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අංක 1873/40 – 2014 අගෝස්තු 01 වැනි සිකුරාදා – 2014.08.01 No. 1873/40 – FRIDAY, AUGUST 01, 2014

(Published by Authority)

# PART I: SECTION (I) – GENERAL

# **Government Notifications**

My No.: CA/State/04/2014.

#### THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Employers' Federation of Ceylon, 385J3, Old Kotte Road, Rajagiriya of the one part and the Ceylon Estates Staffs' Union, No. 06, Aloe Avenue, Colombo 3 of the other part on 12th day of March, 2014, regarding the Technical Staff is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

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

Department of Labour, Labour Secretariat, Colombo 05, 11th July, 2014.

# Collective Agreement No. 15 of 2014

COLLECTIVE AGREEMENT - TECHNICAL STAFF

THIS COLLECTIVE AGREEMENT entered into between the Employers' Federation of Ceylon of 385J3, Old Kotte Road, Rajagiriya of the First Part and the Ceylon Estates Staffs' Union of No. 6, Aloe Avenue, Colombo 3 of the Second Part, made and entered into on the Twelfth day of March Two Thousand Fourteen Witnesseth as follows:-

- 1. Title. This Agreement shall be known as the Plantations Technical Staff Collective Agreement.
- 2. *Employers Covered and Bound.*—This Agreement shall bind the members of the Employers' Federation of Ceylon, whose names are contained in Schedule I hereto and hereinafter referred to as the Employers or Employer, as the case may be according to context, for and in respect of the categories of employees hereinafter described in clause 3 hereof.



- 3. *Unions and Employees Covered and Bound.* This Agreement shall cover and bind the aforesaid Trade Union, hereinafter referred to as the Union, and members of the said Union who are employed by the members of the Federation referred to in Schedule I on monthly contracts of employment and in respect of whom salary ranges are prescribed in Schedule II hereon.
- 4. *Earlier Agreements*.— The provisions of this Agreement shall supersede and replace any earlier Agreements in respect of these categories and shall be deemed conclusive in relation to all terms and conditions. In the event of there being any dispute with regard to the existence of any other term or condition not contained herein, the same shall be resolved by reference to the Commissioner General of Labour in terms of the Industrial dispute. Act, but the party of the Second Part shall not be entitled to take trade Union action on the basis of the existence of any such alleged term or condition.
- 5. *Date of Operation and Duration.* Subject to any provisions to the contrary, this Agreement shall be effective from 1st October, 2013 and shall thereafter continue in force unless terminated by either party giving notice of termination in terms of the Industrial Disputes Act subject to the condition that no party shall give notice to the other before 30th September, 2016.

#### 6. General Terms and Conditions.-

- (i) The terms of this Agreement shall be deemed to be included in all contracts of employment of those covered by this Agreement.
- (ii) Grading of employees covered shall be at the discretion of the Employer.
- (iii) Upon completion of 10 years of satisfactory service under the same employer, Junior Assistant Factory Officer shall be re-designated as Assistant Factory Officer.
- 7. **Probation.**—On recruitment every employee shall serve a period of probation of not more than six months, subject to the right of the Employer to extend the probationary period for a further period of three months at his discretion for reasons of unsatisfactory performance, misconduct or other justifiable cause. Confirmation shall be by letter. However, in the event of the probationary period not being extended after the period of 6 months, the employee shall be deemed to be confirmed notwithstanding there being no letter of confirmation. During the period of probation or extended probation the Employer shall have the right to terminate without notice or assigning reasons therefor.
- 8. *First Appointment.* No person will be recruited to a grade covered by this Agreement unless he has successfully completed the G.C.E. (Ordinary Level) Examination with English and Arithmetic/Mathematics. This will not apply to those who have experience in the trade.
- 9. Attendance at Work.— Unless otherwise specifically instructed by his Employer, an employee shall present himself for work on every day other than a holiday due to him, at the usual starting time and at the usual working place and shall thereafter remain available for work throughout the normal working hours.

# 10. Promotions.-

- (i) Wherever vacancies exist, all other factors being comparable, seniority shall be given preference. The Employers shall advertise internally vacancies where employees covered by this Agreement may have appropriate skills and qualifications to make them eligible.
- (ii) Where an Employee acts in a senior capacity over a period of 6 months and if he is confirmed in the senior capacity, he will not be required to serve a period of probation.
- (iii) Where an employee is required to act in a senior capacity for a period of more than one month, it should be communicated to him in writing and he shall be paid an Acting Allowance of 50% of the difference between his salary and that which was last paid to the holder of such senior position subject to a maximum of Rupees One Thousand Five Hundred. (Rs. 1,500/-) per mensem.
- (iv) Where the acting period, other than in over looking positions, continue for 6 months the employer shall prior to the expiry of 6 months inform the employee in writing whether he is confirmed in the post or reverted to his substantive post.

#### 11 Salaries -

- 1. The salaries payable to the employees covered and bound by this agreement with effect from 1st october, 2013 shall be as follows:
  - (i) With effect from 1st October, 2013 the salaries of all employees in employment as at the date of signing of this Agreement shall be increased by 25%. Provided however, in respect of the period October 2013 to February 2014, it is hereby agreed that the said increase will be regarded as notional arrears (without any consequential benefits such as EPF, ETF overtime etc).

- (ii) (a) The notional arrears payment will be paid in two equal installments. The initial payment will be made prior to the Sinhala/Tamil New Year in April 2014 and
  - (b) The second installment will be paid in June 2014.
- (iii) In terms of the above salary revision, the salary ranges applicable will accordingly be revised as per Schedule II of this agreement.
- (iv) After revision effected in terms of (i) and (ii) above the employees will be placed on the salary point on the salary range applicable to his/her grade as set out in Schedule III hereof.
- (v) In the case of Factory Officer/Storekeeper who are presently entitled to an allowance on account of work as a Storekeeper, such employees shall continue to receive his/her allowances at the rate of 10% of the salary drawn by him/her. The allowances shall not be payable if the additional duties are not performed or not deemed necessary. Contributions to EPF and ETF shall be made in respect of this allowance.
- 2. (a) With effect from the date hereof, employees who are entitled to a payment in lieu of staff quarters being provided to them, shall receive a 10% increment of the following allowances, depending on the grade to which they belong, and the revised allowance will be as follows:

```
      Junior Asst. Factory Officer
      -
      Rs. 1,020/- x 10%= Rs. 1,122.00/-

      Asst. Factory Officer
      -
      Rs. 1,080/- x 10%= Rs. 1,188.00/-

      Senior Asst. Factory Officer
      -
      Rs. 1,260/- x 10%= Rs. 1,386.00/-

      Factory Officer (Special Grade)
      -
      Rs. 1,380/- x 10%= Rs. 1,518.00/-

      Factory Officer (Special Grade)
      -
      Rs. 1,440/- x 10%= Rs. 1,584.00/-
```

(b) In the event of any person not occupying quarters provided by the Employer, such person shall liable to disciplinary action.

# 12. Hours of Work and Overtime.-

- (i) The working week shall be six days of forty eight hours. One day each week shall be allowed as an off day. Work on the weekly off day or in excess of forty eight hours per week or ten hours per day shall be deemed to be overtime.
- (ii) If required by his Employer, an Employee shall work reasonable overtime which has been authorized by the Employer. Each hour of overtime work shall be calculated by dividing the monthly rate by two hundred and forty (240) multiplied by one and a half (1 1/2).

# 13. *Leave*.-

- 1. Employees shall be entitled to a maximum of 14 days Annual Leave. In the first year the leave entitlement shall be on a proportionate basis. All employees with more than 20 years service and Heads of Departments shall be entitled to three weeks paid annual leave as a special benefit: this right shall not extend to any employee recruited after 1st September, 1993.
- 2. (i) Sick Leave Leave on full pay shall be granted up to a maximum of 21 working days in a year. Sick leave will be granted up to two days at a time without the submission of a Medical Certificate. For leave of three days and over, a medical certificate from an approved Medical Practitioner or a Government Hospital shall be considered necessary, subject to the right of the Employer to call for a medical certificate as aforementioned, where he deems it appropriate.
  - (ii) In the event of an employee not availing himself of his full quota of sick leave, he may carry forward his leave, which he could use in the event of hospitalization or a prolonged illness in a succeeding year, subject to the condition however that he cannot avail himself of more than 90 days on that account.
  - (iii) In the case of an employee whose terms presently permit him a higher quantum of sick leave he shall be permitted to continue to enjoy such concession as personal to him.
- 3. Casual Leave All employees shall be entitled in each year to a maximum of seven (7) days Casual Leave with full pay, not more than three (3) days being taken at a time. Casual leave not taken in any one year will not be carried over to the next year.

- 4. Five (5) days leave on full pay shall be allowed each year to each employee on account of religious festivals in accordance with the religious persuasions of such employee. Such leave may not, however, be taken in continuation with Casual leave.
- 14. Holidays.- Employees will be entitled to paid holidays on

February 4th – Independence Day April 13th or 14th – Sinhala/Tamil New Year

May 1st - May Day

15. Gratuity.- Gratuity shall be payable in accordance with the Payment of Gratuity Act, No. 12 of 1983.

#### 16. Age of Retirement.-

- (i) Unless the letter of appointment specifies a higher retiral age, the age of retirement shall be 60 years and will be applicable to those who are in employment as at the date of signing this Agreement.
- (ii) However, an employer may retire an employee at the age of 55 years, subject to unsatisfactory work performance, conduct or state of health of the employee. For this purpose "unsatisfactory work performance" shall include any act of misconduct in respect of which disciplinary action has been taken.
- (iii) An employer who decides to retire an employee at the age of 55 years on grounds stated at (ii) above shall give such employee one year's notice in writing or pay one year's salary in lieu of such notice. Where such notice is not given and the employee concerned is found guilty of misconduct during such one year period which misconduct would have otherwise resulted in his retirement at 55 years, the employee shall be retired on reaching 55 years notwithstanding the fact that notice has not been given or payment made in lieu.

# 17. Suspension as a Measure of Punishment.-

- 1. Punishment for offences in the case of an employee may include suspension, provided however that such suspension shall not exceed fourteen days without pay and shall be in writing.
- 2. Punishment in excess of three days suspension without pay shall only be after a domestic inquiry.

# 18. Suspension Pending Disciplinary Inquiries.—

- 1. An employee may be suspended from work without pay for a period not exceeding one month pending a disciplinary inquiry when there is *prima facie* evidence, in the opinion of the Employer, of a charge or charges of misconduct against him. Such suspension shall be in writing.
- 2. Suspension of an employee on the ground referred to in subclause (1) above for any period in excess of one month shall be on half pay.
- 3. The provisions contained in sub-clauses (1) and (2) above shall not apply to the suspension of an employee pending inquiries by the Police, by other Public Authorities or Audit Verifications.

## 19. Administrative Transfers.-

- 1. Transfers not involving hardship in relation to schooling of children or employment of spouse, will, subject to the exigencies of the service and the requirements of the Employer, be made at the discretion of the Management with one month's notice in writing.
- 2. Transfers from one estate to another or from one division to another which are likely to cause hardship on account of children's schooling or the spouse's employment shall generally be made at the end of the year with three month's notice in writing.
- 3. Employees whose children are sitting for the GCE OL/AL examination for the first time will not be transferred in that particular year.

- 4. No employee covered by this Agreement shall be transferred, except on disciplinary grounds, in the last year prior to his retirement.
- 5. The provisions of sub-clauses (1), (2), (3) and (4) above shall not apply to transfers on disciplinary grounds, but the Management shall give reasonable notice, depending on the circumstances of each case.

#### 20. Annual Increments.-

- Annual increments shall be granted automatically on completion of an year's service. The increments will be awarded in
  accordance with the practice prevailing on each estate. Where increments are award on a uniform date to all employees, in the
  event of an employee being confirmed in service within six months of the date on which increments are awarded, he shall not
  be entitled to any increment and will become eligible only from the following year.
- 2. An increment may be suspended, stopped or deferred by way of punishment or for general inefficiency, after the employee has been notified in writing of such fact. In the case of deferment, the loss of increment shall be continuous, whereas stoppage would be only for the period relevant to the stoppage.

# 21. Diciplinary Inquiries.-

- 1. An employee may be suspended without pay by his Employer pending an inquiry on a charge which warrants dismissal or where, in the opinion of the Employer, a breach of the peace, damage to property or disturbance of business needs to be avoided. Where an employee is suspended without pay he shall be notified in a general manner of the reasons for such suspension within 3 days of the actual suspension.
- 2. An employee may also be suspended with pay pending a disciplinary investigation and inquiry, where the Management deems that such measure is necessary.
- 3. An employee is entitled to be furnished with a 'show cause' notice setting out the charges of misconduct alleged against him and the employee shall be granted not less than seven (7) clear working days in which to give the answer or explanation. Where necessary the employee may request further time and the Employer shall permit a reasonable amount of time depending on the nature of the charges, but not exceeding a total of 14 working days, other than in exceptional circumstances.
- 4. If the Employer is satisfied with the written explanation, the employee shall be exonerated of the charge or charges and where appropriate he shall be summoned to report back for work. Where the explanation is unsatisfactory, the Employer shall hold a disciplinary inquiry within a reasonable length of time and shall commence such inquiry within 30 working days from the date on which the explanation to the 'show cause' letter is received, unless circumstances prevent the employer from doing so.
- 5. An employee shall be permitted to have a Union member to defend him at the Inquiry. Such representative shall not be a professional. If the employee wishes to have the benefit of such representation he shall inform the Superintendent of the name of the person defending him at least 48 hours before the Inquiry is due to commence. The Superintendent may object to the individual selected, in which event the accused employee may nominate another representative. The failure of an employee to be defended by a representative shall not vitiate the inquiry.
- 6. The Employer shall endeavour to give the findings and convey the punishment, if any, within a period of 30 working days from the date on which the inquiry is concluded, unless there is justification for the delay. In no case shall the findings be delayed beyond 90 working days from the date of conclusion of the inquiry, save and except in the case of a pending criminal investigation. If no findings are given within 90 working days and the above exception does not apply, the accused employee shall be exonerated of the charges.
- 7. Notwithstanding the above provisions, an Employer may, where the circumstances so warrant, terminate an employee summarily. In such event, the letter of termination shall set out the reasons for termination, including the justification for summary termination. In such event, the Union may appeal to the Employer or to the appropriate forum.

# 22. Variations of Terms and Conditions of Employment & Disputes.-

- 1. Parties hereto agree that during the continuance in force of this Agreement, they will not seek to vary, alter or add to any of the terms and conditions of employment, except by mutual consent.
- 2. Any employee enjoying a benefit, which is over and above the normal entitlement, shall continue to enjoy the same as personal, but this benefit shall not extend to any other employee. The above provision shall not apply to the consumption of electricity, where a limit is fixed for all employees.
- 3. Any dispute or issue of interpretation of this Agreemet shall be resolved by reference to the Commissioner General of Labour under the Industrial Disputes Act, and if no settlement could be reached, by voluntary arbitration thereafter.
- 4. It is agreed by and between parties that the Unions, collectively or independently, or their members, shall not resort to any form of trade union action on any matter covered by this Agreement or is connected therewith.

## 23. Duty Leave.-

- 1. Subject to the approval of their respective Employers, the President and one other office bearer of the Parent Union will be permitted such duty leave as their Union duties require.
- 2. Where any dispute arises with regard to duty Leave of the President and the nominated office bearer of the Parent Union, as specified in sub clause (1) above, the Federation will attempt to effect an amicable settlement between parties.
- 3. By mutual arrangement with the Employer, the Treasurer of the Parent Union shall be allowed twelve days duty leave in any one year.
- 4. By arrangement with their respective Employers, Branch Chairman of the Union shall be allowed twelve days duty leave which may be shared with the respective Branch Secretaries, on condition that the total leave availed of jointly by these two Office Bearers shall not exceed twelve days in any one year.

# Part II

1. The Regional Plantation Companies covered and bound by this Agreement morefully described in Schedule I to this Agreement undertakes to discuss with Unions to resolve any issued relevant to employees in a situation of amalgamation / sub-leasing of estates / divisions.

# 2. Electricity.-

Free electricity would be granted to memebers of staff on the following basis, irrespective of what they had been enjoying in the past.

# Elevation below 4,500 feet (Factory Elevation)

Senior Staff - 140 units
Junior Staff (inclusive of minor staff) - 100 units
Drivers - 75 units

## Elevation above 4,500 feet (Factory Elevation)

Senior Staff - 170 units

Junior staff (inclusive of minor staff) - 130 units

Drivers - 105 units

PART I: Sec. (I) – GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA – 01.08.2014

Recoveries for any excess usage will be made once in 6 months on the accumulated figure at the rate that costs each estate.

Kerosene – Employer shall provide 25 litres kerosene per mensem to those employees resident on estates / divisions without electricity

3. Tea Allowance. The employer shall provide free tea, on the followig basis, to members of estate staff (including future recruits in those categories presently entitled) irrespective of what they had been enjoying in the past.

> Senior staff 2 kgs Junior staff (inclusive of minor staff) - 1 1/2 kgs Drivers - 1 kg

The staff members could purchase in addition to the above free tea, the same quantities at the rate of 75% of the NSA or COP whichever is Lower.

Staff members who had been entitled to three or more kilos of tea at a concessionary rate before June 1992 would be entitled to purchase a maximum of 3kgs at a concessionary rate of 35% of COP or NSA whichever is lower with effect from 1st June, 2003.

#### 4. Death Grant.-

- 1. With effect from the date hereof, on the death of a staff member, the dependants will be paid a sum of Rs. 50,000/- as funeral expenses.
- 2. The dependants of the deceased staff member will be paid 50% of the sum equivalent to 3 months salary within one month upon the death of the employee and the balance at the time the dependants hand over the staff quarters.
- 3. If quarters are not provided to the deceased staff member, the dependants will be paid the sum equivalent to 3 months salary within one month of the death of the staff member.
- 5. Medical Aid Scheme. A staff member who is a member of the Staff Medical Aid Scheme will be paid the total balance lying to his/her credit in the fund inclusive of the company's contribution to such fund, at the time of retirement/death or termination of his/her employement from the estate.

# 24. Interpretation.-

Word	Meaning
Union	Means the union referred to as the Party of the Second Part in this Agreement.
Dispute	Shall have the same meaning as in the Industrial Disputes Act.
Employer	Means a company who has subscribed to this Agreement and is referred to in Schedule I hereof.
Week	Means the period between midnight on any Saturday and midnight on the succeeding Sunday night.
Year	Means a continuous period of 12 months.
Gender	A reference to the masculine gender shall include the feminine as well.

# In Witness whereof the Twelfth day of March Tv

Sunil Poholiyadde Chairman Plantation Services En

Ravi Peiris

Director General

The Employers' Federa

Witnesses

1 .

A L W Goonewardene Deputy Chairman Plantation Services Emi

2.

Prasad de Silva

Assistant Director-Gene Head of Plantation Servi The Employers' Federati

Agalawatte Plan Agarapatana Pla Balangoda Plant Bogawantalawa Elpitiya Plantatio Elkaduwa Planta Hapugastenne F Horana Plantatic Kahawatte Plant Kegalle Plantatic Kelani Valley Pla Kotagala Plantat Madulsima Plant Malwatte Valley Maskeliya Planta Maturata Plantat Namunukula Pla Pussellawa Plan Talawakelle Tea Udapussellawa F Watawala Planta

-

# TECHNICAL STAFF.

Junior Asst. Factory Off

Asst. Factory Officer

Sr. Asst. Factory Officer

Factory officer

Sp. Grade Factory Office

# Schedule III -

Stage

# Schedule III

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# Schedule II

# Stage

# Schedule I

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# Schedule III -

# Stage

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PART I: SEC. (I) – GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA – 01.08.2014

## THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between the Employers' Federation of Ceylon, No. 385J3, Old Kotte Road, Rajagiriya of the one part and Ceylon Estates Staffs' Union, No. 06, Aloe Avenue, Colombo 03 of the other part on 12th day of March, 2014, regarding the Supervisor Staff is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

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

My No.: CA/State/03/2014.

Department of Labour, Labour Secretariat, Colombo 05. 11th July, 2014.

## Collective Agreement No. 14 of 2014

# COLLECTIVE AGREEMENT - SUPERVISORY STAFF

THIS COLLECTIVE AGREEMENT entered into between the Employers' Federation of Ceylon of 385J3, Old Kotte Road, Rajagiriya of the first part and the Ceylon Estates Staffs' Union of No. 6, Aloe Avenue, Colombo 3 of the second part, made and entered into on the twelth day of March, 2014, witnesseth as follows:

- 1. Title.- This Agreement shall be known as the Plantations Supervisory Staff Collective Agreement.
- 2. *Employers Covered and Bound.* This Agreement shall bind the members of the Employers' Federation of Ceylon, whose names are contained in Schedule I hereto and hereinafter referred to as the Employers or Employer, as the case may be according to context, for and in respect of the categories of employees hereinafter described in Clause 3 hereof.
- 3. *Union and Employees Covered and bound* This Agreement shall cover and bind the aforesaid Trade Union, hereinafter referred to as the Union, and members of the said Union who are employed by the members of the Federation referred to in Schedule I on monthly contracts of employment and in respect of whom salary ranges are prescribed in Schedule hereon.
- 4. *Earlier Agreements..*—The provisions of this Agreement shall supersede and replace any earlier Agreements in respect of these categories and shall be deemed conclusive in relation to all terms and conditions. In the event of there being any dispute with regard to the existence of any other term or condition not contained herein, the same shall be resolved by reference to the Commissioner-General of Labour in terms of the Industrial Disputes Act, but the party of the Second Part shall not be entitled to take trade union action on the basis of the existence of any such alleged term or condition.
- 5. *Date of Operation and Duration.* Subject to any provisions to the contrary, this Agreement shall be effective from the 1st October 2013 and shall thereafter continue in force unless terminated by either party giving notice of termination in terms of the Industrial Dispute Act, subject to the condition that no party shall give notice to the other before 30th September, 2016.

## 6. General Terms and Conditions.-

- (i) The terms of this Agreement shall be deemed to be included in all contracts of employment of those covered by this Agreement.
- (ii) Grading of employees covered shall be at the discretion of the Employer.
- (iii) Upon completion of 10 years satisfactory service under the same employer, Junior Assistant Field Officer shall be re-designated as Assistant Field Officer.

PART I: SEC. (I) - GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA - 01.08.2014

- 7. Probation. On recruitment every employee shall serve a period of probation of not more than six months, subject to the right of the Employer to extend the probationary period for a further period of three months at his discretion for reasons of unsatisfactory performance, misconduct or other justifiable cause. Confirmation shall be by letter. However, in the event of the probationary period not being extended after the period of 6 months, an employee shall be deemed to be confirmed notwithstanding there being no letter of confirmation. During the period of probation or extended probation the Employer shall have the right to terminate without notice or assigning reasons therefor.
- 8. First Appointment. No person will be recruited to a grade covered by this Agreement unless he has successfully completed the G. C. E. (Ordinary Level) Examination with English and Arithmetic/Mathematics. This will not apply to those who have experience in the trade.
- 9. Attendance at Work. Unless otherwise specifically instructed by his Employer, an employee shall present himself for work on every day other than a holiday due to him, at the usual starting time and at the usual working place and shall thereafter remain available for work throughout the normal working hours.

#### 10. Promotions.-

- Wherever vacancies exist, all other factors being comparable, seniority shall be given preference. The Employers shall advertise internally vacancies where employees covered by this Agreement may have appropriate skills and qualifications to make them eligible.
- Where an employee acts in a senior capacity over a period of 6 months and if he is confirmed in the senior capacity, he will not be required to serve a period of probation.
- Where and employee is required to act in a senior capacity for a period of more than one month, it should be communicated to him in writing and he shall be paid an acting Allowance of 50% of the difference between his salary and that which was last paid to the holder of such senior position, subject to a maximum of Rupees One Thousand Five Hundred (Rs. 1,500/-) per mensem.
- (iv) Where the acting period, other than in over looking positions, continue for 6 months the employer shall prior to the expiry of 6 months, inform the employee in writing whether he is confirmed in the post or reverted to his substantive post.

## 11. Salaries.-

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  - (i) With effect from 1st October, 2013, the salaries of all employees in employment as at the date of singning of this Agreement shall be increased by 25%. Provided however, in respect of the period October 2013 to February 2014, it is hereby agreed that the said increase will be regarded as notional arrears (without any consequential benefits such as EPF, ETF, Overtime
  - (ii) (a) The notional arrears payment will be in two equal installments. The initial payment will be made prior to the Sinhala / Tamil New Year in April, 2014 and
    - (b) The second installment will be paid in June 2014.
  - (iii) In terms of the above salary revision, the salary ranges applicable will accordingly be revised as per Schedule II of this agreement.
- (iv) After revision effected in terms of (i) and (ii) above the employees will be placed on the salary point on the salary range applicable to his/her grade is set out in Schedule III hereof.
- (v) In the case of Field Officers / Storekeepers who are presently entitled to an allowance on account of work as a Storekeeper, such employee shall continue to receive his/her allowances at the rate of 10% of the salary drawn by him/her. The allowances shall not be payable if the additional duties are not performed or not deemed necessary. Contributions to EPF and ETF shall be made in respect of this allowance.
- 2. (a) With effect from the date hereof, employees who are entitled to payment in lieu of staff quarters being provided to them, shall receive a 10% increment of the following allowances,

depending on the grade to which they belong and the revised allowance will be as follows:

 Junior Asst. Field Officer
 Rs. 1,020 x 10% = Rs. 1,122

 Asst. Field Officer
 Rs. 1,080 x 10% = Rs. 1,188

 Field Officer
 Rs. 1,260 x 10% = Rs. 1,386

 Field Officer Special Grade
 Rs. 1,380 x 10% = Rs. 1,518

(b) In the event of any person not occupying quarters provided by the Employer, such person shall be liable to disciplinary action.

#### 12. Hours of Work and Overtime.-

- (i) The working week shall be six days of forty eight hours. One day each week shall be allowed as an off day. Work on the weekly off day or in excess of forty eight hours per week or ten hours per day shall be deemed to be overtime.
- (ii) If required by his employer, an employee shall work reasonable overtime which has been authorized by the employer. Each hour of overtime work shall be calculated by dividing the monthly rate by two hundred and forty (240) multiplied by one and a half (11/2).

#### 13. *Leave.*-

- (1) Employees shall be entitled to a maximum of 14 days Annual Leave. In the first year the leave entitlement shall be on a proportionate basis. All employees with more than 20 years service and Heads of Departments shall be entitled to three weeks paid annual leave as a special benefit; This right shall not extend to any employee recruited after 1st September 1993.
- (2) (i) **Sick Leave.**—Leave on full pay shall be granted up to a maximum of 21 working days in a year. Sick leave will be granted up to two days at a time without the submission of a Medical Certificate. For leave of three days and over, a medical certificate from an approved Medical Practitioner or a Government Hospital shall be considered necessary, subject to the right of the Employer to call for a medical certificate as aforementioned, where he deems it appropriate.
  - (ii) In the event of an employee not availing himself of his full quota of sick leave, he may carry forward his leave, which he could use in the event of hospitalization or a prolonged illness in a succeeding year, subject to the condition however that he cannot avail himself of more than 90 days on that account.
  - (iii) In the case of an employee whose terms presently permit him a higher quantum of sick leave he shall be permitted to continue to enjoy such concession as personal to him.
- (3) **Casual Leave.**—All employees shall be entitled in each year to a maximum of seven (7) days Casual Leave with full pay, not more than three (3) days being taken at a time. Casual leave not taken in any one year will not be carried over to the next year.
- (4) Five (5) days leave on full pay shall be allowed each year to each employee on account of religious festivals in accordance with the religious persuasions of such employee. Such leave may not, however, be taken in continuation with casual leave.
- 14. *Holidays*.– Employees will be entitled to paid holidays on –

February 4th – Independence Day April 13th or 14th – Sinhala/Tamil New Year

May 1st – May Day

15. Gratuity.- Gratuity shall be payable in accordance with the Payment of Gratuity Act, No. 12 of 1983.

# 16. Age of Retirement.-

- (i) Unless the letter of appointment specifies a higher retrial age, the age of retirement shall be 60 years and will be applicable to those who are in employment as at the date of signing this Agreement.
- (ii) However, an employer may retire an employee at the age of 55 years, subject to unsatisficatory work performance, conduct or state of health of the employee. For this purpose "unsatisfactory work performance" shall include any act of misconduct in respect of which disciplinary action has been taken.

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(iii) An employer who decides to retire an employee at the age of 55 years on grounds stated at (ii) above, shall give such employee one year's notice in writing or pay one year's salary in lieu of such notice. Where such notice is not given and the employee concerned is found guilty of misconduct during such one year period which misconduct would have otherwise resulted in his retirement at 55 years, the employee shall be entired on reaching 55 years notwithstading the fact that notice has not been given or payment made in lieu.

## 17. Suspension as a Measure of Punishment.-

- (1) Punishment for offences in the case of an employee may include suspension, provided however that such suspension shall not exceed fourteen days without pay and shall be in writing.
- (2) Punishment in excess of three days suspension without pay shall only be after a domestic inquiry. Such suspension shall be in writing.

#### 18. Suspension Pending Disciplinary Inquiries.-

- 1. An employee may be suspended from work without pay for a period not exceeding one month pending a disciplinary inquiry when there is *prima facie* evidence, in the opinion of the Employer, of a charge or charges of misconduct against him.
- 2. Suspension of an employee on the ground referred to in sub-clause (1) above for any period in excess of one month shall be on half pay.
- 3. The provisions contained in sub-clauses (1) and (2) above shall not apply to the suspension of an employee pending inquiries by the Police, by other Public Authorities or Audit Verifications.

#### 19. Administrative Transfers.-

- 1. Transfers not involving hardship in relation to schooling of children or employment of a spouse, will, subject to the exigencies of the service and the requirements of the Employer, be made at the discretion of the Management with one month's notice in writing.
- 2. Transfers from one estate to another or from one division to another which are likely to cause hardship on account of children's schooling or the spouse's employment shall generally be made at the end of the year with three months' notice in writing.
- 3. Employees whose children are sitting for the GCE OL/AL examination for the first time will not be transferred in that particular year.
- 4. No employee covered by this Agreement shall be transferred except on disciplinary grounds, in the last year prior to his retirement.
- 5. The provisions of sub-clauses (1), (2), (3) and (4) above shall not apply to transfers on disciplinary grounds, but the Management shall give reasonable notice, depending on the circumstances of each case.

# 20. Annual Increments.-

- 1. Annual Increments shall be granted automatically on completion of an year's service. The increments will be awarded in accordance with the practice prevailing on each estate. Where increments are awarded on a uniform date to all employees, in the event of an employee being confirmed in service within six months of the date on which increments are awarded, he shall not be entitled to any increment and will become eligible only from the following year.
- 2. An increment may be suspended stopped or deferred, by way of punishment or for general inefficiency, after the Employee has been notified in writing of such fact. In the case of deferment, the loss of increment shall be continuous, whereas stoppage would be only for the period relevant to the stoppage.

#### 21. Disciplinary Inquiries.-

- 1. An employee may be suspended without pay by his Employer pending an inquiry on a charge which warrants dismissal or where, in the opinion of the Employer a breach of the peace, damage to property or disturbance of business needs to be avoided. Where an employee is suspended without pay he shall be notified in a general manner of the reasons for such suspension within 3 days of the actual suspension.
- 2. An employee may also be suspended with pay pending a disciplinary investigation and inquiry, where the Management deems that such measure is necessary.
- 3. An employee is entitled to be furnished with a show cause notice setting out the charges of misconduct alleged against him and the employee shall be granted not less than seven (7) clear working days in which to give the answer or explanation. Where necessary the employee may request further time and the Employer shall permit a reasonable amount of time depending on the nature of the charges, but not exceeding a total of 14 working days, other than in exceptional circumstances.
- 4. If the Employer is satisfied with the written explanation, the employee shall be exonerated of the charge or charges and where appropriate he shall be summoned to report back for work. Where the explanation is unsatisfactory, the Employer shall hold a disciplinary inquiry within a reasonable length of time and shall commence such inquiry within 30 working days from the date on which the explanation to the show cause letter is received, unless circumstances prevent the employer from doing so.
- 5. An employee shall be permitted to have a Union member to defend him at the inquiry. Such representative shall not be a professional. If the employee wishes to have the benefit of such representation he shall inform the Superintendent of the name of the person defending him at least 48 hours before the inquiry is due to commence. The Superintendent may object to the individual selected, in which event the accused employee may nominate another representative. The failure of an employee to be defended by a representative shall not vitiate the inquiry.
- 6. The employer shall endeavour to give the findings and convey the punishment, if any, within a period of 30 working days from the date on which the inquiry is concluded, unless there is justification for the delay. In no case shall the findings be delayed beyond 90 working days from the date of conclusion of the inquiry, save and except in the case of a pending criminal investigation. If no findings are given within 90 working days and the above exception does not apply, the accused employee shall be exonerated of the charges.
- 7. Notwithstanding the above provisions, an Employer may, where the circumstances so warrant, terminate an employee summarily. In such event, the letter of termination shall set out the reasons for termination, including the justification for summary termination. In such event, the Union may appeal to the Employer or to the appropriate forum.

#### 22. Variations of Terms and Conditions of Employment & Disputes.-

- Parties hereto agree that during the continuance in force of this Agreement, they will not seek to vary, alter or add to any of the terms and conditions of employment, except by mutual consent.
- 2.. Any employee enjoying a benefit, which is over and above the normal entitlement, shall continue to enjoy the same as personal, but this benefit shall not extend to any other employee. The above provision shall not apply to the consumption of electricity, where a limit is fixed for all employees.
- Any dispute or issue of interpretation of this Agreemet shall be resolved by reference to the Commissioner General of Labour under the Industrial Disputes Act, and if no settlement could be reached, by voluntary arbitration thereafter.
- It is agreed by and between parties that the Unions, collectively or independently, or their members, shall not resort to any form of trade union action on any matter covered by this Agreement or is connected therewith.

# 23. Duty Leave.-

- Subject to the approval of their respective Employers, the President and one other office bearer of the Parent Union will be permitted such duty leave as their Union duties require.
- 2. Where any dispute arises with regard to duty Leave of the President and the nominated office bearer of the Parent Union, as specified in sub clause (1) above, the Federation will attempt to effect an amicable settlement between parties.

- By mutual arrangement with the Employer, the Treasurer of the Parent Union shall be allowed twelve days duty leave in any one year.
- By arrangement with their respective Employers, Branch Chairman of the Union shall be allowed twelve days duty leave which may be shared with the respective Branch Secretaries, on condition that the total leave availed of jointly by these two Office Bearers shall not exceed twelve days in any one year.

#### Part II

The Regional Plantation Companies covered and bound by this Agreement morefully described in Schedule I to this Agreement 1. undertakes to discuss with unions to resolve any issues relevant to employees in a situation of amalgamation/sub-leasing of estates / divisions.

#### 2. Electricity

Free electricity would be granted to members of staff on the following basis, irrespective of what they had been enjoying in the past.

# Elevation below 4,500 feet (Factory Elevation)

Junior Staff (Inclusive of minor staff) - 100 units Drivers 75 units

# Elevation above 4,500 feet (Factory Elevation)

Senior Staff - 170 units Junior Staff (Inclusive of minor staff) – 130 units Drivers 105 units

Recoveries for any excess usage will be made once in six months on the accumulated figure at the rate that costs each estate.

Kerosene.-Employer shall provide 25 litres kerosene per mensum to those employees resident on estates/divisions without electricity.

#### 3. Tea Allowance

The Employer shall provide free tea, on the following basis, to members of estate staff (including future recruits in those categories presently entitled) irrespective of what they had been enjoying in the past.

Senior Staff - 2 kgs Junior Staff (Inclusive of minor staff) - 1 1/2 kgs Drivers - 1 kg

The staff members could purchase in addition to the above free tea, the same quantities at the rate of 75% of the NSA or COP whichever is lower.

Staff members who had been entitled to three or more kilos of tea at a concessionary rate before June 1992 would be entitled to purchase a maximum of 3 kgs at a concessionary rate of 35% of COP or NSA whichever is lower with effect from 1st June, 2003.

#### 4. Death Grant

- 1. With effect from the date hereof, on the death of a staff member, the dependants will be paid a sum of Rs. 50,000 as funeral expenses.
- 2. The dependants of the deceased staff member will be paid 50% of the sum equivalent to 3 months salary within one month upon the death of the employee and the balance at the time the dependants hand over the staff quarters.
- 3. If quarters are not provided to the deceased staff member, the dependants will be paid the sum equivalent to three months' salary within one month of the death of the staff member.
- 5. *Medical Aid Scheme.* A staff member who is a member of the staff medical aid scheme will be paid the total balance lying to his/her credit in the fund inclusive of the company's contribution to such fund, at the time of retirement/death or termination of his/her employment from the estate.

# 24. Interpretation.-

Word	Meaning
Union	Means the union referred to as the Party of the Second Part in this Agreement.
Dispute	Shall have the same meaning as in the Industrial Disputes Act.
Employer	means a company who has subscribed to this Agreement and is referred to in Schedule I hereof.
Week	Means the period between midnight on any Saturday and midnight on the succeeding Sunday night.
Year	Means a continuous period of 12 months.
Gender	A reference to the masculine gender shall include the feminine as well.

# In Witness whereof the Twelfth day of March Tv

Sunil Poholiyadde Chairman Plantation Services En

Ravi Peifis

Director General

The Employers' Federa

Witnesses

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A L W Goonewardene Deputy Chairman Plantation Services Emp

2.

Prasad de Silva

Assistant Director-Gene Head of Plantation Servi The Employers' Federati

Agalawatte Plan Agarapatana Pla Balangoda Plant Bogawantalawa Elpitiya Plantatio Elkaduwa Planta Hapugastenne F Horana Plantatic Kahawatte Plant Kegalle Plantatic Kelani Valley Pla Kotagala Plantat Madulsima Plant Malwatte Valley Maskeliya Planta Maturata Plantat Namunukula Pia Pussellawa Plan Talawakelle Tea Udapussellawa F Watawala Plants

# SUPERVISORY STA

Junior Asst. Field Offic

Asst. Field Officer

Field Officer

Field Officer Sp. Grade

# Schedule III -

Stage

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# Schedule III

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# Schedule III -

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# Schedule III

# Stage

My No.: CI/1458

#### THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Premium Exports Ceylon Limited, No. 258, Grandpass Road, Colombo 14 of the one part and the Ceylon Mercantile Industrial and General workers' Union, No. 03, 22nd Lane, Colombo 03, of the other part on 04th day of March, 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).

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

Department of Labour, Labour Secretariat, Colombo 05, 11th July, 2014.

# Collective Agreement No. 11 of 2014

# COLLECTIVE AGREEMENT

THIS COLLECTIVE Agreement made this 4th day of March Two Thousand and Forteen to take effect from the 1st day of January Two Thousand and Fourteen pursuant to the Industrial Disputes Act.

#### Between

PREMIUM EXPORTS CEYLON LIMITED, a Company duly registered in Sri Lanka under the Companies Ordinance and having its registered office at No. 258, Grandpass Road, Colombo 14 (hereinafter referred to as the "the Employer") of the one part

and

THE CEYLON MERCANTILE INDUSTRIAL AND GENERAL WORKERS' UNION, a Trade Union duly registered under the Trade Unions Ordinance and having its registered office at No. 03, 22nd Lane, Colombo 03 (hereinafter referred to as the "the Union") of the other part

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

TITLE: This Agreement shall be known and referred to as the PREMIUM EXPORTS CEYLON LIMITED CLERICAL SUPERVISORY AND TECHNICAL STAFF COLLECTIVE AGREEMENT OF 2014.

**Registration**: An application will be made by the Company to the Commissioner of Labour for registration of this Agreement under the industrial Disputes Act.

- 1. Employer Covered and Bound. Premium Exports Ceylon Limited.
- 2. *Employees Covered and Bound.* This Agreement shall cover and bind all permanent employees of the employer, in its establishment at Agarapatana (Premium Exports Ceylon Limited –Agarapatana), employed as Staff Grade (Clerical Supervisory and Technical Staff) and are members of the Union, as at date and those who will be so employed during the period of this Agreement.
- 3. *General Terms and Conditions of Employment.* During the continuance in force of this Agreement the terms and conditions of this Agreement shall be deemed to be included in each contract of service between the employer bound by this Agreement and an employee covered and bound by this Agreement, whether such contract of service be written or oral, which was subsisting on the date hereof or which shall come into being at any time after the date hereof or during the continuance in force of this Agreement.
- 4. *Earlier Collective Agreements.* The provisions of this Agreement shall supersede, and replace the provisions of the Ceytea Clerical Supervisory and Technical Staff Collective Agreement of 2008 and the parties agree that the provisions of the said Collective Agreement shall stand terminated.

5. Shift Patterns.— The Staff grade has basically two shift patterns a follows and management has the right to assign staff employees on any of the two shift patterns based on the company requirements and the discretion of the Management.

#### 1. 4 Crew 3 Shift Pattern

4 Crew 3 Shift pattern is to work 6 days continuously and get 2 days off as their weekly holiday. With this Saturday and Sunday would be a normal working day as per the shift, their weekly holidays will be off days.

For the existing staff employees who are currently working in the 4 crew 3 shift pattern, a fixed allowance will be granted as per the "First Schedule". The fixed allowance is being calculated considering the loss of income as per the past practices and also all the statutory provisions of working in the crew 3 shift pattern. Also staff grade employees who are working as per the 4 crew 3 shift, will not be entitled for any day off for working on Sundays as the day in lieu of Working on a Sunday is being given with the 2 off days as per the shift pattern. Also working on a Poya day will be paid at the rate of double and no day off will be given for working in lieu of Poya day.

# 2. General Shift Pattern

General shift is to work from Monday to Saturday of a week and working hours from Monday to Friday will be from 7.30 a.m. to 4.30 p.m. and for the short working day (Saturday) it will be from 7.30 a.m to 1.30 p.m. including 1 hour lunch time. Weekly holidays will be on Saturday after 1.30 p.m. and Sunday full day.

However if the staff who are currently working in the 4 crew 3 shift pattern, will be transferred to the General shift pattern, their working time will be as follows:

Monday to Friday: 8.00 a.m. to 4.00 p.m. (including 1/2 lunch time). Saturday: 8.00 a.m. to 1.00 p.m. (including 1/2 lunch time).

This is not applicable for the staff those who are already in the General shift.

- 6. *Production/Attendance Incentive Schemes.* The Production/Attendance Incentive Schemes will be a applicable as set out in the **Second Schedule** hereto.
- 7. **Probation.** Every employee recruited by the employer shall serve an initial period of probation of not more than six (6) months, provided however that if during the six (6) months probationary period the employer is not satisfied with the progress of such employee, the probationary period may be extended for a further period of three (3) months and in that event the employer shall indicate to the employee in writing the reasons why the probationary period has been extended. During the period of probation or extended probation the employer shall have the right to terminate the services of the employee without notice. If the employee's services are not terminated for unsatisfactory service during the period of probation or extended probation and the employee has not been confirmed by the employer, the employee shall be deemed to be confirmed in his employer's service with effect from the day after the date on which the period of probation or extended as the case may be ended.

# 8. Attendance.-

- 1. Unless otherwise specifically instructed by the Employer an employee shall present himself for work on every day (other than a Company holiday) at the usual starting time of the office, factory or job as the case may be and shall there remain available for work throughout the normal working hours.
- 2. If at the office, factory or job work is temporarily not available for an employee in his own occupation he shall be deemed to be ready and willing to perform other work within his capacity and skill where such work is available within the Company.
- 9. *Hours of Work.*—The normal working hours shall be those hours which are customarily worked at the office, establishment of the Employer or stipulated in his letter of appointment.
- 10. *Forfeiture of Wages:* Unless for good cause shown to the satisfaction of the employer, if an employee fails to hold himself available for work through out the normal working hours of each working day he shall forfeit and the employer shall be entitled to deduct his wages for the period from the time at which such failure occurs until he is again available for work.

## 11. Overtime.-

- (1) An employee shall work reasonable overtime when required to do so by the employer and co-operate with the Management for better output and the employer shall eclend its co-operation to the employees to achieve same. Refusal to work reasonable overtime in the absence of a satisfactory explanation which is acceptable to the employer shall constitute neglect of duty for which an employee shall be liable to appropriate disciplinary action.
- (2) Overtime work (i.e. work performed in excess of normal working hours) shall be remunerated at one and half (1 1/2) times the normal hourly rate ascertained in accordance with the provisions of Clause 25 (a) hereof.

# 12. Weekly Holidays.-

- (1) An employee shall be entitled to weekly holidays as prescribed by the shop and Office Employees' Act.
- (2) General shift employees will be allowed the weekly half holiday of the Saturday in each week and the weekly full holiday on Sunday in each week. Employees working on Sunday will be given off day as per rules. Overtime of working on weekly half holiday (Saturday) and weekly holiday (Sunday) will be as follows;
  - (a) Working on Saturday after first 5 hours will be remunerated at treble the normal hourly rate for each hour or proportionately for any fraction of an hour.
  - (b) For any work performed up to eight (8) hours on the weekly full holiday, the employee shall be remunerated at double the normal hourly rate for each hour of proportionately for any fraction of an hour.
  - (c) For any work performed in excess of eight (8) hours on the weekly full holiday, the employee shall be remunerated at treble the normal hourly rate for each hour or proportionately for any fraction of an hour.
  - (d) In addition to the remuneration payable at para (b) above, the employee shall be granted one full day's leave in the following week or be paid the equivalent of the employee's salary for one full day.
- (3) In respect of every 6 days of work an employee shall be allowed 2 days holidays on the 4 crew 3 shift system. As per 4 Crew 3 shift System Saturday and Sundays will be normal working days depending on the roster. These 2 off days include the day in lieu in respect of Sundays. No. Special payments will be made on working on Saturday and Sundays when it comes to the normal working days as per the shift roster. If the staff call on off days to work, will be remunerated at the rate of 3 times of the hourly rate of the completed working hours.
- 13. *Annual Holidays:* From the second year of employment onwards an employee shall be entitle to take fourteen (14) days of annual holidays with full remuneration of which not less seven (7) days shall be taken on consecutive days. Such leave shall have to be availed of on days to be mutually agree upon by the employer and employee.

If the person is unable to utilize full or part of the Annual leave entitlement, the employer agrees to pay the balance Annual leave at the rate of double the daily rate at the end of the year. Half days are not considered for this payment.

Formula: (Basic salary/30) x 2

## 14. Casual leave.-

- 1. In respect of each year of employment during which any employee has been continuously in employment that employee shall be entitled to take on account of private business or other reasonable cause including ill health if that person's entitlement to sick leave has been fully utilizing, leave (hereinafter referred to as "Casual leave") with remuneration for a period of an aggregate of periods not exceeding seven (7) days and the employer shall allow such casual leave and shall be liable to pay such remuneration. Provided however, that not more than two (2) days casual leave shall be taken at any time save an except upon the ground of ill health and that any employee shall not be entitled to take casual leave immediately preceding or immediately following any period of annual holidays. Provided further that in respect of any employee's first year of employment including any period of probation he shall be entitled to casual leave for that year computed on the basis of one day for each complete period of two (2) months service.
- 2. Casual leave will normally be granted on application without the employee being required to state the reason for the application. Where the employer finds it difficult to grant the application for casual leave, his difficulty shall be notified to the employee as soon as possible after the application is made and in such case the employee shall be required to state the reason for the application in order that the employer may decide whether it is reasonable in the circumstances to grant casual leave.
- 3. If the person is unable to utilize full or part of the casual leave entitlement, the employer agrees to pay the balance casual leave at rate of 1.5 the daily rate at the end of the year. Half days are not considered for this payment Formula: (Basic salary /30) X 1.5

- 15. Sick Leave. For any year, an employee shall be entitled to sick leave not exceeding twenty one (21) days. Provided that:
  - (a) His illness is supported by a certificate from a registered medical practitioner (unless waived by the employer) and approved by the Company Medical Officer, and
  - (b) The employee shall not be on probation within the meaning of **Clause 7** hereof. Provided however, that an employee who has been on probation shall as from the date of confirmation in respect of the remainder of the first year of employment be entitled to sick leave not exceeding ten (10) days if he is confirmed after six (6) months probation and sick leave not exceeding five (5) days if he is confirmed after nine (9) months probation.
  - (c) If the person is unable to utilize full or part of the sick leave entitlement, the employer agrees to pay the balance sick leave at the rate of double the daily rate at the end of the year. Half days are not considered for this payment. Formula: (Basic salary /30) X 2
  - (d) If an employee is unable to report for duty due to hospitalization due to Surgery or any bone fractures or any illness which results in hospitalization, and if the employee does not have any balance leave in any category (i.e. Annual, Casual and Sick), that person will be granted extra leave up to a maximum of 3 months with pay subject to a recommendation of government qualified doctor (MBBS certified Doctor) and within the company policies. For illnesses such as Mumps, Measles, Chicken Pox, leave will be granted upto a maximum of 7 days if that is recommended by a government qualified doctor (MBBS certified Doctor). However this can be extended at the discretion of the management based on need and medical requirement of the individual employee.
- 16. Short Leave.— There is no short leave in general and an entitlment. However staff member can request a short leave not exceeding one hour on an emergency situation subject to the discretion of the management. This period may be increased up to 2 hours if there is an emergency situation which will need more than one hour and less than 2 hours subject to the discretion of the management. Also this facility should not misuse any member and if the management feels that somebody will misuse the facility, the particular person will not grant any short leave in future.
- 17. *Special Leave:* On 20th year and 25th year the employee will get 2 special leave and this will be applicable only for the particular year concerned and after the 20th year and the 25th year there will not be any special leave for the particular employee and the leave entitlement will be only Annual 14, Casual 7 and Sick 21 days.

# 18. Public Holidays.-

- (1) The employer shall allow the following holidays normally applicable to the employees under the shop and Office Employees Act.
  - (i) Thai Pongal Day
  - (ii) Prophet Mohamed's Birthday
  - (iii) National day
  - (iv) Day preceding Sinhala and Tamil new Year.
  - (v) Sinhala and Tamil New year day
  - (vi) May day
  - (vii) Day following Wesak Full Moon poya day
  - (viii) Christmas day

Provided however that an employee may be employed a public holiday subject to the payment of overtime.

- (2) If any public holiday to which an employee is eligible under the provision of Sub-clause (1) falls on a Sunday, a day either in the six (6) days immediately precessing or in the six (6) days immediately succeeding such public holiday shall be granted to the employee as a weekly holidays in accordance with the provisions of **Clause 12** hereof.
- (3) If any public holiday to which an employee is eligible under provisions of sub-clause (1) falls on a Saturday, the number of hours constituting the normal working day (inclusive of one hour for a meal) on the day immediately proceeding such public holiday shall be as on a Saturday.

# 19. Salaries and allowances.-

(1) All employees covered and bound by this agreement will be given a 10% increase with effect from 1st January 2014 based on their individual basic wage as at 31st December 2013 Onetime payment of Rs. 1,000/- will be added to the basic salary of the all employees who are currently working in lieu of Nopay gift and will result in the discontinuation of Nopay gift with immediate effect. Employees new basic salaries are set out in **Third Schedule** hereof.

- (2) For the employees who are currently working in the 4 crew 3 shift patterns as per the Clause 5 and 12, a fixed allowance will be paid as per the **First Schedule**. The Fixed allowance will not be changed even if the employee is put into the General shift.
- (3) An special allowance of Rs. 1000/- will be paid for all the existing staffs to discontinue medical fund (in lieu of Medical fund). This allowance will not be entitled by any future employees.
- 20. *Notional Arrears:* By way of notional arrears in respect of the period First Day of July 2012 to the first day of January 2014, the employer shall pay each employee an ex-gratia lump sum as stated in the Fourth Schedule. This payment shall not be regarded as an employees salary for any purpose whatsoever and will not attract EPF ETF or any other statutory payment. The payment shall be made within Fourteen (14) days of the signing of this Agreement.
  - 21. Payment mechanism to replace Non-Recurring Cast of Living Gratuity and Cost of Living (from 1/01/2014 to 31/12/2016)

Year 2014 January Rs. 900/-Year 2014 August Rs. 1,000/-Year 2015 August Rs. 1,100/-

The amount would be consolidated into the salaries in the specified period of each year.

22. *Shift Allowance.* Shift allowances will be enhanced starting from this agreement start date.

New shift allowances are stated below:

Shift
Morning Rs. 50
Evening Rs. 70
Night Rs. 225

23. Scholarship Scheme. – The scholarship scheme would be granted as per the terms and conditions stated below;

**Objective.**— To provide a limited number of scholarships to the children of non-management grades, who have proved to be outstanding students and in need of financial assistance and as an encouragement to further their studies.

## Eligibility Criteria.-

- (a) Students who have passed the year 5 Scholarship Exam.
- (b) Students who have passed G.C.E. (O/L) Examination as per the terms mentioned below.
- (c) Students who qualified to enter into the local universities under the University Grant Commission.

## General Terms and Conditions on Scholarship Scheme

- 1. A scholarship award of Rs. 2,400/- for students who successfully passed the Year 5 scholarship examination in the previous year.
- 2. A Scholarship award of Rs. 6,000/- for the students who have successfully passed the year 5 scholarship examination in and who have achieved an average of more than 75% or very Good positions at the last term test of the previous academic year.
- 3. A Scholarship award of Rs. 4,000/- for the students who have successfully passed the year 5 scholarship examination in and who have achieved an average of more than 50% or Good positions at the last term test of the previous academic year.
- 4. A Scholarship award of Rs. 8,000/- for the year for those students who have successful in G.C.E. O/L examination in eight (8) subjects with 8 'A' passess for the main subjects in one sitting and continue to study in G.C.E. (A/L) class to prepare for the University entrance examination (The eight passes should include Sinhala/Tamil/English language and Mathematics).
- 5. A scholarship award of Rs. 6,000/- for the year for those students who have successful in G.C.E. (O/L) examination in eight (8) subjects with 4 'A' passes for the main subjects in one sitting and continue to study in G.C.E. (A/L) class to prepare for the University entrance examination (The eight passes should include Sinhala/Tamil/English language and mathematics).
- 6. A scholarship award of Rs. 18,000/- for the students who are successful in entering the State University as an internal student (for this scholarship a student is allowed to sit only twice for the University Entrance Examination).

#### AFTER ENTERING INTO A UNIVERSITY;

- If maintain a first class Rs. 23,000 will be paid per year.
- If maintain second lower class or more, Rs. 18,000 will be paid per year.
- If the person achieve pass marks for all the subjects of the year and not have any repeat subjects, Rs. 9,000/- will be paid for the studying year.

Those parents of the students who seek assistance under the scheme are required to produce a certificate from the Registrar of the University or the Principal of the school as the case may be, giving details of the student's academic achievement.

The award will be presented by cheque to enable the student to open a saving account in the Bank specified by the parent.

This will be in force with effect from 1st January 2014 and those who have obtained the scholarship under the previous agreement are not qualified on the same category.

- 24. Festival Advances. The festival advance will be increased to a maximum of Rs. 25,000/- and this will be deducted from the salary starting from the following month and in 10 installments. However if an employee is due to retire within this period, the number of installments will be calculated based on the number of months available until retirement.
- 25. Wages for Periods Less than One Month.- For the purpose of this Agreement the wages of any employee for periods less than one month shall be computed in the following manner:
  - for one hour - the monthly wage divided by two hundred and forty (240);
  - (b) for one day - the monthly wage divided by thirty (30);
  - for one half day (either a day's wage ascertained as above divided by two (2); morning or afternoon)
  - (d) for one week - a day's wage ascertained as above multiplied by seven (7).
- 26. Rates of Provident Fund Contributions. (1) The rates of the contribution to the Provident Fund shall be in accordance with provisions of the Employees' Provident Fund Act No. 15 of 1958.
- 27. Annual Increments and Bonus. Annual targets will be set on the employees' duties keeping in line with performance appraisal process of Unilever Sri Lanka. Accordingly invrements and bonuses will be based on achieving annual targets. Targets will be set out as per the work plan and 3+1 targets concept in consultation with respective line manager and increments will be aligened as stated below:

#### 1 Annual Increments

3+1 target along with the PDP system of Uniliver. Accordingly all increments will be based on achievements of the annual targets and the increments there are two types of increments as stated below;

## Performance Increment:

Description	Achievement rate*	Annual increment %
Exceptional 6 Very Good 5 Good 4 Average 3 Satisfactory 2 Unsatisfactory 1	Beyond 100% Achieved 96 - 100% with high quality Achieved 75% - 95% Achieved above 50 - 74% Achieved 25 - 49% with required quality Below 25%	11 to 12 8 to 10 6 to 7 3 to 5 1 to 2

CA Increments: this also will be given based on the individual performance measured by the PDP system.

Description	Achievement rate*	Annual increment %
Exceptional 6 Very Good 5 Good 4	Beyond 100% Achieved 96 - 100% with high quality Achieved 75% - 95%	11 8 6
Average 3 Satisfactory 2 Unsatisfactory 1	Achieved above 50 - 74% Achieved 25 - 49% with required quality Below 25%	5 3 0

The annual increments mentioned as above shall be paid as per the performance of an Individual unless as a matter of punishment for general inefficiency including irregular attendance or unpunctuality or disciplinary action on account of serious misconduct an increment is suspended, stopped or deferred, in which case where an increment is;

- (a) Deferred, the loss of increment shall be continuous through out the year,
- (b) Stopped, the loss of increment shall only be for the period of stoppage during the year,
- (c) Suspended, the increment is suspended pending a decision to defer or stop an increment, such decision being dependent upon a consideration of the factors giving rise to the suspension. Where on such decision, an increment is neither stopped nor deferred, then the suspension shall be treated as waived and the full increment from the date of suspension thereof, shall accrue to the employee concerned.

Deferment, stoppage or suspension of an increment shall only be effected in cases where the employee has been notified in writing of a complaint against such employee and has been found guilty after due inquiry of inefficiency, fraud or misconduct, which in the circumstances does not merit termination of employment.

2. *Annual Bonus*.— Annual targets will be set on the employees' duties as per the work plan concept of Unilever Sri Lanka and bonuses will be based on achieving those annual targets.

# Bonus categorie;

Fixed Bonus : 2.5 months Attendance Bonus : 0.5 months

if anyone didn't undergone no-pay, he will qualify for this Bonus and if not this portion will not pay.

Variable bonus as per the performance rating of individuals with regards to 3 + 1 targets.

Description	Achievement rate*	Bonus % on annual basic salary
Exceptional 6	Beyond 100%	12
Very Good 5	Achieved 96 - 100% with high quality	11
Good 4	Achieved 75% - 95%	10
Average 3	Achieved above 50 - 74%	7 - 9
Satisfactory 2	Achieved 25 - 49% with required quality	1 - 6
Unsatisfactory 1	Below 25%	0

<sup>\*</sup> All achievement rates will be measured by the respective line Manager.

28. Warnings.— If in the opinion of the Employer an offence warrants a warning the same shall be conveyed to the employee by a letter, a duplicate of which shall be signed by the Employee. If the Employee refuses to sign the duplicate the warning may be given to the Employee orally by the Employer in the presence of two witnesses. Provided however, that the Union disputes the warning imposed on the employee by the employer and requests the holding of an inquiry, the employer shall comply with such request and the provisions relating to the holding of an inquiry shall then apply subject to the exception that the fact that the inquiry had not commenced within ten (10) working days after receipt of the employee's explanation shall not be material or relevant.

#### 29. Suspension.-

- (1) An Employee may be suspended without pay by his Employer;
  - (a) Pending an inquiry to be held by such Employer on a charge or charges of misconduct which warrants dismissal;
  - (b) In order to avoid a breach of peace or damage to the property or disturbance of the business of the employer,
  - (c) As a punishment for misconduct for a period not exceeding seven (7) working days after due inquiry.
  - 2. At the time of suspension under Sub-clause (1) (a) or within twenty four (24) hours thereof the Employer shall provide the Employee with a written order of suspension specifying the reasons for such suspension and thereafter hold an inquiry into the charge or charges against him, if any.
- 30. *Disciplinary Action*.— Where the employer proposed to proceed against an employee then:
  - 1. Irrespective of whether an employee has been suspended under **Clause 29** hereof or not, the employee shall be furnished with a show cause notice which shall set out the particulars of the charge or charges of misconduct alleged against such employee and such show cause notice shall give the employee not less than three (3) clear working days in which to give the answer or explanation to the charge or charges preferred.
  - 2. Within three (3) clear working days after the date of the show cause notice, the employee shall furnish in writing to the employer the answer or explanation to the charges preferred against such employee. Provided however that if in the circumstances, it is reasonable the employee may ask the Employer for an extension of time within which to furnish the written answer or explanation to the show cause notice and where such request is made by an employee to the Employer, the Employer shall grant such request for such further period of time as is deemed necessary in the circumstances of the case.
  - 3. If the Employer is satisfied with the written answer or explanation of the employee, the employee shall if he is under suspension forthwith be reinstated and shall be paid all wages and entitlements due for the period of such suspension.
  - 4. If the Employer is not satisfied with the written answer or explanation of the employee to the show cause notice and such answer or explanation is rejected by the Employer, the Employer shall commence an inquiry within ten (10) days from the date of receipt by him of the written answer or explanation to the show cause notice.
  - 5. After holding such Inquiry the Employer shall notify the employee of the findings on each of the charges in the show cause notice and the punishment, If any, imposed by the Employer. Provided that if the Employer fails to make an order except for reasons beyond the control of the Employer on the charges in the show cause notice within thirty (30) working days from the conclusion of the inquiry into such charges, the employee shall not be liable to be punished thereafter in respect of such charges and no inference adverse to the employee in respect of such charges shall be drawn from such charges.
  - 6. If the employee is under suspension and the Employer after such inquiry makes order that:
    - (a) The employee shall not be dismissed then the employee shall resume employment forthwith and shall subject to the provisions of sub clause 25 (c) hereof be paid all wages and entitlements due for the period of suspension irrespective of such other punishment less than dismissal that may be imposed by the Employer on the finding as to the charges in the show cause notice;
    - (b) The employee shall be dismissed, the employee's dismissal shall take effect from the date of the employee's suspension and accordingly the employee shall not be paid for the period of such suspension;
    - (c) In view of the serious or involved nature of the charges in the show cause notice against the employee, the Employer is unable to make a final order as it is necessary and desirable that the matter be referred to the Police or other authorities for further investigation or inquiries and that the matter be therefore, referred to the Police or other authorities or if in view of the serious or involved nature of the charges preferred against the employee the matter had been previously referred to the Police or other authorities or for investigations or inquiries that the outcome of such investigations or inquiries be awaited, then in either of such circumstances the employee may remain suspended without pay.

- 7) If in any case where an employee is suspended as provided for herein the Employer fails to make an order under paragraphs (a) to (c) of the preceding sub clause for any reason other than that of the employee's own seeking within thirty (30) working days from the date of the employee's suspension, the employee shall be entitled to half his normal remuneration for the period of thirty (30) days from the date of such suspension and to his full remuneration for the period of suspension in excess of thirty (30) days up to the date on which the Employer makes an order under paragraphs (a) to (c) of the preceding sub-clause, irrespective of the outcome of the inquiry.
- (8) In any case where an employee is suspended as provided herein the Employer shall make an order under paragraphs (a) to (c) of sub-clause 6 within ninety (90) days of the date of suspension of the employee unless they are prevented from so doing by reason of the employee's own seeking or for reasons beyond the control of the Employer or it is agreed between the Employer and the Union that in the circumstances of the case the period of ninety (90) days be extended for such further time as may be agreed.
- 31. **Retirement.** On reaching the age of fifty five (55) years an employee shall *ipso facto* retire and cease to be employed by his employer and there shall be no obligation on the employer to give the employee any notice of such retirement, provided however, that an employee who has retired may, in the discretion of his employer, be employed after his retirement on a temporary basis on such terms and may be mutually agreed.

#### 32. Termination of Service.

- 1. Every contract, whether oral or written for the hire of any employee by the employer except for work usually performed by the day or by the job or by the journey, shall (subject to the provisions of Clause 8 hereof or unless otherwise expressly stipulated) be deemed and taken in law to be a contract for hire and service for the period of one (1) month and to be renewable, from month to month and shall be deemed and taken in law to be so renewed, unless one month's notice be given by either party to the other of his intention to be determine the same and such month has expired.
- 2. Where an employee is engaged for a particular job or period such as casual or temporary work he shall be informed thereof at the commencement of his employment and his contract of service will terminate on the completion of the job or period or on the failure of the employee to complete the job within a reasonable time.
- 33. *Gratuity*.—All employees who have served in excess of five years but less than ten years shall be entitled to gratuity in cessation of employment in accordance with the provisions of the Payment of Gratuity Act, No. 12 of 1983. Employees who have served in excess of ten years will be paid gratuity at the rate of one month's salary for each year of service.
- 34. *Medical Insurance*.— Surgical and Hospital Expenses Medical Insurance Cover of Rs. 200,000/- per family unit and Rs. 25,000/- of OPD Insurance through a reputed Insurance Company on an agreed premium payment per year. Employer would pay 52.5% and employee 47.5% of the premium. In the event of any increase in premium the Employer/ Employee would pay the increase amount at the agreed percentage rate of 52.5% and 47.5% respectively.
- 35. *Workmen's Compensation*. All employees shall be entitled to the Workmen's Compensation under the Workmen's Compensation (Amended) Act.
- 36. *Provision of Transport for Medical Assistance.* Employer will pay the following amounts to facilitate employees to arrange their own transport for medical visits for themselves and their families. Family is defined as spouse and children who are not married and below the age of 25.

Glenline/Agarapathana Hospital Rs. 300/-

(this does not include morning medical trip

to Agarapathana Hospital)

Lindula Hospital Rs. 1,200/-Talawakelle Hospital/Medical Centres Rs. 1,500/-

A medical certificate and the original diagnoses card from a valid MBBS qualified doctor needs to be presented to obtain this claim.

For distances travelled beyond Talawakelle, the employer will bear a cost of Rs. 850/- and a distress loan will be provided to the employee to be paid back in three months starting from the immediate payroll date. The distress loan amount will be calculated based on deducting the Rs. 850/- from the cost of travel given below:

Town	Amount Rs
Hatton	2,500/-
Nuwara Eliya	3,000/-
Nawalapitiya	4,500/-
Kandy	6,000/-

 $The above amounts \ will \ only \ applicable \ for \ medical \ trips \ commencing \ from \ Agarapathana \ / \ Lindula, \ areas.$ 

Number of occasions to be claimed is up to a maximum of 13 occasions per quarter.

- 37. *Medical Inspections and Supply of Protective Clothing*.—The employer shall make arrangements for the inspection of the general health and sanitary conditions of the establishment by a qualified medical practitioner.
- 38. *Pilgrimages.* The employer will pay each employee Rupees Two Thousand and Four Hundred (Rs. 2,400) per year for the purpose of a Pilgrimage.
  - 39. Transport for Funerals.— The employer will provide transport to the employees to attend a funeral of a fellow employee.

#### 40. Disputes Procedure.—

- (a) Where an employee covered and bound by the Agreement wishes to make representations to Management in respect of an individual grievance, dispute or other matter, such employee shall, in the first instance, discuss the matter with his immediate superior.
- (b) If the matter is, in the opinion of the employee not satisfactorily settled by his immediate superior, such employee may discuss the matter with the HRBP Agarapathana and if he so desires with a representative from the branch union.
- (c) If in the opinion of the employee the matter is not satisfactorily settled at stage (b) the matter may then be discussed with the Factory Manager, Agarapathana.
- (d) If the matter is, in the opinion of the employee not satisfactorily settled at the level of the Factory Manager Agarapathana the employee concerned together with the representatives of the Branch and / or Parent Union, if he so desires shall, discuss the matter with the National ER Manager.
- (e) In the event of the matter not being satisfactorily settled at stage (d), the Branch Union may, through the Parent Union take the matter to the Board of Directors of the Company.

Where there is a dispute between two employees of different departments, either of such employees may take up such dispute through his superiors in like manner.

41. *General matters*.— The Union may, from time to time, make representations to the Company on general matters concerning its membership.

The Company will decide whether such matters should be discussed and if discussion on any matter it thought desirable, Management may summon a meeting for such purpose.

- 42. *Trade Union Action*.— During the period of this Agreement, the Union hereby undertakes not to seek or vary or alter any of the terms and conditions covered by this Agreement and also expressly undertakes not to engage in strikes or any other forms of Trade Union actions in respect of a dispute, but will have such disputes settled in accordance with sub clause of Arbitration.
- 43. *Withdrawal of Benefits*.—In the event of the Union (or any employee bound by this agreement), doing any act or acts which are contrary to this Agreement and thereby committing such a breach of this Agreement or any part thereof, the Company shall be at liberty to withdraw all or any of the benefits granted under this Agreement or terminate the Agreement by giving notice of one month.

Where benefits are withdrawn under this section and the matter is referred to an arbitrator for a decision under Arbitration Clause and such arbitrator determines that such withdrawal of benefits was unjustified in terms of this Agreement, the Company shall pay such benefit in arrears.

## 44. Arbitration.-

- (a) It is hereby agreed that during the term of this Agreement, any dispute whatsoever, which has not been settled by negotiations between Management and the Union, whether such dispute concerns the terms of this Agreement shall be referred to arbitration under the Industrial Disputes Act.
- (b) The Union and Management shall agree on a clear statement of the matter in dispute, if necessary with the assistance of the Commissioner of Labour.

If the choice of the Arbitrator or the statement of the matter in dispute cannot be agreed to, either party may make an application to the Commissioner of Labour to determine the statement of the matter in dispute and refer such matter to such Arbitrator as he may nominate.

Any dispute regarding the interpretations of this Agreement shall also be referred in like manner to arbitration.

Both parties agree to accept and be bound by the verdict of the Arbitrator.

(c) If a dispute arises from the action taken by employer in relation to an employee or a group of employees that in the opinion of the Union will undermine the existence or the legitimate activities of the Union or its members, the Union will in the first instance discuss the dispute with the Employer with a view to bring about an amicable settlement.

If the Union is not satisfied with the discussion and the explanation given by the employer, the Union may take any form of trade union action. The Union will inform the employer in writing before such action is taken. The employer reserves the right to take such steps as it may deem fit.

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

## 46. Variations of Terms and Conditions of Employment, Benefits.-

- (1) The Union and its members and the Employees covered and bound by this Agreement jointly and severally agree with the Employer that during the continuance in force of this Agreement they will not seek to vary, alter or add to all or any of the terms and conditions of employment presently applicable to any of the Employees covered and bound by this Agreement as amended or altered in terms of this Agreement, or all or any of the benefits presently enjoyed by any of the employees covered and bound by this Agreement other than by mutual agreement.
- (2) The Employer agree with the Union and its members and the employees covered and bound by this Agreement that they shall not seek to vary, alter or withdraw all or any of the benefits presently enjoyed by the employees covered and bound by this Agreement other than by mutual agreement.
- (3) Any dispute or difference arising from negotiation under the provisions of sub-clause (1) or (2) may be resolved by voluntary arbitration but only if both parties concerned agree to submit such dispute or difference for settlement by voluntary arbitration.
- 47. **Domestic Inquiries.** If an employee who is furnished with a show cause notice in terms of **Clause 30** of Part I hereof is a member of the Union, the following provisions shall apply to the inquiry held by the Employer pursuant to such show cause notice.
  - (a) The employer will, subject as hereinafter provided, allow another member of the Union (hereinafter referred to as "an observer") to be present as an observer without loss of salary for absence from work.
  - (b) If the employee who is served with a show cause notice desires an observer to be present at the inquiry to be held pursuant to such show cause notice, he shall forty eight (48) hours at least before the time appointed for the commencement of the inquiry submit to the Employer the name of such observer.
  - (c) An observer may answer any question which the person who conducts the inquiry may ask him, but an observer shall not be entitled to represent the employee who is served with a show cause notice or otherwise partake in the inquiry.
  - (d) The person who conducts an inquiry shall be entitled to require an observer who obstructs such inquiry in any manner whatsoever to withdraw therefrom and an observer shall forthwith comply with such requirement.
  - (e) The absence of an observer from the whole or any part of an inquiry for any reason whatsoever shall not vitiate such inquiry, nor the proceedings thereto, nor the findings pursuant thereto.
  - 48. *Union Meetings.* The following provisions shall apply to meetings of the Union:
    - (a) In respect of each meeting which the employees desires to hold at the Employer's premises, an application for permission shall be previously made to the Employer.
    - (b) If the Employer decides to grant permission, the Employer shall be entitled to impose, inter alia, one or more of the under noted conditions:
      - (i) That no person other than an employee in the service of the Employer shall be present at a meeting of the Union;
      - (ii) On occasion such as the Annual General Meeting of the Union, the office bearers of the Union may with the prior approval of the Employer, attend;
      - (iii) Fix time limit within which a meeting of the Union shall be concluded or adjourned.
    - (c) It shall be the duty of the Union and its office bearers to ensure that no damage is caused in the course of or in the connection with a meeting of the Branch Union to the Employer's property or any other persons at the employer's premises and the Union shall indemnify the Employer and keep the Employer indemnified against such damage.

#### 41A

#### 49. Duty Leave.-

- (1) The following provisions shall apply to duty leave without prejudice to the right of the Employer to refuse to grant permission if, in it's discretion, the exigencies of the circumstances warrant refusal, the Employer will generally grant permission for one representative.
  - (a) to be present at conferences held under the aegis of the Employers' Federation of Ceylon or the Department of Labour in connection with a dispute between the employees and the employer.

or

(b) to attend inquiries before Industrial Courts, Arbitrators or Labour Tribunals, without loss of salary for such absence.

The employer, will in their discretion, grant leave without remuneration to an employee to attend a Trade Union Course or Seminar or conference either in Sri Lanka or abroad on no pay leave unless the employee concerned is entitled to annual or other holidays which he wishes to utilize for the purpose.

The President or the Secretary of the Branch Union will be granted duty leave one day per month (if the said officer is working in General Shift, he will be granted two hours short leave of the following day if it is only a working day) to the executive committee without prejudice to the right of the employer to refuse to grant permission if in his discretion the exigencies of the circumstances warrant refusal. The Branch Union should send a written request to the management at least one week before the date of the meeting along with the Parent Union notice/letter. One nominated representative to the delegate conference held once in two years would be given 2 days duty leave upon written request by the union.

## 50. Check off.-

- (1) In this clause "Employer" shall mean the Employer bound by this Collective Agreement and in whose establishment the membership of the Union is not less than forty per cent (40%) of the employees covered, and bound by this Agreement.
- (2) The employer shall, on the written request of an employee, deduct from the wages due to such employee the current monthly Union dues as are specified by the employee to be payable monthly by the employee to the Union and remit the amount so deducted to the Union, in accordance with the procedure and upon and subject to the conditions hereinafter set forth.
- (3) Every employee who agrees to the deduction of Union dues from his wages shall sign a statement to the effect in the form set out in Form No. 1 hereinafter referred to as an "Authorization" as set out in the Fifth Schedule hereto.
- (4) Every employee shall be entitled to withdraw his agreement to check off at any time by signing a statement to that effect in the form set out in Form No.2 hereinafter referred to as a "Revocation" as set out in the Sixth Schedule hereto.
- (5) As far as practicable, deductions under an authorization shall commence from the wages due immediately after the date of receipt of such authorization and shall continue thereafter until the authorization is cancelled by a revocation.
- (6) As far as practicable, deductions under an authorization shall cease from the date of receipt of a revocation canceling such authorization, Provided however:
  - (a) That the Employer shall not be liable in any manner whatsoever to the Union or the employee concerned for failure to comply with paragraphs (5) or (6) above.
  - (b) That, in his discretion, the Employer shall be entitled not to make deductions by way of check off in any month in which the deduction by way of check off will together with all other deductions from an employee's wages in that month exceed the deductions permitted by law.
- (7) The employer shall not later than the tenth day of each month remit the Union dues deducted from the wages of the employees in the month immediately preceding to the treasurer of the Union in accordance with the tenor of each Authorization by a cheque payable to the Treasurer thereof and cross "Account Payee".
- (8) The cheque shall be sent at the risk of the Union and the employees concerned by post in a pre-paid envelop addressed to the treasurer of the Union at its address for the time being.
- (9) The Treasurer of the Unions shall promptly acknowledge receipt of the cheque.
- (10) The Employer shall not be liable to pay to the Union or to the Treasurer on its behalf, as aforesaid, any sum other than the actual decutions made.

51. The Union and its members and the employees covered and bound by this Agreement jointly and severally agree with the employer that during the continuance in force of this agreement all existing work norms at the factory such as through puts, the continuance manufacture without interruption during intervals and the performance of whatever work that is assigned to the employees in the factory will be continued without any variation whatsover and whatever variation in this regard will not be effected other than by mutual agreement between parties.

The Employer undertakes that during the currency of this Agreement all concessions, benefits and privileges currently extended to the Union and its members and employees covered and bound by this Agreement will continue to be extended without variation whatsoever. Should any variation become necessary, the same will be given effect to after mutual agreement between parties hereto.

52. **Date of Operation and Duration.**— This Agreement shall be effective as from the First day of January, Two Thousand and Fourteen, and shall thereafter continue in force unless it is determined by either party giving six (6) months notice in writing to the other. Provided however, that neither party shall give such notice to the other before the First day of June, Two Thousand and Sixteen and such notice shall not expire before the Thirty First day of December, Two Thousand and Sixteen.

## 53. Other Terms and Benefits

- (1) Curfew Allowance per day is Rs. 150/-
- (2) Death of an Employee in the event of a death of an employee, the company agrees to make an ex-gratia payment of Rs. 50,000 in respect of funeral expenses.
- (3) Service Award

The company agrees to give service awards as follows:

15 years of service - 1 Sovereign Gold Coin

20 years of service - 1 1/2 Sovereign Gold Coin

25 years of service - 2 1/2 Sovereign Gold Coin

54. *Definitions.*— In this Agreement unless excluded by the Subject or context, the following words shall have the meaning set opposite to them.

Words Meaning The Industrial Disputes The Industrial Disputes Act, No. 43 of 1950 as amended. Employer (For convenience sometimes referred The Employer, Premium Exports (Ceylon) Ltd; covered and bound by this to as 'he' or its grammatical variations) Agreement. Employee (For convenience sometimes referred An employee covered and bound by this Agreement. to as 'he' or its grammatical variations) Union The Union shall be a reference to The Ceylon Mercantile Industrial and General Workers' Union. Dispute A dispute or difference between the Employer and an employee or between the Employer and the Union on any matter covered by this Agreement or affecting the Employees covered by this Agreement in relation to their employment under the Employer. Year A continuous period of twelve (12) months. Week The period between midnight of any Saturday Night and midnight on the

Succeeding Saturday night.

Words importing the masculine gender shall include the feminine.

Words importing the singular number shall include the plural and vice versa.

#### FIRST SCHEDULE

#### Fixed Allowance

Name	Fixed Allowance
1. K. Raamajeyam	31,763.13
2. N. Jayaseelan	31,631.25
3. N. D. Bulathwatte	33,061.88
4. S. Balasingham	31,426.88
5. R. A. I. Senanayake	31,835.63
6. J. P. I. Shyamalal	25,306.25

The fixed allowance has been calculated by-

Basic Salary (prior to signing the Collective Agreement of 2014 – 2017) x 3 x 50

240

#### The fixed allowance:

- 1. Will be taken into the EPF & ETF calculation.
- 2. Is entitled to the Gratuity.
- 3. Will be a fixed income hereinafter and no any increments on the Fixed allowance.
- 4. Is being decided for the staff who are currently working in the 4 Crew 3 shift pattern and to work on Saturday and Sunday as Normal working days without any enhanced payments or overtime within the normal working hours.
- 5. Fixed allowance shall not be entitled by any future employees.

#### SECOND SCHEDULE

#### **Production/Attendance Incentive Schemes**

A. Production Incentive Scheme. - All staff grade Employees will be entitled for a monthly production incentive which is linked with achievement of two Key Performance Indicators (KPIs). Monthly target for each KPI and the impact each one of them has on the production incentive (weightage) is given in the following table.

KPI	Target	Weightage
Production Efficiency	90%	80%
First Time Quality	98%	20%

Maximum production incentive which can be earned by each employee, if targets for both KPIs are achieved in a particular month, will be 4.0% of his monthly basic salary.

However if the production efficiency increases 95% or above, the production incentive will be 6% subject to the first time quality also achieved 98% or more.

If only one KPI target is met in a month, production incentive will be calculated based on the weightage specified for that KPI.

If both KPI targets could not be achieved in a month, production incentive for that month will be zero.

However, to be able to claim any production incentive, an employee should meet following criteria with respect to attendance to work.

- No. of leaves (casual, sick or day offs when in general shift) taken by him/her in that month should not be more than two days.
   Annual leaves taken with prior approval is exempted.

# Example:

Basic Salary of Employee A is Rs. 25,000.00

He has taken 1 unplanned leave (casual) and 3 annual leaves (with prior approval) in February.

Production Efficiency for the Month of February is 92% and First Time Quality is 97%.

Applicable Production Incentive for Employee  $A = 25,000 \times 4.0\% \times 80\% = Rs. 800.00$ 

### SECOND SCHEDULE (CONTINUATION)

# **Definition of KPIs**

#### 1. Production Efficiency

This is to measure how well the production time is utilized to manufacture products with right quality. Method of calculation is briefly described below:

О	Operational Time	
Р	Production Time	Routine Production Stoppages
Е	Effective Time	Unexpected Stoppages
Effec	$ctive Time = \frac{Good Output}{Specified Speed}$	
Proc	duction Efficiency= Effective Time (E) Production Time (P)	

This Production Efficiency will be calculated on daily basis for both towers and a monthly aggregate value (weightage average) calculated at the end of the month. It is this aggregate value which will be considered in calculating the Production Incentive. Specified speeds of Spray Dryers for different products:

Spray Dryer	Product	Specified Speed (Kg/ hr)
Tower 1	Saint Bright STD 777 STD 896 140XHBD 140XLBD STD 7 STD 77L STD 107X Green Tea STD 9 Dark Milled	250 230 230 150 150 150 220 230 125 132 225
Tower 2	STD 789	75

These speeds are reviewed/revised annually or whenever

- a significant improvement in speeds observed and is sustained for more than two months.
- a new product is introduced.
- a change in the process happens which leads to change in speeds.

# Example:

Total production of good powder (Saint Bright) manufactured = 5,500 kg Qty of unfit powder, due to presence of black particles Total production time = 24 hrsStoppage due to particles in product = 2 hrsEffective Time = 5,500/250 = 22 hrsProduction Efficiency = 22 hrs/ 24 hrs = 91.6%

### 2. First Time Quality

This is the production with right quality in the first time as a percentage of total production. formula for calculating same is give below.

# First Time Quality = No. of boxes without quality issues Total No. of boxes produced

## Example:

Total No. of boxes manufactured in February = 3,840

No. of unfit boxes = 50

Number of boxes with right quality in the first time = 3,790

First Time Quality for February = 3,790 / 3,840 X 100 = **98.7%** 

# **B.** ATTENDANCE INCENTIVE SCHEME

All staff members are eligible for a monthly attendance incentive payment of Rs. 1,000/-. A staff member is eligible for same as follows:

- (a) Present for work on all days work offered during the month: 100%
- (b) Planned/Approved Annual Leave/Day offs\*\* : 100%
- (c) If one day casual or sick leave taken during the month: 75%
- (d) If two days casual or sick leave taken during the month: 50%
- (e) More than 2 days casual or sick leave taken during the month: No Payment

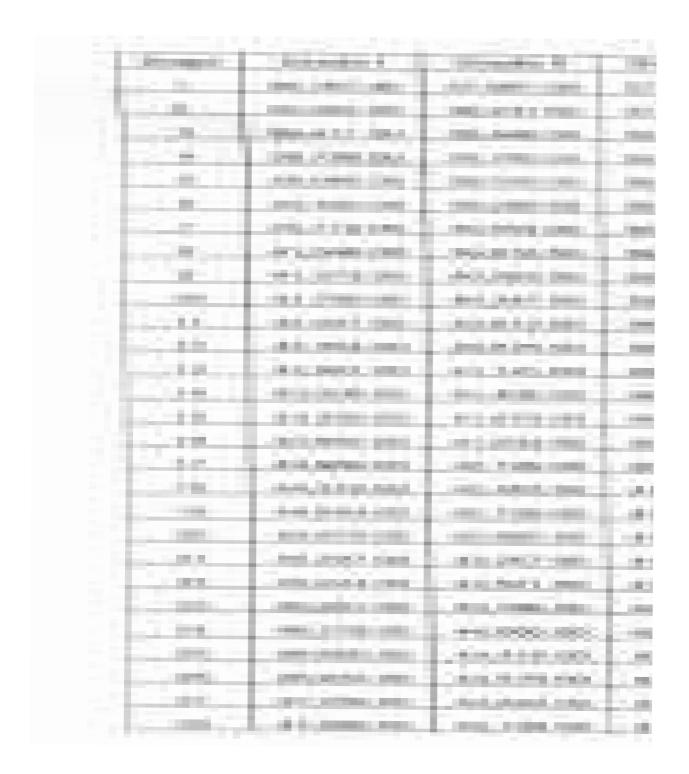
## THIRD SCHEDULE

3.1. New Basic Salaries of all staff grade employees who are currently working with effect from 1st January, 2014.

#	Emp. No.	Name	New Basic Salaries
1	135	K. G. Karunadasa	45,964.15
2	141	K. Raamajeyam	57,893.10
3	185	N. Jayaseelan	57,661.00
4	186	N. D. Bulathwatte	60,178.90
5	243	S. Balasingham	57,301.30
6	245	R. A. I. Senanayake	58,020.70
7	328	J. P. I. Shyamalal	46,529.00

<sup>\*\*</sup>Day offs is entitled only by the general shift employees if work on a Sunday.

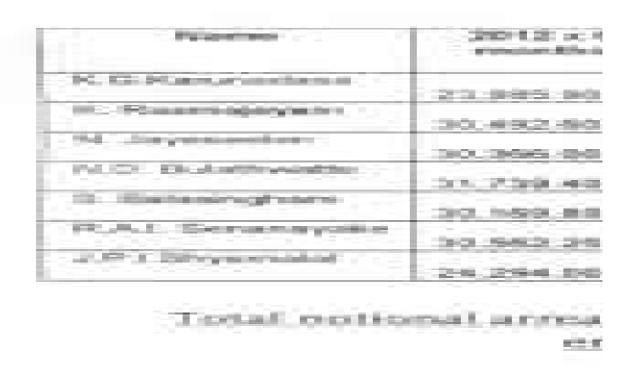
3.2 Staff Salary Scale applicable only for the new recruits and the scale is applicable only when hiring and promotions from one grades to another.



When promoting a staff within the staff grades from IV to I above, his salary will be placed and adjust with two stages of the next level. *e.g.* if the staff's salary is Rs. 48,000/- and if promoting to from II grade to I grade, his new salary will be 48,567/- and thereafter, his increments will not refer the salary scale. This is only applicable within the staff grade promotions.

#### FOURTH SCHEDULE

### Notional Arrears and NRCLG arrears calculation



# FIFTH SCHEDULE

Form No. 1	
Name of Employer:	
AUTHOR	RIZATION
contained in Clause of the said Collective Agreeme and General Workers' Union, please deduct from my wages early	Agreement and I desire to avail myself of the facility for check off at to which I am entitled as a member of Ceylon Mercantile Industrial ach month a sum of Rupees
Date of Signing	Signature of Employee
Full name	e of Employee
RECEIVED ON (To be filled by the Employer)	
SIXTH SO	CHEDULE
Form	No. 2
Name of Employer:	
REVOC	CATION
	ease to deduct from my wages any further membership dues in favour with effect from the wages next due to me immediately following the
Date of Signing	Signature of Employee
	of Employee

RECEIVED ON ......(To be filled by the Employer)

In witness hereof parties had Two Thousand and Fourteer

For and on behalf of PREMIUM EXPORTS CEYLON

Signature : Name & Designation

Signature : Name & Designation

Witness

Name

Chaffinata A

For and on behalf of THE CEYLON MERCANTILE INI GENERAL WORKERS' UNION

Signature : Name & Designation

Signature : Name & Designation

Witness

Name ID No S. BALASING 661143550