PERMANENT ARBITRATION TRIBUNAL

AWARD

RN 848

Before:

Rashid HOSSEN - Ag. President
Binnodh RAMBURN - Member
Rajendranath SUMPUTH - Member

In the matter of:

Private Bank Staff and Employees Association

And

Indian Ocean International Bank Ltd

This dispute has been referred by the Minister of Labour, Industrial Relations and Employment for compulsory arbitration by virtue of section 82 (1) (f) of the Industrial Relations Act 1973 as amended.

The Private Bank Staff and Employees Association is hereafter referred to as the Applicant and the Indian Ocean International Bank Ltd. as the Respondent.

Both parties were represented by Counsel.

The points in dispute are:-

1. Whether the salary structure of the staff should be reviewed as per Annexure A with effect from 1st January 2004, or otherwise.
2. Whether a Profit Bonus of 10% of the distributable profits should be shared pro-rata with all staff, including all levels of Management, subject, however, that same is of a minimum of Rs 15 million, as confirmed by Auditors.

The distribution to be calculated as follows:-

Annual Salary \( \times \) 10% of distributable profits

Total Annual Salaries

3. Whether the Petrol/Maintenance/Parking Allowances should be combined into one single allowance (out of which Rs 4500 as petrol allowance) and paid as follows:-

- Officers-in-Charge - Rs 7,000 per month
- Officers - Rs 6,000 per month
- Supervisors IT Dept - Rs 6,000 per month

4. Whether the Mail Allowance for mail conveyance should be increased from Rs 150/- to Rs 1,000 p.m. payable to Branch employees, irrespective of grades.

5. Whether the Entertainment Allowance should be increased from Rs 1,100/- to Rs 2,500 p.m. to be paid to all Officer-in-Charge of Branches and officers at head office.

6. Whether Examination Leave on full day should be granted to employees taking part in written/oral examination against production of documentary evidence.
7. Whether the Clothing Allowance should be increased from Rs 2,000/- to Rs 3,000/- per annum, to be paid to male employees and all female employees of Officers grade (except those who are entitled to uniforms under prescribed conditions).

8. Whether the Overseas Passage Benefits (by plane or ship) should be revised as follows:

(i) For determining eligibility for passage benefits, the length of service of an employee should start on confirmation;

(ii) All employees having 10 years of confirmed service in the bank should be entitled to a travel credit equivalent to 6% of their actual annual salaries;

(iii) Married employees – self and immediate members of their families viz, spouse and dependent children below 21 years;

(iv) Unmarried employees – self and parents;

(v) All employees entitled to passage benefits should be compensated with the equivalent of the new scheme;

(vi) Employees should be allowed to make use of their accumulated passage benefits provided that the balance to their credit stand at Rs 15,000 or more;

(vii) Employees should be allowed to make use partly or wholly of their travel credit at the rate of 85% for spending vacation at inland hotels/recreational resorts;

(viii) Employees not wishing to use their passage benefits for travel should be allowed to call all accumulated benefits at the rate of 85%.
(ix) At the time of retirement, employees should be paid all passage benefits standing to their credit;

(x) On death of an employee the accumulate passage benefits should be paid in toto to the heirs;

All other terms and conditions to remain unchanged.

9. Whether the INDIAN OCEAN INTERNATIONAL BANK LIMITED PENSION FUND should be amended as per Annexure B;

10. Whether the Staff Housing Loan Scheme should be revised as follows:

   (a) Quantum to be increased from Rs750,000 to Rs900,000

   (b) Interest Rate to be reduced from 4% p.a. to 2% p.a.

   (c) Eligibility: any confirmed employee

11. Whether the interest rate of the Staff Personal Loan Scheme should be reduced from 10% p.a. to savings rate up to a maximum of 7% per annum;

12. Whether the interest rate of the Staff Motorcycle Loan Scheme should be reduced from 8% p.a. to saving rate up to a maximum of 7% per annum;

13. Whether the interest rate of the Staff Motor Vehicle Loan Scheme should be reduced from 8% p.a. to savings rate up to a maximum of 7% p.a.;
14. Whether Closing Allowance (30 June & 31 December) should be paid as follows:-

- Officers: Rs 1000
- Supervisors: Rs 700
- Senior Clerks: Rs 600
- Clerks: Rs 500
- Other categories: Rs 300

15. Whether Staff Housing Renovation Scheme should be introduced as follows:-

- **Eligibility**: After ten years of purchase or construction of personal house.
- **Quantum**: 20 months salary of Rs 200,000 (two hundred thousand rupees), whichever is the lesser.
- **Repayment**: 120 EMI inclusive of interest (or such shorter repayment period depending upon retirement date)
- **Interest Rate**: 2% p.a.
- **Security**: As per agreement dated 12.12.2002 – (Staff Housing Scheme) page 10 of Annexure C.

16. Whether all allowances and benefits mentioned in the claim should be implemented as from 1st of January 2004 or otherwise.
### ANNEXURE A

### SALARY SCALE

<table>
<thead>
<tr>
<th>POINT</th>
<th>A</th>
<th>B</th>
<th>C</th>
<th>D</th>
<th>E</th>
<th>F</th>
<th>G</th>
<th>H</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>22,000</td>
<td>17,000</td>
<td>15,200</td>
<td>12,600</td>
<td>10,600</td>
<td>9,400</td>
<td>8,600</td>
<td>5,600</td>
</tr>
<tr>
<td>2</td>
<td>22,600</td>
<td>17,400</td>
<td>15,550</td>
<td>12,850</td>
<td>10,800</td>
<td>9,550</td>
<td>8,750</td>
<td>5,700</td>
</tr>
<tr>
<td>3</td>
<td>23,200</td>
<td>17,800</td>
<td>15,900</td>
<td>13,100</td>
<td>11,000</td>
<td>9,700</td>
<td>8,900</td>
<td>5,800</td>
</tr>
<tr>
<td>4</td>
<td>23,800</td>
<td>18,200</td>
<td>16,250</td>
<td>13,350</td>
<td>11,200</td>
<td>9,850</td>
<td>9,050</td>
<td>5,900</td>
</tr>
<tr>
<td>5</td>
<td>24,400</td>
<td>18,600</td>
<td>16,600</td>
<td>13,600</td>
<td>11,400</td>
<td>10,000</td>
<td>9,200</td>
<td>6,000</td>
</tr>
<tr>
<td>6</td>
<td>25,000</td>
<td>19,000</td>
<td>16,950</td>
<td>13,850</td>
<td>11,600</td>
<td>10,150</td>
<td>9,850</td>
<td>6,300</td>
</tr>
<tr>
<td>7</td>
<td>25,600</td>
<td>19,400</td>
<td>17,300</td>
<td>14,100</td>
<td>11,800</td>
<td>10,300</td>
<td>9,500</td>
<td>6,200</td>
</tr>
<tr>
<td>8</td>
<td>26,200</td>
<td>19,800</td>
<td>17,650</td>
<td>14,350</td>
<td>12,000</td>
<td>10,450</td>
<td>9,650</td>
<td>6,300</td>
</tr>
<tr>
<td>9</td>
<td>26,800</td>
<td>20,200</td>
<td>18,000</td>
<td>14,600</td>
<td>12,200</td>
<td>10,600</td>
<td>9,800</td>
<td>6,400</td>
</tr>
<tr>
<td>10</td>
<td>27,400</td>
<td>20,600</td>
<td>18,350</td>
<td>14,850</td>
<td>12,400</td>
<td>10,750</td>
<td>9,950</td>
<td>6,500</td>
</tr>
<tr>
<td>11</td>
<td>28,000</td>
<td>21,000</td>
<td>18,700</td>
<td>15,100</td>
<td>12,600</td>
<td>10,900</td>
<td>10,100</td>
<td>6,600</td>
</tr>
<tr>
<td>12</td>
<td>28,600</td>
<td>21,500</td>
<td>19,150</td>
<td>15,450</td>
<td>12,850</td>
<td>11,100</td>
<td>10,275</td>
<td>6,700</td>
</tr>
<tr>
<td>13</td>
<td>29,200</td>
<td>22,000</td>
<td>19,600</td>
<td>15,800</td>
<td>13,100</td>
<td>11,300</td>
<td>10,450</td>
<td>6,800</td>
</tr>
<tr>
<td>14</td>
<td>29,800</td>
<td>22,500</td>
<td>20,050</td>
<td>16,150</td>
<td>13,350</td>
<td>11,500</td>
<td>10,625</td>
<td>6,900</td>
</tr>
<tr>
<td>15</td>
<td>30,400</td>
<td>23,000</td>
<td>20,500</td>
<td>16,500</td>
<td>13,600</td>
<td>11,700</td>
<td>10,800</td>
<td>7,000</td>
</tr>
<tr>
<td>16</td>
<td>31,000</td>
<td>23,500</td>
<td>20,950</td>
<td>16,850</td>
<td>13,850</td>
<td>11,900</td>
<td>10,975</td>
<td>7,100</td>
</tr>
<tr>
<td>17</td>
<td>31,800</td>
<td>24,000</td>
<td>21,400</td>
<td>17,200</td>
<td>14,100</td>
<td>12,100</td>
<td>11,150</td>
<td>7,200</td>
</tr>
<tr>
<td>18</td>
<td>32,600</td>
<td>24,500</td>
<td>21,850</td>
<td>17,550</td>
<td>14,350</td>
<td>12,300</td>
<td>11,325</td>
<td>7,300</td>
</tr>
<tr>
<td>19</td>
<td>33,400</td>
<td>25,000</td>
<td>22,300</td>
<td>17,900</td>
<td>14,600</td>
<td>12,500</td>
<td>11,500</td>
<td>7,400</td>
</tr>
<tr>
<td>20</td>
<td>34,200</td>
<td>25,500</td>
<td>22,750</td>
<td>18,250</td>
<td>14,850</td>
<td>12,700</td>
<td>11,675</td>
<td>7,500</td>
</tr>
<tr>
<td>21</td>
<td>35,000</td>
<td>26,000</td>
<td>23,200</td>
<td>18,600</td>
<td>15,100</td>
<td>12,900</td>
<td>11,850</td>
<td>7,600</td>
</tr>
<tr>
<td>22</td>
<td>35,800</td>
<td>26,600</td>
<td>23,750</td>
<td>19,050</td>
<td>15,450</td>
<td>13,150</td>
<td>12,075</td>
<td>7,700</td>
</tr>
<tr>
<td>23</td>
<td>36,600</td>
<td>27,200</td>
<td>24,300</td>
<td>19,500</td>
<td>15,800</td>
<td>13,400</td>
<td>12,300</td>
<td>7,800</td>
</tr>
<tr>
<td>24</td>
<td>37,400</td>
<td>27,800</td>
<td>24,850</td>
<td>19,950</td>
<td>16,150</td>
<td>13,650</td>
<td>12,525</td>
<td>7,900</td>
</tr>
<tr>
<td>25</td>
<td>38,200</td>
<td>28,400</td>
<td>25,400</td>
<td>20,400</td>
<td>16,500</td>
<td>13,900</td>
<td>12,750</td>
<td>8,000</td>
</tr>
<tr>
<td>26</td>
<td>39,000</td>
<td>29,000</td>
<td>25,950</td>
<td>20,850</td>
<td>16,850</td>
<td>14,150</td>
<td>12,975</td>
<td>8,100</td>
</tr>
<tr>
<td>27</td>
<td>39,800</td>
<td>29,600</td>
<td>26,500</td>
<td>21,300</td>
<td>17,200</td>
<td>14,400</td>
<td>13,200</td>
<td>8,200</td>
</tr>
<tr>
<td>28</td>
<td>40,600</td>
<td>30,200</td>
<td>27,050</td>
<td>21,750</td>
<td>17,550</td>
<td>14,650</td>
<td>13,425</td>
<td>8,300</td>
</tr>
<tr>
<td>29</td>
<td>41,400</td>
<td>30,800</td>
<td>27,600</td>
<td>22,200</td>
<td>17,900</td>
<td>14,900</td>
<td>13,650</td>
<td>8,400</td>
</tr>
<tr>
<td>30</td>
<td>42,200</td>
<td>31,400</td>
<td>28,150</td>
<td>22,650</td>
<td>18,250</td>
<td>15,150</td>
<td>13,875</td>
<td>8,500</td>
</tr>
<tr>
<td>31</td>
<td>43,000</td>
<td>32,000</td>
<td>28,700</td>
<td>23,100</td>
<td>18,600</td>
<td>15,400</td>
<td>14,100</td>
<td>8,600</td>
</tr>
<tr>
<td></td>
<td>Officer/Officer in Charge</td>
<td>22,000</td>
<td>22,000</td>
<td>800/15</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---------------------------</td>
<td>--------</td>
<td>--------</td>
<td>--------</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>B</td>
<td>Supervisor/Confidential Secretary</td>
<td>17,000</td>
<td>400/10</td>
<td>500/10</td>
<td>600/10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>C</td>
<td>Senior Clerk</td>
<td>15,200</td>
<td>350/10</td>
<td>450/10</td>
<td>550/10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>D</td>
<td>Legal Clerk/Clerks/Typist/Cashiers</td>
<td>12,600</td>
<td>250/10</td>
<td>350/10</td>
<td>450/10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E</td>
<td>Head Messenger</td>
<td>10,600</td>
<td>200/10</td>
<td>250/10</td>
<td>350/10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>F</td>
<td>Ass Head Messenger/Telephonist/Main Cash Driver</td>
<td>9,400</td>
<td>150/10</td>
<td>200/10</td>
<td>250/10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>G</td>
<td>Messenger/Cleaner/Handyman/Security Guard</td>
<td>8,600</td>
<td>150/10</td>
<td>175/10</td>
<td>225/10</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>H</td>
<td>Ho Maid</td>
<td>5,600</td>
<td>100/30</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The collective Agreement between the Private Bank Staff & Employees Association and the Indian Ocean International Bank Ltd, as agreed upon in December 2002, was due for review and be effective in January 2004.

The Applicants’ proposals and the Respondent counter proposals for revision of the benefits and salary increase could not be agreed upon and the existence of an industrial dispute was reported to the Ministry of Labour and Industrial Relations and Employment and subsequently referred to the Tribunal.

The dispute is of 16 points, 1 to 15 deal mainly on salaries, allowances, benefits, and on conditions of service at the I.O.I.B, whereas point 16 is on the effective date of implementation of the Tribunal’s Award.

From the date, i.e. 30th of August 2004 when the dispute was referred to the Tribunal and its last sitting on the 7th of February 2007, conciliatory meetings were held between parties to settle the points in dispute.

On the 16th of October 2006 both parties submitted a common report on the disputes: fully settled, partly settled and those not settled and the Tribunal was asked to consider all the points and deliver an award.
The Tribunal has examined the 15 points separately and point 16 has been dealt in all the disputes:-

**Dispute No. 1 :-**  Whether the salary structure of the staff should be reviewed as per Annexure A with effect from the 1st January 2004 or otherwise.

In its statement of case the Applicant submitted as follows:-

(i) Since the P.A.T award (ref RN 393) 1994, there has been no significant increase in salary of the employees of the I.O.I.B Ltd

(ii) Following the P.A.T Award 1994, salary increased in the range of 21.5% to 48.3% adversely affecting the internal relativity.

(iii) In 1998, the management agreed to a salary increase of 8.15% to 16.5%, creating further anomalies in the salary structure.

(iv) In 2002, a flat increase of 12.50% was granted as a compensatory increase as recommended by the Industrial Relation Commission Ref I.R.C/D 33/100 dated 10/08/2001

(v) Salary in other banking institutions is higher for comparable grades than that of the I.O.IB Ltd

(vi) With the exception of year 2002-2003, the financial situation is satisfactory.

(vii) In spite of the fact that the bank has registered substantial growth, manpower level has remained more or less the same. The work load of the employees have increased considerably.

(viii) With the modernization of the bank, additional duties and responsibilities have been imposed on the employees.
(ix) Salary scale should be adjusted by 11.93% to compensate fully for losses related to cost of living.

(x) The existing salary gap between Management and other employees should be bridged.

(xi) The salaries of the employees should be increased in the range of 26-40%.

During the applicant’s examination and cross-examination, emphasis was laid on the financial situation of the bank and improvement noted during the past years as well as the role and sacrifice made by the employees to boost the situation which led an increase in the workload.

In its Statement of Case, the Respondent avers as follows:-

(1) Since the PAT Award, the bank has granted substantial increases as follows:-

1998  -  25%

2002  -  12.5%

(2) The IOIB Market share has reduced considerably as hereunder:-

Deposits from 2.8% in 2000 to 2.1% in 2004 loans and advances from 2.3% in 2000 to 1.5% in 2004.

(3) The total Balance Sheets assets of the Bank compared to the Industry has also decreased from 2.5% in 2000 to 1.8% in 2004.

(4) Respondent submitted an additional statement of case on the 5th of October 2005:-

At the very outset management wish to inform the Tribunal that over the past 4/5 years, the bank had been faced with stagnations, if not declining trends. Business levels in terms of advances had recorded negative growth while deposit figure has
been stagnating along the 2.8 billion mark. The profit figures also have been dented on account of business level stagnation, increasing operation cost and other indigenous factors. The table below given an indication of the business performance for the last 2 years.

<table>
<thead>
<tr>
<th>Date</th>
<th>Deposit</th>
<th>Advances</th>
<th>Profit before Tax &amp; Pro</th>
<th>M.P.A</th>
</tr>
</thead>
<tbody>
<tr>
<td>30.06.04</td>
<td>2.8 billion</td>
<td>1.32 billion</td>
<td>53.9 million</td>
<td>345.5 million</td>
</tr>
<tr>
<td>30.06.05</td>
<td>2.9 billion</td>
<td>1.31 billion</td>
<td>44.6 million</td>
<td>354.5 million</td>
</tr>
</tbody>
</table>

Despite the above background, management has satisfied to the maximum extent possible, the various staff demand. However, in this ever increasing competition environment management feel that any increase in salary and benefits should be equally justified through improved performance and delivery.

There is indeed an urgent need to turn around the situation and for that we require the concerted efforts of each employee. Issues such as productivity, efficiency, punctuality, discipline, customers service etc. would be the crucial factors for business growth and betterment of staff status.

(5) During his examination and cross-examination, the Respondent witness agrees that the financial situation of the bank has been improving and that the workload of the employees has increased.

(6) Respondent’s proposals:-

(a) 5% increase up to Clerical Cadre
(b) 6 to 6.5% increase – Supervising Cadre

(c) 8 to 8.5% increase – Officer Cadre

Increase to be applied on Salaries applicable on the 30\textsuperscript{th} June 2003 and paid as from 1\textsuperscript{st} July 2004.

The point is that the offer of the Bank is exclusive of the prescribed additional remuneration applicable on the 1\textsuperscript{st} July 2004.

**TRIBUNAL’S CONSIDERATIONS:**

1. There was an agreement on 12\textsuperscript{th} December 2002 that lapsed in January 2004, followed by various negotiations which led to a deadlock. In fact, this is the reason the Tribunal is intervening in the present matter or it would be a fit and proper case for a Salary Commissioner to be appointed.

“\text{The parties concerned should not overlook the fact that there is a wide difference between an Arbitration Tribunal and a Salaries Commission and that a Tribunal should not as a rule substitute itself for a Salaries Commission which has entirely different functions”}. *(RN 333 CEB Staff Association & CEB 1997).*

Indeed, it is not for the Tribunal to promote organized salarial disorder by awarding new salary structures.

2. **Salary Structure as at January 2004 and Proposals**

<table>
<thead>
<tr>
<th>Grade</th>
<th>Salary as at 2004</th>
<th>Salary Increase</th>
<th>Salary Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Applicant’s Proposal</td>
<td>Respondent’s Proposal</td>
</tr>
<tr>
<td>A. Officer/</td>
<td>15,689 – 28439</td>
<td>22000 – 43000</td>
<td>17023 - 30856</td>
</tr>
<tr>
<td>Officer in Charge</td>
<td>(30 points)</td>
<td>(30 points)</td>
<td>(30 points)</td>
</tr>
<tr>
<td>Section</td>
<td>Position</td>
<td>Min – Max</td>
<td>Min – Max</td>
</tr>
<tr>
<td>---------</td>
<td>-------------------------------</td>
<td>-----------</td>
<td>-----------</td>
</tr>
<tr>
<td>B</td>
<td>Supervisor/ Confidential Secretary</td>
<td>12247 – 20222</td>
<td>17000 – 32000</td>
</tr>
<tr>
<td>C</td>
<td>Senior Clerk</td>
<td>10900 – 18875</td>
<td>15200 – 28700</td>
</tr>
<tr>
<td></td>
<td>(18 points)</td>
<td>(30 points)</td>
<td>(18 points)</td>
</tr>
<tr>
<td>D</td>
<td>Legal Clerk/Typists Cashiers</td>
<td>8734 – 15484</td>
<td>12600 – 23100</td>
</tr>
<tr>
<td></td>
<td>(30 points)</td>
<td>(30 points)</td>
<td>(30 points)</td>
</tr>
<tr>
<td>E</td>
<td>Head Messenger</td>
<td>9310 – 12255</td>
<td>10600 – 18600</td>
</tr>
<tr>
<td></td>
<td>(21 points)</td>
<td>(30 points)</td>
<td>(21 points)</td>
</tr>
<tr>
<td>F</td>
<td>Asst Head Messenger Telephonist Cash Driver</td>
<td>7880 – 11315</td>
<td>9400 – 15400</td>
</tr>
<tr>
<td></td>
<td>(30 points)</td>
<td>(30 points)</td>
<td>(30 points)</td>
</tr>
<tr>
<td>G</td>
<td>Messenger-Cleaner Handymen Security Guard</td>
<td>7880 – 11705</td>
<td>8600 – 14100</td>
</tr>
<tr>
<td></td>
<td>(30 points)</td>
<td>(30 points)</td>
<td>(30 points)</td>
</tr>
<tr>
<td>H</td>
<td>Ho Maid (App)</td>
<td>4428 – 6000 (App)</td>
<td>5600 – 8600</td>
</tr>
<tr>
<td></td>
<td>(30 points)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
3. **The Collective Agreement**

The Collective Agreement between the Indian Ocean International Bank Ltd and the Private Banks Staff and Employees Association, dated 12th December 2002, it was agreed on “Procedure for Bargaining”

(1) Terms and Conditions of Employment

(2) Grievances of rights and interests

and

(3) Grievances of individual employees

Sub-section (1) of Section 6 of the said agreement refers on Salaries.

Every Employee of the Bank will draw an increase representing 12.5% of the initial point of his salary re-actualized as at 30th June 2002 provided same represents at least 10% of his gross salary as at 30th June 2002. This agreement also settles the salary claim increase resting before the Industrial Relations Commission.

The agreement further stipulates at Section 15 - **Scope of Agreement**

- This agreement settles the claim for salary and benefits provision due on 1.4.2002 and will be in force for a period of 18 months starting 1st July 2002.

Proposal/Negotiation for review of salary and benefits thereafter would start in January 2004.

4. **The Bank witness**
Mr Naidu, the Respondent representative, in his examination in chief avers as follows:-

“I don’t think the Bank is prepared right now to offer the increase which is asked by the Union, may be at some level of the hierarchy of officers, supervisors and above there is a case for some increase higher than the staff at clerical and service level.

He agrees that there is a gap between the salary of Manager which is around Rs45,000 – Rs50,000 excluding fringe benefits and that of an officer just below the grade of Manager is around Rs16,000 – Rs18,000.

He accepts that the financial situation of the Bank is improving and that the Employees fully participated in the re-structuring process and were loyal to the bank in the period of difficulty.

He also agrees that :- Besides the normal annual increments, only C.O.L.A were paid to the employees.

5. **Comparison**

The Permanent Arbitration Tribunal cannot sustain the applicant’s demand to compare salaries with other banks. It cannot be disputed that each bank in Mauritius has a different:-

(i) Classification of Posts

(ii) Job Specifications

(iii) Duties

(iv) Conditions of Employment and

(v) Salary and Fringe Benefits attached to each post. For example, at the I.O.I.B, posts are classified as per Section 5 of the Collective
Agreement which is specific for the said bank and agreed upon. It needs not necessarily be the same as in other banks.

After having examined all the statements of case, witnesses’ depositions, Applicant’s demand and Respondent counter proposal, the bank financial situation and the involvement of the employees in the Bank’s restructuring process, the Tribunal invites for a revision of salary as hereunder:-

**Salary – effective date – 1st Jan 2004**

A. Officer – Officer in Charge

18,000 x 500 – 25,500 x 600 - 34,500

B. Supervisor

14,000 x 400 – 26,000

C. Senior Clerk

12,500 x 500 – 21,000

D. Legal Clerk – Clerk – Typist- Cashier

10,000 x 300 – 19,000

E. Head Messenger

10,000 x 300 – 16,300

F. Assistant Head Messenger – Telephonist – Driver

8,500 x 200 – 14,500
G. Messenger – Cleaner – Handyman – Security Guard

8,500 x 200 – 14,100

H. Ho Maid

5000 x 100 – 8000

**Dispute No. 2- Profit Bonus**

Parties have agreed to open discussion based on the Performance Reward System. The quantum of the bonus shall be linked to the financial performance of the bank. Its distribution to the employees shall be linked to a performance reward linked system which will be effective from date of publication of this Award.

The Tribunal awards accordingly.

**Dispute No. 3 - Petrol/Maintenance/Parking Allowances**

In its statement of case the applicant avers that:-

(i) Officers do not enjoy the benefits of company car

(ii) They have to use their car for site-visits and canvassing purposes among other things.

(iii) The cost of petrol has increased substantially in the past few years coupled with the exorbitant costs for parking.

The applicants claim as follows:-

A monthly traveling allowance of:-

Officer-in-Charge - Rs 7,000
In its statement of case, Respondent avers that:

(i) The bank is already paying a combined, petrol and maintenance allowance of:

   Officer-in-Charge  Rs 5,000
   Officers           Rs 4,000

(ii) Supervisors are not required to use their car in the performance of their duties.

It was not contested that there has been a considerable rise in the price of petrol and cost of maintenance of vehicles.

Respondent agreed that there may be a case to work out a package to those employees who are using their car in the performance of their duties.

After considering all the points raised, the Tribunal grants as follows:

   Officer in charge  Rs6,000
   Officers          Rs5,000

and this is to be effective from the date of publication of this Award.

As for Supervisors there is no evidence produced that they are making use of the car in the performance of their duties.

This dispute with respect to Supervisors is therefore set aside.
**Dispute No. 4 – Mail Allowance**

In its Statement of Case, the applicant avers that some employees are required to carry mail for the Banks and they have to keep the mail overnight at their residence. The mails contain various documents such as cheques, vouchers and documents of confidential nature. The employees carrying those mails are not adequately paid. The applicant claims for an increase from Rs150.00 to Rs1,000/ monthly to branch employees irrespective of grades.

The Respondent avers that mail forms part of the duties of branch officer. Whenever other staffs are required to carry mail, they are entitled to Rs150.00 monthly allowance.

- only correspondence and cleared cheques are exchanged, no money is involved.

- An alternative solution is being sought for mail conveyance.

The Tribunal after consideration grants as follows:-

A monthly allowance of Rs 250/ be paid to those employees involved in the conveyance of mail. This is to be effective from the date of publication of this Award.

**Dispute No. 5 - Entertainment Allowance**

Parties have agreed as follows:-

The Branch Head (formerly Officer in Charge) shall draw:-

1. A monthly Entertainment Allowance of Rs2,000.

   The first shall be paid 50% on certification/signed statement of basis. The balance on submission of evidence.

2. A Branch Head Allowance of Rs1,000 with effect from 1st July 2006.
The Tribunal awards accordingly.

**Dispute No. 6 – Examination Leave**

Parties have agreed that three full days leave on pay to employees will be granted to those who are taking banking/finance/management or other examinations related to bank services.

The Tribunal awards as per agreement, to be effective as from date of publication of this Award.

**Dispute No. 7 – Clothing Allowance**

Parties have agreed as hereunder:

1. An annual allowance of Rs2,500 shall be paid to male Clerks/Senior Clerks and Supervisors subject to those officers wearing white shirts with long sleeves.
2. An annual sum of Rs3,000 to male and female Officers, Branch Head, subject to those officers wearing Executive Suits with jacket at all times on bank premises.

The Tribunal awards as per agreement, to be effective as from date of publication of this Award.

**Dispute No. 8 – Overseas Passage Benefits.**

After having considered all the points raised by the applicant and the respondent including the agreement reached, the Tribunal awards as follows:-

1. Eligibility for passage benefits start from the date of confirmation of a bank employee – (As agreed).
2. All employees should be entitled to travel credit after having completed 10 years confirmed service. The travel credit to be calculated on the basis of 5% of their monthly salary.
3. Manual employees can extend their travel credit to their spouse, dependent children below the age of 21 years old and any members of their families (As agreed).

4. Other employees can extend their travel credit to their parents including father and mother, brothers, sisters and any other members of their families (As agreed).

5. All employees are allowed to make use of this accumulated passage benefits, provided they have 10 years confirmed service at the bank.

6. Employees are allowed to use their passage benefits to spend vacation in Mauritius and Rodrigues against evidence – instead of proceeding overseas. The remaining balance to be carried forward (As agreed).

7. Employees not wishing to use their passage benefits for travel should be allowed to cash all accumulated benefits at the rate of 75% provided the sum accumulated is not less than Rs25,000/.

8. At the time of retirement age, employees shall cash the full passage benefits balance standing to their credit (As Agreed).

9. On the death of an employee, the full accumulated passage benefits shall be paid to their heirs.

The effective date of all these benefits in Dispute Item No. 8 is 1st January 2004.

**Dispute No. 9 – IOIB Ltd Pension Fund**

Parties have agreed to hold a meeting to consider whether the Pension Fund has been amended in conformity with law.

**Dispute No. 10 – Staff Housing Loan Scheme**

Parties have agreed that:-
(a) The quantum shall be 60 months’ salary or Rs900,000 whichever is the lesser

(b) No agreement reached on reduction of interest rate from 4% to 2% p.a. We find no reason to disturb the present arrangement. The effective date will be as from the date of publication of this award.

(c) Eligibility – opened to employees having at least five years of confirmed service.

The effective date will be as from date of publication of this Award.

**Dispute No. 11 – Personal Loan Scheme**

The only point in dispute is the interest rate. The Tribunal considers the 10% interest rate as reasonable and this dispute is set aside.

**Dispute No. 12 – Staff Motor Cycle Loan Scheme**

The interest rate of 8% as applied for loans for the purchase of motor-cycle is reasonable and this dispute is set aside.

**Dispute No. 13 – Staff Motor Vehicle Loan Scheme**

The interest rate of 8% as applied for loans for the purchase of motor-vehicle is reasonable and this dispute is set aside.

**Dispute No. 14 – Closing Allowance**

Applicant avers that at the end of financial and current year (30 June and 31 December) some employees are burdened with extra duties for the completion of returns, final balancing of accounts among other things – A closing allowance should be paid over and above any existing overtime.
Respondent avers that all banking processes have been computerized and centralized and that there is usually no need for staff to stay much longer beyond working hours. Closing of books is definitely part of the job and as such no allowance should be paid.

The bank is however paying overtime and meal allowance as and when applicable where employees have to stay beyond working hours.

The Tribunal having examined this point comes to the conclusion that no double payment shall be made for one service i.e. overtime and allowances.

This dispute is set aside.

**Dispute No. 15 – Staff Housing Renovation Scheme**

Parties have partially agreed on this dispute.

Eligibility:- After 10 years of purchase or construction of a personal house.

Quantum:- 20 months salary or Rs200,000 (two hundred thousand) whichever is lesser.

Repayment:- 120 E.M.I inclusive of interest (or such shorter repayment period depending upon retirement date)

Security:- As per agreement 12/12/2002

Interest Rate: No Agreement

The Tribunal considers the interest rate as agreed upon between parties on 12/12/2002 should stand and awards accordingly.

**Dispute No. 16 – The date of implementation of allowances and benefits**

This item has been dealt when considering each specific dispute.

We award accordingly.
Rashid Hossen
Ag. President

Binnodh Ramburn
Member

Rajendranath Sumputh
Member

Date: 14th, September 2007