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## PART I : SECTION (I) – GENERAL

### Government Notifications

My No. : CI / 1800.

#### THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Mackwoods (Pvt) Ltd, No. 10, Gnanartha Pradeepa Mawatha, Colombo 10 of the one part and The United Tea Rubber & Local Produce Workers' Union, No. 513-2/1, Elvitigala Mawatha, Colombo 05 of the other part on 8th day of April, 2014 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

HERATH YAPA,  
Commissioner of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05.  
27th January, 2015.

#### Collective Agreement No. 21 of 2014

THE COLLECTIVE AGREEMENT made on this 8th day of April Two Thousand and Fourteen pursuant to the Industrial Disputes Act between Mackwoods (Pvt) Ltd, a Company duly registered in Sri Lanka, under the Companies Ordinance and having their registered office at No. 10, Gnanartha Pradeepa Mawatha, Colombo 10 (hereinafter referred to as "The Employer") of the One Part and, The United Tea, Rubber and Local Workers' Union, a Trade Union duly registered and, having its registered office at No. 513 2/1, Elvitigala Mawatha, Colombo 5, hereinafter referred to as "the Union" of the Other Part.

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



## PART I

Containing terms and conditions of Employment and Matters Incidental Thereto and Connected with

1. **Employer covered and Bound.** - This Agreement shall cover and bind Mackwoods (Pvt) Ltd, (The Employer)..

2. **Employees Covered and Bound .-** This Agreement shall cover and bind the members of the Union who are employed on permanent monthly contracts of employment in a Drivers/ manual/ labouring capacity in the Establishment of the Employer in grades of Employment enumerated in the First Schedule hereto and are in employment at the time of signing of this Agreement.

3. **Earlier Collective Agreements .-** The provisions of this agreement shall supersede and replace the provisions of whatever other earlier Collective Agreements or Memorandum of Settlement signed between parties to this Agreement and any such agreement or memorandum of Settlement shall stand terminated from the First day of January Two Thousand and Fourteen.

4. **Date of Operation and Duration.** - This Agreement shall be effective as from the First day of January Two Thousand and Fourteen , and thereafter continue in force unless it is determined by either party giving three month's notice in writing to the other, subject to the condition that neither party shall give such notice to the other party before the Thirtieth Day of September Two Thousand and Sixteen and such notice shall not expire before the Thirty first day of December Two Thousand and Sixteen.

5. **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 the agreement, whether such contract of service be written or oral, which was subsisting on the date thereof or which shall come into being at any time after the date hereof during the continuance in force of this Agreement.

6. **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 has not been confirmed by the employer, he 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 as the case may be ended.

7. **Attendance.** -

- (1) Unless otherwise specifically instructed by the Employer an employee shall present himself for work on every day (other than a holiday) at the usual starting time of the office, store, factory, mill or job and shall there remain available for work throughout the normal working hours.
- (2) If at an office, 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.

8. **Hours of Work.** - The hours of work in the employers Establishment shall be those customarily worked.

9. **Forfeiture of Wages.** - Unless for good cause shown to the satisfaction of the Employer an 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.

10. **Overtime.** -

- (1) If required by his Employer an Employee shall work reasonable overtime which has been authorised by the Employer. Refusal to work 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 (i.e. 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 18 (a) hereof.

11. **Weekly Holiday.** -

- (1) In respect of each week each Employee shall be allowed a holiday on the Sunday in that week as the weekly holiday. Provided however, that if any Employee has not worked for a period of at least twenty eight (28) hours, 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 this weekly holiday for that week in accordance with the provisions of Clause 18 (b) hereof.
- (2) In computing the period of twenty eight (28) hours referred to in Sub - clause (1) the Employer shall include -
  - (a) Every holiday allowed by the Employer to the ;
  - (b) Every public holiday granted by the Employer in Clause (12) thereof ; and
  - (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 (6) 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 his 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 his Employer shall be entitled to deduct one day's wage computed in accordance with the provisions of Clause 18 (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, an 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 days wage computed in accordance with the provisions of clause 18 hereof in lieu of such alternate holiday, or
    - (b) In case that an 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) In respect of work done on such weekly holiday, the Employee shall be paid an remuneration -
    - (a) One and a half (1 1/2) times the normal hourly rate ascertained in accordance with the provisions of Clause 18 hereof for the number of hours worked during the first nine (9) hours (exclusive of one hour for meal); and
    - (b) At double the normal hourly rate ascertained in accordance with the provisions of Clause 18 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 period exceeding twelve (12) days in respect of the duration of each such period.

12. **Annual Holidays.**- Annual Holidays shall be allowed to an Employee in accordance with the decisions of the Wages Board if any applicable to such Employee or the Coir Mattress and Bristle Fibre Export Trade.

13. **Public Holidays.**- 1. Public holidays shall be allowed to an Employee in accordance with the decisions of the Wages Board for the Engineering Trade. Provided, however, that an Employee may be employed on a Public holiday in accordance with the decisions of the Wages Board for the Engineering Trade.

2. If any Public Holiday to which an Employee is eligible under the provisions of sub - clause (1) falls on Sunday, 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 11 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 (inclusive of one hour for a meal) on the day immediately preceding such Public Holiday shall be six and half (6 1/2) hours.

14. **Casual Leave.**-

(1) In respect of each year of employment during which any employee has been continuously in employment, he 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 one time, save and except upon the ground of ill- health. Provided further, that an 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 month's 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 casual leave.

15. **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 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 6 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.

16. **Salaries.**- The salaries of all employees who were in employment as at 01st January 2014 and continue to be employment as at the date of signing of this Agreement shall be revised as follows:

- (1) A sum equivalent to 12% of the salary of an Employee as at December 2013 shall be added to the salary with effect from 1st January 2014.
- (2) Thereafter, a sum of Rs. 1,000/= will be consolidated into the salary of the employee with effect from 1st January 2014.
- (3) A sum equivalent to 8% of the salary of an employee as at December 2014 shall be added to the salary with effect from 1st January 2015.
- (4) Thereafter a sum of Rs. 1000 will be consolidated into the salary of the employee with effect from 1st January 2015.
- (5) A sum equivalent to 6% of the salary of an employee as at December 2015 shall be added to the salary with effect from 1st January 2016.
- (6) Thereafter, a sum of Rs. 1,000 will be consolidated into the salary of the employee with effect from 1st January 2016.

Every Employee in employment as at the date of signing of this agreement will be entitled to receive by way of notional arrears for the period 1st January 2014 to 31st March 2014, a sum equivalent to the amount mentioned in (1) above X 2 and the sum mentioned in (2) above X2, Notional arrears so calculated will not attract any consequential benefits such as EPF, ETF, Over time, etc.

## (7) If during the continuance in force of this Agreement, the Government of Sri Lanka -

- (a) Prescribes increases in wages by any written law and applicable to categories covered by this Agreement, legally obliging the Employers 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.

17. **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<br>(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 (07); |

**18. Lump sum Payment.-**

- (1) A lump sum payment of Rs. 20,000 for each year commencing on the 1st January 2014 payable in January the following year in respect of the preceding twelve (12) months (1st January to 31st December hereinafter referred to as the qualifying period) will be paid to each employee covered and bound by this agreement in lieu of non-recurring cost of living gratuity. (NRCLG).
- (2) The lump sum payment shall be payable by an Employer to an Employee who is eligible to receive the same by virtue of his service under the Employer during a part of the qualifying year by reason of the fact that he is not in the Employer's service when the lump sum payment becomes due in January of any year or he joined the Employer's service during the course of the qualifying year.
- (3) The lump sum payment shall not be payable to an Employee in respect of any period for which he received no wages for whatever reason.
- (4) No Provident Fund, Trust Fund, Overtime or any other payment shall be due or calculated on the lump sum payment.

19. **Work Norms.-**Consequent to the salary increase granted to the employees under this Agreement, it is agreed by and between the Employer, Union and the employees that the employees in carrying out their normal daily work shall achieve and maintain the work norms set out in the Second Schedule hereto in respect of the various areas of work identified therein.

**20. 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 a Provident Fund at rates more favourable than those prescribed by the Employees' Provident Fund Act, the more favourable rates of contribution will continue.

**21. Terminal Benefits.-**

- (1) The Employer will subject as hereinafter provided, pay terminal benefits to Employees in accordance with the Scheme of terminal benefits set out in this Clause.
- (2) The scheme shall apply to every Employee in the service of the Employer as at First November 1988 and to those who joined the service of the Employer on any day thereafter, so long as this Agreement continues in force.
- (3) As and by way of terminal benefits the Employer shall pay an Employee a sum equivalent to one month's wages for each year of service less the Employer's contribution to the Provident Fund and Trust Funds but excluding interest thereon.
- (4) The wage on which the said terminal benefits under sub-clause (3) hereof shall be payable will be the last monthly wage receivable by an Employee on which Provident Fund is payable and shall not include any Non-recurring Cost of Living Gratuity.
- (5) For the purpose of calculating Terminal Benefits under this Clause, a year of service shall be a period of not less than six months.
- (6) The Terminal Benefits provided for in this clause shall be payable to an Employee on the cessation of his services arising from death or any other cause whatsoever. Provided however, that if at the date of cessation of an Employee's services there is due to his Employer from the Employee any sum on account of fraud, misappropriation or any other account and the same cannot be recovered from the amount in the Employee's credit in the Provident Fund. The same shall be recovered from the terminal benefits provided for herein.
- (7) The provisions of this Clause shall not apply to Employers operates a more favourable scheme of terminal benefits.

- (8) On the death of an Employee whilst in service and is eligible to receive Terminal Benefits under this clause, the Employer shall pay such Terminal Benefits in the manner and to the persons hereinafter set forth.-
- (a) If there is a valid nomination in force for the purpose of the deceased Employee's Provident fund at the date of his death to the nominee or nominees of such Employee in conformity with the form of nomination where such nominee is surviving and of full age.
- (b) Where there is no valid nomination or in the event of the nominee or anyone or more of the nominees having pre-deceased the Employee, or in the event of the nominee being a minor at the time that the payment of the Terminal Benefits become due, the Employer shall make payment only after the person or persons entitled to the payment have established their claim in law and furnished proof thereof.
- (9) 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.
- (10) No employee shall be entitled to any Gratuity or Terminal Benefits in addition to the terminal benefits provided for in this clause or by any written law as the case may be.

## 22. Bonus.-

- (1) Without prejudice to existing bonus schemes and without prejudice to the Employer's claim that bonus payments 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 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 Agreement the employees 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 ( herein after called "the Federation" ) If the disputes as to the reduction of bonus is not settled with the Federation, the same shall be referred to a committee of three persons (hereinafter referred to as a 'Bonus Committee') which shall be constituted in accordance with the provisions of sub-clause (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 of Labour will constitute a Bonus Committee, which shall consist of three 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) year's post qualification experience. The selection of the three Chartered Accountants will be communicated by the Institute of Chartered Accountants to the Commissioner of Labour to the Employer, the employees and the Federation. Thereupon the Commissioner of Labour will communicate in writing to each member of the Bonus Committee so constituted, a statement of principles and procedure 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 procedure from the Commissioner 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 shall be reduced. The Bonus Committee shall communicate the decision in writing to the Federation, the Employees and Commissioner of Labour. If the decision of the Bonus Committee is unanimous, such decisions shall be final and binding on the parties to the dispute and the employees or any one or more of them and/ or its or their 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 by its decision, then the decision of the Commissioner of Labour on the matter shall be final and binding on the parties to the dispute and the Commissioner's decision shall be communicated in writing by the Commissioner of Labour to the Federation, and the Employees 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.
- (4) The Bonus committee shall not be entitled nor be competent to decide that in any year an Employer should pay his Employees a bonus exceeding the sum of money paid as bonus in the year immediately preceding the signing of this Agreement.
- (5) The fees payable to the members of each 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 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 Agreement shall be in the sole discretion of each Employer and shall not be called in question by the employees nor shall any 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 the existing bonus scheme.
- (8) At the request of the Commissioner of Labour, the Council of the Institute of Chartered Accountants of Sri Lanka will nominate three Chartered Accountants with not less than 10 years of post - qualification experience drawn from a professional Accountancy Firm to serve on the Bonus Committee.

23. **Annual Increments.** - The annual increments provided in each Grade of the scales of consolidated wages in the First Schedule hereto shall be automatic unless as a matter of punishment for general inefficiency including irregular attendance or 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 will only be for the period of stoppage during the year,
- (c) Suspended - the increment is suspended pending a decision to defer or stop an increment, such decision being dependent upon a consideration of the factors giving rise to the suspension. Where on such decision, an increment is neither stopped nor deferred, then the suspension shall be treated as waived and the full increment from the date of suspension thereof, shall accrue to the employee concerned.

Deferral, 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 or inefficiency, fraud or misconduct which in the circumstances does not merit termination of employment.

- (d) The scales of the consolidated wages set out in Schedule I hereto include all statutory allowances as at the date of this agreement.
- (e) This Agreement shall not have the effect of changing the incremental date of an Employee.

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

25. **Suspension.** -

- (1) An Employee may be suspended without pay by his Employer -
  - (a) Pending an inquiry to be held by such Employer on a charge or charges of misconduct which warrants dismissal,
  - (b) In order to avoid a breach of peace or damage to the property or disturbance of the business of the Employer,
  - (c) As a punishment for misconduct for a period not exceeding seven (7) working days after due inquiry.
- (2) At the time of the suspension under Sub - clause (1) (a) or within twenty four (24) hours thereof the employer shall provide the Employee with a written order of suspension specifying the reason or charges in terms of clause 26 hereof.

26. **Disciplinary Action.** - Where the Employer proposes to proceed against an Employee, then : -

- (1) Irrespective of whether an employee has been suspended under Clause 25 hereof or not, the Employee shall be furnished with a show - cause, notice which shall set out the particulars of the charge or charges of misconduct alleged against such Employee and such show - cause notice which 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 the written answer or explanation to the show - cause notice and where such request is made by an Employee to the Employer, the Employer shall grant such request for such further period of time as is deemed necessary in the circumstances of the case.

- (3) If the Employer is satisfied with the written answer or explanation of the Employee, the Employee shall, if he is under suspension forthwith, be reinstated and shall be paid all wages and entitlements due for the period of such suspension.
- (4) If the Employer is not satisfied with the written answer or explanation of 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 of each of the charges in the show cause notice and the punishment, if any, imposed by the Employer. Provided that if the Employer fails to make an order except for reasons beyond the control of the Employer on the charges in the show cause notice within thirty (30) working days from the conclusion of the inquiry into such charges, the Employee shall not be liable to be punished thereafter in respect of such charges and no inference adverse to the Employee in respect of such charges shall be drawn from such charges.
- (6) If the Employee is under suspension and the Employer after such inquiry makes order that .—
  - (a) The Employee shall not be dismissed then the Employee shall resume employment forthwith and shall, subject to the provisions of Sub - clause 25(1)(c) hereof be paid all wages and entitlements due for the period of suspension irrespective of such other punishment less than dismissal that may be imposed by the Employer on the findings as to the charges in the show cause notice ;
  - (b) The Employee shall be dismissed, the Employee's dismissal shall take effect from the date of the Employee's suspension and accordingly the Employee shall not be paid for the period of such suspension ;
  - (c) In view of the serious or involved nature of the charges in the show cause notice against the Employee, the Employer is unable to make a final order as it is necessary and desirable that the matter be referred to the Police or other authorities for further 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 any other authorities for investigation 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 an order under paragraphs (a) to (c) of the preceding sub - clause for any reason other than that of the Employee's own seeking within thirty (30) working days from the date of the Employee's suspension, the Employee shall be entitled to 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 of which the Employer makes an order under paragraphs (a) to (c) of the preceding sub - clause, irrespective of the outcome of the inquiry.
- (8) In any case where an Employee is suspended as provided herein, the Employer shall make an order under 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 doing so by reason of the Employee's own seeking or for reasons beyond the control of the Employer or it is agreed between the Federation and any of the employees 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 employee disputes the warning or punishment imposed on the Employee by the Employer and requests the holding of an inquiry, the Employer shall comply with such request and the provisions relating to the holding of an inquiry shall then apply subject to the exception of the fact that the inquiry had not commenced within ten (10) working days after receipt of the Employee's explanation shall not be material or relevant.

27. **Retirement.**— On reaching the age of fifty five (55) years an Employee shall *ipso facto* retire and cease to be employed by his 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, at the discretion of the Employer, be employed after his retirement on a temporary basis on such terms as may be mutually agreed.

**28. Termination of Service.-**

- (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 6 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 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 on the failure of the Employee to complete the job within a reasonable time.

**29. Union Recognition.-** The Union shall be competent to make representations on behalf of its members who are employed in any work - place of the Employer, 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 centum (40%) of the Employees whose membership subscription is not in arrears, the Employer 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 per centum (40%) of such Employees the Employer will be at liberty to require that general claims and matters be discussed and negotiated with all the Unions 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 work - place and the claim or matter is restricted to one type of business or one work - place 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 claim 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 that Union and the parties thereto.

**30. Disputes Procedure.-**

- (1) In the first instance, the employee shall submit any demand on behalf of its members to the Employer and give the Employer at least ten (10) working day's time within which to reply. If, in the employees opinion, the Employer's reply is unsatisfactory, the employees and the Employer shall explore the possibility of reaching a settlement.
- (2) When the employees conclude 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 33 hereof, all disputes between the employees and the Employer shall be settled in accordance with the provisions of the Industrial Disputes Act and the regulations made thereunder.

- (4) Any party to this Agreement shall not instigate support or engage in any unfair labour practice during the currency of this Agreement.

31. *How Anomalies in the Course of Implementing this Agreement shall be Dealt with.*— Any anomaly arising from the implementation of this Agreement shall be settled by negotiation between representatives of the Federation and the Employees if the matter cannot be settled by negotiation, the matter shall be settled in accordance with the provisions of the Industrial Disputes Act and the regulations thereunder.

32. *Trade Union Action.*— The Union and its members and the Employees covered and bound by this Agreement jointly and severally agree with the Employer that during the continuance in force of this Agreement, they shall not engage in any strike or other form of Trade Union action against the Employer, in respect of any dispute between the Employer on the one hand and the Union and / or its members and / or any employees covered and bound by this Agreement on the other hand, whether or not such dispute is related to this Agreement, except where such dispute has been caused by an act of an Employer which in the opinion of the controlling body, (by whatsoever name called), of the Union is *mala fide* or vindictive or calculated to threaten or undermine the existence of the legitimate activities of that Union and/ or its members or is grossly unfair or seriously detrimental to the interests of the Union and /or its members. Provided, however, that at least seven (7) days notice in writing shall be given to the Union by the Employer Concerned, the Federation and the Commissioner of Labour before the date of commencement of any intended strike or other form of trade union action consequent on 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 its member or is grossly unfair or seriously detrimental to the interests of that Union and/ or its members.

### 33. *Variations of Terms and Conditions of Employment Benefits.*—

- (1) The Union and its members and the Employees covered and bound by this Agreement jointly and severally agree with the Employer that during the continuance in force of this Agreement, they will not seek to vary 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 Federation and the Employers bound by this Agreement jointly and severally agree with the Union, and its members and the Employees covered and bound by this Agreement that they shall not seek to vary, alter or withdraw all or any of the benefits presently enjoyed by the Employees covered and bound by this Agreement other than by mutual Agreement.
- (3) Any dispute or difference arising from negotiations under the provisions of sub-clauses (1) or (2) may be resolved by voluntary arbitration but only if the parties, agree to submit such dispute or difference for settlement by voluntary arbitration.

## PART II

1. *Breaches of Collective Agreement.*— If in the opinion of the Employer the Union commits a breach of any of the terms of this Collective 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 the 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 26 the following provisions shall apply to the inquiry held by the Employer pursuant to such show - cause notice —

- (a) The Employer will subject as hereinafter provided, allow a another employee (hereinafter referred to as 'Observer') to be present as an Observer without loss of wages for absence from work.
- (b) If the Employee who is served with a show - cause notice desires an Observer to be present at the inquiry to be held pursuant to such show - cause notice, he shall forty eight (48) hours at least before the time appointed for the commencement of the inquiry submit to the Employer the name of such Observer.

- (c) An Observer may answer any questions 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, an application for permission shall be previously made to the Employer.
- (b) If the Employer decides to grant permission, the Employer shall be entitled to impose, *inter alia*, one or more of the under noted conditions :-
  - (i) That no person other than an Employee in the service of the Employer shall be present at a meeting of the Union;
  - (ii) On occasions such as the Annual General Meeting of the Union, the 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 such 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 (or in connection with) the 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 permissions if, in his discretion, the exigencies of the circumstances warrant refusal. The Employer will generally grant permission for not less than two Office Bearers of the Union :-

- (a) To be present at Conferences, held under the aegis of the Employer or the Employers' Federation of Ceylon or the Department of Labour, in connection with a dispute between 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 Courts 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 utilize for the purpose.

5. **Check Off.**—

- (1) In this clause "Employer" shall mean the Employer bound by this Collective Agreement in whose establishment the members of the Union is not less than forty per centum (40%) of the category of Employees covered and bound by this Collective Agreement.

- (2) The Employer shall, on the written request of an employee, deduct from the wage due to such employee the current monthly union dues as are specified by the Employee, to be payable monthly by the Employee to the Union and remit the amount as 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 the effect in the form set out in Form No. 1 (hereinafter referred to as an "Authorization" as set out in the Second Schedule hereto.
- (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" as set out in the Second Schedule hereto.
- (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 authorizations shall cease from the date of receipt of a revocation canceling such authorization. Provided however -
  - (a) that an 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, an Employer shall be entitled not to make deductions by way of check off in any month in which the deductions by way of check off will together with all other deductions from the Employee's wages in that month exceed the deductions permitted by law.
- (7) The Employer shall not later than the tenth / 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 cross "Account Payee".
- (8) The cheque shall be sent at the risk of the Union and the Employees concerned by post in a pre-paid envelope, addressed to the Treasurer of the Union and 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 to the Treasurer on its behalf, as aforesaid, any sum other than the Union dues actually deducted.

### PART III

### DEFINITIONS

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

Words	Meaning
Dispute	Shall have the same meaning as in the Industrial Disputes Act.
Employer (for convenience sometimes referred to as "he" or its grammatical variations)	The Employer covered and bound by this Agreement.
Employee (for convenience sometimes referred to as "he" or its grammatical variations)	Subject to the provisions of Clause 5 of part II hereof an Employee bound by this Agreement.
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
Wage	The monthly wage according to the scales of consolidated wage 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.

**Form No. 1**

**AUTHORISATION**

Name of Employer : .....

As I am an Employee covered and bound by the Collective Agreement of effecting employees employed in a capacity, and I desire to avail myself of the facility of check off contained in the Collective Agreement to which I am eligible as a member of the UNITED TEA, RUBBER & 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 the same to the said Union on my behalf. The first payment should please be made from my wages next due immediately following the date hereof.

.....  
(Date of signing)

.....  
(Signature of Employee)

.....  
(Full name of Employee)

Received on .....  
(To be filled by the Employer)

**Form No. 2**

**REVOCATION**

Name of Employer : .....

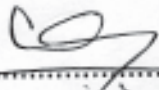
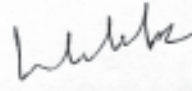

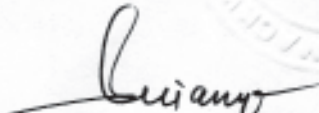
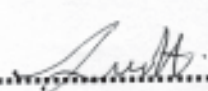
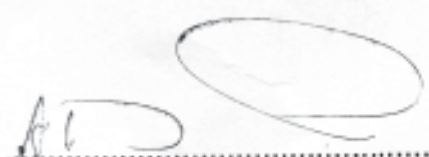
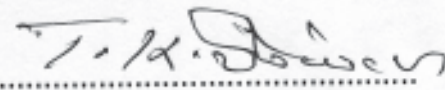
With reference to the authorization submitted by me, please cease to deduct from my wages any further membership dues in favour of the UNITED TEA, RUBBER & LOCAL PRODUCE WORKERS' UNION with effect from the wages next due to me immediately following the date hereof.

.....  
(Date of signing)

.....  
(Signature of Employee)

.....  
(Full name of Employee)

In witness whereof parties have set their hands hereunto, on this 8th day of April Two Thousand and Fourteen, at Colombo.

 .....	 .....
<b>F.L.FONSEKA.</b> <b>JOINT MANAGING DIRECTOR</b> For & on behalf of <b>MACKWOODS (PVT)LTD.</b>	<b>D.W.SUBASINGHE</b> <b>GENERAL SECRETARY</b> For & on behalf of <b>UNITED TEA RUBBER &amp; LOCAL PRODUCE WORKERS' UNION.</b>
	
<b>WITNESSES:</b>	
 .....	 .....
NAME: <u>S.S.A. Lusanpe</u>	NAME: <u>S. Ratnayake</u>
DESIGNATION: <u>GM, (P+A)</u>	DESIGNATION: <u>Branch President</u>
 .....	 .....
NAME: <u>A.W. Dharmakumara</u>	NAME: <u>T.K. Weerasinghe</u>
DESIGNATION: <u>GM in/ln</u>	DESIGNATION: <u>Branch Secretary</u>



FIRST SCHEDULE

The annual increments applicable to different categories of employees covered and bound by this agreement will be as follows.

Annual increment for Coir Mattress, Bristol Fibre and Agro Chemicals Employees

Grade II	Intermediate Grade	Grade I	Head Baling Press Operator
Rs. 100/-	Rs. 120/-	Rs. 150/-	Rs. 180/-

Annual increment for Motor Transport Employees

Class B	Class C	Class D	Class G	Class H
Rs. 170/-	Rs. 150/-	Rs. 200/-	Rs. 100/-	Rs. 100/-

Annual increment for Engineering Trade Employees

Unskilled	Semi-skilled	Skilled
Rs. 100/-	Rs. 120/-	Rs. 150/-

SECOND SCHEDULE

Export Department Revised Production Norms For 2014

No.	Type of Bale/Size/Weight	Gang Strength	Agreed Norms W.E.F. 2014		Remarks
			Bale	Ballots	
01	M/Fibre 150 kg (HB) Without Dusting at the Press Floor	16	84		
02	M/Fibre 150 kg (RB) Without Press Floor Dusting	16	66		
03	B/Fibre 1Tie / 2Tie With Gunny Cover	16	70		
04	B/Fibre 1Tie / 2Tie Without Gunny Cover	16	72		
05	Omat Fibre 150 kg Without Press Floor Dusting	16	72		
06	MF (Hoop) 125kg Without Press Floor Dusting	16	86		
07	MF (Rope) 125kg Without Press Floor Dusting	16	72		
08	Ballots - 25 Kg Filling Into Sacks Only.	02		86	
	Ballots - 12.5Kg Filling only	02		130	
09	MF (HB) 150 Kg HT Fibre Extra Dusting on Press Floor	16	64		
10A	MF 100% HT or Pickerd or 75% Ht + 25% Pickerd without Press Floor, 1. Dusting with M/F Loose Ballots (150kg)	16	80		
10B	MF 100% HT or Pickerd or 75% Ht + 25% Pickerd without Press Floor, Dusting with M/F Ballots (150kg)	16	84		
11	MF (Roped) 125kg extra Dusting on Press Floor	16	66		

16 A I කොටස: (I) පෙදිය - ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ අති විශේෂ ගැසට් පත්‍රය - 2015.03.02

PART I: SEC. (I) - GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA - 02.03.2015

No.	Type of Bale/Size/Weight	Gang Strength	Agreed Norms W.E.F. 2014		Remarks
			Bale	Ballots	
12	Pressing BF (Mo 1tie) 25kg Balots Minimum of 250 Ballots	16	Bale	250x25kg Ballots	04 hrs
12A	MF (Plastic Strapping) 150kg without Press Floor dusting	14M 4F *	70		

\* Br. Union want to keep items figure on 18 and if and when necessary item will work with 4 Female Workers and 14 M workers

**Export Department Revised Loading Norms For 2014**

No.	Type/Size	Gang Strength	Hrs.	Remarks
01	MF/BF Bales 20'	10	2 1/2	Fork lift +4 workers
	MF/BF Bales 40'	11	05	Fork lift +3 workers
02	BF Ballots 20'	10	04	
	/BF Ballots 40'	10	08	
03	HTMS/STMF 20'	09	1 1/2	
	HTMS/STMF 40'			
	(Including Weighing)	09	04	
04	CHC 40'	10	08	
05	DC- 20' (Without Marking)	08	2 1/2	
	DC- 20' (Including Marking)	08	04	
	DC- 40' (Without Marking)	10	05	
	DC- 40' (Including Marking)	10	08	
06	F/C with Fibre 20'	09	04	
	F/C Tuft Only 20'	09	2 1/2	
	F/C Tuft Only (15") 20'	09	05	
07	Bleaching Chamber (Loading or Unloading)	06	05	
	MF/ BF 40' Containers	11	05	Forklift + 3 workers
	MF/ 166 x 150kg	11	05	do.
	MF (Rope) 120 x 150kg	11	05	do.
	Cut Ends 135 x 150 kg	11	05	do.
	MF (New York) 135 x 150kg	11	05	do.
	MF (China) 146 x 150kg	11	05	do.
08	HTMF/ STMF 20'	09	02	
09	F/C Tuft Only 13" 20' (700Bags and Above)	09	3 1/2	

**SECOND SCHEDULE**

**Agro Department - Proposed Production Norms 2014**

Type of Method (Machinery/Manual)	Product	Pack	Gang Strength	Agreed Norm 2014	Remarks
Liquid Refilling into Bottles Using Hand Filling Machine	-	50ml	06	1600*	5 males +1Female with insert
		100ml	06	1600*	5 males +1Female with insert
		200ml	06	1600*	5 males +1Female with insert
		400ml	05	1300	
Liquid Refilling into Bottles Using Old Double Filling Machine		200ml	06	1600*	5 males +1Female with insert
		400ml	06	1600*	5 males +1Female with insert
Liquid Refilling into Bottles					

Type of Method (Machinery/Manual)	Product	Pack	Gang Strength	Agreed Norm 2014	Remarks
Using New Double Filling Machine		400ml	07	1700	
Liquid Refilling Into					
Polycans with Filling Machine		1 l	05	450*	
Manual		1 l	05	400	
With Filling Machine		2 l	04	300*	
Manual		2 l	04	260	
Manual		3 l	04	260	
Manual		4 l	04	200	
Powder Refilling To Alu				ALU POLY	
Packs/Poly Bags		50g	05	*1100 - 1000	
		100g	05	*1100 - 1000	
		200g	05	*1100 - 1000	
		500g	05	700 - 700	
		1Kg	05	700 - 700	
	Carbofuran	2kg	05	700 - 700	
	Mackzeb	2kg		- 360	
	Mackzeb	5kg	05	- 140	
Powder Refilling Into	Shoot	50g	05	800	
Petbottles which will come		100g	05	800	
Into Eration in November 2012		200g	05	800	
Macksul Refiling Alu Packs		500g	05	1100	
Liquid Refilling Into Bottles		50ml	05	1100	
		100ml	05	1100	
		200ml	05	1100	
(Manul)		400ml	05	850	
	Surfactant	200 l	03	4	
Formulation	Others	200 l	03	6	

\*Increased Norms

03- 460

My No.: CI/1821.

### THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

The Collective Agreement entered into between Habib Bank Limited, No. 140-142, 2nd Cross Street, Colombo 11 of the one part and Ceylon Bank Employees, No. 20, Temple Road, Colombo 10 of the other part on 05th day of April 2013 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

HERATH YAPA,  
Commissioner of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05,  
27th January, 2015.

**Collective Agreement No. 13 of 2013****COLLECTIVE AGREEMENT**

This Collective Agreement, the terms of which were agreed on the 05th day of April Two Thousand and Thirteen, between Habib Bank Limited, a Bank incorporated in Pakistan and having its registered Office at Habib Bank Plaza 1.1. Chundrigar Road, Karachi 21 and approved main place of business at No, 140 -142, 2nd Cross Street, Colombo 11, in the Republic of Sri Lanka (hereinafter referred to as "the Bank") and the Ceylon Bank Employee's Union, a duly registered trade union in Sri Lanka having its registered office at No. 20, Temple Road, Colombo 10, Sri Lanka (hereinafter referred to as "the Union")

**Title :** This Agreement will be known and referred to as the "Habib Bank Officers' Collective Agreement of 2012"

WHEREAS the Union made demands for a revision of terms and conditions of employment of the Officer Grades in the Bank and after negotiations the parties in the spirit of goodwill to ensure co-operation between themselves and to guarantee an effective and productive work environment have agreed as follows :

1. **Parties Covered and Bound.**— This Agreement shall cover and bind the Bank, the Union and all members of the Union employed in the following officer grades in the Bank and hereinafter referred to as '**the Employees**'.

- \* Junior Officer
- \* Officer Grade IV
- \* Officer Grade III
- \* Officer Grade II
- \* Officer Grade I

2. **Duration.**— Unless otherwise stated elsewhere, this Agreement shall come into force on the 1st day of April 2012 and shall continue until either party terminates it by written notice in terms of the Industrial Disputes Act but no such notice shall be given before the 31st day of March, 2015. The Union shall, however have the right to commence negotiations for a revised Collective Agreement at any time on or after 1st January, 2015.

3. **Earlier Agreements.**— This Agreement shall supersede any other Collective Agreement entered into or binding on the parties hereto and such earlier Agreements including the Agreement of 2009 shall stand repudiated in respect of the parties hereto.

4. **General Terms and Conditions of Employment.**— The terms and conditions of this agreement shall subject as herein provided be deemed to be included in each contract of service whether oral or written between the Bank and each Officer covered and bound by this agreement which are subsisting as at the date hereof or which come into being during the continuance in force of this Agreement and which are not inconsistent with the terms and conditions contained in this Agreement.

5. **Immediate Increase and Conversion to Salary Scales.**— Every employee covered by this Agreement in service as at the date of this Agreement shall, from the 1st April 2012, be placed on the salary scale set out in the first Schedule.

Every employee in appointment or service as at 31st March, 2012 shall receive arrears of the increase allowed by this agreement.

For the placement of an employee on the salary scale applicable in the First Schedule, the following provisions shall apply:—

- (i) A sum equivalent to 25% of the gross salary (salary plus cost of living allowance) payable to an employee as at 31st March 2012 shall be added to the salary of an employee as at such time.
- (ii) Every Employee in Employment as at the date of this Agreement shall also receive a further 5% increase calculated on the gross salary as at 31st March 2012 with effect from the 1st April 2013 and thereafter placed on the appropriate point on the scale in the First Schedule at the corresponding Rupee point or if there is no such corresponding point, on the next higher point of the said scale.
- (iii) There will be no revision of employee salaries in the third year, commencing 1st April 2014.

6. **Cost of Living Allowance.**— Parties are agreed that the following shall be the payment in lieu of the monthly cost of living allowance for the duration of the Collective Agreement.

- (a) Rs. 17,000 with effect from 1.4.2012;

(b) Rs. 18,500 with effect from 1. 4. 2013;

(c) Rs. 20,000 with effect from 1. 4. 2014;

Provided, however, in the event of the Department of Census and Statistics publishing a linking factor pertaining to the rate of payment in relation to the Colombo Consumer's Price Index (Base Year 2002) and the CCPI (Base Year 2006/2007) and if your union makes a request for a meeting to discuss the modalities of making this payment, the Bank would be agreeable to do so".

7. **Gas & Electricity Allowance.**— The Bank shall pay a Gas and Electricity Allowance to employees as follows :

* Junior Officer	-	Rs. 7,500 - per mensem
* Officer Grade IV	-	Rs. 8,000 - per mensem
* Officer Grade III	-	Rs. 8,500 - per mensem
* Officer Grade II	-	Rs. 9,000 - per mensem
* Officer Grade I	-	Rs. 9,500 - per mensem

8. **Key Holding Allowance.**— The Key holding allowance shall be paid as follows :

1 day	-	Rs. 500
2 days	-	Rs. 750
3 days	-	Rs. 1,000
4 days	-	Rs. 1,250
5 days or more	-	Rs. 2,500

9. **Fuel Allowance.**— The Fuel allowance shall be paid as follows :

* Junior Officer	-	50 litres petrol per mensem
* Officer Grade IV	-	55 litres petrol per mensem
* Officer Grade III	-	60 litres petrol per mensem
* Officer Grade II	-	65 litres petrol per mensem
* Officer Grade I	-	70 litres petrol per mensem

10. **Entertainment Allowance.**— Grade I and II officers will be paid an entertainment allowance of Rs. 4,000/- per month.

11. **Special payments.**— (a) with effect from the date hereof when employees are required to work after normal working hours on any working day, they shall be entitled to the following payments:

For work upto 2 hours	-	Rs. 350
For work upto 3 hours	-	Rs. 400
For work upto 4 hours	-	Rs. 450
For work in excess of 4 hours	-	Rs. 175 per hour

(b) When employees are required to work on any holiday they shall be entitled to a payment of Rs. 700 in respect of the first four hours worked on such holiday and Rs. 175 in respect of each additional hour worked.

(c) No employee shall work after normal working hours or on holidays unless requested to do so by the Bank.

12. **Promotion.**— (a) For promotion to Grade I, II, III & IV mere length of service shall not be the sole criteria and the Bank shall be entitled to take into account other factors such as good conduct, efficiency, educational and professional qualifications and good character. All promotions from one grade to another shall be subject to the availability of vacancies and suitability of the Officer and purely at the discretion and judgment of the Management. The decision of the Management in the exercise of such discretion shall be final and conclusive.

(b) For promotion to the Grade IV : It is hereby agreed between the parties that Junior Officers will be considered for promotion to Officer Grade IV subject to the rules and regulations of the Bank and subject to the following criteria and terms and conditions:

(i) **RECORD OF CONDUCT, WORK PERFORMANCE AND ATTENDANCE.**— Only Junior Officers possessing a record of good conduct, excellent work performance and attendance will qualify for consideration.

- (ii) ELIGIBILITY FOR CONSIDERATION : Only Junior Officers possessing the following basic criteria will be eligible for consideration:

<i>Experience in Service</i>	<i>Educational Qualifications</i>
08 Years as Junior Officer or Clerk if Promotee	GCE O/L Examination with a Credit Pass in English
05 Years as Junior Officer or Clerk if Promotee	Part I-AIB London or AIB Sri Lanka
04 Years as Junior Officer or Clerk if Promotee	Diploma in AIB London or Diploma in AIB Sri Lanka
03 Years as Junior Officer or Clerk if Promotee	University Degree with one of the subjects in Economics or Commerce

- (c) SELECTION PROCESS .- Junior Officers who are eligible subject to the above mentioned basic criteria will be considered for promotion by the management the Bank, subject to the following conditions :-

- (i) Subject to the availability of vacancies depending on the Bank's staffing needs from time to time, the eligible Junior Officers shall be required to put up, applications for consideration for promotion submitting required information regarding their career on set formats obtainable from the Bank.
- (ii) All eligible applicants will be required to sit for a written test which will be prepared by the Bank and conducted in Colombo under the supervision of the Management.
- (iii) All eligible applicants who have performed satisfactorily at the written test will be further subject to an interview by the Management of the Bank.
- (iv) The Management's decision in respect of selection shall be final and conclusive and shall not be challenged.

- (d) It is further agreed between the parties that calling for application/ test/ interview process as referred to at (a), (b) and (c) above in respect of the consideration of Officers for each year's vacancies would commence in the month of September/ October with a view to completing written tests and interviews, and submission of recommendations of successful applicants to Head Office shall be not later than 15th January of the following year for Head Office final approval.

- (e) On final selection after test, interview, recommendation and approval by Head Office, the selected candidates shall be promoted to Officer Grade IV in the scale herein above mentioned.

13. **Provident Fund.-** (a) RATE OF CONTRIBUTION.-The rates of contribution to the Provident Fund by the Bank as from 01. 04. 2006 shall be :

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

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

- (b) INTEREST ON PROVIDENT FUND CONTRIBUTIONS HELD BY BANKS. - Where as Provident Fund monies are invested in the respective Banks, the Bank shall continue to pay the rate of interest paid of 12 months' fixed deposits for sum of Rs. 100,000 by published the N.S.B prevailing as at the 1st January for the first half of the year and on the rate prevailing on 1st July for the second half of the year on the net Provident Fund monies invested at such respective Banks.

14. **Gratuity.-** An Employee shall upon retirement on reaching the age of 55 years or on duly authorised medical grounds, after completing a period of fifteen (15) years service in the Bank or after completing 20 years continuous service, be entitled to gratuity calculated at the rate of one month's terminal salary for each completed year of service rendered by such employee. For the purpose of calculating gratuity "terminal salary" shall mean the basic salary i.e. the salary point an employee is placed on the salary scale applicable to him plus the cost of living allowance.



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

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

16. **Retirement.**—

- (a) The age of retirement shall be 55 years, and on reaching the age of 55 an employee shall *ipso facto* retire and cease to be employed by the Bank and there shall be no obligation on the Bank to give such employee any notice of such retirement.
- (b) An employee may also be retired and be eligible for retirement benefits if he is not less than 50 years and has 10 or more years of service, subject to mutual agreement between the employee, his union and the employer that he should be given such concession and subject to the condition that the refusal by any party to agree to such premature retirement shall not constitute an industrial dispute.

17. **Release of Parent Union Office Bearers.**—

- (a) One Office Bearer of the union shall be released for union work without payment of salary or any other allowances whatsoever for a period not exceeding two years on a single occasion during a period of six years provided the union so requests and subject to the condition that at any given time only one employee of the Bank whether covered or not by this Agreement shall be so released.
- (b) On resumption of work by an Office Bearer who has been released for union work, he shall receive incremental credit for the period of his absence from work and such absence shall not affect his rights under Clauses 14, 15 and 16 hereof.

18. **Concessions to Branch Union Office Bearers and General Council Members.**—

- (a) The Bank shall at its discretion permit the release of not more than two Branch Union Office Bearers at any one given occasion without loss of pay exclusively to enable such Branch Union Office Bearers to be present at inquiries before the Labour Department, Labour Tribunal, Arbitrations, Industrial Courts and with their respective Bank Managements - exclusively on matters pertaining to such particular Bank to which such Branch Union Office Bearers are attached.
- (b) It is agreed that Central Committee Members will be permitted to leave at 12.30 p.m. on 12 days in a year for meetings. In the case of outstation General Council Members, they would be permitted leave for the whole day for 12 General Council Meetings in a year.
- (c) It is agreed that a days' paid leave shall be granted on two occasions per year to Central Committee to attend Parent Union General Council meetings.
- (d) It is agreed that Executive Committee members will be released at 3 p.m. for meetings of the Executive Committee of the Union. These meetings will not usually be more than on a monthly basis.

19. **Annual, Medical and Casual Leave.** —

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

- (ii) At the end of the first year of employment the employee qualifies for proportionate leave as follows:
  - (a) The full annual holiday of 21 days if his employment commenced on or after 1st January but before 1st April;
  - (b) A holiday of 15 days if his employment commenced on or after 1st April but before 1st July;
  - (c) A holiday of 11 days if his employment commenced on or after 1st July but before 1st October; and
  - (d) A holiday of 6 days if his employment commenced on or after 1st October.
- (iii) AVAILMENT.- The availment of all annual leave shall be by prior authorisation of the Bank upon the employee's application, giving sufficient notice to the Bank, so as to ensure availment at times mutually convenient.
- (iv) ACCUMULATION.- Annual leave may be accumulated by an employee exclusively for the following purposes :
  - (a) for availment in full, immediately preceding retirement by mutual arrangement, with the Bank,
  - (b) for the purpose of attending on a family member who is seriously ill,
  - (c) for travel abroad for which purpose one month's prior notice shall be given,
  - (d) for marriage of the employee,
  - (e) prolonged illness of the employee,
  - (f) on account of the death of a family member provided that the employee has exhausted his current year's leave.
  - (g) for the purpose of nursing the 3rd and 4th children beyond the maternity leave entitlement.

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

Provided also that such accumulation will be restricted upto a maximum of seven (7) days per year and provided further that such total accumulation shall be restricted to a maximum of one hundred and twenty (120) days.

(b) MEDICAL LEAVE :

- (i) ENTITLEMENT- An employee shall be entitled to not less than twenty four (24) days leave exclusive of weekly or other holidays in any one year, in case of sickness on full pay, subject to the conditions in sub-clause (ii) hereof.
- (ii) AVAILMENT- A Bank will be entitled to refuse to grant pay for any days of absence on grounds of sickness *not* supported by a Certificate from a Registered Medical Practitioner :
  - (a) Where such period of absence exceeds two consecutive days including weekly or other holidays, or
  - (b) Where the number of days already allowed on full pay on grounds of sickness, uncertified by a Medical Practitioner, is in excess of twelve (12) days.
- (iii) ACCUMULATION .- An employee who takes less than his entitlement in any one year as prescribed above shall be entitled to avail himself of the balance of his entitlement for such year in any succeeding year or years, subject to the following provisions :
  - (a) In no case shall the entitlement to medical leave on full pay, by reason of such accumulation, exceed ninety (90) days, and
  - (b) The accumulated medical leave may only be availed of on account of prolonged illness, hospitalization or similar circumstances, supported by a Certificate from a Registered Medical Practitioner,
  - (c) Where an employee has exhausted his current year's sick leave as a result of prolonged illness such as an infectious disease or prolonged hospitalization an employer may permit him to set off any further absence on grounds of ill health against such accumulated sick leave up to the extent of the leave taken for such earlier prolonged illness.
- (iv) The Bank will be entitled, after inquiry and advising the employee concerned, to refuse to pay and/or take any action as appropriate in situations where the absence on grounds of sickness *not* supported by a Certificate from a Registered Medical Practitioner, occurs in the following circumstances :
  - (a) Where the Bank has reasonable cause to suspect the *bona fides* of the application and/or reason for absence of an employee, or
  - (b) Where the absence of the employee on grounds of sickness immediately follows or precedes any weekly or other holiday and the Bank has reasonable cause to suspect the *bona fides* of the application and/or reason for absence of the employee.

(c) CASUAL LEAVE.-

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

20. **Medical Benefits.**-(i) REIMBURSEMENT OF MEDICAL EXPENSES FOR NON-HOSPITALISATION.- The Bank will reimburse an employee up to a maximum of such employee's salary per mensem in respect of medical expenses incurred as routine non-hospitalisation and non-surgical expenditure, Accordingly employees shall be eligible to receive such reimbursement in twelve equal installments which shall not constitute part of the wage and accordingly shall not attract consequential benefits such as EPF/ETF, Gratuity etc.

"Salary" for this purpose shall be the salary point on which an employee is placed in terms of Schedule I hereof.

(ii) SPECIAL NON-HOSPITALISATION AND NON-SURGICAL EXPENDITURE.- The Bank will reimburse an employee on a non-cumulative basis a further sum up to a maximum of Rs. 10,000/- per annum on account of special non-hospitalisation and non-surgical expenses covering the following items only incurred on behalf of the employee only and not on behalf of his family members :

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

Subject to valid documentation and subject to the provisos that no claim is made in relation to any particular item more than once in three years.

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

- (a) Hospitalisation or Nursing Home maintenance charges :
  - Daily Limit Rs. 4,000
  - Government hospital allowance Rs. 2,000
- (b) Emergency treatment travel expenses (Maximum) Rs. 2,000  
(Rs. 50 per Km. or actual cost whichever is less)
- (c) Overall limit for any one event Rs. 150,000
- (d) Overall limit for any one year Rs. 200,000

Provided however that in the case of a recurrent illness, i.e. of the same kind, the Bank will make payments on this account only once in a period of three years.

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

The above limits will be effective w.e.f. 18 th May, 2013.

(iv) MATERNITY GRANT.- An employee who is married will be permitted a once and for all grant of Rs. 15,000 in respect of each of two births of children after 1.12.2012. If both spouses are employed in the Bank only one such claim shall be entertained.

In the case of reimbursement under surgical and hospitalisation expenses, the maximum deduction for normal child birth shall be Rs. 15,000/-.

(v) The revised rates as set out in clauses (ii) to (iv) hereof shall become effective from the date of the signing of this agreement.

21. **Bonus.**- The Bank will pay each year to every employee a bonus of three (3) months basic salary on the salary as drawn by such employee in the month of December of such year. The bonus will be paid in three monthly installments in keeping with normal practice.

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

- (ii) Where the suspension is on account of charges involving financial dishonesty such as fraud or misappropriation, the employee will not be entitled to any salary during the period of suspension unless the inquiry is not concluded within six months of the date of suspension in which event he will receive half his salary (salary plus cost of living allowance) during his suspension beyond the said six months period. Provided that if the delay beyond six months is due to the employee's own conduct or due to the employee being in custody or remand thereby making it impossible for the Bank to hold or conclude the inquiry, half such salary as aforementioned will not be payable.
- (iii) In cases not involving financial dishonesty as aforementioned, where the employer is prevented from concluding the inquiry within six months of suspension for reasons beyond the employer's control such as where the employee makes repeated requests for postponements or where he is remanded or in police custody or where the matter is under investigation by the Police, the employee will continue to receive half his salary and will not receive full pay in these circumstances.

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

- (a) Irrespective of whether such employee has been suspended, the employee shall be furnished with a show cause letter which shall set out the particulars of the charges against such employee and such show cause letter shall give the employee not less than ten (10) calendar days within which to tender his explanation in writing to the charges preferred.
- (b) Within ten (10) calendar days after the date of the show cause letter the employee shall tender in writing to the Bank his explanation to the aforesaid charges provided however that if in the circumstances it is reasonable the employee may request the Bank for an extension of time within which to tender the written explanation and where such request is made, the Bank shall normally grant such request for such further period of time as is considered necessary by the Bank in the circumstances.
- (c) If where the employee tenders his explanation within the period of time allowed to the employee to show cause and the Bank is satisfied with such explanation, the Bank shall withdraw the charge/s against the employee and if the employee is under suspension, the Bank shall forthwith reinstate the employee and shall pay to such employee his salary and entitlements in respect of the period of such suspension.
- (d) Where the employee tenders his explanation within the time allowed to him to show cause and the Bank is not satisfied with such explanation, the Bank shall, subject to sub - clause (i) hereof, hold an inquiry into the charges against such employee.
- (e) The Bank shall commence an inquiry as referred to in sub-clause (d) hereof within 21 working days from the date of receipt by them of the written explanation to the show cause letter unless it is not possible to do so for reasons beyond the Bank's control, or by reason of the employee's own conduct or seeking, or by reason of unforeseen circumstances.
- (f) The Bank will permit a member of the Branch Union of the same Grade or of a Higher Grade than the accused employee or an office bearer of the Branch Union irrespective of grade (in which case the Bank reserves to itself the right to prevent the person carrying on the defence for unacceptable conduct) to defend the accused employee at a domestic inquiry provided the defending employee has not obtained a legal qualification. The defending employee will not suffer any loss of salary for absence from work on this account. The Bank will further allow another member of the Branch Union to be present at the inquiry as an Observer without loss of salary for absence from work. The accused employee shall submit to the Bank in writing the name of the Defending Employee and Observer not less than 48 hours before the time appointed for the commencement of the inquiry. The Defending Employee shall be entitled to examine the witnesses for the accused employee and cross examine witnesses for the Bank. The inquiring Officer will be entitled to require a Defending Employee or Observer who obstructs the inquiry to withdraw therefrom and the Defending Employee or Observer shall forthwith comply with such requirement. The absence of a Defending Employee or Observer from the whole or any part of an inquiry for any reasons whatsoever shall not vitiate such inquiry, nor the proceedings thereat, nor the findings pursuant thereto. The Observer shall not be entitled to participate in the proceedings but he may answer any question which the Inquiring Officer may ask him.
- (g) The Union will be entitled to a copy of the proceedings of the inquiry conducted subject to the Observer and the accused employee signing proceedings as a correct record. If the proceedings have been certified and a copy issued to the accused employee for all purposes thereafter the proceedings shall be taken as a true copy of such proceedings before the Inquiring Officer.
- (h) The Inquiring Officer shall maintain his impartiality and shall not attempt to act the role of the prosecution as well.
- (i) Within thirty (30) working days after the conclusion of the inquiry the Bank shall inform the employee, in writing, of the findings in respect of the charges and of the punishment, if any, imposed by the Employer.

- (j) Where the Bank fails to inform the employee as aforesaid within the said period of thirty (30) working days except for reasons beyond the control of the Bank or by reason of the conduct of the employee, such employee shall not be punished thereafter in respect of such charges and no inference adverse to the employee shall be drawn in respect of such charges.
- (k) Notwithstanding the preceding provisions, any Bank shall not be required to hold a domestic inquiry in any of the following circumstances :-
  - (i) Where the employee fails to tender his written explanation before the expiry of the time allowed to show cause in which event the Bank shall be entitled to take disciplinary action on the basis that such employee had no cause to show.
  - (ii) where the employee makes a written admission to the charges against him.
  - (iii) where the Bank proposes to warn an employee, but without prejudice to the Union's right to request the Employer thereafter to hold an inquiry, in which event the fact that the inquiry did not commence within twenty one (21) working days after receipt of the employee's explanation shall not be material or relevant.
- (l) The findings of a domestic inquiry and the punishment if any imposed by the Bank shall be final and binding on the Bank, and the employee and the Union, unless the employee or the Union shall within three (3) months from the date on which the Bank had notified such employee of the findings or punishment, raises a dispute in respect of such findings and/ or punishment.
- (m) Where an employee is under suspension and the Bank makes order that -
  - (i) the employment of the employee shall be terminated, then the termination of such employment shall take effect from the date of suspension or such later date as the Bank may determine ; provided further that the Bank shall not be entitled to recover from the employee any payment made in respect of salary to the employee in respect of such period of suspension, if any such payment has been made.
  - (ii) the employment of the employee shall not be terminated, then the employee shall be employed forthwith and shall be paid the entirety of his salary in respect of the period of suspension without prejudice to the right of the Bank to impose such other punishment other than termination, which may include the whole or part of the period of suspension pending inquiry, on the basis of the findings of the inquiry.
- (n) The observance by the Bank of Sub-clauses (e), (h) and (i) shall not be necessary where an inquiry is not held in view of the fact that the matter under inquiry is being referred, or has been referred, to the Police or other authorities for investigation or inquiries or in view of the fact that criminal charges are pending against the employee.
- (o) The above provisions shall only apply in respect of inquiries that commenced after the date of signing of this Agreement.

24. **Trade Union Action.**-(a) MATTERS RELATED AND COVERED IN THE AGREEMENT .- The Union and its members covered and bound by this Agreement jointly and severally agree with the Bank that during the continuance in force of this Agreement they shall not engage in any strike or other form of Trade Union action including go-slow, boycott or demonstrations or picketing or any form of collective action against the Bank in respect of any dispute related to this Agreement.

- (b) MATTERS NOT RELATED AND NOT COVERED IN THIS AGREEMENT .- The Union and its members covered and bound by this Agreement jointly and severally agree with the Bank that during the continuance in force of this Agreement they shall not engage in any strike or other form of Trade Union action including go-slow, boycott or demonstrations or picketing or any form of collective action against the Bank in respect of any dispute that may arise on any matter not related to this Agreement until -
  - (i) The Branch Union of the Bank has exhausted all forms of conciliation to resolve such dispute amicably with the Bank, at which stage the Branch Union shall notify the Bank in writing of its intention to refer such matter to the Parent Union (the Ceylon Bank Employees' Union)
  - (ii) The Parent Union (the Ceylon Bank Employees' Union) has intervened in the matter and has exhausted all forms of conciliation to resolve such dispute with the Bank and / or the Employers' Federation of Ceylon.
  - (iii) In the event of there being no settlement at the level of conciliation aforesaid, the Parent Union has to give notice in writing of not less than fourteen (14) days of the fact that there has been no satisfactory settlement of the dispute and that it wishes to resort to trade union action. Such notice shall be given to the Bank, the Employers' Federation of Ceylon and to the Commissioner of Labour.

25. **Union Check-off Facilities.**-(i) During the continuance in force of this Agreement and provided the Union has not less than forty (40) per cent membership among the employees covered by this Agreement such employer shall continue to grant check-off, provided,



however, that the Bank reserves the right to stop, suspend, or discontinue such facility in the event of the Union violating any of the provisions of this Collective Agreement.

26. **Implementation and Interpretation of this Agreement.**— (i) Where either the Union or the Bank is dissatisfied with the manner in which the Collective Agreement is being implemented or where there is a complaint regarding the adverse effects of computer technology change such matter shall be dealt with by a Monitoring Committee set up by the Bank. The Union shall make its own nominations for the purpose of meetings to be held with the Monitoring Committee. The Bank or the Union may request that the matter be placed before the Monitoring Committee by communication addressed to the Employers' Federation of Ceylon setting out the cause of complaint.

(ii) Any dispute over the interpretation of the Agreement shall be settled by voluntary arbitration under **Section 3 of the Industrial Disputes Act, 1950.**

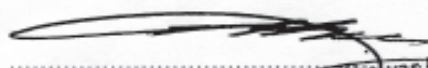
27. **Consequences of Termination of Agreement.**— On the termination of this Agreement all terms, conditions, benefits, facilities and concessions enjoyed by the Union and/ or its members shall *ipso facto* cease.

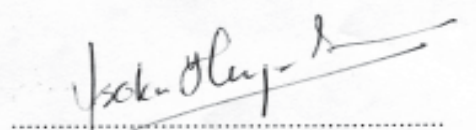
#### SCHEDULE - I

SR. NO.	DESIGANTION	BASIC SALARY RANGE	INCREMENT SLAB	
			UPTO 15 YEARS SERVICE	MORE THAN 15 YEARS SERVICE
1	JUNIOR OFFICER	40000 TO 70000	410	550
2	OFFICER GRADE - IV	50000 TO 80000	685	820
3	OFFICER GRADE - III	60000 TO 90000	965	1095
4	OFFICER GRADE - II	70000 TO 100000	1265	1470
5	OFFICER GRADE - I	80000 TO 110000	1330	1365

**Schedule-I will be only for the increments and any employee's basic salary reaching out of the range prescribed in the schedule-I will not make the employee eligible for any promotion.**

**In witness hereof parties have hereunto set their hands on this 5th day of April Two Thousand and Thirteen.**

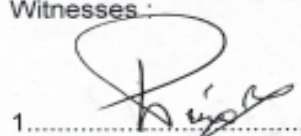
  
For and on behalf of:  
**Habib Bank Ltd**  
Khawar Mahmood  
Country Operations Manager  
Habib Bank Limited Sri Lanka

  
For and on behalf of:  
**Ceylon Bank Employees' Union**

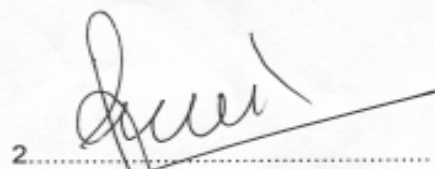
Name : Khawar Mahmood  
Designation : Country Operations Manager  
Sri Lanka

Name : H.P. Asoka Dharmasiri  
Designation : General Secretary

Witnesses :

1.   
Signature  
Name : Kapila Dissanayake  
Designation : Assistant Director General  
Employers' Federation of Ceylon



2.   
Signature  
Name : A.K. Bandara  
Designation : President  
Ceylon Bank Employees' Union



**THE INDUSTRIAL DISPUTES ACT, CHAPTER 131**

THE Collective Agreement entered into between Haymat (Pvt) Limited, 400, Deans Road, Colombo 10 of the one part and The United Tea, Rubber and Local Produce Worker's Union, 513-2/1 Elvitigala Mawatha, Colombo 05 of the other part on 14th day of August 2014 is hereby published in terms of Section 06 of the Industrial Dispute Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

HERATH YAPA,  
Commissioner of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05.  
10th February, 2015.

**Collective Agreement No. 34 of 2014**

**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 labouring 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 **Twenty Sixth day of May Two Thousand and Fourteen** 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 provided:—

That one party hereto shall not give such notice to the other party before the Twenty Fifth of May Two Thousand and Seventeen and no notice given before that date shall be regarded as valid.

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 into 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 and 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) hours on a normal working day and a period of six (6) hours on a short working day exclusive of intervals for meals/rest whether on shift or otherwise.

General/ 1st shift	—	7.30 a.m. to 4.30 p.m.
2nd shift	—	4.30 p.m. to 1.30 a.m.
3rd shift	—	1.30 a.m. to 7.30 a.m.

7. **Forfeiture of Wages.**— Unless for good cause shown to the satisfaction of the Employer an 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 authorised 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 one 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; and
- (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 one 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.

4. Saturday is a working day - 7.30 a.m. to 1.30 p.m. as per clause 6.

10. **Annual Holidays.**— Annual holidays shall be allowed to an Employee in accordance with the decisions of the relevant Wages Boards. In the case of Employees in the Coir Fibre Mats Manufacturing Trade the annual holidays shall be in terms of the decision of the Wages Board for the Coir Mattress and Bristle Fibre Export Trade.

11. **Public Holidays.**— (1) Public holidays shall be allowed to an Employee in accordance with the decisions of the relevant Wages Boards. In the case of Employees in the Coir Fibre Mats Manufacturing Trade the Public holidays shall be in terms of the decision of the Wages Board for the Coir Mattress and Bristle Fibre Export Trade. 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 Sunday, 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 five and one half (5 1/2) 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 in Lieu of CCPI Consolidation.**—

- (1) Subject to the provisions of Clause 15 hereof and the Employers right to make deductions from wages in terms of the practices prevailing at the date of this Agreement and also subject to the existing practices in relation to the performance by employees of work in other grades (whether in higher or lower grades), as from the Twenty Sixth day of May Two Thousand and Fourteen, 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 the 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:
  - A Sum of Rs. 1,000/- would be consolidated to the wages payable to each employee with effect from First day of November Two thousand and Fourteen.

- A Sum of Rs. 1,200/- would be consolidated to the wages payable to each employee with effect from First day of November Two thousand and Fifteen.

- A Sum of Rs. 1,300/- would be consolidated to the wages payable to each employee with effect from First day of November Two thousand and Sixteen.

(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. **Incentive Payments.**— The existing system of incentive payments shall continue subject to the changes in norms agreed with the Union morefully described in Schedule II.

15. **Conversion to Scales of Monthly Consolidated Wages.**—

(a) For the purpose of ascertaining the wage which an Employee shall receive with effect from the Twenty Sixth day of May Two Thousand and Fourteen on the basis of scales of consolidated wages set out in the Schedule I hereto the following provisions subject to the provisions of Clause 14 above shall apply:—

(i) All Employees shall be given an increase in wage of a sum equivalent to 13% of their wages as at 25th May, 2014.

(ii) Each Employee shall thereafter be placed at the corresponding point on the wage scale in Schedule I without change in grade and if there is no corresponding point in terms of money value, the next higher stage on the same grade.

(iii) The Rs. 300/- Strike Settlement Allowance received by all Employees will be consolidated to their basic wage with effect from 26th May, 2014 and from that date they will cease to be entitled to a Strike Settlement Allowance.

(b) For the purpose of ascertaining the wage which an Employee shall receive with effect from the Twenty Sixth day of May Two Thousand and Fifteen on the basis of scales of consolidated wages set out in the Schedule I hereto the following provisions subject to the provisions of Clause 14 above shall apply.

(i) All Employees shall be given an increase in wage of a sum equivalent to 1% of their wages as at 25 May 2015.

(ii) Each Employee shall thereafter be placed at the corresponding point on the wage scale in Schedule I without change in grade and if there is no corresponding point in terms of money value, the next higher stage on the same grade.

(c) For the purpose of ascertaining the wage which an Employee shall receive with effect from the Twenty Sixth day of May Two Thousand and Fifteen on the basis of scales of consolidated wages set out in the Schedule I hereto the following provisions subject to the provisions of Clause 14 above shall apply.

(i) All Employees shall be given an increase in wage of a sum equivalent to 1% of their wages as at 25th May, 2016.

(ii) Each Employee shall thereafter be placed at the corresponding point on the wage scale in Schedule I without change in grade and if there is no corresponding point in terms of money value, the next higher stage on the same grade.

(d) The wage increases referred to at Clauses 15(a)(i), 15(b)(i) and 15(c)(i) hereof is in consideration of the Agreement reached between the Union and the Employer for higher output norms as per Schedule II attached hereto.

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<br>(either morning <i>or</i> afternoon) | a day's wage ascertained as above divided by two (2)      |
| (d) for one week   | a day's wage ascertained as above multiplied by seven (7) |

17. **Annual lump sum payment in lieu of non-recurring cost of living gratuity .-** (1) A lump sum payment on an ex-gratia basis would be made on the following basis:-

- (i) A sum of Rs. 23,000/- payable in November 2014 for the period from 01st November, 2013 to 31st October, 2014.
- (ii) A sum of Rs. 23,000/- payable in November 2015 for the period from 01st November, 2014 to 31st October, 2015.
- (iii) A sum of Rs. 24,000/- payable in November 2016 for the period from 01st November, 2015 to 31st October, 2016.

(2) No Provident Fund, Trust Fund overtime or any other payment shall be due or calculated on these ex-gratia payments.

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.-** The Employer will pay terminal benefits to employees in accordance with the Gratuity Act, No. 12 of 1983.

20. **Bonus.-** An annual bonus as decided by the Management would be paid to employees depending on the profitability of the company. In the event a dispute arises in this regard both parties hereby agree to follow the disputes procedures as set out in clause 28 of this Agreement.

21. **Annual Increments.-** 1. The annual increments provided in each grade of the scales of consolidated wages in the 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 26th May, 2014 the incremental rates will be as follows :

Grade 2	Rs. 75/-
Int Med	Rs. 75/-
ESS	Rs. 100/-

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 sub-clause (1)(a) or within twenty-four (24) hours thereof the Employer shall provide the Employee with a written order of suspension specifying the reasons for such suspension and thereafter, hold an inquiry into the charge or charges in terms of clause 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 the written answer or explanation of the Employee to the show cause notice and such answer or explanation is rejected by the Employer, the Employer shall commence an inquiry within Ten (10) working days from the date of receipt by him of the written answer or explanation to the show cause notice.
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 sub-clause for any reason other than that of the Employee's own seeking within thirty (30) working days from the date of the Employee's suspension, the Employee shall be entitled to half 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 then 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 on 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 work - place 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 per cent. (40%) of such Employees the Employer will be at liberty to require that general claims and matters be discussed and negotiated with the Unions 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 work - place and the claim or matter is restricted to one type of business or one work - place 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.

28. **Disputes Procedure.**— (1) In the first instance, the union shall submit any demand on behalf of its members to the Employer of such members 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) If there is no settlement the Union shall take up such unresolved dispute with the Employers' Federation of Ceylon and the discussion would be held at the Employers' Federation of Ceylon with all parties to resolve such dispute.
- (3) When the Union conclude 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 conference 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.
- (4) Subject to the provisions of clause 30 hereof, all disputes between the union and the Employer or between the parties hereto shall be settled in accordance with the provisions of the Industrial Disputes Act and the regulations made thereunder.

- (5) 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 Dealt with.** - 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 or the legitimate activities of that Union and/or its members or is grossly unfair or seriously detrimental to the interests of the Union and/or its members. Provided, however, that at least seven (7) days notice in writing shall be given by the Union to the Employer, 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 upon, 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 or the legitimate activities of the Union and / or its members is grossly unfair or seriously detrimental to the interests of the Union and/or its members.

31. **Variations of Terms and Conditions of Employment and Benefits.** - (1) The Union and the 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 negotiations under the provision 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. **Productivity Improvement and Elimination of Waste.** - The Employees agree to cooperate with the employer to enhance productivity levels, comply with health and safety procedures and practices, various projects implemented by management to minimize waste in all forms in the mutual interest of preserving the future of the Company. The Employees will cooperate with the management to strive to exceed the minimum norms fixed for payment of incentives and to ensure optimum utilization of machine capacity.

## 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 Employee who is served with a show cause notice desires an 'Observer' to be present at the inquiry to be held pursuant to such show cause notice, he shall forty eight (48) hours at least before the time appointed for the commencement of the inquiry submit to the Employer the name of such Observer.
- (c) An Observer may answer any questions 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 office bearers of the Union

- (a) To be present at conferences held under the aegis of the Employer or the Employers' Federation of Ceylon or the Department of Labour in connection with a dispute between 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 and 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:

**HAYMAT (PVT) LIMITED**

Authorization

As I am an Employee covered and bound by the HAYMAT (PVT) LIMITED COLLECTIVE AGREEMENT 2014 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:

**HAYMAT (PVT) LIMITED**

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	Haymat (Pvt) Ltd
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 HAYMAT (PVT) LIMITED MANUAL WORKERS  
WITH EFFECT FROM 26 MAY 2014**

	<b>Grade 2</b>		<b>Int Med</b>		<b>ESS</b>
1	13,000.00 149 * 75/-		13,250.00 149 * 75/-		13,500.00 149 * 100/-
2	13,075.00		13,325.00		13,600.00
3	13,150.00		13,400.00		13,700.00
4	13,225.00		13,475.00		13,800.00
5	13,300.00		13,550.00		13,900.00
6	13,375.00		13,625.00		14,000.00
7	13,450.00		13,700.00		14,100.00
8	13,525.00		13,775.00		14,200.00
9	13,600.00		13,850.00		14,300.00
10	13,675.00		13,925.00		14,400.00
11	13,750.00		14,000.00		14,500.00
12	13,825.00		14,075.00		14,600.00
13	13,900.00		14,150.00		14,700.00
14	13,975.00		14,225.00		14,800.00
15	14,050.00		14,300.00		14,900.00
16	14,125.00		14,375.00		15,000.00
17	14,200.00		14,450.00		15,100.00
18	14,275.00		14,525.00		15,200.00
19	14,350.00		14,600.00		15,300.00
20	14,425.00		14,675.00		15,400.00
21	14,500.00		14,750.00		15,500.00
22	14,575.00		14,825.00		15,600.00
23	14,650.00		14,900.00		15,700.00
24	14,725.00		14,975.00		15,800.00
25	14,800.00		15,050.00		15,900.00
26	14,875.00		15,125.00		16,000.00
27	14,950.00		15,200.00		16,100.00
28	15,025.00		15,275.00		16,200.00
29	15,100.00		15,350.00		16,300.00
30	15,175.00		15,425.00		16,400.00
31	15,250.00		15,500.00		16,500.00
32	15,325.00		15,575.00		16,600.00
33	15,400.00		15,650.00		16,700.00
34	15,475.00		15,725.00		16,800.00
35	15,550.00		15,800.00		16,900.00
36	15,625.00		15,875.00		17,000.00
37	15,700.00		15,950.00		17,100.00
38	15,775.00		16,025.00		17,200.00
39	15,850.00		16,100.00		17,300.00
40	15,925.00		16,175.00		17,400.00
41	16,000.00		16,250.00		17,500.00
42	16,075.00		16,325.00		17,600.00
43	16,150.00		16,400.00		17,700.00
44	16,225.00		16,475.00		17,800.00
45	16,300.00		16,550.00		17,900.00
46	16,375.00		16,625.00		18,000.00
47	16,450.00		16,700.00		18,100.00
48	16,525.00		16,775.00		18,200.00
49	16,600.00		16,850.00		18,300.00
50	16,675.00		16,925.00		18,400.00



**SCALES APPLICABLE TO HAYMAT (PVT) LIMITED MANUAL WORKERS  
WITH EFFECT FROM 26 MAY 2014**

	<b>Grade 2</b>	<b>Int Med</b>	<b>ESS</b>
51	16,750.00	17,000.00	18,500.00
52	16,825.00	17,075.00	18,600.00
53	16,900.00	17,150.00	18,700.00
54	16,975.00	17,225.00	18,800.00
55	17,050.00	17,300.00	18,900.00
56	17,125.00	17,375.00	19,000.00
57	17,200.00	17,450.00	19,100.00
58	17,275.00	17,525.00	19,200.00
59	17,350.00	17,600.00	19,300.00
60	17,425.00	17,675.00	19,400.00
61	17,500.00	17,750.00	19,500.00
62	17,575.00	17,825.00	19,600.00
63	17,650.00	17,900.00	19,700.00
64	17,725.00	17,975.00	19,800.00
65	17,800.00	18,050.00	19,900.00
66	17,875.00	18,125.00	20,000.00
67	17,950.00	18,200.00	20,100.00
68	18,025.00	18,275.00	20,200.00
69	18,100.00	18,350.00	20,300.00
70	18,175.00	18,425.00	20,400.00
71	18,250.00	18,500.00	20,500.00
72	18,325.00	18,575.00	20,600.00
73	18,400.00	18,650.00	20,700.00
74	18,475.00	18,725.00	20,800.00
75	18,550.00	18,800.00	20,900.00
76	18,625.00	18,875.00	21,000.00
77	18,700.00	18,950.00	21,100.00
78	18,775.00	19,025.00	21,200.00
79	18,850.00	19,100.00	21,300.00
80	18,925.00	19,175.00	21,400.00
81	19,000.00	19,250.00	21,500.00
82	19,075.00	19,325.00	21,600.00
83	19,150.00	19,400.00	21,700.00
84	19,225.00	19,475.00	21,800.00
85	19,300.00	19,550.00	21,900.00
86	19,375.00	19,625.00	22,000.00
87	19,450.00	19,700.00	22,100.00
88	19,525.00	19,775.00	22,200.00
89	19,600.00	19,850.00	22,300.00
90	19,675.00	19,925.00	22,400.00
91	19,750.00	20,000.00	22,500.00
92	19,825.00	20,075.00	22,600.00
93	19,900.00	20,150.00	22,700.00
94	19,975.00	20,225.00	22,800.00
95	20,050.00	20,300.00	22,900.00
96	20,125.00	20,375.00	23,000.00
97	20,200.00	20,450.00	23,100.00
98	20,275.00	20,525.00	23,200.00
99	20,350.00	20,600.00	23,300.00
100	20,425.00	20,675.00	23,400.00

**SCALES APPLICABLE TO HAYMAT (PVT) LIMITED MANUAL WORKERS  
WITH EFFECT FROM 26 MAY 2014**

	<b>Grade 2</b>	<b>Int Med</b>	<b>ESS</b>
101	20,500.00	20,750.00	23,500.00
102	20,575.00	20,825.00	23,600.00
103	20,650.00	20,900.00	23,700.00
104	20,725.00	20,975.00	23,800.00
105	20,800.00	21,050.00	23,900.00
106	20,875.00	21,125.00	24,000.00
107	20,950.00	21,200.00	24,100.00
108	21,025.00	21,275.00	24,200.00
109	21,100.00	21,350.00	24,300.00
110	21,175.00	21,425.00	24,400.00
111	21,250.00	21,500.00	24,500.00
112	21,325.00	21,575.00	24,600.00
113	21,400.00	21,650.00	24,700.00
114	21,475.00	21,725.00	24,800.00
115	21,550.00	21,800.00	24,900.00
116	21,625.00	21,875.00	25,000.00
117	21,700.00	21,950.00	25,100.00
118	21,775.00	22,025.00	25,200.00
119	21,850.00	22,100.00	25,300.00
120	21,925.00	22,175.00	25,400.00
121	22,000.00	22,250.00	25,500.00
122	22,075.00	22,325.00	25,600.00
123	22,150.00	22,400.00	25,700.00
124	22,225.00	22,475.00	25,800.00
125	22,300.00	22,550.00	25,900.00
126	22,375.00	22,625.00	26,000.00
127	22,450.00	22,700.00	26,100.00
128	22,525.00	22,775.00	26,200.00
129	22,600.00	22,850.00	26,300.00
130	22,675.00	22,925.00	26,400.00
131	22,750.00	23,000.00	26,500.00
132	22,825.00	23,075.00	26,600.00
133	22,900.00	23,150.00	26,700.00
134	22,975.00	23,225.00	26,800.00
135	23,050.00	23,300.00	26,900.00
136	23,125.00	23,375.00	27,000.00
137	23,200.00	23,450.00	27,100.00
138	23,275.00	23,525.00	27,200.00
139	23,350.00	23,600.00	27,300.00
140	23,425.00	23,675.00	27,400.00
141	23,500.00	23,750.00	27,500.00
142	23,575.00	23,825.00	27,600.00
143	23,650.00	23,900.00	27,700.00
144	23,725.00	23,975.00	27,800.00
145	23,800.00	24,050.00	27,900.00
146	23,875.00	24,125.00	28,000.00
147	23,950.00	24,200.00	28,100.00
148	24,025.00	24,275.00	28,200.00
149	24,100.00	24,350.00	28,300.00
150	24,175.00	24,425.00	28,400.00

**Schedule II**

**NORMS ACCEPTED BY THE UNITED TEA RUBBER & LOCAL PRODUCE WORKERS' UNION - COLLECTIVE AGREEMENT 2014**

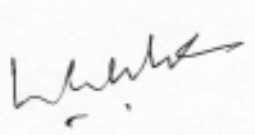
Type of the machine	Present Norms Square Metres	Increased Norms Square Metres
G-1	52.0	57.0
G-2	52.0	57.0
G-3	52.0	57.0
BR-1	16.0	18.0
BR-2	17.0	19.0
BR-3	23.5	26.0
B-1	23.5	26.0
B-2	23.5	26.0

Nature of Work	Present Norms	Increased Norms
Shearing	175.0 Sq Mtrs	193.0 Sq Mtrs
Spooling	288 Kgs	317.0 Kgs
Packing	125 bundles	138 bundles

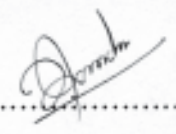


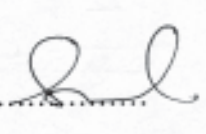
IN WITNESS WHEREOF parties aforesaid have hereunto set their hands in Colombo,  
H C S Mendis for and on behalf of HAYMAT (PVT) LIMITED and D W Subasinghe for  
and on behalf of the UNITED TEA RUBBER & LOCAL PRODUCE WORKERS'  
UNION on this Fourteenth (14<sup>th</sup>) day of August Two Thousand and Fourteen.

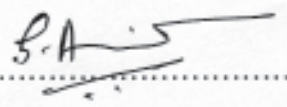
  
.....  
Managing Director  
HAYMAT (PVT) LTD


  
.....  
General Secretary  
UNITED TEA RUBBER &  
LOCAL PRODUCE WORKERS'  
UNION

WITNESES;

1.   
.....  
Name: Thilan Samanawickrama  
Designation CEO - Ravi Industries Ltd.

1.   
.....  
Name: K. U. Srinanda  
Designation President, Branch Union

2.   
.....  
Name: SURANI AMERASINGHE  
Designation GROUP HEAD HR

2.   
.....  
Name: K. T. N. Wasanthi  
Designation Secretary, Branch Union

**THE INDUSTRIAL DISPUTES ACT, CHAPTER 131**

THE Collective Agreement entered into between, Bata Shoe Company of Ceylon Ltd., No. 100, General Sir John Kotalawala Road, Ratmalana of the one part and Wanija Ha Karmika Sewaka Sangamaya, No. 17, Barracks Lane, Colombo 02 of the other part on 28th day of February, 2014 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131 of the Legislative Enactments of Ceylon (Revised Edition 1956).

HERATH YAPA,  
Commissioner of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05.  
18th February, 2015.

**Collective Agreement No. 19 of 2014**

This Collective Agreement made this Twenty Eighth day of February Two Thousand Fourteen, pursuant to the Industrial Disputes Act between Bata Shoe Company of Ceylon Limited, having its registered office at No. 100, General Sir John Kotalawala Road, Ratmalana ( hereinafter referred to as "the Company") of the One Part and the Wanija Ha Karmika Sewaka Sangamaya, a Trade Union duly registered under the Trade Unions' Ordinance and having its registered office at No. 17, Barracks Lane, Colombo 02. ( hereinafter referred to as "the Union"), of the Other Part.

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

**TITLE :** This Agreement shall be known and referred to as the Bata Manual and Labour Workforce wages Collective Agreement 2014.

**PART - 1**

1. **Employees' Covered and Bound.**— This Agreement shall cover and bind only members of the Union who are employed at the date of signing this Agreement in a manual or labouring capacity by the Company but will not be applicable to employees employed in such capacities who are on probation or are employed by the day or by the job or by the journey.

2. **Date of Operation and Duration.**— This Agreement shall be effective as from the First day of January Two Thousand Twelve, and shall thereafter continue in force unless determined by either party with six months, notice in writing, provided that neither party shall give such notice to the other party before the first day of July 2014 and such notice shall not expire until 31 st December 2014.

3. Whereas negotiations took place between the said parties for a revision of the wages agreed in the Collective Agreement 2009 entered into on the Twenty Second day of December Two Thousand Nine, in respect of the employees who are employed in an official or labouring capacity by the Company, and a revised agreement has been reached in respect of wages, it is agreed on behalf of the parties concerned, as follows:—

4. **Wages.** – The salaries payable to the employees covered and bound by this Agreement with effect from 1 st January 2012 shall be as follows :-

- (i) With effect from 1 st January 2012, the salaries of all employees in employment at the date hereof shall be increased by 5% of the basic salary.
- (ii) With effect from 1 st January 2013, the salaries of all employees in employment at the date hereof shall be increased by 5% of the basic salary.
- (iii) With effect from 1 st January 2014, the salaries of all employees in employment at the date hereof shall be increased by 6% of the basic salary.

5. In respect of the period 1 st January 2012 to 28 th February 2014, the Employer shall pay notional arrears based on the increased wages as mentioned above.

6. It is also agreed hereby that Temporary Relief Allowance of Rupees one thousand paid monthly to the employees with effect from October 2012 will be deducted from the above mentioned notional arrears.

7. The Provisions of this Agreement shall supersede and replace the provisions of the Collective Agreement signed on 22 nd December 2009, as regards the increase of wages agreed upon in the Collective Agreement signed on 22nd December 2009. The rest of the terms, conditions and facilities of the said Agreement of 22nd December 2009 will be applied and strictly followed of the above said Agreement (signed on 22nd December 2009).
8. Parties agreed that the remuneration package as determined under Clause (4) above shall remain in force until 31 st December 2014 and neither party shall, in any manner, act or attempt to add to, waive or alter the remuneration package or any of the direct monetary payments currently applicable to the employees.
9. The parties, once again, agree to co-operate and commit themselves in improving the policy and productivity of the Company and engage in more dialogue and settlement of operational issues at Company level, in harmony.
10. This Agreement is entered into in accordance with the provisions of the Collective Agreement between the parties signed on the Twenty Second day of December Two Thousand Nine and until such time the provisions of the said Agreement is re-negotiated.

The terms, conditions and facilities of the said agreement shall apply and remain other than in respect of the matters covered herein.

IN WITNESS WHEREOF the parties aforesaid have hereunder set their hands at Colombo, on this Twenty Eighth day of February Two Thousand Fourteen.

For and on behalf of  
BATA SHOE CO. OF  
CEYLON LTD.

Name: VIKASANAND

Signature: [Signature]  
28/2/14

Designation: MANAGING DIRECTOR.

For and on behalf of  
WANIJA HA KARMIKA SEVAKA  
SANGAMAYA

Name: Saramapala Silva

Signature: [Signature]

Designation: Gen Secretary

WITNESSES:

1. [Signature] 28/2/14

Name: C. GANWILE

Designation: Head of Human Resources.

2. [Signature]

Name: [Signature]

Designation: Dr. Seneviratne