



ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ගැසට් පත්‍රය
අති විශේෂ

The Gazette of the Democratic Socialist Republic of Sri Lanka
EXTRAORDINARY

අංක 2391/22 – 2024 ජූලි 03 වැනි බඳාදා – 2024.07.03
No. 2391/22 – WEDNESDAY, JULY 03, 2024

(Published by Authority)

PART I: SECTION (I) – GENERAL

Government Notifications

My No.: CI/1852.

THE INDUSTRIAL DISPUTES ACT – CHAPTER 131

THE Collective Agreement entered into between State Pharmaceuticals Corporation, Mehwara Piyasa, 16th Floor, No. 41, Kirula Road, Colombo 05 of the one part and Five (5) Unions of the other part on 19th June, 2024 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

H. K. K. A. JAYASUNDARA,
Commissioner General of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05
26th June, 2024.



Collective Agreement No. 25 of 2024

COLLECTIVE AGREEMENT 2023

Entered into between

STATE PHARMACEUTICALS CORPORATION OF SRI LANKA,
Colombo 05

of the One Part

And

SRI LANKA NIDAHAS SEWAKA SANGAMAYA,
PODUJANA PROGRESSIVE EMPLOYEES UNION,
STATE PHARMACEUTICALS CORPORATION EXECUTIVE OFFICERS' ASSOCIATION,
STATE PHARMACEUTICALS CORPORATION PHARMACISTS UNION AND
SAMAGI SEWAKA SANGAMAYA

mention herein of the Other Part

This Collective Agreement is made on 19th of June, 2024 by and between the State Pharmaceuticals Corporation of Sri Lanka (Established under the State Industrial Corporations Act, No. 49 of 1957 and *Gazette* Notification No. 14, 976/3 - 1971 September 22nd of Wednesday) and having its head office at "Mehewara Piyasa", 16th Floor, No. 41, Kirula Road, Colombo 05, of the One Part (hereinafter referred to as "the SPC") and the following unions:

1. Sri Lanka Nidahas Sewaka Sangamaya
2. Podujana Progressive Employees Union
3. State Pharmaceuticals Corporation Executive Officers' Association
4. State Pharmaceuticals Corporation Pharmacists Union
5. Samagi Sewaka Sangamaya

The Collective Agreement shall be known and referred to as the "STATE PHARMACEUTICALS CORPORATION OF SRI LANKA COLLECTIVE AGREEMENT 2023 with the ALL SPC UNIONS mentioned herein before.

1. ***Employer to be Bound.*** - State Pharmaceuticals Corporation of Sri Lanka.

2. ***Employees to be Covered And Bound.*** - This Collective Agreement shall cover and bind *inter alia* all permanent employees of State Pharmaceuticals Corporation of Sri Lanka in the relevant categories of the Salary Scales contained in Annex II in this Collective Agreement.

3. ***Date of Operation and Duration.***– This Agreement shall come into effect from 01.07.2023, and thereafter continue to be in force, unless it is repudiated by either party giving six months' notice in writing to the other party. However, it is agreed further that no party shall give such notice to the other party before expiry of 15 months from the date of this agreement, and such notice shall be effective after expiry of 18 months (i.e. 31.12.2024) from the date of this agreement.

4. Parties agree that they should commence discussions for renegotiations of the terms and conditions of this agreement or for formulation of new collective agreement before the expiry of this agreement.

5. ***Matters covered and variation of Terms and Conditions of Employment and Benefits.***– It is agreed that this Collective Agreement shall be in full and final settlement of all matters covered herein as well as of all matters raised by representatives representing the membership of the said all unions in relation to the period of 18 months (One and half years) from the date of this agreement, in respect of which negotiations have already taken place and matters have been agreed upon by all before the execution of this Agreement. Hence it is agreed that during the continuance of this Collective Agreement matters discussed, negotiated and agreed upon between the parties as reflect herein shall remain to be in force and that no Union of the SPC will during the period this Collective Agreement will resort to any trade union action such as work to rule, picketing, strikes and will also not to vary, alter or add any of the terms and conditions of employment or benefits applicable or enjoyed as provided for in this Agreement, other than in an event where an annual salary increment of 25 percent (25%) or over has been granted to the Corporation employees.

6. ***Salary Components.***– As from the date of execution of this Collective Agreement, each employee covered and bound by this Agreement shall be paid upon and subject to the other terms and conditions herein contained a monthly salary which comprises the following components:

- (i) As per attached letter dated 08.04.2024 (*Annex I*) of Director General, Department of Public Enterprises of General Treasury and the table of salaries prepared based on the approval of the Director General of Public Enterprises (*Annex II*).
- (ii) Further,
 - (a) Any advantage given to corporation employees in terms of any Circular instruction issued by the Secretary to the Treasury, the Secretary, Public Administration (only the circulars applicable to State Corporation and Statutory Boards), will continue to be applicable to the employees of the SPC, as may be relevant; and
 - (b) The Cost of living Allowance (COLA) or related adjustments as may be announced in the annual Budget will also be extended to the employees of SPC, as may be relevant, in view of the fact that a separate COLA adjustment did not form part of this Collective Agreement.
 - (c) The Traveling Allowance not relevant for the employees who are entitled to vehicle benefit including fuel Allowance approved by Government.

(d) All other non salary benefits enjoyed by employees to be continued separately and will not change unless prior approval is granted by the Treasury.

7. **Taxes on Emoluments.**— For avoidance of doubt, it is acknowledged the PAYE/APIT tax on emoluments shall be continued to be borne by employees :

8. **Methodology of Converting Existing Salary to Proposed Salary.**—

(i) The salaries of employees will be converted to the revised scale by applying the step for step (point by point) method of conversion. As per annexed salary scales.

Eg.- An Employee, who had been on the 05th step of the scale as at the date immediately prior to the Effective date of this Agreement, will be placed on the 05th step of the relevant revised scale with effect from Effective date of this Collective Agreement.

(ii) Drugs Safety Allowance and Local Drugs Supply Allowance mentioned in "Column I" is calculated on the basis of given formula (Annex. II) will be fixed and Performance Allowance in "Column M" is calculated on the basis of given formula is variable linking to Key Performance Indicators (KPI). Amount receiving by each and every employee will be based on percentage achievement of KPI.

KPI based, Performance Based Allowance to be paid on overall basis up to June 2024, on divisional Performance basis up to August 2024 and Individual Performance basis from September 2024.

9. **Conversion Anomalies.**— Parties jointly agree to execute this Agreement on the basis that anomaly associated with the calculation of increments will be referred to a Committee comprising of one member from Ministry of Health, Treasury Representative, representatives of the SPC (3 members) and Presidents of the unions to which the respective employee is attached. Such committee shall be appointed within a month from the date of this Agreement and its recommendations shall be given within 3 months there from :

10. **Other Commitments.**— The Unions agree that the employee will take all endeavors to enhance the productivity of the operations of SPC through which a growth of 10% turnover excluding procurement orders placed by the Ministry of Health, Nutrition and Indigenous Medicines to be achieved by the SPC and should maintain adequate profitability at the end of the year :

11. **Incidental Matters on to be Covered.**— The parties hereby agree to all other matters incidental to this Agreement not dealt with herein shall be governed by applicable laws, regulations and Circular Instructions applicable. However the union retains the right to raise any issue which they consider as unreasonable to its members.

For and on behalf of the State P

**01) Dr. U. Ajith Mendi
Chairman
State Pharmaceutic**

**02) Mr. M. L. Subasing
Managing Director
State Pharmaceutic**

Witnesses :

**01) K. M. D. R. Dassanayake
General Manager
State Pharmaceuticals Corp**

**02) M. R. Nimmika Thushari
Deputy General Manager -
State Pharmaceuticals Corp**

**03) D. N. Dewasurendra
Acting Deputy General Man
State Pharmaceuticals Corp**

For and on behalf of the Trade Unions referred to herein:

1. Sri Lanka Nidahas Sewaka Sangamaya.(Reg. No 3030)

Name :Lesly Devendra

N C No. 194335900619

Position : General Secretary

Signature & Rubber stamp:



2. Podujana Progressive Employees Union (Reg. No 8864)

Name :M.G.A Saman Kuma

NIC No. 761020030V

Position : President

Signature & Rubber stamp :



3. State Pharmaceuticals Corporation Executive Officers' Association (Reg. No 7658)

Name : D.P Ajith Liyanage

NIC No. 196733100567

Position : President

Signature & Rubber stamp



SPC Executive

Authorized Signature

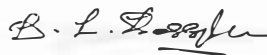
4. State Pharmaceuticals Corporation Pharmacists Union (Reg. No 8371)

Name : D.Lakmali Dassanayake

NIC No. 815795431V

Position : President

Signature & Rubber stamp:




5. Samagi Sewaka Sangamaya (Reg. No 9422)

Name : H.S.D.R Karunarathna

NIC No. 623640205V

Position : Secretary

Signature & Rubber stamp:



සමගි සේවක සංගමය
ප්‍රධාන ලේකම්
සමගි සේවක සංගමය
නො: 592, මංගලා හංදිය,
කෝට්ටේ පාර, කෝට්ටේ.

Annex II

PROPOSED SALARY STRUCTURE FOR 2023 - 2024													
Category	Salary Scale	Ratio	PRESENT SALARY				PROPOSED SALARY				Performance Based Allowance		
			A	B	C	D	E	F	G	H	I	J	K
			Basic Salary	Drug Safety Allowance	Local Drug supply allowance	Travelling Allowance	Special Allowance	COL	Total Basic Salary	Combined value of Local Drug supply and Drug safety allowance (B+C)	Drug Safety and Local Drug supply allowance as per Drug safety new proposal	Salary Scale based Allowance	Total (K+L)
			B=(A*15%) +8000	C=4500 F + D=(A*20%) +2000									
PL 1	111	1.112	27,500	16,212.50	10,000.00	6,950.00	5,000	10,000	72,912.50	26,212.50	27,140.63	928.13	10,928.13
PL 2	111	1.222	30,250	18,037.50	10,777.78	8,050.00	5,000	10,000	82,115.28	28,815.28	31,390.88	1,760.65	13,275.60
PL 3	111	1.162	28,750	17,539.77	10,565.66	7,750.00	5,000	10,000	79,605.43	28,105.43	30,239.63	1,222.42	12,361.85
MA 1	111	1.263	31,260	18,372.64	10,920.61	8,252.00	5,000	10,000	83,805.24	29,792.24	32,174.75	1,881.22	14,673.97
MA 2	111	1.455	36,000	19,945.45	11,590.91	9,200.00	5,000	10,000	91,736.36	31,536.36	35,847.50	2,384.41	17,920.77
MA 3	111	1.306	32,320	18,724.36	11,070.51	8,464.00	5,000	10,000	85,578.87	29,794.87	32,997.00	3,202.13	16,000.00
MA 4	111	1.128	27,910	17,261.05	10,446.87	7,582.00	5,000	10,000	78,199.91	27,707.91	29,589.13	1,881.22	13,470.13
MA 5	111	1.263	31,260	18,372.64	10,920.61	8,252.00	5,000	10,000	83,805.24	29,792.24	32,174.75	1,881.22	14,673.97
MA 6	111	1.455	36,000	19,945.45	11,590.91	9,200.00	5,000	10,000	91,736.36	31,536.36	35,847.50	2,384.41	17,920.77
MA 7	111	1.225	30,310	18,057.41	10,786.26	8,062.00	5,000	10,000	82,215.67	28,843.67	31,445.63	1,760.65	13,275.60
MA 8	111	1.360	33,660	19,169.00	11,260.00	8,732.00	5,000	10,000	87,821.00	30,229.00	34,031.25	2,602.25	15,602.25
MA 9	111	1.552	38,400	20,741.82	11,930.30	9,680.00	5,000	10,000	95,752.12	32,672.12	37,704.00	5,031.88	17,031.88
MA 10	111	1.721	42,600	22,135.45	12,524.24	10,520.00	5,000	10,000	102,779.70	34,659.70	40,942.00	6,282.30	20,224.30
MA 11	111	2.072	51,285	25,017.30	13,752.42	12,257.00	5,000	10,000	117,311.72	38,769.72	47,659.94	8,890.22	22,890.22
MA 12	111	2.148	53,175	25,644.43	14,019.70	12,635.00	5,000	10,000	120,474.13	39,664.13	49,116.31	9,452.18	25,452.18
MA 13	111	2.781	68,835	30,840.70	16,234.24	15,767.00	5,000	10,000	146,676.95	47,074.95	61,231.06	14,156.11	35,595.11
MA 14	111	3.244	80,295	34,643.34	17,854.85	-00	5,000	10,000	147,793.19	52,498.19	70,033.31	17,595.12	35,595.12
MA 15	111	3.703	91,645	38,409.48	19,459.90	-00	5,000	10,000	164,514.38	57,869.38	78,767.94	21,007.56	41,007.56

1. Basic Salary increased by 25% (Present Basic Salary x 25%)

2. Drug Safety responsibility & Local Drug Supply Allowance = Basic Salary 15% + Rs. 8000 Fixed + Rs. 14,500* salary Gap Ratio.

3. Salary Scale Based Allowance = Rs.10,000 for PL to PL 3, Rs.12,000 for MA 1 to MA 2, Rs.14,000 for MA 3 to MA 4, Rs.16,000 for MA 5 to MA 6, Rs.18,000 for MA 7 to MA 8, Rs.20,000 for MA 9 to MA 10, Rs.22,000 for MA 11 to MA 12, Rs.24,000 for MA 13 to MA 14, Rs.26,000 for MA 15 to MA 16.

4. Rest of monetary and non-monetary allowances enjoyed by employees remain unchanged as prev'us collective agreement (for 2020-2023 period)

	PL3	1.1.1	SEED	PARENT	SCALES
			1	24,750/-	250/- x 10, 46,340/=
			12	27,520/-	270/- x 9, 46,340/=
			22	30,250/-	300/- x 6, 46,340/=
	PL 2	1.1.1	1	25,750/-	270/- x 10, 48,770/=
		1.1	12	28,750/-	300/- x 9, 48,770/=
		1	22	31,780/-	330/- x 9, 48,770/=
	PL 3	1.1.1	1	28,250/-	270/- x 10, 49,445/=
		1.1	12	29,250/-	300/- x 9, 49,445/=
		1	22	32,320/-	330/- x 9, 49,445/=
	PL 4 1.1	1.1.1	1	27,920/-	300/- x 10, 60,700/=
		1.1	12	31,260/-	350/- x 6, 60,700/=
		1	22	36,000/-	660/- x 19, 60,700/=
	PL 5 2.1	1.1.1	1	30,310/-	300/- x 10, 63,700/=
		1.1	12	33,660/-	350/- x 6, 63,700/=
		1	22	38,400/-	660/- x 19, 63,700/=
	PL 6 1.1	1.1	1	42,600/-	755/- x 10, 88,260/=
		1	12	51,285/-	1,135/- x 17, 88,260/=
	PL 7 1.1	1.1	1	53,175/-	1,375/- x 10, 119,520/=
		1	12	68,835/-	1,910/- x 19, 119,520/=
	PL 8	1.1	1	80,295/-	2,270/- x 15, 140,970/=
	PL 9	2.1	1	91,645/-	2,700/- x 12, 155,060/=

1-009