

MEMORANDUM OF RECOGNITION AGREEMENT

BETWEEN

THE PUBLIC SERVICE PENSIONS FUND BOARD
(HEREINAFTER REFERRED TO AS "THE FUND")

AND

**ZAMBIA UNION OF FINANCIAL INSTITUTIONS AND
ALLIED WORKERS**
(HEREINAFTER REFERRED TO AS "THE UNION")

2013

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PREAMBLE

The Board and the Union, desiring to make the greatest possible contribution to the success and prosperity of the Board, employees and the Nation as a whole, hereby agree to subscribe to the principle that the Board operates at maximum efficiency, thereby containing as much as possible the operational costs. Therefore the parties agree to accept practices that promote individual and collective efficiency.

This amended **Memorandum of Recognition Agreement** is made this **5th day of December, 2013** between the Public Service Pensions Fund Board, a statutory body created by the Public Service Pensions Act CAP 260 of the Laws of Zambia (hereinafter called the "Board") of the one part and the Zambia Union of Financial Institutions and Allied Workers a trade union registered under the Industrial and Labour Relations Act CAP 269 of the Laws of Zambia (hereinafter called the "Union") of the other part in accordance with the **Memorandum of Recognition Agreement** made on the **30th day of January, 2008** and in accordance with the Industrial and Labour Relations Act CAP 269 of the Laws of Zambia covering the conditions of service as stipulated in the **Collective Agreement** witnesseth as follows:-

DEFINITIONS

In this Agreement:-

"Bargaining Unit" means negotiating team representing the Board and the Union.

"Collective Agreement" means an agreement by the Bargaining Unit, under which the terms and conditions affecting the employment and remuneration of employees are laid down.

"Collective Dispute" shall be construed in accordance with the Industrial and Labour Relations Act CAP 269.

"Eligible Employee" means a unionisable employee other than a member of Management.

"Employee" means any person who has entered into a contract of employment with the Board.

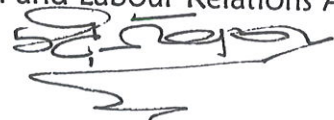
"Member" means a member of the Union.

"Negotiable Item" means items covered under **Appendix B**.

"Non-Negotiable Item" means items covered under **Appendix C**.

"Consultative Item" means items covered under **Appendix D**.

"Proper Officer" means a Labour Officer defined in the Industrial and Labour Relations Act.



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1.0 RECOGNITION

- 1.1 The Board agrees to recognize the Union as representative and bargaining agent for all eligible employees of the Board for as long as the Union remains registered in accordance with the Laws of Zambia in force from time to time affecting Labour Laws and for as long as both parties continue to observe the terms of this Agreement.

2.0 SCOPE OF THE AGREEMENT

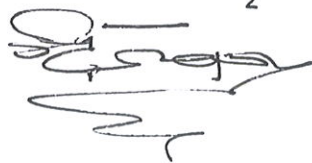
- 2.1 Eligible employees shall be those who are employed on permanent establishment of the Board with exception of the following:-

2.1.1 All employees in Management Salary Scales Ms 3-5

2.1.2 In terms of this clause, it is understood that matters negotiated between the parties to this agreement shall be confined to bonafide members of the Union.

3.0 CONDITIONS OF AGREEMENT

- 3.1 The Board recognizes the Union on the basis of the constitution of the Union in force at the date of the execution of this Agreement.
- 3.2 The parties undertake to settle all industrial disputes according to the procedures as set out in the Agreement and stipulated in sections 75 to 78 of the Industrial and Labour Relations Act, and as may from time to time be amended.
- 3.3 The Union agrees that it will not initiate or support any action or proceedings designed or calculated to compel any employee to be or become a member of the Union against his or her will and that it will not support any strike or stoppage of work which is not taken according to the procedures of the Industrial and Labour Relations Act and this Agreement.
- 3.4 The Union undertakes that employees who are Union Officials/Representatives will not leave their places of work for the purposes of conducting Union duties without permission of the Management through their appropriate Superiors. Such permission shall not be unreasonably withheld.
- 3.5 The Union acknowledges that it is the prerogative of the Board to discipline its employees for improper acts done in their capacities as employees provided, Union Branch Officials are subsequently informed at the latest by the following working day of the disciplinary proceedings.



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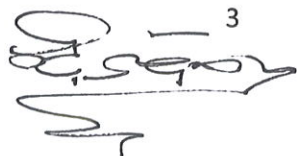
- 3.6 The Board undertakes that it will not discriminate against or victimize a representative or member of the Union on account of any legitimate activities in his/her capacity as a Union Official or as member. The Board acknowledges that it is the prerogative of the Union to discipline its officials or members of the Union on Union matters. The Board further acknowledges that a fair disciplinary action by the Management shall be based on conditions under which an employee works (supported by the Agreements with the Union and Industrial and Labour Relations Act) to ensure consistence of actions to all employees concerned.
- 3.7 The Board undertakes to afford such facilities to the officials of the Union as shall be necessary for the latter to carry out their duties as representatives of the employees at designated places of work.
- 3.8 The Board agrees that it will do its best to avoid acts and/or conduct which is likely to lead to industrial unrest and that it will not encourage or support lockouts until all stages of settling the dispute laid down in this Agreement and the Industrial and Labour Relations Act are exhausted.
- 3.9 The Board agrees to meet duly elected representatives of the Union from time to time for the purpose of discussing matters concerning the terms and conditions of employment of unionisable employees.
- 3.10 The Board agrees with the Union that it will not discriminate on wages to employees on the basis of association but will apply the principle of equal pay for equal work.

4.0 ELECTIONS AND NOTIFICATIONS OF UNION OFFICIALS

- 4.1 The Union undertakes to notify the Board in writing the names, designations, and areas of operations of all local branch and national officials elected as per Union Constitution.

5.0 DEDUCTION OF UNION SUBSCRIPTIONS

- 5.1. The Board undertakes (*In accordance with Section 22 of the Industrial and Labour Relations Act*) with the consent of the employees who are members of the Union to recover subscription fees at the rate of **2%** of the basic salary (or as amended by the appropriate body of the Union from time to time).

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5.2 The remittance referred to in 5.1 above shall be paid to the Head Office of the Union.

6.0 BARGAINING UNIT

6.1 A Bargaining Unit comprising the Union's Negotiating Team on one hand and Management on the other hand, shall be formed and shall sit in Lusaka or any place it may deem convenient.

6.2 The membership and rules of the Bargaining Unit are set out in **Appendix A**.

7.0 NEGOTIABLE, NON-NEGOTIABLE AND CONSULTATIVE ITEMS

7.1 It is hereby agreed that the items listed in **Appendix B** are negotiable.

7.2 It is hereby agreed that the items listed in **Appendix C** shall not be subject to negotiations.

7.3 It is hereby agreed that the items listed in **Appendix D** shall be subject to consultations.

8.0 COLLECTIVE DISPUTE

8.1 Settlement of Collective Disputes

8.1.1 Settlement of collective disputes shall be in accordance with **Section 75** to **Section 78** of Cap 269 of the Laws of Zambia.

9.0 COMENCEMENT AND DURATION

9.1 This Agreement shall come into force on **5th December, 2013** and shall remain in force until it is terminated by mutual consent of both parties.

10.0 AMENDMENTS TO THIS AGREEMENT

10.1 This Agreement shall be amended by invoking **Amendment Clause** by either party.



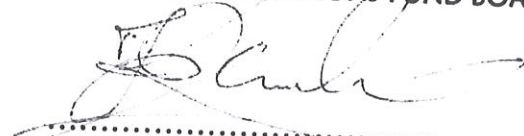
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IN WITNESSETH WHEREOF:

We have hereunder set our hands this **5th day of December** in the year **2013**.

For and on Behalf of:

PUBLIC SERVICE PENSIONS FUND BOARD


.....
CHIEF EXECUTIVE



.....

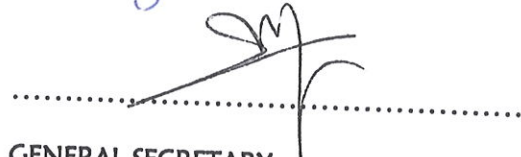
Head- LEGAL SERVICE


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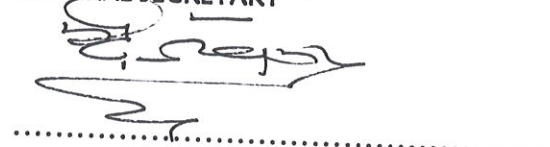
HEAD - HUMAN RESOURCES & ADMINISTRATION

ZAMBIA UNION OF FINANCIAL INSTITUTIONS & ALLIED WORKERS


.....
PRESIDENT


.....
GENERAL SECRETARY

GENERAL SECRETARY


.....
ASSISTANT GENERAL SECRETARY





APPENDIX 'A'

RULES OF THE BURGAINING UNIT

1.0 MEMBERSHIP

- 1.1 The membership of the Bargaining Unit shall not be more than twelve (12) persons with an equal number of representatives. The parties shall appoint respective spokespersons at the commencement of the negotiations. The quorum shall be eight (08) with equal representation provided the Union spokesperson shall be from ZUFIAW Head Office or another person appointed by that spokesperson.

2.0 APPOINTMENT OF CHAIRPERSON

- 2.1 Management and the Union shall appoint the Chairperson who shall be an Independent person. The Chairperson so appointed shall lead the Bargaining Unit until the negotiations are concluded.

3.0 APPOINTMENT OF SECRETARIAT

- 3.1 The Secretariat shall comprise a member nominated by Management and another nominated by the Union.

4.0 MANAGEMENT AND UNION CONSULTATIVE MEETINGS

- 4.1 Regular consultative meetings shall be held at intervals of no longer than three (03) months with either party giving thirty (30) days' notice to the other.
- 4.2 Either party may call for an emergency meeting by giving forty-eight (48) hours notice to the other party and full details of the items on the agenda shall be stated.
- 4.3 A meeting called pursuant to provisions of **Clause 4.0** subsection (4.1) and (4.1) of this Agreement will take place within the period prescribed.



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5.0 MINUTES

- 5.1 The Secretariat shall prepare the minutes of every meeting and circulate to each member of the Bargaining Unit.
- 5.2 Five (05) copies of adopted and signed minutes shall be circulated to the Chairperson and the two parties. .

6.0 DEADLOCK

- 6.1 Once a deadlock has been declared, the Bargaining Unit, shall be adjourned for consideration at a further meeting to be held at a mutually convenient time but not later than two (02) weeks from the date of adjournment.

7.0 DECLARATION OF DISPUTE

- 7.1 If after a further meeting the Bargaining Unit is still unable to reach an agreement, a dispute shall be declared and shall be resolved in accordance with Appendix E.

8.0 AGREEMENTS

- 8.1 Agreements reached between parties shall be reduced to writing in English and signed by the duly authorized member(s) of each side of the Bargaining Unit. Copies shall be given to each party and registered with the appropriate authorities in accordance with the Labour Laws currently in force.

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APPENDIX 'B'

NEGOTIABLE ITEMS

1. Amendment and Variation Clause
2. Effective Date
3. Subscription Fee to Professional Bodies
4. Labour Day Celebrations
5. Hours of Work
6. Lunch Hour
7. Breast-Feeding-Hour
8. Overtime
9. Salary Review
10. Salary Advance
11. Midmonth Salary
12. Thirteenth (13th) Cheque

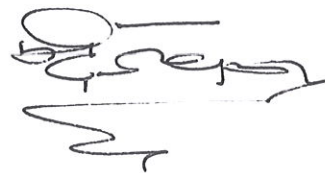
ALLOWANCES

13. Housing Allowance
14. Professional Allowance
15. Annual Leave Allowance
16. Acting Allowance
17. Responsibility Allowance
18. Travelling on Duty Allowance
19. Kilometre Allowance
20. Upset Allowance
21. Transport Allowance
22. Lunch Allowance
23. Education Allowance
24. Travelling Allowance Outside Zambia
25. Out of Pocket Allowance
26. Settling-in-Allowance
27. Repatriation Allowance
28. Long Service Bonus
29. Funeral Grant
30. Funeral Grant (Outside station)

LEAVE

31. Vacation Leave
32. Commutation
33. Paid Leave
34. Unpaid Leave

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- 35. Special Leave
- 36. Study leave
- 37. Sick Leave
- 38. Leave for Union Matters
- 39. Statutory Absence
- 40. Maternity Leave
- 41. Paternity Leave

LOANS

- 42. First Mortgage
- 43. Second Mortgage
- 44. Motor Vehicle and Cycle
- 45. Personal
- 46. Educational

EMPLOYMENT SEPARATION

- 47. Retirement
- 48. Redundancy and Retrenchment
- 49. Retirement on Medical Grounds
- 50. Voluntary Early Retirement
- 51. Death Benefits
- 52. In House Pension Scheme
- 53. Group Life Assurance

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MEDICAL

- 54. Medical Scheme
- 55. Expenses on Dentures and Spectacles
- 56. Purchase of Medicines

APPENDIX 'C' NON-NEGOTIABLE ITEMS

- 1. Transfers
- 2. Bonding of Employee
- 3. Dress Code
- 4. Discharge
- 5. Certificate of Service
- 6. Statutory Clauses
- 7. Statutory Deductions
- 8. Public Holidays
- 9. Resignation

10. Baggage Allowance

APPENDIX 'D'
CONSULTATIVE ITEMS

1. Uniforms & Protective Wear
2. Occupational Health Hazard
3. Disciplinary Code and Grievance Procedure
4. Recruitment and Terms of Appointment
5. Transfers
6. Staff Training and Development
7. Staff Policies
8. Performance Assessments

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APPENDIX 'E'

Dispute Resolution under Section 75 to 78 of the Industrial and Labour Relations Act CAP 269 of the Laws of Zambia.

