

**PARLIAMENT OF THE DEMOCRATIC SOCIALIST REPUBLIC OF**   
**SRI LANKA**

**WAGES BOARDS (AMENDMENT)**   
**ACT, No. 14 OF 2019**

**[Certified on 24th of September, 2019]**

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| *Wages Boards (Amendment)* | 1 |

*Act, No. 14 of 2019*

[Certified on 24th of September, 2019]

L.D.—O. 55/2009

AN ACTTOAMENDTHE WAGES BOARDS ORDINANCE

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows:—

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| **1.** | This Act may be cited as the Wages Boards | Short title. |

(Amendment) Act, No. 14 of 2019.

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| **2.** | Section 4 of the Wages Boards Ordinance | Amendment of section 4 of  Chapter 136. |
| (Chapter 136) (hereinafter referred to as the “principal enactment”) is hereby amended as follows:— | |
| (1) | by the repeal of subsection (1) of that section and |

the substitution therefor of the following:—

“(1) Every employer who fails to comply with   
any provisions of this section of this Part shall be   
guilty of an offence and shall be liable to a fine not   
less than five thousand rupees and not exceeding   
ten thousand rupees or to imprisonment of either   
description for a term not exceeding one year or to   
both such fine and imprisonment.”;

(2) in subsection (2A) of that section—

(*a*) in paragraph (*d*) of that section by the   
 substitution for the words “of such sum.”  
 of the words “of such sum;”;

(*b*) by the addition immediately after   
 paragraph (*d*) of that section of the   
 following new paragraph:—

“(*e*) where such sum is in arrears for a   
 period exceeding twenty four

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months a surcharge of ten *per*   
*centum* thereafter for each period   
of twelve months.”.

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| Amendment of  section 41 of the principal  enactment.  Amendment of  section 44 of the principal  enactment. | **3.** | Section 41 of the principal enactment is hereby |
| amended in subsection (2) thereof by the substitution for the words “four years commencing” of the words “six years commencing”. | |
| **4.** | Section 44 of the principal enactment is hereby |
| amended by the repeal of subsections (1) and (2) of that section and the substitution therefor of the following:— | |

“(1) Every employer who fails to pay wages to any   
worker in accordance with the provisions of section 21,   
shall be guilty of an offence and shall be liable to a fine   
not less than five thousand rupees and not exceeding   
ten thousand rupees or to imprisonment of either   
description of a term not exceeding one year or to both   
such fine and imprisonment, and shall in addition, be   
liable to a fine not exceeding five hundred rupees for   
each day on which the offence is continued after   
conviction.

(2) Every employer, other than an employer referred   
to in subsection (1), who fails to make to any worker,   
any payment in accordance with any provision of this   
Part of this Ordinance or of any decision of a Wages   
Board, shall be guilty of an offence and shall be liable to   
a fine not less than five thousand rupees and not   
exceeding ten thousand rupees or to imprisonment of   
either description for a term not exceeding one year or to   
both such fine and imprisonment, and to a fine not   
exceeding five hundred rupees for each day on which   
the offence is continued after conviction.”.

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| Amendment of  section 46 of the principal  enactment. | **5.** | Section 46 of the principal enactment is hereby |
| amended in subseciton (1) of that section by the substitution for the words “during the four years”, of the words “during the six years”. | |

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| **6.** | Section 48 of the principal enactment is hereby | Amendment of section 48 of  the principal  enactment.  Amendment of section 50 of  the principal  enactment.  Amendment of section 51 of  the principal  enactment.  Amendment of section 56 of  the principal  enactment.  Amendment of section 58 of  the principal  enactment. |
| amended in subseciton (1) of that section by the substitution for the words “to a fine not exceeding five hundred rupees”, of the words “to a fine not exceeding five thousand rupees”. | |
| **7.** | Section 50 of the principal enactment is hereby |
| amended in subseciton (1) of that section by the substitution for the words “not exceeding two hundred rupees” and the words “not exceeding three months”, of the words “not less than five thousand rupees” and the words “not exceeding twelve months” respectively. | |
| **8.** | Section 51 of the principal enactment is hereby |
| amended by the substitution for the words “not exceeding two hundred rupees” and the words “not exceeding three months” of the words “not less than five thousand rupees”and the words “not exceeding twelve months” respectively. | |
| **9.** | Section 56 of the principal enactment is hereby |
| amended in paragraph (*c*) of that section by the substitution for the words “within four years” of the words “within six years”. | |
| **10.** | Section 58 of the principal enactment is hereby |
| amended in the succeeding paragraph to paragraph (*g*) of that section by the substitution for the words “not exceeding one thousand rupees” and the words “not exceeding six months” of the words “not less than twenty thousand rupees” | |

and the words “not exceeding twelve months” respectively.

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| **11.** | Section 59A of the principal enactment is hereby | | Replacement of section 59A of the principal  enactment. |
| repealed and the following section substituted therefor:— | | |
| “Special  provisions  applicable  where  persons are  employed to do work  under any  arrangement made by way of trade or  any  commercial | | 59A. (1) Where any person enters into a contract or work arrangement expressed or implied, for trade or commercial purposes, with any other person who employs workers to perform work on a regular basis which is an integral part of the business activities of the first-mentioned person, and such person employs workers pursuant to the said contract or work arrangement, such contract or work arrangement shall be deemed to amount to a |
| purpose. | disguised employment relationship. | |

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(2) Where the Commissioner is of opinion,   
after due inquiries, that such contract or work   
arrangement is in fact a disguised employment   
relationship, he shall in writing direct the first-  
mentioned person referred to in subsection (1)   
to refrain from having such work executed   
under such contract or arrangement in respect   
of such workers.

(3) A person who has been aggrieved by a   
directive made in respect of him under   
subsection (2) shall have a right to appeal to   
the Special Employment Relations Tribunal   
established under section 59B of this Act within   
thirty days of the making of such directive.   
The Special Employment Relations Tribunal   
shall thereafter summon all parties concerned   
and make a determination affirming or rejecting   
the directive of the Commissioner.”.

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| Insertion of  sections 59B,  59C, and 59D in the principal  enactment. | **12.** | The following new sections are hereby inserted | |
| immediately after section 59A of the principal enactment and shall have effect as sections 59B, 59C, and 59D of that enactment:— | | |
| “Establishment | | 59B. (1) There shall be established a Special |
| of a Special Employment Relations  Tribunal. | | Employment Relations Tribunal (hereinafter referred to as the “Tribunal”) for the determination of appeals made to the Tribunal by any aggrieved person in terms of subsection |

(3) of section 59A.

(2) The Tribunal shall consist of three   
members to be appointed by the Minister. The   
three members shall be persons who have a   
wide knowledge and experience in the field of   
labour laws and one of whom shall be a retired   
Judge of the Supreme Court or Court of Appeal   
of Sri Lanka who shall be the Chairman of the   
Tribunal.

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(3) A member of the Tribunal shall hold   
office for a period of three years and shall be   
eligible for reappointment.

(4) Any member may at any time resign his   
office by a letter to that effect addressed to the   
Minister and such resignation shall take effect   
upon it being accepted by the Minister.

(5) Where any member vacates office by   
resignation, removal, death or of his inability   
to hold office on account of ill health or absence   
from Sri Lanka or any other cause, the Minister   
may appoint another person in his place in   
terms of subsection (2) and the person so   
appointed may hold office for the unexpired   
period of term of office of the member whom   
he succeeds.

(6) The Minister may remove any member   
of the Tribunal for reasons assigned.

(7) There shall be a Secretary to the Tribunal   
appointed by the Commissioner who shall   
maintain records of the Tribunal and attend to   
any such other work assigned to him by the   
Tribunal and the Commissioner relating to   
functions of the Tribunal.

(8) The Commissioner may appoint such   
officers and servants as are necessary to   
facilitate the functions of the Tribunal.

(9) The members of the Tribunal may be paid   
such remuneration as the Minister may   
determine in consultation with the Minister in   
charge of the subject of Finance.

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| 6  Power and  functions of  the Tribunal. | *Wages Boards (Amendment) Act, No. 14 of 2019*  59C. (1) The Tribunal shall hear and determine the appeals made to it under subsection (3) of section 59A in accordance |

with the principles of natural justice. On making   
a decision, the Chairman shall fourthwith   
inform the Commissioner and the parties of   
the decision.

(2) The Commissioner shall upon receipt of   
the decision of the Tribunal, cause the same to   
be published in the *Gazette*.

(3) The decision shall be effective as   
between the parties with effect from the date of   
publication in the *Gazette* or from such date as   
may be specified therein.

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| Power of  Commissioner  to institute  action. | 59D. Any person who fails to comply with any directive of the Commissioner under section 59A, or does any act in violation of the decision of the Tribunal under section 59C shall |

be guilty of an offence and the Commissioner   
or any person duly authorized by him in   
writing may institute action in the appropriate   
Magistrate’s Court against such person.”.

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| Sinhala text to  prevail in case  of inconsistency. | **13.** | In the event of any inconsistency between the |
| Sinhala and Tamil texts of this Act, the Sinhala text shall prevail. | |

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