Permanent Arbitration Tribunal

Award

R.N.149

In the matter of the industrial dispute between:

The Union of Employees of the Central Electricity Board

and

The Central Electricity Board

The Tribunal originally composed of:

Mr. J. Vallet - President
Dr. H. Fakim - Member
Mrs. L. Pillay - Member

proceeded to enquire into this industrial dispute referred to it in terms of Section 82(1)(f) of the Industrial Relations Act, 1973 by the Minister in charge of Industrial Relations. The following points were in dispute:-

"(1) The appropriate wage structure to be applied for 1981

Relevant proposals made by the Central Electricity Board to the Union of Employees of C.E.B. were rejected by the latter or the reasons stated in its letter of the 29th December in which the Union indicates the Board's proposals and its counterproposals.

(2) The payment of an end-of-year bonus for 1981

The Central Electricity Board proposed a productivity bonus in accordance with the formula at paragraph (iii) of its letter of the 28th December instead of an end-of-year bonus. There has been no agreement so far".

A.2 The Union of Employees of the Central Electricity Board, hereinafter referred to as the Union, was assisted by Mr. Dulloo Bar-at-Law and Mr. R. Hein, Q.C. instructed by Mr. Attorney G. Rivalland represented the Central Electricity Board, hereinafter referred to as the Board.
Item (i) has already been disposed of whereas item (ii) is still pending and was amended to read as follows:

"Whether the Board should grant to its workers an end-of-year bonus equivalent to one month wages to be paid at the end of December each year with effect from 1981, or otherwise".

The Tribunal as originally constituted i.e. under the Presidency of Mr Jacques Vallet did not deliver its award regarding an end-of-year bonus with effect from 1981. It is possible that the former Tribunal may have considered that the regular decisions of Government on this issue had made the issue obsolete. But this is only a possibility. However, the present Tribunal as now constituted -

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

Mr. R. Hein, Q.C., and Mr. G. Rivalland, Attorney-at-Law, represented the Board. The parties stated that they were satisfied with the panel as constituted and had no objection to the Tribunal acting on the evidence already adduced which did not necessitate swearing anew or reconfirmation has decided to re-examine the whole evidence and make an award.

The matter was finally argued in the absence of Mr R Bunwaree and with the consent of the parties.

Mr. K. Bhayat, Bar-at-Law, assisted the Union while Mr R Hein, QC and Mr G Rivalland, Attorney-at-law, represented the Board. The parties stated that they were satisfied with the panel as constituted and had no objection to the Tribunal acting on the evidence already adduced which did not necessitate swearing anew or reconfirmation by the witnesses who had deponed earlier".

The Tribunal could sift therefrom whatever was necessary regarding the end-of-year bonus issue. They rested their case thus.
B. CONSIDERATIONS

B.1 The Tribunal is of the opinion that, for the sake of convenience it is necessary to reproduce hereunder the relevant parts of the Statements of Case of both parties.

B.2 The Union has averred the following in its Statement of Case regarding end-of-year bonus

1. On the basis of the agreement reached in 1978 between representatives of the Union, those of Government and those of the C.E.B., concerning the separate status which has been granted to the C.E.B., the U.E.C.E.B. claimed at the end of 1979 that the C.E.B. should pay an end-of-year bonus equivalent to one month wages to its employees.

2. Negotiations were opened at the level of the C.E.B. between the parties concerned on that question but no agreement was reached as the General Manager of the C.E.B. declared that he had no funds to effect a payment of a full month wages.

3. The matter was referred to the Ministry of labour for conciliation and in presence of the Minister of labour the C.E.B. agreed to pay two-weeks wages and further agreed to open negotiations directly with the Unions in 1980 on the end-of-year bonus.

4. In 1980, however, though the C.E.B. had an excess of Income over expenditure of Rs30 million, it refused to grant an end-of-year bonus of more than one week wages.

5. At the end of that year the problems cropped up at the C.E.B. and on the 23rd December, 1978, the Unions had no alternative left but to go on strike. On the same day, Mr. F. Patureau, as representative of Government signed an agreement with the Unions which set inter alia the question of end-of-year bonus. The C.E.B. employees were consequently paid a full month wages at the end of 1980.

6. In 1981 after very lengthy negotiations during which the C.E.B. took different stands on the question of payment of an end-of-year bonus, it finally took the decision not to pay any end-of-year bonus for 1981 on the grounds that:

“(i) it had no funds:

(ii) it had to follow the Government policy on that question".
B.3 The Central Electricity Board has averred the following in its Statement of case regarding the end-of-year bonus:

The Board is of the view that the question of an end-of-year bonus should be viewed in the context of a national award and is only prepared to pay to its Manual Workers the end-of-year bonus that might be decided by the Government in respect of the Public Service and Para-Statal Bodies.

B.4 It is obvious that the Tribunal will, in the special circumstances of the dispute, have to travel back in the past because the Chesworth recommendations on end-of-year bonus concern only the future.

B.5 It cannot be disputed that the quantum was decided in accordance with the economic situation prevailing in the country, especially as the Public Service was concerned.

B.6 The result was that the Unions had to make out their case yearly.

B.7 The Tribunal is of the opinion that the Central Electricity Board was not unreasonable in holding the view that the question of an end-of-year bonus should be viewed in the national context.

B.8 The Tribunal finds in favour of the Board and this item is accordingly dismissed.

C. CONCLUSIONS

The Tribunal wishes to thank the parties and their Counsel.

(H. Balgobin)
President

(Max Serret)
Member

24 May 1991