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The Gazette of the Democratic Socialist Republic of Sri Lanka

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PART I: SECTION (I) – GENERAL
Government Notifications

My No.: CI/1845.

THE INDUSTRIAL DISPUTES ACT, CHAPTER 131

THE Collective Agreement (in English and Translation into Sinhala, Tamil) entered into between Srilankan Catering Limited, Airline Center, Bandaranaike International Airport, Katunayake, of the one part and Jathika Sevaka Sangamaya, No. 416, Kotte Road, Pitakotte of the other part on 08th day of June, 2016, is hereby published in terms of Section 06 of the Industrial Disputes Act, Chapter 131, of the Legislative Enactments of Ceylon (Revised Edition 1956).

M. D. C. AMARATHUNGA,
Commissioner of Labour.

Department of Labour,
Labour Secretariat,
Colombo 05.
08th February 2017.



Collective Agreement No. 27 of 2016

SRI LANKAN CATERING GRADED STAFF COLLECTIVE AGREEMENT – 2016/2019

1. Arrangement and Index.–

This Agreement is arranged as follows:

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2. **Title.**- This Agreement is the “Srilankan Catering Limited Graded Staff Collective Agreement (2016)”, and hereinafter shall be known and referred to as the “Agreement”.

3. **Names of the Parties .-**

- 3.1 This Agreement is hereby made and entered into effective from 1st April, 2016 between the following parties listed in sections 3.2, 3.3 and 3.4 below. In this Agreement, the term “Employees” and “Graded Staff” shall mean all those Employees covered by either sections 3.3 or 3.4 in this Agreement below.
- 3.2 Sri Lankan Catering Limited, a Company incorporated in Sri Lanka with its official registered office address at Airline Centre, Bandaranaike International Airport, Katunayake, Sri Lanka, hereinafter called the “Company” (which expression wherever the context so admits shall include and mean its successors and assigns).
- 3.3 The Jathika Sevaka Sangamaya is a registered Trade Union in Sri Lanka under Registration No. 1378 with its, official registered office address as No. 416, Kotte Road, Pitakotte, Sri Lanka, hereinafter called the “JSS” (which expression wherever the context so admits shall mean and include its successors, assigns, replacement and all employees who are fully paid-up members of the “JSS” in a permanent capacity in Grades 1 – 7 of the graded staff grade structure who are covered and bound by this Agreement).
- 3.4 Other individual Employees who are employed on a permanent capacity in grades 1 – 7 of the graded staff grade structure who are not members of the JSS but who nevertheless wish to accept the terms and conditions of this Agreement by signing on an individual basis.

4. **Short Recital and General Agreement.-**

- 4.1 WHEREAS demands and requests were made by the JSS for a revision of terms and conditions of employment of Employees employed by the Company (noting that the existing terms and conditions of employment of Graded Staff were previously been recorded in the Srilankan Catering Ltd. Graded Staff Collective Agreement 2013 between the Company and JSS dated 28th November, 2014 which was valid with retrospective effect from 1st April 2013 and expires on 31st March 2016.
- 4.2 AND WHEREAS the JSS can verify to the satisfaction of the Company that it represents at least 51% of the Graded Staff employed in a permanent capacity by the Company in Grades 1 -7 of the graded staff grade structure of Srilankan Catering Limited.
- 4.3 AND WHEREAS having received the demands and requests from the JSS, the Management of the Company discussed and negotiated with the JSS, and during the process of negotiations were able to finally reach agreement on the matters contained herein, on the understanding that any and all other matters raised would be regarded as having been withdrawn in favour of this finalised Agreement called the “Srilankan Catering Limited Graded Staff Collective Agreement of 2016/2019”.
- 4.4 AND WHEREAS the intention of both parties was that this Agreement would ensure operational and industrial peace and harmony, improved overall efficiency of the company an improvement in overall performance and productivity, including the ability to rotate employees between different areas, co-operation between the Employer and Employee, and a contented and highly motivated workforce. The parties to this Agreement have a common objective in ensuring the proper and successful functioning of the Company, as only this can safeguard the welfare of both the Company and all the Employees.
- 4.5 AND WHEREAS the parties have agreed that there would be strict compliance with all procedures, terms and conditions agreed in this Agreement, and it is agreed by the parties that they would honour and abide by their respective obligations, respecting the rights of each other as set out in this Agreement.

- 4.6 NOW KNOW YE AND THIS AGREEMENT WITNESSETH THAT as a result of the said discussions, and that for and in consideration of the above premises and the mutual terms and conditions set out in this Agreement, the JSS and the Company have reached this Agreement, which includes clauses for the enhancement of salaries and to further improve the employment conditions offered by the Company.
- 4.7 AND THAT the parties have agreed that there would be compliance with all existing procedures, processes and regulations that are not otherwise specified in this Agreement, and both parties agree that the Rules and Regulations Manual as amended and the Disciplinary Procedure Manual would set out all major policies and regulations of the Company, some of which may be set out in this Agreement as the intended policies of the Company. In the event of any conflict or inconsistency between the terms and conditions of this Agreement and any pre-existing terms and conditions or practices, then the terms and conditions specified in this Agreement shall prevail.
- 4.8 AND THAT this Agreement covers all the demands and claims of the JSS contained in their original requests and demands and other issues brought for negotiation and discussions during the course of bargaining of the said demands in full and final settlement thereof, and that all demands, claims and requests raised by the JSS are hereby withdrawn or settled or satisfied in terms of and/or in consideration of this Agreement.
- 4.9 AND THAT in consideration of this Agreement, the JSS and its members shall not during the continuance of this Agreement seek to vary, alter or add to, all or any of the terms and conditions of employment or benefits contained as provided for in this Agreement, other than by mutual agreement with the Company. Failure to reach mutual agreement shall not entitle the JSS to raise a dispute thereon.
- 4.10 AND THAT the terms and conditions of this Agreement effective from 1st April, 2016 shall be deemed to be included in all the contracts of employment between the Company and all permanent employees covered and bound by this Agreement, whether such contract of employment be written or not, and which was subsisting as at 1st April, 2016 or shall come into being at any time thereafter during the continuance of this Agreement.
- 4.11 AND THAT if, and in so far as, any provisions contained in this Agreement are superseded by mandatory law in Sri Lanka, all other provisions not so superseded shall remain in full force and effect.
- 4.12 AND THAT it is agreed that any dispute over the interpretation of this Agreement shall be settled by reference to the Commissioner of Labour, or where such decision is not acceptable by voluntary arbitration under Section 3(1)(d) of the Industrial Disputes Act.
- 4.13 IT IS ALSO AGREED THAT the minimum terms and conditions of service which apply to all graded staff employed in a permanent capacity in Grades 1 - 7 of the graded staff grade structure who are covered and bound by this Agreement shall be those provided for in this Agreement.

5. *Duration of Agreement* .-

- 5.1 This Agreement will be effective from 1st April, 2016, and shall thereafter continue in force unless it is terminated by either party giving one months' notice in writing to the other, provided however, that no party shall give such notice to the other before the first day of March, 2019 and such notice shall not expire before the 31st day of March, 2019. This shall not preclude discussions taking place and commencing at any time after 1st October, 2018 between parties for a revision of the Agreement.
- 5.2 Furthermore, subject to section 4.7 earlier, this Agreement replaces in full any other prior Agreements, and replaces all prior working practices, and replaces all prior terms and conditions of employment for Employees employed in a permanent capacity in Grades 1 - 7 of the graded staff grade structure.

6. Parties covered and bound .-

- 6.1 This Agreement shall cover and bind the Company.
- 6.2 This Agreement shall cover and bind the JSS and all its members in a permanent capacity in Grades 1 - 7 inclusive of the graded staff grade structure who are fully paid-up members of the JSS.
- 6.3 This Agreement shall cover and bind all individual employees employed in a permanent capacity in Grades 1 - 7 of the graded staff grade structure who are not members of the JSS but who nevertheless wish to accept the terms and conditions of this Agreement in full by signing on an individual basis.
- 6.4 This Agreement shall specifically exclude all those who have ceased to be employees of the company prior to the date of signing this Agreement.

7. Recognition .-

- 7.1 The Company recognises the right of the JSS to represent the interests of, and when required negotiate on behalf of, all categories of permanent employees that are classified in Grades 1 - 7 inclusive of the Sri Lankan Catering graded staff grading structure, who are fully paid up members of the JSS.
- 7.2 The Company recognises the right of the JSS to exercise the JSS function in accordance with the laws of Sri Lanka, and to manage the JSS affairs without interference.
- 7.3 Such recognition by the Company of the JSS shall continue as long as the JSS holds the status of Collective Bargaining Agent of the Employees in Grades 1 - 7 inclusive of the Graded Staff grading structure of the Company, and can verify that at least 51% of permanent employees in Grades 1 - 7 inclusive are fully paid-up members of the JSS.
- 7.4 The parties hereby recognise and agree that the Management will have the discretion to plan, organise and manage the operations of each Division in order to achieve maximum productivity, efficiency and profitability. In this regard, recruitment, engagement, discipline, termination, upgrading, promotion, demotion, transfer and dismissal of Employees will be determined by the Management in accordance with the procedures and manuals applicable to the Company. The type of working arrangements will be determined by the company from time to time and in doing so, the Management will have the discretion to recruit Casual employees, NAITA Trainees, employees on fixed term contract for a minimum period of two years or less as operationally required. This right also includes, inter-alia, the determination of the rosters, working patterns and the decision to modify, extend, curtail or cease operations and all safety aspects of the operation. The Company will always exercise the above rights within the limits prescribed under all applicable laws of Sri Lanka and in accordance with all applicable procedures and manuals of the Company.

8. Job Classifications and Graded Staff Grading Structure.-

- 8.1 Grading structure and job classification system for Graded Staff are as follows :

Grade	Generic Title
1	Attendant/ General Helper/ Room boy/ Laundryman/ Commissary/ Attendant cum Driver/ Laundryman cum Driver/ Laundry Person/ Linen Room Attendant
2	Driver/Telephone Operator/ Senior Attendants/ Asst. Steward/ Snr. Room Boy/ Snr. Laundryman/ Driver cum Laundryman/ Tailor cum Laundry Assistant/ Doorman
3	Housekeeping Assistant/ Staff Facilities Assistant/ Typist Clerk/ Jnr. Technician/ Senior Driver/ Snr. Staff Fclts. Attd. Cum Staff Cook/ Commis. III/ Steward/ Asst. Laundry Operator/ Office Assistant cum Telephone Operator/ Shift Leader/ Receptionist

- 4 Storekeeper/ Assistant/ Commissary Agent/ Foreman Hi-lift Operator/ Commis II/ Cashier/ Time - Keeper/ Technician/ Snr. Steward/ Stenographer/ Dispatch Coordinator/ Laundry Operator / Computer Operator/ Boiler Operator/ Electrician/ Quality Assurance Assistant/ Security Assistant/ Barman/ Staff Facilities Assistant cum Snr. Staff Cook.
- 5 Snr. Storekeeper/ Senior Assistant/ Senior Commissary Agent/ Senior Cashier/ Commis I/ Secretary/ Senior Timekeeper/ Chief Steward/ Senior Technician/ Computer Programmer/ Snr. Laundry Operator/ Snr. Electrician/ Snr. Boiler Operator/ Snr. Quality Assurance Assistant
- 6 Supervisor/ Demi Chef De Partie/ Lab Technician/ Male Nurse/ Confidential Secretary/ Departmental Coordinator/ Night Auditor/ Front Office Supervisor
- 7 Snr. Supervisors/ Chef De Partie/ Snr. Lab Technician/ Snr. Male Nurse/ Snr. Confidential Secretary/ Snr. Departmental Coordinator.
- 8.2 In order for an Employee in Grades 1 - 7 to be considered for upgrading or promotion to a higher grade, the minimum job and grade requirements of that higher grade must be met in keeping with the promotion and recruitment procedures of the company. Any such upgrading or promotions are subject to budget and/ or operational requirements and availability of vacancies.

9. Monthly Basic Salary Scales .-

- 9.1 The monthly basic salary scales effective 1st April, 2016 until 31st March, 2019 expressed in Sri Lankan Rupees (Rs.) per month are :

Grade	Minimum	Maximum
1	20,500	69,851
2	22,102	88,001
3	24,277	101,957
4	26,505	111,764
5	30,290	118,191
6	33,615	128,432
7	39,186	151,032

- 9.2 Under no circumstances may the monthly basic salary of an employee exceed the prescribed limit of the maximum basic salary of his/her grade.
- 9.3 The above salary scales, applicable allowances and other enhanced benefits (as given in this Agreement) will be applicable to those permanent staff who are in employment as at the date of signing the Agreement.
- 9.4 The above scales are inclusive of Government approved budgetary relief allowance.
- 9.5 Eligibility – All permanent employees (confirmed as well as probationers) actively in service as at 1st April, 2016 and who are still actively in service on the date of signing of the agreement will be eligible to enjoy the benefits of the CBA.

10. **Basic Salary Increases during this Agreement.** -

- 10.1 *Annual Performance Based Increment on 1st April 2016* - The actual individual monthly basic salaries of all employees covered by this Agreement except these under probation will be increased ranging from 0.0% to 6.0% (with an average of 4.0%), at the discretion of the management, depending upon individual performance effective 1st April, 2016 as the annual performance based increment. If an individual employee is at (or will reach) the maximum of his basic scale, then the annual increment (or excess part) is not applicable, as under no circumstances may the monthly basic salary of an employee exceed the prescribed limit of maximum basic salary of his grade.
- 10.2 *CBA Salary Increase on 1st April 2016* - The actual individual monthly basic salaries after the performance based increment in April 2016 of all employees who are covered by this Agreement will be increased by 9% effective 1st April, 2016.
- 10.3 *Annual Performance Based Increment on 1st April 2017* - The actual individual monthly basic salaries of all employees covered by this Agreement (except those under probation) will be increased ranging from 0.0% to 6.0% (with an average of 4.0%), at the discretion of the management depending upon individual performance effective 1st April, 2017 as the annual performance based increment. If an individual employee is at (or will reach) the maximum of his basic scale, then the annual increment (or excess part) is not applicable, as under no circumstances may the monthly basic salary of an employee exceed the prescribed limit of maximum basic salary of his grade.
- 10.4 *CBA Salary Increase on 1st April, 2017* - The actual individual monthly basic salaries after the performance based increment in April 2017 of all employees who are covered by this Agreement will be increased by 9% effective 1st April 2017.
- 10.5 *Annual Performance Based Increment on 1st April, 2018* - The actual individual monthly basic salaries of all employees covered by this Agreement (except those under probation) will be increased ranging from 0.0% to 6.0% (with an average of 4.0%), at the discretion of the management, depending upon individual performance effective 1st April, 2018 as the annual performance based increment. If an individual employee is at (or will reach) the maximum of his basic scale, then the annual increment (or excess part) is not applicable, as under no circumstances may the monthly basic salary of an employee exceed the prescribed limit of maximum basic salary of his grade.
- 10.6 *CBA Salary Increase on 1st April, 2018* - The actual individual monthly basic salaries after the performance based increment in April 2017 of all employees who are covered by this Agreement will be increased by 10% effective 1st April, 2018.
- 10.7 The above salary scales and grades will only be applicable to employees covered by the Agreement and in employment as at the date of signing the Agreement. The salaries and grades of new recruits will be determined by the Management at its sole discretion.

11. **Profit Bonus .-**

- 11.1 The Board of Directors will decide annually on the payment of bonus, if any, to the employees, which will be solely dependant on the profits made by the company during the previous financial year. The decision on the quantum of bonus for the year under reference is the sole discretion of the Board of Directors.

In case there is a disagreement with regard to the quantum of bonus declared by the Board of Directors, initially all attempts should be made to come to a settlement through negotiations and discussions with the Management within a period of 7 (Seven) days. If either party is not in agreement for settlement, the Management will refer the matter to the EFC and the decision arrived at the EFC with the Management and the Parent Union will be the final.

- (a) Employees in the service of the Company during the entirety of the previous Financial year for which the bonus is paid will be entitled for the full bonus declared.
- (b) Employees in the service of the Company for less than the full period of the Financial year for which the bonus is paid, will be on a pro - rata basis provided that he/ she is being confirmed within the period of the financial year.
- (c) Payment of Bonus will be made on or before 15th December of each year.
- 11.2 The Company may withhold the payment of the entirety or part of the bonus to employees where attendance, punctuality, conduct or attitude is not satisfactory.
- 11.3 The employees who have been on unauthorised absence during the period under review for the payment of bonus, twice the number of days no - pay will be deducted from his/ her entitlement of bonus.
- 11.4 The bonus will be paid for those employees as set out in 11.1 (a) & (b), who are actively in service at the time of the payment of bonus.

12. All other Allowances .-

12.1 *Long Service Allowance.*- When an employee in grades 1 - 7 has completed 10 years of continuous service but less than 15 years of continuous service, then they will receive a long service allowance of Rs. 1,150 per month. When an employee in grades 1 - 7 has completed 15 years of continuous service but less than 20 years of continuous service, then they will receive a long- service allowance of Rs. 1500/- per month. When an employee in grades 1 - 7 has completed 20 years of continuous service, then they will receive a long service allowance of Rs. 1,700/- per month. For the avoidance of doubt, these long - service allowances are not considered to be part of basic salary, but are separate stand - alone allowances intended to reward long - service. These allowances only apply to employees in grades 1 - 7.

12.2 *Night Shift Allowance.*- Effective from 01st April 2016, all graded staff covered by this Agreement who are on rostered shift patterns will receive a night shift allowance of Rs. 400 for each night shift actually worked. This night shift allowance is only paid if the rostered night shift is worked in full.

Effective from 01st April 2016, night shift allowances earned in one calendar month will be paid in the pay roll at the end of the subsequent calendar month.

12.3 *Apron Driving Allowance.*- The apron driving allowance for Drivers who are regularly required to use a current and valid Apron Driving Permit where their normal job duties include apron driving, will be Rs. 1000 per month effective from 01st April 2016.

Effective from 01st April 2016, the Apron Driving Allowance for Hi - Loader Drivers will be Rs. 3000 per month.

12.4 *Cash Handling Allowance.*- The cash handling allowance for Stewards who are required to handle cash and also to operate cash registers in the absence of cashiers in the Restaurant Department will be Rs. 1000 per month effective from 1st April 2016.

12.5 Any Shortages of cash during any particular shift will be recovered from the employee concerned.

12.6 *Meal Allowance for Field Staff.*- Employees who are unable to have their meals in the premises due to official commitments outside the flight catering unit are entitled to a meal allowance of Rs. 400.

12.7. Effective from 1.04. 2016, there are no other allowances or payments that apply to employees who are employed in Grades 1- 7 inclusive of the graded staff grade structure other than those listed in this Agreement.

13. Income Tax and Statutory Deductions.-

13.1 It is agreed by all parties that the individual employee is at all times fully responsible for their own income tax liabilities and payments and for payments of any other statutory employee contributions and deductions.

13.2 There will be no income tax subsidies or rebates or payments by the company of any kind for any employee of the company.

14. **Uniforms.**-

- 14.1 Employees who are required to wear a uniform during duty hours must do so, and the Employee must ensure that the uniform is worn in compliance with the standards set by the Company. Uniforms will be issued according to Company requirements and regulations and all graded staff will be provided with 03 sets of uniforms, two pairs of shoes/ clogs and 5 pairs of socks per annum. Uniforms will remain at all times the property of the Company. All uniforms are issued by the Company free of charge. Employees are fully responsible for keeping their uniform clean, presentable and in good condition at all times. New uniforms will not be issued unless old uniforms including shoes/ clogs are returned to the company at the time of collection of new uniforms.
- 14.2 Office staff will be reimbursed the cost of uniforms upto a maximum of Rs. 17,500 approved by the Management. The attire should conform to the dress code determined by the Management from time to time as per the requirements. Any increase to the said amount will be at the discretion of the Management.
- 14.3 The Company will provide appropriate safety clothing and equipment for all employees performing hazardous activities when necessary.

15. **Letters of Appointment.**-

- 15.1 On successful completion of a medical examination conducted by a registered medical practitioner recognised/ nominated by the Company, and on completion of all other pre - employment formalities, each newly appointed Employee shall be issued with a letter of appointment in duplicate. Both parties will be required to sign this letter, and a copy shall be kept by each party for their individual records.
- 15.2 This letter of appointment shall state, *inter - alia*, the job title, grade, salary, and other terms and conditions of employment, including the probationary period. It will also state that the Employee concerned will only be confirmed in their employment after the satisfactory completion of the necessary probation period.

16. **Probationary period on Joining.**- For new Employees the period of probation on joining the Company is six months. Employment may be terminated by either party at any time during the period of probation without notice and without assigning any reason in accordance with the provisions of the applicable Labour Laws of Sri Lanka.

17. **Working Hours.**-

- 17.1 The standard working week of the Company for the employees is 40 working hours (excluding breaks) per week and may be day work or shift work. The Standard regular day pattern is composed of 5 working days, with 2 days - off per week. Consequently a standard working day is therefore defined as 8 working hours (excluding breaks). For example, the current regular working pattern is as follows (but the Company may change this pattern at its discretion):

Regular Day Pattern.-

- Work time of regular day pattern of 0800 - 1700 (General Staff)
- elapsed length of 9 hours
- contains upto a maximum of 1 hour per shift for meals/ rest breaks
- hence actual working hours are exactly 8 hours
- this equates to 40.0 working hours per 7 day cycle

18. **Rosters.**-

- 18.1 All rosters will be prepared at the discretion of the Company in accordance with operational requirements only after appropriate discussion and consultation with the Trade Union. However the Company reserves the right to change the starting/ finishing times and weekly off days for operational reasons as and when necessary depending on the circumstances. It is the sole right of the Company to determine the times, methods and manner of working, the introduction of technical improvements, the decision to modify, extend, curtail or cease operations, and all safety aspects of operations. Any significant deviation to the current practice with regard to starting and finishing timings of the rosters, will be discussed with the Trade Union prior to implementation.
- 18.2 The Company may exercise its discretion to determine when, where and how an Employee is detailed to work or to transfer an Employee from one function or location to another.

- 18.3 All rosters will be prepared for the staff so that actual working hours per week (excluding breaks) are 40 working hours per week.
- 18.4 All rostered staff may not leave the point of duty/ company premises until such time the counterpart arrives for the subsequent shift.
- 18.5 Employees who are directly involved in uplifting and unloading food/ beverages and amenities to and from aircrafts may not leave the point of duty until such time the counterpart for the subsequent shift take over the duties, unless otherwise instructed by the Management.

Shift Pattern

- * day shift time of 0700 hrs. to 1600 hrs.
- * elapsed length of 9 hours
- * contains up to a maximum of 1 hour per shift for meals/ tea breaks
- * hence actual working hours are 8 hours.
- * afternoon shift time of 1200 hrs. to 2100 hrs.
- * elapsed length of 9 hours
- * contains up to a maximum of 1 hour per shift for meals/ tea breaks
- * hence actual working hours are 8 hours.
- * night shift time of 2100 hrs. to 0715 hrs.
- * elapsed length of 10 hours and 15 mts.
- * contains up to a maximum of 1 hour per shift for meals/ rest breaks
- * rostered overtime from 0600 hrs. to 0715 hrs.
- * hence actual working hours are without rostered overtime are 8 hours.
- * this equates 40.0 working hours per 7 day cycle

Shift patterns can be changed at the sole discretion of the Management due to operational requirements and the employees have to adhere to the same.

19. Overtime pay.-

- 19.1 Srilankan Catering Limited operates on a twenty four hour cycle. It is recognised that all employees may on occasions be required to work additional hours beyond 40 working hours (excluding breaks) per week as and when required by the Company to do so. An employee if required to work overtime shall not normally refuse overtime. Failure to accept a reasonable request to perform overtime shall amounts to misconduct, for overtime to be worked will be in accordance with labour law requirements.
- 19.2 All graded staff in Grades 1 - 7 inclusive are eligible to claim overtime payments on a monthly basis related to hours worked beyond 40 hours per week (excluding breaks) as well as for all overtime hours worked on a rostered day off or public holiday. All overtime must be approved in advance.
- 19.3 Wherever overtime is worked then payment per hour of overtime worked will be as follows :
- * Overtime to extend a working day : 150% of the normal applicable hourly salary for the number of hours worked.
 - * Overtime on a day off : 150% of the normal applicable hourly salary and a days lieu leave or 1 1/2 days pay in lieu of lieu leave on completion of a minimum of 8 hours.
 - * Overtime on a double shift : 150% of the normal applicable hourly salary for the additional shift and a days lieu leave or 1 1/2 days pay in lieu of lieu leave on completion of a minimum of 8 hours.

- * Overtime on a Poya day : 200% of the normal applicable hourly salary and a days lieu leave or a days pay in lieu of lieu leave on completion of a minimum of 8 hours.
- * Overtime on a Statutory Holiday : 200% of the normal applicable hourly salary

19.4 The normal applicable hourly salary rate is calculated by dividing the applicable monthly salary by 240 as per Labour Law.

19.5 In the case of graded staff covered and bound by this Agreement, the applicable monthly salary for determining the applicable hourly salary shall be the monthly basic salary as defined in Section 9 of this Agreement.

19.6 Instances where the staff is requested to perform duties continuously after a day and night shift and if continuous working hours of employees exceed 16 hours, in such occasions, minimum of two hours rest period will be provided according to operational convenience and without any disruption to the operations.

20. **Productivity** .- All parties have agreed, in principle, that they will fully co - operate together to achieve the productivity goals of the Company. This co - operation will extend to improving efficiency through productive and flexible rosters, improved work practices, training and reduced absenteeism.

21. **Leave Entitlements** .-

21.1 *Debit System for all Types of Leave Expressed in Working Days.*-

For all graded staff in Grades 1 - 7 inclusive, all leave will be debited on the basis of one working day debit for each duty day of leave. Hence for graded staff in Grades 1 - 7 inclusive, all leave will simply be debited as one working day for normal 9 hour shift.

21.2 *Annual leave* -

- (a) The normal Annual Leave entitlement of employees shall be a minimum of 14 working days per year.
- (b) Employees will not be entitled to Annual leave in the calendar year of recruitment but will be entitled during the following calendar year on a proportionate basis depending on the date of commencement of employment as indicated hereunder:

<i>Date of Employment</i>	<i>Annual Leave entitlement in the following calendar year</i>
January - March	14 days
April - June	10 days
July - September	7 days
October - December	4 days

- (c) The enhancement of Annual Leave entitlement, depending on number of years service has been frozen with effect from the date of signing the 2001 Collective Agreement. However, the current entitlement of Annual Leave of employees based on the number of years service rendered will be continued without any increase in their entitlements in the future.
- (d) Annual Leave must in all cases be applied for and approved in advance and as far as possible in line with the original vacation plan for the Department. Employee should apply leave at least 48 hours before commencement of leave and get the leave approved by head of Department. Annual Leave will not normally be granted subsequent to absence.
- (e) Annual Leave will be allowed with mutual consent of both Company and the employee concerned. However, at least seven days Annual Leave has to be taken consecutively.
- (f) The Company may refuse to grant Annual Leave due to exigencies of service on reasonable grounds, although the requirement of 21.2 (c) and 21.2 (d) has been fulfilled. However, the management will ensure to grant annual leave on a subsequent date with mutual consent within the calendar year.
- (g) When Medical Leave is exhausted, and a medical certificate is produced, an employee should be allowed to set off such absence on grounds of illness against available Annual Leave.

21.3 *Casual leave* .-

- (a) An employee will be entitled to 7 working days Casual Leave for the year. However, in the first year of employment, an employee is only entitled to 1/2 a day of Casual Leave per month's completed service.
- (b) Casual Leave is intended to enable an employee to take leave for a short period of time for personal reasons or for any other reasonable cause.
- (c) As far as possible, Casual Leave must be applied for and approved in advance. The only exception to this rule is where the absence is due to a reason that could not have been foreseen and which reason is acceptable to the Management.
- (d) Where the Company finds it difficult to grant Casual Leave, the employee must state the reason for the request for Casual Leave to enable the Head of Department to decide whether it is a reasonable request, in the circumstances. In the case of leave being utilized without prior approval, reason for taking such leave should be stated.
- (e) Casual Leave will not be granted for more than 2 days at any one occasion.
- (f) Where Casual Leave has not been applied for in advance, the employee should immediately inform the Department Head or person acting on his behalf of his inability to report to work. In the above case, leave applications should be submitted on the first working day the employee reports to work.

21.4 *Sick Leave* -

- (a) A confirmed employee will be entitled to 7 days sick leave per year with full remuneration as stipulated in their letter of appointment at the time of employment, and confirmed employees who joined before 01.04.2000 are entitled fourteen days Sick Leave per year with full remuneration.
- (b) Permanent employees joined after 01.04.2000 shall be entitled for and additional 07 days sick leave, mentioned above in 21.4(a) with full remuneration but with **no encashment benefit** is unutilized. Union hereby agrees with the Management that they shall not request for encashment benefit in the future for additional 7 days sick leave granted through this CBA 2016/18.
- (c) Sick Leave is available if, and only if, the employee is unable/unfit to perform his duty on account of illness/ill-health should, therefore, be of such a nature that it renders the employee unfit for duty.
- (d) Sick Leave in excess of one day must be supported by a Medical Certificate, which must be submitted to the Management within three days of employee's failure to report to work, due to illness. However, the Head of the Department concerned may request a Medical Certificate even for the absence of one day.
- (e) The Medical Certificate must reach the Head of the Department not later than the third day of the absence. Such certificate must specify, inter - alia :-
 - (1) The date of issue of the certificate and the date on which the employee was first seen by the Medical Practitioner;
 - (2) The nature of the illness;
 - (3) The fact that such illness renders the employee unfit to perform his duties;
 - (4) The number of days for which he/she is expected to be unfit for duty. If absence is to exceed the period specified in the first Medical Certificate, a further Medical Certificate (s) must reach the Head of the Department before the date of expiry of the last Medical Certificate.
- (f) Sick Leave in excess of 14 days and upto a maximum of 90 days only will be paid in full for all cases where there had been an accident, provided the Company's Doctor approves of such leave and approved by the Management.

- (g) Sick Leave in excess of 14 days and upto a maximum of 180 will only be paid in full if an employee is suffering from cancer or due to a serious illness which an employee becomes completely bedridden for a longer period.
- (h) The employee must inform immediately his Department Head or person acting on his behalf of his sickness.
- (i) All telephone messages should be covered with a written document and submitted to the Departmental Head, and leave should be applied informing of his inability to report to work on the first working day.
- (j) Medical Certificates in respect of Ayurvedic treatment will be accepted only for fractures and dislocations, provided the Company Doctor approves such Medical Certificates. Ayurvedic Medical Certificates from a Registered Medical Practitioner will be accepted for a continuous period of 14 days only. However, acceptance of Ayurvedic Medical Certificates for dislocations and fractures beyond 14 days will be purely on the discretion of the Management, subject to approval of the Company Doctor.
- (k) All unavailed sick leave during the calendar year will be encashed on the basis of two (2) days salary for each day of unavailed sick leave.
- (l) However, only 07 days sick leave shall be considered for encashment on the basis of two (2) days salary for each day of those employees who joined the company after 01.04.2000 as specified in clause 21.4 (a) and (b).

21.5 *Leave for Accidents Occurring Whilst on Duty* -

- (a) In the event of an accident whilst on duty which renders the employee unable to perform their duties, then subject to approved medical certification by the Company Medical Officer, paid accident leave of upto six months may be granted by the Company on a case by case basis at the absolute discretion of the Management, provided that there is no negligence on the part of the employee.
- (b) This paid accident leave will be paid on the basis of monthly basic salary as defined in section 9 of this Agreement plus any applicable personal differential allowances.
- (c) In the event of an accident whilst on duty, the employee concerned should report to the company medical centre/ SriLankan Airlines Medical Centre immediately, in order to establish a claim for accident leave.
- (d) In this context if an accident occurs whilst travelling from residence to work in the transport provided by the Company or vice- versa, then such an accident will be treated in accordance with this clause as an accident whilst on duty.

21.6 *Two years no pay leave* - The company has approved a scheme of granting 2 years No pay leave for overseas employment/ studies for staff who have completed 10 years continuous services in the company, subject to the operational requirements of the company.

- (a) *Rules & Regulations* .- The operational requirements will be determined by the Divisional Managers/ Head of Department concerned whenever an application is received from the eligible staff for such leave. This scheme is applicable only for the staff upto senior supervisory grade.
- (b) *Eligibility* .- 02 years No pay leave will be granted only to permanent staff who have completed 10 years of continuous service in the company, who can be released without a replacement by the Divisional Manager/ Head of Department concerned depending on the requirement of service, subject to one person per department per year. Where, more than one application is received from a department, the most senior person will be considered for granting this facility.
 - (i) No employee against whom disciplinary action (i.e. warning letter) has been taken during the year immediately preceding the application for leave or against whom a disciplinary inquiry is pending will be granted this facility.
 - (ii) No employee who has not settled his outstanding loans with the company/ thrift Society will be granted this facility.
- (c) *Procedure* .- 02 years No pay leave will be granted only for the purpose of overseas employment (but not for employment in Sri Lanka) and training / course of studies where such training or course of studies is relevant to the field of work in which the employee is engaged.

- (d) *Period of No Pay.* - Period of No pay would be a maximum of two years and a grace period of seven days and no further extensions would be given. This facility is given to staff only once during their whole period of employment.
- (e) *Bond* - The staff will be required to sign a bond to serve the company for a period equivalent to the time granted as no pay leave. The bonding cost will be equivalent to the salary including PDF if any (exclusive of allowances) which the staff otherwise would have drawn during the period of his/ her leave together with administration Charges and other disbursements incurred by the company.
- (f) *Seniority for Promotions* - The two years period of no pay leave will not be considered as being in active service. The staff will lose that number of years when considering the number of years of experience required for a promotion.
- (g) *Annual Increment & Salary Point* - No annual increment would be granted during the period of no pay. The salary point drawn by staff at the time of granting no pay leave will remain frozen during the period of no pay leave.
- (h) *Travel Benefits and all other Fringe Benefits during No pay Period* - Travel benefits and all other fringe benefits to staff and family members will be suspended during the period of no pay leave.
- (i) *Gratuity* - Where an employee has been on no pay leave, the period of no pay leave will not be taken into account for the calculation of gratuity.
- (j) *Procedure of forwarding Applications* - Applications should be forwarded with the following documents prior to conclusion of the Agreement :-

1. Confirmation letter from foreign employer/ training institute
2. Duly certified Clearance Certificate from HR & Administration Division

Applications should be submitted to the respective Divisional Managers/ Head of Department at least 30 days before the intended date of departure on the Application Form available at the HR & Administration Division. Once the above instructions are complied with, the employee is eligible to sign the Agreement with the company.

- (k) The decision made by the Divisional Manager/ head of Department will be final and appeals to reconsider such decision will not be entertained.

21.7 *Maternity Leave* - A female employee is eligible for Maternity Leave in respect of confinement as prescribed by statute from time to time. At present, the entitlement is 84 working days, for the first two children. For any other children in excess the entitlement shall be 42 working days. This maternity leave will be paid on the basis of monthly basic salary as defined in section 9 of this Agreement.

21.8 *Statutory and Poya Holidays* -

- (a) All graded staff in Grades 1 - 7 inclusive are entitled to 8 statutory holidays per annum. If an employee is required to work on a statutory holiday then overtime payments will be made. If a statutory holiday falls on a day off, then wherever possible (at the discretion of the Company) an alternate day off or a days pay will be granted.
- (b) All graded staff in Grades 1-7 inclusive are entitled to Poya days declared each year. If an employee is required to work on Poya days then overtime payments will be made. If a Poya holiday falls on a day off, then no alternative day off will be granted (as per Labour Law).
- (c) If any statutory holiday and/or Poya day falls during the Annual long leave block, then that statutory holiday and/or Poya day will not be recorded or debited as part of Annual Leave.
- (d) If an employee is rostered to work on a statutory or poya holiday, they should report for duty as rostered.
- (e) Refraining from reporting for duty on a statutory or poya holiday as per the roster, without prior approval, will be treated as unauthorised absence and a days leave will be set off against the entitlement of leave .

22. **Retirement Age.**— The retirement age will be 55 years for all Employees employed by the Company. For all intents and purposes including the purpose of retirement, the date of birth given by the Employee at the time of appointment shall be the sole and conclusive date of their birth.

Any request from a retired employee for re-engagement on fixed term contract basis, should be forwarded to the HR Division of the Company in writing at least 06 months before the date of retirement. Any such requests will be considered having taken into consideration his past records and other aspects as determined by the company. Any consideration as stated above will be at the sole discretion of the Management.

23. **Employee Provident Fund (EPF).**—

- 23.1 Contributions to the Central Government Employee Provident Fund (EPF) are mandatory for all Employees covered by this Agreement.
- 23.2 For all Employees the company contribution rate shall be 12.0% of eligible monthly salary, and the Employee contribution rate shall be 8.0% of eligible monthly salary as stipulated in their letter of appointment at the time of employment.
- 23.3 Employees who joined the company before 1.4.2000, the company contribution rates shall be 15% of the eligible monthly salary and the employee contribution rate shall be 10% of the eligible monthly salary.
- 23.4 For the purposes of EPF contributions, eligible monthly salary for all graded staff covered by this Agreement is the monthly basic salary as defined in section 9 of this Agreement.

24. **Employee Trust Fund (ETF).**—

- 24.1 Contributions to the Central Government Employee Trust Fund (ETF) are mandatory for all Employees covered by this Agreement.
- 24.2 For all Employees the Company contribution rate shall be 3.0% of eligible monthly salary, and is non-contributory for the Employee.
- 24.3 For the purposes of ETF contributions eligible monthly salary for all graded staff covered by this Agreement is the monthly basic salary as defined in section 9 of this Agreement.

25. **Gratuity.** —

- 25.1 Gratuity will be paid to all employees on the termination of their services with the Company provided they have (5) five years of uninterrupted service.
- 25.2 The payment of gratuity will be made as per the provisions laid down in the gratuity act. However, the period in excess of the completed years of service is less than 12 months, he/she will be paid on pro-rata basis.
- 25.3 For employees who have joined the company before 01.04.2000 the amount payable will be one month's basic salary drawn by the employee at the time of leaving the services of the Company for each completed year of service.
- 25.4 Where the employee has completed five/ten years or more of service as the case may be and the period in excess of the completed years of service is less than twelve months, he will be paid on a pro-rate basis for such excess period.

- 25.5 For employees who have completed five years of service and above but have been terminated from service for reasons of fraud, misappropriation of funds of Employer, wilful damage to property of the employer or causing loss to goods, articles or property of the Employer, the gratuity due will be forfeited to the extent of the damage or loss caused as assessed by the Management by such employee.
- 25.6 The applicable monthly salary for all graded staff covered by this Agreement is the monthly basic salary as defined in section 9 of this Agreement.

26. Medical benefits Scheme.–

- 26.1 The company Medical centre will provide services to the employee only (and not family dependants) daily from 7.00 a.m. to 9.00 p.m. Medical consultations will also be available at the Company Medical Centre at times indicate by the Company. All medicine from the Medical Centre are free of charge for the employee.

Medical Benefits for employees who joined the company before 1.4.2000

- 26.2 Beneficiaries of the medical benefits offered by the Company are the employee, spouse and unmarried children upto 23rd birthday, if still in full time education and unemployed.
- 26.3 Outdoor Treatment – In the case of Outdoor Treatment, employees are required to call in a Medical Practitioner approved by the Company (Panel Doctor).
- 26.4 The Company will reimburse outdoor treatment expenses including vitamins, Incurred by those specified in (26.2) above, as per prescription issued by panel doctor.

However, there are medical expenses which are not reimbursable, which are listed in the medical procedures for employees. These non-reimbursable items include:

- (a) Treatment for Venereal Diseases or AIDS
 - (b) Treatment for Drug Abuse and Alcoholism
 - (c) Cosmetic surgery Cosmetic Procedures
 - (d) Dental appliances, dentures, Root canal fillings, Crowns, Bridges, Gold/Silver Fillings, etc.
 - (e) Treatment for self infected injure or illness
 - (f) Medical check-ups and immunisation
 - (g) Ayurvedic Medical expenses
 - (h) Contact lenses, Laser Surgery and artificial visual implants
 - (i) Hearing Aids
- 26.5 The Company will reimburse expenses for the following cases:–
- (a) Treatment which is directly connected to an injury or accident to teeth.
 - (b) For routine Dentistry procedures, such as - Scaling, Extractions, Routine Fillings and Treatment of Infections.
 - (c) For medically approved spectacles, Rs. 4000 will be approved once in two years for employee only.
- 26.6 *Hospitalization –*
- The company will settle medical expenses for hospitalisation and surgery incurred by the employees direct to the approved private hospitals, subject to the following terms and conditions:–
- (a) Private hospitals should be in the approved panel of hospitals by the company.
 - (b) Prior approval should have been obtained from the company Medical Officer at the Company Medical Centre for admission.

- (c) Employees should obtain a letter of authority from the Administration Division addressed to the relevant Private Hospital/Nursing Home prior to admission.
- (d) Payment will be made in full by the company to the private hospital. However, the employee will be required to reimburse the employer in respect of any item which do not come under the purview of the existing rules and regulations pertaining to the medical expenses reimbursement procedure.
- (e) The maximum amount payable in respect of hospital room charges will not exceed Rs. 7,000 per day.
- (f) Special concessions will be considered on a case by case basis in case of emergency, medical treatment/severe accident. However, in such instances, next of kin or immediate family member should inform the company with the relevant details immediately.
- 26.7 In the case of child birth, the Company will reimburse upto the maximum of Rs. 20,000 and 80% of the expenses over the maximum limit.
- 26.8 Eye Testing- Expenses incurred on eye testing and relevant prescribed medicine will be reimbursed. Employee and two family members are entitled to this benefit per year and amount should not exceed Rs. 4000/- per annum for two family members.
- 26.9 Specialist Medical Treatment - Those who seek Specialist Medical Treatment should first consult the Company Doctor or any Doctor in the approved panel and get him/herself referred to a Specialist. However, in the event of serious illness which requires urgent medical treatment, the services of a Specialist may be obtained if it is not practicable to follow the normal procedure. In such an event covering approval of the Company Doctor/Panel Doctor should be obtained. The Company reserves the right to reject claims which contravene this procedure.
- 26.10 No expenses will be reimbursed unless approved by the Company Doctor.
- 26.11 Staff on probation will not be entitled to reimbursement of medical expenses during the period of probation.
- 26.12 *Medical benefits for employees who joined the company on or after 01.04.2000*
- (i) All permanent employees who joined the company after 01.04.2000 are entitled for unlimited medical facilities for self only.
- (ii) All family members, ie spouse, unlimited children who are in full time education unmarried and un-employed upto their 23rd birthday are eligible to enjoy the medical benefits as per the following scheme:
- Contributions per person covered are:-
- (a) Spouse : Rs. 100 per month
(b) Child : Rs. 100 per month
- (iii) The Main benefits of the medical scheme for the Family members of staff under reference are as follows:-
- (a) *Out-Patient Treatment*
- Coverage for out-patient treatment is an annual overall total of Rs. 7000 per person per annum.
- (b) *In-Patient Treatment*
- Spouse : Rs. 125,000 per annum
Upto 3 Children : Rs. 60,000 per annum per child
4th child : Rs. 50,000 per annum
- The benefits of one family member may be used by another covered family member after appropriate medical evaluation by the Company Medical Officer.
- Family members of a permanent employee with less than 10 years of completed continuous service, all in-patient bills are reimbursed at 80% within the limit for in-patient benefits.

However, if the hospitalisation is in a Government hospital, then a supplemental allowance of Rs. 75 per day is paid for each day of such hospitalisation, and the cost of drugs and required investigations that are not available in the hospital will be paid upto the specified limits.

If a standard room is not available, existing conditions will be extended upto 48 hours.

- (c) *Maternity Benefits for Normal Births*- A reimbursement of upto Rs. 25,000 for maternity expenses will be made to a female employee or wife in the case of a male employee, in respect of the first two births.

Above would be available only for the first 2 normal deliveries.

- (d) *Optical Care*- Coverage for optical care benefits for family members of employee is Rs. 2500/ every two years for each person covered, which provides 100% full reimbursement for approved spectacles, frames and lenses within this limit. Benefits of one family member may not be used by another covered family member.

- (e) *Dental Care*- Dental care included in the limit for out-patient benefits for the family members of the employee any medicines and cost of procedures will be deducted from the limit for out-patient benefits.

- (f) *Laboratory investigations*- Expenses incurred by family member against a single laboratory investigation of Rs. 1500 or above will be settled from the hospitalisation quota.

Collection of laboratory investigations incurred by family member adding upto Rs. 1,250 or above in one invoice, will also be settled from the hospitalisation quota.

27. *Accident Insurance Benefits.-*

- 27.1 All Employees are insured by the Company through an existing insurance policy under a very comprehensive "Group Personal Accident Policy" for a capital sum insured of 84 months applicable salary, subject to the terms and conditions and exclusions governing the policy, This policy may be amended at any time at the discretion of the Company, in consultation with the insurer.

The company will not deduct medical/hospitalization expenses incurred by the employee and reimbursed by the company against disbursements from the sum insured, referred to above, in cases of partial/permanent disablement leading to loss of employment.

However, the company will deduct medical/hospitalisation expenses incurred by the employee and reimbursed by the company against disbursements from the sum insured, as stated, provided that the damage caused to the employee physically/ mentally due to accident does not lead to loss of employment.

- 27.2 For the purposes of this "Group Personal Accident Policy" applicable monthly salary for all employees covered by this Agreement is the basic salary as defined in Section 9 of this Agreement.

- 27.3 The coverage operate 24-hours per day for accident insurance benefits.

28. *Benefits in the event of Death of an Employee.-*

- 28.1 In the event of a death of an employee due to natural causes, will be entitled to a capital sum of 60 months applicable salary, This scheme may be amended at any time at the discretaion of the company.

- 28.2 In the case of a death of an employee a sum of Rs. 150,000 will be paid by the company to the next of kin of the deceased employee, for funeral expenses.

- 28.3 In the case of a death of an employee while in service, an Ex-gratia payment computed on the following will be paid to his/her next of kin as follows:

- (a) Upto 05 yerars of service - 05 months salary
- (b) More than 05 years and upto 10 years of Service - 06 months salary
- (c) More than 10 years and upto 15 years of Service - 07 months salary
- (d) Exceeding 15 years of Service - 08 months salary

28.4 For the purpose of this secheme which provides benefits in the event of a death of an employee, the applicable monthly salary for all employees covered by this Agreement is the basic salary as defined in section 9 of this Agreement plus any applicable personal differential allowances.

29. Staff Travel Benefits.-

29.1 Confirmed permanent employees of the Company have the privilege of obtaining rebated air tickets in terms of the Company's Agreement with Srilankan Airlines Limited, prevalent at the time such tickets are requested.

29.2 All Employees shall be entitled to Privilege travel Sub-load tickets on the basis of one set of FOC (free-of-charge) tickets for Employees and qualifying dependants per annum.

29.3 All Employees shall be entitle to Concessional travel Sub-load tickets on the basis of purchasing unlimited ID90s for the Employee and their registred dependants.

29.4 A set of tickets is defined for an Employee as:

- * For a single Employee it means the Employee plus two dependants
- * For Employees with up to 2 children it means the Employee plus spouse plus 2 children
- * For Employees with 3 or more children it means the Employee plus spouse plus 3 children

29.5 The standard list of qualifying dependants is

- * Spouse
- * Children (under age 24, and should be un-employed)
- * Parents
- * Brothers or Sisters (under age 24 and should be un-employed)

29.6 Validity period of the privilege set of tickets granted to employees in a current year will be extended upto 31st December the next year. There will not be any further extension.

29.7 Staff who resign/retire after completing 13 years of cotinuous service in the company in permanent employment will be entitled to 5 sets of FOC tickets on UL services, one set of tickets per year. These tickets will be not be allowed to carry forward.

29.8 Staff who resign/retire after completing 15 (or more) years of continuous service in the company in permanent employment will be entitled to FOC tickets as per current UL staff travel policy.

29.9 Travel for Near Relatives - UL may time to time anounce (usually during off-peak periods), UL sectors where seats are available to be utilised by near relatives of permanent employees. Near relatives are as defined in the UL staff travel policy.

29.10 The employees who have been suspended on disciplinary grounds pending inquiry and the employees who are retired/resigned and subsequently filed legal action against the company will not be entitled for travel benefits.

29.11 In the event of termination of the Agreement by Srilankan Airlines Limited, employees will have no monetary or other entitlement in lieu of such benefits.

29.12 It is agreed that Employees in Grades 1-7 are eligible only for economy (y) class travel.

30. Future Promotions.–

30.1 It is intended that all future promotions will be job related subject to job vacancies, and selection of the person to be promoted will be based upon an appropriate combination of factors including seniority, qualifications, merit, performance, and job requirements.

30.2 If an employee is promoted or upgraded to the next higher grade, the employee will receive an increase of 7% on their existing monthly basic salary. However, if after this 7% increase the resulting basic salary is still lower than the minimum of the salary scale for the new grade, then the basic salary shall be further increased to that minimum level.

30.3 As per section 8.2 earlier in this Agreement, in order for an employee to be considered for upgrade or promotion to a higher grade, then the minimum job requirements of that higher grade must be met in keeping with the promotion and recruitment procedures of the company. Any such upgrades or promotions are subject to budget and/or operational requirements and availability of vacancies.

30.4 Any deviation from the policy set out in 30.1 to 30.3 above to prevent stagnation will be considered only for employees who have remained in same position for more than 10 years subject to good performance and conduct. Provided however this policy shall only be applicable to upgrades from Grade I to II and Grade II to III.

30.5 The company agrees to give priority to staff children for positions in grade 1 and 3 after considering the eligible internal staff including trainees. Staff children will have to comply to company recruitment standards and the normal recruitment process will apply. Separate Advertisement calling for staff children will be published within the company for such positions, depending on vacancies/requirements.

31. Check off and Union Subscriptions.–

31.1 The company shall on the written request of an employee deduct from their monthly salary the current monthly JSS dues as are specified by the employee to be payable monthly to the JSS, and remit the amount so deducted to the JSS in accordance with the procedure and upon and subject to the conditions hereinafter set forth provided that as long as the JSS maintains a membership of not less than 51% of the graded staff employed in grades 1 - 7 inclusive in a permanent capacity by the company and so long as this agreement subsists.

31.2 Every employee who agrees to the deduction of JSS dues from his salary shall sign a letter of authorisation and forward it to the Company.

31.3 Every Employee shall be entitled to withdraw their agreement to check-off at any time signing a statement of revocation to the effect and forwarding it to the Company.

31.4 As far as practicably possible, any deductions from an employee under an authorisation shall cease from the date of receipt of revocation cancelling such authorisation provided that:

(i) the Company shall not be liable in any manner whatsoever to the JSS or the employee concerned for failure to comply with sub-clauses 31.2 or 31.3 above.

(ii) that the company has sole discretion to be entitled not to make deductions by way of check-off in any month in which the deductions by way of check off will together with all other deductions from the salary of an employee in that month, exceed the maximum deductions permitted by law.

32. Grievance and Dispute Procedure.-

- 32.1 The Grievance and Disputes Procedure given herein below shall be followed by both parties strictly and the Union and its members agree that they will follow this Procedure in relation to all matters connected with their terms and conditions of employment and grievances arising there from. The Union and its members agree that they will not interfere and /or obstruct the Employer in taking decisions required for the administration and the conduct of affairs of the Company.
- (a) The Employee or the Departmental Union representative will in the first instance discuss the dispute or grievance with the Departmental/Divisional Manager.
- (b) If the grievance or dispute is not satisfactorily resolved the Employee or Departmental Union representative shall then discuss the dispute or grievance with the Head of HR and Administration. The Head of HR and administration will, if necessary in consultation with the Departmental/Divisional Manager as the case may be, endeavour to arrive at a satisfactory solution in respect of the grievance or dispute.
- (c) In the event of the grievance or dispute not being resolved at the level of Head of - HR and Administration, the issue in dispute will then be discussed by the Employee or Branch Union with the Director/CEO/General Manger of with his representative by prior appointment.
- (d) If the dispute or grievance still remains unresolved, the Branch Union may then raise the issue with the Chairman who will endeavour to resolve it and if necessary may arrange to submit the issue in dispute to the Employer's Federation of Ceylon, who will then discuss the matter with the Parent Union.
- (e) If the dispute or grievance still remains unresolved, then provided that both parties agree, they shall refer such dispute or grievance to voluntary arbitration in terms of Section 3(1) (d) of the Industrial Disputes Act for settlement. If both parties agree to voluntary arbitration, they shall agree on a statement of the matter in dispute, and if there is no agreement on such statement, they shall request the Commissioner of Labour to determine the statement of the matter in dispute after affording the parties and opportunity to state their case in regard to the statement of the matter in dispute. If the parties are unable to jointly nominate an Arbitrator, he shall be nominated by the Commissioner of Labour.
- (f) An award made by an Arbitrator in a voluntary arbitration referred to above, shall be final and binding on the the parties, save and except in a case where the finding is perverse or not consistent with the evidence adduced. In such instances the aggrieved party may have recourse to the law.

33. **Disciplinary Inquiry Procedure.-** All Graded staff will be governed by the Disciplinary Procedure of the Company along with other applicable manuals covering disciplinary inquiry procedures. The company shall make every endeavour to conclude all disciplinary inquiries within a period of 3 months from the date of serving the Charge Sheet. However, the Management will not be held responsible for any delays in the process of inquiries which is beyond the control of the Management. This time - limit shall not apply to cases of fraud and such matters which needs to be investigated by outside agencies, departments and such like.

34. Trade Union Actions .-

- 34.1 The JSS and all parties covered and bound by this Agreement jointly agree with the Company that during the continuance of this Agreement, they shall not engage in any strike or other form of Trade Union action in respect of any matters covered by this Agreement.
- 34.2 AND THAT it is agreed that any dispute over the violation of the terms and conditions of employment or any act of misconduct by employees/Trade Union members covered by the agreement will be dealt with as per the disciplinary procedure of the company.
- 34.3 In the event of a breach of this Agreement by the company, the Union reserves the right to make representations to the Commissioner General of Labour.

35. Trade Union Facilities.-

35.1 The company will grant facilities to the JSS as follows:

- (a) Union facilities, and the right of representation on matters of general application shall be dependent on the Union having not less than 51% of the graded staff in its membership.
- (b) An employee who is the Branch Secretary or the President of the Union shall be released on a request in writing, for four hours per week in respect of trade union activities. Such release will be limited to either of the two in respect of an occasion.
- (c) Three hours duty leave on a monthly basis shall be granted to all Executive Committee members of the Union for Executive committee Meetings which shall take place within the Company premises. On request the Training room or a suitable placed could be provided.
- (d) The Union Official or Officials released as stated above are entitled to attend discussions on Employee problems with the Employer on prior appointment. The Union representative from the relevant Section or Department shall be entitled to be present at such discussions provided that the operational requirements of the Company are not disrupted in any way.
- (e) All other Trade Union activities shall be performed by the Union members and officials outside working hours and outside Company premises. This shall not prejudice the rights of members to use the Union Office within reasonable limits with prior approval from the management.
- (f) The management will, at its discretion, grant leave to members nominated by the Union to attend Trade union seminars, functions and meetings outside Company premises, subject to the exigencies of work in the respective Departments.
- (g) Executive Committee members of the union will be granted duty leave for any discussion concerning the Company with the prior approval of the Management.
- (h) In applying for duty leave for Trade Union work the member will make a Duty Leave Application accordingly to Company Leave procedures.
- (i) The Management will provide two air tickets per annum for Trade Union representatives who receive invitations to attend International trade union meetings, seminars and conferences, provided that the operational requirements of the Company is not disrupted in any way due to their non - availability at work.
- (j) The Company will provide a suitable office space and facilities such as fax machine, telephone, furniture to the Branch Union.

36. Matters not Covered by the Agreement .-

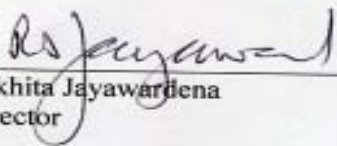
- 36.1 Where the Collective Agreement is silent, the terms of employment specified in the letter of employment or which is an accepted practice shall prevail. The general conditions of service applicable to the graded staff and the Rules and Regulations Manual as amended and the Disiplinary Procedure Manual referred to in paragraph 33 of the Collective Agreement shall be read as part and parcel of this Agreement and the letter of appointment.
- 36.2 The terms contained herein are a complete package and must be accepted in its entirety to be effective. This is to say, that Srilankan Catering Limited has agreed to increase in salary scales, and other benefits on the basis that all operational and administrative requirements recorded in this document are agreed to. Failure to agree to the entire contents of this document shall render all aspects, and in particular the increases in salary scales of the Srilankan Catering offer null and void.
- 36.3 JSS confirms its support to the contents of this document and confirms its intention to present all points in the document to their members for acceptance. Likewise, Srilankan Catering Ltd. Management confirms its support to the contents of this document and they confirm their intention to gain Board approval to the foregoing.

37 SIGNATURES OF AGREEMENT


37.1 This settlement is signed in Colombo on 8th June 2016 and witnessed as follows:


37.2 For and on behalf of the Company:

For and on behalf of the Union:


Rakhita Jayawardena
Director


Suranga Naullage
Chief Organizer - JSS


Lalith Withana
GCFAO/General Manager


H Gurusinghe
Snr Administrative Officer - JSS


Chinthaka Kulatilleke
Head of HR& Administration


T G N Srinath
President - JSS Branch Union


C O R Anthony
Secretary - JSS Branch Union

CK/as
8/6/2016

SRILANKAN CATERING LIMITED


Director


Director / Secretary