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## PART I: SECTION (I) – GENERAL

### Government Notifications

My No. : CI/ 1494.

#### THE INDUSTRIAL DISPUTES ACT-CHAPTER 131

The Collective Agreement entered into between Srilankan Airlines Limited, Airline Centre, Bandaranaike International Airport, Katunayake of the one part and The Srilankan Airlines Aircraft Technicians Association, No. 14, Mahawela Place, Kirulapone, Colombo 6 of the other part on 10th day of November 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)

M. D. C. AMARATHUNGA,  
Commissioner of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05,  
11th January 2016.

#### Collective Agreement No. 24 of 2015

#### SRILANKAN AIRLINES AIRCRAFT TECHNICIANS COLLECTIVE AGREEMENT (2014)

##### 1. ARRANGEMENT AND INDEX

This Agreement is arranged as follows :

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## 2. *Title. —*

This Agreement is the 'Srilankan Airlines Aircraft Technicians Collective Agreement (2014)', and hereinafter shall be known and referred to as the 'Agreement'.

## 3. *Names of the parties. —*

- 3.1 This Agreement is hereby made and entered into effective from 01 st June 2014 between the following parties listed in Section 3.2 and 3.3 and 3.4 below. In this Agreement, the terms 'Employees' and 'Technicians' shall mean all those Employees covered by either sections 3.3 and 3.4 in this Agreement below.
- 3.2 SriLankan Airlines Limited, a Company incorporated in Sri Lanka bearing Company registration number PB 67 and having its official registered office at Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka, hereinafter called the 'Company' (which expression wherever the context so admits shall include and mean it's successors and assigns).
- 3.3 The SriLankan Airlines Aircraft Technicians Association, a registered Trade Union registered in Sri Lanka under registration number 5570, with it's official registered office address as 14, Mahawela Place, Kirulapone, Colombo 6, Sri Lanka, hereinafter called the 'SAATA' (which expression wherever the context so admits shall mean and include it's successors, assigns, replacement and all Employees who are fully paid-up members of the SAATA and who are locally employed in a Permanent capacity in grades T1 - T3 of the Technicians grade structure who are covered and bound by this Agreement).
- 3.4 Other individual Employeeess who are locally employed in a permanent capacity in grades T1 - T3 of the Technicians grade structure who are not members of the SAATA but who nevertheless wish to accept the terms and conditions of this Agreement by signing on an individual basis.

## 4. *Short recital and General Agreement. —*

- 4.1 WHEREAS demands and requests were made by the SAATA for a revision of terms and conditions of employment of Employees employed by the Company (noting that the existing terms and conditions of employment of Technicians were previously recorded in the Collective Agreement between the Company and the SAATA dated 12 th January 2011, in respect of which the minimum period of operation was from 01 st June 2010 up to the 31 st May 2013)
- 4.2 AND WHEREAS the SAATA can verify to the satisfaction of the Company that it represents at least 40% of the Technicians employed in a permanent capacity by the Company in Sri Lanka in grades T1 - T3 of the Technicians grade structure of the Company.
- 4.3 AND WHEREAS having received the demands and requests from the SAATA, the Management of the Company discussed and negotiated with the SAATA, and during the process of negotiations were able to finally reach agreement on the matters contained herein, on the understanding that any and all other matters raised would be regarded as having been withdrawn in favour of this finalised agreement called the 'SriLankan Airlines Aircraft Technicians Collective Agreement 2014'.

- 4.4 AND WHEREAS the intention of both parties was that this Agreement would ensure operational and industrial peace and harmony, improved overall efficiency of the Company, an improvement in overall performance and productivity including the ability to rotate Employees between different areas (within the Engineering Division), co-operation between the Employer and Employee, and a contented and highly motivated workforce. The parties to this Agreement have a common objective in ensuring the proper and successful functioning of the Company, as only this can safeguard the welfare of both the Company and all the Employees.
- 4.5 AND WHEREAS the parties have agreed that there would be strict compliance with all procedures, terms and conditions agreed in this Agreement, and it is agreed by the parties that they would honour and abide by their respective obligations, respective the rights of each other as set out in this Agreement.
- 4.6 NOW KNOW YE AND THIS AGREEMENT WINESSETH THAT as a result of said discussions, and that for and in consideration of the above premises and the mutual terms and conditions set out in this Agreement, the SAATA and the Company have reached this Agreement, which includes clauses for the enhancement of salaries and various allowances to further improve the employment conditions offered by the Company.
- 4.7 AND THAT parties have agreed that there would be compliance with all existing procedures, processes and regulations that are not otherwise specified in the Agreement but have been included in the 'people's Administration and Engagement Policy Manual' of the Company. In the event of a conflict or inconsistency between the terms and conditions of this Agreement and any pre-existing terms and conditions or practices, then the terms and conditions specified in this Agreement shall prevail.

Provided that if any of the clauses in the 2008 and 2010 Collective Agreement have been transferred to the said manual with amendments decided on 'ex-parte' by the Management, such amendments shall be discussed with the SAATA with a view to arriving at a mutually acceptable agreement.

It is also agreed that the Company will update the manual with the concurrence of the SAATA in relation to matters affecting its members, wherever applicable.

The Company welcomes any positive suggestions from the SAATA on how the existing procedures and processes may be improved for the benefit of both parties.

- 4.8 AND THAT this Agreement covers all the demands and claims of the SAATA contained in their original requests and demands and other issues brought for negotiation and discussions during the course of bargaining of the said demands in full and final settlement thereof, and that all demands, claims and requests raised by the SAATA are hereby withdrawn or settled or satisfied in terms of and/or in consideration of this Agreement.
- 4.9 AND THAT in consideration of this Agreement, the SAATA and its members shall not during the continuance of this Agreement seek to vary, alter or add to, all or any of the terms and conditions of employment or benefits contained as provided for in this Agreement, other than by mutual agreement with the Company. Failure to reach mutual agreement shall not entitle the SAATA to raise a dispute thereon.
- 4.10 AND THAT the terms and conditions of this Agreement effective from 01st June 2014 shall be deemed to be included in all the contracts of employment between the Company and all Employees covered and bound by this Agreement, whether such contract of employment be written or not, and which was subsisting as at 01st June 2014 or shall come into being at any time thereafter during the continuance of this Agreement.
- 4.11 AND THAT if, and in so far as, any provisions contained in this Agreement are superseded by mandatory law in Sri Lanka, all other provisions not so superseded shall remain in full force and effect.
- 4.12 AND THAT it is agreed that any dispute over the interpretation of this Agreement shall be settled by reference to the Commissioner of Labour, or where such decision is not acceptable by voluntary arbitration under section 3(1)(d) of the Industrial Disputes Act.
- 4.13 IT IS ALSO AGREED THAT the minimum terms and conditions of service which apply to all Employees employed in a permanent capacity in grades T1 - T3 of the Technicians grade structure who are covered and bound by this Agreement shall be those provided for in this Agreement.

## 5. Duration of Agreement.-

- 5.1 This Agreement shall come into effect from **1st June 2014**, and shall thereafter continue to be in force unless it is determined by

either party to terminate, giving one month's notice in writing to the other, provided however that one party hereto shall not give notice to the other party before 01st May 2017 and such notice shall not expire before 31st day of May 2017. This shall not preclude discussions taking place and commencing at any time after 01st December 2016 between parties for a revision of the Agreement to be effective from 1st June 2017. The above condition is subject to section 9 of the Industrial Disputes Act No. 43 of 1950.

5.2 Subject to section 4.7 earlier, this Agreement replaces in full the previous Agreement between the Company and the SAATA dated 12th January 2011, which was valid from 1st June 2010 and expired on 31st May 2013. Any clause that may have been in the previous agreement is considered revoked unless repeated and carried-forward into this new Agreement.

5.3 Furthermore, Subject to section 4.7 earlier, this Agreement replaces in full any other prior agreements, and replaces all prior working practices, and replaces all prior terms and conditions of employment for Employees employed in a payment capacity in grades T1 - T3 of the Technicians grade structure.

#### 6. *Parties Covered and Bound.-*

6.1 This Agreement shall cover and bind the Company.

6.2 This Agreement shall cover and bind the SAATA and all Employees locally employed in a permanent capacity in grades T1-T3 inclusive of the Technicians grade structure who are fully paid up members of the SAATA.

6.3 This Agreement shall cover and bind all individual Employees locally employed in a permanent capacity in grades T1 -T3 of the Technicians grade structure who are not members of the SAATA but who nevertheless wish to accept the terms and conditions of this Agreement in full by signing on an individual basis.

#### 7. *Recognition.-*

7.1 The Company recognises the right of the SAATA to represent the interests of, and when required negotiate on behalf of, all categories of locally employed Permanent Employees that are classified in grades T1-T3 inclusive of the Technicians grading structure in Sri Lanka who are fully paid - up members of the SAATA.

7.2 The Company recognises the right of the SAATA to exercise the SAATA functions in accordance with the laws of Sri Lanka, and to manage the SAATA affairs without interference.

7.3 Such recognition by the Company of the SAATA shall continue as long as the SAATA holds the status of Collective Bargaining Agent of the Employees in grades T1 - T3 inclusive of the Technicians grading structure of the Company, and can verify that at least 40% of all locally employed Employees in grades T1 - T3 inclusive are fully paid - up members of the SAATA.

7.4 The SAATA recognises the right of the Company to plan, organise and manage the operation of each location in order to achieve maximum safety, efficiency and profitability in the operation. This right includes. inter - alia, the recruitment, engagement, control, discipline, termination, upgrading, promotion, demotion, transfer and dismissal of Employees (always in accordance with the laws of Sri Lanka and the procedures and manuals of the Company). This right also includes, inter - alia, the use of Employees on Fixed Term Contracts from time as operationally required, the determination of the rosters, working patterns and times, methods and manner of working, the introduction of technical improvements, and the decision to modify, extend, curtail or cease operations, and all safety aspects of the operation. The Company will always exercise the above mentioned rights within the limits prescribed under all applicable laws of Sri Lanka and in accordance with all applicable procedures and manuals of the Company and in accordance with the terms and conditions of this Agreement.

Provided however in respect of termination, upgrading, promotion, demotion, transfer and dismissal of employees, working patterns, and times, methods and manner of working, redundancy due to operational reason, the SAATA may if it is of such opinion make representations to the Management in accordance with the grievance/ dispute procedure stipulated herein and/ or in accordance with the law.

#### 8. *Monthly Basic Salary Scales.-*

8.1 The Monthly basic salary scales effective from **01st November 2014** until 31st May 2017, expressed in Sri Lankan Rupees (Rs.) per month are :

Grade	Minimum	Maximum
T1	32,000	74,665
T2	36,000	131,150
T3	40,000	161,650

- 8.2 Under no circumstances may the monthly basic salary of an Employee exceed the prescribed limit of the maximum basic salary of their grade.
- 8.3 All new employees who will be taken on the permanent payroll of the Company subsequent to the date of signing this Agreement will normally start at the minimum of scale. However, the Management reserves the sole right to offer a commencing salary at a higher level than the minimum of scale depending upon merits as considered appropriate by the Management.
- 8.4 The above revised salary scales, applicable allowances and other enhanced benefits (as given in this Agreement) will be applicable to those Employees who are in employment as at the date of signing the Agreement.

**9. Basic Salary Increases During this Agreement. —**

**9.1 ANNUAL PERFORMANCE BASED INCREMENT**

The actual individual monthly basic salaries of all Employees covered by this Agreement (except those under probation) and in active service at the time of execution of this Agreement, will be increased ranging from 0.0% to 4.0% (with an average of 3.0%) depending upon individual performance effective 01st June 2015 to 31st May 2017 as the Annual Performance Based Increment.

**9.2 ANNUAL FIXED INCREMENT**

The actual individual monthly basic salaries after the Performance based increment in June each year for all Employees who are covered by this Agreement and in active service at the time of execution of this Agreement, will be increased as per the schedule below effective on 01st June 2014. This schedule will be applicable for the period of June 2014 to May 2017.

Grade	Experience in the Company	2014	2015	2016
T2	< 2	1,000	3,000	4,000
	> 2 & < 4	2,000	4,000	5,000
	> 4 & < 6	3,500	4,500	6,000
	> 6 & < 8	5,000	6,000	7,500
	> 8	5,500	6,500	8,500
T3	> 5 & < 10	6,500	7,000	9,000
	> 10 & < 15	7,000	7,500	10,000
	> 15 & < 20	8,000	8,500	11,000
	> 20	8,500	9,500	12,000

For those who are below the revised minimum salary scales under clause 8.1, the Annual Fixed and Performance Based Increments will be added to the revised minimum point in November 2014.

**10. Special Premium Allowance. —**

- 10.1 Effective from 1 st June 2014, the categories of Employees that are deemed by the Company to be eligible and in service at the time of execution of this Agreement, monthly special premium allowance are as follows :

Grade	Experience in T Grades	2014	2015	2016
T1		10,000	10,000	10,000
T2	< 3	42,000	42,000	42,000
	> 3 & < 5	51,000	54,000	57,000
	> 5	61,250	64,250	67,250
T3	< 10	66,000	69,000	72,000
	> 10 & < 15	68,000	71,000	74,000
	> 15 & < 20	75,000	78,000	81,000
	> 20	80,000	83,000	86,000
	Certifying	82,000	85,000	88,000

10.2 Employees who use their personal mobile phones for official duty (as indicated by the Engineering Management), Rs. 1,500 p.m. will be added to their applicable special premium. For Employees who use Head - sets, Rs. 2,500 p. m. will be added to their applicable special premium.

10.3 The Company reserves the right to assess the market conditions and determine whether any such premium is applicable for any such job or category of jobs in terms of attracting or retaining employees based on prevailing market conditions at a particular period of time.

#### 11. *Attendance Incentive Payment. —*

11.1 Effective 1 st January 2014 for the calendar year 2014 onwards, an Attendance Incentive Payment will be payable to Technicians based upon their individual attendance in the calendar year (with Payment based on the actual basic salary at the end of that calendar year on 31st December being made at the beginning of the subsequent calendar year split equally between the end - February and the end - March payrolls for tax - efficiency) depending upon the number of days of Non - cumulative Privilege Leave and Casual Leave unutilised during the calendar year as follows :

##### *Days of casual/ non cum. privilege leave unutilised in the Calendar year*

##### *Attendance payment*

14 days	150% of Basic Salary plus Special Premium
12 - 13 days	125% of Basic Salary plus Special Premium
10 - 11 days	100% of Basic Salary plus Special Premium
8 - 9 days	75% of Basic Salary plus Special Premium
6 - 7 days	50% of Basic Salary plus Special Premium
Less than 6 days	NIL

11.2 If an employee is marked as "unauthorised absence/ approved no pay" then such days will also be included with the days of Non cumulative privilege leave and casual leave utilised for the purpose of calculating eligibility for this attendance incentive payment.

11.3 For the avoidance of doubt, in the case of Technician covered and bound by this Agreement, the applicable monthly salary to calculate the annual attendance payment shall be monthly basic salary plus Special Premium Allowance only.

11.4 The Employee to be entitled for this Attendance Incentive Payment should have been in employment for the full calendar year ending 31st December.

#### 12. *End of Year Payment. —*

It is agreed by the Parties that the Company shall implement the End of Year Payment Scheme as set out below, in place of the Profit Share Incentive Scheme, from 2014 onwards. The Payment shall be split equally between December and April payrolls for tax efficiency, in respect of annual performance appraisal rank obtained by each Employee.

Scenario 1 - For Employees who are drawing more than Rs. 50,000/- Monthly basic salary plus Special Premium, payment to be capped at Rs. 50,000/- subject to attaining rank 1,2 or 3

Scenario 2 \_ For Employees who are drawing less than Rs. 50,000/- monthly basic salary 75% of their monthly basic salary plus Special Premium shall be paid subject to attaining rank 1, 2 or 3.

Scenario 3 – No. incentive payment shall be paid for any other performance rank.

It is agreed by parties that the Employees covered by this Agreement shall, when required to attend training programmes, refrain from claiming overtime during the first 8 hours of such training per annum.

In the event there being a requirement to formulate a more favourable scheme, as an outcome of the pending case relating to the 13th month incentive, the Company and the SAATA shall discuss such outcome and agree on the way forward in relation to this payment.

### 13. *All Other Allowances.* —

#### 13.1 LONG - SERVICE ALLOWANCE

The Long Service Allowance will be added to the basic salary of those Employees who are enjoying the benefit as at 31st October 2014 with effect from 01st November 2014 at the current rates and the Long Service Allowance shall be ceased to be in effect from the 01st November 2014.

#### 13.2 REGULAR SHIFT ALLOWANCE (DAY, NIGHT SHIFT PATTERN)

All technicians covered by this agreement who are on rostered shift patterns comprising of Day & Night shifts will receive a daily shift allowance for each shift actually worked, expressed in Sri Lankan Rupees (Rs) per shift of:

	<b>At least 6 but less than 10 hours</b>	<b>10 or more hours</b>
Weekdays (Day)	Rs. 150 per shift	Rs. 200 per shift
Weekdays (Night)	Rs. 150 per shift	Rs. 350 per shift
Week Ends (Fri - Sun)	Rs. 150 per shift	Rs. 400 per shift

This daily shift allowance applies to all types of shift work patterns and is based upon the scheduled rostered working hours (excluding breaks) of the shift, regardless of the pattern of shifts (including early shifts and night shifts). This daily shift allowance is only paid if either the rostered shift is worked in full (or substituted by company - provided training) or during annual leave based on notional shifts, but this daily shift allowance is not paid during sick leave or casual leave or any other type of leave or absence. If an employee is also required to work a full additional shift (of 6 hours or more) as overtime then the shift allowance will be paid as well as any applicable overtime payments. The normal core office hours of 08.00 - 16.30 on Mondays - Fridays inclusive is regarded as the regular day pattern, and is not a rostered shift pattern.

Shift allowances earned in one calendar month will be paid in the payroll at the end of the subsequent calendar month.

Employees may swap shifts with each other by mutual consent and with the prior written approval from the Manager (or Supervisor or Authorised Officer) on a case - by - case basis, subject to the shifts being swapped being identical in working hours, and maximum of three swaps per Employee per month.

The above enhancements will come into effect from the date of signing the Agreement.

#### 13.3 UNIFORM ALLOWANCE

Effective 1st September 2014, Technicians in grades T1 - T3 required to wear the uniform full - time will receive Rs. 700 per month. This uniform allowance is intended to reimburse expenses to the Employee by paying part of their uniform cleaning bills and is intended as a subsidy rather than payment in - full of all laundry expenses.

#### 13.4 TEA ALLOWANCE

Effective from 1st September 2014, the monthly tea allowance for Technicians in grades T1 - T3 will be Rs. 10,000/- Per month.

#### 13.5 WARM - CLOTHING ALLOWANCE

The warm - clothing allowance for Technicians in grades T1 - T3 who are required to perform duty travel to overseas locations where warm - clothing is deemed necessary is US\$200 every five years.

**13.6 APPROVAL ALLOWANCES**

A detailed summary of all approval types and associated approval allowance payments that apply to locally employed permanent Technicians in grades T1 - T3 inclusive is provided in ANNEXURE B to this Agreement.

The Company has the sole right to determine the number of Employees who are required to have approval types to meet operational requirements for aircraft of both SriLankan and other airlines certified by SriLankan.

Where the approval - type relates to a current approval on an aircraft that is in operation in the SriLankan fleet at the time of payment, then 100% of the relevant approval allowance shall be paid. However, such payment shall immediately cease to be payable if and when an aircraft type ceases to be in operation in the SriLankan fleet.

The Company may, if future business plans so determine, choose to phase - in or phase - out any other aircraft types at its sole discretion, and payment of approval allowances will apply in accordance with such phase - in and phase - out.

Likewise, payment of approval allowance shall immediately cease to be payable if and when the approval held by the Technician is no longer current or the validity of their approval expires.

Where the approval - type relates to a current approval on an aircraft that is in operation of another airline for whom SriLankan provides certification (but not in operation in the SriLankan fleet) at the time of payment, then 50% of the relevant approval allowance shall be paid. However, such payment shall immediately cease to be payable if and when an aircraft type ceases to be maintained for the other airline by SriLankan. Likewise, such payment shall immediately cease to be payable if and when the Technician is no longer current or the validity of their approval expires.

**13.7 TRANSPORTATION ALLOWANCE-**

There is no transportation allowance for Technicians in grades T1-T3 inclusive. However, the company will facilitate bus transportation to all Technicians in T1 to T3 who wish to use the bus system as per the existing route structure.

**13.8 JOB - RELATED ASSIGNMENT ALLOWANCES**

The following allowances will apply on a job - related basis to applicable qualified Technicians in grades T1 - T3 effective from 1st September 2014. It is agreed by both parties to review the job related allowances mentioned (c) to (e) given below by September 2015.

- (a) The TOOL BOX ALLOWANCE for employees who are required to keep and maintain their own toolbox which is subject to periodic regulatory audits will be a sum of Rs. 5,000/- per month. (which they can purchase from the Company by salary deductions).
- (b) The WASTE SYSTEM OVERHAUL ALLOWANCE for employee qualified and required in writing to perform toilet overhaul activities as part of a major engineering check will be Rs. 2, 250/- per month.
- (c) The APRON DRIVING ALLOWANCE for all employees who are regularly required to use a current and valid apron driving permit (excluding those who are designated and/ or paid as either Drivers or Equipment Operators or similar where their normal job duties include apron driving duty) will be Rs. 850/- per month.
- (d) The APRON DRIVING ALLOWANCE for all employees who are occasionally required to use a current and valid apron driving permit (excluding those who are designated and/ or paid as either Drivers or Equipment Operators or similar where their normal job duties include apron driving duty) will be Rs. 275/- per month.
- (e) The LIFT - OPERATOR ALLOWANCE for employees qualified and required in writing to operate aircraft equipment (High Lift, Snorke Lift and the scissors lift :) will be Rs. 800/- per month.

**13.9 OVERTIME FOR FLYING SPANNER DUTIES**

It is agreed that on occasion a Technician may be required to perform flying spanner duties by working extra overtime hours (either to extend a normal rostered working day or by working on a day - off), whereby they accompany an aircraft for the purposes of certification of that aircraft at an overseas on - line station. In these cases when a Technician works overtime hours to perform flying spanner duties, they shall receive overtime payments for actual overtime hours performed.



Calculation of hours worked for overtime purposes will commence at initial chocks - off in Colombo, and will finish at the final chocks - on back in Colombo. Actual qualifying time will then be rounded down or up to the nearest full hour. However, if the Technician is away from the aircraft (either whilst on a lay over during a hotel stay away from Sri Lanka, or whilst the aircraft is grounded for any reason at the overseas destination), then the calculation of actual working hours ceases from the time the Technician leaves the aircraft at the overseas destination until returning to duty at the aircraft at the overseas destination.

It is agreed by both parties to review overtime for flying spanner duties given above by september, 2015.

#### 13.10 MEAL ALLOWANCES AS A FLYING SPANNER

When a Technician goes on duty as a flying spanner (both on a normal rostered working day, and on a day - off), meal allowances will be paid as follows :

Allowance	Payment	Timing
Breakfast	US\$ 25.00	07.30 - 08.30
Lunch	US\$ 25.00	12.30 - 13.30
Dinner	US\$ 25.00	19.30 - 20.30

All time schedules for applicability of meal allowances as listed above are shown in local times (LT). Technicians will be eligible for these meal allowances commencing one hour before scheduled departure and finishing half an hour after actual time of arrival.

In addition to meal allowances, for a flight departing from or returning to Colombo where an over night stay is required at an overseas slips location in a hotel whilst on - duty as a flying spanner, then a night - stop allowance will be paid as follows:

<i>Night - Stop</i>		<i>Timing</i>
T2 - T3	US\$ 18.00	On - duty at 00.01 and layover included
T1	US\$ 15.00	On - duty at 00.01 and layover included

#### 13.11 OTHER ALLOWANCES

There are no other allowances or payments that apply to Employees who are locally employed in grades T1-T3 inclusive of the Technicians grade structure other than those listed in this Agreement. However it is agreed by both parties to consider the following allowances proposed by SAATA by September 2015.

- (a) Hazardous Chemical Allowance
- (b) Continued Shift allowance
- (c) Transport Allowance for Certifying Technicians

**14. Travel Benefits and Concessions.**— It is agreed by the Company to implement the travel benefits in respect of employees covered and bound by this Agreement as follows :-

- (a) One set of ID90 tickets on confirmed basis shall be offered every year in the case of Technicians who have completed continuous service of 10 years and subject to embargo periods that will be stipulated by the Company, which shall be notified 6 months prior to the commencement of the schedule.
- (b) All requests for ID90 confirm tickets to be made with a minimum period of one month prior to the date of travel.

All other terms and conditions in relation to employee travel benefits and concessions as per the staff travel policy shall remain unchanged.

**15. Productivity.**— All parties have agreed in principle that they will fully co-operate together to achieve the productivity goals of the Company. This co-operation will extend to improving efficiency through productive and flexible rosters, improved work practices and reduced absenteeism. The Company will conduct appropriate training for SAATA and all Employees on productivity issues and other related topics.

16. **Two Years No-Pay Leave.**— The Company at its discretion may permit a period of up to two-year no-pay leave for the following purposes :

- (a) To pursue further training or a course of studies where such training or course of studies is relevant to the field of work in which the Employee is engaged, provided that the Departmental Manager recommends that the Employee can be released for the period of no-pay leave without replacement, and the Head of Human Resources approves the recommendation.
- (b) For any other reasonable purpose, including overseas employment (but not for employment in Sri Lanka), if the Departmental Manager recommends that the Employees can be released for the period of no-pay leave without replacement, and the Head of Human Resources approves the recommendation.

A maximum of 4 Technicians in permanent employment in grades T1-T3 inclusive may be permitted at any one time to be on no-pay leave as per the conditions of this section. In order to be considered for no-pay leave, an Employee must have completed at least ten years of continuous service with the Company, and consideration for such no-pay leave will only be given once per employment lifetime per Employee.

During the period of no-pay leave, all benefits will be suspended as per the rules and regulations governing this policy for upto two-years no pay leave. Also the period of no-pay leave will not be considered as being part of active service.

The maximum period of no-pay leave is two years, and under no circumstances will extensions be considered. whilst on no-pay leave, the Employee will be required to sign a bond to the Company as per the rules and regulations governing this policy for upto two-years-no-pay leave.

17. **Grievance and Dispute Procedure.**— In the event of any dispute or grievance between an Employee or Employees and the Company it is agreed by parties that they shall settle such grievance and / or dispute by strictly adhering to the Grievance and Disputes Handling Policy applicable to the Aircraft Technicians as specifically set out in clause 18.6 in the People's Administration and Engagement Policy Manual to resolve such grievance and / or dispute.

Parties commit themselves to uphold the terms of this Agreement in the spirit of collective bargaining and foster mutual understanding at all times with objective of maintaining industrial peace and harmony at the work place as well as safeguard each other's best interest.

18. **Trade Union Action.**—

- 18.1 The SAATA and all parties covered and bound by this Agreement jointly agree with the Company that during the continuance of this Agreement they shall not engage in any strike or other form of Trade Union action in respect of any matters covered by this Agreement.
- 18.2 In the event of a breach of this Agreement by the SAATA, the Company reserves the right to withdraw all or any of the facilities or benefits granted to the SAATA, without prejudice to the right of the Company to restore such facilities or benefits upon such terms and conditions as the Company may decide.
- 18.3 In the event of a breach of this Agreement by the Company, the SAATA reserves the right to make representations to the Commissioner General of Labour.

19. **Signatures of Agreement.**— IN WITNESS WHEREOF The parties hereto have caused their authorized representatives to set their hands hereunto and to four other of the same tenor on this Tenth day of November, Two thousand and Fourteen, in Colombo.



ANNEXURE A

*MINIMUM JOB AND GRADE REQUIREMENTS FOR T1- T3*

All promotions, placements and recruitment to Technician grades T1- T3 (formerly 5T- 7T) in all areas will be strictly governed by the minimum promotion and recruitment criteria set out in this appendix, and are at all times subject to budget/ operational requirements.

**Entry Qualifications to T1 as Junior Aircraft Technician / Junior Aircraft Workshop Technician/ Junior Aircraft Technician**

Successfully completed a two year (2) full time course meeting the EASA Part 66 requirements and conducted by an EASA 147 approved organisation

OR

Those holding a bachelor's engineering degree in aerospace, aeronautical or aircraft maintenance disciplines with 6 months of on - the- job training on Aircraft.

OR

Followed the Basic and Advance courses in the relevant category at the Air Force + Five (5) years post qualification experience performing maintenance tasks.

OR

Hold a valid CAASL AML B1 or B2 Licence.

Junior NDT Technician - T1 -02 years Aerospace NDT experience with qualifications in 4 methods up to Level 2

OR

Engineering degree with 02 years NDT experience with qualifications in 4 methods up to Level 2

**Promotional criteria from T1 to T2 as Aircraft Technician/ Aircraft Workshop Technician**

Must have at least 2 years experience in Grade T1

**Promotional criteria from T1 to T2 as NDT Technician**

02 years experience in Grade T1 with qualifications in 4 methods up to Level 2

**Promotional criteria from T2 to T3 as Senior Aircraft Technician/ Senior Aircraft Workshop Technician**

(a) Must have at least 10 years experience in T2

OR

(b) Must have at least 8 years experience in T2 +B1/B2/LWTR(A and C or E, I and R)

OR

(c) Must have 5 years experience in T2 + A approval on one type of A/C, or 1 type of Engine (only for module shop) or Cabin Full Approval on one type of A/C or Full work shop approval on one group of work shop approvals.

OR

(d) Must have 3 years experience in T2 + A1 approvals on at least 2A/C types. or 2 types of Engines. (only for module shop) or Cabin full Approval on two types of A/C or Full work shop approvals on two groups of work shop approvals.

OR

(e) Must have 3 years experience in T2+ B1/B2 approvals on one type of A/ C.

**Criteria to be re - titled as Certifying A/C Technician/ Certifying A/C Workshop Technician (T3)**

(a) must be in T3, exercising the authority in following approvals for 2 years. A1 approvals on at least 2 A/C Types or 2 types of Engines (only for module shop) or Cabin full Approvals on two types of A/C or Full work shop approvals on two groups of work shop approvals.

OR

(b) must be in T3, exercising the authority in following approvals for 2 years B1/B2 Approvals on one type of A/C.

**PROMOTIONAL CRITERIA FROM T2 TO T3 AS SENIOR NDT TECHNICIAN**

10 years experience in Grade T2 and qualifications in 5 methods up to Level 2

OR

08 year's experience in Grade T2 and qualifications in 5 methods up to Level 2 and Approvals in 03 NDT methods in level 2

OR

05 year's experience in Grade T2 and Level 2 qualification in methods 5 and Approvals in 05 NDT methods in level 2

ANNEXURE B

**APPROVAL ALLOWANCES FOR ENGINEERS**

**APPROVAL ALLOWANCE PER MONTH – APPLICABLE TO LICENSED AIRCRAFT ENGINEERS IN LINE  
AND HANGER MAINTENANCE**

(Also applies to Technicians and Executives in Engineering and Maintenance)

A 320 Cabin Full Airframe	Rs. 8,000.00 per month
A 320 Cabin Full Avionics	Rs. 8,000.00 per month
A 320 Airframe (A) or Engines (C)	Rs. 10,000.00 per month
A 320 Boroscope (Engine)	Rs. 8,000.00 per month
A 320 Boroscope (APU)	Rs. 4,000.00 per month
A 320 A and C without EGR	Rs. 20,000.00 per month
A 320 A and C Full with EGR	Rs. 27,000.00 per month
A 320 IFE	Rs. 7,000.00 per month
A 320 Avionics (without IFE)	Rs. 20,000.00 per month
A 320 Avionics (including IFE)	Rs. 27,000.00 per month
A 330 Cabin Full Airframe	Rs. 8,000.00 per month
A 330 Cabin Full Avionics	Rs. 8,000.00 per month
A 330 Airframe (A) or Engines (C)	Rs. 10,000.00 per month
A 330 Boroscope (Engine)	Rs. 8,000.00 per month
A 330 Boroscope (APU)	Rs. 4,000.00 per month
A 330 A and C without EGR	Rs. 20,000.00 per month
A 330 A and C Full with EGR	Rs. 27,000.00 per month
A 330 IFE	Rs. 7,000.00 per month
A 330 Avionics (without IFE)	Rs. 20,000.00 per month
A 330 Avionics (including IFE)	Rs. 27,000.00 per month
A 340 Cabin Full Airframe	Rs. 8,000.00 per month
A 340 Cabin Full Avionics	Rs. 8,000.00 per month
A 340 Airframe (A) or Engines (C)	Rs. 10,000.00 per month
A 340 Boroscope (Engine)	Rs. 8,000.00 per month
A 340 Boroscope (APU)	Rs. 4,000.00 per month
A 340 A and C without EGR	Rs. 20,000.00 per month
A 340 A and C Full with EGR	Rs. 27,000.00 per month
A 340 IFE	Rs. 7,000.00 per month
A 340 Avionics (without IFE)	Rs. 20,000.00 per month
A 340 Avionics (including IFE)	Rs. 27,000.00 per month

## APPROVAL ALLOWANCES FOR CERTIFYING AIRCRAFT TECHNICIANS

APPROVAL ALLOWANCE PER MONTH - APPLICABLE TO APPROVED TECHNICIANS IN LINE  
AND HANGER MAINTENANCE

(Also applies to Executives in Line and Base Maintenance)

A 320 A1. 4	Rs. 9,000.00 per month
A 330 A1. 4	Rs. 9,000.00 per month
A 340 A1. 4	Rs. 9,000.00 per month

## APPROVAL ALLOWANCES FOR ENGINEERS IN TECHNICAL SERVICES FOR DESIGN APPROVALS

## APPROVAL ALLOWANCE PER MONTH - APPLICABLE TO ENGINEERS IN TECHNICAL SERVICES

(Also applies to Technical Services Officers &amp; Executives)

**Design/ CAMO Approval**

Design or CAMO Approval for A320	Rs. 27,000.00 per month
Design or CAMO Approval for A330	Rs. 27,000.00 per month
Design or CAMO Approval for A340	Rs. 27,000.00 per month

**Sub - groupings of Design/ CAMO Approval :**

A320/A330/A340 Sub Grouping - I	Rs. 6,750.00 per month
A320/A330/A340 Sub Grouping - II	Rs. 13,500.00 per month
A320/A330/A340 Sub Grouping - III	Rs. 20,250.00 per month

**Maximum Cumulative Design/ CAMO Approval allowance paid per aircraft type:**

Rs. 27,000.00 per month for A320
Rs. 27,000.00 per month for A330
Rs. 27,000.00 per month for A340

**Maintenance Program Approval :**

Maintenance Program Approval for A320	Rs. 13,500.00 per month
Maintenance Program Approval for A330	Rs. 13,500.00 per month
Maintenance Program Approval for A340	Rs. 13,500.00 per month

**Maximum Maintenance Program Approval allowance paid per aircraft type:**

Rs. 13,500.00 per month for A320
Rs. 13,500.00 per month for A330
Rs. 13,500.00 per month for A340

Note: 1. Technical Services approval holders may either hold a Design Approval or a CAMO Approval for each aircraft type.

**Airworthiness Review Approval :**

Airworthiness Review Approval for A320	Rs. 10,000.00 per month
Airworthiness Review Approval for A330	Rs. 10,000.00 per month
Airworthiness Review Approval for A340	Rs. 10,000.00 per month

### APPROVAL ALLOWANCES FOR INSTRUCTORS/ ENGINEERS IN TECHNICAL TRAINING SCHOOL

#### APPROVAL ALLOWANCE PER MONTH - APPLICABLE TO INSTRUCTORS/ ENGINEERS IN TECHNICAL TRAINING SCHOOL

(Also applies to Executives in Technical Training School)

Basic Instructor Approval	Rs. 13,500.00 per month
A320 A or C	Rs. 10,000.00 per month
A320 A & C Full	Rs. 27,000.00 per month
A320 Avionics Full	Rs. 27,000.00 per month
A330 A or C	Rs. 10,000.00 per month
A330 A & C Full	Rs. 27,000.00 per month
A330 Avionics Full	Rs. 27,000.00 per month
A340 A or C	Rs. 10,000.00 per month
A340 A & C Full	Rs. 27,000.00 per month
A340 Avionics Full	Rs. 27,000.00 per month

### APPROVAL ALLOWANCES FOR ENGINEERS IN PRODUCTION PLANNING

#### APPROVAL ALLOWANCE PER MONTH - ENGINEERS/ EXECUTIVES/ OFFICERS IN PRODUCTION PLANNING

(Also applies to Executives Officers in Production Planning)

- (1) Aircraft Maintenance Planning (APA)
  - (2) Workshop Planning (WPA)
  - (3) Component Control (CCA)
- (1) APA. 1 (a) Rs. 8,000.00 per month
  - (b) Rs. 8,000.00 per month
  - (c) Rs. 8,000.00 per month
- APA. 2 (a) Rs. 8,000.00 per month
  - (b) Rs. 8,000.00 per month
  - (c) Rs. 8,000.00 per month
- APA. 3 (a) Rs. 8,000.00 per month
  - (b) Rs. 8,000.00 per month
  - (c) Rs. 8,000.00 per month
- (2) WPA. 1 Rs. 10,000.00 per month
  - WPA. 2 Rs. 10,000.00 per month
  - WPA. 3 Rs. 10,000.00 per month
- (3) CCA. 1 (a) Rs. 8,000.00 per month
  - (b) Rs. 8,000.00 per month
  - (c) Rs. 8,000.00 per month

**APPROVAL ALLOWANCES FOR ENGINEERS / TECHNICIANS WITH WORKSHOP APPROVALS IN WORKSHOPS****APPROVAL ALLOWANCE PER MONTH - ENGINEERS/ TECHNICIANS WITH WORKSHOP APPROVALS IN WORKSHOPS**

(Also applies to Executives / Officers in workshops)

For each Workshop Approval decimal point (0.1) Rs. 800.00 per month

Revised Workshop weightage scheme attached.

02 - 83

My No. : CI/ 1702.

**THE INDUSTRIAL DISPUTES ACT-CHAPTER 131**

THE Collective Agreement entered into between People's Bank, No. 75, Sir Chittampalam A. Gardiner Mawatha, Colombo 2 of the one part and People's Bank Officers' Association, No. 75, Sir Chittampalam A. Gardiner Mawatha, Colombo 2 of the other part on 02nd day of July 2015 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

M. D. C. AMARATHUNGA,  
Commissioner of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05  
11th January 2016.

**Collective Agreement No. 15 of 2015**

Collective Agreement

**2015 to 2017**

THIS COLLECTIVE AGREEMENT is made and entered into on this 2nd day of July 2015 by and between the People's Bank, No. 75, Sir Chittampalam A. Gardiner Mawatha, Colombo - 02 (hereinafter referred to as "the Bank") of the one part and the People's Bank Officers' Association, No. 75, Sir Chittampalam A. Gardiner Mawatha, Colombo - 02 (hereinafter referred to as "the Officers" Association) of the other part.

**Title** : - This Agreement shall be known and referred to as "**THE PEOPLES BANK COLLECTIVE AGREEMENT WITH THE PEOPLE'S BANK OFFICERS' ASSOCIATION**" for the period **First day of January Two Thousand and Fifteen to Thirty First day of December Two Thousand and Seventeen**. (01.01.2015 to 31.12.2017).

- 1. Employer to be Covered and Bound.** - This Agreement shall cover and bind the Peoples Bank, which is a party to this Agreement.
- 2. Employees to be Covered and Bound.** - This Agreement shall cover and bind members of the People's Bank Officers' Association in employment with the Bank and who are employed in any of the categories for whom a salary scale has been prescribed in this Agreement in the Annexure - I hereto.
- 3. Date of Operation and Duration.** - This Agreement shall come into force with effect from First day of January Two Thousand and Fifteen (1st January, 2015) and thereafter continue to be in force, unless it is determined by either party giving six months notice in writing to the other party, provided however that no party shall give such notice to the other party after the First day of July Two Thousand and Seventeen (1st July, 2017).



**4. *Matters Covered and Variation of Terms and Conditions of Employment and Benefits.***

- (a) This Agreement shall be in full and final settlement of all matters covered herein as well as of all the matters raised by the Officers' Association in relation to the period 2015 - 2017 and in respect of which negotiations took place between the parties before the conclusion of this Agreement and the Officer's Association agrees that it will not during the continuance in force of this Agreement raise any of the matters which were discussed and negotiated between the parties preceding this Agreement other than the matters relating to non salary benefits which shall be discussed by the Management of the bank with the Officers' Association and reach finality on or before Thirty First day of December Two Thousand and Fifteen (31st December 2015). After an agreement has been arrived at, as regards non salary benefits the terms and conditions of same shall be annexed to this agreement which shall form an integral part thereof.
- (b) The Officers' Association and its members shall not during the continuance in force of this Agreement seek to vary, alter or add to all or any of the terms and conditions of employment or benefits applicable or enjoyed as provided for in this Agreement other than by mutual agreement with the Bank.

**5. *Salary Components.*** - As from First day of January Two Thousand and Fifteen (1st January 2015) each employee covered and bound by this Agreement shall be paid upon and subject to the other terms and conditions herein contained a monthly salary which comprises of the following components.

- (a) Fixed component linked to "Basic Salary" and related allowances.
- (b) Variable Component linked to performance. (Please refer Section 5.2)

**5.1 FIXED COMPONENT.** - The fixed Component comprises the following items :

- (i) Revised Basic salary as set out in the Annexure - I hereto. (Increments will be granted continuously notwithstanding the maximum point given in the salary scales)
- (ii) Allowances:-
- (a) In addition to the basic salary the following allowances will be paid, effective from First day of January Two Thousand and Fifteen (1st January, 2015)
- (i) Cost of Living Allowance as per item (b) below
- (ii) Rent Allowance as per item (c) below
- (iii) 10% of Basic salary, Rent Allowance and Cost of Living Allowance
- (b) The Cost of Living Allowance at the rate of Rs. 2.75 will be frozen as at December 1999 at the index point of 2,404.9 commencing from January 2000 every one (01) point change over and above the Colombo Consumer Price Index (CCPI) of December, 1999 only will be computed at Rs. 3. If the Index point drops below the December level i.e. 2,404.9, the computation should be at the rate of Rs. 2.75 per point.
- (c) The Rent Allowance, which will be 20% of the Basic salary.

**5.2 VARIABLE COMPONENT.** - Basis of determination of Variable Component shall be decided upon in the course of time.

**6. *Taxes on Emoluments.*** - Payee Tax on emoluments of staff shall be borne by the bank.

**7. *Conversion of the Basic Salary.***

- (a) The basic salaries of all employees will be converted to the revised scale by applying the step for step (point by point) method of conversion.
- e.g. An employee who had been on the 5 th step of the scale as at 31.12.2014 will be placed on the 5 th step of the relevant revised scale with effect from 01.01.2015.
- (b) Non-Banking Stream personal shall also be placed at the appropriate revised salary scale, on the same basis.

8. **Conversion Anomalies.**— The People's Bank and the People's Bank Officers' Association jointly agree to execute the Collective Agreement for the years 2015-2017 subject to referring to a Salary and Cadre Committee to examine the possible anomalies associated with calculation of increments in the salary scales.

The Committee will be given a period of six months from the date of appointment to study and report the methods and the implementation. The Committee will be appointed within two months from the date of execution of this agreement.

9. **Review of the Salary Structure.**— The People's Bank and the People's Bank Officers' Association jointly agree to review the existing salary structure of the employees referred to in clause No. 5 of this Agreement.

10. It is agreed by both parties to this agreement that all allowances and other benefits enjoyed by the employees of Bank of Ceylon and People's Bank shall be equal.

11. It is further agreed by that Scales and various other allowances of the officers not covered by this agreement shall be decided by the Board of Directors of the Bank.

12. Where the existing terms and conditions of employment of an employee covered and bound by this agreement and any existing concessions extended to the members of the Officers' Association are more favourable than the terms and conditions provided for in this agreement, then nothing in this agreement shall in any way affect or prejudice such existing terms and conditions of employment or such concessions shall continue to exist, notwithstanding anything to the contrary contained herein.

13. Where an employee was immediately prior to the date hereof entitled to, or become entitled on or after that date under or by virtue of any law, contract agreement, award or custom to any rights or privileges more favourable than those to which he/ she would be entitled under this agreement, nothing in this agreement shall be deemed or construed to authorise or permit the Bank to withhold, restrict or terminate such right or privilege.

14. **Other Commitments.**— The Officers' Association further agrees to assist and support the management of the Bank in every manner to obtain the maximum contribution of its members to achieve the targets set out in the Business Performance Plan of the Bank.

The common seal of the PEOPLE'S BANK was affixed hereto.  
at Colombo on this 2nd day of July 2015 in the presence of  
Mr. Hemasiri Fernando - Chairman and  
Mr. N. Vasantha Kumar - CEO/ GM of People's Bank.

**PEOPLE'S BANK**

.....  
**HEMASIRI FERNANDO**  
**CHAIRMAN**

.....  
**N VASANTHA KUMAR**  
**CEO/GENERAL MANAGER**

.....  
**WITNESS TO THE ABOVE SIG**

.....  
**S A R S SAMARAWEEERA**  
**DEPUTY GENERAL MANAGER**  
**(HUMAN RESOURCES)**

.....  
**MANGALA GAMAGE**  
**HEAD OF FINANCE**

## **COLLECTIVE AGREEMENT OF REVISED SALARY SCALES -**

<b>Grade</b>
GR - I
GR - II
GR - 3(I)
3(II)/Dy. Finance Officer/ Asst. Law Off.-II/Ass. Secu. Sup-II/Con. Secretary-II (F)
3-III(BS)/Con Sec. - I
3-III(NBS)/Asst. Fin. Off/ Asst. Law Off-I/Asst. Secu. Sup-I/Jun. Con Sec.
Gr. IV/Secu. Insp. - II (F) Steno -Supra -© - (F)

### ***People's Bank***

#### ***ALLOWANCES PAYABLE IN ADDITION TO THE BASIC SALARY - 2015 - 2017***

- (a) Rent allowance (20% of basic Salary)
- (b) The Cost of Living Allowance at the rate of Rs. 2.75 will be frozen as at December 1999 at the index point of 2,404.9 commencing from January 2000 every one (01) point change over and above the Colombo Consumer Price Index (CCPI) of December 1999 only will be computed at Rs. 3.00. If the index point drops below the December level, i.e. 2404.9 the computation should be at the rate of Rs. 2.75 per point.
- (c) 10% of Basic Salary, Cost of Living Allowance and the Rent Allowance.

**THE INDUSTRIAL DISPUTES ACT, CHAPTER 131**

The Collective Agreement entered into between Indian Bank, Colombo And, No. 57, Sir Baron Jayatilleke Mawatha, Colombo 1 of the one part and The Ceylon Bank Employees' Union, No. 38 D.R. Wijewardena Mawatha, Colombo 10 of the other part on 12th December 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).

M. D. C. AMARATHUNGA,  
Commissioner of Labour.

Department of Labour,  
Labour Secretariat,  
Colombo 05  
11th January 2016

**Collective Agreement No. 42 of 2014**

MEMORANDUM OF AGREEMENT UNDER THE  
INDUSTRIAL DISPUTES ACT (1950) AS AMENDED  
BETWEEN  
INDIAN BANK, COLOMBO  
AND  
THE CEYLON BANK EMPLOYEES' UNION

This Memorandum of Agreement between Indian Bank, Colombo having its office at No. 57, Sir Baron Jayatilleke Mawatha, Colombo 1 (hereinafter referred to as "the Bank"), and the Ceylon Bank Employees' Union, a trade union duly registered and having its registered office at No. 38, D. R. Wijewardena Mawatha, Colombo 10 (hereinafter referred to as 'the Union'), entered into on this 12 th day of December, two thousand and fourteen, states as follows :

1. **Effect of memorandum.** - It is agreed by and between parties that this Agreement shall constitute a Memorandum of Agreement under Section 12 of the Industrial Disputes Act, No. 43 of 1950 as amended.

2. **Employees Covered and Bound.** - The employees covered and bound by this Agreement shall be the category of employees known and referred to as Assistant Managers and Managers in the Bank and hereinafter sometimes referred to as the employees or an employee as the case may be.

3. **Date of operation and duration.** - This Agreement is effective for a minimum period of 3 years commencing 1 st April 2012. Either party is entitled to give notice in terms of the Industrial Disputes Act of one clear calendar month excluding the month in which the notice is given, but such notice shall not terminate the Agreement before the said date, *i.e.* 31 st of March 2015. The Union however shall have the right to initiate negotiations for a revised Agreement at any time after 1 st October 2014.

4. **Basic Salary.** - With effect from 1 st April, 2012 the salary scales applicable to Assistant Managers and Managers shall be -

Assistant Managers	LKR 33,670 – LKR 36,995	LKR 40,000 – LKR 52,190
	LKR 475 x 7	LKR 530 x 23
Managers	LKR 40,000 – LKR 43,075 – LKR 56,395	
	LKR 615 x 5 + LKR 740 x 18	

**5. Cost of Living Allowance.-**

It has been agreed between parties that the following shall be the payment in lieu of the monthly cost of living allowance for the duration of this Memorandum of Agreement :

- (a) Rs. 17,000 with effect from 1.04.2012
- (b) Rs. 18,500 with effect from 1.04.2013
- (c) Rs. 20,000 with effect from 1.04.2014

Provided however, that the Department of censuses and Statistics resumes the publication of 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 the union makes a request for a meeting to discuss the modalities of making this payment, the bank would be agreeable to do so.

**6. Immediate increase and conversion to salary scales.-**

Every employee in employment as at the date of this Agreement shall receive the following monetary benefits and salary increases.

- (i) A sum equal to 16% of the gross salary (salary plus cost of living allowance) payable to an employee as at 31.03.2012 shall be added to the salary of such employee with effect from 1.04.2012
- (ii) A further increase of 3% calculated on the gross salary as at 31.03.2012 to be added on to the salary with effect from 1.04.2013 and thereafter placed on the appropriate point on the salary scale in the Clause (4) above at the corresponding Rupee point or if there is no such corresponding point, on the next higher point of the said scale.
- (iii) A further increase of 3% calculated on the gross salary as at 31.03.2012 to be added on to the salary with effect from 1.04.2014 and thereafter placed on the appropriate point on the salary scale in the Clause (4) above at the corresponding Rupee point or if there is no such corresponding point, on the next higher point of the said scale.

**7. Honorarium.-**

For successful completion of each part of the Institute of Bankers Examination, Sri Lanka or London, an employee shall receive a sum of Rs. 12,000/-.

**8. Bonus.-**

- (i) (a) Without prejudice to the claim of the Bank that bonus payments are ex-gratia, the Bank will each year pay to every employee covered by this Agreement a bonus of three months' basic salary or two months gross salary as drawn by such employee for the month of December whichever is higher in respect of one complete year of service meaning January to December.
- (b) In the event of an employee retiring from service, bonus would be paid to him on a *pro-rata* basis.
- (ii) Gross salary for this purpose shall be the basic salary, cost of living allowance and the house rent allowance referred to at Clauses 4,5 and 15 hereof.

**9. Provident Fund. -**

- (i) **Rate of Contribution.** - The rates of contribution to the Provident Fund by the Bank as from 1 st April, 2010 shall be :

Bank's contribution	- 12%
Employee's contribution	- 8%

For the purpose of Provident of Fund the basic salary, cost of living allowance and the house rent allowance will be taken into account.

- (ii) **Interest on Provident Fund Contributions held by the Bank.-**

Where Provident Fund monies are invested in the Bank, the Bank shall continue to pay the rate of interest paid of 12 months' fixed deposits for a sum of Rs. 100,000 published by the National Savings Bank prevailing as at the 1st January in the first half of each year and on the rate prevailing on the 1st July for the second half of the year on the net Provident Fund monies invested at the Bank.

(iii) **Deficiency in Bank's Contributions to Provident Fund to an Employee not entitled to a Pension .-**

Where an employee shall cease to be employed by the Bank in circumstances which do not entitle to a pension or payment in lieu of pension as the case may be, such employee shall be entitled to the difference between the Bank's contributions made to the Fund during his period of service and the employer's minimum rate of contribution he would have been entitled to, in terms of the Employee's Provident Fund Act and its amendments from time to time as a contribution to the Fund by the employer on behalf of such employee. Such deficiency will be the difference between the following minimum rates of contribution under the Act and 10% of basic salary actually contributed by the Bank.

From 1.01.1971 to 31.12.1980 - 9% of gross salary (basic and cost of living allowance)

From 1.01.1981 to 31.12.1992 - 12% of gross salary (basic and cost of living allowance)

Prior to 31.12.1970 the employer's minimum rate of contribution was 6% of total earnings (gross salary), which was less than 10% of basic salary, and therefore no deficiency arises.

10. **Terminal Benefits.-**

- (i) **PENSIONS.-** An employee shall, upon reaching the age of retirement *i.e.*, 55 years and who is in the permanent employment of the Bank at such time, and shall have completed not less than ten (10) years of actual continuous service (excluding absence/ leave without pay), be entitled to a pension computed on the following basis :

$$\frac{\text{Number of completed years of service}}{\text{maximum of 35 years} + 5 \text{ years}} \times \frac{\text{Monthly basic Salary} + \text{Cost of living Allowance payable for the month of retirement} + \text{house rent allowance}}{55}$$

- (ii) **COMMUTED PENSION.-**

(a) At the option of the Employee at the time of retirement, on or after the effective date 25% of the monthly pension x 120 will be paid to employees who are entitled to a pension, who do not opt for a lump sum payment as provided for in the agreement and who opt for such commuted pension.

(b) Where an employee commutes his monthly pension in the manner aforesaid, the monthly pension payable to him during the first ten years of retirement will be 75% of the monthly pension he would have been entitled to at the time of retirement if he had not so commuted his pension. After the expiry of the said ten years the amount of the monthly pension so commuted will be restored and added to the monthly pension then being paid.

- (c) **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 ten or more years of confirmed service, in the officer grade, subject to mutual agreement between the employee, and the employer and subject to the condition that the refusal by any party to agree to such premature retirement shall not constitute an industrial dispute.

(c) **Premature Retirement on Medical Grounds / disability.-** An employee who is found to be unable to continue to perform his duties as a result of infirmity/ disability, as certified by the Banks Doctor/ Medical Specialist/ Government Medical Board, and who is in the permanent employment of the Bank at such time, and shall have completed not less than 10 years of actual continuous service (excluding absence/ leave without pay) shall be entitled to a pension computed on the same basis referred to at clause 10 (i) above. Provided, however, that where an employee is entitled to compensation by the Bank under any laws in force at the time or An Award of Court, such employee shall only be entitled to a pension or such compensation as opted by him, but not to both. Provided further that in the case of an employee whose premature retirement occurred in consequence of an accident which entitled him to compensation, the pre - acceptance of pension as provided herein will not restrict the right of such employee in subsequently claiming any balance compensation under any written law. The entitlement to a pension under this provision shall be forfeited in the event of the employee concerned accepting employment elsewhere and the bank shall have no obligation to make any further payment to him before taking action to stop the payment of pension, the bank will give the pensioner two calendar months' notice to explain why the pension should not be withdrawn as a result of him obtaining employment elsewhere. The Bank's decision thereafter will be final.

**11. LUMP SUM GRATUITY IN LIEU OF PENSION .-**

An employee who is entitled to receive a pension in terms of 10 (i) above or 10 (ii) above may at his discretion opt for the payment of a lump sum gratuity in lieu of his pension and any other payments arising there from. The payment will be computed on the following basis :

Number of completed years of service maximum of 35 years)+ 5 years	x	Monthly basic Salary + Cost of living Allowance payable for the month of retirement + House Rent Allowance
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The above payment shall constitute a settlement in full and final satisfaction of all claims against the Bank on account of the cessation of employment in respect of gratuity, pension, deficiency, if any, in the Bank's contribution to Provident Fund to an employee not paid a pension in terms of Clause 10.

12. **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 month's gross salary for each year of completed service subject to a minimum of nine 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 it. The gross salary for this purpose shall be the last drawn basic salary plus the cost of living allowance plus the house rent 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.

13. **Gratuity on Resignation/ Termination Prior to Retirement.-** An employee resigning from employment prior to reaching the age of retirement or his services are terminated, he would be paid gratuity as per the Payment of Gratuity Act, No. 12 of 1983. House Rent Allowance will not form part of the salary for purpose of computing gratuity.

14. **Conveyance allowance.-**The Bank agrees to pay reimbursement of conveyance to employees covered and bound by this Agreement which payment shall be subject to the prevailing practice.

	Assistant Manager	Manager
With effect from 01.04.2012	LKR. 5,610/-	LKR 7,013/-
With effect from 01.04.2013	LKR. 5,755/-	LKR 7,194/-
With effect from 01.04.2014	LKR. 5,900/-	LKR 7,375/-

15. **House Rent Allowance.-** Each Employee covered by this Agreement shall receive 20% of his basic salary mentioned in clause 4 above by way of House Rent Allowance subject to a maximum of the following amounts during the period of the Agreement.

	Assistant Manager	Manager
With effect from 01.04.2012 to 31.03.2015	LKR. 7,200/-	LKR 7,560/-

16. **Closing Allowance.-** The Bank shall pay Rs. 1,250 as closing allowance to those officials connected with the annual closing work immediately after the close of the Bank's financial year.

17. **Officiating/Acting Allowance .-** A supervising official in the grade of Assistant Managers will be entitled for the payment of officiating/acting allowance at Rs. 1,200 per mensem whenever he/she is called upon to perform duties of higher ranks/grades. However, special allowance, if any, drawn in the lower grade will not be payable to such officials during the officiating period.

18. **Out-of-pocket Allowance / Working on Holidays.-** It was agreed between the parties that Assistant Managers in the Bank if called upon to work on holidays will be paid Rs. 1,080 if they work up to 4 hours and thereafter Rs. 180 for every additional hour.

19. **Medical Benefits.-** The existing medical benefits available to the employees of the Bank would continue subject to the following:

- (a) All medical expenses should be supported by prescriptions by a qualified Medical practitioner and supported by bills and receipts for reimbursement.
- (b) SPECTACLES, DENTURES AND HEARING-AIDS.-  
The Bank will reimburse an employee on a non - cumulative basis up to a maximum of Rs. 7,000 for each of the above referred items and the facility would be available once in three years. In the case of spectacles, the expenditure on account of the Spectacle frame shall not exceed LKR 3,500/-. In any event all receipts submitted for reimbursement shall be supported by prescription from a Medical Eye Specialist.

## 20. *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 30 calendar days paid leave, subject to the conditions in sub-clause (iii) hereof.
- (ii) At the end of the first year of employment the employee qualifies for proportionate leave as follows :
  - (a) The full annual leave of 30 calendar days if his employment commenced on or after 1st January but before 1st April ;
  - (b) Leave of 21 calendar days if his employment commenced on or after 1 st April but before 1 st July ;
  - (c) Leave of 15 calendar days if his employment commenced on or after 1 st July but before 1 st October ; and
  - (d) Leave of 8 calendar days if his employment commenced on or after 1 st October.

### (iii) AVAILMENT. -

- (a) The availment of all annual leave shall be by prior authorization of the Bank upon the employee's application, giving sufficient notice to the Bank, so as to ensure availment at times mutually convenient.
- (b) An employee shall avail himself of not less than 20 days of his annual leave in respect of each year subject to the eligibility of leave.
- (c) An employee shall avail himself of at least 10 days of the 30 days consecutively subject to the eligibility of leave.

### (iv) ACCUMULATION . -

Annual leave may be accumulated up to a ceiling of 180 days by an employee exclusively for the following purposes:

- (a) Of 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 or on the occasion of death of a family member.
- (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) For purposes of nursing third and fourth 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.

### B. MEDICAL LEAVE :

- (i) ENTITLEMENT :  
An employee shall be entitled to not less than thirty calendar (30) 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 :  
The 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 in any one year subject to the eligibility of leave.
- (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, the 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.

**21. Suspension. -**

- (i) Where an employee is suspended pending a disciplinary inquiry on investigations, he will, subject to the provisions of Sub-clauses (ii) and (iii) below, receive half his salary (basic salary plus Cost of Living Allowance + House Rent Allowance) from the date of suspension up to six (6) months and full pay thereafter.
- (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 (6) months of the date of suspension in which event he will receive half his salary (Basic salary + Cost of Living Allowance + House Rent Allowance) during his/her suspension beyond the said six months period. Provided that if the delay beyond six (6) 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 (6) 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.

22. **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 misconduct, 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 consider granting 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 (a) 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 the object to the person concern which decision shall be final) to defend the accused employee at a domestic inquiry provided the defending employee has not obtained a legal qualification. The defendant 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 the 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.
- (g) The absence of a defending employee or observer from the whole or any part of an inquiry for any reason 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.
- (h) The bank as hitherto shall appoint a member of the Supervisory Staff of the Branch of the same or higher grade (local-based or India-based officer, than the accused as prosecuting officer other than the inquiry officer to present the case of the bank at a Domestic Inquiry. The Prosecuting Officer shall function as such and be entitled to present the bank's case, examine the bank's witnesses and cross-examine the accused employee and his witness/es.
- (i) 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. After 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 inquiry officer.
- (j) 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.
- (k) 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.

- (l) Notwithstanding the preceding provisions, the Bank shall not be required to hold a domestic inquiry on 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 of 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.
- (m) 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 such Bank had notified such employee of the findings or punishment, raises a dispute in respect of such findings and/ or punishment.
- (n) 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 as 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 salary period of suspension pending inquiry, on the basis of the findings of the inquiry.
- (o) The observance by the Bank of sub-clauses (e), (i) and (j) 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 the criminal charges are pending against the employee.
- (p) The above provisions shall only apply in respect of inquiries that commenced after the date of signing of 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 related to any matter covered by this Agreement.

In witness hereof the parties have signed this Deed of Assignment at Colombo, Sri Lanka, on the 19th day of January, 2016, in the presence of the undersigned witnesses, who are duly sworn and qualified to act as witnesses in the above matter.

*[Signature]*  
For and on behalf of:  
Indian Bank



Name: Mr. Praveen Kumar Dangi  
Designation: Chief Executive Officer

WITNESSES:

1. *[Signature]*

Name: *Ajith M. Nair*  
Designation: *Senior Manager*