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The Gazette of the Democratic Socialist Republic of Sri Lanka

EXTRAORDINARY

අංක 1,604/31 - 2009 ජුනි 05 වැනි සිකුරාදා - 2009.06.05

No. 1,604/31 - FRIDAY, JUNE 05, 2009

(Published by Authority)

PART I : SECTION (I) — GENERAL

Government Notifications

My No. : CI/119.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Amendment to the Collective Agreement entered into between, Coats Thread Exports (Pvt.) Limited, No. 163, Union Place, Colombo 02 of the one part and Inter Company Employees Union, No. 158/18, E. D. Dabare Mawatha, Colombo 05 of the other part on 18th day of December, 2008 to the Agreement No. 54 of 2007 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

W. J. L. U. WIJAYAWEERA,
Commissioner General of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05,
25th May, 2009.

Amendment to the Collective Agreement No. 54 of 2007

Further to the Collective Agreement entered into between Coats Thread Exports (Pvt.) Limited, a duly registered company under the Companies' Act, and having its registered office at No. 163, Union Place, Colombo 2, (hereinafter referred to as "the Employer"), and the Inter Company Employees Union, a Trade Union duly registered under the Trade Union Ordinance, having its registered office at No. 158/18, E. D. Dabare, Mawatha, Colombo 5, (hereinafter referred to as "the Union"), on 27th November, 2007, the Employer and the Union have now agreed to amend paragraph 12 of the said Agreement to be read with Schedule 3.

Further to such agreement, parties have now agreed to amend page 1 of the 3rd Schedule of the Collective Agreement referred to above in the following manner :—

(i) Scheme Summary under (a) will be amended to read as follows :—

"10% of the basic salary will be payable if delivery date achievement is achieved."

(ii) A new Section as (f) will be added to the existing Scheme Summary after (d) and it will read as follows :—

“4% of Basic salary will be payable if production target is achieved.”

(iii) The table under the heading “Details of Scheme”, will be amended in the following manner :—

(a) In the table under the heading “Details of Scheme”, under column “incentive as a proportion of salary” which is given as 10% for production target, will be amended to 4%.

(b) In the table under the heading “Details of Scheme” under column “incentive as a proportion of salary” which is given as 4% under “Delivery date achievement” will be amended to 10%.

The above amendments will have a retrospective effect and will come into force with effect from 01st September, 2008.

Parties hereby agree to incorporate the new Third Schedule to the existing Collective Agreement setting out the above amendments. The amended new Third Schedule is annexed hereto.

Subject to the above amendments, the rest of the contents of the Collective Agreement referred to above, will continue to be in force and will be binding on the parties as set out therein.

In witness hereof parties have set their hands on this 18th day of December, Two Thousand and Eight (2008).

.....
For & on behalf of
Coats Thread Exports (Pvt.) Ltd.

Name : Ajith M. Fonseka,
Designation : Director - Human Resources.

.....
For & on behalf of
Inter Company Employees Union

Name : W. A. Somadasa,
Designation : Administration Secretary.

Witnesses :

1.

Name : A. J. F. Wijewickrama
Designation : Human Resources Manager.

2.

Name : D. M. Mahinda Dissanayake,
Designation : Secretary.

THIRD SCHEDULE

Incentive Scheme for less than 6 pkas orders Winding Machine Operators

- (a) 10% of basic salary will be payable if delivery date achievement is achieved.
- (b) every out put increase of 1% over the production target will entitle employees for a 1% increase in incentive earnings.
- (c) Additional earnings available for Savings on Waste, Manufacturing Lead Time (ML T),
- (d) In addition there is available, additional earnings through zero complaints but there are also penalties if there are complaints.
- (e) 4% of basic salary will be payable if production target is achieved.

Details of Scheme

<i>Target</i>	<i>Additional information</i>	<i>Minimum Target</i>	<i>Incentive as a proportion of Salary</i>
Production target	Efficiency	90%	4%
	utilization	95%	
Delivery date achievement	less than 6 pkgs orders	95%	10%
Waste	Use of fresh thread	<1%	2%
ML. T. over 6day achievement	less than	1%	2%
	Total Earning		18%

N.B.—Incentives for production will be calculated on a daily basis while incentives for other targets will be calculated on a weekly basis.

Complaints :

An additional 25% of the total incentive earning will be payable (individually) if there is no justified customer complaint related to finishing (External or internal), inclusive of short packing However if there are justified customer complaints 25% reduction will apply as follows :—

<i>Applicable payment basis Bonus or Penalty</i>	<i>No. of customer complaints</i>	<i>Addition Of Deduction</i>	<i>% from total incentive earning</i>
Bonus	0	Addition	25%
Penalty	1	Deduction	-3%
Penalty	2	Deduction	-5%
Penalty	3	Deduction	-8%
Penalty	4	Deduction	-10%
Penalty	5	Deduction	-13%
Penalty	above 5	Deduction	-25%

Payments : All payments will be made on a monthly basis.

THIRD SCHEDULE

Incentive scheme for Material Handlers/CQC Checkers and Sticker Printers

Scheme Summary :

- An equal proportion of incentives will be payable based on the incentives earnings of 0⁰ Vi-cone, 2⁰ Vi-cone and 2⁰ Cone machine operators' average incentive earnings.
- Additional earnings available for Delivery Date Achievement. Savings on Waste and manufacturing Lead Time (MLT) achievement.

Details of Scheme

Machine Type	Minimum Target.	Incentive Payment
0 ⁰ Vi-cone		1/3 of average production incentive earning percentage of 0 ⁰ Vi-cone machine operators.
2 ⁰ Vi-cone		1/3 of average production incentive earning percentage of 2 ⁰ Vi-cone machine operators
2 ⁰ Cone		1/3 of average production incentive earning percentage of 2 ⁰ Cone machine operators
Delivery date achievement	95%	4% of basic salary
Waste	<1% of fresh thread used	2% of basic salary
ML T over 6 day achievement	Less than 0.80%	2% of basic salary

- N.B.*— 1. Incentives for production will be calculated on a daily basis while incentives for other targets will be calculated on a weekly basis.
2. All payments will be made on a monthly basis.

06-431

My No. : IR/11/14/2007.

In the Matter of an Industrial Dispute Between :

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Award transmitted to me by the Arbitrator to whom the Industrial Dispute which has arisen between Corporation Co-operative & Mercantile Union, No. 17, Barracks Lane, Colombo 02 of the one part and State Engineering Corporation of Sri Lanka, No. 130, W. A. D. Ramanayake Mawatha, Colombo 02 of the other part was referred by Order dated 30.08.2007 under Section 4(1) of the Industrial Disputes Act, Chapter 131, (as amended) and for settlement by arbitration is hereby published in terms of Section 18(1) of the said Act.

W. J. L. U. WIJAYAWEERA,
Commissioner General
of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05,
27th May, 2009.

Corporation Co-operation & Mercantile Union,
No. 17, Barracks Lane,
Colombo 02.

On behalf of W. L. D. Fernando.

Applicant Union.

Case No.:
A3232

And

State Engineering Corporation of Sri Lanka,
No. 130, W. A. D. Ramanayake Mawatha,
Colombo 02 .

Respondent.

On this 30th day of March, 2009.

The Honourable Minister of Labour Relations and Manpower by virtue of the powers vested in him by Section 4(1) of the Industrial Disputes Act, Chapter 131 of the Legislative Enactments of Ceylon (1956 Revised Edition) as amended by Acts, Nos. 14 of 1957, 4 of 1962 and 39 of 1968, (read with Industrial Disputes (Special Provisions) Act, No. 37 of 1968), has appointed me as the Arbitrator to settle the following dispute by arbitration :

“Whether the deprivation of promotions in service for the years 1998 and 2002 due to W. L. D. Karunaratne, taking into account that he had been in service during the period he was interdicted at the time of reinstating him with back wages with effect from 25.01.2005 by the State Engineering Corporation of Sri Lanka exonerating him at the disciplinary inquiry from all the charges framed against him when the was under interdiction from 17th March, 1998 is justified, and if not, to what relief Mr. W. L. D. Karunaratne is entitled.”

AWARD

The applicant Union (The party of the First Part) contended on behalf of W. L. D. Fernando that he was interdicted from service from 18.03.1998, Thereafter, the Respondent Corporation (The party of the Second Part) had issued the Applicant with a charge sheet dated 10.04.1998 and while a disciplinary inquiry was in progress in respect of the said charge sheet, a second charge sheet was issued to the Applicant on 24.06.1998 and the disciplinary inquiry was held for a period of nearly seven (7) years and on 25.01.2005 he was reinstated with back wages.

The Applicant further contended that though he had been reinstated with the relevant back wages he had been deprived of the promotions he should have received in the service though those who had joined the service after him were promoted and the relevant back wages had been paid, the Applicant had been denied these promotions and the back wages relevant to the promotions.

Thereafter the Applicant had appealed to the Commissioner of Labour in charge of Industrial Relations and though the Respondent Corporation had been ordered

to grant the Applicant the due promotions with the relevant back wages no action had been taken by the Respondent Corporation.

This matter had been referred for settlement by Arbitration for settlement.

The Respondent did not dispute the arguments of the Applicant. In fact the Respondent agreed that the Applicant had been suspended from service and later reinstated but that the promotions due to the Applicant along with the relevant back wages had not been paid by the Respondent.

PROCEEDINGS

The Proceedings in this matter began with the filing of the Statement by the two Parties to the dispute and after eight (08) hearings a settlement was reached.

The Respondent argued that it was not possible to grant a promotion from Grade 9 of the Book Keepers service to Grade 8 of the Service due to there being no vacancy at that time. On 15.01.2007 the Hon. Arbitrator suggested that the Respondent should look into this aspect of the promotion seriously and also grant any back wages due to him on account of the delayed promotion.

After much deliberation by both Parties, the respondent agreed to grant the due promotion and also the relevant back wages, and on 27.01.2008 the Parties to the dispute reached an agreement whereby the Applicant W. L. D. Karunaratne was to receive the sum of Rs. 64,980 by way of settlement on account of the payment of back wages for the relevant period or the promotion he had received. It was further agreed that the payment would be made by the Respondent Corporation in four equal monthly installments ending on 20th March, 2008.

AWARD

In view of the above settlement being reached by the Parties no Award is made.

Dr. V. IRWIN JAYASURIYA Ph D.
Attorney-at-Law:
Arbitrator.