

**IN THE COURT OF APPEAL OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF SRI LANKA**

In the matter of an Application for Mandates in the nature of Writs of *Certiorari* and *Prohibition* under and in terms of Article 140 of the Constitution of the Democratic Socialist Republic of Sri Lanka.

**C.A. (Writ) Application No: 0182/2014,
0135/2014,
& 0153/2014**

C.A. (Writ) Application No: 0182/2014

SriLankan Airlines Ltd.
World Trade Centre,
Echelon Square,
Colombo 01.

Now

SriLankan Airlines Ltd.
Airline Centre,
Bandaranaike International Airport,
Katunayake.

PETITIONER

Vs

1. V. B. P. K. Weerasinghe,
Commissioner General of Labour,
Department of Labour,
Labour Secretariat,
Narahenpita,
Colombo 05.

1A. Herath Yapa

Commissioner General of Labour,
Department of Labour,
Labour Secretariat,
Narahenpita,
Colombo 05.

1B. M. D. C. Amarathunga,

Commissioner General of Labour,
Department of Labour,
Labour Secretariat,
Narahenpita,
Colombo 05.

1C. Mr. R.P.A. Wimalaweera

Commissioner General of Labour,
Department of Labour,
Labour Secretariat,
Narahenpita,
Colombo 05.

1D. MR. B.K. Prabath Chandrakeerthi

Commissioner General of Labour,
Department of Labour,
Labour Secretariat,
Narahenpita,
Colombo 05.

2. Anura Muthumala

Commissioner of Labour (Industrial Relations),
Department of Labour, Labour Secretariat,
Narahenpita,
Colombo 05.

3. Palitha Weerasekara
Arbitrator,
C/o. Commissioner General of Labour,
Department of Labour, Labor Secretariat,
Narahenpita,
Colombo 05.
4. Srilankan Airlines Aircraft Technicians'
Association,
No. 14, Mahawela Place,
Kirulapone,
Colombo 05.
5. T.M.E. Cassim
6. M.G.A.D. Chandrapala
7. P.A.D.S. Perera
8. U.L.M. Perera
9. B.P.N. De Silva
10. M.V.S. Cooray
11. O.M.A.A. Perera
12. G.G. Sarathchandra
13. N.M.V.K. Ranasinghe

14. V. Wickramasinghe

15. J.A. Anura

16. S.S.P.H. Mahingoda

17. K.N.C. Perera

All 5th to 17th Respondents above,
C/o, SriLankan Air Lines Aircraft
Technicians' Association,
No. 14, Mahawela Place,
Kirulapone,
Colombo 05.

18. Hon. Gamini Lokuge,

Minister of Labour and Labour
Relations,
Ministry of Labour and Labour
Relations,
2nd Floor, Labour Secretariat,
Colombo 05.

18A. Hon. Wijedasa Rajapakshe,

Minister of Justice and Labour
Relations,
Ministry of Justice and Labour
Relations,
2nd Floor, Labour Secretariat,
Colombo 05.

- 18B. Hon. S. B. Nawinne,
Minister of Labour and Labour
Relations,
Ministry of Labour and Labour
Relations,
2nd Floor, Labour Secretariat,
Colombo 05.
- 18C. Hon. John Seneviratne,
Minister of Labour and Trade Union
Relations,
Ministry of Labour and Trade Union
Relations,
2nd Floor, Labour Secretariat,
Colombo 05.
- 18D. Hon. Ravindra Samaraweera,
Minister of Labour and Trade Union
Relations,
Ministry of Labour and Trade Union
Relations,
2nd Floor, Labour Secretariat,
Colombo 05.
- 18E. Hon. Dinesh Gunawardana,
Minister of Skills Development,
Employment & Labour Relation,
2nd Floor, Labour Secretariat,
Colombo 05.

18F. Hon. Manusha Nanayakkara,
Minister of Labour and Foreign
Employment,
2nd Floor, Labour Secretariat,
Colombo 05.

19. A.D.S.R. Wayasinghe,
Assistant Commissioner of Labour,
District Labour Office,
Negombo.

19A. P. K. Sanjeewani,
Assistant Commissioner of Labour,
District Labour Office,
Negombo.

RESPONDENTS

C.A. (Writ) Application No: 0153 / 2014

Sri Lankan Airlines Aircraft Technicians
Association
No.14, Mahawela Place,
Kirulapone,
Colombo 06.

PETITIONER

Vs

1. Palitha Weerasekara
No.33/2, Nimala Maria Mawatha,
Hendala,
Wattala.

2. V.B.P.K. Weerasinghe,
The Commissioner of Labour,
Labour Secretariat,
Narahenpita,
Colombo 05.

- 2A. M.D.C. Amarthunga
The Commissioner General of Labour,
Labour Secretariat,
Narahenpita ,
Colombo 05.

- 2B. R.P.L. Wimalaweera
The Commissioner General of Labour
Labour Secretariat,
Narahenpita
Colombo 05.

- 2C. B.K. Prabath Chandrakeerthi
The Commissioner General of Labour
Labour Secretariat,
Narahenpita
Colombo 05.

- 2D. Ms. H.M.D.N.K. Wataliyadde
The Commissioner General of Labour
Labour Secretariat,
Narahenpita
Colombo 05.

3. Gamini Lokuge
Minister of Labour and Labour Relations,
Labour Secretariat,
Colombo 05.
- 3A. W.D.J. Seneviratna
Minister of Labour and Labour Relations
Labour Secretariat,
Colombo 05.
- 3B. Ravindra Samaraweera
Minister of Labour and Trade Union Relations and
Sabaragamuwa Development
Labour Secretariat,
Colombo 05.
- 3C. Gamini Lokuge
Minister of Labour, Foreign Employment &
Petroleum Resources Development,
Labour Secretariat,
Colombo 05.
- 3D. Daya Gamage
Minister of Labour,
Trade Union Relations and Social Empowerment
Labour Secretariat,
Colombo 05.
- 3E. Ravindra Samaraweera
Minister of Labour and Trade Union Relations,
Labour Secretariat,
Colombo 05.

- 3F. Dinesh Gunawardene
Minister of Foreign Relations, Skills Development,
Employment & Labor Relations
Labour Secretariat,
Colombo 05.
- 3G. Nimal Siripala De Silva
Minister of Labour,
Labour Secretariat,
Colombo 05.
- 3H. Maligaspe Koralege Nalin Manusha Nanayakkara
Minister of Labour and Foreign Employment
Labour Secretariat,
Colombo 05.
- 3I. Prof. Anil Jayantha Fernando
Minister of Labour,
Labour Secretariat,
Colombo 05.
4. SriLankan Airlines Ltd.
19 - 22 - East Tower,
World Trade Centre,
Echelon Square,
Colombo 01.
5. M.G.A.D. Chandrapala
6. P.A.D.S. Perera
7. U.L.M. Perera

8. B.P.N. De Silva
9. M.V.S. Cooray
10. O.M.A.A. Perera
11. G.G. Sarathchandra
12. N.M.V.K. Ranasinghe
13. J.A. Anura
14. S.S.P.H. Mahingoda

All of

No. 14 Mahawela Place,
Kirulapone,
Colombo 06.

RESPONDENTS

C.A. (Writ) Application No: 0135 / 2014

Sri Lankan Airlines Aircraft Technicians
Association
No.14, Mahawela Place,
Kirulapone,
Colombo 06.

PETITIONER

Vs

1. Palitha Weerasekara
No.33/2, Nimala Maria Mawatha,
Hendala,
Wattala.

2. V.B.P.K. Weerasinghe,
The Commissioner of Labour,
Labour Secretariat,
Narahenpita,
Colombo 05.

- 2A. M.D.C. Amarthunga
The Commissioner General of Labour,
Labour Secretariat,
Narahenpita,
Colombo 05.

- 2B. R.P.L. Wimalaweera
The Commissioner General of Labour
Labour Secretariat,
Narahenpita
Colombo 05.

- 2C. B.K. Prabath Chandrakeerthi
The Commissioner General of Labour
Labour Secretariat,
Narahenpita
Colombo 05.

- 2D. Ms. H.M.D.N.K. Wataliyadde
The Commissioner General of Labour
Labour Secretariat,
Narahenpita,
Colombo 05.
3. Gamini Lokuge
Minister of Labour and Labour Relations,
Labour Secretariat,
Colombo 05.
- 3A. W.D.J. Seneviratna
Minister of Labour and Labour Relations
Labour Secretariat,
Colombo 05.
- 3B. Ravindra Samaraweera
Minister of Labour and Trade Union Relations and
Sabaragamuwa Development
Labour Secretariat,
Colombo 05.
- 3C. Gamini Lokuge
Minister of Labour, Foreign Employment &
Petroleum Resources Development,
Labour Secretariat,
Colombo 05.
- 3D. Daya Gamage
Minister of Labour,
Trade Union Relations and Social Empowerment,

Labour Secretariat,
Colombo 05.

3E. Ravindra Samaraweera
Minister of Labour and Trade Union Relations,
Labour Secretariat,
Colombo 05.

3F. Dinesh Gunawardene
Minister of Foreign Relations, Skills Development,
Employment & Labor Relations
Labour Secretariat,
Colombo 05.

3G. Nimal Siripala De Silva
Minister of Labour,
Labour Secretariat,
Colombo 05.

3H. Maligaspe Koralege Nalin Manusha Nanayakkara
Minister of Labour and Foreign Employment
Labour Secretariat,
Colombo 05.

3I. Prof. Anil Jayantha Fernando
Minister of Labour Labour Secretariat,
Colombo 05.

4. SriLankan Airlines Ltd.
19 - 22 - East Tower,
World Trade Centre,
Echelon Square,
Colombo 01.

5. T. M. E. Cassim
No.15E,
Ekanayake Mawatha,
Nugegoda.

6. K. N. C. Perera
No.486,
Kurana Katunayake.

RESPONDENTS

Before : Dhammika Ganepola, J.
Adithya Patabendige, J.

Counsel : Sanjeewa Jayawardane PC with Charitha Rupasinghe and
Ms. Mokshini Jayamanne for the Petitioner in WRT - 182/14 and
4th Respondent in WRT - 153/14 & WRT - 135/14.

Kushan D' Alwis, PC with L. Munasinghe, instructed by M.S. Palitha
Perera for the Petitioner in WRT-135/14 WRT-153/14, and 4th
Respondent in WRT-182/14.

M. Jayasinghe, DSG for the Respondents.

Argued on : 10.10.2025.

Written Submissions

Tendered On : 10/12/2025 by the Petitioner.
02/12/2025 by the 4th Respondent.

Decided on : 18.12.2025

Adithya Patabendige, J.

The Petitioner, Sri Lankan Airlines Ltd., invoked the writ jurisdiction of this Court seeking *inter alia* a mandate in the nature of a *writ of certiorari* to quash the Arbitration Award of the case No. 3372 dated 13/02/2014 marked **P2** and published in the Gazette Extraordinary No. 1853/5 dated 10/03/2014 marked **P3** together with a *writ of certiorari* to quash the letter of the Assistant Commissioner of Labour dated 19/05/2013 marked **P4** and a *writ of Prohibition* restraining the 1st, 2nd, 18th, and/or 19th Respondents from taking any action to enforce the Arbitration Award. However, at the hearing, the Petitioner confined its challenge exclusively to the quantum and computation of compensation awarded by the Arbitrator.

The 4th Respondent, Sri Lankan Airlines, Aircraft Technicians Association, filed the **case No.135/14** as the Petitioner in this Court, seeking, *inter alia*, a mandate in the nature of a *writ of certiorari* to quash part of the aforesaid Arbitration Award marked **P2** and a *writ of mandamus* compelling the Arbitrator, the 3rd Respondent, to reinstate the employees referred to in paragraph 1 of the petition dated 9th May 2014.

The 4th Respondent further filed the **case No. 153/14** in this Court as the Petitioner, seeking a mandate in the nature of a *writ of certiorari* to quash the part of the aforesaid Arbitration Award marked **P2**, and a *writ of mandamus* compelling the Arbitrator, the 3rd Respondent, to reinstate the 5th and 17th Respondents.

When this case was taken up for argument, all parties agreed to pronounce one consolidated judgment in respect of all three cases. The facts of the cases as submitted by the parties can be summarized as follows.

The 5th to 17th Respondents worked as Aircraft Technicians of the Petitioner company. The 4th Respondent is a registered trade union that represents the Aircraft Technicians. The Petitioner and the 4th Respondent entered into a collective agreement, marked **AA**, with effect from 01/01/1999 to 31/05/2002. Before the expiration of the said collective agreement, the parties had negotiated to

extend it for a further period of two years, but the negotiations failed. During this period, the Petitioner and the 4th Respondent had further discussions regarding a salary increase. Since there was no consensus on that, the Minister of Labour referred the dispute to arbitration under **Section 4(1) of the Industrial Disputes Act (IDA)** marked **AJ1** and **AJ2**.

The Petitioner averred that during the inquiry pending before the Arbitrator, numerous acts of sabotage were committed by the 4th Respondent, and a case bearing No. 165/2004/Spl, marked **A1** and **A2**, was instituted before the District Court of Moratuwa. Since the District Court of Moratuwa refused to issue an enjoining order, a leave to appeal application was filed before the Court of Appeal, which issued an interim stay order. The Petitioner further averred that the 4th Respondent was ignoring the stay order and continued the trade union activities. Based on such allegations, the Petitioner issued show cause notices to the 5th to 17th Respondents and thereafter terminated the services of the aforesaid Respondents.

Consequent upon the said termination, the Minister of Labour referred the dispute for arbitration again, and the case record of the Arbitration was marked **X**. After the inquiry, the Arbitrator, the 3rd Respondent, decided that the termination was unjust and awarded compensation instead of reinstatement. Being dissatisfied with the Arbitrator's decision, the Petitioner seeks a *writ of certiorari* to quash it. When this case was taken up for argument on 10/10/2025, the learned President's counsel appearing for the Petitioner informed the Court that he was challenging only the computation of compensation and not the finding relating to termination.

In view of the above position taken on behalf of the Petitioner, the finding of the Arbitrator that the termination of the 5th to 17th Respondents was unfair and unjust remains undisturbed and stands affirmed by this Court.

The learned Arbitrator, in his decision marked **P2a**, states the following regarding the award of compensation.

“taking into consideration all the above facts my conclusion is it is just and reasonable to grant compensation to the Applicants above named without re-instatement and grant them compensation on the basis of their salaries and other payments.

Accordingly, I order to make payment of compensation in the following manner.”

According to the Gazette notification marked **P3**, regarding the award of compensation in Sinhala language states as follows.

“ඉහත සඳහන් සියළුම කරුණු සැලකිල්ලට ගෙන ඉහත ඉල්ලුම්කරුවන්ට නැවත සේවයේ පිහිටුවීමකින් තොරව වන්දියක් ලබා දීම සුදුසු බවද, ඉල්ලුම්කරුවන්ට ඒ අනුව ඔවුන් ලබමින් සිටි වැටුප හා දීමනාව පදනම් කරමින් වසර හයක වැටුප නැවත සේවය පිහිටුවීමකින් තොරව වන්දියක් වශයෙන් ලබා දීම සාධාරණ හා යුක්තිසහගත බව මම නිගමනය කරමි.”

Upon a careful consideration of the aforesaid extracts from the Award and the Gazette notification, it is abundantly clear on the face of the record that the Arbitrator has failed to disclose any reasons or rational basis for awarding compensation equivalent to six years’ salary. The award merely asserts that such compensation is just and equitable, without demonstrating how that conclusion was reached.

In the case of **Brook Bond (Ceylon) Ltd. v Tea, Rubber, Coconut, and General Produce Workers Union 77 NLR 6**, it was held that;

“For an order to be just and equitable it is not sufficient for such order merely to contain a just and equitable verdict. The reasons of such verdict should be set out to enable the parties to appreciate how just and equitable the order is. In the absence of reasons, it would not be a just and equitable order.”

Justice Dr. A.R.B. Amarasinghe, in Jayasuriya v Sri Lanka State Plantations Corporation (1995) 2 SLR 379 at page 408 states as follows;

“..... In my view, to have a computation which is expressly shown to relate to specific heads and items of loss. It is not satisfactory in my view to simply say that a certain amount is just and equitable. There ought, I think, to be a stated basis for the computation, taking the award beyond the realm of mere assurance of fairness. This would enable the parties and anyone reading the Order to see that it is, all in all, just and equitable.”

In the circumstances of the instant application, the failure of the Arbitrator to specify the basis of the computation itself constitutes a clear indicator of arbitrariness.

As I mentioned earlier, the Arbitrator arrived at a conclusion that the termination of the 5th to 17th Respondents was unjust and accordingly, awarded compensation. However, on behalf of the employees, especially the 4th Respondent trade union, only the 9th Respondent, B.P.N de Silva had given evidence before the Arbitrator. No evidence was led in respect of the remaining employees to establish their individual periods of service, earnings, or alleged financial loss consequent upon the termination.

The Arbitrator in his decision marked **P2(b)** at page 16 states as follows;

“The Applicant party failed to call other applicants other than B.P.N de Silva although it had notified that Harsha Maniyangoda will be called to give evidence the Applicant party failed to do so.”

The Arbitrator has further recorded that 10 of the affected employees among the 5th to 17th had found foreign employment. The 5th Respondent reached the age of 60 years as at 11/06/2004. It is further revealed that, other than the 9th Respondent, no evidence was placed relating to the period of their services, the earnings from the foreign employment, and/or financial losses due to the termination of services by the Petitioner.

The second paragraph of page 19 of the decision of the Arbitrator marked **P2(b)** states thus;

“The Applicant party in their written submissions had stated that Applicant T. M.E. Cassim completed his age of 60 years on 11/06/2004. The Applicant party had made a request that as the other applicants eligible for services according to their ages to re – instate them in their services. Although it was brought to the notices of the Arbitration that out of the employees 10 of them are migrated and employed abroad. Apart from B.P.N de Silva the other applicants had not brought to the notice of the Arbitration correctly their period of service. The Applicants who had not migrated had not given evidence regarding the financial destruction and accordingly it is not

disclosed before the Arbitration the information of earnings during the period they were without employment.”

In the light of these findings recorded by the Arbitrator himself, a fundamental question arises as to how the Arbitrator could lawfully arrive at a uniform computation of compensation in respect of all employees, in the absence of evidence establishing the nature or extent of their respective financial losses.

In the case *Jayasuriya (supra)*, *Justice Dr. Amarasinghe* explained that compensation in lieu of reinstatement should be assessed as a financial loss under three broad heads.

- The immediate loss of earnings and benefits from the date of termination to the date of award.
- Any prospective or future loss of earnings reasonably attributable to the termination.
- The loss of retirement-related benefits which would have accrued had the employment continued.

On the other hand, it is the duty of the tribunal or the Arbitrator to consider any earnings from new employment after the termination when calculating the compensation. If employees earn more remuneration than before, they would not be granted compensation.

According to the proceedings before the Arbitrator marked **X**, the 9th Respondent stated that he earned Rs. 460000 per month from the foreign employment. In contrast, his contemporaries who worked in the Petitioner company earned Rs. 180000, including overtime payments.

In the above case, *Dr. Amarasinghe on page 411* discussed this position as follows;

“Once the incurred, i.e., the ascertainable past, losses have been computed, a tribunal should deduct any wages or benefits paid by the employer after termination, as well as remuneration from fresh employment. (See Liyanage v. Weeraman , Ceylon Transport Board v. Wijeratne). If the employee had obtained equally beneficial or financially better alternative employment, he

should receive no compensation at all, for he suffers no loss. (e.g. see Nidahas Karmika Saha Velanda Vurthiya Samithiya v. The Continental Motors Ltd. cited in Abeysekera's Industrial Law Vol. III & IV at p. 1543). And compensation should be reduced by the amount earned from other, less remunerative employment. The principle is this: He is entitled to indemnity and not profit.”

Considering the aforementioned principles in the context of the instant application, it is manifest that the Arbitrator has not carried out the evaluative process mandated by law. Although the Arbitrator has expressly recorded that only the 9th Respondent adduced evidence and that no evidence was placed before the Arbitrator in respect of the duration of service, future earnings, the earnings from the foreign employment or financial loss of the 5th to 17th Respondents, the Arbitrator nevertheless proceeded to award compensation equivalent to six years' salary. Such an award, made in the absence of sufficient evidence and without disclosing any rational basis for computation, is *ex facie* arbitrary and unreasonable.

For the foregoing reasons, I hold that the award of compensation made by the Arbitrator, the 3rd Respondent, is vitiated by arbitrariness and a failure to comply with the governing principles of law, and is liable to be quashed, exercising the writ jurisdiction of this Court.

Hence, I issue a mandate in the nature of a *Writ of Certiorari* quashing the award of compensation stipulated in the decision of the Arbitrator, the 3rd Respondent marked **P 2(b)**.

The learned President's Counsel appearing for the 4th Respondent, referring to the contents of the motion dated 10th September 2025, submitted that the impracticality of reinstatement as the 8th, 10th, 11th, 12th, 13th, 15th, and 16th Respondents reached the age of retirement before the date of argument. He further reiterated that the 7th Respondent is due to retire on 28/04/2026, and that the 9th Respondent will retire on 11/11/2027. The 6th Respondent has passed away. Upon considering the contents of the above motion, the 4th Respondent sought a *writ of mandamus* against the 1st Respondent, compelling the award of compensation to the said Respondents.

In view of the affirmation of the finding of unjust termination and the conclusion reached herein in respect of compensation, the reliefs sought by the 4th Respondent trade union in Writ Applications Nos. 135/14 and 153/14, stand dismissed.

The application of the Petitioner (WRT- 182-14) is partly allowed. I make no order as to costs.

JUDGE OF THE COURT OF APPEAL

Dhammika Ganepola, J

I agree.

JUDGE OF THE COURT OF APPEAL