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சுதந்திர வர்த்தக வலயம் மற்றும் பொது சேவை தொழிலாளர் சங்கம்
FREE TRADE ZONES & GENERAL SERVICES EMPLOYEES UNION



22nd June 2018

His Excellency
James Dauris
High Commissioner for Britain in Sri Lanka &
The Maldives.

Dear Sir ,

ATG Ceylon / Occupational Industrial dispute
Timeline in brief

We the Free Trade Zones & General Services Employees' Union (FTZ&GSEU) is a union dully registered under the trade union ordinance before the Commissioner of Labour functioning from 1982 with the primary objective of safeguarding the rights and interest of private sector employees, as we believe a satisfied labour force is more productive than deprived and unsatisfied labour.

Employees of ATG Ceylon Pvt. Ltd., situated at Katunayake Investment Promotion Zone became members of our union in the latter part of 2103. When our union informed the company management officially by letter dated 07TH September.2013, the immediate reaction from the Managing Director / Chairman Mr. John Arthur Talyer main shareholder using the UK address of Honey Suckle cottage No 5 Cape street Broseley Telford Shropshir TF 125 UK was a notice in the factory premises dated 20th September 2013 that threatened employees for their affiliation with the union. They were told if they continue to be union members, facilities provided would be withdrawn

When pointed out to him by our letter dated 25th September 2013, the notice is illegal and unlawful, the company replied with an apology for the content of the notice.

As a responsible union we continuously tried to negotiate with the company. Most unfortunately the company management did not respond accordingly with the union on good faith. As a result, we could not settle any issue through discussions and negotiations. The company continued with its union busting scheming and threats, with the Commissioner General of Labour compelled to file cases against the company on unfair labour practices before the Negombo Magistrate.

Continuous pressure brought on our members to resign from the union failed, but made the management to think it could manipulate a workers' referendum to their advantage. Thus, their surprise request to the Commissioner General of Labour to hold a referendum. HE the German Ambassador in Sri Lanka and the

Ambassador for the EU requested the Minister of Labour to ensure the referendum to be free and fair. Attached herewith is our correspondence in this regard for your easy reference.

Under above circumstances the referendum held on 07th February 2017 at the ATG Company (Pvt.) Ltd., our union was legally qualified as a bargaining union on behalf of ATG Ceylon Employees.

As that proved the majority of the workers have decided they should be represented by FTZ&GSEU as their bargaining agent, we expected the ATG factory management to begin official dialogue with FTZ&GSEU in good faith. Yet the sad tale of the repressive management of ATG that continued is summarised as follows.

01. After the Feb 2017 referendum, there were only 02 discussions held between the factory management and FTZ&GSEU. At these discussions, 01 of the 02 demands was to restore provision of uniforms given earlier. It was agreed but provision was delayed till this (2018) year. The offer was tied to many conditions and majority of workers have therefore refused to accept uniforms.
02. Many unsettled issues were raised with the ATG factory management through letters, requesting meetings to sort them out. The management informed, their position has been told to the branch union on these matters and their decisions are final on 02 issues. Other matters they said are not open for discussion.
03. Few discussions held, were held outside the factory. Our insistence that discussions should be held within the factory, was not heeded. Our position was that, as the referendum made us legally qualify as bargaining agent of workers, discussions should be in the factory premises. Obviously, the factory management did not want us seen as such.
04. ATG workers are covered by the "Tyre and Rubber Manufacturing" Wages Board and thus their monthly wages have to be calculated for a 30 day month. We requested the company to do so, instead of the 26 days they calculate. The management maintained they are not covered under the Tyre and Rubber Wages Board. We requested the Labour Department to give a ruling on this and under heavy and undue pressure, the Labour Department ruled our position is right.
05. On the basis the ATG workers are covered under the Tyre and Rubber Manufacturing Wages Board, and workers covered by its decisions should have their wages calculated for a 30 day month, we requested their wages be calculated with 04 extra days for Sunday holidays that have to be paid holiday. The company maintained it is already included as a monthly wage although in ATG the wages are calculated on a 26 day month. We disputed their claim and the issue is pending with Labour Department.
06. In February this year (2018) our branch union Secretary at ATG Ceylon was transferred to the factory of ATG Occupational Ltd. The transfer was

not accepted as there cannot be transfers from one company to another where employers change. ATG Ceylon management refused him work and a complaint was made to the Department of Labour and to Commissioner General of Labour (CGL). After considering submissions from both parties, the CGL on 23 May, 2018 ruled that these two are two different companies and therefore transfers are not possible without their consent and wanted corrective action from the management. Instead the company sent a last minute letter asking the branch union secretary to report to work on 01 June at ATG Occupational Ltd, giving absolutely no time for any response. ATG Ceylon has thus violated the ruling of CGL as well.

07. ATG Ceylon suspended the services of branch union Vice President nearly 10 year ago for a week and a half on the allegation, he brought his tab into the factory. Thereafter the suspension was extended indefinitely on the basis an investigation is being carried to ascertain whether he used the tab to take photos within the factory. Subsequently, with no mention of the investigation and its result, his services were terminated without even fulfilling the disciplinary procedure laid down by the BOI which the ATG bound to observe.
08. With the present government deciding to postpone the May Day holiday from 01 May to 07 May, our union with many other trade unions decided to hold the international workers' day celebrations on 01 May, as usual. Both ATG Ceylon and Occupational declared May 01 as a compulsory working day, denying workers the right to obtain their due leave, thus denying workers their right to participate in May Day celebrations.
09. Night shift on 01 May was extended without any prior notice and workers in that shift was asked to continue with 05 instead of the usual 06 in a group. Workers in Plant C-9 refused to continue work on the grounds, (1) it was extremely difficult to continue working in an extended shift due to the heat in the plant and (2) it is not possible to share the workload of 06 workers among 05. On May 02 the management put up notice to say the company will be closed for the day. On May 03 the factory was re-opened leaving out 59 employees who worked in the plant. Their photos were displayed in a notice that claimed they engaged in an unlawful strike action, but said they would be on compulsory leave with wages.
On a complaint made to the Asst. Commissioner of Labour (ACL), Negambo, a meeting was held on 08 June. It was agreed to resume work on the promise given by the management they would have a "standby worker" for a group of 05 to work. This arrangement was accepted as a short term trial till the next meeting with ACL Negambo on 21 May. While the management backtracked on its promise, there were more issues that emerged during the trial period. It was agreed to discuss these new issues on 06 June 2018.
10. On 21 May after the discussion, the management had a notice that said, the 59 workers who are on compulsory leave will not be paid their due attendance bonus. Although it was clearly a provocative decision by the

management that expected workers to resort to strike action, the union instead made an urgent complaint to the CoL. Thereafter the management withdrew their decision and paid the attendance bonus.

ATG management has steeped to extremely low level in victimising and taking revenge against our branch union activists, continuously during the past years. In 2017 the ATG management organised an event to celebrate 25th Anniversary years where employees were given Gold souvenirs. The criteria is working over 5 years but the management refused to give this gift to 08 of our union activists including the union branch President and organizer although they have completed 05 years of services. Out of the 08, one was dismissed from service on famed charges. Another was given the gold souvenir because he resigned from the union.


Meanwhile let us record here, the CoL has filed 02 cases bearing the case number of MC / 25461- 25462 in Magistrate Court against the ATG management for unfair labour practices. Lawyers retained by the company raised many preliminary objections in trying to dismiss these cases. After all preliminary objections were dismissed, the cases are now fixed for trial.

We firmly believe, the above information though in brief, would prove there is a very concerted and a stubborn effort to bust the trade union in order to exploit workers at the free will of the management. We take these unholy trends against workers by the ATG very seriously as the Sri Lankan partner is the President of the Katunayake Export Manufacturers' Association and would thus set the pace in the FTZ in working against unionisation of workers, a very condition the EU has wanted corrected when granting EU GSP "Plus" to Sri Lanka.

We therefore appeal to you to intervene at the highest level to ensure workers' rights are guaranteed in the export sector, in line with EU GSP "Plus" requirements.

Thanking you in advance,
Anton Marcus


Joint Secretary
Free Trade Zones & General Services Employees Union


22/6/18