Terms and conditions.**—

- (a) The terms and conditions of this Agreement shall be deemed incorporated in all contracts of Service between the Company and the employees covered and bound by this Agreement (Whether such contract services be written or oral), which are subsisting at the time of signing this Agreement.
- (b) All employees of the Company are bound by the Standing Orders of the Company. Nothing in this Agreement shall change vary or otherwise affect the Standing Orders of the Company. In the event of any conflict between this Agreement and the Standing Orders the Standing Orders will prevail.
- (c) The Company agrees that during the continuance of this Agreement, the Standing Orders will not be amended so as to over - ride this Agreement unless it is so done with the Agreement of the Union.

06. **Work Patterns and systems.**—

- (a) All the new work patterns and systems are proposed to ensure round the clock manufacturing on 7 days a week improving asset utilization, time utilisation and skill utilisation. The union and its members agree to implement 7 days working pattern in the company in which Saturday and Sunday are considered to be normal working days. In this system an employee will work continuously 6 days a week in 8 hours shifts. After the 6th day the employee will enjoy the weekly off day on the 7th day. Based on the needs of the company the 6th day week will be arranged on a staggered basis at the discretion of the management.

In this process, if the Union requires to change the weekly off day to a different day subject to a maximum of once in 3 months in the case of all employees, an employee will be required to work 7 (seven) consecutive days as normal working days. Immediately after the 7th day the weekly off day will be granted.

- (b) The Union and its members also agree to consider Sunday as a normal working day for categories of the employees who are covered by the wages board for the Engineering trade. As per the wages board Engineering employees who work on Sunday need to be remunerated at an enhanced rate of wages and a day off granted in lieu of Sunday. This has been incorporated in the Special Benefit package under project Morph granted for accepting the new work patterns and systems. Details of this are described in Clause No. 6 Section (a). The day off in lieu of Sunday is granted on a different day as the weekly off day.
- (c) Once the shift work roster ensuring what has been described in Clause 6 Section (a) is implemented the same process will be continued unchanged other than for business reasons.
- (d) The union also agrees depending on the needs of the Company to implement a different work pattern other than what has been described above in section (a). ensuring 48 hours of normal work per week in the entire Company or in a particular department/section to enable to company to maintain its normal wage levels and other conditions of employment and its competitiveness.
- (e) The proposed round the clock shift pattern at the new factory at Horana will be as follows.

	Existing Shift	Agreed New Shift
1st Shift	6.00 am - 2.00 pm	6.00 am - 2.00 pm
2nd Shift	2.00 p.m.9.00 pm	2.00 pm - 10.00 pm
3rd Shift	9.00 pm - 6.00 am	10.00 pm - 6 .00 am

The General Shift will be From 7.00 a.m. to 4.30 pm from Monday to Friday. Existing weekly off days will remain unchanged.

Union agreed to enhance the normal working hours per week up to 48 hours from 42.6 hours.

07. **Time and Attendance.**— Capturing Time and Attendance for computation of wages will be carried out using an Electronic time capturing system at departmental levels. The Union agrees to wholeheartedly support the implementation of the new concept.

In addition to capturing Time and Attendance at Departmental level employees are required to record their attendance at the time of entering the premises using a separate electronic system for the purpose of a roll call in case of an emergency.

08. **New Wage Scales.**— Wage scales for different categories of employees covered and bound by this Agreement will be as per their individual Contracts of Employment.

It is hereby agreed to revise the wages of all Employees covered in four stages on the following basis:

(a) **Stage 1**

With effect from 1st February, 2011. The consolidated wage of all permanent workforce employees will be increased by 3% based on their individual consolidated wages of 31st January, 2011.

(b) **Stage 2**

With effect from 1st February, 2012. The consolidated wage of all permanent workforce employees will be increased by 3% based on their individual consolidated wages of 31st January, 2012.

(c) **Stage 3**

With effect from 1st February, 2013. The consolidated wage of all permanent workforce employees will be increased by 2% based on their individual consolidated wages of 31st January, 2013.

(d) **Stage 4**

With effect from 1st February, 2014. The consolidated wage of all permanent workforce employees will be increased by 2% based on their individual consolidated wages of 31st January, 2014.

Note:- It is to be clearly understood that the wage revisions are not applicable to probationers.

09. **Categorisation Agreement.**— Employees Annual Increments, Employee categories, performance reviews, upgrading and the other areas agreed will be covered under the Categorisation Agreement as Annexure 01.

10. **Service Increment.**— Employees who have not registered any unauthorised absence in the preceding year will normally be entitled to an additional increment of 7% of the consolidated wage and employees who have registered “no-pay absence” for the past three (03) years will be entitled to 4% of the consolidated wage on reaching 10, 15, 20 and 25 years service respectively.

11. **Attendance Bonus.**— The Company undertakes to pay at the end of each year, an Attendance Bonus of two and a half (2-1/2) months wages in accordance with the formula contained in the Standing Orders.

The Company also undertakes to make an advance of Rs. 15,000/- from the attendance bonus in April each year and to set it off against the final payment made at the end of the year. In case of an employee resigning, retiring or being terminated before end of the year the advance paid will be set off against the final payment or must be settled in full by employee to release final pay.

12. **Consolidation of Wages.**— The company shall continue to consolidate salaries of employees covered and bound in terms of the Colombo Consumers’ Price Index (Base Year 2002). At the expiry of the 12 month period commencing 1st August 2010, the wages of employees covered and bound shall be further revised depending on the increase of the number of complete points by which the CCPI figure has increased during the 12 month period, multiplied by Rs. 67/- and will be added to wages as at 31st July 2011.

Thereafter, at the expiry of each 12 month period commencing from the 1st day of August 2011 the scales of consolidated wages revised in the manner prescribed above shall be revised in a like manner from the 1st day of August of each succeeding year during the period of operation of this Agreement.

In the event the Government of Sri Lanka discontinuing the publication of the CCPI figure or changes the constitution of the index, through legislation, parties agree to meet to discuss the basis on which this payment could be continued.

13. **Shift Allowance.**— Shift allowances will be enhanced with effect from 1st March.

	<i>From</i> <i>SLR</i>	<i>To</i> <i>SLR</i>
6 am / 2 pm	26.00	47.00
2 pm / 10 pm	34.50	62.00
10 pm / 6 am	86.50	175.00
6 am / 6 pm	43.00	77.50
6 pm / 6 am	121.00	240.00
7 am / 4.30 pm	17.50	31.50
2 pm / 6 am	139.00	280.00

14. **Shift Bonus.**— An amount equal to the total shift allowance for the week will be paid to those who report for duty on the normal shift roster on all working days of the week.

Company holidays will be excluded. However, a shift bonus for attendance on a Company holiday will also be paid. An employee absent from work Monday to Sunday will not be entitled to the shift bonus.

All shift allowances and Shift bonuses will be transferred to their respective bank accounts on a weekly basis.

15. **Production Bonus Scheme.**— The company will continue to work with the existing Production Bonus Scheme.

16. **Spectacle Allowance.**— With effect from the 01st March 2011, the Company agrees to pay a maximum of Rupees eight Thousand (Rs. 8,000/-) once in two years to an employee who is required to wear and therefore purchases a pair of spectacles.

17. **Emergency / Curfew Allowance.**— Emergency and curfew allowance will be changed as follows: The Emergency / Curfew allowance paid when employees are required to remain and/or work in the Company during curfew or other such time is as follows:

- Less than 12 hrs – Rupees Four hundred and eighty (Rs. 480.00)
- More than 12 hrs – Rupees Six hundred and forty (Rs. 640.00)

18. **Disturbance Allowance.**— The Disturbance Allowance of Rs. 600/- will be paid.

19. **Picnic Allowance.**— The Annual Picnic Allowance has been increased to Rupees Four Thousand (Rs. 4,000/-) with effect from 1st January, 2012.

20. **Supplementary Retirement Benefit Scheme.**— Those employees who complete Ten (10) years continuous service with the Company will be eligible for the benefit of the Supplementary Retirement Benefit Scheme.

Such employees will be entitled to receive one (01) month's consolidated wage for each year of service.

The Company agrees to include the Attendance Bonus to the consolidated wages in the computation of the amount payable under this scheme.

21. **Contributions to Provident Fund.**— Contributions to Employees Provident Fund will be at the rate of 12% by the Company and 10% by the employees of the consolidated salary.

22. **Company Products.**— The Company agrees to issue every month to each employee a gift parcel of Company products to the value of Rupees One Thousand Five Hundred (Rs. 1,500.00) each calculated at retail prices as at 1st February, 2011.

23. **Free issue of Astra.**— The Company will continue to issue Two (2) packets of Astra 250g twice a year. This will be issued in April and December of each year.

24. **Festival Advance.**— with effect from 1st April, 2011, the company agrees to pay one advance payment against wages up to a maximum of Rupees Twenty Thousand (Rs. 20,000/=) per annum on the occasion of a recognised festival. This shall be subject to Clause 40 of this Agreement.

25. **Emergency Loans.**— The Company agrees to grant emergency loans only in the event of natural disaster or in case of an ill health of the employee or his immediate family members. This shall be subject to Clause 40 of this Agreement. In exceptional cases after investigation, the Company may at its discretion grant emergency loans up to one month's wage. Recovery will be made by ten monthly instalments and from the Attendance Bonus.

The decision of the Company in granting such loan shall be final.

26. **Canteen Facilities.**—

- (a) Unless circumstances changes, the Company undertakes to provide meals through a 3rd party Operation in the Company's Canteen with immediate effect. In this operation too the basis of providing nutritious meals will remain unchanged. The Companies intention is to charge an approximate amount of the cost of raw materials used for the meals from each employee. Any changes to the present charges will be informed and discussed prior to the implementation.
- (b) When the Canteen operations are outsourced the existing Canteen employees will become redundant. But in order to ensure employment for them they will be transferred to other Departments of the Factory where vacancies exist. If such employees need specific training in order to undertake work in other Departments the company agrees to provide such training at appropriate times.
- (c) The company also agrees to retain in the canteen employees who were recruited directly to the canteen as cooks/Asst. cooks even with the outsourced operation. At present there are five (5) such employees and after the retirement of them no Company employees will be assigned to the Canteen or new recruitment made. Vacancies due to these retirements will be filled by the 3rd party with their employees.

27. **B M D Operation.**— At present BMD operations such as Oil storage, blending and Oil transfers are carried out by company employees. This operation will be outsourced once the Factory is relocated at the new site at Horana.

When the BMD operations are outsourced the existing BMD jobs by company employees will be redundant. But in order to ensure employment, existing BMD employees will be transferred to other Departments of the Factory where vacancies exist. If such employees need specific training in order to undertake work in other Departments the company agrees to provide such training at appropriate times.

28. **Utilities.**— At present operations of the Central work shop, Water Pump House, Furnace Oil Boiler House, Compressor Room, Ammonia Plant, Refrigeration plants and Generator are managed by a group of Company employees with required skills. This group of employees are required to obtain competency in the operations of all the plants and be multi skilled in order to undertake operations in any of the plants depending on the needs of the Company.

When these employees retire / resign or transferred out of these departments the vacant positions where necessary will be filled with competent 3rd Party personnel.

29. **Tea service, etc.**— The Company agrees to provide a free tea service in the morning and the afternoon. In addition, night shift workers will be provided with milk and other workers will be provided soft drinks as recommended by the Company Doctor.

30. **Uniforms.**— The Company will continue to provide free uniforms as at present in accordance with the needs of each department.

The Company will also provide one pair of Safety shoes per year to all Workforce employees based on the needs of each department.

31. **Scholarship Scheme.**— The allowances paid under the scheme will be enhanced by 50%. The qualifying categories will remain unchanged.

32. **Death of an employee.**— Where an employee dies in service, Management will grant a sum of Rupees Thirty Thousand only (Rs. 30,000/-) to be used for the funeral expenses of the deceased.

During such funerals, the Union will maintain a continuity of production while ensuring symbolic representation at the respective funerals.

33. **Medical Insurance.**— The current Medical Insurance Scheme will continue with enhanced benefits. The employees' contribution towards this will be 47.5% of the premium. The Company will continue to pay the balance 52.5% of the above premium. The Company will make full payment of the premium for those employees who have completed Twenty (20) years of service with the Company.

34. **Personal Accident Insurance.**— The Company will continue to cover all factory employees with a 24 hour Personal Accident Insurance Policy of Rupees Two Hundred and Fifty Thousand only (Rs 250,000/-) or 48 times the wage, whichever is higher. The natural Death cover will be a sum of Rs 350,000/-. 47.5% of the additional premium on account of the Natural Death cover will be paid by the employee concerned. The Company will pay the balance premium.

35. **Factory Shut Down.**— Management shall at their discretion shut down the factory up to five (05) days For maintenance repairs or for the lack of raw materials etc. and in this event employees will be required to take Three (03) days of their privilege leave entitlement. The company will give as much notice as possible in such circumstances. Stoppage of work under different circumstances and / or for longer periods is covered by the Standing Orders.

36. **Union / Management Co-operation.**— The Union agrees to co-operate wholeheartedly with the Company particularly in improving productivity and other measures to enable the Company to maintain its present wage levels, other conditions of employment, and its competitiveness.

37. **Union Subscription.**— Subject to Clause 40 at the written request of an employee, the Company will deduct and remit monthly to the Union the amount stated by the employee to be his subscription and will continue to do so as long as such written request is not revoked.

The Union may with the Agreement of the Company hold committee meetings, and general meetings of the Union within the Company's premises at such places and times as are agreed to by the Management at its discretion. Persons who are not in the employment of the Company shall not attend such meetings without the written Agreement of the Company.

38. **Union Office.**— The Company will continue to provide an office at No. 127, M. Vincent Perera Mawatha (Grandpass Road), Colombo 14 for the Union. The Company agrees to provide suitable location for a Union office with in or immediately outside the company premises once the factory is moved to new location at Horana and discontinue with existing office. The Office will be used only for the business of the Branch Union.

39. **Union's AGM.**—

(a) To enable employees to attend and be present throughout the Annual General Meeting, workers will be allowed to stop work at 11.00 am on the day of the Annual General Meeting.

(b) Members of the Working Committee will be granted one day's duty leave each year for the Annual General Meeting of the Parent Union and a further day for the Annual General Meeting of the Federation.

40. **Deductions.**— In granting loans to an employee or making deductions from his / her wages, the Company will strictly observe the rules relating to the legal limits of authorised deductions.

The Company will take into consideration the actual pay received (after all deductions) during the course of the two years proceeding, to ascertain whether such proposed deductions are likely to exceed the legal limits.

If in the opinion of the Company, such deductions are likely to exceed the legal limits, the Company will not grant such loans or agree to make any deductions.

The Company's decision in this regard shall be final. Deductions will be made in such order of priority as the Company shall decide.

41. **Loans to Thrift and Credit Society.**— The Company agrees to use its good offices to help the Co-operative Thrift and Credit Society to obtain loans from the People's Bank, whenever the Company considers it to be necessary.

42. **Absence without due Authority.**— It is agreed that the following provisions in relation to absence without due authority will apply.

Where an employee is absent without due authority for more than Ten (10) days cumulatively during any year, his services will be terminated. The Union agrees not to support in any way, a claim by such person for reinstatement or any other relief.

Where the services of an employee are to be terminated under this provision, the Company as its sole discretion may review the employee's record of attendance and conduct for Five (05) years immediately proceeding in order to take a sympathetic view.

The Union shall be notified in each case of the proposed termination. If the Union disagrees with the Management that the absence was without adequate reasons, the Union will be free to take up the matter with the Commissioner of Labour.

Absence on any grounds, other than the following will be considered as without adequate reasons: hospitalisation, prolonged or chronic illness certified by the Company Doctor to be such.

43. Lateness without Adequate Reasons.–

- (a) Where an employee has been late for over Forty Five (45) times during the year, he will lose his annual increment. Disciplinary action will be taken as stated in the Standing Orders.
For those without no-pay absence in the preceding year, the grace period for lateness will be Fifty Five (55) times during the year. Lateness beyond this will result in loss of increment.
- (b) The Company agrees to restore the annual increment should the employee's punctuality be restored. Restoration of annual increment will be from 1st January following the year in which improvement is shown and will be at the discretion of the Company.
- (c) No arrears due to the loss of increment as stated above, are payable.

44. Non-Union Activities.– While the Union agrees to assist and co-operate with Management, it also undertakes not to interfere in respect of the following matters:–

- (a) Social functions
- (b) Welfare services
- (c) Activities which are directly or indirectly sponsored by the Company
- (d) Matters that do not concern the membership

45. Grievance Procedure.–

Individual Grievances:

- (a) Wherever a worker wishes to make representations to Management, in respect of an individual grievance, dispute or other matter, such worker shall, in the first instance, discuss the matter with his Departmental Supervisor.
- (b) If the matter is not satisfactorily settled by the Departmental Supervisor, the matter may then be discussed with the Manufacturing Manager/Plant Manager, who may, if he thinks it desirable, discuss or refer the matter to the Industrial Relations Manager.
- (c) If the matter is not satisfactorily settled at stage (b) above, such worker may, together with the Branch Union Departmental Representative, if he so desires, discuss the matter further with the Manufacturing Manager/Plant Manager/Engineer together with the Industrial Relations Manager.
- (d) If the matter is not satisfactorily dealt with at the level of the Manufacturing Manager/Plant Manager/Engineer the worker concerned together with the Branch Union Departmental Representative if he so desires, may discuss the matter with the Factory Manager or his nominee together with the Industrial Relations Manager.
- (e) In the event of the matter not being satisfactorily resolved at stage (d) above, the Branch Union Committee may discuss such matter with the Manufacturing Director or his nominee together with the Industrial Relations Manager.
- (f) In the event of the matter not being satisfactorily resolved at stage (e) above, the Branch Union Committee may make an appeal to the Board of Directors of the Company.

(g) In the event of the matter not being satisfactorily resolved at stage (f) above, the Branch Union may, through the Parent Union make an appeal to the Board of Directors of the Company.

(h) In the event of the matter not being satisfactorily resolved at stage (g) above, the parent Union may, on behalf of the Branch Union, make an appeal to the Commissioner of Labour.

46. **General Matters.**— The Union may, from time to time, make representations to the Company on general matters concerning its membership. The Company will decide whether such matters should be discussed and if discussion on any matter is thought desirable, the company may summon a meeting for such purpose.

47. **Extension of Benefits to Others.**— The Company may, as its absolute discretion extend the benefits accruing under this Agreement to such other employee of the Company as it considers desirable;

48. **Trade Union Action.**— The Union and its members and the employees covered and bound by this Agreement jointly and severally agree with the Company that during the continuance in force of this Agreement that they will not engage in any strike or other form of Trade Union action against the Company in respect of any dispute between the Company on the One hand and the Union and/or its members and/or any employee covered and bound by this Agreement on the other hand where such dispute relates to a matter covered by this Agreement.

In relation to a dispute not covered by this agreement the Union and its members shall first seek to resolve such dispute through negotiations with the Company and/or under the provisions of the Industrial Disputes Act and shall not resort to any form of trade union action unless attempts at a negotiated settlement have failed and with Fourteen (14) days written notice to the Company and the Commissioner of labour of whatever proposed trade union action.

49. **Withdrawal of Benefits.**— In the event of the Union (or any employee covered and bound by this Agreement), Indulges in any act or acts which are contrary to this Agreement and thereby committing a breach of this Agreement or any part thereof, the Company shall be at liberty to withdraw all or any of the benefits granted under this Agreement or terminate the contract by giving notice of one month.

Where benefits are withdrawn under this section and the matter is referred to an arbitrator for a decision under clause 53 and such arbitrator determines that such withdrawal of benefits was unjustified in terms of this Agreement, the Company shall pay such benefit in arrears.

50. **Leave Entitlement Hours of Work and Attendance.**— Leave entitlements for 3 different categories of employees covered by this agreement will be as per the schedule below.

Category	Annual Leave	Medical Leave	Emergency Leave	Special Leave		
				After 10 Years	After 15 Years	After 25 Years
Senior Workforce Employees recruited to Unilever Grandpass Factory	14	21	07	03	05	08
All Regular Assistants recruited to Unilever Grandpass Factory	14	09	07	- NIL -		
New employees recruited to new Unilever Factory at Horana	14	09	07	-NIL-		

Hours of work and attendance will be governed by the rules framed for the purpose. These rules including leave entitlement may be changed by the Company from time to time in consultation with the Union but not so as to deprive any employee of any rights or benefits conferred upon him by law.

51. **Medical Leave for Senior Workforce Employees.**— The medical leave entitlement will be Twenty One (21) working days and any leave in excess of this entitlement will be considered as no pay absence. The Attendance Bonus will be reduced proportionately for any absence on grounds medical leave beyond the Twenty One (21) day entitlement.

The Company will make a payment in January each year for 10 days of Medical Leave at the rate of 2 days wages per day thus limiting the Medical Leave entitlement to 11 days. Availing Medical Leave beyond 11 days will result in a wage cut at the rate of 2 days per day's leave up to 10 days.

Availing medical leave within the entitlement of 11 or 21 days without submitting a medical certificate is limited to 2 days.

The Company will continue to pay One and a half (1-1/2) days wage each for the balance medical leave. This payment will be extended to a maximum of Seven (7) days of balance emergency leave and to any balance special leave. New employees joined after 1st October, 2010 will not be entitled for any payment for their balance leave.

52. Special Benefits Package under Project MORPH.-

(a) Relocation Allowance

- (i) In order to appreciate the agreement and wholehearted corporation in implementing all new concepts including the new work pattern and location change of the Union and its members the Company agrees to make Relocation Allowance of Rs. 400,000/-. The payment of Rs 400,000/- will be made with in the 1st 30 days after signing the Collective Agreement. Additional Rs. 50,000/- will be paid with Rs. 400,000/- to compensate all other arrears payments related to Collective Agreement. (Refer discussion minutes for more details)
- (ii) Employees who resign from the service on the Voluntary Retirement Scheme will not be entitled to the Relocation Allowance of Rs. 400,000/-. Any employee who wish to avail the facility of the existing Voluntary Retirement Scheme or any other (May or may not be introduced in the future) before 31st December, 2014 will be required to settle the Relocation Allowance of Rs. 400,000/- received from the company in full. Rs. 50,000/- only will be paid to compensate for all other arrears payments related to Collective Agreement.
- (iii) Employees who are due to retire during the period of 1st March, 2011 to 31st December, 2011 will be entitled only for Rs. 100,000/- instead of Relocation allowance of Rs 400,000/-. These two categories of employees have the opportunity of remaining at the Grandpass factory without being relocated. If they do not relocate, benefits associated to working in Horana including the work pattern will not be applicable to them.

(b) Emergency Leave

- (i) This additional 12 days of Emergency Leave for the employees of the Grandpass Unilever Factory who works on round the clock shift system is granted as a special entitlement for them agreeing to accept the new ways of working described in Clause No 6.
- (ii) The General shift employees will be entitled only for additional 6 days of Emergency Leave. The General Shift pattern of 7.00 a.m. to 4.30 p.m.

(c) Transport

- (i) Existing employees of Grandpass site who agree to relocate at the new Manufacturing site at Horana will be provided with Company Transport at a fixed times from agreed locations to the new factory.
- (ii) Employees who do not wish to avail the facility of Company Transport will be granted a Monthly Transport Allowance of Rs. 8,000/- subject to revision based on fluctuations of Horana - Pettah (Bus route - 120, Present one way bus fare is Rs. 43/-) Ceylon Transport Board bus fares in a similar percentage.

(d) Special Allowance.- Company agrees to pay a monthly special allowance as follows considering each employee consolidated wage.

- (i) Round the clock shift employees- Normal Overtime of 12 hours separately.
Payment equals to the Normal Overtime of 10 hours and double Overtime of 10 hours including for the EPF and ETF payments.
- (ii) General Shift employees - Normal Overtime of 22 hours only.
- (iii) Deductions for the Special Allowance
Deductions will be made based on the No Pay days of the each employee on monthly basis.
Clause 52 (Benefits under the MORPH project) will be entitle only for the employees recruited to the Company on or before 01st day of October 2010 on the basis of work at Grandpass Factory. The eligibility for Clause 52 will apply only after relocation of employees to the new Horana Manufacturing site.
The Special Allowance is made for agreeing for WORK PATTERNS AND SYSTEMS AT CLAUSE 6.

53. Arbitration.- It is hereby agreed that during the continuance in force of this Agreement, any dispute whatsoever, which has not been settled by negotiations between the Company and the Union, whether such dispute concerns the terms of this Agreement or otherwise, shall be referred to arbitration. The Union and Management shall agree on a clear statement of the matter in dispute, if necessary with the assistance of the Commissioner of Labour.

If the choice of the statement of the matter in dispute cannot be agreed on, either party may make an application to the Commissioner of Labour to determine the statement of the matter in dispute and refer such matter to such Arbitrator as he may nominate.

If for any reason, the Commissioner of Labour fails to refer such dispute to arbitration, it is hereby agreed that the Minister of Labour may, on the application of either party, refer such dispute to compulsory arbitration. Any dispute regarding the interpretation of this Agreement shall also be referred in like manner to arbitration.

Both parties agree to accept and be bound by the verdict of the Arbitrator.

54. Interpretation.- In the event of any discrepancy, inconsistency or other matter that may arise in there being a translation of this Agreement to Sinhala, the English version shall be authoritative and taken to have fully expressed the intentions of the Company and the Union.

10A

I කොටස: (I) ඡේදය - ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ අති විශේෂ ගැසට් පත්‍රය - 2014.05.13

PART I: SEC. (I) - GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA - 13.05.2014

IN WITNESS WHEREOF the parties aforesaid have hereunto set their hands at Colombo SADAMALI PERERA, Director - Human Resource of Unilever Sri Lanka Limited and THALIB CAFFOOR, National Finance Director of Unilever Sri Lanka Limited, have set their hands for and on behalf of the said Company on this 5th day of MARCH TWO THOUSAND AND ELEVEN.

UNILEVER SRI LANKA LIMITED

SANDAMALI PERERA

SANJEEV GUPTA

Witnesses to the signatures of the said SANDAMALI PERERA and SANJEEV GUPTA

1. _____

2. _____

IN WITNESS WHEREOF the parties aforesaid have hereunto set their hands at Colombo, LINUS JAYATILAKA, President, of the Commercial and Industrial Workers' Union (CIWU) and NUGEGODAGE SARANAPALA SILVA, General Secretary, of the Commercial and Industrial Workers' Union (CIWU) have set their hands for and on behalf of the said Union on this 5th day of MARCH TWO THOUSAND AND ELEVEN ONLY.

LINUS JAYATILAKA

NUGEGODAGE SARANAPALA SILVA

Witnesses to the signatures of said LINUS JAYATILAKA and NUGEGODAGE SARANAPALA SILVA

1. _____

2. _____

IN WITNESS WHEREOF the parties aforesaid have hereunto set their hands at Colombo, PALITHA SIRIMEVAN, President, Unilever Branch of the Commercial and Industrial Workers' Union (CIWU) of Unilever Sri Lanka Limited Grandpass Site and SISIRA NISHANTHA Secretary, Unilever Branch of the Commercial and Industrial Workers' Union (CIWU) - of Unilever Sri Lanka Limited., have set their hands for and on behalf of the said Branch Union on this 5th day of MARCH TWO THOUSAND AND ELEVEN.

PALITHA SIRIMEVAN

SISIRA NISHANTHA

Witnesses to the signatures of the said PALITHA SIRIMEVAN and SISIRA NISHANTHA

1. _____

2. _____

Date : 05th Day of March, 2011

Annexure 01

CATEGORY AGREEMENT

This Agreement is made and entered into on this 5th day of March 2011 between Unilever Sri Lanka Limited, a company duly registered in Sri Lanka and having its registered office at No. 258, M. Vincent Perera Mawatha, Colombo 14, hereinafter referred to as “the employer” and the Commercial and Industrial Workers’ Union, a trade union duly registered in Sri Lanka and having its registered office at No. 127, Barracks Lane, Colombo 1, hereinafter referred to as “the Union”.

This Agreement, which shall be effective from 1 January 2011 will cover and bind the employer, the union and the tally-numbered permanent employees of the company currently working at the Grandpass / Horana Factory, engaged on permanent monthly contracts of employment.

Whereas the employer is desirous of implementing a categorization of its workforce according to their skills, competencies and knowledge, as well as a performance based remuneration scheme, presented the proposed scheme to the union and after discussion of the modalities and salient features, parties have reached agreement to give effect to the scheme as follows:

- 1.0 It is agreed by and between parties that the proposed workforce categorization will consist of 4 different categories depending on the employees’ skills, competencies and responsibilities as at present, in relation to 112 existing jobs.
- 1.1 The 4 categories and the 112 existing jobs are set out in Schedule 1 attached hereto, which makes an integral part of this Agreement, and it is agreed that the number of categories and jobs may vary from time to time depending on the business requirements of the company. The Union will be kept informed of the variations.
- 1.2 To better comprehend the performance levels expected of employees in relation to carrying out of existing jobs in terms of the relevant categories, they may be categorized into a radar diagram based on the key elements as:

Process / Plant Skills, Total Productive Maintenance (TPM), Safety, Quality, Will, Leadership.
- 2.0 The radar diagram based on the aforementioned key elements in relation to the existing 112 jobs referred to in Schedule 1 above is annexed hereto as Schedule 2 to this Agreement, which also makes an integral part of this Agreement.
- 3.0 Any employee who wishes to ascertain the level of skills, competencies and responsibilities expected of him / her shall refer to the radar diagram that is relevant to each categorization of job expected to be performed (based on the 112 existing jobs).
- 4.0 A dictionary consisting of all the skills applicable to the different jobs shall be maintained at the Industrial Relations Department and shall be made available to any employee who wishes to peruse it and clarify any matters as may be relevant to him.
- 5.0 It is agreed by and between parties that in implementing this scheme, the management shall first assess the employees’ knowledge at the initial stage and thereafter prepare a radar diagram based on the aforementioned key elements in relation to the level of skills and knowledge vis-à-vis the jobs required to be performed by the employees concerned. Thereafter the management will place each employee in the appropriate category as referred to in Schedule 1 attached.
- 6.0 The initial radar diagram of each employee shall be compared with the radar diagram of a particular job as referred to in Schedule.
1. The management shall, thereafter, inform the employee of the expected level of knowledge in relation to each key element and shall communicate to the employee of the areas that need to be improved.
- 7.0 It is further agreed that once a gap in the skill level of an employee has been identified, it shall be the responsibility of the management to provide facilities for improving such skills and competencies. The employees and the management agree that once a gap in the skill levels of an employee is communicated by the management to relevant employee, it shall be the responsibility of the employee to strictly abide by the instructions of the management in relation to training/instructions for improving such skills and competencies.
- 8.0 It is also agreed between parties that in the event of assessment of skill and competency level of employees as provided for above, the management will conduct such assessments in the months of June and December each year. The process in the assessment centre will be as follows.
- 8.1 Refer the performance records of previous year as per annual appraisal

8.2 On the job assessment over a period of time, followed by a written test

8.3 Formal interview by a panel as described in 10.0 below

9.0 It is also agreed that in the event of an employee's performance is assessed with a view to upgrading him/her to the next category, the management shall allow such employee a period of up to a maximum of 3 years in the existing category to meet the necessary skills, knowledge and competencies. During this process the management shall entertain any applications from employees to be assessed (i. e. in relation to upgrading from one category to another) should any employee wish to avail himself/herself of the opportunity of being assessed prior to the scheduled date. In such an event, the employee shall be required to communicate his / her desire to be assessed to the IR Dept. through the relevant Line Manager.

10.0 In order to ascertain whether the employee have acquired the required competencies a formal interview will be conducted by a panel. The panel will consist of the following:

- a) The Employee (trainee)
 - b) Plant Manager/Engineer/Department Supervisor/Manager (as relevant and required)
 - c) Industrial Relations Manager / HR Business Partner
 - d) Plant Manager (Of another Department)
- A union representative will be invited to observe the process.

10.1. The employees who are found competent will be placed on the appropriate job category and the promotional increment of 7% will be granted, irrespective of MJV of next category employee is promoted to.

10.2. The employees who are fitted into category 2 or category 3 at the initial implementation of job Categorization, will be granted and increment of 10.5%. Thereafter the employees will be granted only one promotion at a time, based on assessment centres and only the 7% increment will be applicable.

10.3. Employees placed at category 3 at the initial implementation will be assessed at the first assessment centre and they will be paid balance 3.5% if they are found to be competent.

10.4. The current respective MJVs of the categories are as follows:

- (a) Category 1 - Rs. 27,229/-
- (b) Category 2 - Rs. 34,605/-
- (c) Category 3 - Rs. 41,697/-
- (d) Category 4 - Rs. 48,692/-

11.0. Enhancing of the aforementioned Maximum job values will be based on the following factors:

- (i) On COL index.
- (ii) On collective Agreement decisions for wage enhancements, if any.
- (iii) On market demands for different jobs.
- (iv) On budgetary relief allowances if applicable

11.1. Minimum wage for Univer Sri Lanka Workforce will be Rs. 12,000/- once the Categorization is implemented.

12.0. Employees who are below the maximum job Value (MJV) will be granted a maximum of 7% Annual increment of there consolidated wage on the basis of 60% and 40% (Attendance 60% and performance 40%)

Based on attendance :- 60% of the value of 7% will be granted for those employees who do not record any " no pay absence" in the preceding year, Employees who record "no pay absence" will be granted only 50%.

Based on Performance :- 40% of the value of 7% increment will be granted for those employees who achieved their competency targets/ skill levels. Such targets and skill levels will be made known to each and every employee at the beginning of the year.

12.1. The following procedure shall apply when employees reach their maximum Job Value and are deprived of their promotions.

- (a) ***In the absence of vacancies:***—This situation can only arise in category 3.
In such a situation, employees will be granted a maximum of 4% annual increment instead of the standard 7% annual increment on the basis of 75% and 25% (attendance 75%, Performance 25%)
- (b) ***Category 1 and 2 employees:***—Employees of category 1 and 2 who have reached their MJVs and are "not competent" to be promoted to the next category will be given a further period of time to obtain the required competency. During this period employees will remain in the same grade and will have the opportunity of earning a maximum of 3.5% annual increment. 3.5% increment will be granted on the basis of 75% and 25% (Attendance 75%, Performance 25%)

13.0. Employees who prove themselves at the end of the extended training period will be promoted to the next category if they are found competent. If such an employee has exceeded the MJV of the new category, he will be again granted a further period of time with limited 3.5% annual increment to obtain the competency level for the next category. 3.5% will be granted on the basis of 75% and 25% (Attendance 75%, performance 25%)

14.0 To determine the seniority of a person in a department, his service in the company will be counted from the date of contribution to EPF, when employees need to be transferred from one Department to another, the transfer will take place only within the relevant categories.

Considering the practicality of doing so, transfers will commence from the lowest category which is category 1.

05 -825

My No.: CI/1807.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Hayleys Exports PLC, 400, Deans Road, Colombo 10 of the one part and the United Tea, Rubber and Local Produce Workers' Union, No. 513-2/1, Elvitigala Mawatha, Colombo 05 of the other part on 09th day of May, 2012, is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

V. B. P. K. WEERASINGHE,
Commissioner of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05,
11th April, 2014.

Collective Agreement No. 12 of 2012

THIS COLLECTIVE AGREEMENT made this Ninth day of May Two Thousand and Twelve to take effect from the Sixteenth day of September Two Thousand and Eleven pursuant to the Industrial Disputes Act between Hayleys Exports PLC, having its registered office at No. 400, Deans Road, Colombo 10, (hereinafter referred to as "the Employer") of the one part and the United Tea, Rubber and Local Produce Workers' Union, a registered Trade Union having its office at No. 513-2/1, Elvitigala Mawatha, Colombo 05 (hereinafter referred to as "the Union") of the Second part.

WITNESSETH and it is hereby agreed between the parties as follows:

Title: This Agreement shall be known and referred to as the Hayleys Exports PLC Manual Workers' Collective Agreement of 2011.

PART I

CONTAINING TERMS AND CONDITIONS OF EMPLOYMENT AND MATTERS INCIDENTAL THERETO AND CONNECTED THEREWITH

1. **Persons Covered and Bound.**— This Agreement shall cover and bind the Employer the Union and the members of the Union who are employed by the Employer in a manual or labour capacity on monthly contracts of employment and for whom provision has been made in the wage scales set out in Schedule 1 of this Agreement.

2. **Date of Operation and Duration.**— This Agreement shall be effective as from the 16th day of September, 2011 and shall thereafter continue in force unless it is determined by either party giving notice in terms of the Industrial Disputes Act, in writing to the other subject to the following provisos:

- (a) That one party hereto shall not give such notice to the other party before the 15th day of August 2014 and no notice given before that date shall be regarded as valid.
- (b) That in the event of a reduction in the par value of the Sri Lankan Rupee under any provision of Law, a party shall be at liberty to abrogate this agreement by giving one month's notice in writing to the other in terms of the Industrial Disputes Act.

3. **General Terms and Conditions of Employment.**— During the continuance in force of this Agreement the terms and conditions of this Agreement shall be deemed to be included in each contract of service between the Employer bound by this Agreement and an Employee covered and bound by this Agreement whether such contract of service be written or oral, which was subsisting on the date hereof or which shall come in to being at any time after the date hereof during the continuance in force of this Agreement.

4. **Probation.**— Every Employee recruited by the Employer shall serve a period of probation of not more than six (6) months. Provided however, that if during the six (6) months probationary period the Employer is not satisfied with the progress of such Employee, the probationary period may be extended for a further period of three (3) months and in that event the Employer shall indicate to the Employee in writing the reasons why the probationary period has been extended. During the period of probation or extended probation the Employer shall have the right to terminate the Services of the Employee without notice. If the Employee's services are not terminated for unsatisfactory service during the period of probation or extended probation and the Employee has not been Confirmed by the Employer the Employee shall be deemed to be confirmed in his Employer's service with effect from the day after the day on which the period of probation or extended probation, as the case may be, ended.

5. **Attendance.**—

1. Unless otherwise specifically instructed by his Employer an Employee shall present himself for work on everyday (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 any other work site of the Employer where work is available.
3. Irregular attendance or unpunctuality of an Employee shall constitute neglect of duty for which he shall be liable to appropriate disciplinary action.

6. **Hours of Work.**— The hours of work on a normal working day or on a shift shall be eight (8) and a period of six (6) hours on a short working day exclusive of intervals for meals/rest whether on shift or otherwise.

7. **Forfeiture of Wages.**— Unless for good cause shown to the satisfaction of the Employer and Employee fails to hold himself available for work throughout the normal working hours of each working day he shall forfeit and his Employer shall be entitled to deduct his wages for the period from the time at which such failure occurs until he is again available for work.

8. **Overtime.**—

1. If required by his Employer, an Employee shall work reasonable overtime which has been authorized 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.
2. Overtime work (that is work performed in excess of normal working hours) shall be remunerated at one and half (1 1/2) times the normal hourly rate ascertained in accordance with the provisions of clause 16(a) hereof.

9. **Weekly Holiday and Saturdays.**— 1. In respect of each week every Employee shall be allowed a paid holiday on a Sunday in that week as the weekly holiday provided however, that if an Employee has not worked for a period of at least twenty eight (28) hours, exclusive of any period of overtime work during that week, he shall be liable to forfeit and his Employer shall be entitled to deduct one day's wage in respect of the weekly holiday for that week computed in accordance with the provisions of clause 16 (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 Employee as annual holiday;
- (b) Every public holiday granted by the Employer in terms of clause 11 hereof;
- (c) Every day's absence on any ground approved by the Employer.

3. The Employer may employ any Employee on a weekly holiday subject to the following conditions:

(i) A day within the six days next succeeding such weekly holiday shall be allowed to that Employee as a holiday with remuneration. Provided however, that if any Employee who is employed on a weekly holiday is liable to forfeit and the Employer is entitled to deduct one day's wage in respect of that 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 16(b) hereof in respect of the holiday which shall be allowed to that Employee within six (6) days of that 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 16(b) hereof in lieu of such alternate holiday, or

(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 half (1 1/2) times the normal hourly rate ascertained in accordance with the provisions of clause 16 (a) hereof for the number of hours worked during the first nine (9) hours (exclusive of one (1) hour for a meal); and

(b) At double the normal hourly rate ascertained in accordance with the provisions of clause 16(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) hours in respect of the duration of each such period.

10. **Annual Holidays.**— Annual holidays shall be allowed to an Employee in accordance with the decisions of the relevant Wages Boards.

11. **Public Holidays.**—

(1) Public holidays shall be allowed to an Employee in accordance with the decisions of the relevant Wages Boards. Provided however, that an Employee may be employed on a public holiday in accordance with the decisions of the aforesaid Wages Boards.

(2) If any public holiday which an Employee is eligible to under the provisions of sub-clause (1) 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 provisions of clause 9 hereof.

(3) If any public holiday to which an Employee is eligible under the provisions of sub clause (1) falls on a Saturday the number of hours constituting the normal working day on the day immediately preceding the Saturday shall be six (6) hours and no interval for a meal shall be granted.

12. **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 to 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 time save and except upon the ground of ill health. Provided further that any employee shall not be entitled to take Casual Leave immediately preceding or immediately following any period of annual holidays. Provided further that in respect of any employee's first year of employment including any period of probation he shall be entitled to Casual Leave for that year computed on the basis of one day for each complete period of two months' service.

- (2) 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 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 him Casual Leave.

13. **Sick Leave.**— In any year an Employee shall be entitled to Sick Leave not exceeding twenty one (21) days provided that.

- (a) His illness is supported by a medical certificate from a registered medical practitioner (unless waived by his Employer); and
- (b) The Employee shall not be on probation within the meaning of Clause 4 hereof. Provided however that an Employee who has been on probation shall as from the date of confirmation in respect of the remainder of the first year of employment be entitled to Sick leave not exceeding ten (10) days if he is confirmed after six (6) months' probation and Sick Leave not exceeding five (5) days if he is confirmed after nine (9) months' probation.

14. **Monthly Consolidated Wages.**—

1. Subject to the provisions of Clause 14A and 15 hereof, as from the Sixteenth day of September Two Thousand Eleven each Employee shall be paid upon and subject to the other terms and conditions herein contained, a monthly consolidated wage on the basis of the scales of consolidated wages set out in Schedule 1 hereto.
2. The scales of consolidated wages set out in Schedule 1 hereto include all Statutory Allowances as at the date of this Agreement.
3. This Agreement shall not have the effect of changing the incremental date of an Employee.
4. The wages of employees who are in employment as at the date of this agreement will be revised as follows.
 - (i) A sum of Rs. 500/- would be added to the wages payable to each Employee with effect from the First day of April Two Thousand and Ten.
 - (ii) A sum of Rs. 600/- would be added to the wages payable to each Employee with effect from the First day of April Two Thousand and Eleven.
 - (iii) A sum of Rs. 600/- would be added to the wages payable to each Employee with effect from the First day of April Two Thousand and Twelve.
 - (iv) A sum of Rs. 600/- would be added to the wages payable to each Employee with effect from the First day of April Two Thousand and Thirteen.
 - (v) A sum of Rs. 600/- would be added to the wages payable to each Employee with effect from the First day of April Two Thousand and Fourteen.
 - (vi) The sums payable under (iv) and (v) above could be revised by mutual agreement.
5. If during the continuance in force of this Agreement the Government of Sri Lanka –
 - (a) Prescribes increases in wages by any written law applicable to categories covered by this Agreement legally obliging the Employer to make such payment, the Employer shall pay such increases in wages prescribed by such written law and in terms of such written law;
 - (b) Recommends increases in wages such recommendations will not be applicable to the Employer, irrespective of whether or not such recommendations are applicable to categories covered by this Agreement.

14A. Piece Rates.-

- (a) Wages applicable to employees involved in the activities of the Coir Mattress and Bristle Fibre Export Trade may be paid on piece rates in keeping with the provisions contained in Schedule 2 hereof.
- (b) In the event of an Employee who is paid on piece rates and / or has fixed norms failing to achieve the work norms in Schedule 2 hereof, in respect of any day or number of days, such employee will not be entitled to receive in respect of such day or number of days wage applicable to him in terms of Schedule 1 hereof. Instead, he will be entitled to only 90% of his daily wage ascertained in accordance with Clause 16 hereof in respect of each such day he fails to achieve the said work norms. All consequential payments such as Provident Fund, Trust Fund, Overtime, etc. on the wage paid to the employee in respect of such day or number of days will also be calculated and paid on the reduced wage.
- (c) Provided that in the opinion of the Employer the failure of an Employee to achieve work norms provided in Schedule 2 was due to circumstances beyond such Employee's control, the Employer will not make any deductions from the wages of such Employee as provided at Clause (b) above.
- (d) In the event of a deduction in terms of Sub-Clause (b) hereof and if the Union is of the opinion that the circumstances which led to the deduction was beyond the control of the Employee concerned the Union shall have the right to dispute such deduction in terms of Clause 28 hereof.
- (e) The Employer shall continue to pay to each employee currently in receipt of a Seniority allowance calculated in the manner hitherto paid subject to the employees concerned achieving the piece rate targets set in terms of Schedule 2 hereof. The wage increase granted to employee in terms of clause 15 hereof, shall have no bearing whatsoever in respect of the calculation of the Seniority Allowance.

14B. Allowances.-

(a) Shift Allowance

With effect from 16 September 2011 the shift Allowance currently payable to employees entitled to receive such an allowance will be

Second Shift	Rs. 25/-
Third Shift	Rs. 25/-

(b) Machine Allowance

The separate Machine allowance excluding EPF/ETF to be increased to Rs. 100/-. If a machine operator is taken out from a machine to work outside he will be paid on a pro-rata basis for the number of hours worked in the SR3 machine. If a worker works 1/2 day he would have to produce 1/2 day's production to be eligible for the machine allowance which will be paid on a pro rata basis.

If production per 8 hour shift -

Under 375 Kgs/2 machines	No machine allowance
376 - 400 Kgs/2 machines	Rs. 91/- per man
401 Kgs and above/2 machines	Rs. 100/- per man

(c) Meal Allowance

With effect from 16 September 2011 the Meal Allowance currently payable to employees entitled to receive such an Allowance will be:

Rs. 50/- in respect of overtime work covering a period in excess of 3.5 hours and up to 07 hours.

Rs. 60/- in respect of overtime work covering a period in excess of 07 hours and up to 10 hours.

Rs. 75/- in respect of overtime work covering a period in excess of 10 hours.

15. Conversion to Scales of Monthly Consolidated Wages.-

- (a) For the purpose of ascertaining the wage which and Employee shall receive with effect from the sixteenth day of September Two Thousand and Eleven on the basis of the scales of consolidated wages set out in Schedule 1 hereto the following provisions subject to the provisions of Clause 14 above shall apply.
- (i) With effect from Sixteenth September Two Thousand and Eleven all Employees shall be given an increase in wage of a sum equivalent to twenty three and three quarter (23.75) per cent of the monthly consolidated wage drawn by each employee as at 31 August 2011.
- (ii) Each Employee shall thereafter be placed at the corresponding point in monetary terms, on the wage scale in Schedule 1 without change in grade and if there is no corresponding point in terms of monetary value, at the next higher stage on the same grade subject to the condition that, if after the addition of the amount at (i) above his consolidated wage is not more than Rupees Five (Rs. 5/-) higher than any point on the new scales in Schedule 1 such employee's wage point on conversion shall be the nearest point in the applicable grade in Schedule 1.
- (iii) As a matter of goodwill it is agreed that an employee who is in employment as at the Sixteenth day of September 2011 will receive an ex-gratia payment of a sum representing 23.75% of the monthly wage drawn by such employee as at the 31st August 2011 multiplied by 1.5. This payment shall not constitute a part of "earnings" of an employee for any payments such as overtime, provident fund, trust fund, etc thereon.
- (iv) With effect from first April Two Thousand and Twelve all Employees shall be given an increase in wage of a sum equivalent to four (04) per cent of the monthly consolidated wage drawn by each employee as at 31 August 2011.
- (v) Each Employee shall thereafter be placed at the corresponding point in monetary terms, on the wage scale in Schedule 1 without change in grade and if there is no corresponding point in terms of monetary value, at the next higher stage on the same grade subject to the condition, if after the addition of the amount at (iv) above his consolidated wage is not more than Rupees Five (Rs. 5/-) higher than any point on the new scales in Schedule 1 such employee's wage point on conversion shall be the nearest point in the applicable grade in Schedule 1.
- (b) Whereas the wage increases referred to at Clause 15(a)(i) and 15(a)(iii) hereof has been decided on, inter alia, in consideration of the Agreement reached between the Employer and the Union for higher productivity measures as set out in Schedule 2 hereof, it is also agreed by and between the Employer and the Union that where employees have jointly or severally conducted themselves in any manner which disrupts the achievement of the productivity measures as set out in Schedule 2 hereof or where employees jointly or severally willfully fail to achieve the production norms set out in Schedule 2 hereof, the Employer will be entitled to take one or both of the following measures regardless of whatever other provision to the contrary in this Agreement.
- (i) Take appropriate disciplinary action.
- (ii) Repudiate the Collective Agreement.

16. Wages for Periods Less than one Month.- For the purpose of this Agreement the wages of any employee for periods less than one month shall be computed in the manner following:

- | | |
|--|---|
| (a) for one hour | the monthly wage divided by two hundred and forty (240) |
| (b) for one day | the monthly wage divided by thirty (30) |
| (c) for one half day (either morning or afternoon) | a day's wage ascertained as above divided by two (02) |
| (d) for one week | a day's wage ascertained as above multiplied by seven (7) |

17. Annual Lump sum Payment in Lieu of NRCOLG.-

(1) A lump sum payment based on revenue growth would be made in April each year commencing in 2011 on the following basis. Sixty (60) per cent of FOB Turnover Growth (FOB Turnover for the year less FOB Turnover for the previous year / FOB Turnover for the previous year) % x Average Basic Salary that prevailed at the beginning of the year (April) x 12 subject to a minimum payment of Rs. 14,000 per year and a maximum payment equivalent to 2 months' average basic salary that prevailed at the beginning of the year. Pro rated deductions will be made from employees who have registered no pay during the year.

(2) No Provident Fund, Trust fund, Overtime or any other payment shall be due or calculated on this lump sum payment.

18. *Provident Fund.*—

- (1) The Employer and an Employee shall contribute to the Provident fund at 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 Provident Fund at rates more favourable than those prescribed by the Employee's Provident Fund Act, the more favourable rates of contribution will continue.

19. *Terminal Benefits.*—

- (1) The Employer will pay terminal benefits to Employees in accordance with the Gratuity Act No. 12 of 1983.
- (2) However, in the case of those employees who were in employment at the time the Manual Workers' Collective Agreement of 1981 came into effect (i.e. 01 December 1981), they will be paid terminal benefits in accordance with the scheme of terminal benefits set out hereunder.
 - (a) The scheme shall apply to every employee who was in the service of the Company on the First day of December 1981.
 - (b) As and by way of terminal benefits the company shall pay an Employee a sum equivalent to one month's wage for each year of service less the company's contribution to the Provident Fund and Trust Fund but excluding interest thereon.
 - (c) The wage on which the said terminal benefits under sub-clause (b) hereof shall be payable will be the last monthly wage receivable by an employee on which the Provident Fund is payable.
 - (d) For the purpose of calculating terminal benefits under this clause an year of service shall be a period of not less than 06 months.
 - (e) The terminal benefits provided for in this Clause shall be payable to an employee on the cessation of his service arising from death or any other cause whatsoever. Provided however, that if at the date of cessation of employee's service there is due to the Company 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 therein.
 - (f) On the death of an employee whilst in service who is eligible to receive terminal benefits under this clause. The Company shall pay such terminal benefits in the manner and to the person hereinafter set forth.
 - (i) If there is a valid nomination in force 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.
 - (ii) Where there is no valid nomination or in the event of the nominee or any one or more of the nominees have predeceased the employee, or in the event of a nominee being a minor at the time that the payment of terminal benefits become due, the company shall make payment only after the person or persons entitled to the payment have established their claim in law and furnished proof thereof.
 - (g) In the event of any written law providing for the payment of gratuity or terminal benefits the more favourable scheme shall apply but not both.
 - (h) 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.

20. *Bonus.*—

- (1) Without prejudice to existing bonus schemes and without prejudice to the Employer's claim that bonus payment in the past and as provided in this Agreement are ex-gratia, the Employer will, subject as hereinafter provided, continue to pay to each of his employees 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 Collective Agreement. If in any year the Employer, in his discretion reduces the bonus to an amount less than the sum of money paid to each of his Employees as bonus for the year immediately preceding

the signing of this Collective Agreement the Union may canvas such reduction of bonus with the Employer concerned. If the Union is not satisfied by the Employer in the matter, the Union may pursue this matter with the Employers Federation of Ceylon. If the dispute as to the reduction of bonus is not settled with the Federation, the same shall be referred to a committee of three (3) persons (hereinafter referred to as a 'Bonus Committee') which shall be constituted in accordance with the provisions of sub-clause 2 for settlement in the manner hereinafter set forth.

- (2) At the written request of the parties to the dispute as to the reduction of the bonus the Commissioner General of Labour will constitute a Bonus Committee which shall consist of three (3) senior accountants nominated by the Council of the Institute of Chartered Accountants of Sri Lanka. The said Chartered Accountants shall be persons with at least ten (10) years' post qualification experience. The selection of the three Chartered Accountants will be communicated by the Institute of Chartered Accountants to the Commissioner General of Labour, the Employer, the Union and to the Federation. Thereupon the Commissioner General of Labour will communicate in writing to each member of the Bonus Committee so constituted a statement of principles and procedures by which the members of the Bonus Committee shall be bound in settling the dispute as to the reduction of Bonus.
- (3) Upon receipt of the submissions and the statement of the principles and procedures from the Commissioner General of Labour the Bonus Committee shall in accordance with the said principles and procedures decide whether the reduction of the bonus by the Employer was justified and if the reduction was not justified to what extent, if any, the bonus should be reduced. The Bonus Committee shall communicate its decision in writing to the Employer, the Union, the Federation and the Commissioner General of Labour. If the decision of the Bonus Committee is unanimous, such decision 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 otherwise 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 General's decision shall be communicated in writing to the Employer, the Union and 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.
- (4) The Bonus Committee shall not be entitled nor be competent to decide that in any year the Employer should pay his Employees a bonus exceeding the sum of money paid as bonus as in the year immediately preceding the signing of this Collective Agreement.
- (5) The fees payable to the members of the Bonus Committee shall be borne equally by the parties to the dispute as to the reduction of bonus and be payable on demand by the Commissioner General of Labour.
- (6) The payment of a bonus exceeding the sum of money paid as bonus to employees in the year immediately preceding the signing of this Collective Agreement shall be in the sole discretion of the Employer and shall not be called in question by the Union and/or its members nor shall the Employer's failure or refusal to pay such bonus be the subject of any dispute.
- (7) The provisions of sub-clauses (1), (2), (3), (4), (5) and (6) shall *mutatis mutandis* apply to existing bonus scheme.
- (8) At the request of the Commissioner General of Labour the Council of the Institute of Chartered Accountants of Sri Lanka will nominate three (3) Chartered Accountants with not less than ten (10) years of post qualification experience drawn from professional accountancy firms to serve on the Bonus Committee.

21. Annual Increments.-

- (1) The annual increments provided in each grade of the scales of consolidated wages in Schedule 1 hereto shall be automatic, unless as a matter of punishment for general inefficiency including irregular attendance or unpunctuality 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 increment shall be continuous throughout the year;
 - (b) Stopped, the loss of increment 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 occur 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.

(2) With effect from 16th September, 2011 the incremental rates in Schedule 1 will be revised as follows:

Skilled	Rs. 85.00
Semi-skilled	Rs. 75.00
Unskilled	Rs. 65.00
Craftsman	Rs. 92.50
Grade I	Rs. 75.00
Intermediate	Rs. 70.00
Grade II	Rs. 67.50

22. **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.

23. **Suspension.**—

(1) An employee may be suspended without pay by his 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 business of the Employer;
- (c) As a punishment for misconduct for a period not exceeding seven (7) working days after the inquiry;

(2) At the time of suspension under subclause (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 24 hereof.

24. **Disciplinary Action.**—Where the Employer proposes to proceed against an Employee then—

- (1) Irrespective of whether an Employee has been suspended under clause 23 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.
- (2) 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 a written answer or explanation to the show cause notice and where such request is made by the 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.
- (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 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.
- (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 23(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 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 had 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.
- (7) If in any case where an Employee is suspended as provided for herein the Employer fails to make order under paragraphs (a) to (c) of the preceding subclause 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 his normal remuneration for a 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.
 - (8) In any case where the employee is suspended as provided herein, the Employer shall make an order under paragraphs (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 of 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 requests the holding of an inquiry the Employer shall comply with such request and the provisions relating to the holding of an inquiry shall apply subject to the exception that the fact that the inquiry had not commenced within ten (10) working days after the receipt of the Employee's explanation shall not be material or relevant.

25. **Retirement.**— On reaching the age of fifty five (55) 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. Provided however, that an Employee who has retired may, in the discretion of the Employer, be employed after his retirement on a temporary basis on such terms as may be mutually agreed.

26. **Termination of Services.**—

- (1) Every contract, whether oral or written, for the hire of any Employee by the Employer except for work usually performed by the day, or by the job, or by the journey, shall (Subject to the provisions of clause 4 hereof or unless otherwise expressly stipulated) be deemed and taken in law to be a contract for hire and service for the period of one month and to be renewable from month to month and shall be deemed and taken in law to be so renewed, unless one month's previous notice be given by either party to the other of his intention to determine the same and such month has expired.
- (2) Where an Employee is engaged for a particular job or period such as casual or temporary work, he shall be informed thereof at the commencement of his employment and his contract of service will terminate on the completion of the job or period or the failure of the Employee to complete the job within reasonable time.

27. **Union Recognition.**— The Union shall be competent to make representations on behalf of any of its members who is employed in any workplace of the Employer bound by this Agreement. In regard to issues of general application or to the effect of principle such as matters affecting general terms and conditions of employment either in the workplace or the trade as a whole, the following provisions shall apply.

- (1) When the Union is representative of not less than forty per cent (40%) of the employees whose membership subscription is not in arrears, the Employer of such employees will recognize the Union for the purpose of general claims and matters and negotiate with it on that basis. If there is any other Union which is also representative of not less than forty percent (40%) of such employees the Employer will be at liberty to require that general claims and matters be discussed and negotiated with the Union competent to make general demands by virtue of the requisite membership and not separately with each such Union.
- (2) When the Employer carries on more than one type of business or has more than one workplace and the claim or matter is restricted to one type of business or one workplace but is applicable or capable of being applicable to other Employees in the service of the Employer, the competence of the Union to make such claims or raise such matter shall be determined by reference to the duly qualified members of such Union in proportion to the total number of Employees in the service of the Employer in Sri Lanka.
- (3) If it becomes necessary to decide the question whether at the establishment of the Employer, the Union is competent to make general claims or raise general matters the same shall be determined by a referendum which shall be held by the Department of Labour and the result of such referendum shall be binding on the Employer and the Union and its members.

28. *Disputes Procedure.* -

- (1) 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.
- (2) 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.
- (3) Subject to the provisions of Clause 30 hereof all disputes between union and the employer or between the hereto parties shall be settled in accordance with the provisions of the industrial Disputes Act and the regulations made there - under.
- (4) Any party to this Agreement shall not instigate, support or engage in any unfair labour practice during the currency of this Agreement.

29. *How Anomalies in the Course of Implementing this Agreement shall be Dealtwith.* - Any anomaly, arising from the implementation of this Agreement shall be settled by negotiation between the Employer and the Union and if the matter cannot be settled by negotiation, it 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 the employees 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 union or the Employees and the Employer, whether or not such dispute is related to the Agreement except where such dispute has been caused by an act of the 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 of the legitimate activities of the Union and/ or its members or grossly unfair or seriously detrimental to the interest of the Union and/ or its members. Provided however, that at least seven (07) days notice in writing shall be given by the Union to the employer the federation and the Commissioner General of labour before the date of commencement of any intended strike or other form of trade union action consequent upto 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 of is grossly unfair or seriously detrimental to the interest of the Union and/ or its members.

31. **Matters Covered and Variations of terms and Conditions of Employment and Benefits. -**

- (1) The Union employees 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.
- (2) The employer agrees with the Union and the employees that the Employer shall not seek to vary, alter or withdraw all or any of the benefits presently enjoyed by the employees other than by mutual agreement.
- (3) Any dispute or difference arising from negotiation under the provisions of Sub - clauses (1) or (2) 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. **Earlier Collective Agreements.** - The provisions of this Agreement shall supersede and replace the provisions of the Collective Agreement entered into between parties on sixteenth day of July Two Thousand and Three and the said Agreement shall stand terminated as from the ninth day of May Two Thousand and Twelve.

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 and the Federation, the Union shall commit a breach of any of the terms of this Agreement, then and in any such event the Union 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 24 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 the Union (hereinafter referred to as 'an Observer') to be present as an observer without loss of wages for absence from work.
- (b) If the Employer 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 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 there at, nor the findings pursuant thereto.

3. **Union Meetings.** - The following Provisions shall apply to Meetings of the Union:-

- (a) In respect of each meeting, which the Union desires to hold at the Employer's premises, and 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 under noted conditions

- (i) That no person other than an Employee in the service of that Employer shall be present at a meeting of the union;
 - (ii) On occasions such as the Annual General Meeting of the Union, Office Bearers of the Parent 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 Union and its Office Bearers to ensure that the terms on which permission to hold a meeting of the Union is granted, are duly complied with.
- (d) It shall be the duty of the Union and its Office Bearers to ensure that no damage is caused in the course of the, or in connection with a meeting of the Union to the Employer's property or any other persons at the Employer's premises and the Union shall indemnify the Employer and keep the Employer indemnified against any such damage.

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 his discretion the exigencies of the circumstances warrant refusal, the Employer will generally grant permission for not less than two (2) 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 of the Department of Labour in connection with a dispute between the 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 leave 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 or other holidays which he wishes to utilise for the purpose.

(5) **Check-off.**—

- (1) The facility of check-off shall be granted, subject to Clause 1 of Part II hereof only so long as the Union represents no less than forty (40) percent of the Employees covered and bound by this Collective Agreement.
- (2) The Employer shall on the written request of an Employee deduct from the wages due to such Employees 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 procedure and upon and subject to the conditions hereinafter set forth.
- (3) Every employee who agrees to the deduction of Union dues from his wages shall sign a statement to that effect in the form set out in Form No. 1 referred to as an 'Authorization'.
- (4) 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'.
- (5) As far as practicable deduction under an authorization shall commence from the wages due immediately after the date of receipt of such authorization and shall continue thereafter until the authorization is cancelled by a revocation.
- (6) As far as practicable deductions under an authorization shall cease from the date of receipt of a revocation cancelling such authorization. Provided however —
 - (a) That the Employer shall not be liable in any manner whatsoever to the Union or the Employee concerned for failure to comply with sub-clauses 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 from the Employee's wages in that month exceed the deduction permitted by Law.
- (7) The Employer shall not later than the tenth (10th) day of each month remit the Union dues deducted from the wages 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'.

- (8) The cheque shall be sent at the risk of the Union and the Employees concerned by post in a prepaid envelope addressed to the Treasurer of the Union at its address for the time being.
- (9) The Treasurer of the Union shall promptly acknowledge receipt of the cheque.
- (10) The Employer shall not be liable to pay to the Union or the Treasurer on its behalf as aforesaid any sum other than the Union's dues actually deducted.

FORM No. 1

Name of Employer: HAYLEYS EXPORTS PLC

Authorization

As I am an Employee covered and bound by the HAYLEYS EXPORTS PLC COLLECTIVE AGREEMENT 2011 and I desire to avail myself of the facility for check-off contained in the Collective Agreement to which I am eligible as a member of the UNITED TEA, RUBBER AND LOCAL PRODUCE WORKERS' 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 same to the said Union on my behalf. The first payment should please be made from my wages due immediately following the date hereof.

.....
(Date of signing)

.....
(Signature of Employee)

.....
(Full name of Employee)

.....
(Checkroll Number)

Received on
(To be filled by the Employer)

FORM No. 2

Name of Employer: HAYLEYS EXPORTS PLC

Revocation

With reference to the authorization submitted by me, please cease to deduct from my wages any further membership dues in favour of UNITED TEA, RUBBER AND LOCAL PRODUCE WORKERS' 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)

.....
(Checkroll Number)

Received on
(To be filled by the Employer)

.....

PART III

CONTAINING DEFINITIONS OF CERTAIN WORDS

In 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.

<i>Words</i>	<i>Meaning</i>
Branch Union	The Branch Union at the factory
Check-off	The act of the Employer deducting in terms of Clause 5 of Part II the subscriptions payable to the Union by an employee from the latter's pay.
Dispute	Shall have the same meaning as in the Industrial Disputes Act.
Employee (For convenience sometimes referred to as 'he' or its grammatical variations)	An employee covered and bound by this Agreement.
Employer	Haleys Exports PLC
Federation	Employers' Federation of Ceylon
Industrial Disputes Act	The Industrial Disputes Act No. 43 of 1950
Normal Incremental Date	The date on which an employee would normally receive an increment
Relevant Wages Board	The Wages Board which covers the Trade in which the particular employee is employed in
Union	United Tea Rubber and Local Produce Workers Union
Wage	The monthly wage according to the scales of consolidated wages in the First Schedule hereto.
Week	The period between midnight on any Saturday night and midnight on the succeeding Saturday night.
Year	A continuous period of twelve (12) months
Words importing the masculine gender shall include the feminine	
Words importing the singular number shall include the plural and vice versa	

SCHEDULE 1

**SCALES APPLICABLE TO HAYLEYS EXPORTS PLC EMPLOYEES COVERED
BY THIS AGREEMENT WITH EFFECT FROM 16 SEPTEMBER 2011**

	CRAFTSMAN		USK		SSK		SK	
1	13,489.00	99*92.50	13,984.00	99*65.00	13,399.00	99*75.00	13,469.00	99*85.00
2	13,581.50		14,049.00		13,474.00		13,554.00	
3	13,674.00		14,114.00		13,549.00		13,639.00	
4	13,766.50		14,179.00		13,624.00		13,724.00	
5	13,859.00		14,244.00		13,699.00		13,809.00	
6	13,951.50		14,309.00		13,774.00		13,894.00	
7	14,044.00		14,374.00		13,849.00		13,979.00	
8	14,136.50		14,439.00		13,924.00		14,064.00	
9	14,229.00		14,504.00		13,999.00		14,149.00	
10	14,321.50		14,569.00		14,074.00		14,234.00	
11	14,414.00		14,634.00		14,149.00		14,319.00	
12	14,506.50		14,699.00		14,224.00		14,404.00	
13	14,599.00		14,764.00		14,299.00		14,489.00	
14	14,691.50		14,829.00		14,374.00		14,574.00	
15	14,784.00		14,894.00		14,449.00		14,659.00	
16	14,876.50		14,959.00		14,524.00		14,744.00	
17	14,969.00		15,024.00		14,599.00		14,829.00	
18	15,061.50		15,089.00		14,674.00		14,914.00	
19	15,154.00		15,154.00		14,749.00		14,999.00	
20	15,246.50		15,219.00		14,824.00		15,084.00	
21	15,339.00		15,284.00		14,899.00		15,169.00	
22	15,431.50		15,349.00		14,974.00		15,254.00	
23	15,524.00		15,414.00		15,049.00		15,339.00	
24	15,616.50		15,479.00		15,124.00		15,424.00	
25	15,709.00		15,544.00		15,199.00		15,509.00	
26	15,801.50		15,609.00		15,274.00		15,594.00	
27	15,894.00		15,674.00		15,349.00		15,679.00	
28	15,986.50		15,739.00		15,424.00		15,764.00	
29	16,079.00		15,804.00		15,499.00		15,849.00	
30	16,171.50		15,869.00		15,574.00		15,934.00	
31	16,264.00		15,934.00		15,649.00		16,019.00	
32	16,356.50		15,999.00		15,724.00		16,104.00	
33	16,449.00		16,064.00		15,799.00		16,189.00	
34	16,541.50		16,129.00		15,874.00		16,274.00	
35	16,634.00		16,194.00		15,949.00		16,359.00	
36	16,726.50		16,259.00		16,024.00		16,444.00	
37	16,819.00		16,324.00		16,099.00		16,529.00	
38	16,911.50		16,389.00		16,174.00		16,614.00	
39	17,004.00		16,454.00		16,249.00		16,699.00	
40	17,096.50		16,519.00		16,324.00		16,784.00	
41	17,189.00		16,584.00		16,399.00		16,869.00	
42	17,281.50		16,649.00		16,474.00		16,954.00	
43	17,374.00		16,714.00		16,549.00		17,039.00	
44	17,466.50		16,779.00		16,624.00		17,124.00	
45	17,559.00		16,844.00		16,699.00		17,209.00	
46	17,651.50		16,909.00		16,774.00		17,294.00	
47	17,744.00		16,974.00		16,849.00		17,379.00	
48	17,836.50		17,039.00		16,924.00		17,464.00	
49	17,929.00		17,104.00		16,999.00		17,549.00	
50	18,021.50		17,169.00		17,074.00		17,634.00	

**SCALES APPLICABLE TO HAYLEYS EXPORTS PLC EMPLOYEES COVERED
BY THIS AGREEMENT WITH EFFECT FROM 16 SEPTEMBER 2011**

	CRAFTSMAN	USK	SSK	SK
51	18,114.00	17,234.00	17,149.00	17,719.00
52	18,206.50	17,299.00	17,224.00	17,804.00
53	18,299.00	17,364.00	17,299.00	17,889.00
54	18,391.50	17,429.00	17,374.00	17,974.00
55	18,484.00	17,494.00	17,449.00	18,059.00
56	18,576.50	17,559.00	17,524.00	18,144.00
57	18,669.00	17,624.00	17,599.00	18,229.00
58	18,761.50	17,689.00	17,674.00	18,314.00
59	18,854.00	17,754.00	17,749.00	18,399.00
60	18,946.50	17,819.00	17,824.00	18,484.00
61	19,039.00	17,884.00	17,899.00	18,569.00
62	19,131.50	17,949.00	17,974.00	18,654.00
63	19,224.00	18,014.00	18,049.00	18,739.00
64	19,316.50	18,079.00	18,124.00	18,824.00
65	19,409.00	18,144.00	18,199.00	18,909.00
66	19,501.50	18,209.00	18,274.00	18,994.00
67	19,594.00	18,274.00	18,349.00	19,079.00
68	19,686.50	18,339.00	18,424.00	19,164.00
69	19,779.00	18,404.00	18,499.00	19,249.00
70	19,871.50	18,469.00	18,574.00	19,334.00
71	19,964.00	18,534.00	18,649.00	19,419.00
72	20,056.50	18,599.00	18,724.00	19,504.00
73	20,149.00	18,664.00	18,799.00	19,589.00
74	20,241.50	18,729.00	18,874.00	19,674.00
75	20,334.00	18,794.00	18,949.00	19,759.00
76	20,426.50	18,859.00	19,024.00	19,844.00
77	20,519.00	18,924.00	19,099.00	19,929.00
78	20,611.50	18,989.00	19,174.00	20,014.00
79	20,704.00	19,054.00	19,249.00	20,099.00
80	20,796.50	19,119.00	19,324.00	20,184.00
81	20,889.00	19,184.00	19,399.00	20,269.00
82	20,981.50	19,249.00	19,474.00	20,354.00
83	21,074.00	19,314.00	19,549.00	20,439.00
84	21,166.50	19,379.00	19,624.00	20,524.00
85	21,259.00	19,444.00	19,699.00	20,609.00
86	21,351.50	19,509.00	19,774.00	20,694.00
87	21,444.00	19,574.00	19,849.00	20,779.00
88	21,536.50	19,639.00	19,924.00	20,864.00
89	21,629.00	19,704.00	19,999.00	20,949.00
90	21,721.50	19,769.00	20,074.00	21,034.00
91	21,814.00	19,834.00	20,149.00	21,119.00
92	21,906.50	19,899.00	20,224.00	21,204.00
93	21,999.00	19,964.00	20,299.00	21,289.00
94	22,091.50	20,029.00	20,374.00	21,374.00
95	22,184.00	20,094.00	20,449.00	21,459.00
96	22,276.50	20,159.00	20,524.00	21,544.00
97	22,369.00	20,224.00	20,599.00	21,629.00
98	22,461.50	20,289.00	20,674.00	21,714.00
99	22,554.00	20,354.00	20,749.00	21,799.00
100	22,646.50	20,419.00	20,824.00	21,884.00

**SCALES APPLICABLE TO HAYLEYS EXPORTS PLC EMPLOYEES COVERED
BY THIS AGREEMENT WITH EFFECT FROM 16 SEPTEMBER 2011**

	GRH		INT		GRI		AHO		HO	
1	13,384.00	99*67.5	13,394.00	99*70	13,404.00	99*75	13,384.00	99*56.5	13,404.00	99*58
2	13,451.50		13,464.00		13,479.00		13,440.50		13,462.00	
3	13,519.00		13,534.00		13,554.00		13,497.00		13,520.00	
4	13,586.50		13,604.00		13,629.00		13,553.50		13,578.00	
5	13,654.00		13,674.00		13,704.00		13,610.00		13,636.00	
6	13,721.50		13,744.00		13,779.00		13,666.50		13,694.00	
7	13,789.00		13,814.00		13,854.00		13,723.00		13,752.00	
8	13,856.50		13,884.00		13,929.00		13,779.50		13,810.00	
9	13,924.00		13,954.00		14,004.00		13,836.00		13,868.00	
10	13,991.50		14,024.00		14,079.00		13,892.50		13,926.00	
11	14,059.00		14,094.00		14,154.00		13,949.00		13,984.00	
12	14,126.50		14,164.00		14,229.00		14,005.50		14,042.00	
13	14,194.00		14,234.00		14,304.00		14,062.00		14,100.00	
14	14,261.50		14,304.00		14,379.00		14,118.50		14,158.00	
15	14,329.00		14,374.00		14,454.00		14,175.00		14,216.00	
16	14,396.50		14,444.00		14,529.00		14,231.50		14,274.00	
17	14,464.00		14,514.00		14,604.00		14,288.00		14,332.00	
18	14,531.50		14,584.00		14,679.00		14,344.50		14,390.00	
19	14,599.00		14,654.00		14,754.00		14,401.00		14,448.00	
20	14,666.50		14,724.00		14,829.00		14,457.50		14,506.00	
21	14,734.00		14,794.00		14,904.00		14,514.00		14,564.00	
22	14,801.50		14,864.00		14,979.00		14,570.50		14,622.00	
23	14,869.00		14,934.00		15,054.00		14,627.00		14,680.00	
24	14,936.50		15,004.00		15,129.00		14,683.50		14,738.00	
25	15,004.00		15,074.00		15,204.00		14,740.00		14,796.00	
26	15,071.50		15,144.00		15,279.00		14,796.50		14,854.00	
27	15,139.00		15,214.00		15,354.00		14,853.00		14,912.00	
28	15,206.50		15,284.00		15,429.00		14,909.50		14,970.00	
29	15,274.00		15,354.00		15,504.00		14,966.00		15,028.00	
30	15,341.50		15,424.00		15,579.00		15,022.50		15,086.00	
31	15,409.00		15,494.00		15,654.00		15,079.00		15,144.00	
32	15,476.50		15,564.00		15,729.00		15,135.50		15,202.00	
33	15,544.00		15,634.00		15,804.00		15,192.00		15,260.00	
34	15,611.50		15,704.00		15,879.00		15,248.50		15,318.00	
35	15,679.00		15,774.00		15,954.00		15,305.00		15,376.00	
36	15,746.50		15,844.00		16,029.00		15,361.50		15,434.00	
37	15,814.00		15,914.00		16,104.00		15,418.00		15,492.00	
38	15,881.50		15,984.00		16,179.00		15,474.50		15,550.00	
39	15,949.00		16,054.00		16,254.00		15,531.00		15,608.00	
40	16,016.50		16,124.00		16,329.00		15,587.50		15,666.00	
41	16,084.00		16,194.00		16,404.00		15,644.00		15,724.00	
42	16,151.50		16,264.00		16,479.00		15,700.50		15,782.00	
43	16,219.00		16,334.00		16,554.00		15,757.00		15,840.00	
44	16,286.50		16,404.00		16,629.00		15,813.50		15,898.00	
45	16,354.00		16,474.00		16,704.00		15,870.00		15,956.00	
46	16,421.50		16,544.00		16,779.00		15,926.50		16,014.00	
47	16,489.00		16,614.00		16,854.00		15,983.00		16,072.00	
48	16,556.50		16,684.00		16,929.00		16,039.50		16,130.00	
49	16,624.00		16,754.00		17,004.00		16,096.00		16,188.00	
50	16,691.50		16,824.00		17,079.00		16,152.50		16,246.00	

**SCALES APPLICABLE TO HAYLEYS EXPORTS PLC EMPLOYEES COVERED
BY THIS AGREEMENT WITH EFFECT FROM 16 SEPTEMBER 2011**

	GRII	INT	GRI	AHO	HO
51	16,759.00	16,894.00	17,154.00	16,209.00	16,304.00
52	16,826.50	16,964.00	17,229.00	16,265.50	16,362.00
53	16,894.00	17,034.00	17,304.00	16,322.00	16,420.00
54	16,961.50	17,104.00	17,379.00	16,378.50	16,478.00
55	17,029.00	17,174.00	17,454.00	16,435.00	16,536.00
56	17,096.50	17,244.00	17,529.00	16,491.50	16,594.00
57	17,164.00	17,314.00	17,604.00	16,548.00	16,652.00
58	17,231.50	17,384.00	17,679.00	16,604.50	16,710.00
59	17,299.00	17,454.00	17,754.00	16,661.00	16,768.00
60	17,366.50	17,524.00	17,829.00	16,717.50	16,826.00
61	17,434.00	17,594.00	17,904.00	16,774.00	16,884.00
62	17,501.50	17,664.00	17,979.00	16,830.50	16,942.00
63	17,569.00	17,734.00	18,054.00	16,887.00	17,000.00
64	17,636.50	17,804.00	18,129.00	16,943.50	17,058.00
65	17,704.00	17,874.00	18,204.00	17,000.00	17,116.00
66	17,771.50	17,944.00	18,279.00	17,056.50	17,174.00
67	17,839.00	18,014.00	18,354.00	17,113.00	17,232.00
68	17,906.50	18,084.00	18,429.00	17,169.50	17,290.00
69	17,974.00	18,154.00	18,504.00	17,226.00	17,348.00
70	18,041.50	18,224.00	18,579.00	17,282.50	17,406.00
71	18,109.00	18,294.00	18,654.00	17,339.00	17,464.00
72	18,176.50	18,364.00	18,729.00	17,395.50	17,522.00
73	18,244.00	18,434.00	18,804.00	17,452.00	17,580.00
74	18,311.50	18,504.00	18,879.00	17,508.50	17,638.00
75	18,379.00	18,574.00	18,954.00	17,565.00	17,696.00
76	18,446.50	18,644.00	19,029.00	17,621.50	17,754.00
77	18,514.00	18,714.00	19,104.00	17,678.00	17,812.00
78	18,581.50	18,784.00	19,179.00	17,734.50	17,870.00
79	18,649.00	18,854.00	19,254.00	17,791.00	17,928.00
80	18,716.50	18,924.00	19,329.00	17,847.50	17,986.00
81	18,784.00	18,994.00	19,404.00	17,904.00	18,044.00
82	18,851.50	19,064.00	19,479.00	17,960.50	18,102.00
83	18,919.00	19,134.00	19,554.00	18,017.00	18,160.00
84	18,986.50	19,204.00	19,629.00	18,073.50	18,218.00
85	19,054.00	19,274.00	19,704.00	18,130.00	18,276.00
86	19,121.50	19,344.00	19,779.00	18,186.50	18,334.00
87	19,189.00	19,414.00	19,854.00	18,243.00	18,392.00
88	19,256.50	19,484.00	19,929.00	18,299.50	18,450.00
89	19,324.00	19,554.00	20,004.00	18,356.00	18,508.00
90	19,391.50	19,624.00	20,079.00	18,412.50	18,566.00
91	19,459.00	19,694.00	20,154.00	18,469.00	18,624.00
92	19,526.50	19,764.00	20,229.00	18,525.50	18,682.00
93	19,594.00	19,834.00	20,304.00	18,582.00	18,740.00
94	19,661.50	19,904.00	20,379.00	18,638.50	18,798.00
95	19,729.00	19,974.00	20,454.00	18,695.00	18,856.00
96	19,796.50	20,044.00	20,529.00	18,751.50	18,914.00
97	19,864.00	20,114.00	20,604.00	18,808.00	18,972.00
98	19,931.50	20,184.00	20,679.00	18,864.50	19,030.00
99	19,999.00	20,254.00	20,754.00	18,921.00	19,088.00
100	20,066.50	20,324.00	20,829.00	18,977.50	19,146.00

SCHEDULE 2**Baling Production - Press No. 08**

	Agreed Output Bales
Coir Twine	34
Empty Tubes	38
Cotton Waste	75
Cotton Wool	68
Cut ends 25 Kg	86
1 Tie 25 kgs	82
Husk Chips 25 kgs	88
Bio Fibres 25 kgs	126
Bio Fibres 50 Kgs	82
Bio Fibres 150 Kgs	60
Mattress Fibre 120 kgs	105
Mattress Fibre 150 Kgs H	96
Mattress Fibre 150 Kgs R	68
Cut Ends 150 Kgs	60
Geotextiles	76
Omat 150 Kgs	96
BF 150 Kgs	60

Coir Tubes Production

Grade	Agreed Output
20 x 2	31
30 x 2	21
30 x 3	18
30 x 4	14
30 x 6	10
30 x 4k	09
40 x 3	13
10 x 2	30
20 x 4	20
40 x 4	10
40 x 6	06
50 x 3	11
50 x 4	08
50 x 6	05
60 x 6	04
Coir Slab 1 x 3	16

Coir Pillows Production

Grade	Agreed Output
1 x 5 Bundling	50
1 x 5 M	20

Geotextile Rolling

Grade	Agreed Output
1 x 50 M	88
2 x 50 M CY/CT	46
4 x 50 M	17

Other Production Norms

Grade	Agreed Output
Coir Twine Bundling	128
DOA Bundling	130
Chopping 20% Dust	

Other Productivity Improvements Requested

Job	Present
Loading - TF - FEU	05 people - 05 hours
Loading - TF - TEU	04 people - 02½ hours

SR3 Machine Twisted Fibre Section

Grade	Previous Output	Increase	Agreed Output
Twisted Fibre No. 1 Twist	400 kgs	25kgs	425 kgs
Twisted Fibre No. 2 Twist	400 kgs	25kgs	425 kgs
Twisted Fibre Super Clean	400 kgs	25kgs	425 kgs

Additionally the contract wages of the Twisted Fibre Section will be revised as follows

Shift	Two Machines		Single Machine	
	Target (kgs)	Rate per kg (Rs.)	Target (kgs)	Rate per kg (Rs.)
Normal	425	3.25	160	4.30
Short Working Day	374	4.30	141	4.60
OT (5 hrs)	306	4.87	116	6.45

For each and every kg produced above the target will be paid at Rs. 5.00 per kg.

Teasing Machines - will be operated with four (4) persons when ten (10) or less SR3 machines in operation.

Engineering Section - Operate the shift with one (1) mechanic when six (06) or less SR3 machines in operation.

Baling - Servicing of press to be done in 4 hours with 4 people

SR 3 Section - Teasing workers to unload - outside twisted fibre deliveries between 9.30 a.m. and 2.30 p.m. (4 men), when working up to 10 SR3 TF machines (If 01 permanent Teasing Operator and others are casuals, they will not be able to unload TF loads).

All employees are transferrable from Department / Section / Machine / Job to another at the sole discretion of the management subject to such employee's skill/capacity and an employee so transferred shall comply with the relevant order.

A 10 % pay cut will not be enforced on mixtures 80% MF and 20% BF, 90% MF and 10 % BF (No. 1 Twist) up to 385 kgs.

For every kg produced in excess of 425 kgs per 2 machines, Rs.2.50 will be paid for each kg and this amount will be equally distributed among all the teasing workers and the mechanic in the shift

IN WITNESS WHEREOF parties have hereunto set their hands on this Ninth (9th) day of May Two Thousand and Twelve (2012) at Colombo.

Director
for and on behalf of
HAYLEYS EXPORTS PLC

Director

for and on behalf of
UNITED TEA RUBBER & LOCAL PRODUCE
WORKERS' UNION

Name: S. A. M. S. Jayasinghe

Name: S. S. Jayasinghe

Designation: Director/CEO

Designation: Union Leader

WITNESS

1. J. W. D. Silva
Name: J. W. D. Silva

Designation: GENERAL MANAGER
GROUP HR MANAGEMENT

2. M. D. N. Jayasinghe
Name: M. D. N. Jayasinghe

Designation: Union Leader