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PART I : SECTION (I) – GENERAL Government Notifications

My No. : CI / 1805.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Brown & Company PLC, Browns Group Industries (Private) Limited and Browns Thermal Engineering (Private) Limited, No. 481, T. B. Jayah Mawatha, Colombo 10 of the one part and The Samastha Lanka Welanda Ha Karmika Kamkaru Sangamaya (All Ceylon Commercial & Industrial Workers' Union), No. 457, Union Place, Colombo 02 of the other part on 20th day of December, 2013 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

HERATH YAPA,
Commissioner of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
22nd January, 2015.

Collective Agreement No. 01 of 2014

THIS COLLECTIVE AGREEMENT made on this Twentieth day of December Two Thousand and Thirteen to take effect from the First day of June 2013, pursuant to the Industrial Disputes Act between Messrs. BROWN & COMPANY PLC, BROWNS GROUP INDUSTRIES (PRIVATE) LIMITED AND BROWNS THERMAL ENGINEERING (PRIVATE) LIMITED Companies duly registered in Sri Lanka, under the Companies Ordinance and having their registered offices at No. 481, T. B. Jayah Mawatha, Colombo 10 (hereinafter referred to as “the Employer”) of the One Part and, THE SAMASTHA LANKA WELANDA HA KARMIKA KAMKARU SANGAMAYA (ALL CEYLON COMMERCIAL AND INDUSTRIAL WORKERS' UNION), a Trade Union duly registered and, having its registered office at No. 457, Union Place, Colombo 2, (a member of the Ceylon Federation of Labour and hereinafter referred to as “the Union”) of the Other Part.

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



PART I

CONTAINING TERMS AND CONDITIONS OF EMPLOYMENT AND MATTERS INCIDENTAL THERETO AND CONNECTED THEREWITH

1. **Employers Covered and Bound.** - Brown & Company PLC, Browns Group Industries (Private) Limited and Browns Thermal Engineering (Private) Limited, hereinafter sometimes referred to as "the Employer".

2. **Employees Covered and Bound.** - This Agreement shall cover and bind the members of the Union who are employed by the employer in Manual and Labouring capacity in classes of employees enumerated in the Second Schedule hereto and who are employed on monthly contracts of employment and who at the time of signing of this Agreement are in the employment of the Employer.

3. **Earlier Collective Agreements.** - The provisions of this agreement shall supersede and replace the provisions of whatever other earlier Collective Agreements signed between parties to this Agreement and any such agreements shall stand terminated from the First day of June, 2013.

4. **Date of Operation and Duration.** - This Agreement which shall be effective as from the First day of June, 2013, and thereafter continue in force unless it is determined otherwise by either party giving three month's notice in writing to the other, subject to the following proviso :

That one party hereto shall not give such notice to the other party before the First day of March Two Thousand and Fifteen and such notice shall not expire before the Thirty First day of May Two Thousand and Fifteen.

5. **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 an Employer bound by this agreement and an Employee covered and bound by the agreement, whether such contract of service be written or oral, which was subsisting on the date thereof or which shall come into being at any time after the date hereof during the continuance in force of this Agreement.

6. **Probation.** - Every employee recruited by an employer shall serve a 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 reason why the probationary period has been extended. During the period of probation or extended probation an 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 has not been confirmed by employer, he shall be deemed to be confirmed with effect from the day after the day on which the period of probation as the case may be ended.

7. **Attendance.** -

- (1) Unless otherwise specifically instructed by his Employer an employee shall present himself for work on every day (other than a holiday) at the usual starting time and shall there remain available for work throughout the normal working hours.
- (2) If at a store, factory, mill 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 work within the capacity and skill in any other occupation at any other work site of the Employer where work is available.
- (3) Irregular attendance or unpunctuality of an employee shall constitute neglect of duty for which he shall be liable to appropriate disciplinary action.

8. **Hours of Work.** - The hours of work in the Company shall be those customarily worked out but liable to change by the Employer subject to exigencies of business.

9. **Forfeiture of Wages.** - Unless for good cause shown to the satisfaction of the Employer an Employee fails to hold himself available for work throughout the normal working hours of each working day he shall forfeit and his 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.

10. **Overtime.** -

- (i) If required by his Employer, an Employee shall work reasonable overtime which has been authorized by the Employer. Refusal to work 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.

- (ii) Overtime work (i.e. work performed in excess of normal working hours) shall be remunerated at one and a half (1 1/2) times the normal hourly rate ascertained in accordance with the provisions of clause 18(a) hereof.

11. Weekly Holiday.-

- (i) In respect of each week each Employee shall be allowed a holiday on the Sunday in that week as the weekly holiday. provided however, that if any Employee has not worked for a period of at least twenty eight (28) hours, exclusive of any period of overtime work during that week, he shall be liable to forfeit and his Employer shall be entitled to deduct one day's wage in respect of this weekly holiday for that week in accordance with the provisions of clause 18 (b) hereof.

- (ii) In computing the period of twenty eight (28) hours referred to in sub-clause (1) the Employer shall include -

- (a) Every holiday allowed by the Employer to the Employee as annual holiday;
- (b) Every public holiday granted by the Employer in terms of clause 13 thereof and;
- (c) Every day's absence on any ground approved by the Employer.

- (iii) An Employee may be called upon to work on a weekly holiday subject to the following conditions:

- (a) A day within the six days next succeeding such weekly holiday shall be allowed to that Employee as a holiday with remuneration. Provided however, that if any Employee who is employed on a weekly holiday is liable to forfeit and his Employer is entitled to deduct one day's wage in respect of that weekly holiday as provided in sub-clause (1) then and in such event that Employee shall forfeit and his Employer shall be entitled to deduct one day's wage computed in accordance with the provisions of clause 18(b) hereof in respect of the holiday which shall be allowed to that Employee within six (6) days of that weekly holiday. Provided further, that in respect of not more than two (2) such weekly holidays in any one calendar month an Employer may with the consent of the Employee-

- (i) Instead of allowing an alternate holiday within six (6) days of the weekly holiday in respect of which that Employee shall not be liable to forfeit and the Employer shall not be entitled to deduct one day's wage as aforesaid, pay him one day's wage computed in accordance with the provisions of clause 18(b) hereof in lieu of such alternate holiday, or

- (ii) In case that Employee is entitled to an alternate holiday within six (6) days of the weekly holiday as aforesaid in respect of which alternate holiday he shall be liable to forfeit and the Employer shall be entitled to deduct a day's wage as aforesaid, employ that Employee on the alternate holiday.

- (b) In respect of work done on such weekly holiday the Employee shall be paid as remuneration-

- (i) One and a half (1 1/2) times the normal hourly rate ascertained in accordance with the provisions of Clause 18 (b) hereof for the number of hours worked during the first nine (9) hours (exclusive of one (1) hour for a meal); and
- (ii) At double the normal hourly rate ascertained in accordance with the provisions of Clause 18(a) hereof for each subsequent hour of work.

12. Annual Holidays.- Annual holidays shall be allowed to an Employee in accordance with the decisions of the Wages Board for the Engineering Trade.

13. Public Holidays.-

- (i) Public holidays shall be allowed to an Employee in accordance with the decisions of the Wages Board for the Engineering Trade, Provided however, that an Employee may be employed on a public holiday in accordance with the decisions of the Wages Board for the Engineering Trade.
- (ii) If any public holiday to which an Employee is eligible with the provisions of sub-clause (1) falls on a Sunday, a day either in the Six (6) days immediately preceding or in the six (6) days immediately succeeding such public holiday shall be granted to the employee as a weekly holiday.
- (iii) If any public holiday to which an Employee is eligible under the 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 preceding such public holiday shall be six and a half (6 1/2) hours.

14. Casual Leave.-

- (i) In respect of each year of employment during which any Employee has been continuously in employment he shall be entitled to take on account of private business or other reasonable cause including ill health if that Employee's entitlement to sick leave has been fully utilized, leave (hereinafter referred to as 'Casual Leave') with remuneration for the period or 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 one time. Provided further that an 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 months' service.
- (ii) Casual leave will normally be granted on application without the Employee being required to state the reason for the application. Where an Employer finds it difficult to grant an 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 may 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.

15. Sick Leave.- In any year an Employee shall be entitled to Sick Leave not exceeding twenty one (21) days provided that.

- (i) His illness is supported by a certificate from a registered medical practitioner (unless waived by his Employer); and
- (ii) The employee shall not be on probation within the meaning of clause 6 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.

16. Monthly Consolidated Wages.-

- (1) Subject to the provisions of Clause 16 hereof, as from the First day of December 2013 each employee shall be paid and subject to the other terms and conditions herein contained, a monthly consolidated wage on the basis of the salary scales of consolidated wages set out in Schedule 2 hereto.
- (2) The scales of consolidated wages set out in Schedule 2 hereto include all the allowances hitherto incorporated in the wages of the employees.
- (3) This Agreement shall not have the effect of changing the annual incremental date of an Employee.
- (4) If during the continuance in force of this Agreement the Government of Sri Lanka -
 - (a) Prescribes increases in wages by any written law applicable to categories covered by this Agreement legally obliging the Employers to make such payment, the Employer shall pay such increases in wages prescribed by such written law and in terms of such written law;
 - (b) Recommends increases in wages such recommendations will not be applicable to the Employer, irrespective of whether or not such recommendations are applicable to categories covered by the Agreement.

17. Wage Revision.- For the purpose of ascertaining the wage an employee shall receive with effect from 1st June 2013 on the basis of the scales set out in Schedule 2 hereto, the following provisions will apply-

- (a) Every Employee shall receive a wage increase of 10% based on the basic salary (as at May 2013) with effect from 1st June 2013. Thereafter, a sum of Rs.750/- will be consolidated in to the wage with effect from 1st June 2013 and the employee will be placed on the respective salary scales set out in Schedule 2 hereto at a point corresponding in rupee value to his new salary or at the next higher point on the scale.
- (b) With effect from 1st June 2014, a further salary increase of 10% will be granted to every employee based on the basic salary as at May 2014. Thereafter, a sum of Rs.750/- will be consolidated into the wage with effect from 1st June 2014 and the employee will be placed on the respective salary scales set out in Schedule 2 hereto at a point corresponding in rupee value to his new salary or at the next higher point on the scale.

- (c) An employee who joins the services after the signing of this Agreement will be placed on the salary scales set out in Schedule 2 hereto.

18. **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 manner following:

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|---|---|
| (a) for one hour | the monthly wage divided by two hundred and forty (240) |
| (b) for one day | the monthly wage divided by thirty (30) |
| (c) for one half day
(either morning or afternoon) | a day's wage ascertained as above divided by two (2) |
| (d) for one week | a day's wage ascertained as above multiplied by seven (7) |

19. **Annual Lump sum payment in lieu of Non - Recurring Cost of Living Gratuity.** -

- (1) A lump sum payment on an ex - gratia basis would be made to the employees for whom provision has been made in the salary scales set out in Schedule 2 hereto.

(a) A sum of Rs. 12,500/- shall be paid in the month of December 2013.

(b) A sum of Rs. 12,500/- shall be paid in the month of December 2014.

- (2) No Provident Fund, Trust Fund, Overtime or any other payment shall be due or calculated on this ex gratia payments.

20. **Provident Fund.** -

- (i) The Employer and an Employee shall contribute to the Provident Fund at rates prescribed by the Employees' Provident Fund Act No. 15 of 1958.
- (ii) Subject to the provisions of the Employee's Trust Fund Act, No. 46 of 1980 where the Employer and Employee as at the date hereof were contributing to a Provident Fund at rates more favourable than those prescribed by the Employee's Provident Fund Act, the more favourable rates of contribution will continue.

21. **Terminal Benefits.** -

- (1) The Employer will subject as hereinafter provided pay terminal benefits to employees in accordance with the scheme of terminal benefits set out in this clause.
- (2) The scheme shall apply to every employee in the services of the employer at the time of signing of this Agreement or who joins the service of the employer on any day thereafter, so long as this Agreement continues in force.
- (3) As and by way of terminal benefits the employer shall pay an employee a sum equivalent to one month's wages for each year of service less the employer's contribution to the Provident Fund and Trust Funds but excluding interest thereon.
- (4) The wage on which the said terminal benefits under sub - clause 3 hereof shall be payable will be the last monthly wage receivable by an employee on which Provident Fund is payable and shall not include any non-recurring cost of living gratuity.
- (5) For the purpose of calculating terminal benefits under this clause an year of service shall be a period of not less than six months.
- (6) The terminal benefits provided for in this clause shall be payable to on employee on the cessation of his services arising from death or any other case whatsoever. Provided however, that if at the date of cessation of an employee's service there is due to his employer from the employee any sum on account of fraud, misappropriation or any other account and the same cannot be recovered from the amount in the employee's credit in the Provident Fund, the same shall be recovered from the terminal benefits provided for herein.
- (7) The provisions of this clause shall not apply to employers who operate a more favourable scheme of terminal benefits.
- (8) On the death of an employee whilst in service and is eligible to receive terminal benefits under this clause, the employer shall pay such terminal benefits in the manner and to the persons hereinafter set forth-

- (a) If there is a valid nomination in force for the purpose of the deceased Employee's Provident Fund at the date of his death, to the nominee or nominees of such employee in conformity with the form of nomination where such nominee is surviving and of full age.
 - (b) Where there is no valid nomination or in the event of the nominee or any or more of the nominees having pre-deceased the employee, or in the event of the nominee being a minor at the time that the payment of the terminal benefits become due, the employer shall make payment only after the person or persons entitled to the payment have established their claim in law and furnished proof thereof.
- (9) In the event of any written law providing for the payment of gratuity or terminal benefits the more favourable scheme shall apply but not both.
- (10) No employee shall be entitled to any gratuity or terminal benefits in addition to the terminal benefits provided for in this clause or by any written law as the case may be.

22. *Bonus.*—

- (1) Without prejudice to existing bonus schemes and without prejudice to the Employer's claim that bonus payments in the past and as provided in this Agreement are *ex-gratia*, each Employer will, subject as hereinafter provided, continue to pay to each of his employees a bonus which will not be less than the sum of money paid to him as his bonus for the year immediately preceding the signing of this Agreement. If in any year the Employer, in his discretion reduces the bonus to an amount less than the sum of money paid to each of his employees as bonus for the year immediately preceding the signing of this Agreement, the employees may canvas such reduction of bonus with the Employer concerned. If the Union is not satisfied by the Employer in the matter, the Union may pursue this matter with the Employers Federation of Ceylon (hereinafter called the "Federation"). If the dispute as to the reduction of bonus is not settled with the Federation, the same shall be referred to a committee of three persons (hereinafter referred to as a "Bonus Committee") which shall be constituted in accordance with the provisions of sub-clause (2) for settlement in the manner hereinafter set forth.
- (2) At the written request of the parties to the dispute as to the reduction of the bonus the Commissioner of Labour will constitute a Bonus Committee which will consist of three senior Accountants nominated by the Council of the Institute of Chartered Accountants of Sri Lanka. The said Chartered Accountants shall be persons with at least ten (10) years' post qualification experience. The selection of the three Chartered Accountants will be communicated by the Institute of Chartered Accountants to the Commissioner of Labour to the Employer, the Employees and the Federation. Thereupon the Commissioner of Labour will communicate in writing to each member of the Bonus Committee so constituted a statement of principles and procedures by which the members of the Bonus Committee shall be bound in settling the dispute as the reduction of Bonus.
- (3) Upon receipt of the submissions and the statement of the principles and procedures from the Commissioner of Labour the Bonus Committee shall in accordance with the said principles and procedures decide whether the reduction of the bonus was not justified and to what extent, if any, the bonus shall be reduced. The Bonus Committee shall communicate the decision in writing to the Federation, the employees and the Commissioner of Labour. If the decision of the Bonus Committee is unanimous, such decision shall be final and binding on the parties to the dispute and the employees or any one or more of them and/or its or their members shall not pursue the matter further by any form of Trade Union action or otherwise during the continuance in force of this Agreement. If, however, the Bonus Committee is divided by its decision then the decision of the Commissioner of Labour on the matter shall be final and binding on the parties to the dispute and the Commissioner's decision shall be communicated in writing by the Commissioner of Labour to the Federation and the employees and/ or its members shall not pursue the matter further by any form of Trade Union action or otherwise during the continuance in force of this Agreement.
- (4) The Bonus Committee shall not be entitled nor be competent to decide that in any year an Employer should pay his Employee a bonus exceeding the sum of money paid as bonus in the year immediately preceding the signing of this Agreement.
- (5) The fees payable to the members of each Bonus Committee shall be borne equally by the parties to the dispute as to the reduction of bonus and be payable on demand by the Commissioner of Labour.
- (6) The payment of a bonus exceeding the sum of money paid as bonus to employees in the year immediately preceding the signing of this Agreement shall be in the sole discretion of each Employer and shall not be called in question by the Employees nor shall any Employer's failure or refusal to pay such bonus be the subject of any dispute.

- (7) The provisions of sub-clauses (1), (2), (3), (4), (5) and (6) shall *mutatis mutandis* apply to existing bonus scheme.
- (8) At the request of the Commissioner of Labour the council of the Institute of Chartered Accountants of Sri Lanka will nominate these chartered accountants with not less than ten (10) years of post qualification experience drawn from professional accountancy firms to serve on the Bonus Committee.
- (9) Any dispute relating to the payment of bonus shall be resolved only in terms of provisions 1 to 8 above and no other provision in this Agreement shall be applicable.

23. **Annual Increments.** - The annual increments provided in each grade of the scales of consolidated wages in the First Schedule hereto shall be automatic, 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 throughout the year;
- (b) Stopped, the loss of increment will 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.

24. **Carrying Out Employers' Instructions as to Duties.** -

- (i) If an employee considers that any duty which he is required to perform by the employer does not fall within the scope of his employment under the employer, the employee shall be entitled to bring such matter to the notice of the employer. If notwithstanding such notification the employer requires the employee to carry out such instructions then the employee shall be entitled to request the employer to give him instructions in writing.
- (ii) If the employer gives the employee such instructions in writing, the employee shall carry out the same but without prejudice to the right of the employee to dispute such matter with the employer thereafter as provided in this Agreement.
- (iii) If the employer refuses to give such instructions in writing, the employee shall be entitled to refuse to carry out such instructions and in that event the employer shall have no right of action against the employee.
- (iv) If the employer gives such instructions in writing, but the employee fails to carry out the same, the employer shall be entitled to suspend the employee immediately without pay and to take disciplinary action against him without prejudice to the right of the employee to dispute such suspension or such disciplinary action as may be taken against the employee as provided in this Agreement.

25. **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.

26. **Suspension.** -

- (i) 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.
- (ii) 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 or charges in terms of Clause 26 hereof.

27. **Disciplinary Action.**— Where the Employer proposes to proceed against an employee then-

- (i) Irrespective of whether an employee has been suspended under clause 26 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 which 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.
- (ii) 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.
- (iii) 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.
- (iv) 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 a reasonable period from the date of receipt by him of the written answer or explanation to the show cause notice.
- (v) After holding such inquiry, the employer shall notify the employee of the findings of 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 not inference adverse to the employee in respect of such charges shall be drawn from such charges.
- (vi) 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 clause 26(1) 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 findings as to the charges in the show cause notice.
 - (b) The employee shall be dismissed, then 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 investigations 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 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.
 - (d) If in any case where an employee is suspended as provided 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 and order under paragraphs (a) to (c) of the preceding Sub-clause, irrespective of the outcome of the inquiry.
 - (e) 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 he is 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 Federation and any of the Employees that in the circumstances of the case, the period of ninety (90) days be extended for such further time as may be agreed.

- (f) The employer shall not be required to hold an inquiry as referred to in Sub-clause (iv) and (v) hereof where the employer proposes to warn the employee or where the employee admits to the charge or charges. Provided however, that if the Union disputes the warning or punishment 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.

28. **Retirement.**— On reaching the age of Fifty five (55) years an employee shall *ipso facto* retire and cease to be employed by the 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 as may be mutually agreed.

29. **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 6 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 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.

30. **Union Recognition.**— The Union shall be competent to make representations on behalf of its members who is employed in any workplace of the employer. In regard to issues of general application or the effect of principles such as matters affecting general terms and conditions of employment either in the work place or the trade as a whole the following provisions shall apply:

- (1) When the Union is representative of not less than forty per centum (40%) of the employees whose membership subscriptions is not in arrears the employer will recognise that Union for the purpose of general claims and matters and negotiate with it on that basis. If there is any other Union which is also representative of not less than forty per centum (40%) of such employers the Employer will be at liberty to require that general claims and matters be discussed and negotiated with all the Unions competent to make general demands by virtue of the requisite membership and not separately with each such Union.
- (2) When the Employer carries on more than one type of business or has more than one workplace and the claim or matter is restricted to one type of business or one workplace but is applicable or capable of being applicable to other employees in the service of the Employer, the competence of the Union to make such claim or raise such matter shall be determined by reference to the duly qualified members of such Union in proportion to the total number of employees in the service of the employer in Sri Lanka.
- (3) If it becomes necessary to decide the question whether at the establishment of the Employer, the Union is competent to make general claims or raise general matters the same shall be determined by a referendum which shall be held by the Department of Labour and the result of such referendum shall be binding on the employer and that Union and the Parties thereto.

31. **Disputes Procedure.** -

- (i) In the first instance, the employees shall submit any demand on behalf of its members to the Employer and give the Employer at least ten (10) working days time within which to reply. If in the employee's opinion the employer's reply is unsatisfactory the employees and the Employer shall explore the possibility of reaching a settlement.
- (ii) When the employees concludes that negotiations with the Employer have been abortive it shall ask the Department of Labour to intervene and give the Department not less than ten (10) working days to arrange conferences and/ or discussions with a view to a settlement of the dispute. Negotiations under the aegis of the Department of labour shall then proceed until the Department of labour reports failure.

- (iii) Subject to the provisions of Clause 33 hereof all disputes between the Employees and employer shall be settled in accordance with the provisions of the Industrial Disputes Act, and the regulations made thereunder.
- (iv) Any party of this Agreement shall not instigate support or engage in any unfair labour practice during the currency of this Agreement.

32. **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 Federation and the Union. 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.

33. **Trade Union Action.** - 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 shall not engage in any strike or other form of trade union action against the employer in respect of any dispute between the employer on the one hand and the union and/ or its members and/ or its employees covered and bound by this Agreement on the other hand whether or not such dispute is related this Agreement except where such dispute has been caused by an act of an employer, which in the opinion of the controlling body (by whatsoever name called) of the Union is *mala fide* or vindictive or calculated to threaten or undermine the existence of the legitimate activities of that Union and/ or its members or is grossly unfair or seriously detrimental to the interest of the Union and/ or its members. Provided however, that at least (07) days notice in writing shall be given by the Union to the employer concern, the federation and the Commissioner of labour before the date of commencement of any intended strike or other form of trade union action consequent to an act of an employer which in the opinion of the controlling body (by whatsoever name called) of the Union is *mala fide* or vindictive or calculated to threaten or undermine its members of is grossly unfair or seriously detrimental to the interest of the Union and/ or its members.

34. **Variations of Terms and Conditions of Employment, Benefits.** -

- (i) 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 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.
- (ii) The Federation and the Employers bound by this Agreement jointly and severally agree with the Union and its members and the Employees covered and bound by this Agreement that the Employer shall not seek to vary, alter or withdraw all or any of the terms, benefits or conditions presently enjoyed by the employees covered and bound by this Agreement, other than by mutual agreement.

PART II

1. **Breaches of Collective Agreement.** - If in the opinion of the Federation the Union commits a breach of any of the terms of this Collective Agreement, then and in any such event the Union shall cease to be entitled to enjoy the facilities and concessions granted by the Federation in the succeeding clauses of this Part and the same shall stand withdrawn without prejudice to the Federations right to restore such facilities and concessions, upon such terms and conditions as the Federation may decide.

2. **Domestic Inquiries.** - If an Employee who is furnished with a show cause notice in terms of Clause 27, the following provisions shall apply to the inquiry held by the Employer pursuant to such show cause notice.

- (a) The Employer will, subject to hereinafter provided, allow another employee (hereinafter referred to as an "Observer") to be present as an Observer without loss of wages 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 part of an inquiry for any reason whatsoever shall not vitiate such inquiry, nor the proceedings threat, nor the findings pursuant thereto.

3. **Union Meetings.**- The following provisions shall apply to meetings of the Union-

- (a) In respect of each meeting which the Union 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 occasions such as the Annual General Meeting of the Union, the office bearers of the parent Union may with the previous approval of the Employer, attend.
 - (iii) Fix a 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 the terms on which permissions to hold a meeting of such Union is granted are duly complied with.
- (d) It shall be the duty of the Union and its office bears to ensure that no damage is caused in the course of or in connection with, a meeting of the 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 any such damage.

4. **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 its discretion, the exigencies of the circumstances warrant refusal, the Employer will generally grant permission for not less than two Office Bearers of the Union :-

 - (a) To be present at conferences held under the aegis of the employer or the Employer's Federation of Ceylon or the Department of Labour, in connection with a dispute between such Union and the Employer, or
 - (b) To attend inquiries before Industrial Court, Arbitrators or Labour Tribunals without loss of wages for such absence.
- (2) The Employer will in his discretion, grant leave without remuneration, to an employee to attend a Trade Union Course or Seminar or Conference either in Sri Lanka or abroad, unless the Employee concerned is entitled to annual, customary or statutory holidays which he wishes to utilise for the purpose.

5. **Check Off.** -

- (1) In this clause the "Employer" shall mean an Employer bound by this Collective Agreement in whose establishment the membership of the Union is not less than forty percentum (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 such 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 that effect in the form set out in Form No. 1 hereinafter referred to as an "Authorization" as set out in the Second 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 Second Schedule hereto.

- (5) As far as practicable, deduction 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 authorizations shall cease from the date of receipt of a revocation canceling such authorization. Provided however -
 - (a) That an Employer shall not be liable in any manner whatsoever to the Union or the Employee concerned for failure to comply with Sub - clause (5) or (6) ;
 - (b) That, at his discretion, an 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 the 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 crossed "Account Payee".
- (8) The cheque shall be sent at the risk of the Union and the employees concerned, by post, in a pre-paid envelope, addressed to the Treasurer of the Union Concerned at its address for the time being.
- (9) The Treasurer of the Union concerned 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 Union dues actually deducted.

PART III

DEFINITIONS

In Parts I and II of the Agreement unless excluded by the Subject or context, the following words shall have the meaning set opposite to them.

<i>Words</i>	<i>Meaning</i>
Dispute	Shall have the same meaning as in the Industrial Disputes Act.
Employer (For convenience sometimes referred as to 'he' or its grammatical variations)	An employer covered and bound by this Agreement
Employee (For convenience sometimes referred to as 'he' or its grammatical variations)	Employee bound by this Agreement
Industrial Disputes Act	The Industrial Disputes Act, No. 43 of 1950
Normal Incremental Date	The date on which an employee would normally receive an increment
Wage	The monthly wage according to the scales of Consolidated wage in the Third schedule hereto.
Week	The period between midnight on any Saturday Night and midnight on the Succeeding Saturday night.
Year	A continuous period of twelve (12) months.

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

In witness whereof the parties aforesaid have hereunto set their hands At Colombo On this Twentieth day of December Two Thousand and Thirteen

FC

**BROWN & COMPANY
(PRIVATE) LTD
ENGINEERS**

.....
Manager
BROWN

FC

**SAMASTHA LANKA
SANGAMAYA
INDUSTRIES**

ALL CEYLON COMMERCE

Witnesses to the above signature

1.
Name: Kapila Dissanayake
Designation: Asst. Director
EFC

.....
BR

FORM No. 1

Name of Employer:

.....

AUTHORIZATION

As I am an Employee covered and bound by this Collective Agreement affecting employees employed in the Trade bearing No. and I desire to avail myself of the facility for check off contained in the Collective Agreement of which I am eligible as a member of the Union, please deduct from my wages each month a sum of Rupees (Rs.) in respect of my current monthly membership dues to the said Union and remit the same to the said Union on my behalf. The first payment should please be made from my wages next due immediately following the date hereof.

.....
 (Date of signing)

.....
 (Signature of Employee)

.....
 (Full name of Employee)

Received on

(To be filled by the Employer)

FORM No. 2

Name of Employer:

.....

REVOCATION

With reference to the authorization submitted by me, please cease to deduct from my wages any further membership dues in favour of Union with effect from the wages next due to me immediately following the date hereof.

.....
 (Date of signing)

.....
 (Signature of Employee)

.....
 (Full name of Employee)

Received on :

(To be filled by the Employer)

SCHEDULE I

WORKING HOURS

Brown and Company PLC General and Group Facilities	8.30 a.m. - 5.00 p.m. with a lunch break from 12.30 p.m. to 1.30 p.m.
Brown and Company PLC Agriculture Division	8.30 a.m. - 5.15 p.m. with a lunch break from 12.30 p.m. to 1.00 p.m.
Brown and Company PLC Battery Division	8.30 a.m. - 5.15 p.m. with a lunch break from 12.30 p.m. to 1.00 p.m.
Browns Group Industries (Pvt) Ltd.	8.15 a.m. - 5.15 p.m. with a lunch break from 12.30 p.m. to 1.00 p.m.
Browns Thermal Engineering (Pvt) Ltd.	8.15 a.m. - 5.15 p.m. with a lunch break from 12.30 p.m. to 1.00 p.m.

Reporting time for all Drivers, Manual Workers and Office Minor Staff in all Companies will be 8.00 a.m. - 5.30 p.m. with a lunch break and two tea breaks as is in force.

SCHEDULE II

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