

PERMANENT ARBITRATION TRIBUNAL  
AWARD

Before Mr R Hossen, Acting President

Member: Mr M Goinden

Member: Mr R Sumputh

RN 885

*In the matter of :-*

Construction Metal and Furniture Employees Union

And

Rose Bobois

The Minister of Labour, Industrial Relations and Employment referred under Section 82(1)(f) of the IRA 1973, as amended, the Construction Metal and Furniture Employees Union (herein after referred to as the Union) and Rose Bobois (hereinafter referred to as the Employer), parties to an industrial dispute, to the Permanent Arbitration Tribunal for arbitration.

*The point in dispute is stated to be:-*

“Whether the negotiated salary between the Employees and Management should be subject to any decrease or otherwise”.

We need at the outset to point out the misconceived if not misleading terminology used in formulating the dispute.

The undisputed facts are as follows:--

The Employer has agreed to pay to its skilled workers, according to the Employer, to all employees, according to the Union, wages that are higher than those prescribed by the relevant Remuneration Order. For reasons which the Employer explained as a "formality" or "for Book-keeping purposes", the amount in excess of the prescribed rate was paid as "Extra Duty Allowance". Following an exercise of reclassification and also following the recent amendment to the relevant Remuneration Order namely the Light Metal & Wooden Furniture Workers Remuneration Order, the "Extra Duty Allowance" was reduced with an equivalent compensation to the basic salary. The approach of the Employer was to look at the amount payable "from the globality" i.e they focused on the total amount payable. From that perspective there has indeed been no reductions.

It is quite true that the point in dispute, as laid down in the Terms of Reference, is whether the negotiated salary between the employees and management should be subject to any decrease or otherwise. However, in its Statement of Case, the Union, both in the introduction and conclusion, clearly points to the fact that the employer has reduced the "Extra Duty Allowance", which forms part of the negotiated wages, to compensate the increase in the basic wages. The intention of the Union is to have this anomaly redressed.

Figures submitted by the Rose Bobois confirm that the increase in the negotiated wages for year 2002/2003 did not follow the increase in the basic wages for that year, i.e there had in fact been a decrease in the "Extra Duty Allowance". Doc A is evidence of the fact that the negotiated salary has been separated "for record purposes".

We have had the opportunity of hearing both parties and we have no hesitation in accepting the version of the Union, supported by their testimonial and documentary evidence.

The representative of the Respondent agreed at some stage that Management's demand initially was to allow an increase of salary in return for a refund of Sick and Local Leave. The testimony of the Respondent's witness is tainted with puns.

Indeed, on a balance of probabilities, the Union's version appears more plausible.

The Tribunal finds that it is most unfair on the part of an employer to increase the prescribed basic wages of the employees simply by decreasing the extra duty allowance agreed upon in previous negotiations. *Déshabiller Pierre pour habiller Paul*. This state of things can but deteriorate harmonious industrial relations between the social partners whilst, in the same breath, defeating the very spirit of Collective Bargaining.

The Tribunal awards accordingly.

R. Hossen  
Acting President

M. Goinden  
Member

R Sumputh  
Member

