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The five-day bank week: The case for and the case against

Indian bank unions have been asking for a five-day week for years. Is the demand justified, and what would it take to make it work?

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Highlights

- **Bank unions and the Indian Banks' Association have agreed to form a high-level committee to discuss the demand for a five-day banking week, deferring a planned strike**
- **The demand for a five-day week, with longer working hours on other days, is based on a previously signed agreement and the increasing digitalisation of banking services.**
- **Concerns remain regarding customers who rely on physical branches for services, such as senior citizens, small traders, and those in rural areas**

After a late-night meeting on September 27, the Indian Banks' Association and the United Forum of Bank Unions agreed to form a high-level committee on the five-day banking week. The unions deferred a three-day strike that had been due to begin the next morning.

They have not withdrawn the demand, and they have said the threat of indefinite action from October 26 remains if the talks stall. Reports differ on whether that date has been formally deferred, so the latest position should be checked.

It is a good moment to ask a plain question: is the demand justified? It is easier to answer if we first separate what is being asked from what is not.

What is being asked?

Bank employees already have the second and fourth Saturdays off, under the 10th bipartite settlement of 2015. The demand is to extend this to every Saturday, so that banks work five days a week. The unions say this was agreed

on March 8, 2024, when the IBA and the UFBU signed the 12th bipartite settlement. A joint note attached to it recognised all Saturdays as holidays, pending notification by the government. The notification has not come. The unions say the matter has waited with the Finance Ministry for over two years.

Two things about the proposal are often lost in public debate. First, it would not close banking on weekends: UPI, internet banking and mobile banking would continue.

Second, by the unions' own account, the trade-off is longer working hours on the other days. Their circular mentions about 40 extra minutes, though the exact figure should be checked against the full text. This is a rearrangement of the working week, not a reduction of it.

The case for

Branches now do a different job. UPI handled a record 24.51 billion transactions in August 2026, worth Rs 29.82 lakh crore, or roughly 791 million payments a day, according to the National Payments Corporation of India.

A large share of everyday banking no longer needs Bank unions and the Indian Banks' Association have agreed to form a high-level committee to discuss the demand for a five-day banking week, deferring a planned strike

The demand for a five-day week, with longer working hours on other days, is based on a previously signed agreement and the increasing digitalisation of banking services

Concerns remain regarding customers who rely on physical branches for services, such as senior citizens, small traders, and those in rural areas Highlights a counter.

Proponents argue that a service model built around six branch days no longer matches how most people actually bank.

The work has grown and the staff has not.

Union leaders say workload in public sector banks has risen significantly over the past decade even as staff strength has declined. Others have pointed to staff shortages in most branches and to abusive customers. These are the unions' claims and should be attributed as such, and no single figure can stand for every bank. But if they are broadly right, rest is a condition for doing the job sustainably, not a luxury.

Comparable institutions already work five days.

The UFBU points out that the central government, state governments and the Reserve Bank of India all work a five-day week. Bank employees handle public money and operate under the regulator's rules. Proponents ask why they should be the exception.

It was already agreed.

This is the point supporters press hardest. The IBA represents bank managements, and it signed the joint note.

The question, on their reading, is not whether to open a new demand but whether to honour a negotiated agreement that has been stuck on a procedural step.

Recruitment and retention.

Banks compete for young graduates with employers that have moved to five days. A fair week makes the profession easier to choose. This is an inference and not a measured result, so it should be offered as an argument.

Global practice. UNI Global Union says the demand is in line with international labour standards and global practice. It is an advocacy body, so the statement is best treated as the view of an interested party.

Still, it is hard to dispute that most of the economy that banks serve already works five days.

The case against

Customers who still need a counter.

The national UPI figures hide people for whom digital banking is not a real option: senior citizens, small traders who deposit cash, families collecting remittances, and people in small towns and villages for whom the branch is also a place of advice. A five-day week that ignores them would widen a gap that already exists.

The social role of public sector banks.

These banks serve places and people that private banks often do not.

Reducing branch days is a more serious matter for them than for a bank with a metropolitan customer base. It is a fair point, and the unions have not always answered it fully.

Fraud and emergencies. When a customer is cheated online, the first hours are critical. Banks and the national cyber crime helpline do operate round the clock, but it is an open question how a two-day closure would affect a customer trying to reach their bank. The answer should be public before any change is made. The people most exposed to fraud, the elderly and first-time digital users, are also the most likely to rely on the branch.

A day off does not solve a staffing problem.

If the real issue is that branches are short of people, then a shorter week with the same number of staff produces a heavier day. The five-day week may be a necessary part of the answer, but it is not the whole of it.

What would make it justifiable

Most supporters accept that the case depends on safeguards. A few designated hub branches could open on a rota for cash and assisted services. Cash deposit and withdrawal machines could be made more reliable on the days branches are closed. Banks could provide supported digital help for older customers during the week. And the regulator and the banks could publish clear rules on fraud reporting and on how days of closure are treated.

None of these is free, and none is perfect. But a system that can move hundreds of millions of payments a day without a human being at a counter ought to be able to provide a dignified alternative for a pensioner on a Saturday.

Where it stands

The unions issued a strike notice in August, with a one-day strike on September 11, a three-day strike from September 28 to 30 and an indefinite strike from October 26 if the dispute was not resolved. Conciliation talks on September 8 and 9 produced no breakthrough. The one-day strike went ahead.

The three-day strike was deferred after the understanding of September 27. What has not happened is the decisive step: a government notification declaring all Saturdays bank holidays.

Until that comes, the five-day week exists in a settlement and in expectations, and not in law.

A fair verdict

On balance, the demand is justified in principle. It rests on a signed agreement, on the practice of comparable institutions and on a real change in how banking is delivered. But it is justified conditionally.

It is fair to ask bank employees to accept longer hours on other days, and it is fair to ask banks and the government to show how customers who still need a branch will be served.

The committee that has now been promised has the chance to do both. If it does, the five-day week can be defended on behalf of the employees and the public alike.

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