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(Published by Authority)

# PART I: SECTION (I) - GENERAL

# **Government Notifications**

My No.: CI/ 1788.

#### THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement (in English and Sinhala) entered into between the Premator East (Pvt) Ltd., 4th Floor, IBM Building, Nawam Mawatha, Colombo 2 of the one part and Independent Dock Workers' Union - Premator East Branch, No. 906, Colombo port, Colombo 15 of the other part on 08th October, 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. 22nd January, 2016.

# Collective Agreement No. 33 of 2015

#### COLLECTIVE AGREEMENT

THIS COLLECTIVE AGREEMENT made this 08th day of October, 2015 to take effect from First day of March 2015, pursuant to the Industrial Disputes Act, between PREMATOR EAST (PVT) LTD., a company duly registered in Sri Lanka and having its registered office at the 4th Floor, IBM Building, Navam Mawatha, Colombo 2 (hereinafter referred to as "the Employer") of the one part

and

INDEPENDENT DOCK WORKERS' UNION, PREMATOR EAST BRANCH, a Trade Union duly registered and having its registered Address at P. O. Box 906, Colombo Port, Colombo 15 (hereinafter referred to as "the Union") of the other part



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

*Title.*— This Agreement is cited as the Collective Agreement of Premator East (Pvt) Ltd. and the Independent Dock Workers' Union - Premator East Branch 2015 - 2018.

- 1. *Employees Covered and Bound by the Collective Agreement.* Employees who have been made permanent by the Employer and who do not belong to the Managerial Grade are covered by this Agreement.
- 2. *Date of Operation and Duration.*—This Agreement shall be effective from 1st March 2015 and thereafter continue in force unless it is determined otherwise by either party, giving six calendar months' 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 1st September 2017, and such notice shall not expire before 28th February 2018.

- 3. *Earlier Collective Agreements.* The provisions of this Agreement shall supersede and replace the provisions of whatever other Collective Agreements signed between parties to this Agreement.
  - 4. Working Hours in the Company.-

#### **Day Shift**

#### **Monday to Friday**

From 7.30 a.m. to 11.50 a.m. From 11.50 a.m. to 12.30 p.m. (Lunch) From 12.30 p.m. to 4.00 p.m.

#### Saturdays

From 7.30 a.m. to 12.30 p.m.

# Night Shift

#### **Monday to Friday**

From 7.00 p.m. to 7.50 p.m. From 7.50 p.m. to 8.30 p.m. (Dinner) From 8.30 p.m. to 7.00 a.m. (including 3.5 hours overtime)

#### Saturdays

From 7.00 p.m. to 7.00 a.m. (including 6.5 hours overtime)

When there is insufficient work for the night shift, all employees in the night shift will be brought to the evening shift (3.00 p.m. to 8.00 p.m.) after adequate prior notice. In an emergency situation, the all employees in the evening shift will have to continue to the night shift.

When the Employer does not need all employees for the night shift, the Employer will deploy only the required number of employees and, in such event, the Employer will deploy those employees in a fair and equitable manner for the night shift.

#### 5. Salaries.-

## 5.1 Salary Increments.-

The Employer shall grant increments on performance in terms of the First Schedule hereto. Those salary increments will take effect from 1 st September 2015.

An Annual Performance Appraisals of employees will be given to all employee with the objective of enabling employees to rectify any shortcomings on their part in the future.

#### 5.2 Annual Increments to Basic Salary.-

(a) Salaries of all employees shall be increased by a lump sum amount of Rs. 2,750/- with effect from 1 st September 2015.

In addition, an amount equivalent to Rs. 100/- for each completed year of service from the date of confirmation of that employee up to 01.09.2015 will be consolidated to the basic salary of the employee as at 01.09.2015.

(b) Salaries of all employees shall be increased by a lump sum amount of Rs. 2,750/- with effect from 1 st September, 2016.

In addition, from an amount equivalent to Rs. 115/- for each completed year of service from the date of confirmation of that employee up to 01.09.2016, the sum consolidated to the basic salary under 5.2. (a) above, will be deducted and the balance amount will be consolidated to the basic salary of the employee as at 01.09.2016.

(c) Salaries of all employees shall be increased by a lump sum amount of Rs. 2,750/- with effect from 1st September 2017. In Addition, from an amount equivalent to Rs. 125/- for each completed year of service from the date of confirmation of that employee up to 01.09.2017, the sums consolidated to the basic salary under 5.2 (a) and (b) above, shall be deducted and the balance amount will be consolidated to the basic salary of the employee as at 01.09.2017.

If the minimum wages of employees covered and bound by this agreement are increased by the Wages Board relevant to the Trade or under any other Statutory Provisions, during the period that this Collective Agreement comes into force, up to 30th September 2015 when the 1 st salary increase in terms of this Collective Agreement is granted, the employer is bound to make up only the shortfall in wages, if any, consequent to such increase.

If the minimum wages of employees covered and bound by this Agreement are increased by the Wages Board relevant to the Trade or under any other Statutory Provisions, during the period 01.10. 2015 to 30.09.2018 the employer is bound to make up only the shortfall in wages, if any, consequent to such increase.

6. **Promotion.**— Any employee covered by this Collective Agreement has the opportunity to apply for a higher post by establishing his competence and performance to the satisfaction of the Management. If such employee is promoted to a higher post, his salary will be adjusted to conform to the salary scales of his promoted post.

All Team Leaders will receive a monthly Team Leader Allowance of Rs. 1,000/- subject however to the condition that if such Team Leader fails to perform his duties to the satisfaction of the Employer, he will be removed from the position to Team Leader and will cease to be entitled to such allowance thereafter.

The Employer will assess and evaluate the performance of employees in Grades A, B, C and D in a regular and transparent manner, and will grant promotions within the aforementioned Grades to deserving employees.

The Employer will give due consideration to the efficiency and productivity of employees who are engaged on a Fixed Term basis, and recruit them into the permanent cadre if there are any vacancies available.

#### 7. **Bonus.**-

#### Year 2015

An amount equal to one month's basic salary will be paid as bonus for the year. However, pro-rata deductions from the bonus will be made as follows, in respect of No pay absence;

No Pay absence of employees	% Deduct from the Bonus	
From 31 days to 32 days	10%	
From 33 days to 40 days	20%	
From 41 days to 43 days	25%	
From 44 days to 100 days	30%	
Above 100 days	No bonus	

In calculating the number days of No Pay, absence from work due to contagious diseases will not be taken into consideration.

If an employee has been in employment for a calendar year (1st January to 31st December) but resigns or retires from service in the following year between the period 01 st January of that year and the date on which the bonus payment is made by the Employer, such employee will be entitled to the Annual Bonus Payment.

#### Year 2016

An amount equal to one month's basic salary will be paid as bonus for that year.

However, pro - rata deductions from the bonus will be made in respect of 'No Pay' absence.

#### **Year 2017**

An amount equal to one month's basic salary will be paid as bonus for that year.

However, pro - rata deductions from the bonus will be made in respect of 'No Pay' absence.

8. *Production Bonus.*— Before 10 th April of each year, a Fixed Production Bonus and an Extra Production Bonus as a % of basic salary will be paid on the basis of the amount of square metres tank blasting done from 1 st January to 31st December of the previous year. The quantum of the bonus will be determined by the Schedule set out below:

Area of tank blasted - SQM	Fixed production bonus	Extra production bonus as % of basic salary
0 - 5,000	5,000.00	-
5,001 - 10,000	10,000.00	-
10,001 - 15,000	10,000.00	10%
15,001 - 20,000	12,000.00	12%
20,001 - 25,000	15,000.00	15%
25,001 - 30,000	20,000.00	20%
30,001 - 35,000	25,000.00	20%
35,001 - 40,000	30,000.00	20%
40,001 - 45,000	35,000.00	20%
45,001 - 50,000	40,000.00	20%

As already stated in Clause (7) hereof pro - rata deductions will be made in respect of 'No Pay absence. Any employee who resigns or retires from service in any year between the period 01st January of that year and the date on which the production Bonus is paid, will be entitled to the production Bonus.

Further more, if an employee works for more than 6 months in a year in respect of which the production Bonus is paid and thereafter resigns or retires from service, he will be entitled to a production Bonus on a pro - rata basis in respect of the months worked by him in that year.

Further, employer agrees to provide production information (total square meters of tank blasted) once in three month times.

- 9. Tea and Short Eats.— The Employer agrees to continue the tea and short eats given to employees at present.
- 10. Attendance.— All employees should be present at the time of commencement of the shift. At the same time, no employee can leave the work site without permission from the senior officers. Non punctuality and irregular attendance constitutes misconduct in respect of which disciplinary action could be taken by the Employer.

If a statutory holiday falls on a Sunday, the Employer agrees to grant a holiday with pay in lieu and that special holiday will be considered for calculation of the attendance allowance for a particular month.

11. Working on Sunday, Poya Days and Statutory and Other Holidays.— According to the nature of the industry of repairing ships, employees have to work on Sundays, Poya Days, Statutory and Other Holidays. In such event, a list of employees who are required will be displayed on the Notice Board. Refusal or failure to work on such days without reasonable cause will be considered as insubordination or neglect of duty and disciplinary action will be taken against such employees for misconduct.

Employer agrees to deploy permanent employees for a minimum of 60% of daily requirement to perform duties on aforesaid holidays.

For working on such days, one and half times that normal pay will be paid.

The Employer will grant lieu leave to employees who work on Sundays and Statutory Holidays. Lieu leave for working on a Sunday will be granted on any day within the next five days of the week at the discretion of the Employer. If the Employer is unable to do so, such aforsaid lieu leave will be granted before 31st December of that particular year as mutually agreed by the Employer and employee without any disruption to the production process. Lieu leave for statutory holidays will be granted on any day before 31st December of that year at the discretion of the Employer.

12. Annual Leave. - Employees are entitled to 24 days annual leave which can be availed of in the following manner:

Maximum that can be obtained in the course of one month Prior approval of the Employer should be obtained for leave.

13. Sick Leave and Short Leave.— All employees covered by this Agreement are entitled to 7 days sick leave, with pay. However, such sickness should be certified by a Registered Medical Officer.

- 5

Employees are entitled to take two short leaves per month which do not exceed 1.5 hours on one occassion. This short leaves can be enjoyed either for late arrival or early departure.

14. *Industrial Security and Insurance.*— Accidents which occur any time within 24 hours of the day will be covered by an Insurance Scheme against accidents. Hence, accidents which may occur within and outside the Organization are covered by this.

The Employer has taken a Life Insurance cover in respect of all employees for Rs. 1,250,000/- in the event of a death of an employee arising from an accident.

- 15. Medical Examination. All employees covered by this Agreement will be subjected to a medical examination once a year.
- 16. Night Shift.— The present night shift of 14 days (Maximum) will be continued.
- 17. *Employee Loan Scheme/ Festival Advances.* The Employer will grant loans to employees, based on the Employee Number Order, subject to a maximum of Rs. 100,000/- at a time, recoverable in 12 instalments and subject to a maximum number of three loans per month, to employees who have served more than one year in the permanent cadre and who have not obtained any loans for the past three years. The payment of such loans shall depend on the Employer's affordability to grant such loans.

Festival Advance.— The employees will be paid a Festival Advance of Rs. 12,000/- depending on the Employer's affordability to grant such advance, in the months of December or April, as required by the employee, and will be deducted from his salary in the course of ten subsequent months.

18. *Disciplinary Procedures.*— In case any employee has committed a disciplinary offence, the Employer will take disciplinary action against him.

Whenever an employee is alleged to have committed a disciplinary offence, and it is reported to the management, the Employer could arrange an inquiry into the offence, and necessary action, if any, could be taken against such employee.

When an employee's services are suspended as a disciplinary measure, a letter will be issued to him, requiring him to show-cause in regard to the act/acts of misconduct.

The employee should send his reply in respect of the matters mentioned therein, to reach the employer on or before the prescribed date.

If the employee does not furnish his explanation within the prescribed period, the Employer will conduct the inquiry, without the employee, and take necessary action against him. If the employee furnishes his explanation within the prescribed period and if the Employer cannot accept his explanation, and if the Employer rejects such explanation, the Employer is entitled to take disciplinary action against the employee.

- 19. *Trade Union Action.* The Union and the employees jointly and severally agree not to resort to any Trade Union action is regard to any matter relating to this Agreement during the period this Agreement is in force.
- 20. *Procedure for Settlement of Disputes.* In case any dispute arises between the parties in regard to matters not covered by this Agreement during the period the Agreement is in force, the Trade Union Branch of the Employer shall submit the dispute to the Management of the Employer, and the parties shall make every attempt to settle the dispute by mutual agreement.

If the dispute cannot be settled in terms of the above - mentioned sub - paragraph, the Union should refer the dispute to the Department of Labour and take action to have it settled under the provisions of the Industrial Disputes Act.

21. Any alternation whatsover, removal or amendment of any condition or conditions of this Collective Agreement shall not be effected during the period that the Collective Agreement is in force, by any party, unless by mutual agreement.

- 22. The Employer, Employees and the Union do hereby agree that they will work with team spirit and with dedication, for the continued prosperity of the Employer, by co-operating with each other.
- 23. The Union and the employees, in terms of the Agreement, do hereby agree to perform the duties assigned to them perfectly, and the employees of the Production Division do hereby agree to achieve the production targets fixed.
  - 24. The Union and the employees jointly and severally agree to safeguard all the equipment and assets of the Employer.
  - 25. The benefits currently enjoyed by employees will continue.
  - 26. If the Trade Union wishes to convene a meeting/ discussion in respect of its Ordinary Members of Committee Members, the Union shall obtain prior written approval from the Employer.
  - 27. In the event of an inconsistency between the English and Sinhala texts of this Agreement, the Sinhala text shall prevail.

In witness hereof parties have set their hands on this 08th day of October Two Thousand Fifteen.



01ST SCHEDULE

## SALARY INCREMENT SCHEME

Salary increment shall be in two parts with effect from September 2015 and amount of increment shall be the same for all employees. Following scheme will be adopted based on different levels of skills of each employees:

	Evaluation criteria		
1.	Subject knowledge		1 - 10
2.	Level of Quality of the work		1 - 10
3.	Level of productivity of the work		1 - 10
4.	Attitude towards work cooperation with superior	ors	1 - 10
5.	Attendance		1 - 20
	Absence without prior approval	- 20	
	Approved days of absence (No pay)	- 10	
6.	Annual Leave		1 - 20

All Leave Approved in advance	Number of leaves not pre approved between 1 - 4 days	More than 04 days leave taken without prior approvals
20	10	0

# 7. Breach of discipline

1 - 20

No disciplinary Action Taken	One letter of warning issued	Letters of warning issued several times	Imposed penalty	Any Other punishments
20	14	10	4	2

Total obtainable marks 100

#### INCREMENT CRITERIA

Above scheme will be adapted to each employee to evaluate and number of increments would be decided as per the following table

Marks Earned	No. of Salary Increments
81 - 100	5
61 - 80	4
41 - 60	3
31 - 40	2
20 - 30	1
0 - 19	No Increment

Category D		
Category C		st/Blaste perator/F
Category B		
Category A	Blast	er & Pair
Stage	Category D	18
1	12,250.00	Rs.180
2	12,430.00	@ 200
3	12,610.00	
4	12,790.00	
5	12,970.00	
6	13,150.00	
7	13,330.00	
8	13,510.00	
9	13,690.00	
10	13,870.00	
11	14,050.00	
12	14,230.00	
13	14,410.00	
14	14,590.00	
15	14,770.00	
16	14,950.00	
17	15,130.00	
18	15,310.00	
19	15,490.00	
20	15,670.00	
21	15,850.00	
22	16,030.00	
23	16,210.00	
24	16,390.00	
25	16,570.00	
26	16,750.00	
27	16,930.00	
28	17,110.00	
30	17,470.00	
31	17,650.00	
32	17,830.00	
33	18,010.00	
34	18,190.00	
35	18,370.00	
36	18,550.00	
37	18,730.00	
38	18,910.00	A Fig.
39	19,090.00	2
40	19,270.00	
41	19,450.00	2
42	19,630.00	8
43	19,810.00	
44	19,990.00	
45	20,170.00	

46	20,350.00	
47	20,530.00	
48	20,710.00	
49	20,890.00	
50	21,070.00	
51	21,250.00	
52	21,430.00	
53	21,610.00	
54	21,790.00	
55	21,970.00	
56	22,150.00	
5.7	22,330.00	
58	22,510.00	
59	22,690.00	
60	22,870.00	
61	23,050,00	
62	23,230.00	
63	23,410.00	
64	23,590.00	
6.5	23,770.00	
66	23,950.00	
67	24,130.00	
6.8	24,310.00	
69	24,490.00	
70	24,670.00	
71	24,850.00	
72	25,030.00	
7.3	25,210.00	
7.4	25,390.00	
75	25,570.00	
76	25,750.00	
7.7	25,930.00	
78	26,110.00	
79	26,290.00	
80	26,470.00	
81	26,650.00	
82	26,830.00	
83	27,010.00	
84	27,190.00	
85		
86	27,550.00	
87	27,730.00	
88	27,910.00	
89	28,090.00	
90	28,270.00	
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93	28.810.00	
94	28,990.00	
95	29,170.00	
96	29,350.00	
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105	30,970.00
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112	32,230.00
113	32,410.00
114	32,590.00
115	32,770.00
116	32,950.00
2.17	33,130.00
118	33,310.00
119	33,490.00
120	33,670.00
121	33,850.00
122	34,030.00
123	34,210.00
124	34,390.00
125	34,570.00
126	34,750.00
127	34,930.00
128	35,110.00
129	35,290.00
130	35,470.00
131	35,650.00
132	35,830.00
133	36,010.00
134	36,190.00
135	36,370.00
136	36,550.00
137	36,730.00
138	36,910.00
139	37,090.00
140	37,270.00
141	37,450.00
142	37,630.00
143	37,810.00
144	37,990.00
145	38,170.00
146	38,350.00
147	38,530.00
148	38,710.00
149	38,890.00
150	39.070.00
151	
	39,250.00
152	39,430.00
153	39,610.00
154	39,790.00
155	39,970.00
156	40.150.00
157	40,330.00
158	40,510.00
159	40,690.00
160	40,870.00
161	41,050.00
162	41,230.00
163	41,410.00

164	41,590.00
165	41,770.00
166	41,950.00
167	42,130.00
168	42,310.00
169	42,490.00
170	42,670.00
171	42,850.00
172	43,030.00
173	43,210.00
174	43,390.00
175	43,570.00
176	43,750.00
177	43,930.00
178	44,110.00
179	44,290.00
180	44,470.00
181	44,650.00
182	44,830.00
183	45,010.00
184	45,190.00
185	45,370.00
186	45,550.00
187	45,730.00
188	45,910.00
189	46,090.00
190	46,270.00
191	46,450.00
192	46,630.00
193	46,810.00
194	46,990.00
195	47,170.00
196	47,350.00
197	47,530.00
198	47,710.00
199	47,890.00
200	48,070.00