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# The Gazette of the Democratic Socialist Republic of Sri Lanka

### **EXTRAORDINARY**

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(Published by Authority)

## PART I : SECTION (I) — GENERAL

## Proclamations & C., by the President



MAHINDA RAJAPAKSA.

#### **Presidential Directive**

ESTABLISHMENT of a Special Agency by His Excellency the President of the Democratic Socialist Republic of Sri Lanka in the exercise of powers vested in him by Article 33 of the Constitution of the Democratic Socialist Republic of Sri Lanka, to advise and assist the Government in the formulation of a national wage policy by revisiting all remuneration structures including salaries and wages in the Public Sector in order to facilitate due fulfillment of the manpower needs in the Public Sector and the Private Sector as a whole.

*To* :

- 1. Don Herbert Neville Piyadigama Esquire
- 2. Jayalath Ranasinghe Wimalasena Dissanayake Esquire
- 3. Gunasekara Liyanage Wimaladasa Samarasinghe Esquire
- 4. Madam Vijeyalakshmy Jegarasasingam
- 5. Ginigaddarage Piyasena Esquire
- 6. Madam Ranatunga Appuhamilage Dona Rupa Malini Peiris
- 7. Dayananda Widanagamachchi Esquire
- 8. Sembakuttige Swarnajothi Esquire
- 9. Benedict Karunajeewa Ulluwishewa Esquire
- 10. Sujeeva Rajapakse Esquire
- 11. Harsha Warnakula Fernando Esquire
- 12. Prof. Sampath Amaratunga Esquire
- 13. Dr. Ravi Liyanage Esquire
- 14. Wegapitiya Kattadiyalage Hemachandra Wegapitiya Esquire
- 15. Keethi Kotagama Esquire
- 16. Reyaz Mihular Esquire
- 17. Priyantha Fernando Esquire
- 18. Leslie Shelton Devendra Esquire
- 19. Wijesingha Wellappili Don Sumith Wijesinghe Esquire



- 20. Gampahalage Don Somaweera Chandrasiri Esquire
- 21. Walgama Hewamaluwage Piyadasa Esquire

#### Greetings!

Whereas, having regard to the manpower resources needed by the private sector in the process of achieving rapid economic development targets as planned by the government in the context of the fast track development approach adopted with the end of nearly three decade old terrorist activities, the Government proposes introducing a package incorporating salaries, wages and various incentives that could attract and retain in the public service competent persons capable of effectively handling the task of efficient delivery of services facilitating and regulating the development process where necessary.

And whereas it is found necessary that attention is focused on the structural changes underway in the economy in diverting human resources to different sectors and that the cost of labour is maintained at a competitive level which is favourable to Sri Lanka by raising the productivity of the labour force to internationally competitive level

And whereas it is anticipated that unhealthy competition between the Public Sector and Private Sector as a whole as well as amongst various institutions within the public sector would be avoided in the fulfillment of manpower needs.

And whereas the Government has identified the need to introduce a suitable special methodology to attract professionals of particular competence to efficiently perform the tasks assigned to the Public Sector in the economic development process as it has been found difficult to do so within the bounds of the methodology currently adopted.

And whereas it is felt necessary that the Department of Management Services should advise or guide whenever required in reviewing the role of all public sector institutions by taking into account the current specific needs and in the creation of new posts by revising the cadres needed in the performance of the said role.

And whereas the Government is obliged to give effect to policies that are in the interest of the well-being of the employees in the Public Sector as well as in the Private Sector as set out in the Mahinda Chintana policy statement.

And whereas the Government is desirous of establishing a National Pay Commission (hereinafter referred to as the "Commission") to advise and assist it with regard to the following matters in the accomplishment of the aforesaid objectives - to wit -

- A. To advise the Government on National Salaries and Wages policy paving the way for the accomplishment of the aforesaid objectives based on a continuous review of Salaries and Wages including monetary remuneration and various other non-monetary facilities of the Public Service including Provincial Public Service and Armed Services, Special Institutions, Salaries of whose staff are met by the Consolidated Fund, State Corporations and Statutory Boards, Government-owned Companies, State Enterprises, State Banks including Central Bank of Sri Lanka and other financial institutions and all spheres of the Public Service as a whole including all Regulatory Institution taking into consideration the following matters:
  - (i) Alterations to be made in the terms of employment in order to attract competent individuals specialized in the fields of Management, Science and Technology who are needed presently and in the future to implement more meaningfully the socio-economic policies of the Government;
  - (ii) Need to rectify the existing salary anomalies occasioned by salary increases granted in terms of the recommendation of the Salary Commissions previously appointed or on an ad hoc basis;
  - (iii) Need to make the employees of the Public Sector as well as the Private Sector a contented and motivated lot;

- (iv) Need to make the Public Service higher productivity and efficiency driven as well as the need to eliminate drawbacks in the fulfillment of manpower needs of the Private Sector;
- (v) Feasibility of the package being implemented within the limits of Government funds taking into account the very high level of recurrent expenditure of the Government;
- B. To submit proposals to the Government aimed at minimizing the issues relating to Salaries, Staff and Service Minutes identified in giving effect to Public Administration Circular No. 06/2006 as well as the anomalies that are said to have arisen following the ad hoc salary increases granted;
- C. To submit proposal to the Government on a salary and wage structure that would guide in minimizing anomalies, if any, that exist between the Salaries and Wages drawn by professionals having comparable responsibilities or qualifications in the Public Sector and Semi-Government Sector;
- D. To recommend to the Government from time to time specific salary and wages revisions in order to prevent officers with professional qualifications and competence from leaving the Public Service to take up appointment in the Semi-Government and Private Sectors;
- E. To review the systems of payment of various incentives and grants including gratuities currently operated by certain state institutions and recommend more appropriate methodologies to determine the provision of gratuities, various incentives and non-monetary incentives;
- F. To make recommendation to the relevant authorities in respect of amendments to or revision of Public Services' Service Minutes, Schemes of Recruitment or Schemes of Promotion as required with the support of any government institution or institutions in terms of the salary revisions or policy decisions announced by the Government in relation to the remuneration in the Public Service;
- G. To act as an arbitrator in the settlement of disputes relating to Salaries and Wages or matters connected therewith as well as disputes in relation to Schemes of Recruitment, Scheme of Promotion or Service Minutes and to make recommendation to the relevant authorities with regard to the settlement of such disputes.
- H. To make recommendations to the Government with regard to the preliminary steps to be taken in the implementation of the proposal made by the Salaries Commission appointed on July 20, 2000 for the establishment of an institution with the authority (Board of Arbitration) to put forward solutions for settlement of such disputes with a view to sorting out speedily the disputes that may arise in regard to salaries and conditions of service in the Public Sector.
- To advise and guide where necessary in the creation of new posts in the Public Service by the Department of Management Services.
- J. To make recommendation to the Government with regard to the adoption of the methodology in respect of the payment of pensions taking into consideration the increase in expenditure incurred in the payment of Government pensions on account of the salary increases recently granted as well as such salary increases that may be granted in the future and the increased life expectancy and also with regard to the age-limit for retirement of officers in the Public Service.
- K. To make recommendation to the Government guaranteeing an appropriate minimum salary to those employed in the Private Sector, security of their employment and the availability of essential welfare amenities they are entitled to, thereby implementing Government policy on their welfare as enshrined in the Mahinda Chintana Policy Statement.

L. To submit any other proposals to the Government in relation to the optimum utilization of the country's manpower resources by the Public Sector and the Private Sector in the development of the country.

And whereas I am of the view that pending the establishment of such a Commission through statute, the performance of duties and responsibilities to be entrusted to that Commission as identified above should commence immediately in the public interest.

Now, therefore, I Mahinda Rajapaksa in pursuance of the provisions of Article 33 of the Constitution of the Democratic Socialist Republic of Sri Lanka do hereby create the National Pay Commission to undertake and execute the said duties and responsibilities.

And reposing great trust and confidence in your prudence, ability and fidelity, do by these presents, appoint you the said:

- 1. Don Herbert Neville Piyadigama Esquire
- 2. Jayalath Ranasinghe Wimalasena Dissanayake Esquire
- 3. Gunasekara Liyanage Wimaladasa Samarasinghe Esquire
- 4. Madam Vijeyalakshmy Jegarasasingam
- 5. Ginigaddarage Piyasena Esquire
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as members of the National Pay Commission and direct you to take all steps as may be necessary to proceed with the implementation of the tasks set out at (A) to (L) above.

And I, further appoint Don Herbert Neville Piyadigama Esquire and Jayalath Ranasinghe Wimalasena Dissanayake Esquire as Co-Chairmen of the National Pay Commission and Bandulasiri Wijayaratne Esquire as the Secretary of the National Pay Commission.

And I, do hereby authorize the National Pay Commission to issue instructions, make inquiries and investigate matters as may be necessary in relation to the carrying out of the tasks it is hereby entrusted with;

And I, do hereby authorize the Commission to appoint sub-committees each comprising three officers with specialized knowledge and experience in respective fields specifically meant for the relevant task in order to assist the Co-Chairmen and Members of the Commission where necessary in relation to particular fields in the Public Sector and the Private Sector.

And I, do hereby require and direct all public officers and such other persons to whom the National Pay Commission may issue instructions or apply for assistance for information, to comply with such instructions, render all such assistance and furnish all such information as may properly be complied with, rendered and furnished, in that behalf.

I do hereby abolish the National Salaries and Cadre Commission established by the Presidential Directive made by me dated Thirtieth March Two Thousand and Six and by amendments made from time to time in terms of Article 33 of the Constitution of the Democratic Socialist Republic of Sri Lanka.

Given at Colombo, under the seal of the Democratic Socialist Republic of Sri Lanka on this 31st day of October, in the year Two Thousand and Thirteen.

By Order of His Excellency,

Lalith Weeratunga, Secretary to the President.

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