IN THE INDUSTRIAL RELATIONS COURT OF MALAWI

PRINCIPAL REGISTRY

MATTER NUMBER IRC 325 OF 2005

BETWEEN

NQUMAYO…….……...…….. APPLICANT

-and-

BLANTYRE WATER BOARD……..…….……...RESPONDENT

CORAM: **R ZIBELU BANDA (MS); CHAIRPERSON**
NC KAJOMBO; EMPLOYEES' PANELIST
D NAMANDWA; EMPLOYERS' PANELIST
Mpando; of Counsel for the Applicant
Nyirenda; of Counsel for the Respondent
Ngalauka; Official Interpreter

ORDER FOR SEVERANCE ALLOWANCE

The claim in this matter is for severance allowance. There is no contention on whether or not severance allowance was not paid to the applicant. The only argument from the respondent was that at the time of termination of employment in 2003 through attaining retirement age, the law precluded the applicant from receiving both severance allowance and pension benefits.

This issue was exhausted in the Malawi Supreme Court of Appeal in *Stanbic V Mwalwanda* [MSCA Civil Appeal Number…of…(unreported)]MSCA, where it was held that the law precluding employees from receiving both severance allowance and pension at time of termination was declared null and void by a competent court of law in *Khawela and others v Stanbic* [Misc CC Number…of…(unreported)] HC. Employers can therefore not derive any benefit from it neither can employees be prejudiced by it.

Order
The respondent is ordered to pay the applicant severance allowance as claimed. This order is with effect within 21 days from this Ruling.

Any party aggrieved by this decision is at liberty to appeal to the High Court within 30 days of this Order.

Made this 30th day of May 2008 at **BLANTYRE.**

Rachel Zibelu Banda
CHAIRPERSON

Nick Chifundo Kajombo
EMPLOYEES' PANELIST

D Namandwa
EMPLOYERS' PANELIST