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PART I: SECTION (I) – GENERAL

Government Notifications

My No.: CI/1787.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement entered into between Unilever Sri Lanka Limited 258 M. Vincent Perera Mawatha Colombo 14 of the one part and the Ceylon Mercantile Industrial and General Workers' Union (CMU) No. 3, 22nd Lane Colombo 03 of the other part on 18th day of January, 2013 is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

V. B. P. K. WEERASINGHE,
Commissioner of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
11th July, 2013.

Collective Agreement No. 05 of 2013

AGREEMENT BETWEEN UNILEVER SRI LANKA LIMITED AND THE CEYLON MERCANTILE INDUSTRIAL AND GENERAL WORKERS' UNION (CMU)

This Agreement made and entered into on 18th January, Two Thousand and Thirteen in terms of the Industrial Dispute Act between Unilever Sri Lanka Limited, No. 258, M. Vincent Perera Mawatha, Colombo 14 (hereinafter referred to as the "COMPANY") of the one part and the Ceylon Mercantile Industrial and General Workers' Union (CMU) No. 3, 22nd Lane, Colombo 3 (hereinafter referred to as the "UNION") of the other part witnesseth:

It is hereby agreed between the parties as follows:

1. **Title.**– This agreement shall be referred to as the "Unilever Sri Lanka Ltd - Staff Employees" Collective Agreement, 2013 - 2015.

2. **Parties and Employees to be Covered and Bound.**– This Agreement shall cover and bind the Company and the Union in relation to all permanent staff of the Unilever Sri Lanka Limited situated at No. 258, M. Vincent Perera Mawatha, Colombo 14 and at Horana Export Processing Zone, Boralugoda, Poruwadanda, Horana also referred to as the Grandpass Site and Horana site including the Staff employees of Lipton Ceylon Limited and Brooke Bond Ceylon Limited also at No. 258, M. Vincent Perera Mawatha, Colombo 14 referred to as the Tea

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N.B.– This Gazette Extraordinary can be downloaded from www.documents.gov.lk.



Division, this agreement excluding the employees of the Premium Exports Ceylon Limited. A "Permanent staff employee" shall mean and shall include all categories of employees on monthly contract of employment in job grades of 5, 4 and 3 as classified by the Company.

3. **Registration.**— An application will be made by the Company to the Commissioner of Labour for Registration of this Agreement under the Industrial Disputes Act.

4. **Variation of Terms and conditions of Employment or Benefits**— (a) Subject only to sub-clause (b) hereof the and Union its members and the company agree that this Agreement shall be full and conclusive in respect of all matters covered herein and that during the continuance of this Agreement they will not seek to vary alter or add to all or any of the terms and conditions of employment presently applicable.

(b) The Union may however make representations regarding any matter for the purpose of modifying any of the matters contained herein and the Management shall discuss such matters with the Union, subject to the condition that the Management's decision on the matter shall be the final and not subject to further dispute.

In so far as matters that are not specifically covered by this Agreement, or the minutes referred herein the practices prevailing in the company shall continue to apply for the duration of this Agreement, subject to the right of the Company to reasonably vary such practices depending on prevailing conditions, but subject also to the right of the union to discuss and dispute any changes that may take place.

(c) In the event of there being doubts as to the interpretation of any particular provision of this Agreement, the Minutes of the Meetings, maintained by the company which set out the negotiations which preceded the signing of this Agreement (the official record of the Minutes) shall be taken as final in this regard.

The minutes also record some of the matters that have been agreed between the company and the Union which have not been included in this Agreement and it is hereby agreed that these matters so recorded are part and parcel of this Collective Agreement, and would be implied terms in all contracts of employment of the employees covered and bound.

5. **Date of Operation and Duration.**—This Agreement will come in to effect on the 1st day of January, 2013 and shall thereafter continue in force for a period of 3 years ending on 31st day of December 2015 unless it is terminated by either party with six (6) months notice to the other, provided however, that neither party shall give such notice on or before 30th June, 2015.

Each party however may also on any day after the 30th day of June, 2015 give notice in writing, of their intention to enter into a fresh Agreement or modify the existing Agreement. Parties shall then commence negotiations in that regard.

In the event of failure of the parties to conclude a fresh Agreement or to modify the existing Agreement, within a period of six (6) months from the date of notice of intention to negotiate a fresh Agreement or modify the existing Agreement, parties agree that either party may request the commissioner of Labour to summon a conference in an attempt to resolve any difference and reach Agreement. Parties undertake to attend such a conference that may be summoned by the Commissioner of Labour.

In the meantime unless otherwise terminated or provided herein the provisions of this Collective Agreement shall continue to remain in force.

6. **General Terms and Conditions of Employment.**— The terms and conditions of this Agreement shall be incorporated in all contracts of service between the company and the employees covered and bound by this Agreement whether such contract of service be written or oral, which are subsisting at the time of signing of this Agreement or which comes into being during the period of this Agreement.

7. **Consolidation of Salaries.**— The company agrees to consolidate the following amounts into salaries of employees on the 1st of August, annually, for the duration of the agreement.

1. 1st August 2013 - Rs. 1,100/-
2. 1st August 2014 - Rs. 1,200/-
3. 1st August 2015 - Rs. 1,300/-

Parties are agreed to meet and discuss the basis on which this payment (which was hitherto paid based on the Colombo Consumers' Price Index - CCPI) could be continued or to find an alternate solution in lieu, after the 1st of August, 2015.

8. **Work Plan Concept.**– Parties agree to continue the Work Plan Concept implemented in with effect from 1st January, 2009 subject to the Unilever Sri Lanka Ltd – Staff Employee Collective Agreement. 2008 - 2011.

With effect from January, 2013 annual increments shall be granted to employees covered and bound by this Agreement in terms of the provisions stipulated hereof as well as those Specifically incorporated in clause 9 below.

9. **Annual Increments**– (a) Staff members will be granted the Annual Increment and based on their performance as per the existing work plan system as set out below, subject to the condition stipulated in clause 9 (b) Work Plan System.

Description	Criteria	Annual Increment %
Exceptional (Additional Tasks)	Achieved over and above the agreed 100% work plan with high quality and additional tasks	7 to 8
Very Good	Achieved 100% with high quality	6 to 7
Good	Achieved 75%	4 to 5
Average	Achieved 50% with required quality	3 to 4
Satisfactory	Achieved between 50% - 25%	1 to 2
Unsatisfactory	Below 25%	0

(b) In the case of employees who have exceeded the maximum job value (MJV), Annual increment shall be limited to a maximum of 4% only.

10. **Revision of Salaries.**– It is agreed by the management to grant a fixed salary revision each year limited, to the period 2013-2015 based on employee performance in terms of the scheme set out hereunder.

The salary received by an employee as at 31st of December shall be considered for the purpose of calculating the rate of revision which shall be payable on the 1st day of January each year (i.e. only during the period 2013-15), commencing January 2013.

Description	Criteria	Salary revision to be granted
Exceptional (Additional Tasks)	Achieved over and above the agreed 100% work plan with high quality and additional tasks.	8
Very Good	Achieved 100% with high quality.	7
Good	Achieved 75%.	6
Average	Achieved 50% with required quality.	5
Satisfactory	Achieved between 50% - 25%.	2
Unsatisfactory	Below 25%	0

11. **Increments at Promotions / Upgradings.**– When upgradings / promotions take place, the following percentages of the individual gross salary will be granted.

Upgrading by one grade	10%
Upgrading by two grades	12%
Promotion from Category to Category (eg. Minor staff to Staff)	12%

12. **Annual Bonus.**– During the period of this Agreement the Company agrees to pay a bonus of 2-1/2 months salary at the end of each year.

This may be withdrawn either totally or partially for disciplinary reasons.

13. **Service Increment.**— Employees whose work and conduct are good will normally be entitled to an increment of 4% of their consolidated salary as at 31st December of the previous year on reaching 10, 15, 20 and 25 years service respectively.

14. **Allowances.**— All allowances will be revised as Schedule 01.

15. **Shift Allowance.**— Production Assistants, Engineering Assistants, Canteen Service Assistants, Clerical Assistants and Security Assistants will be entitled to the following shift allowance with effect from 1st January, 2013.

Shift	Prod & Eng. Assts.	Clerical Assts.	Security Assts.
6 am / 2 pm	175.00	175.00	175.00
2 pm / 9 pm	240.00	240.00	240.00
9 pm / 6 am	620.00	620.00	620.00
6 am / 6 pm	292.00	292.00	292.00
7 am / 4.30 pm	70.00	70.00	70.00
6 pm / 6 am	770.00	770.00	770.00

16. **Holidays.**— Unless circumstances change, management agrees to continue the present system of declaring the same holidays for both salaried staff and factory workforce.

17. **Spectacle Allowance.**— The company will not reimburse any spectacle allowance of staff employees for the purchase of spectacles. This reimbursement facility will be removed totally by consolidating Rs. 750/- to the consolidated 31st December, 2012 salary of all staff employees covered by this agreement.

18. **Supplementary Retirement Benefit Scheme.**— Employees will be entitled to a Supplementary Retirement Gratuity after completion of 10 years service in the Company. They will be entitled to 1 (one) month's gross salary for each year of service.

The company agrees to include annual Bonus as "salary" in the computation of the amount payable under the Supplementary Retirement Benefit Scheme.

19. **Contribution to Provident Fund.**— Contributions to Provident Fund will be at the rates of 12% by the Company and 12% by the employees covered by this agreement.

20. **Company Products.**— The Company agrees to issue every month to each employee a gift parcel of Company products to the value of Rs. 1500/- (Rupees Thousand five hundred) each calculated at retail prices as at 1st February, 2011.

21. **Reduced Rate Parcel.**— Staff members covered by this agreement are entitled to request for paid company products (Reduced Rate pack) based on the company defined rate.

22. **Free issue of Astra.**— The company will continue to issue 2 (two) tubs of Astra 250g twice a year. This will be issued in April and December of each year.

23. **Festival Advance.**— The Company agrees to pay one advance payment against up to a maximum of Rs. 25,000/- (Rupees Twenty Five Thousand only) per annum on the occasion of a recognised festival. This shall be subject to Clause 36 of this Agreement.

24. **Emergency Staff Loans.**— The company agrees to grant a loan up to a maximum of 3 months salary for the following reasons.

Incase of an ill health of a family member (self/spouse/Children, Mother-in-law and Father-in-Law) where the assistance from the company Medical Scheme is not sufficient or in a situation where the patient is not covered by the Medical Insurance Scheme.

To be of financial assistance in case of a natural disaster such as Tsunami, Cyclones, heavy floods causing damages to own property.

The loan granted will be recovered in a period of 10 months. The interest rate will be 9.5% per annum. This shall be subject to Clause 36 of this Agreement.

25. **Remittance of Monthly Instalments.**— The Company will provide employee salary details based on employee request to obtain housing loans from recognised financial institutions and remittance of monthly instalments will be done only for selected banks.

Remittance of monthly instalments shall be subjected to Clause 36 of this Agreement.

26. **Canteen Meals.**— Unless circumstances change the Company undertakes to provide meals in the Company's canteen. The Company's intention is to charge the approximate cost of raw materials used for the preparation of such meal from each employee. The company will charge Rs. 20/- for the main meal from all staff members.

27. **Tea Service.**— The Company agrees to provide a free tea in the morning and afternoon.

28. **Scholarship Scheme**– The present scholarship scheme for staff and workforce employees children will continue with 60% enhanced rate to the present scheme with effect from 1st January 2013.

29. **Leave entilement, hours of work and Attendance**– Leave entitlement, hours of work and attendance will be governed by the rules framed for the purpose. These rules may be changed by the Company from time to time but not so as to deprive any employee of any rights or benefits conferred upon him by law.

30. **Medical and Casual Leave and Service Leave**– The Medical Leave entitlement will be 21 days per year. Any accumulation beyond this 21 days will be paid at the rate of 1 1/2 (one and half) day's salary as at 31st December of each year.

The casual Leave entitlement will be 07 days per year. Any accumulation beyond this 07 days will be paid only at the rate of 1 (one) day's salary as at 31st December of each year.

The service leave entitlement will be 3 days per year and 5 days only per year for the staff employees who complete 10 years of service and 15 years of service respectively. Any accumulation beyond this 3 days for those who have completed 10 years and 5 days for those who have completed 15 years days will be paid only at the rate of 1 (one) day salary as at 31st December each year.

31. **Death of An Employee in Service**– Where an employee dies in service, Management will grant a sum not exceeding Rs. 100,000/- (Rupees Hundred Thousand only) to be used for the funeral expenses of staff and workforce.

32. **Personal Accident Insurance**– The Company will continue to cover all staff employees with a 24 hour Personal Accident Insurance Policy of Rs. 1,000,000/- or 48 times the wage, whichever is higher. Natural Death will be covered in a sum of Rs. 350,000/- 47. 5% of the additional premium on account of the Natural Death cover will be paid by the employee concerned. The Company will pay the balance premium.

33. **Union Meetings**– The Union may with the agreement of the Company hold committee meetings and general meetings of the Union within the Company premises at such places and times as agreed by Management. Persons who are not in employment of the Company shall not attend such meetings without the written Agreement of the Company.

34. **Union Office**– The Company has provided accommodation for a Union office at No. 45, Lukmanjee Square, Colombo 14. If this premises is required by the Company for Company expansion, the Union agrees to vacate the premises and Management agrees to provide of pay for alternate office accommodation. The Office will be used only for the business of the Branch Union.

35. **Union's Annual General Meeting**– (a) To enable the members of the Union to attend and be present throughout the Annual General Meeting of the Branch Union, Management agrees to release the members of the Union at 1.00 p.m. and members at Horana factory will be given a full days leave on the day of the Annual General Meeting.

(b) Members of the Working Committee will be granted one day's duty leave each year for the Annual General Meeting of the Parent Union.

36. **Deductions to be within legal limits**– In granting loans to an employee or making deductions from his/her salary, the Company will observe the rules regarding the legal limits of authorised deductions. The Company will take into consideration the actual pay received (after all deductions) during the course of the two years preceding, to ascertain whether such proposed deductions are likely to exceed the legal limits.

If in the opinion of the Company, such deductions are likely to exceed the legal limits, the Company shall not grant such loans or agree to make any deductions.

The Company's decision in this regard will be final. Deductions will be made in such order of priority as the Company shall decide.

37. **Loans to Thrift and Credit Society**– The Company agrees to use its good offices to help the Co-operative Thrift and Credit Society to be operated independently and obtain loans from the People's Bank, whenever the Company considers it desirable.

38. **Grievance handling procedure**–

- (a) Where an employee covered and bound by the Agreement wishes to make representations to Management, in respect of an individual grievance, dispute or other matter, such employee shall, in the first instance, discuss the matter with his immediate superior.
- (b) If in the opinion of the employee the matter is not satisfactorily settled by his immediate superior, the matter may then be discussed with the Manager to whom his immediate superior is responsible.
- (c) If the matter is, in the opinion of the employee not satisfactorily settled at stage (b) such employee may discuss the matter with the Industrial Relations Manager and if he so desires with a representative from the branch union.
- (d) If the matter is, in the opinion of the employee not satisfactorily settled at the level of the Head of Department the employee concerned together with the representatives of the Branch and/or Parent Union, if he so desires shall, discusses

the matter with the Director responsible and the Director – Human Resource.

(e) In the event of the matter not being satisfactorily settled at stage (d), the Branch Union may, through the Parent Union take the matter to the Board of Directors of the Company.

(f) Where there is a dispute between two employees of different departments, either of such employees may take up such dispute through his superiors in like manner.

39. **General Matters.**– The Union may, from time to time, make representations to the Company on general matters concerning its membership.

The Company will decide whether such matters should be discussed and if discussion on any matter it thought desirable, Management may summon a meeting for such purpose.

40. **Trade Union Action.**– During the period of this Agreement, the Union hereby undertakes not to seek or vary or alter any of the terms and conditions covered by this Agreement and also expressly undertakes not to engage in strikes or any other form of Trade Union actions in respect of a dispute, but will have such disputes settled in accordance with Clause 43(a).

41. **Withdrawal of Benefits.**– In the event of the Union (or any employee bound by this agreement), doing any act or acts which are contrary to this Agreement and thereby committing such a breach of this Agreement or any part thereof, the Company shall be at liberty to withdraw all or any of the benefits granted under this Agreement or terminate the Agreement by giving notice of one month.

Where benefits are withdrawn under this section and the matter is referred to an arbitrator for a decision under Clause 43 and such arbitrator determines that such withdrawal of benefits was unjustified in terms of his Agreement, the Company shall pay such benefit in arrears.

42. **Suspension and Inquires.**– The employee shall furnish in writing to the employer, the answer of explanation to the charges preferred against such employee, within 3 (three) clear working days, after the date of show cause notice, provided however, that if in the circumstances it is reasonable, the employee may ask the employer for an extension of time within which to furnish the written answer of explanation to the show cause notice and where such request is made by an employee to the employer. The employer shall grant such request for such further period of time as is deemed necessary in the circumstances of the case.

After holding an inquiry the Employer shall notify the employee if the findings on each of the charges in the show cause notice and the punishment, if any, imposed by the Employer. Provided that if an Employer fails to make an order except for reasons beyond the control of the Employer on the charges in the show cause notice within 30 working days from the conclusion of the inquiry into such charges, the employee shall not be liable to be punished thereafter in respect of such charges and no inference adverse to the employee in respect of such charges shall be drawn.

In the case of suspension of an employee, the employee will be entitled to half his normal remuneration after 10 working days from the date of suspension till a decision is made.

The management shall have the right to suspend an employee without pay either pending the conclusion of the disciplinary inquiry process or by way of punishment.

The employer shall make an order within 90 days of the date of suspension of the employee, unless he/she is prevented from so doing by reasons of the employee's own seeking or for reasons beyond the control of the Employer or it is agreed between the Management and the Union that in the circumstances of the case the period of 90 days be extended for such further time as may be agreed.

43. **Arbitration.**– (a) Subject to the provisions of Clause 4 (a) and (b) it is hereby agreed that during the term of this Agreement, any dispute whatsoever, which has not been settled by negotiations between Management and the Union, whether such dispute concerns the terms of this Agreement shall be referred to arbitration under the Industrial Dispute Act. The Union and Management shall agree on a clear statement of the matter in dispute, if necessary with the assistance of the Commissioner of Labour.

If the choice of the Arbitrator or the Statement of the matter in dispute cannot be agreed to, either party may make an application to the Commissioner of Labour to determine the statement of the matter in dispute and refer such matter to such Arbitrator as he may nominate. Any dispute regarding the interpretations of this Agreement shall also be referred in like manner to arbitration.

Both parties agree to accept and be bound by the verdict of the Arbitrator.

(b) If a dispute arises from the action taken by Employer in relation to an employee or a group of employees that in the opinion of the Union will undermine the existence or the legitimate activities of the Union or its members, the Union will in the first instance discuss the dispute with the Employer with a view to bring about an amicable settlement.

If the Union is not satisfied with the discussion and the explanation given by the employer, the Union may take any form of trade union action. The Union will inform the employer before such action is taken. The employer reserves the right to take such steps as it may deem fit.

IN WITNESS WHEREOF THE
UDAYAN DUTT, Director - Hu
THALIB HASSAN CAFFOOR,
their hands for and on behalf o
THOUSAND AND THIRTEEN.


UDAYAN DUTT

Witnesses to the signatures of
said UDAYAN DUTT and
MOHAMED THALIB HASSAN

IN WITNESS WHEREOF the p
TAMPOE, General Secretary c
(CMU) has set his hands on th


BALA TAMPOE

Witness to the signature of said
BALA TAMPOE

IN WITNESS WHEREOF the p
WELIKADAGE DHARMAKULA
Mercantile Industrial and Gene
Grandpass Site and NALIN IRE
Mercantile Industrial and Gene
set their hands for and on beha
THOUSAND AND THIRTEEN.


WELIKADAGE DHARMAKULA
TISSA BOTEJU

Witnesses to the signatures of
said WELIKADAGE DHARMA
TISSA BOTEJU
and NALIN IRESH HEMAL GA

Schedule 01

STAFF CA 2013 - 2015 - SUMMARY OF BENEFITS (LKR)

ALLOWANCE CRITERIA	PROD/ENG/CAN DEV.ASST	SECURITY ASSTS	CLERICAL STAFF	DRIVERS	PEONS SERVICEMEN
DISTURBANCE ALLOWANCE					
When called to work during off-duty hours or (Clerical staff and Minor staff when called upon to report to work at 6am)	Current 600/- CA agreed	600/- 600/-	600/- 600/-	600/- 600/-	600/- 600/-
When required to remain within company Premises during a national emergency over 12 hours	Current 640/- CA agreed	640/- 640/-	640/- 640/-	640/- 640/-	640/- 640/-
Less than 12 hours	Current 480/- CA agreed	480/- 480/-	480/- 480/-	480/- 480/-	480/- 480/-
PGA (Payment cover for loading Dinner or breakfast)	Current 437/- CA agreed	437/- 874/-	437/- 874/-	350/- 874/-	- -
Breakfast	Current -	-	-	53/-	-
	CA agreed	-	-	93/-	-
Lunch Allowance (Incl. Casuals)	Current 262/- CA agreed	262/- 458/-	262/- 458/-	262/- 458/-	262/- 458/-
Dinner	Current 350/- CA agreed	350/- 612/-	350/- 612/-	350/- 612/-	350/- 612/-
Transport Allowance					
(When required to work till 6.00pm-those on 7/4.30 pm and 6/2pm shifts 8/4.10pm (Grandpass employees))	Current 175/- CA agreed	175/- 350/-	175/- 350/-	175/- 350/-	175/- 350/-

STAFF CA 2013 - 2015 - SUMMARY OF BENEFITS (LKR)						
Schedule 01	ALLOWANCE CRITERIA	PROD/ENG/CAN DEV/ASSI	SECURITY ASSIS	CLERICAL STAFF	DRIVERS	PEONS SERVEMEN
Staggered meal break (Included 7.00 to 4.30 general shift and All shifts) (Included 7.00 to 4.30 general shift and All shifts)	Current	87/-	87/-	87/-	87/-	87/-
	CA agreed	175/-	175/-	175/-	175/-	175/-
Double shift - Shift employees working on weekly holiday from 6am to 10pm)	Current	235/-	235/-	235/-	235/-	235/-
	CA agreed	415/-	415/-	415/-	415/-	415/-
For Time office Cashier (6.00am to 9.15pm)	Current	-	-	350/-	-	-
	CA agreed	-	-	700/-	-	-
Risk allowance (Handling petty cash)	Current	1750/-	1750/-	1750/-	1750/-	1750/-
	CA agreed	3500/-	3500/-	3500/-	3500/-	3500/-
Saturday 4 1/2 hours (General shift employees)	Current	306/-	306/-	306/-	306/-	306/-
	CA agreed	535/-	535/-	535/-	535/-	535/-
Payment for Unavailed Lieu Leave	Current	612/-	612/-	612/-	612/-	612/-
	CA agreed	1070/-	1070/-	1070/-	1070/-	1070/-
Allowance for Nuwara Eliya Holiday Home (Not in allowances but included in their request).	Current	940/-	940/-	940/-	940/-	940/-
	CA agreed	1500/-	1500/-	1500/-	1500/-	1500/-
Refreshment Allowance (Incl. Casuals) Half day on the field with a minimum of 4 hour (Actual cost of a soft drink bottle)	Current	26/-	26/-	26/-	26/-	26/-
	CA agreed	38/-	38/-	38/-	38/-	38/-
Staff & Managers joint Picnic allowance	Agreed 2009	3250/-	3250/-	3250/-	3250/-	3250/-
	Current Rate	12000/-	12000/-	12000/-	12000/-	12000/-