

## **New Salary Adjustment and Improved Benefits for Sabah Bank Union Employees in New Collective Agreement**

*10% - 12% salary adjustment for clerical & non-clerical staff*

The Sabah Commercial Banks' Association (SCBA) and Sabah Banking Employees' Union (SBEU) signed the 14<sup>th</sup> Collective Agreement(CA) recently in Kota Kinabalu. The CA will see clerical employees getting a salary adjustment of 10% across the board, subject to the maximum salary in their respective salary ranges. For the non-clerical employees, they will receive a 12% adjustment.

The salary ranges for all employee grades covered by the CA will be adjusted by the same percentage.

The 14<sup>th</sup> CA is for the period from 2015 to 2017 and covers about 1,500 employees in the clerical and non-clerical grades, employed in 13 member banks of SCBA in Sabah.

Signing on behalf of SCBA was Mr Liew Kui Choi, its President. Representing SBEU were Ms Margaret Chin Sat Peng, its President and Mr Lo Mei Hwa, its Secretary. Pn Nora Abd Manaf, Group Chief Human Capital Officer of Maybank Group and President of the Malayan Commercial Banks Association witnessed the signing between the two parties.

Pn Nora in her speech **thanked** all parties for their professionalism, cooperation and determination to achieve a win-win outcome for all in reaching agreement of the new CA within a comparatively short span of time. **She** said that the increment of salary is given by the banks despite the increasingly challenging times faced by banks to maintain business growth and sustainability. "All parties considered the welfare of the employees, taking into account issues such as the rising cost of living and the effect of the GST," said Nora.

She stated with the salary revision combined with the Sabah Regional Allowance, the gross wage increase for most employees will average about 12% for non-clerical employees, 14% for General Clerks and Special Grade Clerks. "The overall average increase from the salary revision and the regional allowance in this CA is much higher than that offered by the private sector in Sabah and well above CPI increase in Sabah of about 5.8% for the period from 2012 to 2014," added Nora.

Under the 14th CA, banks will pay a General Clerk a minimum and maximum salary of RM1,563 and RM4,089 respectively, which are 70% and 111% higher than the market in Sabah.

The CA also provides a new benefit, namely eligible employees will be given a paid 30 days Hajj Leave provided they have served the bank for 10 years.

Among the changes to the key benefits are as follows:

- Allocation for medical benefits for family is revised from RM1, 550 per year to RM1,800 which represents an increase of 16%.
- Reimbursement of cost of dental treatment & spectacles/contact lenses is increased from RM400 per year to RM500, an increase of 20%.
- Child Care Subsidy is revised from RM600 per year to RM840, an increase of 27%.

- Reimbursement of delivery charges for normal delivery/involving caesarean operations is revised from RM600/RM800 to RM800/RM1000, an increase of 33% and 25% respectively.
- Group Personal Insurance cover is revised from RM110,000 to RM130,000, an increase of 18%.
- Group Term Life Insurance cover is revised from RM33,000 to RM40,000, a 21% increase.

Nora said, “Banks can only afford to be generous if we continue to be profitable, and for this people productivity and performance have to be closely monitored and managed.”

She added, “As banks continue to invest in building the capabilities of their people and creating a conducive workplace to increase productivity, it is vital that we together, instil a sense urgency and agility in our workforce. This also means institutionalising an entrepreneurial mind-set in the organisation or in other words, an ownership culture. The payback or return on investment to the company, employee and community is inevitable as performance and productivity increase.”

“The 14th CA has provided greater focus on employees’ welfare and benefits especially in the current economic environment. We saw greater maturity and understanding by both parties towards the conclusion of the CA. We thank all parties for the professionalism shown. We look forward now to greater collaboration and support from all parties in the face of the increasing challenges faced by the banking industry to bring about business growth and sustainability,” said Liew Kui Choi, President of SCBA.

“CA negotiation is never an easy process. It takes lots of skills to bring both parties to come together and have a win win conclusion especially if both parties have different perceptions. With the determination and commitment that is built on trust, we believe we can overcome all the barriers together and thus benefit all parties at end of the day,” said Margaret Chin, President of SBEU.