



THE CEYLON GOVERNMENT GAZETTE

EXTRAORDINARY

No. 9,571 — WEDNESDAY, JUNE 26, 1946.

Published by Authority.

PART II.—LEGAL.

(Separate paging is given to each Part in order that it may be filed separately.)

DRAFT ORDINANCES.

MINUTE.

The following Draft of a proposed Ordinance is published for general information:—

L. D.—O. 43/41

An Ordinance to amend the Coconut Research Ordinance so as to authorise retrospectively the establishment of a provident fund for the benefit of employees of the Coconut Research Scheme, and to validate acts done and rules made heretofore in connexion with the establishment and maintenance of such fund.

Cap. 303.
(Vol. VI.,
page 450.)

BE it enacted by the Governor of Ceylon, with the advice and consent of the State Council thereof, as follows:—

1. This Ordinance may be cited as the Coconut Research (Amendment) Ordinance, No. of 194 .

Short title.

2. Section 4 of the Coconut Research Ordinance (hereinafter referred to as "the principal Ordinance"), is hereby amended as follows:—

Amendment of
section 4 of
Chapter 303.

(1) in sub-section (7)—

- (a) by the substitution, for the words "appointment of its officers," of the words "appointment of its officers and servants,"; and
- (b) by the substitution, for the words "any such officers" in the Proviso, of the words "any such officers or servants"; and

(2) by the insertion, immediately after sub-section (7), of the following new sub-section:—

"(7A) The Board may establish and maintain a provident fund for the benefit of all or any of its officers and servants, make contributions out of the moneys at its disposal to that fund, regulate the management and investment thereof, and prescribe the contributions to be made thereto by, and the payments to be made therefrom to, such officers and servants."

3. The amendments made in the principal Ordinance by section 2 of this Ordinance shall be deemed for all purposes to have had effect from the date of the commencement of the principal Ordinance, and accordingly—

Retrospective
effect of section
2 and validation
of existing rules.

(a) the provident fund heretofore established for the employees of the Coconut Research Scheme shall be deemed to have been duly established, and all contributions made to and payments made from that fund and all acts done in the course of the management and conduct thereof prior to the date of the commencement of this Ordinance shall be deemed to have been duly made and done, under powers conferred by the principal Ordinance;

(b) the rules for the establishment and management of the fund which were published in *Gazette* No. 8,046 of May 4, 1934, shall be deemed to have been duly made under the principal Ordinance and to have been valid and effectual for the purposes for which they were made, at all material times from the fourth day of May, 1934, to the thirtieth day of April, 1940;

- (c) the aforesaid rules shall be deemed to have been duly rescinded on the first day of May, 1940, and in substitution therefor the rules set out in the Schedule to this Ordinance shall be deemed to have been duly made under the principal Ordinance and to have been valid and effectual for the purposes for which they were made at all material times from that date to the date of the commencement of this Ordinance; and
- (d) from the date of the commencement of this Ordinance, the rules set out in the Schedule as aforesaid shall be in force as if they were rules made under the principal Ordinance and may be amended, rescinded, added to, or replaced by rules made under that Ordinance.

SCHEDULE.

The Coconut Research Scheme (Provident Fund) Rules.

1. These rules may be cited as the Coconut Research Scheme (Provident Fund) Rules.

2. The Provident Fund established for the employees of the Coconut Research Scheme under the rules made under subsection (8) of section 4 of the Coconut Research Ordinance and published in *Gazette* No. 8,046 of May 4, 1934, shall be continued as the Provident Fund for the purposes of these rules and is hereinafter referred to as "the Fund".

3. (1) Every employee of the Board (other than a person holding a pensionable office under the Government who has been seconded for service with the Board) drawing a monthly salary of forty rupees or over shall be a member of the Fund.

(2) Any monthly paid employee of the Board may become a member of the Fund after he has served the Board for a period of six months notwithstanding that his monthly salary may be less than forty rupees.

4. (1) Every member shall contribute to the Fund in respect of each month a sum equivalent to seven and one-half per centum of his salary for that month.

(2) The sum payable by a member under paragraph (1) shall be levied by way of abatement on pay sheets, or be paid to the Secretary within fifteen days of the receipt by the member of his salary.

(3) Where the sum payable under paragraph (1) is levied by way of abatement from salary on pay sheets, such sum shall, for the purposes of computing interest, be deemed to have been credited to the Fund on the last day of the month in respect of which the salary was due.

(4) Where the sum payable under paragraph (1) is paid to the Secretary such sum shall, for the purposes of computing interest, be deemed to have been credited to the Fund on the last day of the month in which such payment is made.

(5) All sums payable by a member under paragraph (1) shall be computed by reference to the actual salary paid to that member and no sums shall be due under that paragraph in respect of any period of leave without pay.

(6) Any member who is temporarily transferred, or whose services are lent, to a Government department or a local authority or to any research institution may continue to contribute to the Fund at the same rate as he would have contributed if he had not been so transferred or his services had not been so lent.

(7) In this rule—

"actual salary" includes full pay and half pay;

"salary" includes any personal allowance equivalent to salary, but does not include any other fee or emolument.

5. (1) There shall be placed to the credit of each member on the last day of the Board's financial year a bonus equal to the total of the sums contributed by such member during that financial year.

(2) Where any member ceases to contribute to the Fund on death or retirement, there shall be placed to the credit of that member a bonus equal to twice the total of the sum contributed by such member to the Fund during the twelve months immediately preceding the month in which the death or retirement takes place.

(3) No bonus shall be payable in respect of any contribution made under rule 4 (6).

(4) For the purposes of this rule "retirement" means—

(a) the quitting of service on or after attaining the age of fifty-five;

(b) in the case of a member on contract for a definite period, the quitting of service after satisfactory completion of the contract; or

(c) the quitting of service with the approval of the Chairman on grounds of ill-health before attaining the age of fifty-five, or before completion of the contract, as the case may be.

6. (1) An account shall be maintained in the name of each member of the Fund.

(2) Each account shall be kept in two parts, the first part showing the amount of the member's own contribution with interest thereon as it accrues, and the second part showing the bonus credited to that member with interest thereon as it accrues.

(3) The Secretary shall cause to be furnished to each member as soon as possible after the end of each financial year, a statement showing the moneys lying to his credit in the Fund.

7. (1) All moneys lying in the Fund to the credit of a member shall be deemed to be invested with the Board and shall bear interest at the rate of $4\frac{1}{2}$ per centum per annum :

Provided, however, that interest for the period commencing on the first day of May 1940 and ending on the thirty-first day of December 1943, shall be calculated at the rate of $3\frac{1}{2}$ per centum per annum on all moneys credited to a member in respect of that period or any part of that period.

(2) The interest due under these rules shall be made up on the last day of the Board's financial year and shall be computed separately in respect of each month in that year on the sum lying to the credit of the member at the commencement of the month.

(3) No amount credited as interest in respect of any month in any financial year shall commence to bear interest until the first day of the succeeding financial year.

(4) No interest shall be payable under this rule in respect of any period less than one month.

(5) The total of the sums payable in respect of any financial year as interest on the moneys lying to the credit of a member in an account in the Fund shall be added on the last day of that year to the capital sum in that account.

(6) All sums due under this rule as interest shall be paid out of moneys vested in the Board.

8. On the death of a member, or upon a member leaving the services of the Board on any date in any financial year, interest up to the end of the month preceding that date and any bonus for that financial year to which such member may be entitled under rule 5 shall be credited to his account or accounts, and such account or accounts shall then be closed.

9. (1) Upon the death of any member the amount lying to the credit of his account or accounts shall be paid to the person legally entitled thereto.

(2) Where a member leaves the service of the Board, the sum lying to the credit of his account or accounts shall be paid to him subject to the succeeding provisions of this rule.

(3) Upon the voluntary resignation of a member from the service of the Board before attaining the age of fifty-five, or in the case of a member serving under contract, before the expiration of the period of the contract, he shall be entitled to receive the whole sum lying to his credit at the closing of his account or accounts.

(4) In any case where the services of a member are terminated by the Board for causes other than the misconduct or negligence of the member, he shall be entitled to receive the whole sum lying to his credit at the closing of his account or accounts together with a bonus equivalent to the sum contributed by him in the financial year in which his services are terminated.

(5) In any case where the services of a member are terminated by the Board on the ground of his misconduct or negligence, it shall be lawful for the Board to declare that the whole or any part of the sum lying to the credit of that member representing the bonus payable to him under rule 5 and the interest thereon shall be forfeited; and any amount so forfeited shall become vested in the Board.

(6) All moneys due to the Board from any member shall be deducted before payment is made of any money lying to his credit in the Fund.

10. (1) No member and no legal representative of any member, shall have any right or vested interest in the Fund or any part of it so as to be able to assign, transfer, mortgage, charge, or otherwise deal with all or any part of the amount lying to his credit.

(2) Where any member does or purports to do any act in contravention of paragraph (1), or where he becomes bankrupt, or where he voluntarily or involuntarily does or suffers any act or thing to be done whereby the amount lying to his credit becomes or is likely to become due or payable to any other person, the Board may by resolution annul his membership and declare the amount lying to his credit to be forfeited, or may apply that amount or any part thereof for the benefit of his wife, children or other dependents.

11. The books, accounts and vouchers of the Fund shall form part of the accounts of the Board and shall be subject to the same audit and publication as the accounts of the Board.

12. In these rules—

“ Chairman ” means the Chairman of the Board ;

“ member ” means a member of the Fund ; and

“ Secretary ” means the Secretary of the Board.

Objects and Reasons.

In 1934, the Coconut Research Board framed rules, purporting to be made under section 4 of the Coconut Research Ordinance (Chapter 303), for the establishment and management of a provident fund for the benefit of persons employed by the Board. As it has since been found that such rules could not have been made under the Ordinance as it

now stands, it is proposed to amend the Ordinance so as to take the requisite powers. The object of this Bill is to effect the necessary amendments in the principal Ordinance.

2. Clause 3 of the Bill contains special provision for giving retrospective validity to the rules published in 1934. As the Board, however, has after April, 1940, modified those rules and made changes relating to membership of the provident fund and the rate of interest on contributions, it is also necessary to provide that the old rules shall be deemed to have been rescinded with effect from May 1, 1940, and that a new set of rules, as set out in the Schedule to the Bill, shall be deemed to have come into force on that date.

D. S. SENANAYAKE,
Minister for Agriculture and Lands

Colombo, June 18, 1946.

MINUTE.

The following Draft of a proposed Ordinance is published for general information:—

L. D.—O. 43/41

Chapter 302.
(Volume VI.,
page 444).

An Ordinance to amend the Rubber Research Ordinance so as to authorise the establishment of a provident fund for the benefit of persons employed in the Rubber Research Scheme, and to validate acts done and rules made heretofore in relation to the establishment and maintenance of a fund for the purposes aforesaid.

BE it enacted by the Governor of Ceylon, with the advice and consent of the State Council thereof, as follows:—

Short title.

1. This Ordinance may be cited as the Rubber Research (Amendment) Ordinance, No. of 194 .

Amendment of
section 4 of
Chapter 302.

2. Section 4 of the Rubber Research Ordinance (hereinafter referred to as "the principal Ordinance"), is hereby amended as follows:—

(1) in sub-section (8)—

- (a) by the substitution, for the words "appointment of its officers," of the words "appointment of its officers and servants,"; and
(b) by the substitution, for the words "any such officers" in the Proviso, of the words "any such officers or servants"; and

(2) by the insertion, immediately after sub-section (8), of the following new sub-section:—

"(8A) The Board may establish and maintain a provident fund for the benefit of all or any of its officers and servants, make contributions out of the moneys at its disposal to that fund, regulate the management and investment thereof, prescribe the contributions to be made thereto by and the payments to be made therefrom to such officers and servants, provide that no sum standing to the credit of a member in the provident fund shall be assignable or transferable or liable to be attached, sequestered or levied upon for or in respect of any claim whatsoever other than a debt due to the Government or to the Board, and lay down the conditions under which any such sum may be repaid or declared forfeit or otherwise applied for the purposes of the fund."

Retrospective
effect of section
2 and validation
of existing rules.

3. The amendments made in the principal Ordinance by section 2 of this Ordinance shall be deemed for all purposes to have had effect from the date of the commencement of the principal Ordinance, and accordingly—

- (a) the provident fund heretofore established for the employees of the Rubber Research Scheme shall be deemed to have been duly established, and all contributions made to and payments made from that fund and all acts done in the course of the management and conduct thereof prior to the date of the commencement of this Ordinance shall be deemed to have been duly made and done, under powers conferred by the principal Ordinance;
- (b) the rules for the establishment and management of the fund which were published in *Gazette* No. 8,011 of October 6, 1933, and the rule amending those rules published in *Gazette* No. 8,556 of December 8, 1939, shall be deemed to have been duly made under the principal Ordinance and to have been valid and effectual for the purposes for which they were made, at all material times from the sixth day of October, 1933, to the thirty-first day of March, 1940;

- (c) the aforesaid rules shall be deemed to have been duly amended on the first day of April, 1940, on the twenty-first day of April, 1941, on the twenty-first day of July, 1941, and on the sixteenth day of April, 1942, and, subject to those amendments, shall be deemed to have been valid and effectual for the purposes for which they were made at all material times from the first day of April, 1940, to the date of the commencement of this Ordinance; and
- (d) from the date of the commencement of this Ordinance, the aforesaid rules as so amended shall be in force as if they were rules made under the principal Ordinance and may be amended, rescinded, added to, or replaced by rules made under that Ordinance.

Objects and Reasons.

In 1933, The Rubber Research Board framed rules, purporting to be made under section 4 of the Rubber Research Ordinance (Chapter 302), for the establishment and management of a provident fund for the benefit of persons employed by the Board. As it has since been found that such rules could not have been made under the Ordinance as it now stands, it is proposed to amend the Ordinance so as to take the requisite powers.

The object of Clause 2 of this Bill is to effect the necessary amendments in the principal Ordinance.

2. Clause 3 of the Bill contains special provision for giving retrospective validity to the rules published in 1933 and to certain amendments that were made in 1939, 1940, 1941 and 1942.

D. S. SENANAYAKE,

Minister for Agriculture and Lands.

Colombo, June 18, 1946.

MINUTE.

The following Draft of a proposed Ordinance is published for general information:—

L.D.—O. 23/46/M.L.A.—BA 666.

An Ordinance to make provision for the payment of allowances in respect of the increased cost of living to pensioners of local authorities, and to validate certain such payments heretofore made.

BE it enacted by the Governor of Ceylon, with the advice and consent of the State Council thereof, as follows:—

1. This Ordinance may be cited as the Local Authorities (Pensioners' Allowances) Ordinance, No. of 1946.

Short title.

2. Each local authority is hereby authorised to grant to any pensioner of that authority, in addition to his pension, a cost of living allowance in accordance with the provisions of section 3.

Power of local authority to grant allowance.

3. (1) The cost of living allowance under section 2 may be granted only in respect of periods commencing on or after the sixteenth day of July, 1945, and no such allowance may be granted in respect of any period subsequent to such date as may be specified in that behalf by the Minister for Local Administration by Order published in the *Gazette*.

Period for which and rate at which allowance may be granted.

(2) The amount of the cost of living allowance granted under section 2 in respect of any period shall be determined according to the rates applicable in the case of the corresponding allowance payable in respect of that period to pensioners in receipt of pensions from the Government.

4. Every allowance, by whatsoever name called, heretofore granted by any local authority to any pensioner of that authority in consideration of the increased cost of living and in respect of any period commencing not earlier than June 1, 1944, and ending not later than July 15, 1945, shall be deemed for all purposes to have been validly granted in like manner as though that authority had power to grant such allowances in respect of such period and to make payments of such allowances out of the local fund of that authority.

Validation of grants already made.

5. In this Ordinance—

Interpretation.

“local authority” means any Municipal Council, Urban Council, Town Council, Sanitary Board, Local Board, Village Committee, Provincial Road Committee or District Road Committee;

“pensioner” means any person who, having been employed in the service of any local authority, is for the time being in receipt of a pension from that authority.

Objects and Reasons.

Allowances, known as war allowances, in respect of the increased cost of living, have been paid to Government pensioners since June 1, 1944. No local authority, except the Colombo Municipal Council, has power to grant similar allowances to its pensioners. But certain local authorities have paid war allowances to their pensioners under the erroneous impression that they had power to do so.

2. It has been decided that local authorities should be authorised to pay such allowances to pensioners, and the Board of Ministers propose that the Government should contribute 50 per cent. of the amounts necessary to pay such allowances in respect of periods commencing on or after July 16, 1945.

3. The objects of this Bill are—

- (a) to validate such payments as have already been made in respect of periods commencing on or after June 1, 1944;
- (b) to permit arrears of war allowance from July 16, 1945, to be paid to pensioners by such local authorities as desire to do so; and
- (c) to permit war allowances to be paid in future to pensioners of local authorities.

The rates at which the allowance is to be payable will be the same as those applicable in the case of Government pensioners.

S. W. R. D. BANDARANAIKE,
Minister for Local Administration.

Colombo, June 20, 1946