

**THE GAZETTE OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA**

Part II of May 29, 2015

SUPPLEMENT

(Issued on 01. 06. 2015)



BUDGETARY RELIEF ALLOWANCE OF WORKERS

(Private Member's Bill)

A

BILL

to provide for the payment of a Budgetary Relief Allowance by employers to certain categories of workers for the purposes of implementing the Budget Proposal in respect of private sector salaries and wages to the effect that the monthly wage of a worker be increased by a sum of Rs. 2,500 included in the statement made in the Parliament of Sri Lanka on 29.01.2015 by the Minister of Finance of Democratic Socialist Republic of Sri Lanka in presenting an interim Budget, and to provide for matters incidental thereto.

*To be presented in Parliament by Hon. Ajith Kumara, M. P.
for Galle District*

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Budgetary Relief Allowance of Workers

A BILL TO PROVIDE FOR THE PAYMENT OF A BUDGERATY RELIEF ALLOWANCE BY EMPLOYERS TO CERTAIN CATEGORIES OF WORKERS FOR THE PURPOSES OF IMPLEMENTING THE BUDGET PROPOSAL IN RESPECT OF PRIVATE SECTOR SALARIES AND WAGES TO THE EFFECT THAT THE MONTHLY WAGE OF A WORKER BE INCREASED BY A SUM OF RS. 2,500 INCLUDED IN THE STATEMENT MADE IN THE PARLIAMENT OF SRI LANKA ON 29.01.2015 BY THE MINISTER OF FINANCE OF DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA IN PRESENTING AN INTERIM BUDGET, AND TO PROVIDE FOR MATTERS INCIDENTAL THERETO.

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows:-

1. This Act may be cited as the Budgetary Relief Allowance of Workers Act, No. of 2015 and provisions of
5 this Act shall be deemed for all purposes to have come into operation on (hereinafter referred to as “relevant date”) May 1, 2015.

2. (1) The Commissioner shall be the Competent Authority for the purposes of this Act. Competent Authority.

10 (2) The Competent Authority may delegate to any officer of the Department of Labour any power function or duty conferred or imposed on or assigned to, such authority by this Act.

3. (1) With effect from May 1, 2015 every employer in
15 any industry, service or trade all workers employed and each earning a wage of not more than forty thousand rupees per month shall in respect of each month pay to every worker employed by him, a Budgetary Relief Allowance (hereinafter referred to as “the allowance”), of not less than rupees two
20 thousand and five hundred (2,500) as herein stated from the relevant date.

That not withstanding —

- 5 (a) If the employer is in any one of tea, rubber, cocoa, cardemom, black pepper, coconut, cinnamon, or tobacco cultivation and production, the Budgetary Relief Allowance to be paid to each worker shall be calculated at twenty (20) percent of the wage paid according to the number of days in a month the worker was employed or rupees two thousand and five hundred and whichever is less and irrespective of the number of workers employed also,
- 10 (b) When the employer is a co-operative society, the Budgetary Relief Allowance shall be paid irrespective of the number of workers employed and in the case of casual or temporary workers the allowance be paid proportionately according to the number of days employed.
- 15 (2) When a workers is on contract on a piece rate basis or on day basis, the allowance that shall be paid under this Act, will have to be calculated according to the wage that has to be paid on piece rate or day basis and will not be less than twenty (20) percent not exceed rupees two thousand and five hundred per month.
- 20 (3) Not withstanding any of the aforementioned provisions, employees working in.
- 25 (a) An organisation that under Section 16(a) of the Inland Revenue Act, No. 4 of 1963 is being accepted as a charitable organisation, and
- 30 (b) Where an employer employees less than six (06) workers and the employer is bound by a collective agreement mentioned in Section 10(2) of the Industrial Dispute Act as stipulated in the *Gazette* of 10 September, 1971 bearing No 14,975 the

employer is required to pay wages and other cost of living allowances, the employer is not required to pay the Budgetary Relief Allowance to such employees.

- 5 **4.** (a) Notwithstanding any reference in any written
law, collective agreement or written or verbal
expressed or complied agreement on
employment, provisions of this Act shall
10 remain valid and in force . Also when a
contradiction, incompatibility or invalidity
occurs between this Act and any other law or
agreement provisions of this Act shall remain
valid and in force to the extent of the
incompatibility with any other law.
- 15 (b) Where an increase of not less than rupees two
thousand and five hundred (2,500) per month
to the basic salary is made during the period
of one year from the date this Act becomes
20 effective, on a collective agreement or any
other agreement between the employer and
the employee, this allowance shall not be
applicable to such employees from the day
such increase is provided.
- 25 (c) Where an increase less than rupees two
thousand and five hundred (2,500) per month
to the basic salary is made during the period
of one year from the date this Act becomes
30 effective on a collective agreement or any
other agreement between the employer and
the employee, the balance increase shall be
paid as an allowance to such employees from
the day this Act becomes effective.
- 35 (d) where an increase to the basic salary as afore
mentioned is envisaged during the period of
one year from the date this Act becomes

effective, this allowance of rupees two thousand and five hundred shall be paid in full to such employees until the date such salary increase is provided.

- 5 (e) the allowance as prescribed in this Act shall
be paid during the entire period of service
and will be in excess of the legally decided
minimum wage due to the employees and
shall also be paid in excess of the minimum
10 wage to all employees recruited after the date
this Act is made effective.

5. Every worker unskilled or not who has been employed
in any industry, trade or service by any employer for so long
as he continues to be a worker of such employer, continue to
15 be so employed on such terms and conditions relating to
wages or salary, allowances or other payments in money by
whatsoever name or designation and not covered under
Section 5 of the Public Securities Act, as are not less
favourable than those which such worker had enjoyed on
20 the day immediately prior to the date of the coming into
operation of this Act shall be paid the allowance as stipulated
in this Act.

6. (1) The employer of a worker in any trade shall from
and after the date of the coming into operation of this Act,
25 maintain and keep in the premises in which that trade is
carried on, a register setting out—

- (a) the name of each worker employed by him;
- (b) the class of work performed by each worker
employed by him;
- 30 (c) the amount paid to each such worker as allowance
in accordance with the provisions of this Act.

(2) Every register maintained under subsection (1), shall be preserved for a period of four years by the employer and every employer shall when required by the Commissioner produce such register for inspection or furnish a true copy thereof or permit a copy of such to be made.

7. The competent authority shall have power—

Powers
vested with
competent
authority.

(a) to enter and inspect at all reasonable hours of the day or night at any place in which workers in any trade are employed, for the purpose of examining any register or for ascertaining whether the provisions of this Act are being complied with; or

(b) where no such register is available for examination when he inspects such place or at the office of such authority ; or

(c) to take copies of the whole or any part of any such register; or

(d) to question any person whom he finds in such place whom he has reasonable cause to believe is an employer of workers employed in any trade carried on in such place; or

(e) to direct, in writing, any employer of workers employed in any trade to furnish him on or before a specified date, with—

(i) a return, relating to all workers employed by any such employer in any specified class or description of such workers and containing such other particulars as he may require for the purpose of this Act;

(ii) such information or explanation as he may require in respect of particulars stated in any return furnished by any such employer; or

- (iii) a true copy of the whole or any part of any register maintained by any such employer.

8. On or after the relevant date— Violations & Punishments.

- 5 (a) any who fails in the exercise of his powers under section 6; or
- 10 (b) refuses to produce any register or furnish any information which such authority requires him to produce or furnish such authority in the exercise of the powers conferred by Section 7; or
- (c) hinders or obstructs such authority in the exercise of the powers conferred by section 7; or
- 15 (d) makes or causes to be made in any register, any false statement or makes or causes of knowingly permits to be produced, any registered containing a false statement to such authority, knowing the same to be false; or
- 20 (e) furnishes any information to such authority acting under the powers conferred by Section 7, knowing the same to be false; or
- 25 (f) fails to comply with any directions given by such authority under section 7, or who, when called upon to furnish a return under that section, knowingly, makes or furnishes, or causes to be made or furnished, a return containing any false statement, shall be guilty of an offence and shall be liable on conviction before a Magistrate to a fine not exceeding

one hundred thousand rupees or to imprisonment of either description for a term not exceeding six months or to both such fine and imprisonment.

5 **9.** Every employer of any workers as per Section 03 Budgetary Relief Allowance to be part of salary under this Act.
who is entitled to any payment or allowance under a written law is considered his salary shall pay such payment or allowance within the period within which such employer is required by any written law to pay the wages or salary of
10 such worker.

10. (1) Any employer who fails to pay a sum required to be paid to a worker under this Act shall be guilty of an offence and shall be liable on conviction before a Magistrate to a fine not exceeding one hundred thousand rupees or to
15 imprisonment of either description for a term not exceeding six months or to both such fine and imprisonment. Non payment of entitled allowance and recovery of non paid allowance.

(2) Upon conviction by the Magistrate of an employer for failure to pay any sum required to be paid to a worker under this Act, the Court shall, in addition to the penalty
20 imposed for such offence order such employer to pay such sum to such worker within a period specified in the Order and if the sum is not so paid, such sum shall be recovered by Order of Court, as if it were a fine imposed by the Court and paid to such worker.

25 **11.** (1) The Minister may make regulation in respect of matters for which regulations are authorized or required to be made under this Act. regulation.

(2) Every regulation made by the Minister shall be published in the *Gazette* and shall come into operation on
30 the date of such publication or on such later date as may be specified in the regulation.

(3) Every regulation made by the Minister shall, as soon as convenient after its publication in the *Gazette*, be brought before Parliament for approval. Any regulation which is not so approved shall be deemed to be rescinded as from the date of such disapproval but without prejudice to any previously done thereunder.

(4) Notification of the date on which any regulation made by the Minister is so deemed to be rescinded shall be published in the *Gazette*.

10 **12.** The allowance payable to a workers under this Act shall be deemed for all purposes include—

- (a) contributions to Employees' Provident Fund, Employees Trust Fund and pension;
- (b) annual holiday remuneration;
- 15 (c) overtime remuneration;
- (d) maternity benefit payment ; and
- (e) gratuity;

20 and shall constitute part of the wages or salary of such worker. Every employer of any such worker shall pay such allowance within the period within which such employer is required by any written law to pay the wages or salary of such worker.

13. In this Act, unless the context otherwise requires— Interpretations.

25 “collective agreement” shall have the same meaning as in the Industrial Disputes Act (Chapter 131);

“Commissioner” means the person for the time being holding the office of Commissioner of Labour and includes any person for the time being

holding office as a Deputy Commissioner of Labour or as as Assistant Commissioner of Labour or as a Labour Officer;

5 “Co-operation society” means a co-operative society which is registered or deemed to be registered under the Co-operative Society Act, No. 05 of 1972;

10 “Basic salary” means the salary calculated for the number of working days that makes a period of one month taking the working day as 08 (eight) hours per day, leaving out overtime and all other extra allowances. For a worker paid on piece rate or time duration, the salary calculated for the number of working days that makes a period of one month taking the working day as 08 (eight) hours per day, leaving out overtime and all other extra allowance.

15 “Earned wages” means the definition given to same in Employees’ Provident Fund Act, No. 15 of 1958

20 “employer” means any person who on his own behalf employs, or on whose behalf any other person employs, any worker in any trade and includes any person who on behalf of any other person employs any worker in any trade;

25 “industry” includes any industry, business, undertaking Government owned business undertaking, occupation, profession or calling carried on, performed or exercised by an employer or worker, and any branch of, or any function or process in any trade, but does not include any industry, business or undertaking which is carried on by any corporation, board or other body which was or is established by or under any written law

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5 where the Government invests share capital in full and where the Government by way of grant, loan or otherwise for purpose of conducting vocational training for the orphaned, deaf, blind, dumb and for children under probation maintains a business, industry or trade and where a salary increase is payable as decided and amended by the 2015 interim budget.

10 “worker” means an employee, a person earning a daily wage, or a person employed in any capacity by any employer under a contract, written, expressed or implied to perform any work in any trade where payment is made for such work and includes a worker whose salary or wages are
15 regulated by any written law or otherwise and a worker employed on a piece-rate basis.

11. In the event of any inconsistency between the Sinhala and Tamil texts of this Act, the Sinhala text shall prevail.

In the event of inconsistency, Sinhala text to prevail.

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