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EXTRAORDINARY

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PART IV (A) — PROVINCIAL COUNCILS

Provincial Councils Notifications

SABARAGAMUWA PROVINCE PROVINCIAL COUNCIL

OF THE

DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

(Ministry of Law and Order, Finance and Planning, Local Government, Health and Indigenous Medicine, Women Affairs,
Co-operatives, Trade and Food, Transport and Estate Welfare, Environment, News, Housing and Construction)

Co-operative Employees' Pension Statute No. 02 of 2014 of the Sabaragamuwa Province Provincial Council

Honourable Chairman of the Sabaragamuwa Provincial Council certified on 22.07.2014

Honourable Governor of the Sabaragamuwa Provincial Council assented on 06.08.2014

Printed by order of the Sabaragamuwa Province Provincial Council

SABARAGAMUWA PROVINCIAL COUNCIL OF THE DEMOCRATIC SOCIALIST REPUBLIC OF SRI LANKA

Co-operative Employees' Pension Statute No. 02 of 2014 of the Sabaragamuwa Provincial Council

The Co-operative Employees' Pension Statute No. 02 of 2014 of the Sabaragamuwa Province Provincial Council which is passed by the Sabaragamuwa Province Provincial Council on 24.06.2014 and assented to by the Honourable Governor of the Sabaragamuwa Province on 06.08.2014 is hereby published for the information of the public.

LALITH DODAMKOTUWA,
Council Secretary,
Sabaragamuwa Province Provincial Council.

At the Sabaragamuwa Province Provincial Council,
10th September 2014.



DRAFT

**PROPOSED CO-OPERATIVE EMPLOYEE'S PENSION SCHEME STATUTE OF THE
SABARAGAMUWA PROVINCE**

**Co-operative Employees' Pension Statute No. 02 of 2014 of the Sabaragamuwa Province
Provincial Council**

A statute to provide for the establishment of a pension scheme for the Co-operative Employees of Sabaragamuwa Province by the Commissioner and the Registrar of Co-operative Development of the Sabaragamuwa Province and to provide for matters connected therewith or incidental thereto.

Be it enacted by the Provincial Council of the Sabaragamuwa Province as follows :

Short title and date
of operation

01. This statute may be cited as the Co-operative Employee's Pension Scheme Statute No. 02 of 2014 of the Sabaragamuwa Province and shall come into operation on such date as the Governor of the Sabaragamuwa Province Provincial Council may appoint.

PART - 1

Establishment of the Co-operative Employees' Pension Scheme.

Establishment of
the Co-operative
employees' pension
scheme

Should be a body
corporate

02. 1. There shall be established a Scheme which shall be called the Co-operative Employees' Pension Scheme to be operated in compliance with the provisions of this statute.
- II. This pension scheme be a body corporate and shall have perpetual succession and a common seal and may sue and be sued in that name and do such things as may be necessary to implement this statute .

Appointment of the
director

03. I. The function of administration of Co-operative Employees' Pension Scheme will be assigned the Director, Co-operative Employees' Pension Scheme who is holding the office of the Commissioner of Co-operative Development and Registrar of Sabaragamuwa Province during the period of time concerned.

Functions of the
director

- II. The Director shall be held responsible for the administration and supervision of functions and duties of this Scheme.

Appointment of the
advisory committee

- III. The Minister may appoint an advisory Committee which shall consist of he following seven members to advise and make recommendation to the director with regard to the management and administration of all matters connected with the Scheme. Among these members the members mentioned in the sub-Section E of Section 3.1V shall be nominated by the Minister.

- IV. The advisory committee shall consist of :

- (a) The Secretary to the Ministry in charge of the subject of co-operative of the Sabargamuwa Province Provincial Council.
- (b) The Deputy Chief Secretary (Finance) of the Sabaragamuwa Province Provincial Council.
- (c) The Commissioner General of Labour or an executive officer of his department nominated by him.

- (d) The Secretary of the Sabaragamuwa Provincial Council Co-operative Employees' Commission. The Staff
- (e) Chairmen of Ratnapura and Kegalle District Co-operative Boards.
- (f) A serving or retired co-operative society employee of Sabaragamuwa Province who possess over 20 years of service and who is not found guilty at an legal inquiry (should be appointed).
- V. The staff necessary of the purpose of implementing the pension scheme should be appointed only out of the officers employed in the Co-operative Development Department of Sabaragamuwa Province.
04. I. (a) The term of office of the members of the advisory committee mentioned in the sub Section (a), (b), (d) and (e) of section 3.1V shall be limited to until they hold their official posts. Qualifications and terms of office of the members of the advisory committee
- (b) If the advisory committee member that may be appointed under sub-Section (c) of the section 3.1V of this statute is the Commissioner General of Labour himself, the term officer is until he hold his official post. Where an executive officer of the labour department is nominated by the Commissioner General of Labour, shall unless he vacates office earlier by reason of death or resignation or removal. hold office for a period of 03 years.
- Provided, earlier nomination ceases to valid when the Commissioner General of Labour is nominated another person.
- (c) Every appointed member to the advisory committee under Sub Section E of the Section 3.1V shall unless he vacates office earlier by reason of death or resignation by a letter addressed to the Minister or removal by the Minister, hold officer for a period of three years.
- II. Where an appointed member to the advisory committee as per sub Section E of Section 3.1V vacates office as aforesaid, some other person shall be appointed in his place having regard to the provisions of sub section 3.111 and the member so appointed shall hold office for the unexpired period of the term of office of his predecessor.
- III. Where an appointed member is temporarily unable to perform the duties of his officer due to ill-health, absence from Sri Lanka or other cause, the minister may appoint another person to act in his place.
- IV. Any appointed member who vacates office other than a member who is removed from officer shall be eligible for re-appointment.
05. The advisory committee may exercise all or any of the following powers. Functions of the advisory committee
- I. To formulate policies to implement this scheme.
- II. To advice the Director, on matters relating to the management, operation and implementation of this Scheme.
- III. To review the work of this scheme.

Meetings of the advisory committee	06.	I. The secretary to the ministry in charge of the subject of co-operative shall chair every meeting of the advisory committee, where the secretary is absent from any meeting of the advisory committee, any person shall be elected from among the members of the advisory committee to chair such meeting.
		II. The director shall be the secretary to the advisory committee. He shall convene the meetings of the advisory committee and such meetings shall be convened regularly as may be required for the purpose of execution of function of the scheme under this statute.
Vacancy/vacancies	III.	The advisory committee may act notwithstanding any vacancy among its members and any act or procedures of the advisory committee shall not be deemed to be invalid by reason of the existence of any vacancy among its members.
quorum	IV.	The quorum of any meeting of the advisory committee shall be 04 members.
Remuneration of the director, members of the advisory committee and the staff	07.	I. Such remuneration as determined by the minister may be paid to the director for implementation and execution of the scheme.
	II.	The Director may with the approval of the minister pay remuneration to the members of the advisory committee for attending the meetings of the advisory committee. The director shall with the approval of the advisory committee reimburse to each of the member such travelling and other expenses as he may incur for purposes connected with the work of the advisory committee.
	III.	Such remuneration and other expenses as determined by the advisory committee may be paid to the employees of the advisory committee.

PART II

Implementation of the Co-operative Employees' Pension Scheme

Eligibility to join the scheme	08.	Any permanent co-operative employee who is appointed before the operation date of this statute and still working, and is not less than 18 year and not more than 60 years of age shall be entitled to join the scheme.
It is compulsory to contribute to the scheme	09.	Every co-operative employee, who joins the permanent employment on or after the date of coming into operation of this scheme, shall compulsorily contribute to the pension scheme.
Benefits under the scheme	10.	I. A co-operative employee who joins the scheme (hereinafter referred to as the "Contributor") shall be entitled to following benefits under the scheme on such basis as may be prescribed by regulations. <p>(a) A periodical pension as may be prescribed.</p> <p>(b) A periodical death gratuity as may be prescribed.</p> <p>II. The basis of payment of a pension or gratuity shall be prescribed having regard to the period of contribution, age of the contributor and the amount of contribution made by the contributor.</p>

11. I. the contributor shall be entitled to a pension once he attains 60 years of age. Provided, that any contributor who has started making contributions irrespective of the fact that he has completed the payment of required total contribution, shall be entitled to the pension after the elapse of 06 months from the approval of the scheme.
II. The pension shall be paid up to end of the month in which the contributor dies.
When the pension is payable
12. In the event of the death of a contributor before he becomes entitled to receive his pension, a death gratuity on such basis as may be required by regulations, shall be paid to the surviving dependents.
Death gratuity
13. I. Where it has been established through a lawful inquiry as per the Section 27 of the statute, that any contributor before he becomes entitled to receive his pension has caused any damage to the co-operative society or to the union, such contributor shall not be entitled to any benefit or pension under this statute, provided such contributor shall be entitled to remain in the scheme by reimbursing the damage to the society or to the union in terms of the regulations which so require and the provisions of Section 14.
Non-entitlement to the pension
II. (a) If a lawful inquiry as per the Section 13(a) or a court procedure is on against any contributor for causing a loss to his/her employer, co-operative society or union at the time of entitlement, the director possess the power to temporary suspend the payment of a pension if any which may be paid under this statute until such time the said inquiry or the office procedure is over.
Non-entitlement to the pension
(b) If a lawful inquiry which is taking place against the contributor under the Section 13.11(a) is delayed more than 06 months, the contributor is paid the full or part of pension with the approval of the advisory committee.
(c) If the contributor is acquitted in a lawful investigation to be conducted against him he is entitled to receive the pension as from the date of his retirement.
14. I. The Director shall on enrollment of any co-operative employee as a contributor to the scheme, issue him with a policy setting out the,
The director to issue a policy to each contributor
(a) contribution to be made by the contributor.
(b) Contribution made by the co-operative society or union.
(c) terms and conditions of the policy, and
(d) the benefits to which the contributor is entitled under the policy issued to him.
II. In the event of a default of payment of 3 consecutive installments or installments to a given date, by a contributor, the contributor will not be entitled to the benefits under the policy issued to him.
III. Where any contributor has forfeited the benefits under the certificate issued to him, the director shall issue such contributor a notice to that effect.
IV. The contributor shall have the right to make an appeal in such a manner as required by regulations to the director to validate his policy and the director shall validate the policy if he is satisfied that the reasons for failure to pay the installments were beyond the control of the contributor.

	V. Where the director decides to validate a policy the contributor shall be informed of the date, prior to which the arrears in installments will have to be paid. The policy should be considered invalid if he/she is unable to pay the contribution before such date.
The contribution	15. The contributor and the co-operative society or the union concerned shall made the contributions under this scheme as may be required by regulations, The co-operative society or the union shall collect the contributions made by the contributors of this scheme who are employees of such society or union and shall remit same to the scheme in such a manner as may be prescribed by regulations. The date prior to which the contributions have to be made as per such regulations shall be specified and any co-operative society or union which fail to make contributions on the specified date, shall be liable to a fine prescribed by regulations.
Liquidation of co-operative societies or unions	16. I. Where the registration of any co-operative society or union has been cancelled for the purpose of liquidation by law and the contributor has made contributions up to the date of such cancellation the pensions shall be made on such basis and prescribed by regulations.
Amalgamation or integration is not a reason to forfeit the pension	II. Where any co-operative society or union has been integrated or amalgamated with another co-operative society or union by law, it shall not be constructed as forfeiture of the pension of the contributor under this scheme but be constructed as the contributor continues to be in the scheme through his employer society or union.
The director to determine the award of benefit	17. The director shall, in accordance with the regulations prescribed determine the award of benefits under the scheme to any contributor.
	18. I. The minister may appoint a Board of Appeal consisting of the following five members for any contributor who is not satisfied with the determination of the director to make an appeal.
Board of appeal	II. The composition of the board of appeal is as follows (Sabaragamuwa Province Provincial council)
Composition of the board of appeal	(a) Deputy Chief Secretary (administration), of the Sabaragamuwa Province Provincial Council
	(b) Secretary of the Co-operative Employees' Commission of Sabaragamuwa province.
	(c) An executive officer of the Labour Department appointed by the minister in consultation with the Commissioner-General of Labour.
	(d) Two executive officers to be appointed by the minister having not less than 20 years service in a co-operative society or union of Sabaragamuwa Province and who are not found guilty at an legal inquiry (members appointed under Section c and d above should not be members of the advisory committee.
The quorum	III. The quorum of the meetings of appeal board should be 03 members.
Appeal to be made within 30 days	IV. Any contibutor who is not satisfied with the determination the notice of such determination, made an appeal to the board of appeal stating the ground of is appeal.

- V. The decision of the board of appeal should be conveyed to the appellant within 90 days of receiving the appeal. Decision should be delivered within 90 days
- VI. The decision of the board of appeal on such appeal shall be final and effective.
19. No pension, gratuity or allowance payable from the scheme be assigned or transferred and every assignment or transfer shall be absolutely null and void and of no effect. Except under the powers of director or regulations made under this scheme or under this statute, no such pension or gratuity or allowance shall be attached, prohibited or taken in execution of writs on account of any debt or payment due by the person to whom such pension or gratuity or allowance is payable. Pension, gratuity or allowance not to be assigned or levied upon

PART III

Co-operative Employees' Pension Fund

20. I. There shall be established a co-operative employees' pension fund (hereinafter referred to as the fund) Co-operative employees' pension fund
- II. There shall be paid into the fund :
- Such sums and money as may be approved from time to time by the Minister in charge of the Co-operatives of the Sabaragamuwa Province Provincial Council
 - Such sums of money as may be voted from time to time by the Sabaragamuwa Provincial Province Council for the operation of the scheme.
 - Such sums of money as may be advanced or donated to the director from time to time by the Sabaragamuwa Province Provincial Minister in charge of the subject of finance.
 - All sums of money given by the Minister in-charge of the subject of Co-operatives from the ministry allocations annually.
 - All sums of money as may be received from a co-operative society or a union from time to time or annually.
 - All sums of money received in the exercise, performance and discharge of its powers, duties and functions under this statute.
 - All sums of money received from any source as gifts and donations.
 - All sums of money paid as contributions to the scheme by the contributions and co-operative societies and unions as monthly contributions.
 - All sums of money including initial payments paid by contributor an the co-operative society or union when an employees is enroll to this scheme.
 - All sums of money earned as interest or profits from investments.
 - All sums of money received from any source as gifts and donations and received from any source at co-operative society or union to the fund and such sums of money as may be advanced to the director by co-operative societies or unions in the discharge of functions of this scheme.

	III.	For the purpose of this fund, a current account should be maintained in a state bank, all sums of monies received for the fund should be credited to this account.
	IV.	There shall be paid out of the fund, all sums of money required to defray any expenditure incurred by the advisory committee or the director in the exercise, performance and discharge of the powers, duties and functions of the advisory committee and the director under this statute and the sums of money required to be paid out of the fund by or under this statute.
	V.	All the monies of this fund should not be utilize to any other activity except to pay co-operative employees' pensions and related expenses.
Investment of the funds	21.	All monies in the fund which are not immediately required by the director under this statute, should be invested by the director with the concurrence of the advisory committee in a state bank or in a state owned financial institution or in the District Co-operative Rural Bank Union.
Borrowing power	22.	The director may with the concurrence of the advisory committee borrow by way of bank overdraft or otherwise obtain from any co-operative society, union or a state owned financial institution on credit terms such sum as the director may require for the meeting of the obligations of the director or carrying out of objectives of the scheme under this statute.
Financial year and accounts	23.	I. The financial year of the scheme shall be the calendar year. II. The director shall cause books of the scheme to be balanced as on the 31st day of December in each year and shall before 31st day of March next submit to the advisory committee an income and expenditure account and balance sheet containing a summary of the assets and liabilities of the scheme made up to the first mentioned date.
Accounts should be submitted to the provincial council	III.	The details mentioned in the 23.II paragraph should be submitted to the provincial council before 30th June of that year.
Auditing of accounts	IV.	Accounts of the scheme should be audited every year by the officer provincial council in charge of auditing or the auditor general according to the law.

PART IV

Other Matters.

24. I. The minister may make regulations in respect of all matters which are stated or required by this statute and regarding the following matters.
- Regulation, administration and management of the scheme.
 - The qualifications, conditions and circumstances in which and the restrictions subject to which any co-operative employee shall be eligible to join the scheme.
 - The determination of the amount of contribution to be made by the contributor and by the co-operative society or union for such contributor.
 - The determination of the basis on which pensions, gratuities or allowances are payable to contributors.

- (e) Conditions governing the default of payment of contributions.
 - (f) Regulation of the procedure and transaction of business of the advisory committee.
 - (g) Making regulations and procedures regarding appeals.
 - (h) The termination or forfeiture of the pension entitlement certificate.
 - (i) The determination of the basis of payment and the amount of death gratuity.
 - (j) The prescription of relevant forms.
- II. Every regulation made by the minister shall be published in the *Gazette* and come into operation on the date of such publication or such later date as may be specified in the regulation.
- III. Every such regulation shall as soon as convenient after its publication in the *Gazette* be brought before the provincial council for approval. Any regulation which is not so approved, shall deem to be rescinded as from the date of such disapproval but without prejudice to anything previously done thereunder. Notification of the date on which a regulation shall deem to be rescinded shall be published in the *Gazette*.
25. I. No civil or criminal suit or prosecution shall lie against the director or the advisory committee or the members of the advisory committee or appeal board for any act which is good faith is done by the director, advisory committee or any member of the advisory committee or appeal board.
- or
- II. Against any member of the advisory committee or the board of appeal or any officer or employee who assists the implementation of the scheme for any act which in good faith is done or purported to be done by him under this statute or on the direction of the director.
26. Every person who contravenes or fails to comply with any provision of this statute or of any regulation made thereunder shall be guilty of an offence and shall on conviction after a summary trial before a magistrate be liable to imprisonment of either description for an term not exceeding 06 months or to a fine of Rs. 1,500/- or to both such fine and imprisonment.
27. In this statute unless the context otherwise requires.
- “Provincial Council” means the Provincial Council of the Sabaragamuwa Province.
- “Minister” means the Sabaragamuwa Provincial Minister in charge of the subject of Co-operatives in that time.
- “A Co-operative Society” means Co-operative Society/Association registered in the Sabaragamuwa Province Co-operative Societies Statute No. 03 of 2007 and Co-operative Statute No. 03 of 1994 read with Co-operative Societies No. 05 of 1972 as amended by Act, No. 11 of 1992 and 32 of 1983.
- “A Co-operative Association” means an association comprising several Co-operative Societies registered in the Sabaragamuwa Province Co-operative Societies statute No. 03 of 2007 and Co-operative statute No. 03 of 1994 read with Co-operative Societies Act, No. 05 of 1972 and amended by Act, No. 11 of 1992 and 32 of 1983.

Protection for
actions taken under
this statute or on
direction of the
director

Offences

Interpretation

“The employee” means an employee who received a permanent appointment to a Co-operative Society/Association as per the interpretation of the Co-operative Employees' Commission act read with amendment Act, No. 51 of 1992.

“A lawful inquiry” means a disciplinary inquiry as per the provisions of the Co-operative Employees' Commission Act, No. 12 of 1972 read with the amended Act, No. 51 of 1992 or an inquiry conducted as per the provisions of the co-operative societies Act. No. 3 of 2007 and No. 3 of 1994 read with Co-operative Societies Act, No. 05 of 1972 as amended by Act, No. 11 of 1992 and No. 32 of 1983.

Sinhala text
 to prevail in case of
 consistency

28. In the event of any inconsistency among Sinhala, Tamil and English texts of this statute, the Sinhala text shall prevail.

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