PERMANENT ARBITRATION TRIBUNAL

RN 56A
In the matter of:

The Bank of Mauritius Employees Union
and

The Bank of Mauritius

“Whether a responsibility allowance should be granted to custodians of the strong room and to the cashiers”

1. This is the last item of dispute out of a long list which have already been the subject of an award.

2. There was very little evidence relating to this matter and most of what was before the Tribunal consisted merely of argumentative statements from either side.

3. The Tribunal has accordingly requested from both parties more information as to what was the normal practice in other banks.

4. It appears that the employees made representations on this subject to Mr Sedgwick, the Government Salaries Commissioner, who had been requested to make a separate report in respect of salaries and conditions of service of employees of the Bank of Mauritius.

5. The Salaries Commissioner did not agree to the claim of the employees concerned for a responsibility allowance’ for custodians and cashiers and suggested that the normal commercial practice be followed.

6. From information which both parties obtained and which was passed on to the Tribunal, it would appear that there is no complete uniformity in relation to these categories of bank officers elsewhere.

7. As regards custodians of vaults or strong rooms, information collected by both parties reveal that the only Central Bank paying a special allowance to custodians is that of Kenya.

8. As regards cashiers, there is a system of ‘Shortage Allowance’ in Nigeria which serves to cover shortages, and the credit balance is paid to the cashier on promotion, resignation, etc. The only other Central Bank giving an allowance to cashiers is the West German Central Bank. The allowance is a daily one and the cashier is required to refund any missing amounts to the Bank.

9. The Tribunal however is not in presence of the exact terms of employment of the relevant officers of all banks which have been contracted and does not also have a full comparative table of the salaries earned by the relevant employees of these institutions.

10. In the case of custodians or key holders, the Tribunal has however noted from the information given to it by the parties on the subject, that, although in all Central Banks from which information has been received, the dual control system exist, yet the officer whose appellation is ‘Junior Custodian’ is either of a higher status than a clerk, or, if a clerk is designated, he is a mature officer of experience.

11. In Mauritius, being given the small number of staff involved, the Tribunal does realize that there may often be difficulties in finding a Junior Custodian of sufficient banking experience. It is however noted that despite this state of affairs, the final key holders are always the Junior...
Custodians, and this may well be the reason underlying the present claim for a 'responsibility allowance'.

12. Key holding in Central Banks being generally part of the duties of the officers concerned, the question of a 'responsibility allowance' does not appear to be founded. The Tribunal however has no hesitation in holding that whenever such key holders are required to perform their opening and closing duties outside their normal working hours, they should receive some compensation therefore.

13. Further, the Tribunal feels that the final responsibility of key holding should not fall only on the shoulders of juniors officers. The Tribunal realizes that there must be very strict control over the opening and closing of the Vault, but on the other hand, it does feel that, without in any way affecting its efficacy, the dual control system should be modified so that the responsibility for the final keeping of the keys be not assigned to junior custodians alone.

14. In the case of cashiers, it is to be observed that the volume and the pressure of work of the Central Bank in Mauritius which has but a limited number of customers from Government and Parastatal bodies cannot be compared to the volume and pressure encountered by Mauritian commercial bank cashiers and, in this connection it would appear that only one such bank in Mauritius pays a certain allowance to cashiers who have to deal with the general public.

15. The Tribunal must now consider what is the rationale in support of any, responsibility allowance' to be paid.

16. Such an allowance may only be payable if, according to the terms of employment, an employee is being required to assume responsibilities which are over and above those which he normally assumes.

17. From the evidence, it appears that the conditions of service of the categories concerned at the Bank of Mauritius include the duties in relation to which a responsibility allowance is claimed. Were any allowance to be payable therefore, it could not be called a 'responsibility allowance'. The only problem that may arise is where, because of a human failing, there has been a mistake in counting which has resulted in a shortage of cash. In some banking institutions there exist devices the purport of which is to alleviate any hardship that may be caused to the officer concerned in cases of shortage.

18. The terms of reference are to the effect that cashiers be paid a 'Responsibility Allowance'. It has been stated above that such an allowance is not the appropriate solution and the Tribunal cannot therefore on such a point make a definite award.

On the other hand, bearing in mind the maintenance of efficiency at the bank, the improvement of employer/employee relations as well as the desirable need for smoothness of operations, the Tribunal shall recommend that some system be found whereby a fund could be set up either globally or individually, out of which shortages could be refunded. Part of the balance, if any, could then be distributed equitably every two years, and the total balance accruing to the employee concerned would then be payable upon his promotion, transfer, resignation or death.

CONCLUSION

19. As one may realize, this last point of difference involved delicate problems which could not be solved by the Salaries Commissioner and in relation to which the Tribunal had but incomplete data. The Tribunal hopes that the guidelines to be found in the present award will help the parties in their future relations.
9th June, 1981