A.. INTRODUCTION

A.1 In the matter of the Industrial Dispute between:-

Bank of Baroda and Employees’ Association

and

The Bank of Baroda

A.2 The Tribunal composed of :-

Mr. H. Balgobin - President
Mr. R. Bunwaree - Member
Mr. M. Serret - Member

proceeded to enquire into the following industrial dispute referred to it by the Minister in charge of industrial relations in accordance with the provisions of Section 82(l)(f) of the Industrial Relations Act, 1973. viz:-

(i) Whether Management shall make proper arrangement to discuss collective dispute and individual, grievances, or otherwise.

(ii) (a) Whether the Bank shall classify present Supervisors as Officers Grade C. or otherwise.
(b) Whether the Bank shall classify present Officers (except Managers and Branch Managers) as Officers Grade B. or otherwise.
(c) Whether the Bank shall classify the present Branch Managers, Managers (including Managers of department) as Officers Grade A, or otherwise.

(d) Whether Bank shall grant 12% (twelve per cent) increase over actual basic salary (plus extra remuneration etc.) to employees with appropriate adjustment respectively in the following salary scale, or otherwise.

1. Clerks

   1950 x 100-2050 X 75-2275 X 90-4615 +extra remuneration

II. Supervisors

   3340 x 95-3720 X 115-6710+extra remuneration

III. Officers Grade C ... 4330 x 120-7930 + extra remuneration
IV. Officers Grade B... 5575 X 125-9325 + extra remuneration
V. Officers Grade A ... 6595 X 145-10945+extra remuneration
(e) Whether the increment of the following Branch-Managers/Managers M/s A. K. Dindayal, S. Bissessur, N. Jaynathsing and S. Ramlaw shall be granted annually without any ceiling whatsoever as stated in item No. 1(d) of the 1976 Agreement between the Bank and the Association or otherwise.

(f) Whether Bank shall with immediate effect promote nine Clerks to the grade of Supervisors without disturbing their Seniority salary-wise or otherwise.

(g) Whether an employee promoted from one grade to another and already drawing a salary higher than the initial salary in the new grade will be given in the new salary scale a salary immediately beyond the salary actually drawn by him in the lower grade plus a minimum of three increments or otherwise.

(iii) Whether Bank shall revise the conditions of Housing Loan as given below or otherwise.

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of Loan</th>
<th>Rate of Interest</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clerks</td>
<td>125,000</td>
<td>3% p.a.</td>
</tr>
<tr>
<td>Supervisors</td>
<td>150,000</td>
<td>3% p.a.</td>
</tr>
<tr>
<td>Officers Grade C</td>
<td>175,000</td>
<td>3% p.a.</td>
</tr>
<tr>
<td>Officers Grade B</td>
<td>200,000</td>
<td>3% p.a.</td>
</tr>
<tr>
<td>Officers Grade A</td>
<td>225,000</td>
<td>3% p.a.</td>
</tr>
</tbody>
</table>

(b) Eligibility: 5 year service

(c) Period of repayment: 20 years in equal monthly instalments

(d) 'Security: First rank fixed charged on the property of the borrower

(e) Whether or not employees enjoying housing loan facility under the present 1982 Agreement shall be entitled to take the difference of loan between the ceiling of the present 1982 Agreement and the new ceiling set out above for the purpose of expanding, repairing and improving their houses under the same conditions stated above.

(f) Whether or not employees who are presently paying higher rates of interest on Housing Loan shall pay interest at 3% per annum.

(iv) Whether Bank: shall increase closing allowances as follows, or otherwise:

(a) Supervisors: Rs 600 for each half yearly closing of a/cs.

(b) Officers Grade C: Rs 800. for each half yearly closing of a/cs.

(c) Officers Grade B: Rs: 900. for each half yearly closing of a/cs.

(d) Officers Grade A: Rs 1,000. for each half yearly closing of a/cs.

(v) Whether Bank shall increase Cashier's allowance to Rs 150. per month. or otherwise.

(vi) Whether Bank shall increase Accountant's/Chief Cashier's allowance to Rs 200 per month. or otherwise.

3(vii) Whether Bank shall increase Branch-Manager's/Manager's Entertainment expenses to Rs 600 per month, or otherwise.

(viii) Whether Bank: shall give one month salary i.e. an amount representing on employee's last drawn salary (inclusive of extra remuneration etc.), as bonus before the end of December each year, or otherwise.

(ix) Whether Bank shall grant up to three months' leave without pay to any employee who has completed five years' service in the Bank; every three year or otherwise.

(x) Whether Bank: shall reimburse full bus-fare to all categories of employees except Branch Managers, or otherwise.
(xi) Whether Bank or otherwise:
(a) Single
(b) Married

shall increase medical expenses as given below,

Rs 1,500 per year Rs 2,000 per year

(xii) Whether Bank shall grant a Branch Manager reliever allowance to a maximum of Rs 1,000 per month, payable an daily basis, or otherwise.

(xiii) Whether Bank: shall revise the conditions of car loan as given below, or otherwise:
(a) Amount of loan: Up to' a maximum of one year salary to all categories of employees.
(b) Security: Lien on the car.
(c) Repayment: 10 years in equal monthly instalments.
(d) Rate of interest: 4% per annum.
(xiv) (a) Whether Bank shall grant three months special vacation leave with full pay to employees who have completed seven years of service in the Bank: and thereafter three months special vacation leave every five years or otherwise.
(b) Whether or not such special vacation leave can be availed of for holidays in Mauritius or abroad.
(e) Whether such special vacation leave shall be cumulative up to a maximum of six months or otherwise.

(xv) (a) Whether Bank shall grant travel holidays allowance of 4.75% of the total of the last five years basic salary (plus extra remuneration etc.) to employees having completed seven years' service, or otherwise.
(b) Whether Bank shall grant travel/holidays allowance of 6.75% of the total of the last five years basic salary (plus extra remuneration etc.) to employees having completed fifteen years of service, or otherwise.
(e) Whether Bank shall grant travel/holidays allowance of 7.75% of the total of the last five years basic salary (plus extra remuneration etc.) to employees having completed twenty years' service in the Bank, or otherwise.
(d) Whether Bank shall grant travel/holidays allowance of 8.75% of the total of the last basic salary (plus extra remuneration etc.) to employees having completed twenty-five years of service, or otherwise.

4(e) Whether or not Bank shall pay such travel/holidays allowance to employees who choose to spend their holidays either in Mauritius or abroad.
(f) Whether or not such travel/holidays allowance shall be accumulative.

(xvi) Whether the Bank shall have the staff Provident Fund registered with the appropriate body to enable the employees to get income tax relief, or otherwise.

(xvii) Whether the Bank shall pay Provident Fund direct to employees' wife/husband, heir/s (or any person/s specified by the employee) on employee's death, or otherwise.

(xviii) Whether all items which are not amended, altered, modified or changed in the 11.10.82 Agreement between the Bank and the Association (hereinafter referred to as the 1982 Agreement) shall continue to remain in force or otherwise.
Item No. 8 (i.e. Gratuity) in the 1982 Agreement shall continue to remain in force.

Item No. 10 (i.e. leave encashment, leave, overtime to Clerks, maternity leave, car allowance and Provident Fund with exception of car loan and bonus) in the 1982 Agreement shall continue to remain in force.

Item No. 11 (i.e. Meal/tiffin allowance, taxi charges and tea with the exception of Medical Expenses) in the 1982 Agreement shall continue to remain in force.

Item No. 4 (i.e. motor cycle loan) in the 1982 Agreement shall continue to remain in force.

(xix) Whether Bank shall grant to all employees a multi-purpose clean demand loan against personal guarantee, available at any time on one occasion or on several occasions, in one amount or in several amounts aggregating to a maximum of one year last drawn salary (plus extra remuneration etc.) with flexible repayment schedule/s spreading over a maximum of ten years, period or otherwise.

Whether such loan shall bear interest at Bank of Mauritius ruling rate, or otherwise.

(xx) Whether Bank shall grant to employees full leave encashment for the number of sick leave unavailed of, or otherwise.

(xxii) Whether these demands shall be effective as from 1.5.1984, or otherwise.

(xxii) Whether Bank shall restore the rate of interest on staff Provident Fund to 12½% per annum as from the date it has been unilaterally altered by the Bank, or otherwise.

A.3 Mr. R. Montocchio, Q.c., appears with his instructing Attorney Mr. P. Balmano for the Association.

A.5 Sir Hamid Moollan, Q.c., appears with his instructing Attorney Mr. Veerasamy for the Bank.

Written statements of Case were presented to the Tribunal by both parties to the dispute and were duly filed.

Various sittings were held and documentary evidence was adduced.
B. CONSIDERATIONS

(i) "Whether Management shall make proper arrangement to discuss collective dispute and individual grievances, or otherwise".

The Bank of Baroda Employees' Association, hereinafter referred to as the Association, is open to employees of the Bank of Baroda, hereinafter referred to as the Bank.

However, the Association does not include the General Manager, the Vice-President, the expatriate Managers and the Managers.

The Association has been granted recognition by the Bank but no procedural agreement exists.

The Tribunal is in presence of a draft procedural agreement, prepared by the Bank, but no agreement has been reached as to its contents.

The Tribunal recommends that the draft referred to above should not be considered as final, but should be used as a basis for further negotiations.

The Tribunal is of the opinion that the draft in question needs few modifications, if any but feels that it would be best if an such an issue the parties could come to a mutual agreement.

This item is consequently set aside.

(ii) (a) "Whether the Bank shall classify present Supervisors as Officers Grade C, or otherwise.
(b) Whether the Bank shall classify present Officers (except Managers and Branch Managers) as Officers Grade B, or otherwise.
(c) Whether the Bank shall classify the present Branch Managers, Managers (including Managers of department) as Officers Grade A, or otherwise.
(d) Whether Bank shall grant 12% (twelve per cent) increase over actual basic salary (plus extra remuneration etc.) to employees with appropriate adjustment respectively in the following salary scale, or otherwise.

I. Clerks

... Rs 1950 x 100-2050 x 75-2275 x 90-4615
       +extra remuneration
... Rs 3340 x 95-3720 x 115-6710+ extra
       remuneration
       Rs 4330 x 120-7930 + extra remuneration
       Rs 5575 x 125-9325 + extra remuneration
       Rs 6595 x 145-10945 + extra remuneration"

II. Supervisors

III. Officers Grade C . . . IV. Officers Grade B . . . V. Officers Grade A . . .

B (ii) (a) (b) (c) The Tribunal feels that the evidence concerning these items are so closely
(d) (1) linked that they should be considered together.
The Association and the Bank reached an agreement relating to conditions of service in 1982 for the period of June 1981 to April 1984.

At the expiry of the period referred to above, negotiations were held but remained inconclusive.

The dispute was referred to the Industrial Relations Commission which gave its findings on the 3rd of October 1986.

The dispute was not resolved and the Parties subsequently decided after unsuccessful negotiations refer the matter to the Permanent Arbitration Tribunal.

6B (ii) (a) (b) (c) The Staff of the Bank, which is relevant for the present purpose are officers, supervisors and clerks.

B (ii) (a) (b) (c) It is claimed that except for the Mauritius Commercial Bank, the Bank, should be compared with such institutions as the Banque Nationale de Paris Intercontinentale), Barc1ays Bank PLC, Hong Kong and Shanghai Bank and the State Commercial Bank.

B (ii) (a) (b) (c) The profitability of the Bank, according to the Association, can be assessed by reference to the following figures:

<table>
<thead>
<tr>
<th>Year</th>
<th>Statutory Capital</th>
<th>Reserves</th>
<th>Deposits</th>
<th>Advances</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>...</td>
<td>955,128</td>
<td>3,495,096</td>
<td>165,146,736</td>
</tr>
<tr>
<td>1982</td>
<td>...</td>
<td>1,118,068</td>
<td>3,495,096</td>
<td>183,794,782</td>
</tr>
<tr>
<td>1983</td>
<td>...</td>
<td>1,423,732</td>
<td>8,089,437</td>
<td>198,676,257</td>
</tr>
<tr>
<td>1984</td>
<td>...</td>
<td>1,956,742</td>
<td>8,089,437</td>
<td>209,557,071</td>
</tr>
<tr>
<td>1985</td>
<td>...</td>
<td>2,749,945</td>
<td>8,089,437</td>
<td>224,889,789</td>
</tr>
</tbody>
</table>

B (ii) (a) (b) (c) The present salary scales at the Bank are inferior to those in comparable banks and according to the Association, the Bank has the means to grant the increase.

B (ii) (a) (b) (c) The present claims are, in the Bank's opinion, unreasonable and unrealistic and that regular increases, as required by law, have been granted to the employees.

The following has been submitted in support of the Bank's contention.

<table>
<thead>
<tr>
<th>Increase in the CPI</th>
<th>Compensation granted</th>
</tr>
</thead>
<tbody>
<tr>
<td>From 1st July 1982 to 30th June 1983</td>
<td>7.4%</td>
</tr>
<tr>
<td>From 1st July 1983 to 30th June 1984</td>
<td>5.6%</td>
</tr>
<tr>
<td>From 1st July 1984 to 30th June 1985</td>
<td>8.3%</td>
</tr>
<tr>
<td>From 1st July 1985 to 30th June 1986</td>
<td>4.3%</td>
</tr>
</tbody>
</table>

The Bank feels that it should not be compared with either the Banque Nationale de Paris (Intercontinentale), Barc1ays Bank PLC, Hong Kong and Shanghai Bank or the State Commercial Bank.

It has been submitted that the Staff is being adequately remunerated.

The proposed salary scale by the Union are the following:
I. Clerks  1950 x 100-2050 X 75-2275 X 90-4615  + extra remuneration
  ... 3340x95-3720x 115-6710 + extra remuneration
  4330x120-7930 + extra remuneration 5575 X 125-9325 + extra remuneration
  6595 X 145-10945 + extra remuneration

II. Supervisors

III. Officers Grade C . . . IV. Officers Grade B ... V. Officers Grade A ...

B (ii) (a) (b) (c) The Tribunal feels that, in view of the limited number of officers, the classification proposed by the Association is unrealistic. However, if the Bank continues to progress, the time may come when such an exercise will become inevitable.

B (ii) (a) (b) (c) The Tribunal has carefully considered all the evidence adduced before it, (d) (16) including the various documents which have been produced.

7 B (ii) (a) (b) (c) In view of the new salary scales which we intend to award upon, items 2( av, (b), (e) are set aside as they would not fit in the new structure.

B (ii) (a) (b) (c) The Tribunal has drawn the necessary parallels with comparative jobs in the banking sector, such information having been obtained in strict confidence.

B (ii) (a) (b) (c) The Tribunal awards that, as from 1st May, 1984, the new salary scale (inclusive of all statutory wage increases to that date) shall be as indicated in the following table:

<table>
<thead>
<tr>
<th>Clerk</th>
<th>Supervisors</th>
<th>Officers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Notch</td>
<td>Rupees p.m.</td>
<td>Notch</td>
</tr>
<tr>
<td>1</td>
<td>1900</td>
<td>1</td>
</tr>
<tr>
<td>2</td>
<td>1975</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>2050</td>
<td>3</td>
</tr>
<tr>
<td>4</td>
<td>2125</td>
<td>4</td>
</tr>
<tr>
<td>5</td>
<td>2200</td>
<td>5</td>
</tr>
<tr>
<td>6</td>
<td>2275</td>
<td>6</td>
</tr>
<tr>
<td>7</td>
<td>2350</td>
<td>7</td>
</tr>
<tr>
<td>8</td>
<td>2425</td>
<td>8</td>
</tr>
<tr>
<td>9</td>
<td>2500</td>
<td>9</td>
</tr>
<tr>
<td>10</td>
<td>2575</td>
<td>10</td>
</tr>
<tr>
<td>11</td>
<td>2650</td>
<td>11</td>
</tr>
<tr>
<td></td>
<td></td>
<td>...</td>
</tr>
<tr>
<td>12</td>
<td>2725</td>
<td>12</td>
</tr>
<tr>
<td></td>
<td></td>
<td>...</td>
</tr>
<tr>
<td>13</td>
<td>2800</td>
<td>13</td>
</tr>
<tr>
<td>14</td>
<td>2875</td>
<td>14</td>
</tr>
<tr>
<td>15</td>
<td>2950</td>
<td>15</td>
</tr>
<tr>
<td>16</td>
<td>3025</td>
<td>16</td>
</tr>
<tr>
<td>17</td>
<td>3100</td>
<td>17</td>
</tr>
<tr>
<td>18</td>
<td>3175</td>
<td>18</td>
</tr>
</tbody>
</table>
B (ii) (e) "Whether the increment of the following Branch Managers/Managers M/s A. K. Dindoyal, S. Bissessur, N. Joynathsing and S. Ramloul shall be granted annually without any ceiling whatsoever as stated in item No. l(d) of the 1976 Agreement between the Bank and the Association, or otherwise".

B (ii) (e) (1)

The Tribunal has brought about drastic changes in the salary scales and therefore the question of granting increments *ad infinitum* to named persons does not arise any more.

B (ii) (e) (2)

Further such a system is clearly illogical and incompatible with our usual salary structures and this item is therefore set aside.

(ii) (f) "Whether Bank shall with immediate effect promote nine Clerks to the grade of Supervisors without disturbing their seniority salary wise, or otherwise".

8B (ii) (f) (1)

Again the salary scales have been substantially changed. There is no logic in asking the Tribunal to pick the magical figure of 9 clerks and give them immediate promotion. Such an exercise must be done in a scientific and rational manner.

B (ii) (f) (2) However, the Tribunal feels that the time has come when the Bank should show itself more generous in upgrading its competent employees in order to avoid frustration.

B (ii) (f) (3) This item is set aside.

(ii) (g) "Whether an employee promoted from one grade to another and already drawing a salary higher than the initial salary in the new grade will be given in the new salary scale a salary immediately beyond the salary actually drawn by him in the lower grade plus a minimum of three increments, or otherwise".

The Tribunal considers that this claim is not reasonable and that the present system of the promoted officer drawing the next higher salary in the new scale should be maintained.

B (ii) (g) (2) This item is set aside.
Whether Bank shall revise the conditions of Housing Loan as given below, or otherwise.

(a) Category Clerks Supervisors
Officers Grade C . . . Officers Grade B ... Officers Grade A . . .

Amount of Loan
125,000 150,000 175,000 200,000 225,000

Rate of Interest
3% p.a. 3% p.a. 3% p.a. 3% p.a. 3% p.a.

(b) Eligibility: 5 year service.
(c) Period of repayment: 20 years in equal monthly instalments. (d) Security: First rank fixed charged on the property of the borrower.

(e) Whether or not employees enjoying housing loan facility under the present 1982 Agreement shall be entitled to take the difference of loan between the ceiling of the present 1982 Agreement and the new ceiling set out above for the purpose of expanding, repairing and improving their houses under the same conditions stated above.

(f) Whether or not employees who are presently paying higher rates of interest on Housing Loan shall pay interest at 3% per annum.

B (iii) (a) (b) (c) The conditions relating to a housing loan are, according to the Association, (d) (e) (1) as follows:

Clerks

Supervisors

... Rs 85,000'-Interest: 3 % 6%
... Rs 110,000'-Interest: 3% 6%
... Rs 135,000'-Interest: 3 % 6%

on Rs 40,000 on balance on Rs 55,000 on balance an Rs 60,000 an balance

Local Officers

B (iii) (a) (b) (c) It is submitted that, in view of the increases in building costs, these amounts should be also increased.
9B (iii) (a) (b) It is further averred that there is no valid reason for the Bank charging a higher rate an part of the loan, and as the security is the same, the Association proposes that the rate of interest be uniform.

B (iii) (a) (b) The Bank further requires as security a first rank fixed charge, together with a mortgage protection policy.

B (iii) (a) (b) The Bank has an additional security in the farm of the Provident Fund from which a lump sum payment is made to the employees on retirement.

It is claimed that employees who availed themselves of a loan at the time when the ceiling was law be given the opportunity of obtaining an additional loan.

It is further submitted that this should be on the condition that the loan is not higher than the difference between the amount actually obtained and the present ceiling.

The Tribunal finds this claim to be fair and reasonable.

The Tribunal awards as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount of Loan</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clerks</td>
<td>125,000</td>
</tr>
<tr>
<td>Supervisors</td>
<td>150,000</td>
</tr>
<tr>
<td>Officers</td>
<td>200,000</td>
</tr>
</tbody>
</table>

(b) Eligibility: 5 year service.
(c) Period of repayment: 20 years in equal monthly instalments. (d) Security: First rank fixed charge an the property of the borrower plus insurance caver an building.
A demand Promissary Nace.
Lien an the borrower's Provident Fund Account.

Rate of Interest
3% p.a. 3% p.a. 3% p.a.

The Tribunal is not prepared to find in favor of the Association regarding item (e).

However, the Tribunal recommends that any staff member who has already availed himself of the Housing Loan facilities, then in existence, may obtain at the discretion of the Bank, a further loan between the ceiling then applicable and the new ceiling, but only for the purpose of extending his/her house at the rate of 3 % p.a.

Item (e) is set aside.
Item (f) is one which we prefer leaving at the discretion of the Bank as to whether it should reduce the interest rate already payable at 3 % p.a.

However, the creation of 2 categories of employees may result in same frustration, and such requests should therefore be examined in a sympathetic manner.

This item is set aside.

(iv) "Whether Bank shall increase closing allowances as follows, or otherwise:

(a) Supervisors: Rs 600. far each half yearly closing of a / cs.
(b) Officers Grade C: Rs 800. for each half yearly closing of a cs. (c) Officers Grade B: Rs 900. for each half yearly closing of a/cs. (d) Officers Grade A: Rs 1,000. for each half yearly closing of a/cs.

A tentative proposal for a global agreement appears in document A.

The Tribunal, after considering all the evidence adduced before it, awards as follows:

**Closing Allowances**

| Supervisor Officer | Rs 600 | Rs 700 |

(v) "Whether Bank shall increase Cashier's allowance to Rs 150. per month, or otherwise".
(vi) "Whether Bank shall increase Accountant's/Chief Cashier's allowance to Rs 200 per month or otherwise".
(vii) "Whether Bank shall increase Branch-Manager's/Manager's Entertainment expenses to' Rs 600 per month, or otherwise".

Again the terms of a tentative proposal for a global agreement are to be found in document A.

The Tribunal awards as follows:

- Cashier's allowance: . . . Rs 125 p.m.
- Accountant/Chief Cashier's allowance: Rs 150 p.m.
- Branch Manager's Entertainment allowance: Rs 400 p.m.

(viii) "Whether Bank shall give one month salary i.e. an amount representing an employee's last drawn salary (inclusive of extra remuneration etc.), as bonus before the end of December each year, or otherwise".

The Association contends that all other banks grant an end of the year bonus to their staff. The Bank does not agree and states that it follows Government's directives regarding this item.

After examining the situation in the other comparable banks, the Tribunal awards that the Bank should give to the employees an end of the year bonus of one month's salary to all the employees concerned.

It goes without saying that the Bank must, when computing the bonus, deduct what has already been paid as end of year bonus, by whatever name called. as from the day this Award takes effect.

(ix) "Whether Bank shall grant up to three months leave without pay to any employee who has completed five years' service in the Bank, every three year or otherwise".

There is no logical reason why any employee having completed five years service should be granted, as of right, 3 months' leave without pay. early, this item is unacceptable.

The Tribunal recommends, however, that an application for such leave must be dealt with on the merits of each case.

This item is set aside.

(x) "Whether Bank shall reimburse full bus fare to' all categories of employees except Branch Managers, or otherwise".

In view of prevailing trend, the Tribunal awards that the Bank should reimburse full traveling bus fares to all categories of employees, except those who are in charge of branches.
(xi) "Whether Bank shall increase medical expenses as given below, or otherwise:

(a) Single (b) Married

Rs 1,500 per year Rs 2,000 per year

Tribunal awards as follows: Single
Married

... Rs 1,000 per year ... Rs 1,500 per year

(xii) "Whether Bank shall grant a Branch Manager reliever allowance to a maximum of Rs 1,000 per month, payable on daily basis, or otherwise".

The new salary scales make no difference between Officers and Branch Managers. The question of granting such an allowance does not arise.

We recommend that the Association should discuss with the Bank about increasing any car allowance which is payable in such conditions.

(xiii) "Whether Bank shall revise the conditions of car loan as given below, or otherwise:

(a) Amount of loan: Up to a maximum of one year salary to all categories of employees.
(b) Security: Lien on the car.
(c) Repayment: 10 years in equal monthly instalments.
(d) Rate of interest: 4% per annum.

The amount at present allowed as loan for the purchase of a car, is in the view of the Association clearly insufficient for the purchase of a car.

The Bank avers that ownership of a car is not an indispensable tool of every employee, and increasing such amount for loan would affect its credit ceiling.

The Tribunal agrees with the Bank's contention, but finds that the present system is based on the principle that these loans are not for the purchase of a car, but an aid towards the purchase of a car.

The present amount is clearly insufficient in actual circumstances and the Tribunal awards that they be revised in the following manner:

(a) Amount of loan:
Clerks: Maximum of one year actual salary
Supervisors: Maximum of one year actual salary
Officers: Maximum of one year actual salary

(b) Security: Lien on the car

(c) Repayment: Six years' in equal monthly instalments (d) Rate of interest: 4% p.a.

(e) Eligibility: 5 years

(iv) (a) Whether Bank shall grant three months special vacation leave with full pay to employees who have completed seven years of service in the Bank and thereafter three months special vacation leave every five years or otherwise.
Whether or not such special vacation leave can be availed for holidays in Mauritius or abroad.

(e) Whether such special vacation leave shall be cumulative up to a maximum of six months or otherwise.

The Tribunal proposes to consider these items together.

The evidence adduced on those 3 items are, to say the least, insufficient for the Tribunal to make any kind of pronouncement.

The Association contends itself with ascertaining that the time has come for the Bank to grant Vacation Leave to its staff.

It has also contended that the figures proposed are based on conditions applicable to other banks.

The Bank finds no justification regarding this claim.

It is obvious, on an examination of the record that no attempt has been made to resolve this dispute and that it has just been referred to the Tribunal.

The Tribunal feels that making an Award would amount to mere guess work, and it could be acting in an arbitrary manner and not as an Arbitrator.

The Tribunal recommends that the Parties should get down to the negotiating table and start serious discussions on these issues.

These items are consequently set aside.

(xv) (a) "Whether Bank shall grant travel/holidays allowance of 4.75% of the total of the last five years basic salary (plus extra remuneration etc.), to employees having completed seven years' service, or otherwise.

(b) Whether Bank shall grant travel/holidays allowance of 6.75% of the total of the last five years basic salary (plus extra remuneration etc.), to employees having completed fifteen years of service, or otherwise.

(c) Whether Bank shall grant travel/holidays allowance of 7.75% of the total of the last five years basic salary (plus extra remuneration etc.), to employees having completed twenty years' service in the Bank, or otherwise.

(d) Whether Bank shall grant travel/holidays allowance of 8.75% of the total of the last basic salary (plus extra remuneration etc.) to employees having completed twenty-five years of service, or otherwise;

(e) Whether or not Bank shall pay such travel/holidays allowance to employees who choose to spend their holidays either in Mauritius or abroad;

(f) Whether or not such travel/holidays allowance shall be accumulative."

The remarks made earlier also apply to the present case. We must repeat that parties must only come to arbitration when all other means of settlement have been exhausted.

These items are consequently set aside.

(xvi) "Whether the Bank shall have the staff Provident Fund registered with the appropriate body to enable the employees to get income tax relief, or otherwise."

This fund has been set up by the Bank for payment of a lump sum to its employees on retirement.

The Association claims that the fund having not been registered as a superannuation fund, income tax is payable on the revenue.
It would appear that the Bank has been unable to get the Staff Provident Fund registered under the Income Tax Act.

The Bank is prepared to look for alternative method to compensate its employees.

The Tribunal recommends that the Bank should immediately refer the matter to its outside auditors, Messrs. Kemp Chatteris.

This item is therefore set aside.

(xvii) "Whether the Bank shall pay Provident Fund direct to employees wife I husband, heirs (or any personals specified by the employee) on employee's death, or otherwise".

The Association claims that this is an administrative matter which has no need for arbitration.

The Bank's initial's objection was that this issue must be examined under the provisions of laws relating to succession duties.

The Bank must have taken this decision which has legal implications after consultation with its legal adviser.

The law relating to succession duties having been drastically changed, the matter should be referred to its legal adviser for a rapid decision.

Whether all items which are not amended, altered, modified or changed in the 11.10.82 Agreement between the Bank and the Association (hereinafter referred to as the 1982 Agreement) shall continue to remain in force or otherwise.

(a) Item No.8 (i.e. Gratuity) in the 1982 Agreement shall continue to remain in force.
(b) Item No. 10 (i.e. leave encashment, leave, overtime to Clerks, maternity leave, car allowance and Provident Fund with exception of car loan and bonus) in the 1982 Agreement shall continue to remain in force.
(c) Item No. II (i.e. Meal/tiffin allowance, taxi charges and tea, with the exception of Medical Expenses) in the 1982 Agreement shall continue to remain in force.
(d) Item No.4 (i.e. motor cycle loan) in the 1982 Agreement shall continue to remain in force.

There is no dispute regarding these items.

The Tribunal therefore awards accordingly in favour of the Association.

(xix) "Whether Bank shall grant to all employees a multi-purpose clean demand loan against personal guarantee, available at any time on one occasion or on several occasions, in one amount or in several amounts aggregating to' a maximum of one year last drawn salary (plus. extra remuneration etc.) with flexible repayment schedule! s spreading over a maximum of ten years period or otherwise. Whether such loan shall bear interest at Bank of Mauritius ruling rate, or otherwise."

It would appear that a request for such a loan would be in such cases as illness, weddings or purchases of furniture.

The Bank has answered that such cases should be considered as being purely and simply commercial proposals and should remain the prerogative of management.

The Bank feels that it has to respect the overall credit ceiling allowed to it.
The Tribunal feels that this matter should be left at the discretion of the Bank but recommends that each case be given sympathetic consideration.

This item is consequently set aside.

(xx) "Whether Bank shall grant to employees full leave encashment for the number of sick leave unavailed of, or otherwise".

This claim is essentially based on various Remuneration Orders and is considered by the Association as a regularity bonus.

The Bank avers that this practice is incompatible with the spirit of granting sick leave and does not prevail in the banking industry of Mauritius.

The Tribunal agrees and this item is therefore set aside.

(xxii) "Whether Bank shall restore the rate of interest on staff Provident Fund to 121% per annum as from the date it has been unilaterally altered by the Bank, or otherwise".

According to the Association, those funds are invested by the Bank with itself and the latter is paying interest on the amount of investment at the rate of 121%

Without consultation, the Bank has reduced the rate of interest to 91%.

The Bank contends that such funds are withdrawals on call and therefore constitute not a savings bank deposit but a fixed type deposit.

The Bank has proposed re-investing these funds in such a manner as to obtain a more attractive rate of interest.

The Tribunal agrees that both Parties should consider ways and means of re-investing the major part of these funds. If the Parties fail to find means to re-invest these funds in a more profitable manner, the Tribunal should have to, on occasion arising, re-consider the interest rate in question.

This item is, otherwise, set aside.
C. CONCLUSIONS

The Tribunal would like to thank all the Parties and their Counsel for their co-operation and hope that good industrial relations will continue to exist.

H. BALGOBIN
President

R. BUNWAREE
Member

M. SERRET
Member

14th July, 1989.