



# ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ ගැසට් පත්‍රය The Gazette of the Democratic Socialist Republic of Sri Lanka

අති විශේෂ EXTRAORDINARY

අංක 1969/14 – 2016 මැයි 31 වැනි අඟහරුවාදා – 2016.05.31

No. 1969/14 – TUESDAY, MAY 31, 2016

(Published by Authority)

## PART I : SECTION (I) – GENERAL

### Government Notifications

My No.: CI/487.

#### THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between The Bata Shoe Company of Ceylon Limited, No. 100, General Sir John Kotalawala Road, Ratmalana of the one part and Wanija Ha Karmika Sewaka Sangamaya, No. 17, Barracks Lane, Colombo 02 of the other part on 03rd day of September 2015 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

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

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

#### Collective Agreement No. 34 of 2015

THIS COLLECTIVE AGREEMENT made the 3rd day of September 2015, pursuant to the Industrial Disputes Act between THE BATA SHOE COMPANY OF CEYLON LIMITED, having its registered office at No. 100, General Sir John Kotalawala Road, Ratmalana (hereinafter referred to as “the Company”) of the ONE PART and, WANUJA HA KARMIKA SEWAKA SANGAMAYA, a Trade Union duly registered under the Provisions of the Trade unions ordinance and, having its registered office at No. 17, Barracks Lane, Colombo 2, (hereinafter referred to as “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 BATA MANUAL AND LABOUR WORKFORCE COLLECTIVE AGREEMENT 2015.

#### PART I

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



1. **Employees to be Covered and Bound.-** This agreement shall cover and bind only members of the union who are employed in a manual or laboring capacity by the company, but will to be applicable to employees employed in such capacities who are on probation or are employed by the day or by the job or by the journey.

2. **Date of Operation and Duration.-** This Agreement shall be effective as from the first day of January 2015 until 31st December 2017.

3. **Authorised Version.-** In the event of any dispute regarding the interpretation of this Agreement as between the English and Sinhala versions, the English version shall prevail.

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

(a) This Agreement shall be in full and final settlement of all matters covered herein and in the event of any conflict or inconsistency between matters provide for in this Agreement and any pre-existing terms of practices, the terms of this Agreement shall prevail.

(b) The Union and its members shall not, during the continuance in force of this Agreement, seek to vary, alter or add to all or any of the terms and conditions of employment or benefits presently applicable to or enjoyed by any of the employees covered and bound by this Agreement, whether such terms and conditions are provided for in this Agreement or otherwise, other than by mutual Agreement.

(c) The Company agrees that during the continuance in force of this Agreement it shall not 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, except to the extent that such benefits have been modified by the terms of this Agreement.

(d) Any dispute or difference under the provisions of sub-clause (b) or (c) but excluding a dispute arising from the termination of the services of an employee may be resolved by voluntary arbitration only if both parties to this Agreement agree to submit such dispute or difference for settlement by voluntary arbitration. In the event of either party not agreeing to voluntary arbitration no application shall be made by either party to have any dispute referred for settlement under Section 4(1) or (2) of the Industrial Disputes Act 1950 (as amended) in relation to any matter referred to in sub-clause (b) and (c) except a dispute arising from the termination of the service of any employee.

5. **Standing Orders .-** On any matter not expressly provided in this Agreement, the employee shall be bound by the Standing Orders and Rules of the Company in force from time to time and such Standing Orders and Rules shall be deemed to form a part and parcel of the contracts of employment of each employee.

6. **Wages:-(i)**

(a) The Company will continue to pay by results according to the prevailing system of standard production wage basis which contains incentives for employees and as from the first day of January 2015 shall pay in terms of Schedule A hereto.

(b) All standard production wages are determined by the Company using scientific work study methods and it is agreed that all such figures and the Company standard production wages rates shall be treated at all times as Company's confidential information which shall not be divulged to outsiders.

(c) As all standard production wages have been determined with reference to the present methods of work, present machinery and equipment, the same may be changed by the Company when there is a change in the content of work, in machinery, material used, in equipment, in work layout, supply of work handled or other circumstances under which the employee can deliver the required output.

(d) When an employee is put on a new operation, the employee affected will be guaranteed his past average earnings for the next four weeks during which period the employee is required to achieve the standard output as per training programme. The past average earnings mean; earnings for the last four weeks immediately preceding, excluding overtime and other extra payments. If the earnings are below his minimum basic wage he will be paid between the Minimum and the Maximum as an average.

- (e) Employees who as at the date of this Agreement are on weekly fixed wage Scales, shall as from the first day of January 2015 be paid on the wages scales set out in schedule B hereto.
- (f) Employees who as at the date of this Agreement are on monthly fixed wage scales shall as from the first day of January 2015 be paid on the wages scales set out in schedule C hereto. Employees in the Engineering Grade who as at the date of this Agreement are on monthly fixed wage scales shall as from the first day of January 2015 be paid on the wage scales set out in Schedule D hereto with the relevant conditions laid in the Schedule DD.
- (g) If as a result of power failure, machine breakdown or absenteeism which is not the direct or indirect result of the action or conduct of any employee or an employee on standard production wages or otherwise is unable to achieve his basic minimum wage, his earnings will be made upto his daily minimum basic wage. the Company shall guarantee basic minimum wage, except in the event of trade union action, such as stricks or go - slow, refusal to work, disrupting work whether such action is on written notification or otherwise and the employees in such situations will only be entitled to a basic minimum wage calculated up to the actual number of hours they have worked.
- (h) Every employee is expected to achieve the Standard Output in terms of the Standard Production Minutes System which is part and parcel of the contract of employment.
- (ii) (a) To correct any incorrect standard production minutes of any operation, prevailing at present, the company will use work study methods to establish Standard Production Minutes. In the event of the established Standard Production Minutes cannot be achieved with the combined or single operations, with maximum production done in that department so far, the maximum production done in that department or other department for same or similar operations will be considered to establish standard production minutes.
- (b) All employees, if they so wish will be allowed to earn up to 120% standard production wage basic.
- (c) In the event of an employee earning over 120% of standard production wage basis he/she shall not be entitled to any payment for production over the 120% limit and the standard production minutes of the operation will be identified by the Company to be wrongly established. The company shall re-study such operations with the view to establishing and implementing correct standard production minutes.
- (d) The above shall constitute the usual production process in the Company and not be subject to any negotiation or review in future.
- (e) It is agreed between parties that with the wages and production process being amended as aforesaid the red circle rates will be eliminated.
- (iii) **Shift Allowance :-**
- (a) The shift allowance payable to employees who work on shifts shall be 12 1/2 % of their earnings for the second shift and 15% of their earnings for the third shift.
- (b) Earnings for this purpose shall mean an employee's earnings in terms of Schedules A B, C, and D hereof as the case may be.
- (c) The Company agrees to give a cup of Nestomalt to first shift (6.00 am to 2.00 pm) before they commence work.
7. **Non-Recurring Cost of Living Gratuity :-**
- (a) Each employee covered and bound by this Agreement shall be paid a Non-Recurring Cost of Living Gratuity in April each year in respect of the Preceding twelve months (1st April to 31st March hereinafter referred to as the "Qualifying Period") commencing from April 2015 ascertained in accordance with the under-noted formula :

***The Formula***

- (a) If the average of Colombo consumers price index figure for the qualifying period exceeds 750.0 points in the first year, second year and third year in the case of employees paid in accordance with Schedule 'A' and 850.0 points in the first year, second year and the third year in the case of employees paid in accordance with schedules B, C, & D a sum computed at Rupees 2/- (Two) for each completed point (ie 1.0).
- (b) The Non - Recurring Cost of Living Gratuity shall also be payable to an employee who is in employment only during part of the qualifying period either by virtue of the fact that he joins the Company's services during the qualifying period or is not in the Company's services when the Non - recurring cost of Living Gratuity becomes payable in April of any year. In the case of such employees their Non-Recurring Cost of Living Gratuity shall be calculated on the basis of Rupees Two (Rs. 2/-) for each completed point by which the average exceeds the base index figure 750.0 first year second year and third year or 850.0 first year, second year and third year during the months in which such employees were in employment.
- (c) Provided that in the event the Government of Sri Lanka discontinuing the publication CCPI figures, parties agreed to meet to discuss the basis on which this payment could be continued.

**8. *Casual Leave :-***

- (a) An employee covered by this Agreement shall, in respect of each year of Employment, during which he has been continuously in employment, will be entitled to take on account of private business or other reasonable cause, including ill health if the employee's entitlement of sick leave has been fully utilized, seven day's casual leave with remuneration.
- (b) Not more than two day's casual leave shall be taken on consecutive days at any time except where such leave is on the ground of ill health. Any casual leave availed of on the ground of ill health shall be subject to the provisions relating to sick leave in this Agreement.
- (c) No employee shall be entitled to casual leave immediately preceding or immediately following any period of annual leave.
- (d) In respect of any employee's first year of employment, excluding any period of probation, his casual leave shall be computed on the basis of one day for each completed period of two months service.
- (e) Casual Leave will normally be granted on written application without the employee being required to state the reason for the application. Where the Company finds it difficult to grant an application for casual leave its 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 Company may decide whether it is reasonable in the circumstances to grant him casual leave.
- (f) An employee shall make his written application for casual leave 24 hours in advance else his absence will be unauthorized and will be without pay.

**9. *Sick Leave :-***

- (a) In any one year an employee shall be entitled to sick leave with remuneration not exceeding 21 days provided that:
  - (i) His illness supported by a certificate from a registered medical practitioner and the leave is recommended by the Company Doctor ; and
  - (ii) The employee has been in the Company's service for not less than six months immediately preceding such leave.
- (b) In the first year of employment an employee's sick leave entitlement shall be computed on the basis of two working days for each completed period of two months service.

- (c) An employee substituting for another employee who is on maternity leave shall whenever necessary be re-assigned to the work he/she was performing before the assignment or work in a similar grade job on the return of the employee from maternity leave. On re-assignment of his/her previous job, the employee will be paid the standard production wage rates earned.
- (d) An employee will be permitted to avail himself of Sick Leave unsupported by a Medical Certificate subject to the following provisions:
  - (i) The period in respect of which such unsupported Sick Leave will be allowed shall not exceed one day.
  - (ii) The number of occasions on which such unsupported Sick Leave shall be allowed in any one year shall not exceed seven occasions.
  - (iii) Where an employee has on seven occasions in an year availed himself/herself of Sick Leave unsupported by a Medical Certificate, any further Sick Leave in that year shall be covered with a Medical Certificate and he shall inform the company of his inability to report for work before the end of his shift (other than third shift employee who shall inform of his inability to report for work before the end of the general shift immediately following) if this procedure is not followed either in respect the submission of a valid Medical Certificate or informing the Company as aforementioned, his absence will be unauthorised and will be without pay.

10. **Annual Leave :-**

- (a) An employee will be entitled to annual leave in terms of the decisions of the Wages Board for the Tanning, Footwear and Leather Goods Manufacturing Trade subject to the sub-clause (b) hereunder.
- (b) The Company shall be entitled to calendar 10 days of the said annual leave on consecutive working days during any year depending on the need to do so.
- (c) The balance annual leave, if any, may be availed of by an employee at times convenient to both the employee and the Company by giving written application for leave 24 hours in advance else his absence will be unauthorized and will be without pay.

11. **Holidays :-**

- (a) The holiday with remuneration allowed each year shall be those listed in the Company's Standing Orders and Rules and / or prescribed by the Wages Board decision for the Tanning , Footwear and Leather Goods Manufacturing Trade.
- (b) The Company will be entitled to call upon an employee to work on any such Holiday and the employee shall be liable to perform such work unless he / she furnished the Company with a reasonable excuse personal to him.

12. **Provident Fund :-**

- (a) The company shall contribute 12 percent and each employee 8 percent of an employee's earnings each week or month, as the case may be, to the Provident Fund.
- (b) Earnings' for this purpose shall mean only the earnings of an employee in terms of Schedules A, B, C, D and E hereto.

13. **Bonus :-**

- (a) The Company will pay to each employee a Bonus equivalent to one and Half months (1 1/2) (1/12th of the Gross Earnings)
- (b) In computing the Bonus twelve months period will be :

- (i) In case of weekly paid employees the 52 week ending with week 44 of the year in which the Bonus is paid.
  - (ii) In the case of monthly paid employees twelve months ending on 31st October of the year in which the Bonus is paid.
  - (iii) For above calculation 1/12th of Provident Fund deductible income should be taken (excluding) overtime non-recurring cost of living gratuity, Night shift allowance and other extra payments.
  - (iv) The Union agrees that they shall not raise a dispute on the payment of any Bonus which is stated in the collective agreement.
- (c) The gross earnings, excluding overtime, non-recurring cost of living gratuity and other extra payment for the 52 weeks period in the case of standard production wage earners will be computed thus :

All earnings for the bonus year less overtime, non-recurring cost of living gratuity, shift allowance and other extra payments will be aggregated and divided by the total of the number of days in which the employee had actually worked and the number of days on which he had been on paid leave during the bonus year. The portion will be a days average earnings of the employee. Provided that if a day's average earnings of an employee is less than 1/16th of the Minimum Basic Wage, then the Minimum Basic Wage will be deemed to be a day's Average earnings of that employee for the purpose of computing bonus. The gross earnings for the bonus year will be a day's average earnings multiplied by the total number of days on which the employee had actually worked plus the number of days on which he had been on paid leave during the bonus year.

- (d) Retiring Employees :

It is Agreed to pay proportionate bonus, only for the retiring employee, if any employee served at least 9 months on her/his retirement Year. (Weekly paid employee - week 31 and Monthly paid employee - 31st July)

#### 14. **Grievance Procedure :-**

- (a) Any employee is free to make representations to the Management in respect of an individual grievance, dispute or other matter and the procedure for settling the same is as follows:
- (i) In the first instance, the matter shall be discussed with the department Supervisor.
  - (ii) If the matter is not settled by the departmental Supervisor, the employee may then, together with a Branch Union Committee Member in the employee's department, discuss the matter with the Group Supervisor who may, if he thinks it desirable, discuss the matter or refer same to the Factory Superintendent or Assistant Manager.
  - (iii) In the event if the matter not being satisfactorily settled at stage (ii), the employee may together with a Branch Union representative discuss the matter with the Factory Manager.
  - (iv) In the event if the matter not being satisfactorily settled at stage (iii), the matter may be submitted in writing to the Human Resources Manager.
  - (v) In the event if the matter not being satisfactorily settled at stage (iv) the Branch Union may make an appeal to the Managing Director or his deputy in his absence.
  - (vi) If no settlement is reached and the dispute related to any term or condition of employment or benefit, Clause 4 hereof shall apply.
- (b) The Branch Union is free to make representations to the Management in respect of any grievance or other matter affecting the employees covered and bound by this Agreement generally and the procedure for settling the same shall be as follows:
- (i) The Branch Union shall submit the matter in writing to the Human Resources Manager for settlement.
  - (ii) In the event of the matter not being satisfactorily settled at stage (i) above, the Branch Union may make an appeal to the Managing Director.
  - (iii) In the event of there being no satisfactory settlement after following (ii) above, the Union may make representations to the Employer's Federation of Ceylon and thereafter to the Commissioner of Labour.
  - (iv) If notwithstanding of the above no settlement is reached and the dispute related to any term or condition of employment or benefit, whether covered by this Agreement or otherwise, Clause 4 hereof shall apply.

#### 15. **Warnings and Communications :-**

- (a) If in the opinion of the Company an offence warrants a warning the same shall be conveyed to the employee by a letter.
- (b) An employee who refuses to accept receipt of a written communication by the Company shall be liable to disciplinary action.

16. **Purchase of Leave :-**

- (a) In respect of 2015 and subsequent years the Company will pay each employee a sum of money representing one day's basic minimum wage for each day of sick and casual leave not availed of by an employee, out of his sick and casual leave entitlement in respect of that year.
- (b) This payment in respect of any particular year will be made on or before 31st January of the succeeding year.
- (c) Notwithstanding the provisions of clause 9 hereof, where an employee has taken 14 days of his 21 days of Sick Leave, 25% of his Annual Bonus will be paid.

In addition to above (16-c) -

If an employee has additional 7 days leave made up of both Sick and Casual totalling up to 14 days, will be paid 50% of his Annual Bonus.

17. **Retirement :-**

- (a) On reaching the age of 60 years in the case of males and 50 in the case of females an employee shall *ipso facto* retire and cease to be employed and there shall be no obligation on the employer to give the employee any notice of retirement.
- (b) For the purpose of determining the retirement age of an employee the date of birth as set out in the employee's Birth Certificate shall apply and, in its absence, the age shown in the National Identity Card. In the event of both the Birth Certificate and National Identity Card not being available the age as declared by the employee to the Company is the Official application form for employment shall determine the employee's age for the purpose of retirement.
- (c) The Company may in its sole and absolute discretion offer temporary employment to an employee after his retirement on terms and conditions mutually agreed upon between the Company and the employee.

18. **Suspension :-**

- (a) An employee may be suspended without pay by the Company.
  - (i) Pending an inquiry to be held by the Company on a charge or charges of Misconduct which warrants dismissal.
  - (ii) In order to avoid a breach of the peace or damage to the property or disturbance of the business of the Company.
  - (iii) As a punishment for misconduct for a period not exceeding seven (7) working days after due inquiry.
- (b) At the time of suspension under sub-clause (a) (I) hereof or within twenty four (24) hours thereof, the Company shall provide the employee with a written order or letter of suspension specifying the reason for such suspension, and thereafter hold an inquiry into the charge or charges against him, if the Management considers it necessary to establish the guilt or innocence of the accused.
- (c) If the Company after such inquiry makes order that :-
  - (i) The employee shall not be dismissed, then the employee shall resume work forthwith and shall, subject to sub-clause (a) (iii) hereof be paid all wages and entitlements due during the period of suspension irrespective of any other punishment less than dismissal that may be imposed by the Company on the findings as to the charge or charges against the employee.
  - (ii) The employee shall be dismissed, the employee's dismissal shall take effect as from the date of his suspension and accordingly he shall not be paid for the period of such suspension.

- (iii) In view of the seriousness involved in the nature of the charge or charges against the employee, the Company 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 the matter is therefore referred to the Police or other authorities or in view of the seriousness involved in the nature of the charge or charges preferred against the employee, the matter has been previously referred to the Police or other authorities for investigations or inquiries and that the outcome of such investigations or inquiries be awaited then in either of such circumstances the employee shall be suspended without pay.
- (d) If in any case where an employee is suspended as provided for herein the Company fails to make an order paragraph (i) to (iii) 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 wages for the period of thirty (30) days from the date of such suspension and to his full wages for the period of suspension in excess of thirty (30) days up to the date on which the Company makes an order under paragraph (i) to (iii) of the preceding sub-clause, irrespective of the outcome of the inquiry.
- (e) Suspension under sub-clause (a) (ii) hereof may continue for so long as the employee's continuance in employment with or is likely to be undesirable to be prejudicial to the proper investigation of the charges or the employer carrying on his business.

#### 19. *Non Union Activities :-*

The Union undertaken not to interfere in any of the following matters :

- (a) Social functions organised by the Company,
- (b) Welfare services organised or sponsored by the Company,
- (c) Other activities which are directly or indirectly sponsored by the Company,
- (d) Matters that do not concern in membership.

20. **Trade Union Action.-** The Union and the employees covered and bound by the agreement agree that during the continuance of this Agreement or any renewal thereof, they shall not engage in any strike, go slow, boycott, demonstration or any other form of trade union or collective action in respect of any industrial dispute between the Company and the employees or the Company and the Union whether or not such dispute is related to this Collective Agreement.

21. **Overtime.-** If required by the Company, an employee shall work reasonable overtime which has been authorised by the Company. Refusal to work reasonable overtime in the absence of a satisfactory explanation which is personal to the employee and an acceptable to the Company shall constitute misconduct for which the employee shall be liable to disciplinary action.

#### 22. *Employees Transfers :-*

- (a) The provisions of this clause shall apply only in the event of a transfer within a department or to another department arising in consequence of a reduction in production or the elimination of a particular operation thus resulting in excess staff on that particular operation.
- (b) The term "Transfer" used herein shall have the meaning assigned to it in 'a' above.
- (c) Where the proposed transfer is for a period less than three months, the Company will first attempt to provide the employee with work in the same department and his production earnings will be paid.
- (d) If the Company cannot find work for him in the same department on another operation he has performed earlier, the most junior Operator will be transferred to another department where his production earnings will be paid.
- (e) If on a transfer within or outside his department he does not achieve his minimum basic wage, he will nevertheless be paid his minimum basic wages except in the event of a deliberate "go slow".



- (f) In the event of a transfer, the employee's name, new operation and the period of his transfer must be submitted to the Personal department using the relevant form for each employee.
- (g) In the event of a permanent transfer of an employee from one operation to another operation the provisions of clause 6(d) of the Collective Agreement will apply.
- (h) In effecting Transfers from one department to another.
  - (i) The employee who is the most junior on the particular operation will be transferred irrespective of his service in the Company.
  - (ii) Notwithstanding (a) above where an employee to be transferred on the guidelines set out in (a) above has a minimum of twenty-five years service in the same department, though not on the same job, he will not be transferred and will be offered anyone of the jobs he performed previously and the most junior person will be transferred instead.
  - (iii) Where due to the elimination of an operation an employee with a minimum of twenty five years of service in the same department is to be transferred, he will be given an alternative operation in the same department after a training programme of four weeks, with an average payment. If after the training programme he is found unsuitable, he will be transferred elsewhere he can be provided with work.

23. ***Leave on Occasion of Death of Employee or Family Member :-***

- (a) In the event of the death of an employee in service, Company will donate LKR 100,000/-.
- (b) In the event of the death of a confirmed employee in service, leave will be granted in the following manner for attendance at the funeral of such deceased employee.
  - (i) Provided the distance to the place of the funeral is such that attendance at the funeral will require less than four hours, leave from work for a period not less than four hours will be granted to :
    - (a) Employee in the general shift in the department in which the deceased employee worked.
    - (b) An employee from each department
    - (c) Three branch union officials, and
    - (d) An officer from Death Relief Society
  - To attend such funeral without loss of pay provided however that if employees other than those specifically Identify above also attend the funeral during working hours such employees shall cover up for the work time lost on this account on another day within a week without any claim for additional payment by way of overtime or otherwise.
  - (ii) In the event of the place of the funeral being such that a period in excess of four hours is required for attendance, the Company will grant not less than nine hours of leave subject to the same conditions as given in (i) above.
  - (iii) The question of distance of the place of a funeral will be decided by mutual Agreement between the Management and the Branch Union.
- (c) Transport Facility - Company agrees to grant LKR 10,000/- as transport facility.
- (d) In the event of a death of a family member of a confirmed employee, the employee of the department in which such employee is employed will be granted leave for a period depending on the distance of the place of the funeral but in any event not exceeding four hours which leave, such employees shall cover up by working in lieu without payment of overtime, on another day within a period of one week.
- (e) For the purpose of (d) above, family member shall mean spouse, child, father, mother, mother-in-law, father-in-law and unmarried brothers and sisters under eighteen years of age.

**Employees' Wedding :-**

1. 1/2 day leave will be granted to the respective department and employees. Such employee shall cover up for the work time loss on this account on any Saturday within two weeks without any claim for additional payment by way of overtime or otherwise.

**PART II****CONTAINING THE FACILITIES & CONCESSIONS GRANTED BY THE COMPANY TO THE UNION****24. Union Meetings :-**

1. The following provisions shall apply to meetings of the Branch Union:

- (a) In respect of each meeting which the Branch Union desired to hold at the Company's premises an application for permission shall be previously made to the Company at least 24 hours prior to the date of the meeting.
- (b) If the Company decides to grant permission, the Company shall be entitled to impose, *inter alia*, one or more of the undernoted conditions.
  - (i) That no person other than an employee of the Company shall be present at a meeting of the Branch Union.
  - (ii) On occasions when parent union officials are granted written permission to attend a branch union meeting, the Branch Union shall obtain the written approval of the Company, for such official or officials who is or are to attend the meeting and shall furnish his name or names, address or addresses and the official capacity or capacities or such person or persons in the parent union.
  - (iii) On occasions, such as the annual general meeting of the Branch Union office bearers of the parent union may with previous approval of the Company shall attend.
  - (iv) Fix a time limit within which a meeting of the Branch Union shall be concluded or adjourned.
- (c) It shall be the duty of the Branch Union and its Office bearers to ensure that the terms on which permission to hold a meeting of the Branch Union is granted are duly complied with.
- (d) It shall be the duty of the Branch Union and its office bearers to ensure that no damage is caused in the course of or in connection with a meeting of the Branch Union to the Company's property or any person at the Company's premises and the Union shall indemnify the Company and keep the Company indemnified against any such damage.

2. The following provisions shall apply to meetings of the Executive Committee of the Union:

- (a) Without prejudice to the right of the Company to refuse to grant permission if in its discretion the exigencies of the circumstances warrants permission or if in its discretion the exigencies of the circumstances warrants refusal, the Company will generally grant permission to three members of the Executive Committee, a day's leave for not more than one occasion, in a month without loss of salary for such absence if an application for permission to attend is made at least forty eight hours before the time appointed for holding the meeting of the executive committee.
- (b) For the purpose of paragraph (a) above, the Union shall forthwith furnish the Company with a list of the employees covered and bound by the Agreement who are members of the Executive Committee and keep the Company informed of all changes therein which may be made from time to time. Subject to the amendments contained in this Agreement, the order of provisions contained in the original collective agreement shall continue to be in force.

25. **Duty Leave :-** Without prejudice to the right of the Company to refuse to grant permission if in its discretion the exigencies of the circumstances warrant refusal, the Company will generally grant permission for not more than three Office Bearers of the Branch Union :-

- (a) To be present at conferences held under the aegis of the Company or the Employer's Federation of Ceylon or the Department of Labour, in connection with a dispute between the Branch Union and the Company, or
- (b) To attend before Industrial Courts or Arbitrators at the sole discretion of the Company.

In respect of such absence office bearers shall receive their minimum basic wage.

26. **Domestic Inquiries :-**

- (i) An employee in respect of whom a domestic inquiry is held in respect of charges framed against him shall be entitled to request that a member of the Union be present as an observer at the domestic inquiry.
- (ii) The employee shall, at least 48 hours before the time appointed for the commencement of the inquiry, submit to the Company the name of such observer, and the Company shall allow an observer unless in the opinion of the Company the exigencies of business warrant refusal.
- (iii) An Observer may answer any questions which the person who conducts the inquiry may ask him, but an Observer shall not be entitled to represent the employee or otherwise partake in the inquiry.
- (iv) The person who conducts an inquiry shall be entitled to require an observer who obstructs such inquiry in any manner whatsoever to withdraw there from an observer shall forthwith comply with such requirement.
- (v) 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 thereat, nor the findings pursuant thereto.

27. **Check Off :-**

- (i) During the continuance in force of this Collective Agreement and provided the Union has not less than 40 percent membership among the employees covered and bound by this Agreement, the Company shall on the written request of an employee deduct every month from the wages due to such employees the current Union dues as specified by the employees to be payable by the employee to the Union and remit the amount so deducted to the Union in accordance with the procedure and upon the subject to the conditions hereinafter set forth.
- (ii) Every employee who agrees to the deduction of Union dues from his earnings shall sign a statement to that effect in the form set out in form No. 1 in Schedule F hereto and hereinafter referred to as "an authorisation".
- (iii) Every employee shall be entitled to withdraw his agreement for check-off at any time by signing a statement to that effect in the form set out in form No. 2. In Schedule F hereto and hereinafter referred to as "a revocation".
- (iv) As far as practicable deductions under an authorisation shall commence from the wages due immediately after the date of receipt of such authorisation and shall continue thereafter until the authorisation is cancelled by a revocation.
- (v) As far as practicable deductions under an authorisation shall cease from the date of receipt of a revocation cancelling such authorisation provided however.
  - (a) That the Company shall not be liable in any manner whatsoever to the Union of the employee concern for failure to comply with sub-clause (iv) or (v).
  - (b) That in its discretion the Company shall be entitled not to make deductions by way of check-off for any period in which the deductions by way of check-off together with all other deductions from the employee's wages exceed the deductions permitted by law.

- (vi) The Company shall not later than the fifteenth day of the month succeeding the month in which deductions have been made remit the Union dues deducted from the wages of the employees to the Treasurer of the Union in accordance with the tenor of such authorisation by a cheque payable to the Treasurer thereof and crossed "account payee".
- (vii) 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 at its address for the time being.
- (viii) The Treasurer of the Union shall promptly acknowledge receipt of the cheque.
- (ix) The Company 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.

28. ***Breaches of the Agreement by the Union and/or its Members :-***

If in the opinion of the Employer's Federation of Ceylon the Union or its members have committed a breach of this Agreement then in any such event the Union shall cease to be entitled to enjoy the facilities and concessions granted by the Company in Part II of the Agreement and the same shall stand withdrawn without prejudice to the Company's right to restore such facilities and concessions upon such terms and conditions as the Company and the Employer's Federation of Ceylon may decide.

29. ***Cessation of Facilities :-***

The facilities and concessions in Part II of this Agreement shall *ipso facto* cease on the termination of this Agreement.

### PART III

#### CONTAINING DEFINITION OF CERTAIN WORDS

In part I and II of this Agreement unless excluded by the subject of context the following words shall have the meaning set opposite to them.

WORDS	MEANING
Branch Union	The Branch Union of the Wanija Ha Karmika Sewaka Sangamaya in the Company.
Dispute	Shall have the same meaning as an Industrial Dispute in the Industrial Disputes Act, (1950) as amended or in any act enacted by the National State Assembly to replace the Industrial Disputes Act subject to the provision that it shall not include a dispute involving the variation of this Collective Agreement or one which is in breach of it.
Union	The Wanija Ha Karmika Sewaka Sangamaya.
Employee	An employee covered and bound by this Agreement. Words importing the masculine gender shall include the feminine. Words importing the singular number shall include the plural and <i>vice versa</i> .

1. IN WITNESS WHEREOF  
hereunto set their hand  
Managing Director of Bata  
Limited, THALAKOTUNA  
Human Resources Mana  
Ceylon Limited, have s  
the said Company on th  
Thousand and Fifteen.
2. Ejaz Siddiqui, Finance I  
Ceylon Limited witness  
INDERPREET SINGH an  
PADMINI DE SILVA
3. IN WITNESS WHEREOF  
hereunto set their hand  
Sirimathi Jayanthi Rod  
Advisor of Bata Shoe C  
hand for and on behalf  
day of September of T
4. IN WITNESS WHEREOF  
hereunto set their han  
SARANAPALA DE SILV.  
Sewaka Sangamaya, h  
of the said Union, on t  
Thousand and Fifteen.
5. Witness to the signatu  
SARANAPALA DE SILV
6. IN WITNESS WHEREOF  
hereunto set their har  
SILVA President, Bata  
Sewaka Sangamaya,  
Secretary of Bata Bra  
Sewaka Sangamaya,  
behalf of the said Uni  
Two Thousand and Fil
7. Witness to the signat  
SILVA and RANASING

**SCHEDULE A****WEEKLY PIECE RATED****1<sup>ST</sup> YEAR EFFECTIVE FROM**

GRADES	
MBW	3.8
SPWB	5.0

**WEEKLY PIECE RATED****2<sup>ND</sup> YEAR EFFECTIVE**

GRADES	
MBW	4.8
SPWB	5.8

**WEEKLY PIECE RATED****3<sup>RD</sup> YEAR EFFECTIVE**

GRADES	
MBW	4.8
SPWB	5.8

**SCHEDULE B**

**WEEKLY FIXI  
1 ST YEAR EFFEC**

	A SKILL
1	3433.95
2	3469.36
3	3504.74
4	3540.10
5	3575.49
6	3610.92
7	3646.27
8	3681.66
9	3717.10
10	3752.46
11	3787.83
12	3823.23
13	3858.65
14	3894.01
15	3929.39
16	3964.76
17	4000.13
18	4035.57
19	4070.97
20	4106.34
21	4141.73
22	4177.11
23	4212.49
24	4247.88
25	4283.30
26	4318.66
27	4354.03
28	4389.45
29	4424.82
30	4460.20

**WEEKLY FIXI  
2 ND YEAR EFFEC**

	A SKILL
1	3674.33

2	3712.22
3	3750.07
4	3787.91
5	3825.77
6	3863.68
7	3901.51
8	3939.38
9	3977.30
10	4015.13
11	4052.98
12	4090.86
13	4128.76
14	4166.59
15	4204.45
16	4242.29
17	4280.14
18	4318.06
19	4355.94
20	4393.78
21	4431.65
22	4469.51
23	4507.36
24	4545.23
25	4583.13
26	4620.99
27	4658.81
28	4696.71
29	4734.56
30	4772.41

**WEEKLY FIX****3 RD YEAR EFFEC****A  
SKILL**

1	3931.53
2	3972.08
3	4012.57
4	4053.06
5	4093.57
6	4134.14
7	4174.62
8	4215.14
9	4255.71
10	4296.19
11	4336.69
12	4377.22



13	4417.77
14	4458.25
15	4498.76
16	4539.25
17	4579.75
18	4620.32
19	4660.86
20	4701.34
21	4741.87
22	4782.38
23	4822.88
24	4863.40
25	4903.95
26	4944.46
27	4984.93
28	5025.48
29	5065.98
30	5106.48

# SCHEDULE C

## MONTHLY F 1 ST YEAR EI

### A SKILL

1	14765.35
2	14917.48
3	15069.55
4	15221.66
5	15373.74
6	15525.85
7	15677.93
8	15830.06
9	15982.10
10	16134.23
11	16286.34
12	16438.41
13	16590.52
14	16742.63
15	16894.70
16	17046.82
17	17198.96
18	17351.01
19	17503.12
20	17655.20
21	17807.31
22	17959.40
23	18111.52

24	18253.57
25	18415.70
26	18567.80
27	18719.87
28	18871.98
29	19024.09
30	19176.16

**MONTHLY F**  
**2 ND YEAR E**  
**A**  
**SKILL**

1	15798.92
2	15951.70
3	16124.42
4	16287.18
5	16449.90
6	16612.68
7	16775.39
8	16938.16
9	17100.85
10	17263.63
11	17426.38
12	17589.10
13	17751.86
14	17914.61
15	18077.33
16	18240.10
17	18402.89
18	18565.58
19	18728.34
20	18891.06
21	19053.82
22	19216.56
23	19379.33
24	19542.02
25	19704.80
26	19867.55
27	20030.26
28	20193.02
29	20355.78
30	20518.49

**MONTHLY FE  
3 RD YEAR EF**

**A  
SKILL**

1	16904.84
2	17079.02
3	17253.13
4	17427.28
5	17601.39
6	17775.55
7	17949.67
8	18123.83
9	18297.91
10	18472.08
11	18646.23
12	18820.34
13	18994.49
14	19168.63
15	19342.74
16	19516.91
17	19691.09
18	19865.17
19	20039.32
20	20213.43
21	20387.59
22	20561.72
23	20735.88
24	20909.96
25	21084.14
26	21258.28
27	21432.38
28	21606.53
29	21780.68
30	21954.78

**SCHEDULE D**

**MAINTAINANCE DEPT - M  
1 ST YEAR EFFECTIVE**

**A  
SKILL**

1	17443.57
---	----------

2	17950.59	164
3	18457.59	166
4	18964.56	168
5	19471.51	171
6	19978.54	174
7	20485.53	176
8	20992.54	178
9	21499.49	180
10	22006.49	182
11	22513.49	184
12	23020.49	186
13	23527.45	188
14	24034.44	190
15	24541.46	192
16	25048.43	194
17	25555.42	196
18	26062.44	198
19	26569.40	200
20	27076.40	202
21	27583.38	204
22	28090.38	206
23	28597.37	208
24	29104.38	210
25	29611.35	212
26	30118.38	214
27	30625.37	216
28	31132.37	218
29	31639.37	220

## MAINTAINANCE DEPT - MC 2 ND YEAR EFFECTIVE

	A SKILL	S
1	18664.62	
2	19207.13	
3	19749.62	
4	20292.08	
5	20834.52	
6	21377.04	
7	21919.52	
8	22462.02	
9	23004.45	
10	23546.94	
11	24089.43	
12	24631.92	
13	25174.37	
14	25716.85	

15	26259.36	21
16	26801.82	21
17	27344.30	21
18	27886.81	21
19	28429.26	22
20	28971.75	22
21	29514.22	22
22	30056.71	
23	30599.19	
24	31141.69	
25	31684.14	
26	32226.67	
27	32769.15	
28	33311.64	
29	33854.13	

**MAINTAINANCE DEPT - MOI**  
**3 RD YEAR EFFECTIVE F**

	<b>A</b> <b>SKILL</b>	<b>SEN</b>
1	19971.14	18
2	20551.63	18
3	21132.09	19
4	21712.53	19
5	22292.94	19
6	22873.43	19
7	23453.89	20
8	24034.36	20
9	24614.76	20
10	25195.23	21
11	25775.69	21
12	26356.15	21
13	26936.58	21
14	27517.03	22
15	28097.52	22
16	28677.95	22
17	29258.40	23
18	29838.89	23
19	30419.31	23
20	30999.77	23
21	31580.22	24
22	32160.68	
23	32741.13	
24	33321.61	
25	33902.03	
26	34482.54	
27	35062.99	
28		
29		

**SCHEDULE - DD****STEPS FOR WAGES STRUCTURE FOR ENGINEERING DEPT.**

1. An unskilled worker seeking a promotion to the semiskilled grade should have served a minimum of 5 years in the unskilled grade and have during this period attended a practical course of training in one of the Technical Colleges and his basic grade course duration should be a minimum of 6 months (part time). Further he should satisfy that he has gathered sufficient knowledge.

or

A person has to stay a Minimum of 10 years in unskilled grade and prove to the satisfaction of his supervisors of his capabilities for promotion from unskilled to semiskilled.

2. A Semiskilled worker seeking a promotion, should have worked a minimum of 07 years as a seemiskilled worker and satisfy his superiors his capabilities handling skilled work.

Further he should have suitable technical qualifications covering his Trade obtained from a Tehnical College and should be conversant in reading manuals, catalogues, etc., in his trade.

3. Trade learners and Apprentices should have followed a full time course in their respective field for a period not less than 3 years. After a period of one year they will be entitled to go to a semiskilled grade provided they satisfy their superior of their capabilities.

**SCHEDULE - E**

The Company shall pay to each of the standard production wages rated employee covered and bound by this Agreement an annual long service award commencing in December 1991 and thereafter in December of each succeeding year during the continuance in force of this Agreement. Provided, however, that such Long Service Award shall not be payable to any employee who has not completed a full calendar years' service. The Long Service Award shall be paid in accordance with the scales set out below and such award shall be deemed to be part of wages only for the purpose of computing the bonus referred to in Clause 13 of this Agreement and Provident fund Contributions.

**YEARS OF SERVICE****LONG SERVICE AWARD**

1 - 5 years	LKR- 575/-
6 - 10 years	LKR 725/-
11 - 15 years	LKR 925/-
16 - 20 years	LKR 1,075/-
21 - 25 years	LKR 1,275/-
26 years and above	LKR 1,650/-

**Memorandum of Settlement**

Entered into under the  
Provisions of the Industrial Disputes Act, No. 1950 (as amended)

Between

**Bata shoe Company of Ceylon Limited**  
(Hereinafter referred to as "The Company")

And

**The Commercial & Industrial Workers Union**  
(Hereinafter referred to as "The Union")

The matters set out in the list of demands annexed to the Union's letter to the Company of 18th September 2014 are all deemed to be settled in terms of the collective agreement entered into between the parties on 6th July, 2015 and this memorandum of settlement. A copy of the Union demands annexed to the letter of 18th September, 2014 is annexed hereto as Annexure I.

## DEMAND NO. 01 - WAGES

### (a) WAGES SCALE

The company agrees to revise the wage scales of the respective categories of employees as set out herein under and accordingly; the wages of employees will be increased as follows:

- (i) An increase by a sum equal to six percent (6%) of the wages applicable as at 1st January, 2015 to 31st December, 2015 (1st Year)
- (ii) An increase by a sum equal to Seven percent (7%) of the wages applicable as at 1st January, 2016 to 31st December, 2016. (2nd Year)
- (iii) An increase by a sum equal to Seven percent (7%) of the wages applicable as at 1st January, 2017 to 31st December, 2017. (3rd Year).

### (b) Limit the duration of collective agreement for two years.

- The union's proposal cannot be considered. Agreement will be finalized for three years commencing from 01st January, 2015 to 31st December, 2017.

## DEMAND NO. 02 - NRCOLG

1. Current monthly advance payment to be increased from LKR 7,500 to LKR 10,000

- Agreed to increase the advance payment to LKR 10,000 from August 2015 to December 2015 and full amount will be paid monthly w.e.f January 2016 at every month end as follows:

Monthly and Weekly Fixed Employees - Rs. 11,882  
Piece Rate Employees - Rs. 12,081

2. Increase NRCOLG index to LKR 105 from the current rate.

- Present practice will be continued.

## DEMAND NO. 03 - BONUS

1. The current bonus of one and half months (1 & 1/2) to be increased to two months.

- Present practice will be continued.

2. If any employee served at least 6 months on his retirement year he should be paid full year bonus.

- Agreed to pay proportionate bonus, only for the retiring employee, if any employee served at least 9 months on her/his retirement Year. (Weekly paid employee - week 31 and Monthly paid employee - 31st July)

## DEMAND NO. 04 - MEDICAL FACILITIES

1. Increase current spectacles allowance from LKR 500 to 5,000.

- Amount will only be increased to LKR 1,000 once in two years.

2. For the employees who do special work in the engineering department such as welding, grinding etc; if they were advised to change the lenses of their spectacles the company should reimburse the full amount of their expenses.

- The Union's proposal cannot be considered.

3. In case of a surgery, 50% of the expenses to be borne by the company.

- The Union's proposal cannot be considered.

**DEMAND NO. 05 - MEDICAL INSURANCE SCHEME**

1. Present medical insurance scheme used by the management to be extended to all the employees.

- The insurance scheme that is currently being enjoyed by the staff members facilitating hospitalization and OPD, to be introduced.

**DEMAND NO. 06 - CASUAL LEAVE**

1. With regard to the casual leave clause No. 8 of the current union agreement to be removed.

- The Union's proposal cannot be considered. Present practice will be continued.

**DEMAND NO. 07 - ALLOWANCES**

1. Long service award allowance paid to employees, who have worked more than 25 years to be increased by 100%.

- Amount will be increased to LKR 25,000/- for the employees who have completed 25 years as follows.  
– LKR 15,000 by cash and LKR 10,000 worth Bata Gift Voucher to the employees who are on the payroll as on 31st August, 2015.

2. The gift allowance paid at the retirement, to be increased by 100%.

- Amount will be increased to LKR 8,000 for the employees who will retire after 1st September, 2015.

3. Allowance given (payment) for the annual excursion to be increased from LKR 60,000 to LKR 120,000 annually.

- Amount will be increased to LKR 90,000

4. 100% increment for the value given to the shoe purchase card with 25% discount.

- Present practice will be continued.

5. A pair of shoes to be gifted for a member of the union as a birthday gift.

- A Bata Shoe Gift Voucher of LKR 1,000 is being given to all members of union on their birthday.

6. Present practice of departmental operations of paying 90% allowance for the interdepartmental transfer to be included into the collective agreement.

- Union demand cannot be considered. Present practice will be continued.

7. To reduce the number of grades from 8 to 6.

- Present practice will be continued.

8. Operators who are having more than 15 years' of service to be made as fixed wage operators in grade A.

- Union demand cannot be considered. Present practice will be continued.

9. Maximum wage should be paid for the operators in case of a short supply of raw materials.

- Only in case of non-availability of material to make full production, 90% of the maximum wages will be paid for the operators subject to the following conditions:

- (a) Operator will not refuse to work in the same or any other departments to undertake production on that given day.
- (b) On refusal of work in same of other department, only minimum wages will be paid.

10. Operators who are presently in fixed grade, engaged in piece rate operation to be paid an incentive payment.

- Present practice will be continued.

11. Maximum wages to be paid for higher grade operators who are engaged in lower grade operations.

- When a higher grade employee deployed in lower grade operations, the maximum of their relevant grade is to be paid.



**DEMAND NO. 8 - ANNUAL VACATION**

- 1 Present payment of LKR 50 for the employees working during the annual vacation to be increased up to LKR 200/-
  - Amount will be increased to LKR 100/-

**DEMAND NO. 9 - SICK LEAVE**

- 1 To grant permission to apply leave after 5 occasions of AWL by informing only to the department manager without a medical certificate.
  - Permission granted to apply leave without a medical certificate only up to 7 occasions of AWL.

**DEMAND NO. 10 - SCHOLARSHIP AWARD**

- 1 Scholarships award to be increased by 100%.

**Grade V Scholarships**

The Company will grant a scholarship Award of LKR 7,500 per child for 15 children of the employees who have qualified at the scholarship examination. In the event of there being more than 15 such children, the company will select the best 15 based on their marks obtained.

**Scholarships- University Entrance**

The company will grant a scholarship of LKR 12,500 per child for 10 children of the employees who have qualified for university entrance. In the event of there being more than 10 such children, arrangement will be made with the university to choose the 10 most meritorious. The amount shall be same for the entire University stay of each student.

**DEMAND NO. 11 - TRAVELLING**

Employees who engaged in travelling should be paid substantial allowance for breakfast, lunch, dinner, tea and lodging.

- Amount will be paid as per the Travelling Policy of the Company.

**DEMAND NO. 12** Furthermore the employees those who are presently practicing and enjoying facilities and benefits should be remain unchanged.

**All agreed terms will be effective  
increase which will be effective**

**Inderpreet Singh  
For & on behalf of  
BATA SHOE COMPANY OF CEYL**

**Signed before me on the 3<sup>rd</sup> day of**

**JAYANTHI RODRIGUES  
Attorney-at-Law, Notary  
Commissioner for Oaths  
Company Secretary  
106/32A, Uyana Road  
Moratuwa  
Sri Lanka**

**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 Karmantha Kamkaru Sangamaya (All Ceylon Commercial & Industrial Workers' Union), No. 457, Union Place, Colombo 02 of the other part on 28th day of August, 2015 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

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

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

**Collective Agreement No. 19 of 2015**

THIS COLLECTIVE AGREEMENT made on this Twenty Eighth Day of August Two Thousand and Fifteen to take effect from the First day of June 2015, 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 KARMANTHA 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 a Manual and Labouring capacity in classes of employees enumerated in the Second Schedule hereto, excluding employees who are not employed in a Manual and Labouring capacity, and who at the time of signing 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 and rescinded from the First day of June, 2015.

4. **Date of Operation and Duration.** - This Agreement shall be effective as from the First day of June, 2015, 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 Seventeen and such notice shall not expire before the Thirty First day of May Two Thousand and Seventeen.

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 employment between an Employer bound by this Agreement and an Employee covered and bound by the Agreement, whether such contract of employment 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 an 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 an Employer shall indicate to the employee in writing the reason why the probationary period has been extended. During the period of probation extended probation The employer shall have the right to terminate the services of the employee without notice. Unless there is written confirmation to that effect, no probationer is deemed to have been confirmed.

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 2015 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) Recommend 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 2015 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 2015) with effect from 1st June 2015. Thereafter, a sum of Rs.800 will be consolidated into the wage with effect from 1st June 2015 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 2016, a further salary increase of 10% will be granted to every employee based on the basic salary as at May 2016. Thereafter, a sum of Rs.850 will be consolidated into the wage with effect from 1st June 2016 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 service 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:

- |   |   |
|---|---|
| (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<br>(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. 13,500 shall be paid in the month of December 2015.
  - (b) A sum of Rs. 13,500 shall be paid in the month of December 2016.
- (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 half 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 half amount of 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 the period of employment shall be a period not less than five years of continuous service.
- (6) The terminal benefits provided for in this clause shall be payable to an 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.
- (11) Any workman to whom a gratuity is payable and whose services have been terminated for reasons of fraud, misappropriation of funds of the employer, willful damage to property of the employer, or causing the loss of goods, articles or property of the employer, shall forfeit such gratuity to the extent of the damage or loss caused by him.

**22. Bonus.-**

- (1) Both parties agree that the payment of Bonus is entirely contingent upon the profit of the Company, and the quantum of bonus will be determined at the discretion of the employer having taken into account the performance in terms of the profit of the Company.
- (2) Any dispute relating to the payment of Bonus shall be resolved at a discussion with the Union and the Employer.

**23. Annual Increments.-** The annual increments provided in each grade of the scales of consolidated wages in the Second 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) Sususpended, 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 .

**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 one month after due inquiry.
  - (d) The period of suspension, pending final domestic inquiry, may be extended on justifiable grounds such as conducting of a preliminary inquiry/ inquiries.
- (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 (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 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 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 sixty (60) working days from the date of the employee's suspension, the employee shall be entitled to half his normal remuneration for the period of sixty (60) days from the date of such suspension and to his full remuneration for the period of suspension in excess of sixty (60) 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 hundred and twenty (120) 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 hundred and twenty (120) 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 Employee 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 are 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 employee's 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 duty 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 fourteen (14) 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 fourteen(14) 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 to 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* and vindictive and 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 seven (07) days notice in writing shall be given by the Union to the employer concerned, the federation and the Commissioner of Labour before the date of commencement of any intended strike or other form of trade union action consequent on 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 or 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 as 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 bearers 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 his 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 "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 cancelling 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 deductions 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 preceeding to the Treasurer of the Union concerned 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 Twenty Eighth (28 ) day of August Two Thousand and Fifteen.

**BROWN & COMPANY  
(PRIVATE)  
ENGINE**

**GRO  
BROWN**

**FO  
SAMASTHA LANKA  
SANGAMAYA  
INDUS**

**ALL CEYLON COMMER**

Witnesses to the above signatures

1.

**Name:** Kapila Dissanayake

**Designation:** Senior Asst. Director  
Head of Advisory Ser  
Employers' Federation

**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 2

STAGE	UNSKILLED
1	13,200
2	13,450
3	13,700
4	13,950
5	14,200
6	14,450
7	14,700
8	14,950
9	15,200
10	15,450
11	15,700
12	15,950
13	16,200
14	16,450
15	16,700
16	16,950
17	17,200
18	17,450
19	17,700
20	17,950
21	18,200
22	18,450
23	18,700
24	18,950
25	19,200
26	19,450
27	19,700
28	19,950
29	20,200
30	20,450
31	20,700
32	20,950
33	21,200
34	21,450
35	21,700



SCHEDULE 2

STAGE	UNSKILLED
36	21,950
37	22,200
38	22,450
39	22,700
40	22,950
41	23,200
42	23,450
43	23,700
44	23,950
45	24,200
46	24,450
47	24,700
48	24,950
49	25,200
50	25,450
51	25,700
52	25,950
53	26,200
54	26,450
55	26,700
56	26,950
57	27,200
58	27,450
59	27,700
60	27,950
61	28,200
62	28,450
63	28,700
64	28,950
65	29,200
66	29,450
67	29,700
68	29,950
69	30,200
70	30,450
71	30,700

## SCHEDULE 2

STAGE	UNSKILLED
72	30,9
73	31,2
74	31,4
75	31,7
76	31,9
77	32,2
78	32,4
79	32,7
80	32,9
81	33,2
82	33,4
83	33,7
84	33,9
85	34,2
86	34,4
87	34,7
88	34,9
89	35,2
90	35,4
91	35,7
92	35,9
93	36,2
94	36,4
95	36,7
96	36,9
97	37,2
98	37,4
99	37,7
100	37,9
101	38,2
102	38,4
103	38,7
104	38,9
105	39,2
106	39,4
107	39,7

SCHEDULE 2

STAGE	UNSKILLED
108	39,950
109	40,200
110	40,450
111	40,700
112	40,950
113	41,200
114	41,450
115	41,700
116	41,950
117	42,200
118	42,450
119	42,700
120	42,950
121	43,200
122	43,450
123	43,700
124	43,950
125	44,200
126	44,450
127	44,700
128	44,950
129	45,200
130	45,450
131	45,700
132	45,950
133	46,200
134	46,450
135	46,700
136	46,950
137	47,200
138	47,450
139	47,700
140	47,950
141	48,200
142	48,450
143	48,700

## SCHEDULE 2

STAGE	UNSKILLED
144	48,9
145	49,2
146	49,4
147	49,7
148	49,9
149	50,2
150	50,4
151	50,7
152	50,9
153	51,2
154	51,4
155	51,7
156	51,9
157	52,2
158	52,4
159	52,7
160	52,9
161	53,2
162	53,4
163	53,7