

ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ගැසට් පත්‍රය

අති විශේෂ

The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 1463/30 - 2006 සැප්තැම්බර් 22 වැනි සිකුරාදා - 2006.09.22

No. 1463/30 - FRIDAY, SEPTEMBER 22, 2006

(Published by Authority)

PART IV (A) — PROVINCIAL COUNCILS

Provincial Councils Notifications

CENTRAL PROVINCIAL COUNCIL

Central Provincial Co-operative Employees Pension Statute

YOU are hereby informed that the Central Provincial Council Co-operative Employees Pension Statute prepared for the welfare of the Central Provincial Co-operative Employees, approved by the Central Provincial Council Cabinet Ministers on 04th August, 2006.

EDIRIWEERA WEERAWARDANA,
Minister of Highways, Power and Energy
and Co-operative.

Ministry of Highways, Power and Energy and Co-operative.
P. O. Box. 104, No. 109,
Yatinuwara Veediya,
Kandy.
28th August, 2006.

DRAFT OF CENTRAL PROVINCIAL CO-OPERATIVE EMPLOYEES PENSION STATUTE

PENSION STATUTE OF CO-OPERATIVE EMPLOYEES UNDER CENTRAL PROVINCIAL COUNCIL

01. This Statute is defined as Co-operative Employees Pension Statute No..... of Central Provincial Council. Short title

CHAPTER 01

02. Co-operative Employees Pension Control Board constituted under this Statute should be a Corporation with a continuous descent, possessing a common identification under this title, empowered for possession of the property, entering relevant agreements, filing cases and entering other legal matters, giving explanations pertaining to such legal activities and also for taking decisions regarding proceeding with the relevant legal matters. Should be a Corporation

03. (a) This Pension Control Board constituted to function under this Statute should not exceed five members. Pension Control Board

- (b) Two of them should be the current Co-operative Development Commissioner *cum* Registrar of Societies and the Secretary of Co-operative Employees Commission in Central Provincial Council.
- (c) (i) Remaining three members should be appointed by the Minister in Charge of Co-operative subject, from those who possess requirements stated in Paragraph 21 of this statute. Period of service of those appointed by the Minister should be 05 years.
- (ii) If any vacancy of a member appointed by Minister occurs, one for the remaining period should be appointed by the Minister.
- (iii) Minister is empowered for removal of any member appointed by him, and for replacement of another one. Such an appointment should be only for the remaining period.

Powers of the
Pension
Control Board

- 04. (a) Determining the actual beneficiaries who possess the requirements stipulated in this statute.
- (b) Taking a decision after reconsidering an appeal in respect of the amount due to a beneficiary.
- (c) Taking decisions in respect of the control of Pension Fund and administrative expenses.
- (d) Taking decisions from time to time regarding the institutions in which the deposits in Pensions Fund should be invested and its percentage of interest.
- (e) Taking decisions in respect of facilities in maintaining an office and a staff, if required.
- (f) Taking decisions in respect of initiation, maintenance abandonment and compromise of legal matters on behalf of the Control Board.
- (g) Operating the Bank Accounts in an authorized State Bank.
- (h) Proposing and expediting an Employees Welfare Scheme.
- (i) Expediting the regulations in the Statute in respect of surcharges and fines against delayed contributions.
- (j) Effecting recruitments for the purpose of operating the Pensions Fund, expediting their disciplinary matters and determining their salary.
- (k) Expediting all matters, required to achieve the aims of this Statute.

Chairman of the
Pension
Control Board

- 05. There should be a Chairman for the Pension Control Board and he should be appointed by the Minister in Charge of this subject.

Secretary

- 06. (a) There should be a Secretary for the Pension Control Board. He should be the current Co-operative Development Commissioner *cum* Registrar of Societies in Central Provincial Council.
- (b) He should compulsorily attend the meetings of this Control Board and maintain minutes of the meetings.

- (c) Expediting the decisions of the Control Board.
 - (d) He should attend to office administration and control of staff.
 - (e) Secretary should take necessary steps to maintain separate accounts in respect of each contributor's contributions.
07. (a) Quorum of a Control Board Meeting is 03.
- (b) Meetings of the Control Board should be called by the Secretary under the instructions of Chairman.
 - (c) At an instance of having equal votes regarding any proposal, Chairman is entitled for the decisive vote.
 - (d) Meetings of the Control Board should be held at least once a month. If instructions to call meetings are not received for two consecutive months, Secretary is empowered to call meetings.
 - (e) In the absence of the Chairman, one who has attended shall be named for the chair.

Meetings of
Pension
Control Board

CHAPTER 02

PENSIONS FUND

08. (a) To expedite Central Provincial Co-operative Employees Pension Scheme, a Pension Fund should be constituted and maintained.
- (b) This Pensions Fund should be built up as follows :
- (i) Contributions of members of Pensions Fund and the Societies, fixed under regulations in this Statute ;
 - (ii) Commuted pensions that are due to be paid to employees by the Co-operative Societies ;
 - (iii) Annual allocations by the Provincial Council ;
 - (iv) Funds released from Co-operative Fund from time to time ;
 - (v) Donations from Central Government, Provincial Council and other Institutions ;
 - (vi) Dividends derived by investing the funds donated to the Pensions Fund ;
 - (vii) Fines and Surcharges levied under regulations in this Statute ;
 - (viii) Funds received from the profits derived by the Societies, as per regulations in this Statute ;
 - (ix) Balance of Life Dividends presently maintained by the Societies for the benefit of the employees and their additional outcome ;
 - (x) Funds from other resources.

CHAPTER 03

FINES AND SURCHARGES

That contributions
should be
forwarded along
with a report

09. (1) Each Society should forward the amount recovered as Pension contributions from any employee/employees and also the amount stated in Paragraphs 8(B) I, II and IX of this Statute to be credited to the Pensions Fund, within three months from the end of the particular month. Along with this amount, a report certified by the Chairman and the General Manager of the Society, analyzing the contributions of each employee under Paragraphs 8(B) I, II and IX should be forwarded.

Fines

- (2) If the relevant amount is forwarded within one month after the date specified above it should be forwarded along with a fine of 5%, if forwarded within two months a fine of 10%, if forwarded within three months a fine of 25% and if forwarded after three months a fine of 50%.
- (3) Pension Control Board is empowered to grant relief pertaining to fines, as applicable.

CHAPTER 04

NEGLIGENCE IN PAYMENT OF CONTRIBUTIONS AND FINES

10. (1) When any registered society has not remitted the contributions and the amount against commuted pension or one of them that should be credited to Pensions Fund, as specified in this Statute ; Pension Control Board should issue a final order to pay the relevant amount with the specific fine within 14 days ; This final order is issued after the lapse of 05 months without remitting same as specified, without any lenience. In the event of non adherence to this order, Pensions Control Board should produce a certificate to this effect to the District Courts or Magistrate Courts in the division in which this particular registered Co-operative Society is situated. If the Order is issued to any person or any group, any officer or any employee, this certificate should be produced to the District Courts or Magistrate Courts in the division in which the recipient of the particular order resides or the place of the business is situated. This certificate should be authenticated by the Chairman and the Secretary placing the official stamp.

- (2) A certificate comprising of details of the person or persons who have defaulted and also the relevant amount and the fine could be produced to the District Courts of the district in which the defaulter's movable or immovable property exists

or

- (3) A certificate comprising of details pertaining to defaulter's residence or his last place of business could be produced to the magistrate of the said area, if there is the capability for this defaulter to pay in cash the relevant amount and the fine.
- (4) When such a certificate is produced to a District Courts, it should issue a writ of execution, to the Fiscal prohibiting the property, empowering and authorizing him for prohibition and sale of defaulter's all movable and immovable property or some item or a portion that the Fiscal thinks is sufficient for recovering the due amount. Regarding this prohibition and sale, regulations in Paragraphs 226 and 297 in Civil Procedure Code, with relevant amendments effected are applicable.

- (5) At the instance of producing a certificate to a Magistrate, under Sub paragraph (3) ; although one cannot be punished by imprisonment, a fine could be imposed on the defaulters in respect of offences punishable only by fines, and it should be treated as a fine imposed by the Magistrate as a Courts Order. While regulations in Paragraph 291, exclusive of its items (a) and (b) of Sub paragraph (1) in Criminal Procedure Code No. 15 of 1979, are relevant to above, Magistrate could fix an order in accordance with regulations in above paragraph, under situations that existed at the time of imposing the relevant fine.
- (6) At the instance of producing a certificate under this paragraph by the Control Board, a notification in respect of same should be issued to the defaulter personally, under registered cover or by a telegram. In the event of non receipt of this notification by the defaulter, legal aspects under the relevant paragraph will not be invalid.
- (7) Pertaining to legal aspects in this paragraph any District Courts or Magistrate should not have any authority or should not be authorized to verify in to the correctness, check or take any decisions over any declaration in the certificate produced by the Control Board.
- (8) Any amount derived from sale as per Sub paragraph (4) and paid or recovered as per Sub paragraph (5) should be sent by the District Courts or Magistrate to the Control Board monthly as opportune.

CHAPTER 05

PENSION BENEFICIARIES

11. (1) Every permanent employee in a Co-operative Society under Central Provincial Council, registered by Registrar of Co-operative Societies under amended Co-operative Society Statute No. 10 of 1990 amended by Co-operative Society (amended) Statute No. 4 of 1993 of Central Provincial Council and also registered or deemed to have been registered under Co-operative Society Act, No. 05 of 1972 of National State Council or under any Act cancelled through this Act, is eligible to enter the Pensions Scheme constituted under this statute.
- (2) One should possess following qualifications to enter this pension scheme :
 - (a) Should be a permanent employee approved by Co-opertive Employees Commission under the Cadre approved by Central Provincial Co-operative Development Commissioner ;
 - (b) should be one who has granted the option for the Pensions Scheme constituted under this Statute. Each permanent employee recruited after the commencing date of Pension Scheme should compulsorily contribute to Pension Scheme.

PAYMENT OF PENSION DIVIDENDS

12. (1) (a) Payment of Pensions should be expedited effective from a date announced by Minister in Charge of the subject.
- (b) (i) One is eligible for pension on completion of 55 years of age, and only after retirement.
- (ii) To be eligible for pension, one should have completed a minimum period of 10 years continuous service as a permanent employee.

- (iii) Any employee who has been dismissed from service, vacated post or resigned should not be paid this pension.
- (iv) but any employee who leaves service to take appointment in any other employment could withdraw his pension contributions along with the relevant interest.
- (c) Any permanent employee who does not have a sufficient period from the date of effecting this pension scheme to complete 10 years service, but possesses the other requirements, could complete the specified 120 instalments in respect of the 10 years by paying the balance instalments, irrespective of the contents in paragraph 12 (b) (2).
- (d) When any employee who is under the age of 55 years, has continuously paid the instalments for a minimum period of 10 years, declares that he is unable to serve further, due to some disability, Pensions Control Board is empowered to decide that he is eligible for this pension effective from the date of inability to serve, under a certificate issued by a Medical Board named by the Pensions Control Board to the effect that he is disabled.
- (e) If the Widow/Widower who is entitled for 50% of the pension and in case of their ineligibility for same, children of the deceased who had gained eligibility for the pension having made the contributions continuously during the period of 10 years permanent service, can draw the pension contributions along with its interest. For this purpose only his/her unmarried daughters and sons under 21 years of age are eligible.
- (f) If an employee who has not completed continuous payment of the 10 years contribution expires his/her contributions and its interest could be paid to the widow/widower. If the widow/widower is not eligible it could be paid to the children.

Ineligible
widow/widower

Divorce, re marriage after the death of the Pensioner, entitlement to some other pension or having an employment are treated as ineligibilities for a widow/widower for this pension. But drawing a pension and having an employment are not ineligibilities for getting the Pension contributions and its interest.

CHAPTER 06

OTHER MATTERS

Regulations in
the event of
employee's non
possession of
continuous
service

- 13. If any employee joins service in any other society in Central Provincial Council, while having gained the membership in the Pensions Fund, new society too should recover his contributions, and it should remit the contributions determined by rules fixed under Paragraph 10(1) of this Statute.
- 14. Non remittance of the contributions of any employee continuously, due to the reason that the registration of a registered society is cancelled, should not be treated as an ineligibility of the employee and he can complete his continuous membership by paying the due arrears having joined any other society. In the event of his inability to join another society or complete a period of 10 years service, contributions and the interest could be withdrawn.

15. Above Sub paragraph applies to employees reinstated in service after interdiction or ceasing the employment due to excess of staff in a society.
16. Minister in Charge of Co-operative subject in Central Provincial Council could frame rules which are required for implementation and enforcement of the policies and conditions in this Statute. That the Minister could frame rules
17. Any rule framed under powers vested by Paragraph 16 above should not be enforced, unless approved by the Central Provincial Council. Notification regarding this approval should be published in the *Gazette*.
18. After publication of the relevant notification in the *Gazette* as stated in Paragraph 17, every rule is valid and enforced as specified in this Statute.
19. If it is noticed that the Control Board has functioned violating the rules under this statute or that it has been unable to efficiently expedite the functions expected of it ; Secretary to the Ministry is empowered for appointment of a Control Board consisting of not more than three members for a period of not more than two years in concurrence with the Minister in charge of the subject, irrespective of the conditions stipulated in the schedule in respect of the composition of the Control Board or the Chairman or Secretary. But this Control Board should be appointed from those who possess requirements stated in paragraph 21 of this Statute. That the Secretary is empowered for removal of the Control Board
20. Minister is empowered for appointment of a Control Board consisting of not more than five members who possess requirements in Paragraph 21 of this statute, for a period of three years from the date, this statute is effective from, irrespective of the conditions stated in the Statute in respect of the composition of the Control Board and its Chairman. Conditions for the first Control Board
21. Members of Control Board should be retired officers in Government Service or Government Corporation Service or Government Statutory Boards or officers retired having held administrative posts or similar posts in Co-operative sphere. Eligibility for appointment to Control Board

CHAPTER 07

VIOLATION OF STATUTE AND RULES

22. (1) Every registered society or an officer or an employee in same that purposely neglects or refuses expediting any function or furnishing any information ruled by an officer authorized by the Pension Control Board to exercise matters in this statute or every registered society or an officer or an employee in same that disobeys any summon issued under regulations in this statute purposely or without any justifiable reasons or all persons who neglect furnishing any information legally ruled by an officer authorized under regulations in this statute or every registered society or officer or employee in same that furnishes false reports or false information purposely will be an offender against an offence under this statute.
- (2) Every person who is up to an offence specified in Sub paragraph (1) above and found guilty at a short legal inquiry held before a Magistrate will be liable to either an imprisonment for a period not more than two years or a penalty of not more than Rs. 12,000 (twelve thousand) or imprisonment and penalty both although this punishment exceeds normal judicial powers.

- (3) At the instance any registered society has committed any offence under this statute ; if this offence is a violation of any obligation ; unless proved that every officer in the relevant society or in the absence of such an officer, every member in the committee who is bound to abide by supplementary statutes and rules, was unaware of committing this offence or endeavoured to avoid it, he will be subject to the punishment that will be fixed if it was committed by himself.

23. Payments of Pension Control Board and its Secretary will be determined by the Minister from time to time.

CHAPTER 08

FINANCIAL MATTERS, ACCOUNTING AND AUDITING

Financial
Matters

24. (a) (i) All money remitted to the Pensions Fund should be invested to its maximum safety, and the investments should be made under a decision of the Control Board.
(ii) Every payment effected to a pensioner should be approved by the Pension Control Board.
(iii) All payments should be under the conditions stipulated in rules.

Accounting

- (b) It is the obligation and responsibility of the Pension Control Board to frame an accounting procedure under conditions stipulated by rules.

Auditing and
Inspection

- (c) (i) A Revenue account of the Pension Fund should be forwarded to the Secretary of Co-operative Ministry in Central Provincial Council at the end of the calendar year and the relevant report should be submitted to the Central Provincial Council through Minister in Charge of the subject.
(ii) Secretary to the Ministry should refer this report to Auditor General or a suitable Audit Firm or Group.
(iii) Secretary to Ministry is empowered to check matters pertaining to the Fund or effect an Audit at any instance and he should make necessary provision for same.
(iv) It is the responsibility and obligation of the Control Board to take immediate steps for evasion of the short comings and weaknesses revealed at the audit inspection.

Authority for
removal of
Control Board

- (v) If found that the Pension Control Board has expedited matters contrary to this statute, and relevant rules Secretary to Ministry is empowered for removal of the Government officers and to recommend to Minister for removal of the Members appointed by Minister. At the instance of expediting above, Secretary is empowered for appointment of an alternative Control Board in concurrence with the Minister. At this instance too, appointments should be effected in accordance with Paragraph 21 in this statute.

Definitions

“Control Board” denotes Control Board of Co-operative Employees Pension Fund.

“Employee” denotes an employee of a registered Co-operative Society.

“Society” or “Registered Society” denote a Co-operative Society registered or deemed to have been registered under Co-operative Act or Statute.

“Minister” denotes a person appointed to expedite the obligations of the Minister in Charge of Co-operative subject in Central Provincial Council.

“Chairman” denotes Chairman of the Control Board of Co-operative Employees Pension Fund.

“Officer” denotes a Committee Member or a Director or Chairman or Vice Chairman of a Co-operative Society.

“Secretary” denotes Secretary of Pension Fund.

“Secretary to Ministry” denotes Secretary to Ministry in Charge of Co-operative subject in Central Provincial Council.

“Secretary of Control Board” denotes the officer who holds the post of Central Provincial Co-operative Development Commissioner *cum* Registrar of Societies.

09-705