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## PART I: SECTION (I) – GENERAL

### Government Notifications

My No. : CI/ 1494

#### THE INDUSTRIAL DISPUTES ACT-CHAPTER 131

The Collective Agreement entered into between SriLankan Airlines Limited, Airline Centre, Bandaranaike International Airport, Katunayake of the one part and The Association of Licensed Aircraft Engineers, P.O.Box 54, Katunayake of the other part on 7th day of January 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.  
07th December 2015.

#### Collective Agreement No. 20 of 2015

#### SRILANKAN AIRLINES LICENSED AIRCRAFT ENGINEERS COLLECTIVE AGREEMENT 2014

##### 1. *Arrangement and Index..-*

This Agreement is arranged as follows :

Subject Matter	Section Number	Page Number
Arrangement and Index	1	1
Title	2	2
Names of the Parties	3	2
Short Recital and General Agreement	4	2
Duration of Agreement	5	4



Parties Covered and Bound	6	4
Recognition	7	4
Monthly Basic Salary Scales	8	5
Basic Salary Increases During this Agreement	9	5
Special Premium Allowance	10	6
End of Year Payment	11	6
All other Allowances	12	6
Income Tax and Statutory Deductions	13	9
Uniforms	14	9
Travel Benefits and Concessions	15	10
Trade Union Facilities	16	10
Grievance and Dispute Procedure	17	11
Trade Union Action	18	11
Signatures of Agreement	19	11
Minimum Job and Grade Requirements for L 1 - L4	Appendix A	13
Summary of All Approval Allowances	Appendix B	14
Letter 1	Appendix C	14
Letter 2	Appendix D	15

**2. Title.** — This Agreement is the ‘SriLankan Airlines Licensed Aircraft Engineers Collective Agreement 2014’, and hereinafter shall be known and referred to as the ‘Agreement’.

**3. Names Of The Parties.** —

- 3.1 This Agreement is hereby made and entered into pursuant to section 5 of the Industrial Disputes Act, No. 43 of 1950, and is effective from 01 st June 2014 between the parties listed in Clauses 3.2, 3.3 and 3.4 below. In this Agreement, the term ‘Engineers’ or ‘Employees’ shall mean all those Engineers covered by either sections 3.3 and 3.4 in this Agreement below.
- 3.2 SriLankan Airlines Limited, a Company incorporated in Sri Lanka bearing the Company registration number PB 67 with its official registered office address as Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka, hereinafter called the ‘Company’ (which expression wherever the context so admits shall include and mean it's successors and assigns).
- 3.3 The Association of SriLankan Airlines Licensed Aircraft Engineers, an Employee Association registered in Sri Lanka under Section 10 of the Trade Union Ordinance under registration number 8164, whose official registered office address is P.O. Box 54, Katunayake Sri Lanka, hereinafter called the ‘Association’ (which expression wherever the context so admits shall mean and include it's successors, assigns, replacement and all Employees who are fully paid-up members of the Association locally employed in a permanent capacity in grades L1-L4 of the Engineering grade structure and in employment as at the date of signing this Agreement who are covered and bound by this Agreement).
- 3.4 Other individual Engineers locally employed in a permanent capacity in grades L1-L4 of the Engineering grade structure and in employment as at the date of signing this Agreement, who are not members of the Association but who nevertheless wish to accept the terms and conditions of this Agreement by signing on an individual basis.

**4. Short recital And General Agreement .—**

- 4.1 WHEREAS demands and requests were made by the Association of Licensed Aircraft Engineers for a revision of terms and conditions of employment of their members employed by the Company (noting that the existing terms and conditions of employment of Engineers were previously been recorded in the Collective Agreement between the Company and the Association of Licensed Aircraft Engineers dated 24 th May 2011 which was valid from 01 st June 2010 and expired on 31 st May 2013).
- 4.2 AND WHEREAS the Association has verified to the satisfaction of the Company that it represents at least 40% of the Engineers in Grades L1-L4 employed in a permanent capacity by the Company in Sri Lanka.
- 4.3 AND WHEREAS having received the demands and requests from the Association, the Management of the Company discussed and negotiated with the Association, and during the process of negotiations were able to finally reach agreement on the matters contained herein, on the understanding that any and all other matters raised would be regarded as having been withdrawn in favour of this finalised ‘SriLankan Airlines Licensed Aircraft Engineers Collective Agreement 2014’.
- 4.4 AND WHEREAS the intention of both parties was that this Agreement would ensure operational and industrial peace and harmony, improved overall efficiency of the Engineering and Maintenance Department, an improvement in overall performance and productivity including the ability to rotate and cross-utilise experienced Employees between operational and support areas, co-operation between

the Employer and Employee, and a contented and highly motivated workforce. The parties to this Agreement have a common objective in ensuring the proper and successful functioning of the Company, as only this can safeguard the welfare of both the Company and all the Employees.

4.5 AND WHEREAS the parties have agreed that there would be strict compliance with all procedures, terms and conditions agreed in this Agreement, and it is agreed by the parties that they would honour and abide by their respective obligations, respective the rights of each other as set out in this Agreement.

4.6 NOW KNOW YE AND THIS AGREEMENT WITNESSETH THAT as a result of said discussions, and that for and in consideration of the above premises and the mutual terms and conditions set out in this Agreement, the Association of Licensed Aircraft Engineers and the Company have reached this Agreement, which includes clauses for the enhancement of salaries and various allowances to further improve the employment conditions offered by the Company.

4.7 AND THAT parties have agreed that there would be compliance with all existing procedures, processes and regulations that are not otherwise specified in the Agreement but have been included in the 'people Administration and Engagement Policy Manual' of the Company. In the event of a conflict or inconsistency between the terms and conditions of this Agreement and any pre-existing terms and conditions or practices, then the terms and conditions specified in this Agreement shall prevail.

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

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

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

4.8 AND THAT this Agreement covers all the demands and claims of the Association of Licensed Aircraft Engineers contained in their original requests and demands and other issues brought for negotiation and discussions during the course of bargaining of the said demands in full and final settlement thereof, and that all demands, claims and requests raised by the Association of Licensed Aircraft Engineers are hereby withdrawn or settled or satisfied in terms of and / or in consideration of this Agreement.

4.9 AND THAT in consideration of this Agreement, the Association of Licensed Aircraft Engineers and its members and the Management shall not during the continuance of this Agreement seek to vary, alter or add to, all or any of the terms and conditions of employment or benefits contained as provided for in this Agreement, other than by mutual agreement.

4.10 AND THAT the terms and conditions of this Agreement effective from 01st June 2014 shall be deemed to be included in all the contracts of employment between the Company and all Engineers covered and bound by this Agreement, whether such contract of employment be written or not, and which was subsisting as at 01st June 2014 or shall come into being at any time thereafter during the continuance of this Agreement.

4.11 AND THAT if, and in so far as, any provisions contained in this Agreement are superseded by mandatory law in Sri Lanka, all other provisions not so superseded shall remain in full force and effect.

4.12 AND THAT it is agreed that any dispute over the interpretation of this Agreement shall be settled by reference to the Commissioner of Labour, or where such decision is not acceptable by voluntary arbitration under section 3(1)(d) of the Industrial Disputes Act.

4.13 IT IS ALSO AGREED THAT the minimum terms and conditions of service which apply to all Engineers employed in a permanent capacity in grades L1-L4 of the Engineering grade structure who are covered and bound by this Agreement shall be those provided for in this Agreement.

4.14a AND THAT the Association and/ or its members shall not resort to any form of Trade Union action except cases stipulated in clause 4.14 (b) in respect of any matter covered or arising out of this Agreement and during the period of this Agreement is in force.

4.14b The Association reserves the right to resort to Trade Union action after due notice in the event any matters not referred to herein which have been duly brought to the notice and discussion with the Management and where no satisfactory solution has been found after having resorted to the grievance and dispute procedures embodied herein.

**5. Duration of Agreement.-**

- 5.1 This Agreement shall come into effect from 1st June 2014, and thereafter continue to be in force unless it is determined by either party to terminate, giving one month's notice in writing to the other, provided however that one party hereto shall not give notice to other party before 01st May 2017 and such notice shall not expire before 31st day of May 2017. This shall not preclude discussions taking place and commencing at any time after 01st December 2016 between parties for a revision of the Agreement to be effective from 1st June 2017. In the event no agreement is signed and in place by the 1st day of June 2017, then any agreement signed thereafter will be back dated to be effective from the 1st day of June 2017 and basic salary and special premium allowance will be back dated and paid from the effective date agreed. The above condition is subjected to section 9 of the Industrial Disputes Act, No. 43 of 1950.
- 5.2 Subject to Clause 4.7 earlier, this Agreement replaces in full the previous Agreement between the Company and the Association of Licensed Aircraft Engineers dated 01 st June 2010, which was valid from 1st June 2010 and expired on 31st May 2013. Any clause that may have been in the previous agreement is considered revoked unless repeated and carried-forward into this new Agreement.
- 5.3 Subject to Clause 4.7 earlier, this Agreement replaces in full all prior agreements, and replaces all prior working practices, and replace all prior terms and conditions of employment for Engineers employed in a permanent capacity in grades L1-L4 of the Engineering grade structure.

**6. Parties covered and Bound.-**

- 6.1 This Agreement shall cover and bind the Company.
- 6.2 This Agreement shall cover and bind the Licensed Aircraft Engineers locally employed in the permanent capacity in grades L1-L4 inclusive of fully paid-up members of the ALAE.
- 6.3 This Agreement shall cover and bind all individual Employees locally employed in a permanent capacity as referred to in Clause 3.4 above.

**7. Recognition.-**

- 7.1 The Company recognition the right of the Association to represent the interests of, and when required negotiate on behalf of, all categories of locally employed Engineers employed in the permanent capacity that are classified in the L1-L4 Engineering grades of the Sri Lankan Airlines grading structure in Sri Lanka who are fully paid - up members of the Association.
- 7.2 The Company recognises the right of the ALAE to exercise the ALAE functions in accordance with the laws of Sri Lanka, and to manage the ALAE affairs without interference.
- 7.3 Such recognition by the Company of the ALAE shall continue as long as the ALAE holds the status of Collective Bargaining Agent of the Licensed Aircraft Engineers in grades L1 - L4 of the Engineering grading structure of the Company, and can verify that at least 40% of all locally employed Licensed Aircraft Engineers employed in grades L1 - L4 are fully paid - up members of the ALAE.
- 7.4 The ALAE recognition the right of the Company to plan, organise and manage the operation of each location in order to achieve maximum safety, efficiency and profitability in the operation. This right includes. *inter - alia*, the recruitment, engagement, control, discipline, termination, upgrading, promotion, demotion, transfer and dismissal of Employees (always in accordance with the laws of Sri Lanka and the procedures and manuals of the Company). This right also includes, *inter - alia*, the use includes, *inter - alia* the determination of the rosters, working patterns and times, methods and manner of working, the introduction of technical improvements, and the decision to modify, extend, curtail or cease operations, and all safety aspects of the operation. The Company will always exercise the above mentioned rights within the limits prescribed under all applicable laws of Sri Lanka and in accordance with all applicable procedures and manuals of the Company and in accordance with the terms and conditions of this Agreement.

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

**8. Monthly Basic Salary Scale. —**

- 8.1 The Monthly basic salary scales will be adjusted effective from 01st December 2014 until 31st May 2017, and expressed in Sri Lankan Rupees (LKR) per month as follows.

Grade	01/12/2014 LKR	01/06/2015 LKR	01/06/2016 LKR	2014-2017 Maximum LKR
L1	70,000	77,000	85,000	187,310
L2	115,000	125,000	135,000	293,260
L3	175,000	185,000	195,000	448,560
L4	200,000	210,000	220,000	546,080

- 8.2 Under no circumstances may the monthly basic salary of an Engineer, as referred to in Clauses 3.3, and 3.4, exceed the prescribed limit maximum salary of their grade.
- 8.3 All new externally recruited Engineers who will be taken on the payroll of the Company subsequent to the date of signing this Agreement will ordinarily be placed at the minimum of the scale relevant to their grade. Provided that nothing shall prevent the Management from exercising its sole right and discretion to offer a commencing salary at a higher level than the minimum of scale relevant to each grade depending upon merits as considered appropriate by the Management.
- 8.4 The above revised salary scales, applicable allowances and other enhanced benefits (as given in this Agreement) will be applicable to those Employees who are in employment as at the date of signing the Agreement.

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

**9.1 Annual Performance Based Increment**

The actual individual monthly basic salaries of all Employees covered by this Agreement (except those on probation) will be further revised ranging from 0.0% to 6.0% (with an average of 3.0%) depending upon individual performance effective 01st June 2014 to 31st May 2017 as the Annual Performance Based Increment. This increase will also be applicable to the Special Premium Allowance.

**9.2 Annual Fixed Increment**

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

Grades	01 Jun. 2014	01 Jun. 2015	01 Jun. 2016
L 1-L4	10%	11%	12%

- 9.3 If the Company intends to recruit Expatriate Engineers or any other person who carries out same duties in L Grades in the future, the Company has the right to offer annualised salary up to the equivalent value of the annual salary of an Engineer recruited in L Grades on local terms. This salary will not be higher than the annualised salary of an L Grade Engineer on local terms. This will not apply in respect of Child Education and Housing Allowance.
- 9.4 Company agrees that in the event a Duty Engineer in grade L4/Engineer in grade L3 is transferred/promoted as Assistant Manager, he/she will receive a sum, which is equivalent to the shift allowance plus a 10% increase on the basic salary and Special Premium Allowance.
- 9.5 In the event of an upgrading from T3 to L1 in the Company grading structure, the Employee will receive a 15% increase on the basic salary and Special Premium.
- 9.6 In the event of an upgrading from L1 to L 2, L2 to L3 and L3 to L4 in the Company grading structure, the Employee will receive a 6% increase on the basic salary and Special Premium.

**10. Special Premium Allowance. —**

- 10.1 The actual individual Special Premium Allowance after the Performance based increment in June each year for all Employees covered by this Agreement will be increased on 01st June each year as per the schedule below effective 01st June 2014. This schedule will be applicable for the period June 2014 to May 2017.

Grades	01 Jun. 2014	01 Jun.2015	01 Jun. 2016
L 1-L4	10%	11%	12%

- 10.2 The following Special Premium Allowance Scales will be applicable from 01st December 2014.

Grades	01.12.2014 LKR	01.06.2015 LKR	01.06.2016 LKR
L 1	90,000	100,000	110,000
L 2	140,000	150,000	160,000
L 3	210,000	225,000	240,000
L 4	230,000	245,000	260,000

- 10.3 The performance-related merit increases will also be applicable to Special Premium allowance.

**11. End Of Year Payment. —**

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

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

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

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

In the event there being a requirement to formulate a more favourable scheme, as an outcome of the pending case relating to the 13 th Month incentive, the Company and the ALAE shall discuss such outcome and agree on the way forward in compliance with the legal requirements.

**12. All Other Allowances. —****12.1 Transport**

All Engineers in grades L1-L4 will be eligible for a Transport allowance limited to Rs. 54,000/- per month. This will be included in monthly payroll and will be subject to tax as per the Law. This allowance shall cease to exist and shall therefore not be considered as part of Employee Terms upon the implementation of the new transportation pick-up and drop-off service for the benefit of the Engineers who are rostered to work on shifts which will be discussed and agreed by both parties.

**12.2 Telephone Allowance**

If an Engineer who is covered and bound by this Agreement is required to use their own personal mobile telephone for Company business, then they will receive a flat monthly telephone allowance of Rs. 3,000 per month. If an Engineer is paid this monthly telephone allowance then they will be expected to be contactable at all times as and when required including their working hours.

**12.3 Payment for Working on a Day- Off**

There is no eligibility for overtime payments for Engineers who are covered and bound by this Agreement on account of their being considered as Executives in the Company grade structure and exercising authority in that capacity. It is agreed by all parties that on occasions and Engineer will be required to work beyond the rostered shift for operational reasons, and that no overtime payments apply for these required extension hours on a rostered working day. However if called to work as set out in (a) hereunder, they shall receive an out of pocket allowance in lieu of the additional hours of work. Such out of pocket allowance will be calculated on the same basis as with the allowance that is paid when they perform duties on a 'day-off'.

However, on occasions and Engineer may be required for work on a day-off, they shall receive a day-off payment per hour for each hour worked, as follows, subject to a minimum payment of 6 hours.

Grade	LKR
L1	2500
L2	3000
L3/L4	3500

There shall be no entitlement for any time-off-in-lieu.

- (a) If an Engineer continues to work after duty for 2 hours or more, or they are called early for duty before 02 or more hours, payment will be made for each hour as per the rates set out above.

#### 12.4 *Flying Spanner Allowance*

It is agreed that on occasions an Engineer may be required to for work on a day-off as a flying spanner. Performing flying spanner duties means that an Engineer is required to accompany an aircraft for the purposes of certification of that aircraft at an overseas on-line station.

In these cases when an Engineer works on a day-off to perform flying spanner duties, they shall receive an hourly Flying Spanner Allowance (FSA) of USD 25.00 per hour for each hour worked on a day-off, subject to a minimum payment for 4 hours which is a minimum of USD 100.00 per occasion, and subject to a maximum payment for 15 hours which is a maximum of USD 375.00 per occasion. The Flying Spanner Allowance (FSA) is only applicable when the Engineer goes away from Colombo and returns to Colombo except on layover flights. There shall be no entitlement for any time-off-in-lieu.

Payment of FSA Per occasion will commence at initial chocks-off in Colombo, and will finish at the final chocks-on back in Colombo. Actual qualifying time will then be rounded up to the nearest full hour. However, if the Engineer is away from the aircraft (either whilst on a layover during a hotel stay away from Sri Lanka, or whilst the aircraft is grounded for any reason at the overseas destination), then the FSA ceases from the time the Engineer leaves the aircraft at the overseas destination until returning to duty at the aircraft at the overseas destination. However, during the said period Meal Allowance and Night stop Allowance will be applicable as per the Company Policy.

If an Engineer is asked to perform duties as a flying spanner on a normal rostered working day, then Flying Spanner Allowance (FSA) does not apply. Nor is there any eligibility for overtime payments for Engineers who are covered and bound by this Agreement who have to extend a normal rostered working day by performing flying spanner duties.

The revised rates will be applicable from the date of signing the Agreement.

When an Engineer receives Flying Spanner Allowance for operating as a flying spanner on a day-off, then they do not receive any other payment as described in section 12.3 for working on a day-off.

Business Class seat will be allocated for Engineers on all flight observation duties only.

All Engineers who perform planned flight observation duties which consist of 15 hours or more (long sectors) minimum of 08 hours rest should be provided with Hotel Accommodation (Lay over to be planned prior to departure from CMB).

After attending to Aircraft On Ground (AOG) situations in overseas stations where we have on line operations, if Engineers have been working for continuous 12 hours or more, subject to possibility of arranging entry permits by the Station staff, hotel accommodation will be provided with a minimum rest of 08 hours.

Wherever possible, Management will endeavour to provide passenger aircraft for Engineers to travel on AOG situations.

Company will provide home drops and pick-ups for the Engineers who are on or flight observer duties.

#### 12.5 *Meal Allowances as a Flying Spanner*

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

Allowance	Payment	Timing
Breakfast	USD 25.00	07.30-08.30
Lunch	USD 25.00	12.30-13.30
Dinner	USD 25.00	19.30-20.30

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

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

Night-Stop		
L1-L3	USD 30.00	On-duty at 00.01 and layover included.
L4	USD 40.00	On-duty at 00.01 and layover included.

#### 12.6 Approval Allowance

A detailed summary of all approval types and associated Approval Allowance payments that apply to locally employed permanent engineers in grades L 1- L 4 inclusive is provided in **Appendix B** to this Agreement.

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

The underlying intention and philosophy of the Company is to pay a monthly approval allowance of Rs. 15, 000 regardless of aircraft-type for each recognised and required approval-type to any Engineer who holds a recognised approval-type and is required to utilise that approval as part of their regular working duties on an aircraft that is part of the Sri Lankan Airlines fleet.

This same underlying philosophy of Rs. 15,000 per month per approval-type has also been used as the underlying philosophy in determining other types of license pay or approval pay on a relative *pro-rata* basis for other types of certifications and approvals.

Where the approval-type relates to a current approval on an aircraft that is in operation in the SriLankan Airlines fleet at the time of payment, then 100% of the relevant approval allowance shall be paid. However, such payment shall immediately cease to be payable if and when an aircraft type ceases to be in operation in the SriLankan Airlines fleet. There will be no negative impact to the remuneration package of individual Engineers in the event of this being implemented.

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

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

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

The overall cumulative maximum monthly approval allowance that an individual Engineer may receive in any one month shall be Rs. 200,000 per month.

#### 12.7 Stationing

- (a) If a Station Engineer is required to be away from the station for operational or urgent personal reasons approved by the Management for two days or more, Management will take steps to send a relief engineers depending on the operational requirement.
- (b) If a relief Engineer is sent to a station to cover duties of the Station Engineers, he should be given HOTAC with bed and breakfast in a Four Star Hotel wherever possible.



- (c) Tickets - Posting and De-posting - same priority which is ID00S1/02.
- (d) Medical benefits - Medical benefits given to Posted Country Managers and/or Station Managers in the same station will be applicable to Engineer's on Postings.
- (e) Airport Lounge facility for Posted Engineers - Posted Engineers on duty, to get lounge facility in Colombo and in Overseas stations as per Company Policy.
- (f) Domestic Duty Travel within India - Payment of local currency equivalent of meal allowance currently being paid to Flight Crew and Cabin Crew, during AOG situations : Within India this will be paid based on Breakfast/Lunch/Dinner timings, as for Flight Crew and Cabin Crew.
- (g) When an Engineer is required to work in overseas including relief duty other than stationing HOTAC to be provided with Bed and Breakfast basis in a Four Star Hotel wherever possible, and meal allowance will be paid as per clause 12.5.

#### 12.8 *Shift Allowance*

The normal core office hours of 0800 Hrs - 1630 Hrs on Mondays - Fridays inclusive is regarded as the regular day pattern, and is not a rostered shift pattern.

Rs. 12,000.00 as Daily shift allowance will be paid at a flat monthly rate, expressed in Sri Lankan Rupees (Rs) per shift.

#### 12.9 *Warm-Clothing Allowance*

The Warm-clothing allowance for Engineers who are required to perform duty-travel to overseas locations where warm clothing is deemed necessary is as follows:

Grade	Warm-Clothing Allowance
L 1	USD 375 every five years
L 2/L 3	USD 425 every five years
L 4	USD 450 every five years

#### 12.10 *Other Allowances*

There are no other allowances or payments that apply to Engineers who are locally employed in grades L1-L4 inclusive of the Engineering grade structure other than those listed in this Agreement.

All enhanced allowances listed above will be provided effective 01st September 2014.

### 13. *Income Tax And Statutory Deductions.-*

- 13.1 It is agreed by all parties that the individual Employee is at all times fully responsible for their own income tax liabilities and payments and for payment of any other statutory Employee contributions and deductions.
- 13.2 There will be no income tax subsidies or rebates or payments by the Company of any kind for any employee of the Company.

### 14. *Uniforms.-*

- 14.1 Employees who are required to wear a uniform during duty hours must do so, and the Employee must ensure that the uniform is worn in compliance with the standards set by the Company. Uniforms will be issued according to Company requirements and will remain at all times the property of the Company. All uniforms are issued by the Company free of charge. Employees are fully responsible for keeping their uniform clean, presentable and in good condition at all times.

A Set of Uniforms per annum will comprise of the following:

- (a) Qty 05 Black trousers.
- (b) Qty 07 White short sleeve shirts.
- (c) Qty 02 White long sleeve shirts.
- (d) Qty 02 Black Sri Lankan ties.
- (e) Qty 01 belt (annually).
- (f) Qty 01 Sri Lankan tie pin.
- (g) Qty 01 pair of safety shoes.

- (h) Qty 03 set of epaulettes.
- (i) Qty 01 blazer (double breast) for LAEs.
- (j) Qty 01 travel bag set (01 small and 01 large) for ALAEs.
- (k) Qty 02 grey overalls - 02 pieces.
- (l) Qty 01 Weather Beater.

Current entitlement with regard to Uniforms will continue. Any change to the current entitlement will be done in consultation with the ALAE, by the Engineering Management.

14.2 There is no laundry allowance or reimbursement payable to Engineers in grades L1 - L4 inclusive.

14.3 A member of the Association will be included in the Uniform Committee for the selection of materials for uniforms.

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

- (a) To continue the present benefit of offering one set of ID90 tickets on confirmed basis per year on "Y" class for Engineers in grades L2, L3 and L4 who have served as an Engineer for a period of 10 or more continuous years; or for current Engineers with a total of 15 or more continuous years of service.
- (b) One set of ID90 tickets on confirmed basis shall be offered every year on "Y" class in the case of Engineers with a total of 3 or more continuous years of service subject to embargo periods that will be stipulated by the Company, which shall be notified 6 months prior to the commencement of the schedule.
- (c) All requests for ID90 confirm tickets to be made with a minimum period of one month prior to the date of travel.
- (d) The following criteria will be applicable in issuing above mentioned ID 90 tickets.
  1. Maximum 5 seats will be allocated on any flight.
  2. Priority will be ID90YS1/5.
  3. Booking class "S".
  4. Booking will be accepted only when the tickets are issued by the Staff Travel counter.
  5. No refund will be made once tickets are issued unless cancelled 7 days before the date of travelling, with advice to Staff Travel.
  6. Booking will be on first come first served basis.
  7. Priority will be given to the Staff Number, if it is on the same Grade, if not the higher grade will get priority.
  8. Applicable on UL operated flights only. The entitlement will not be carried forward.
  9. These set of tickets will be issued on Y class with the endorsement of "UPGRADE TO CLUB CLASS IF SEATS AVAILABLE".
  10. The benefits stated in clause (a) and (b) above will apply for those Employees in active service only.

All other terms and conditions in relation to Employee travel benefits and concessions as per the Staff Travel policy shall remain unchanged.

16. **Trade Union Facilities.**- Executive Committee members could be released to attend Executive Committee meetings of the Union provided that the operational requirements of the Company are not disrupted in any way.

On two occasions per year maximum of 02 Executive Committee members could be granted maximum of 02 working days to attend any International Trade Union meetings, Seminars and Conferences, provided that the operations requirements of the Company are not disrupted.

17. **Grievance and Dispute Procedure.-** In the event of any dispute or grievance between an Employee or Employees and the Company it is agreed by parties that they shall settle such grievance and/ or dispute by strictly adhering to the Grievance and Disputes Handling Policy applicable to the Licensed Aircraft Engineers as specifically set out in clause 18.5 in the 'People Administration and Engagement Policy Manual' to resolve such grievance and/ or dispute.

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

18. **Trade Union Action.-**

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

19. **Signatures of Agreement.-**

IN WITNESS WHEREOF THE PARTIES HERETO HAVE CAUSED THEIR AUTHORIZED REPRESENTATIVES TO SET THEIR HANDS HEREUNTO AND TO FOUR OTHER OF THE SAME TENOR ON THIS SEVENTH DAY OF JANUARY, TWO THOUSAND AND FIFTEEN, IN COLOMBO.

for and on behalf of:  
SRILANKAN AIRLINES L

.....  
Mr Kapila Chandrasena  
Chief Executive Officer

.....  
Mr Pradeepa Kekulawala  
Head of Human Resources

.....  
Mr Priyantha Rose  
Head of Engineering

WITNESSES:

.....  
Mrs Buddhika Manage  
Senior Manager HRD & BP

## **APPENDIX A**

### **MINIMUM JOB AND GRADE REQUIREMENTS FOR L1-L4 (LINE AND BASE)**

ALAE - L1 to L4 Engineers who hold Certification approvals on the Aircraft.

All promotions, and recruitment to Engineering L Grades in all areas will be strictly governed by the minimum promotion and recruitment criteria set out in this appendix and are at all times subject to budget/operational requirements. This is effective from the date of signing this Agreement.

#### **GRADE L1**

1. AML (Cat B1) or (Cat B2) licenses.
2. Full type approval on minimum of one aircraft type operated by SriLankan Airlines.
3. Minimum of 5 years aircraft maintenance experience or 3 years Post Graduate maintenance experience.
4. Include at least 12 months as full approval holder.

#### **GRADE L2**

1. AML (Cat B1) or (Cat B2) licenses.
2. Full type approval on minimum of two aircraft types operated by SriLankan Airlines.

Or

Three types of IFE approvals on aircrafts operated by Sri Lankan Airlines.

Or

Full cabin approvals on minimum of three aircraft types operated by SriLankan Airlines.

3. Minimum of 2 years' experience in grade L1.

#### **GRADE L3**

1. AML (Cat B1) or (Cat B2) licenses.
2. Full type approvals on minimum of three aircraft types operated by SriLankan Airlines.
3. Minimum of 3 years experience in grade L2 or total of 5 years continuous experience as an Engineer in L1 and L2 grades.

Or

1. AML (Cat B1) or (Cat B2) licenses.
2. Full cabin approvals on minimum of three aircraft types operated by SriLankan Airlines or three types of IFE approvals on aircrafts operated by SriLankan Airlines.
3. Minimum of 5 years' experience in grade L2 or total of 7 years continuous experience as an Engineer in L1 and L2 grades.

If an Engineer has a valid full A 340 approval at the time of the phase out of the A340 Aircraft from the SriLankan fleet, this approval will be considered to meet the L2 to L3 upgrade criteria until A 350 approval is obtained. However if such person fails an A 350 Type examination or an approval interview, this eligibility criteria of considering A 340 approval will be ceased at that point.

#### **GRADE L4**

1. Minimum of 3 years current experience in above grade L3 and a minimum of 6 years current continuous service in L grades at SriLankan Airlines.
2. Vacancy of Assistant Manager or Duty Engineer.

**APPENDIX B****SUMMARY OF ALL APPROVAL ALLOWANCES FOR L1 - L4 ENGINEERS****(1) LICENSED AIRCRAFT ENGINEERS IN LINE AND BASE MAINTENANCE**

(Also applies to Technicians and Executive with Full approval)

The overall cumulative maximum monthly Approval Allowance that an individual person may receive in any one month shall be Rs. 200,000 per month.

Approval Type	LKR per month
A 320 or A330 or A340 Boroscope Engine	Rs. 10,000
A 320 or A330 or A340 Boroscope APU	Rs. 5,000
A 320 (with one engine type-either V2500 or CFM56-5B) or A 330 or A 340 B1 without EGR	Rs. 30,000
A320 Additional Engine approval - V2500 or CFM56-5B	Rs. 15,000
A320 (with one engine type either V2500 or CFM 56-5B), A330 or A340 B1 with EGR	Rs. 40,000
A320 additional engine type either V2500 or CFM 56-5B, EGR approval	Rs. 10,000
A320 or A330 or A340 IFE	Rs. 10,000
A320 or A330 or A340 B2 Avionics (includes one IFE approval)	Rs. 40,000
EASA 145 Practical Assessor	Rs. 5,000
EASA 147 Practical Assessor	Rs. 5,000
Line instructor	Rs. 5,000
IFE (per type)	Rs. 10,000
Cat C certification per Aircraft Type	Rs. 5,000

**APPENDIX C**

07th January 2015.

Mr. Lashantha Perera

President

The Association of Sri Lankan Airlines Licensed Aircraft Engineers,

P. O. Box 54,

Katunayake.

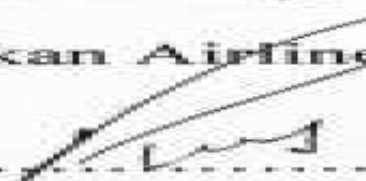
Dear Mr. Perera,

This document is to place on record the below agreement arrived during the Collective Agreement negotiations 2014, between the Management of Sri Lankan Airlines and The Association of Sri Lankan Airlines Licensed Aircraft Engineers.

The Company shall extend the 'L' grade structure and same Terms and Conditions of employment set out in the Collective Agreement 2014, to the below listed Licensed Aircraft Engineers/ fully paid members of The Association of Licensed Aircraft Engineers, who are currently employed by the Company in areas other than Line Maintenance and Base Maintenance. This will be limited to the under mentioned list of individuals only.

Staff No.	Name	Designation
1. 17791	MR. E. A. H. SILVA	LICENSED AIRCRAFT ENGINEER III (BASE)
2. 17819	MR. M. H. DE SILVA	LICENSED AIRCRAFT ENGINEER III (BASE)
3. 19291	MR. L. L. WITHARANA	LICENSED AIRCRAFT ENGINEER III
4. 20196	MR. V. A. S. PATHIRANA	MAINTENANCE CONTROL ENGINEER III
5. 1791	MR. R. K. S. SAMANKANTHA	MAINTENANCE CONTROL DUTY ENGINEER
6. 1803	MR. P. M. THAMOTHIRAM	MAINTENANCE CONTROL DUTY ENGINEER
7. 1906	MR. R. M. W. BANDARA	MAINTENANCE CONTROL DUTY ENGINEER
8. 14340	MR. L. S. P. PARANAHEWA	MAINTENANCE CONTROL DUTY ENGINEER
9. 17979	MR. P. KARUNANAYAKE	QUALITY ASSURANCE ENGINEER
10. 1834	MR. M. JAYASEKARAN	QUALITY ASSURANCE INSPECTOR
11. 8725	MR. A. Y. SHANMUGARAJAH	QUALITY ASSURANCE INSPECTOR
12. 10676	MR. K. P. T. GUNAWARDANA	QUALITY ASSURANCE INSPECTOR
13. 11708	MR. R. H. KURUPPU	ASSISTANT TECHNICAL SERVICES MANAGER (POWER PLANT)
14. 5458	MR. P. C. RANASINGHE	LICENSED AIRCRAFT ENGINEER I
15. 6294	MR. W. J. M. WIJEGUNARATNE	LICENSED AIRCRAFT ENGINEER I

16.	11421	MR. M. A. B. MADAGAMMANA	LICENSED AIRCRAFT ENGINEER I
17.	455	MR. W. A. E. PERERA	LICENSED AIRCRAFT ENGINEER II
18.	8117	MR. S. R. A. SILVA	LICENSED AIRCRAFT ENGINEER II
19.	5448	MR. A. C. KURUPPU	LICENSED AIRCRAFT ENGINEER III
20.	10899	MR. W. B. FERNANDO	LICENSED AIRCRAFT ENGINEER III
21.	11195	MR. A. C. D. WARNAKULASURIYA	LICENSED AIRCRAFT ENGINEER III
22.	12567	MR. U. L. K. K. RATNAYAKE	LICENSED AIRCRAFT ENGINEER III
23.	11681	MR. W. C. P. M. FERNANDO	ASSISTANT PRODUCTION PLANNING MANAGER

Yours Sincerely,  
SriLankan Airline  
  
Head of Human Resources

#### APPENDIX D

07th January 2015.

Mr. Lashantha Perera

President

The Association of Sri Lankan Airlines Licensed Aircraft Engineers,


P. O. Box 54,

Katunayake.

Dear Mr. Perera,

This document is to place on record that during the Collective Agreement negotiations 2014, the Management had with the Association of Sri Lankan Airlines Licensed Aircraft Engineers, Management agreed to the following:

- (a) Those Engineers who are in Grade L1 as of the date of signing this Agreement will be eligible to be upgraded to L2 with 1 year of experience in Grade L1, provided that the other upgrade criteria for Grade L2 are fulfilled.
- (b) To consider the following within 6 months of signing the Agreement –
  1. Reviewing the Posting Allowance.
  2. Carrying out a Productivity study. Both parties agreed to carry out work-study in order to measure and improve productivity with a view to derive at productivity linked payment scheme.
  3. Introducing a method to en - cash unutilised Annual leave due to operational exigencies.

Yours Sincerely,  
SriLankan Airline  
  
Head of Human Resources

16A

**I කොටස: (I) ඡේදය – ශ්‍රී ලංකා ප්‍රජාතාන්ත්‍රික සමාජවාදී ජනරජයේ අති විශේෂ ගැසට් පත්‍රය – 2016.01.05**

PART I: SEC. (I) – GAZETTE EXTRAORDINARY OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA – 05.01.2016

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