



CENTRAL BANK OF NIGERIA

PRESS STATEMENT

THE CBN AND DISENGAGEMENT OF BANKS' WORKERS

The Central Bank of Nigeria has noted with dismay, several untrue reports in the media alleging that the Central Bank of Nigeria ordered the mass sack of Deposit Money Banks' staff and rationalization of their branches.

We wish to reiterate categorically that the Central Bank of Nigeria has never directed commercial banks to sack staff or rationalize branches as reported. Banks are private enterprises and the decision to engage or disengage staff is best left to the management and boards of the institution. These decisions are taken on the basis of business imperatives.

The CBN expects all banks to follow due process in honouring all terms of appointment of their employees and any collective agreements signed with Workers' Unions. However, the CBN does not consider it appropriate to encourage loss-making banks to further erode depositors' funds and capital through inefficiencies in cost management.

The public and all stakeholders should therefore disregard the allegation in its entirety.

M. M. Abdullahi
Head, Corporate Affairs

4th January, 2010