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Time for a clean-up in Nube

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NO ONE has a clue as to what's happening in the National Union of Bank Employees. Probably, not even the director-general of Trade Unions.

The single-most influential trade union in Malaysia has been left practically rudderless following events in the past few months.

Even the Malaysian Commercial Banks Association (MCBA), which represents banks, is in a quandary as to whom it is supposed to deal with on union-employer matters for there are two factions claiming to be the rightful office-bearers of the divided union.

Equally confused are its 30,000 members.

For the truth is, the union, which became the first and probably the only one to be given the Best Managed Union award by the Human Resources Ministry only a few years ago, is in disarray today.

And that, at a time when it is supposed to be charting strategies to ensure its members do not suffer from the adverse effects of bank mergers.

Nube was, at one time, so influential that it managed to form a breakaway group - the Malaysian Labour Organisation - to rival the Malaysian Trades Union Congress as the country's labour centre.

The MLO even had a sole worker's representative in the Malaysian Business Council chaired by Prime Minister Datuk Seri Dr Mahathir Mohamad. It also had plenty of money as its members made the highest contributions in terms of subscription fee to the MTUC. But all this seems to have become history.

Over the past five years, the union has been in the limelight for all the wrong reasons. It lost millions of ringgit in stock market investments, had its most influential as well as most respected unionist K. Sanmugam unceremoniously sacked from the union and was mired in controversies with its own membership over the payment of a levy to enable the union to get out of its financial mess.

The union lost an estimated RM25 million and is in a financial crisis deeper than some companies.

Work on its multi-million ringgit Eco Park Project near Seremban, a training-cum-recreation centre for members which was supposed to have been completed, has stopped as the union has run out of funds. Despite this, union officials have been spending more time in court corridors and with their counsel to justify their actions.

Why it has taken the Human Resources Ministry, particularly the director general of Trade Unions, so long to clear the issue is befuddling.

This despite the law giving the Minister sweeping powers to settle union squabbles. It has created such a mess that not only are the members affected but their spouses as well.

For example, Nube has an arrangement with an insurance company to provide coverage for its members and spouses.

The bank which handles the account has refused to recognise the new signatories due to the confusion.

Premiums are not being remitted to the company and if this continues, the policies may lapse. And when this happens, the insured will no longer be covered.

Due to the internal bickering, banks have also rescinded the check-off facility for Nube members. This means the 30,000 members will now have to pay their subscription fees manually. This will cripple the union as without funds, it will be unable to operate or pay its principal office

bearers' salaries.

The banks also no longer allow the union to have access to commissions it received from healthcare management organisations (HMOs) as well as the insurance company.

All in all, the union has no access to almost half a million ringgit it receives monthly in the form of subscription fees and commissions from the HMOs and insurance company.

To make matters worse, union funds are being used to pay their respective legal fees.

The union's ordeal began on April 23 this year when its general secretary J. Solomon decided to expel 14 exco members for allegedly being involved in election irregularities and abuse of union funds.

The other faction, led by Mohd Noor (who was appointed general secretary after the exco sacked Solomon on Oct 30 last year), claims that Solomon was sacked as he had been making unilateral decisions which were not in line with the national exco's. Mohd Noor's team argues that the removal of the 14 officials by "Solomon's exco" was unconstitutional as it did not have a quorum.

Only 10 of the 14 exco members were present when the decision to sack the others was made on April 25. But Solomon's men think otherwise.

They refer to rule 10.5 of Nube's constitution which reads:

10.5 Two thirds of the members of the national executive council present in person shall form a quorum.

Solomon's men say the rules clearly state that the quorum is formed by two-thirds of the officials PRESENT.

Mohd Noor's men say such an interpretation is ridiculous. They say as such, the meeting and all subsequent events should be declared null and void. Mohd Noor's men also refer to rule 10.6 of the constitution which says that:

10.6 the national executive council shall meet at least once in three months, provided that the honourable general secretary with the approval of the president may call a meeting at any time.

They claim that Solomon had failed to get the president's approval as stated in the union rules.

Solomon's men claim that as the president was also one of those allegedly involved in the election irregularities, he should not be invited to the meeting or allowed to participate in the decision making.

Mohd Noor's men claim that Solomon's decision to suspend three branches - Kuala Lumpur, Seremban/Malacca and Kedah - were also unconstitutional due to the lack of quorum.

Three of the remaining six branches - Kelantan, Pahang and Johor - were also suspended later. Many other allegations have been made. That former general-secretary K. Sanmugam should not be solely blamed for the millions of ringgit lost in stock market investments, irregularities in secret ballots, outsourcing issues, levy that was paid out by members to help the union get out of its financial mess and minutes of meetings being manipulated.

Solomon's men also question the decision of Mohd Noor's exco to refer his sacking case to the triennial delegates conference (which allegedly consists of Mohd Noor's supporters) instead of referring it for arbitration.

There are also allegations that the union officials had "sold out" to the MCBA. It is alleged that the MCBA agreed to give a RM500 maternity allowance, third Saturday off and a check-off to collect levy payments from the 30,000 members provided the union agrees to remove the clause on outsourcing from the Collective Agreement.

Mohd Noor's team claim that Solomon's exco had also violated the

constitution by forming interim committees in the suspended branches. They claim the rules do not allow this.

However, Solomon's men claim this is legitimate as a precedent was set in 1985 when the suspended KL branch committee was replaced by an interim committee.

The union officials have only themselves to blame for the mess they are in.

It is high time the Human Resources Minister makes use of his powers to put the union's house in order to save it from further embarrassment.

Failing which, Nube may eventually suffer the fate of the MLO which was dissolved after the merger with the MTUC.