



Bank Of Zambia

*Bank of Zambia*  
*And*  
*Zambia Union of Financial*  
*Institutions and Allied Workers*



*Approved*  
09 Nov 2012  
*Chunobee*

**2012—2014**  
**COLLECTIVE**  
**AGREEMENT**

**This Collective Agreement** is made the ..... day of ..... **Two Thousand and Twelve** between **Bank of Zambia**, a body corporate established by the Bank of Zambia Act Cap. 360 of the Laws of Zambia, and having its Head Office situated at Bank Square, ~~Cairo Road, Lusaka in the Lusaka Province of the Republic of Zambia (hereinafter referred to~~ as "the Bank") of the one part, and **Zambia Union of Financial Institutions and Allied Workers** registered under the Industrial and Labour Relations Act, Cap. 269 of the Laws of Zambia, and having its registered Office situated at Luangwa House, Cairo Road, Lusaka aforesaid (hereinafter referred to as "the Union"), of the other part.

**Whereas** pursuant to a **Memorandum of Recognition Agreement** made between the parties to this Collective Agreement on the Seventeenth day of September, One Thousand Nine Hundred and Seventy Nine (17<sup>th</sup> September, 1979) and renewed on 1<sup>st</sup> day of April, One Thousand Nine Hundred and Eighty Three (1<sup>st</sup> April, 1983), the Bank has recognised the trade union as representative of, and bargaining agent for, the eligible employees represented by the trade union so recognised for the purpose of regulating relations between the employer or employers' organisation and the trade union.

**And whereas** the said Memorandum of Recognition Agreement is still in force and binding upon the parties to it and Collective Negotiations and Agreement on the matters hereinafter specified have been concluded between the Bank and the Union.

**NOW THEREFORE, THIS COLLECTIVE AGREEMENT WITNESSETH AS FOLLOWS:**

## **1.0 DEFINITIONS**

**In this Collective Agreement** unless the context otherwise requires, words and expressions importing the masculine gender include the feminine gender; words importing the singular number shall include the plural and shall have the meaning hereby ascribed to it in this clause.

- 1.1 **"Salary"** shall mean employee's monthly pay exclusive of all allowances.
- 1.2 **"Registered dependants/children"** shall mean and include an eligible employee's registered children who are the employee's offspring, and/or legally adopted children who, subject to the qualifications set out below, are under the age of 25 and: -
  - if over 21 years are attending a full time course of academic instruction at any educational establishment recognised by the Government;
  - are single and without children;
  - are unemployed;

Provided that:-

- If dependants/children are physically or mentally challenged, the restriction as to age shall not apply in any manner whatsoever; and provided further that;

03 NOV 2012  
*[Signature]*

- such dependant(s)/children of the employee shall be registered with the Bank.

1.3 “**Eligible employee**” shall mean a unionisable employee other than a member of the Management of the Bank of Zambia.

1.4 “**Spouse**” shall mean a legally recognized partner under civil and/or customary law as evidenced by a marriage certificate. The Bank shall only register one spouse per eligible employee.

## MATTERS AFORESAID

### 2.0 SALARY INCREASE

The Bank agrees with the Union to award all eligible employees a salary increase of 8% across the board effective 1<sup>st</sup> August, 2012 and a salary increase of 6% across the board effective 1<sup>st</sup> August 2013. The new salary structures resultant thereupon are shown in **Appendix A1** and **Appendix A2** hereto.

### 3.0 INCREMENTAL NOTCHES

The Bank agrees with the Union to award all eligible employees incremental notches of 8% across the board in 2012 and 6% across the board in 2013 in accordance with the structures in clause 2.0 above.

### 4.0 OVERTIME

It has been agreed between the Bank and the Union that eligible employees working normal shift hours shall be entitled to overtime when requested to work extra hours at the following rate:

4.1 Normal working day and Saturday – Straight time rate and Half (1½)

4.2 Sunday and public holiday – double rate (2)

Provided that the working week for shift workers shall commence as and when they start a shift.

### 5.0 PROMOTION AND MERIT AWARDS

#### 5.1 PROMOTION

It is hereby agreed between the Bank and the Union that on promotion an eligible employee shall be awarded a minimum of **three notches** in the salary scale of the new post.

#### 5.2 MERIT AWARDS

It is hereby agreed between the Bank and the Union that an eligible employee who performs an act of an exceptional nature beyond the normal call of duty shall be given a **Merit Award** equivalent to a Labour Day Award.

## 6.0 ALLOWANCES

The Bank shall pay to eligible employees allowances specified herein below:-

### 6.1 Annual Leave Allowance

An eligible employee proceeding on annual leave shall be paid a **leave allowance of two (2) times monthly salary** when such employee proceeds on annual leave. For the purpose of this Clause, "Annual Leave" is as defined in Clause 9.2 below.

### 6.2 Upset Allowance

Upset Allowance shall be paid at the rate of **two times** an eligible employee's monthly salary and shall only be payable under the circumstances of transfer between stations at the instance of the Bank.

### 6.3 Laundry Allowance

The Bank agrees with the Union to procure services of laundry firms where eligible employees who are entitled to suits and weather coats as uniform, shall take their uniforms for dry cleaning. The Bank shall meet full laundry costs for up to **four suits and one weather coat in a month.**

### 6.4 Shift Differential Allowance

Eligible employees engaged in night shift work from 18.00 to 06.00 hours shall be paid shift differential allowance at 50% of the basic rate per shift. Any excess hours shall be paid as overtime.

### 6.5 Lunch Allowance

Eligible employees shall be paid a Lunch Allowance of One Hundred and Fifteen Thousand Three Hundred and Eighty Four Kwacha Sixty Two Ngwee (K115,384.62) gross when made to work under the following conditions:

6.5.1 out of station and unable to return to base for lunch;

6.5.2 beyond lunch hour, over weekends/public holidays.

It is hereby agreed that the amount shall be reviewed after every six months

### 6.6 Acting Allowance

Acting Allowance shall be paid to an eligible employee (hereinafter called "the Acting Officer") who shall be delegated to perform certain duties for and during the absence of a senior officer, upon the written approval of the Governor or the Governor's delegate.

The acting allowance shall be such quantum as represents:-

- **five (5) notches** in the salary scale immediately higher than the Acting Officer's scale; or,
- the difference between the entry point salary of the higher scale and the salary of the Acting Officer, whichever is the higher.

In addition to the above, the officer so acting shall be entitled to be paid all other benefits applicable to that position provided that:

- 6.6.1 An eligible employee has acted for a period of not less than 21 days.
- 6.6.2 An eligible employee shall not act in a vacant position for a period exceeding six months (6) without being confirmed save for administrative convenience.
- 6.6.3 The said allowance shall not form part of the eligible employee's basic salary and shall be taxable.

#### 6.7 **Transport Allowance**

The Bank shall pay each eligible employee a sum of Two Million Five Hundred Thousand Kwacha (**K2,500,000.00**) gross per month as transport allowance.

**The said allowance shall be reviewed quarterly**

The Bank further agrees with the Union that:

- 6.7.1 No physical transport shall be provided to eligible employees.
- 6.7.2 Employees working during weekends and public holidays shall be paid One Hundred and Twenty Thousand Kwacha (**K120, 000.00**) gross as Transport Allowance per day.
- 6.7.3 Employees working up-to 19:00 hours and beyond on a normal working day shall be paid One Hundred and Twenty Thousand Kwacha (**K120,000.00**) gross as Transport Allowance.

#### 6.8 **Responsibility Allowance**

The Bank agrees to pay an eligible employee who is assigned to perform additional duties (responsibilities) at the rate of **5 notches** in the employee's salary scale provided that such duties shall have been performed for a period of not less than 21 calendar days.

#### 7.0 **COUNCIL RATES ON BUILDINGS**

The Bank agrees with the Union to pay 100% of the Local Council rate bill bi-annually for rates in respect of those eligible employees who have bought or built houses for their

own occupation **mortgaged to the Bank**. Provided that the tax burden shall be borne by the employee.

## **8.0 GROUND RENT**

The Bank agrees with the Union to pay 100% of the Ground Rent and Lease Charges to the Commissioner of Lands or appropriate local authority annually for eligible employees who have bought or built dwelling property for own occupation **mortgaged to the Bank**. Provided that where applicable, the tax burden shall be borne by the employee.

## **9.0 LEAVE**

### **9.1 Leave Days**

The Bank agrees with the Union that leave days shall accrue to all eligible employees as follows:-

<u>Grades</u>	<u>Rate Per Annum</u>
BOZ 1 to 2	35 days
BOZ 3 to 4	41 days

### **9.2 Vacation (annual) Leave**

An eligible employee shall be entitled to annual leave once a year. For the purpose of this clause annual leave shall mean a minimum of 21 days to be taken at least twelve (12) months after commencement of employment.

### **9.3 Commutation of Leave Days**

An eligible employee shall be entitled to commute unutilised leave days for cash. Commutable days are those accrued at the time of proceeding on annual leave, leaving a balance of seven (7) days each time such commutation is made.

### **9.4 Sick Leave**

The Bank agrees with the Union that on production of valid written medical recommendations, an eligible employee may go on paid sick leave for a maximum period of 90 days, thereafter for another 90 days on half pay, should circumstances warrant.

Provided that if the employee has not recovered from illness after six (6) months from the date of illness, the Bank may, on the recommendation of a registered medical practitioner or medical institution designated by the Bank, discharge the employee, whereupon the entitlement to sick leave shall cease.

### **9.5 Special Leave**

The Bank agrees with the Union that upon the written recommendation of a medical practitioner or other person duly authorised in that behalf under the Medical and Allied Professions Act, an eligible employee shall be granted paid leave of absence

not exceeding **ten (10) working days** to enable such employee nurse his/her sick child or spouse who has been hospitalized and who, on account of the nature of the illness requires special attention.

## 9.6 Maternity Leave

9.6.1 Any eligible female employee who has completed at least two (2) years of ~~continuous service with the Bank from the date of first engagement or since~~ the last maternity leave was taken as the case may be, shall on production of a medical certificate as to her pregnancy signed by a registered medical practitioner, be entitled to maternity leave of 90 days with full pay.

9.6.2 The maternity leave so granted shall be exclusive of any other leave to which a female employee may otherwise be entitled.

9.6.3 In case of illness which arises out of pregnancy and results in a female employee becoming temporarily incapable of performing her duties, such employee shall be entitled to sick leave in accordance with the provision of Clause 9.4 of this Collective Agreement.

9.6.4 The Bank shall not terminate the services of a female employee, or impose any other penalty or disadvantage upon such employee within six months after delivery, for reasons connected with such employee's pregnancy.

## 9.7 Study Leave

Prior to each authorised examination, employees may, on application, be allowed 5 working days off for study. In addition, employees shall be allowed leave covering specific days of examinations.

Where an examination for an approved course of study is during working hours, time off with pay shall be given in multiples of one day for each separate such examination.

## 10.0 REIMBURSEMENT OF PRIVATE TRAINING COSTS

The Bank shall reimburse costs incurred in respect of successful completion of self-sponsored training programmes undertaken by eligible employees provided that:

10.1 such training would have been approved by the Staff Training and Development Committee prior to commencement;

10.2 the reimbursement shall be against production of authentic receipts or proof of payment and on production of authentic certificates with results transcripts;

10.3 the cost was incurred by the employee while in the employment of the Bank of Zambia;

10.4 the Head of Department certifies relevance to the requirements of the Bank. Such approval shall be granted in consultation with the Human Resources Department;

10.5 that only the costs incurred on the following shall be reimbursed:

~~10.5.1 Registration fees;~~

10.5.2 Subscription fees where this is a requirement for study;

10.5.3 Tuition fees;

10.5.4 Examination fees; and

10.5.5 Project/research fees.

## 11.0 REMOVALS

The Bank undertakes to provide transport to facilitate removal/shifting of eligible employees on the occurrence of any of the following:-

11.1 Change of accommodation at the instance of the Bank.

11.2 Change of accommodation from Bank residential property to owner-occupier accommodation.

11.3 Further, the Bank undertakes to provide appropriate removal services in the event of the Bank transferring an eligible employee between stations.

## 12.0 FUNERAL ASSISTANCE

### 12.1 Staff

The Bank agrees with the Union that at the death of an eligible employee, it shall meet the cost of funeral expenses as follows:

- (a) Provide a funeral grant of **K7 million** cash to the family of the deceased.
- (b) Conveying a body to a funeral service provider's premises.
- (c) Preparation of the body for burial/cremation.
- (d) Conveying the body from a funeral service provider's premises to the point of burial/cremation.
- (e) Provision of a casket of up to **K12 million**.

Provided that;

- (a) Any cost incurred on account of keeping the body within the funeral service provider's premises for longer than **three (3)** nights shall not be borne by the Bank.



- (b) The place of burial/cremation shall be within Lusaka or Ndola and the surrounding towns.

## 12.2 Funeral Grants

When specifically requested, the Bank hereby agrees with the Union to assist an eligible employee upon the death of a specified member of his/her family by way of a funeral grant.

Funeral grant shall apply to the following and in the following manner:

Location	Child	Spouse	Parent
Within Station	Standard Coffin of up to K7 million	Standard Coffin of up to K7 million	N/A
	Transport	Transport	Transport
	Cash – K5 Million	Cash – K5 Million	Cash – K6 Million
Outside Station	Standard Coffin of up to K7 million	Standard Coffin of up to K7 million	N/A
	Cash – K5 Million	Cash – K5 Million	Cash – K6 Million

## 13.0 UNIFORMS AND PROTECTIVE WEAR

- 13.1 The Bank agrees with the Union to provide uniforms and protective wear to the following classes of eligible employees:

Security Officers  
 Tellers  
 Cashiers  
 Clearing Officers  
 Mutilated Currency Officers  
 Drivers  
 Note Examiners  
 Orderlies/Messengers  
 Porters  
 Technicians  
 Filing/Stores Clerks  
 Computer Operators  
 Artisans  
 General Workers  
 Nurses  
 Chefs/Cooks  
 Note Destruction Officers  
 House Keepers

- 13.2 Further, the Bank shall provide one packet of detergent powder **per week** to the uniformed employees. Where issuance of such detergents falls in arrears, the Bank shall be obliged to issue the outstanding detergent to the eligible employees.

13.3 The Bank and the Union further agree that the Union shall be consulted when determining the type of uniforms. The said uniformed eligible employees shall wear the uniform so issued throughout the year.

13.4 The Bank and the Union further agree that:

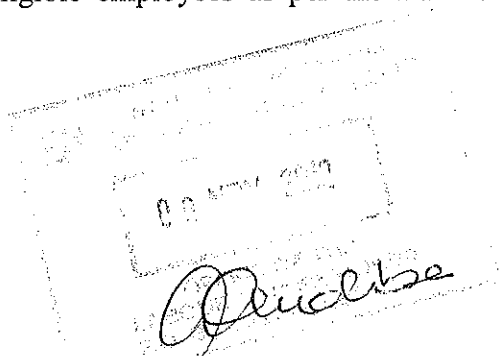
13.4.1 Uniforms for eligible employees would be delivered in the first quarter of the applicable year.

13.4.2 Uniform shall be provided as per Appendix B.

#### 14.0 LOANS

Subject to Section 21 of the Bank of Zambia Act, the Bank agrees with the Union that it shall provide the following Staff Loans to eligible employees as per the Bank's Staff Advances and Loans Policy:

- House Loan
- Car Loan
- Multi-purpose Loan
- Personal Loan



#### 15.0 LONG SERVICE AWARD

There shall be such long service award as approved by the Board for eligible employees who would have worked in the Bank for a period of **15 years**. The Union and Management through a process of consultation shall determine the award to be given to eligible staff.

#### 16.0 CHRISTMAS GIFT

The Bank agrees with the Union that it shall pay an equivalent of a month's salary to eligible employees as a Christmas gift once every year for the duration of this Agreement.

#### 17.0 STAFF POLICIES

Without prejudice to the Board's power to formulate policy, the Bank agrees with the Union that it shall engage the union in the process of development, review and amendment of the following staff matters:

- 17.1 Staff Loans and Advances Policy
- 17.2 Disciplinary Proceedings
- 17.3 Medical Services Facility
- 17.4 Group Life Assurance Scheme
- 17.5 Training Policy
- 17.6 Appellate Committee
- 17.7 Staff Canteen
- 17.8 Staff Housing
- 17.9 Group Personal Accidents
- 17.10 Voluntary Medical Scheme

- 17.11 HIV/AIDS Policy
- 17.12 Pension
- 17.13 Code of Ethics
- 17.14 Whistle Blower

## **18.0 REDUNDANCY**

~~The Bank agrees with the Union that whenever redundancies are inevitable, the Union and Management shall agree on modalities, criteria and the package in accordance with the Labour laws of Zambia as amended from time to time.~~

## **19.0 TERM OF AGREEMENT**

The provisions of this Collective Agreement shall take effect from **1<sup>st</sup> August 2012** and shall remain in force until **31<sup>st</sup> July 2014**.

## **20.0 NEXT NEGOTIATIONS**

Negotiations for the next Collective Agreement shall commence not later than the 30<sup>th</sup> day of April 2014.

## **21.0 AMENDMENTS (VARIATION)**

Neither party may vary nor rescind any part of this Collective Agreement unless such variation, addition or deletion is accepted in writing by the other party, provided that such acceptance shall not be unreasonably withheld.

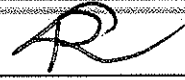
## **22.0 MID-STREAM REVIEW OF SALARY**

**22.1** For the duration of this Collective Agreement **ONLY** the Bank agrees with the Union that there shall be no mid stream salary review. However the Bank and the Union agree to award 6% salary increment plus an annual incremental notch effective 1<sup>st</sup> August 2013 based on the salary structure contained in Appendix A2

Without prejudice to clause 22.1 above, the Bank agrees with the Union to negotiate the mid-stream review of salary during the next collective bargaining process.

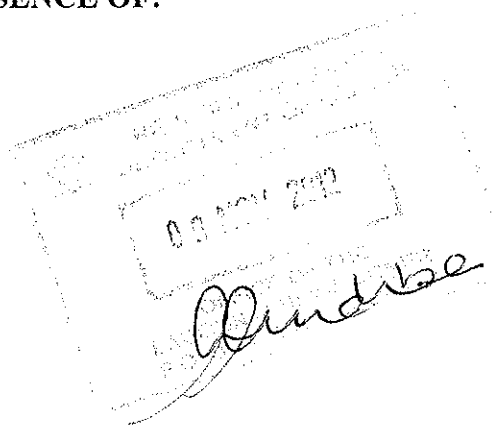
In witness whereof the parties hereto by their duly authorized representatives have hereunto set their hands the day and year first before written.

**FOR AND ON BEHALF OF  
BANK OF ZAMBIA:**



**PATRICK MULENGA**  
ASSISTANT DIRECTOR – HUMAN  
RESOURCES & ADMINISTRATION  
CHAIRPERSON

**IN THE PRESENCE OF:**



A rectangular witness stamp with a date stamp '03 MAY 2012' and a handwritten signature 'Andiso' over it.



**PETER BANDA**  
DIRECTOR – FINANCIAL MARKETS  
MANAGEMENT TEAM LEADER



**PATSON BANDA**  
MANAGER – STAFF RELATIONS  
SECRETARY – BARGAINING UNIT

**FOR AND ON BEHALF OF  
ZAMBIA UNION OF FINANCIAL  
INSTITUTIONS AND ALLIED WORKERS:**



**ACKIM MWEEMBA**  
ZUFIAW NATIONAL TRUSTEE  
UNION TEAM LEADER

**IN THE PRESENCE OF:**



**LUKA CHIOWA**  
CHAIRPERSON – ZUFIAW  
LUSAKA UNION BRANCH



**JOSEPH D MUTALE**  
SECRETARY – ZUFIAW  
NDOLA UNION BRANCH

MINISTRY OF  
FINANCE

08/08/2012

*Amolube*

APPENDIX "A1"

# BANK OF ZAMBIA

## UNIONISED SALARY STRUCTURE - 1 AUGUST 2012 - 8%

NOTCHES	BOZ 4	BOZ 3	BOZ 2	BOZ 1
20	20,651,845	15,019,512	12,766,591	9,312,111
19	20,221,597	14,706,606	12,500,620	9,118,107
18	19,791,349	14,393,700	12,234,649	8,924,103
17	19,361,101	14,080,794	11,968,678	8,730,099
16	18,930,853	13,767,888	11,702,707	8,536,095
15	18,500,605	13,454,982	11,436,736	8,342,091
14	18,070,357	13,142,076	11,170,765	8,148,087
13	17,640,109	12,829,170	10,904,794	7,954,083
12	17,209,861	12,516,264	10,638,823	7,760,079
11	16,779,613	12,203,358	10,372,852	7,566,075
10	16,349,365	11,890,452	10,106,881	7,372,071
9	15,919,117	11,577,546	9,840,910	7,178,067
8	15,488,869	11,264,640	9,574,939	6,984,063
7	15,058,621	10,951,734	9,308,968	6,790,059
6	14,628,373	10,638,828	9,042,997	6,596,055
5	14,198,125	10,325,922	8,777,026	6,402,051
4	13,767,877	10,013,016	8,511,055	6,208,047
3	13,337,629	9,700,110	8,245,084	6,014,043
2	12,907,381	9,387,204	7,979,113	5,820,039
1	12,477,133	9,074,298	7,713,142	5,626,035
0	12,046,885	8,761,392	7,447,171	5,432,031
NOTCH DIFFERENCE	430,248	312,906	265,871	194,002

## BANK OF ZAMBIA

UNIONISED SALARY STRUCTURE - 1 AUGUST 2013 - 6%

*Amulise*

NOTCHES	BOZ 3	BOZ 2	BOZ 1	BOZ 0
20	21,890,958	15,920,676	13,532,581	9,870,833
19	21,434,895	15,588,996	13,250,652	9,665,189
18	20,978,832	15,257,316	12,968,723	9,459,545
17	20,522,769	14,925,636	12,686,794	9,253,901
16	20,066,706	14,593,956	12,404,865	9,048,257
15	19,610,643	14,262,276	12,122,936	8,842,613
14	19,154,580	13,930,596	11,841,007	8,636,969
13	18,698,517	13,598,916	11,559,078	8,431,325
12	18,242,454	13,267,236	11,277,149	8,225,681
11	17,786,391	12,935,556	10,995,220	8,020,037
10	17,330,328	12,603,876	10,713,291	7,814,393
9	16,874,265	12,272,196	10,431,362	7,608,749
8	16,418,202	11,940,516	10,149,433	7,403,105
7	15,962,139	11,608,836	9,867,504	7,197,461
6	15,506,076	11,277,156	9,585,575	6,991,817
5	15,050,013	10,945,476	9,303,646	6,786,173
4	14,593,950	10,613,796	9,021,717	6,580,529
3	14,137,887	10,282,116	8,739,788	6,374,885
2	13,681,824	9,950,436	8,457,859	6,169,241
1	13,225,761	9,618,756	8,175,930	5,963,597
0	12,769,698	9,287,076	7,894,001	5,757,953
NOTCH DIFFERENCE	456,063	331,680	281,929	205,644

UNIFORM ALLOCATION

APPENDIX B

CATEGORY	TYPE	FIXED ALLOCATION
<b>Security Officers</b>	Suit	3
	Shirt/Blouse	6
	Shoes	3
	Combat	2
	Boots	2
	Tie/Scarf	4
	Waist Coat	1
	Jersey	2
	Raincoat	1
<b>Tellers</b>	Jacket	3
	Shirt/Blouse	6
	Shoes	3
	Tie/Scarf	4
<b>Cashiers</b>	Jacket/Trousers	3
	Shirt/Blouse	6
	Shoes	3
	Tie /Scarf	4
<b>Clearing Officers</b>	Jacket/Trousers	3
	Shirt/Blouse	6
	Shoes	3
	Tie/Scarf	4
<b>Mutilated Currency Officers</b>	Jacket/Trousers	3
	Shirt/Blouse	6
	Shoes	6
	Tie/Scarf	4
<b>Drivers</b>	Jacket/Trousers	3
	Shirt	6
	Shoes	3
	Tie	4
	Work suit	1
	Overall	1
	Raincoat	1
	Jersey	2
	Safety Shoes	1
<b>Note Examiners</b>	Special suits	3
	Shoes	3
<b>Orderly/Messengers</b>	Trousers/Shirt	3
	Shoes	3
	T-Shirt	3
	Shirt/Blouse	3

	Jersey	2
	Raincoat	2
<b>Porters</b>	Trousers/Skirt	3
	Safety Boots	3
	<del>T-Shirts</del>	<del>3</del>
	Jersey	3
	Raincoat	2
<b>Technician</b>	Dust coat	3
	Safety Shoes	3
	Rain coat	1
<b>Filing/Stores Clerk</b>	Dust coat	3
<b>Computer Operator</b>	Shoes (anti static)	3
	Jersey	2
<b>Artisans</b>	Dust coat	3
	Safety Shoes	3
	Overall	3
	Rain coat	1
<b>General Worker</b>	Dust coat	3
	Safety Shoes	3
	Overall	3
	Raincoat	1
<b>Nurse</b>	Dress/Trouser Suit	3
	Jersey	2
	Belt & Buckle	3
	Shoes	3
<b>General Worker – Governors residence &amp; BOZ Gardener</b>	Safety Shoes	3
	Overall	2
	Jersey	2
	Rain coat	2
<b>Chefs/Cooks</b>	Chefs Uniform	3
	Shoes	3
	Rain coat	1

