

**UNIVERSITY OF COLOMBO, SRI LANKA**  
**FACULTY OF LAW**

**MASTER OF LAWS EXAMINATION – 2017**

**LABOUR LAW**  
(Three Hours)

Total Number of Questions: 04

Answer THREE (03) questions only, selecting QUESTION NO.01 and any other TWO (02) Questions.

(Candidates will be penalized for illegible handwriting.)

1. Lanka Millennium Bank is a private Bank and commenced business in 2000. The Bank has 12 Branches in and around Colombo and employs about 750 employees. The Bank wanted to terminate the services of Kumara, a probationer for loss of money. However, the Bank could not find any evidence against him, and terminated his services stating that it was not satisfied with his services as a probationer. According to the reports of his immediate supervisor, Kumara had performed his services to the satisfaction of the Bank.

The Bank does not have any acceptable criteria for promotion, and a dispute exists between the Management of the Bank and the sole Trade Union of the Bank. The dispute seriously affects the relationship between the Management and the Trade Union. In the mean time, the Management has issued a circular stating "As banking services are essential to the development of the country, employees at executive level are not entitled to be members of a trade union."

A strained relationship existed between Ram who is an Assistant Manager and the Human Resources Manager of the Bank, and the Bank took back the vehicle and the quarters given to Ram, and transferred him to construction site to supervise the work. Ram objected to the transfer as it was a demotion, and thereafter refrained from attending work with effect from 01 March 2017.

Gajan, a Manager who worked for about ten years sexually harassed a female customer and CCTV Camera footages confirmed it. When the Management initiated an inquiry, Gajan accepted the charges and apologized. The Management permitted him to resign and leave the Bank without continuing the inquiry. The Bank deprived him of gratuity for the misconduct.

Critically discuss the legal issues arising in the above scenario, and the remedies/responses available, if any, within the labour law regime of Sri Lanka.

**(40 Marks)**

2. Critically comment on the extent to which Sri Lankan legal regime complies with international standards relating to public sector employment.

**(30 Marks)**

3. (a) Assume that an International Organization has requested you to compare the Sri Lankan labour standards relating to child domestic workers with international standards, and to identify areas where the Sri Lankan standards fall short of the international standards.

Prepare a Report for the Non Governmental Organization and include suggestions for bringing the Sri Lanka law in line with international standards.

**(15 Marks)**

- (b) Although labour legislation in Sri Lanka does not have express provisions to deal with sexual harassment at the workplace, the provisions of the Constitution and existing labour legislation could be creatively used to deal with sexual harassment at workplace.

Do you agree with the above statement? Give reasons for your answer.

**(15 Marks)**

**(Total 30 Marks)**

4. ABC Law Associates requests you to write a legal opinion as to the following:

(a) Lal, an employee at executive level in Business Lanka Bank had issued cheques from his own account without having funds in the account to a customer of the Bank for a private matter. In a previous occasion also Lal issued a cheque from his personal account without funds in the account to a customer, and the Management of the Bank warned him not to repeat it. The Management of the Bank seeks advice as to whether it could terminate his services.

**(10 Marks)**

(b) The Commissioner of Labour informed an employer that non contribution for Employees' Provident Fund will be recovered through a Magistrate Court in accordance with the procedure provided in section 38(2) of the Employees' Provident Act, No. 15 of 1958 as amended. The employer raises objections for resorting to section 38(2) without following the steps provided in sections 17(1) and 38(1) in the Act, and seeks advice with regard to validity of the objection.

**(10 Marks)**

(c) Sungsum Company employs about 700 workers from the commencement of its business in 1985. The Company employed Sarath as its Human Resources Manager until he reached his age of retirement on 01 May 2005 after completion of about twenty years of service. The Company paid his gratuity when he reached the age of retirement. Thereafter, the Company employed Sarath with effect from 02 May 2005 under fixed term contracts renewed once in three years until 02 May 2017. Sarath wishes to claim gratuity calculated for the period from 1985 – 2017 on the basis of his last month salary in 2017, and to deduct the payment made in 2005, and pay him the balance. Sarath seeks advice.

**(10 Marks)**

Write your opinion.

**(Total 30 Marks)**

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